



JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804
(225) 342-1964

REPRESENTATIVE JEROME ZERINGUE
CHAIRMAN

SENATOR BODI WHITE
VICE-CHAIRMAN

AGENDA

Friday, March 18, 2022
9:30 A.M.
House Committee Room 5

I. CALL TO ORDER

II. ROLL CALL

III. BUSINESS

1. Fiscal Status Statement and Five-Year Base-Line Budget
2. BA-7 Agenda
3. Facility Planning and Control Agenda
4. Review and approval of the Fiscal Year 2022-2023 Operating Budget for the Louisiana Lottery Corporation in accordance with the provisions of R.S. 47:9010(A)(7)
5. Review and approval of amendments to extend the contract between the University of Louisiana at Lafayette and Ellucian Company L.P. for software license, hosting services, and maintenance in accordance with the provisions of R.S. 39:198(M)
6. Interpretation of legislative intent for appropriations contained in Acts 119 and 120 of the 2021 Regular Session of the Legislature in accordance with the provisions of R.S. 24:653(E)
7. Review of a contract extension between the Louisiana Department of Health and Magellan Medicaid Administration in accordance with the provisions of R.S. 39:1615(J)
8. Update by the Louisiana Department of Health on the preprint to be submitted to the Centers for Medicare and Medicaid Services regarding the Medicaid hospital directed payment methodology
9. Discussion of the procurement and award of Medicaid managed care organization contracts by the Louisiana Department of Health

IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE

V. ADJOURNMENT

Persons who do not feel comfortable giving testimony in person may submit a prepared statement in accordance with House Rule 14.33 in lieu of appearing before the committee:

A. Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and the committee records shall reflect receipt of such statement and the date and time thereof.

B. Any person who files a prepared statement which contains data or statistical information shall include in such prepared statement sufficient information to identify the source of the data or statistical information. For the purposes of this Paragraph, the term "source" shall mean a publication, website, person, or other source from which the data or statistical information contained in the prepared statement was obtained by the person or persons who prepared the statement.

NOTE: Statements emailed to briscoed@legis.la.gov and received prior to noon on Thursday, March 17, 2022, will be distributed to the committee members prior to the meeting.

All persons desiring to participate in the meeting shall utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

JEROME "ZEE" ZERINGUE, CHAIRMAN

PLEASE SUBMIT A WITNESS CARD TO THE COMMITTEE ADMINISTRATIVE ASSISTANT BEFORE THE MEETING BEGINS IF YOU WANT TO TESTIFY BEFORE THE COMMITTEE.

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
GENERAL FUND FISCAL STATUS STATEMENT
FISCAL YEAR 2021-2022
(\$ in millions)**

March 18, 2022

	<u>FEBRUARY 2022</u>	<u>MARCH 2022</u>	<u>MARCH 2022 Over/(Under) FEBRUARY 2022</u>
<u>GENERAL FUND REVENUE</u>			
Revenue Estimating Conference, January 11, 2022	\$10,735.000	\$10,735.000	\$0.000
FY 20-21 Revenue Carried Forward into FY 21-22	\$183.621	\$183.621	\$0.000
Total Available General Fund Revenue	<u>\$10,918.621</u>	<u>\$10,918.621</u>	<u>\$0.000</u>
<u>APPROPRIATIONS AND REQUIREMENTS</u>			
Non-Appropriated Constitutional Requirements			
Debt Service	\$434.030	\$434.030	\$0.000
Interim Emergency Board	\$1.323	\$1.323	\$0.000
Revenue Sharing	\$90.000	\$90.000	\$0.000
Total Non-Appropriated Constitutional Requirements	<u>\$525.353</u>	<u>\$525.353</u>	<u>\$0.000</u>
Appropriations			
General (Act 119 of 2021 RS)	\$9,260.639	\$9,260.639	\$0.000
Ancillary (Act 113 of 2021 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 116 of 21 RS)	\$164.008	\$164.008	\$0.000
Legislative (Act 117 of 21 RS)	\$73.610	\$73.610	\$0.000
Capital Outlay (Act 485 of 2021 RS)	\$43.332	\$43.332	\$0.000
Total Appropriations	<u>\$9,541.590</u>	<u>\$9,541.590</u>	<u>\$0.000</u>
Total Appropriations & Non-Appropriated Constitutional Requirements	<u>\$10,066.942</u>	<u>\$10,066.942</u>	<u>\$0.000</u>
General Fund Revenue Less Appropriations and Requirements	<u>\$851.679</u>	<u>\$851.679</u>	<u>\$0.000</u>

II. FY 2020-2021 Fiscal Status Summary:

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year. "At the first meeting of the Joint Legislative Committee on the Budget after publication of the Comprehensive Annual Financial Report for the state of Louisiana, the commissioner of administration shall certify to the committee the actual expenditures paid by warrant or transfer and the actual monies received and any monies or balances carried forward for any fund at the close of the previous fiscal year which shall be reflected in the budget status report."

FY21 GENERAL FUND DIRECT SURPLUS/DEFICIT - ESTIMATED (millions)

FY20 Surplus/(Deficit)		270.434
Other Obligations Against Cash Carried Over from FY20 to FY21		
General Fund - Direct Carryforward	67.251	
Unappropriated FY17 & FY18 Surpluses	1.234	
FY19 Surplus Transferred Out in FY21	105.938	
Transfer from Budget Stabilization Fund per HCR 1 of 2020 1ES	90.063	
Total Other Obligations Against Cash Carried Over from FY20 to FY21		264.486
FY21 General Fund - Adjusted Direct Revenues:		10,695.872
Total General Funds Available for Expenditure in FY21		11,230.792
FY21 General Fund - Direct Appropriations & Requirements:		
Draws of General Fund - Direct Appropriations	(9,090.377)	
General Obligation Debt Service	(429.052)	
Transfer to the Revenue Sharing Fund (Z06) - Constitution 7:26	(90.000)	
Transfer to Coastal Protection & Restoration Fund (Z12) - R.S. 49:214.5.4	(7.230)	
Transfer to Revenue Stabilization Fund (Z25) - Constitution 7:10.15	(205.422)	
Transfers - Legislative Actions	(152.212)	
Transfers - Other	(3.016)	
Use of Prior Year(s) Surplus - Appropriated or Transferred	(377.606)	
Total FY21 General Fund - Direct Appropriations & Requirements		(10,354.914)
General Fund Direct Cash Balance		875.878
Obligations Against the General Fund Direct Cash Balance		
General Fund - Direct Carryforwards from FY21 to FY22	(183.621)	
FY20 adjustments completed in FY21	(24.824)	
Capital Outlay/Fund corrections made in FY22	2.860	
Tobacco Tax allocation corrections made in FY22	28.925	
Total Obligated General Fund Direct		(176.659)
Net General Fund Direct Surplus/(Deficit)		699.220
Certification in accordance with R.S. 39:75A(3)(a)		\$699,219,732

III. Current Year Items Requiring Action

IV. Horizon Issues Not Contained in 5-Year Plan

**FIVE YEAR BASE LINE PROJECTION
STATE GENERAL FUND SUMMARY
CONTINUATION**

	Official Current Fiscal Year 2021-2022	Ensuing Fiscal Year 2022-2023	Projected Fiscal Year 2023-2024	Projected Fiscal Year 2024-2025	Projected Fiscal Year 2025-2026
REVENUES:					
Taxes, Licenses & Fees	\$13,869,000,000	\$13,573,100,000	\$13,725,800,000	\$13,972,500,000	\$13,637,600,000
Less Dedications	(\$3,134,100,000)	(\$2,637,300,000)	(\$2,822,900,000)	(\$3,100,200,000)	(\$3,072,700,000)
TOTAL REC REVENUES	\$10,735,000,000	\$10,935,800,000	\$10,902,900,000	\$10,872,300,000	\$10,565,000,000
ANNUAL REC GROWTH RATE		1.87%	-0.30%	-0.28%	-2.83%
Other Revenues:					
Carry Forward Balances	\$183,620,801	\$0	\$0	\$0	\$0
<i>Total Other Revenue</i>	\$183,620,801	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$10,918,620,801	\$10,935,800,000	\$10,902,900,000	\$10,872,300,000	\$10,565,000,000
EXPENDITURES:					
General Appropriation Bill (Act 119 of 2021 RS)	\$9,077,018,132	\$9,879,544,824	\$10,581,672,260	\$10,150,297,968	\$10,350,037,085
Ancillary Appropriation Bill (Act 113 of 2021 RS)	\$0	\$0	\$23,254,113	\$28,848,303	\$34,638,290
Non-Appropriated Requirements	\$525,352,685	\$533,894,467	\$543,798,376	\$561,667,759	\$563,914,889
Judicial Appropriation Bill (Act 116 of 2021 RS)	\$164,008,439	\$165,950,034	\$167,832,622	\$167,832,622	\$167,832,622
Legislative Appropriation Bill (Act 117 of 2021 RS)	\$73,610,173	\$73,610,173	\$73,582,774	\$73,582,774	\$73,582,774
Special Acts	\$0	\$0	\$25,162,436	\$25,162,436	\$25,162,436
Capital Outlay Bill (Act 485 of 2021 RS)	\$43,331,996	\$0	\$0	\$0	\$0
TOTAL ADJUSTED EXPENDITURES (less carryforwards)	\$9,883,321,425	\$10,652,999,498	\$11,415,302,581	\$11,007,391,862	\$11,215,168,096
ANNUAL ADJUSTED GROWTH RATE		7.79%	7.16%	-3.57%	1.89%
Other Expenditures:					
Carryforward BA-7s Expenditures	\$183,620,801	\$0	\$0	\$0	\$0
Total Other Expenditures	\$183,620,801	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$10,066,942,226	\$10,652,999,498	\$11,415,302,581	\$11,007,391,862	\$11,215,168,096
PROJECTED BALANCE	\$851,678,575	\$282,800,502	(\$512,402,581)	(\$135,091,862)	(\$650,168,096)
Oil Prices included in the REC forecast.	\$68.62	\$64.48	\$64.06	\$63.61	\$63.16

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
BA-7 AGENDA
March 2022**

A. Fiscal Status Statement

B. 5-Year Base Line Projection

C. Regular BA-7s

- | | | |
|----|------|--|
| 1a | EXEC | Executive Department
(01-111) Governor's Office of Homeland Security & Emergency Preparedness |
| 1b | LDH | Louisiana Department of Health
(09-326) Office of Public Health |
| 1c | LDH | Louisiana Department of Health
(09-330) Office of Behavioral Health |
| 2 | OTED | Special Schools and Commissions
(19B-662) Louisiana Educational Television Authority |



STATE OF LOUISIANA
Legislative Fiscal Office
BATON ROUGE

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Capitol Station
Baton Rouge, Louisiana 70804
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To: The Honorable Jerome "Zee" Zeringue
Joint Legislative Committee on the Budget
The Honorable Members of the Joint Legislative Committee on the Budget

From: Alan Boxberger, Interim Legislative Fiscal Officer *AMB*
Evan Brasseaux, Interim Deputy Fiscal Officer *EB*

Date: March 10, 2022

Subject: Joint Legislative Committee on the Budget
Meeting March 18, 2022

Attached are the Legislative Fiscal Office BA-7 (Budget Adjustment) write-ups for the March 18th meeting of the Joint Legislative Committee on the Budget.

The LFO recommends approval of all BA-7's.

Please contact me if you have questions or need additional information.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

DEPARTMENT: Executive

AGENDA NO.: 1a

AGENCY: Homeland Security & Emergency Prep

ANALYST: Monique Appeaning

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$891,208,631	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$891,208,631			
Total	<u>\$891,208,631</u>	Total	<u>\$891,208,631</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of the BA-7 request is to increase the federal budget authority by \$891.2 M within the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP), primarily for Hurricanes Laura and Ida cost shares as well as COVID related expenditures. The increase in federal budget authority would allow GOHSEP to continue to pay invoices to its vendors and process reimbursement requests from local, state, and nonprofit agencies for disasters and non-disaster grants. The source of the Federal funds is FEMA.

While GOHSEP experienced an average monthly burn rate of \$214.1 M in FY 22 (July 2021 – February 2022) which would indicate the agency needs an additional \$856.5 M in federal authority, the agency has projected it will process an additional \$891.2 M in FEMA-related payments to impacted entities. This represents a difference of \$34.7 M over the average monthly burn rate. Below is the breakdown of the cumulative payment information by month. NOTE: This represents all FEMA-related activities through the end of February 2022. GOHSEP realized an additional \$17.2 M in federal expenditures through March 4, 2022.

Monthly Expenditures		Federal Budget Authority	
Month	Expended		
July 2021	\$115,382,833	Existing Federal Budget Authority	= \$2,183,775,826
August 2021	\$198,071,852	Total Expenditure (as of March 4th)	= <u>(\$1,730,212,682)</u>
September 2021	\$196,079,753	Remaining Federal Budget Authority	= \$453,563,144
October 2021	\$223,176,023	*Encumbrances	= <u>(\$300,862,261)</u>
November 2021	\$233,154,281	Unrestricted Federal Budget Authority	= \$152,700,883
December 2021	\$282,814,623		
January 2022	\$259,326,789		
February 2022	<u>\$205,062,022</u>		
Total	<u>\$1,713,068,176</u>		
Average	<u>\$214,133,522</u>		

* NOTE: GOHSEP has reported \$300.9 M in encumbrances that impact its available budget and is projected for expenditure in the current fiscal year.

Additional Expenditures - Above the Average Monthly Burn Rate

GOHSEP has communicated to the Legislative Fiscal Office that it intends to expend an additional \$10 M per month for the remainder of this fiscal year for the Louisiana Emergency Rental Assistance Program (ERAP2). This represents \$40 M in additional expenditures. Also, there are two companion BA-7s that GOHSEP did not factor into the requested increase. These companion BA-7s represent an additional \$178.2 M in expenditures. For this reason, the Legislative Fiscal Office acknowledges the agency has \$152.7 M in unrestricted federal budget authority for unanticipated payments to local and state entities.

Assuming the average monthly burn rate of \$214.1 M continues and the additional \$10 M per month for the ERAP2, the LFO estimates the agency will deplete its existing federal budget authority in the first week of May 2022.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

March 18, 2022

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

DEPARTMENT: Health

AGENDA NO.: 1b

AGENCY: Public Health

ANALYST: Tanesha Morgan

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Public Health Services	\$168,178,543	0
Interagency Transfers:	\$168,178,543			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$168,178,543</u>	Total	<u>\$168,178,543</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority in the amount of \$168,178,543 in FY 22 for the Office of Public Health (OPH). The funds will be received by OPH from the Governor's Office of Homeland Security and Emergency Preparedness. The funds will be used to pay vendors for medical surge staffing related to the pandemic.

\$211,430,690 Weekly invoices from SnapMed Tech, Inc from February 5, 2022 through March 31, 2022 are anticipated to average \$23,492,299 each week. (9 weeks x \$23.5 M each week)

\$3,200,000 Monthly invoices from AMI Expeditionary Healthcare LLC from February and March of 2022 are anticipated to average approximately \$1.6 M per month. (2 months x \$1.6 M per month)

\$4,200,000 Monthly invoices from Acadian Ambulance Service DBA Safety Management System from January through March of 2022 are anticipated to average approximately \$1.4 M per month. (3 months x \$1.4 M per month)

\$218,830,690 Total IAT budget authority needed for medical surge

\$ 50,652,147 Less existing excess IAT budget authority

\$168,178,543 Remaining IAT budget authority needed (Amount requested in this BA-7)

Without this BA-7 approval, OPH does not have adequate budget authority to pay vendors for medical surge staffing for the months of January through March of 2022.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

March 18, 2022

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

DEPARTMENT: Health

AGENDA NO.: 1c

AGENCY: Behavioral Health

ANALYST: Shane Francis

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administration & Support	\$0	0
Interagency Transfers:	\$10,003,199	Behavioral Health Community	\$0	0
Self-Generated Revenue:	\$0	Hospital Based Treatment	\$10,003,199	0
Statutory Dedications:	\$0	Auxiliary Account	\$0	0
Federal Funds:	\$0			
Total	<u>\$10,003,199</u>	Total	<u>\$10,003,199</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase IAT budget authority to allow the Office of Behavioral Health (OBH) to receive reimbursement for disaster-related expenditures from FEMA/GOHSEP. The source of funding is IAT from FEMA/GOHSEP through a Public Assistance (PA) Grant for COVID-19 related reimbursements.

Contracted nursing services are projected to be \$14.0 M within the OBH Hospital Program in FY 22, increasing from \$10.9 M in FY 21. Contracted nursing services were not initially budgeted, leading to an anticipated \$14 M shortfall in OBH's operating services. \$4 M of this shortfall has been refunded by a similar grant through a previous in-house BA-7 in FY 22, which expanded OBH's IAT budget authority. The remaining \$10 M is requested to address the projected shortfall caused by the increased demand for contracted nursing services at both Eastern Louisiana Mental Health System (ELMHS) and Central Louisiana State Hospital (CLSH).

COVID-19 response efforts stressed the supply of health care providers, particularly nurses at OBH facilities, and OBH claims current compensation rates afforded by the Louisiana Civil Service (LCS) are insufficient to competitively recruit and retain qualified providers. LCS currently allows state classified RNs to receive between \$29/hr and \$35/hr, though contracted rates for RNs begin at \$66/hr across both ELMHS and CLSH. A total of \$10 M in IAT will be used to contract additional nursing services at ELMHS (\$7.3 M) and CLSH (\$2.7 M). ELMHS and CLSH have averaged 40 and 14 contract nurses respectively in FYs 21 and 22.

OBH projects revenue and expenditures each month. The operating services expenditure category was initially budgeted at \$19.9 M for FY 22, though operational expenditures have reached \$17.7 M as of March 8th, 2022. OBH projects a monthly burn rate of \$2.5 M. With five months of invoices, remaining projected expenditures for FY 22 are \$12.6 M, though only \$2.2 M remain budgeted for operating expenses. This BA-7 request would shore up the projected shortfall by \$10 M through a Federal PA grant with money distributed to OBH through IAT from GOHSEP.

<u>Category</u>	<u>Amount</u>	<u>Notes</u>
Current Expenditure Budget	\$19,909,427	Operating Services category expenditure budget as of 03/08/22
YTD Consumption	\$17,664,536	Consumption as of 03/08/22
YTD Remaining	\$2,244,891	Budget remaining as of 03/08/22
YTD Burn Rate	\$2,523,505	Assumes seven months of invoices
<u>Projected Expenditures</u>	<u>\$12,617,525</u>	Assumes five months of invoices through 6/30/22
Projected minus YTD Remaining	\$10,372,634	

For informational purposes, the hourly pay differential for impacted job titles at ELMHS and CLSH are itemized below.

Eastern Louisiana Mental Health System (ELMHS) Registered Nurses (RN) & Licensed Practical Nurses (LPN)

	<u>RN Hourly Rate</u>	<u>RN Hourly Crisis Rate</u>	<u>LPN Hourly Rate</u>	<u>LPN Hourly Crisis Rate</u>
Regular	\$65.95	\$135.00	\$36.00	\$98.00
Holidays	\$85.00	\$202.50	\$36.00	\$147.00

March 18, 2022

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

Central Louisiana State Hospital (CLSH) Registered Nurses (RN) & Certified Nursing Assistants (CNA)

	<u>RN Hourly Rate</u>	<u>RN Hourly Crisis Rate</u>	<u>CNA Hourly Rate</u>	<u>CNA Hourly Crisis Rate</u>
Regular	\$65.95	\$135.00	\$18.20	\$65.00
Holidays	\$85.00	\$202.50	\$18.20	\$97.50

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

March 18, 2022

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST**

DEPARTMENT: Special Schools & Comm.

AGENDA NO.: 2

AGENCY: LA Educational Television Authority

ANALYST: Garrett Ordner

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Broadcasting	\$199,952	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$199,952			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$199,952</u>	Total	<u>\$199,952</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority at the LA Educational Television Authority (LETA) to receive insurance funds to pay invoices associated with the repair of damage caused by Hurricane Laura in 2020 to the KLPA transmitter, tower, and antenna in Dry Prong, LA. Stress from the hurricane's high winds caused the antenna to develop air leaks, allowing nitrogen gas in the transmission line to escape. The antenna had to be removed from the tower, shipped to the manufacturer for repairs, and then reinstalled. LETA has available budget authority to receive \$12,000 of the \$211,952 insurance payment. It is requesting budget authority to receive the remaining \$199,952.

LETA has received invoices totaling \$211,952 for the repair work. The invoice dates range from November 2020 through April 2021, and while the contractors have not imposed late fees, all the invoices are past due. The invoices itemize costs for the following work:

\$3,962	Travel and labor costs for initial discovery of the antenna leaks by <i>Coast to Coast Tower Service</i> ;
\$183,515	Removal and reinstallation of the antenna by <i>Coast to Coast Tower Service</i> ;
<u>\$24,475</u>	Repair of the antenna by <i>Alive Telecom</i> ;
<u>\$211,952</u>	

NOTE: LETA is still awaiting an insurance payment in the amount of \$41,200 for a field study to certify the proper functioning of the antenna after the repairs. LETA anticipates it will file an additional BA-7 request for these insurance proceeds when the payment is received.

II. IMPACT ON FUTURE FISCAL YEARS

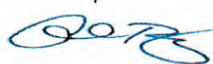
Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

March 18, 2022

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Executive Department		FOR OPB USE ONLY				
AGENCY: GOHSEP		OPB LOG NUMBER 149R		AGENDA NUMBER 1a		
SCHEDULE NUMBER: 01-111		Approval and Authority:				
SUBMISSION DATE: February 23, 2022						
AGENCY BA-7 NUMBER: 18-111-06 REVISED						
HEAD OF BUDGET UNIT: Casey Tingle						
TITLE: Director						
SIGNATURE (Certifies that the information provided is correct and true to the best of your knowledge): 						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022			
GENERAL FUND BY:						
DIRECT	\$43,731,764		\$43,731,764			
INTERAGENCY TRANSFERS	\$1,186,347		\$1,186,347			
FEES & SELF-GENERATED	\$1,682,705		\$1,682,705			
Regular Fees & Self-generated	\$1,682,705		\$1,682,705			
Subtotal of Fund Accounts from Page 2						
STATUTORY DEDICATIONS	\$921,000,000		\$921,000,000			
[Select Statutory Dedication]						
[Select Statutory Dedication]						
Subtotal of Dedications from Page 2	\$921,000,000		\$921,000,000			
FEDERAL	\$2,183,775,826	\$891,208,631	\$3,074,984,457			
TOTAL	\$3,151,376,642	\$891,208,631	\$4,042,585,273			
AUTHORIZED POSITIONS	62		62			
AUTHORIZED OTHER CHARGES	227		227			
NON-TO FTE POSITIONS						
TOTAL POSITIONS	289		289			
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
100 - Administration	\$3,151,376,642	289	\$891,208,631		\$4,042,585,273	289
Subtotal of programs from Page 2:						
TOTAL	\$3,151,376,642	289	\$891,208,631		\$4,042,585,273	289

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Executive Department	FOR OPB USE ONLY	
AGENCY: GOHSEP	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 01-111		
SUBMISSION DATE: February 23, 2022	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: 18-111-06 REVISED		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022
GENERAL FUND BY:			
FEES & SELF-GENERATED			
[Select Fund Account]			
[Select Fund Account]			
SUBTOTAL (to Page 1)			
STATUTORY DEDICATIONS			
Louisiana Port Relief Fund (V47)	\$50,000,000		\$50,000,000
Louisiana Rescue Plan Fund (V43)	\$490,000,000		\$490,000,000
Louisiana Tourism Revival Fund (V48)	\$60,000,000		\$60,000,000
Louisiana Water Sector Fund (V44)	\$300,000,000		\$300,000,000
State Emergency Response Fund (V29)	\$21,000,000		\$21,000,000
[Select Statutory Dedication]			
SUBTOTAL (to Page 1)	\$921,000,000		\$921,000,000

Use this section for additional Program Names, if needed.
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
SUBTOTAL (to Page 1)						

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?
The source of funding for this request is Federal Funds. For additional information on the multiple types of Federal Funds in this request and the projects that they are associated with, see Attachment A.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:					
DIRECT					
INTERAGENCY TRANSFERS					
FEES & SELF-GENERATED					
STATUTORY DEDICATIONS					
FEDERAL	\$891,208,631				
TOTAL	\$891,208,631				

3. If this action requires additional personnel, provide a detailed explanation below:
This action will not require additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
This request is necessary for the agency to have sufficient budget authority to complete the fiscal year. GOHSEP currently has obligations for the programs/projects listed in Attachments A & B in FY 22. Postponement of this request will cause the non-payment of these obligations in the current fiscal year.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.
This BA-7 is not after the fact.

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

GOHSEP requires additional Federal budget authority to fulfill FY 2021-2022 obligations. GOHSEP has already expended over \$1.6B in Federal authority. 2020 Disasters and Hurricane Ida were not included in GOHSEP's original FY 22 budget, and GOHSEP alone has over \$473M in expenditures and encumbrances for this event. It is expected that the Ida disaster will exceed \$3.8 billion. GOHSEP processes reimbursement requests as a pass through agency to applicants/subgrantees for all disasters and federal grant programs.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. (Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)

OBJECTIVE:				
LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2021-2022	ADJUSTMENT (+) OR (-)	REVISED FY 2021-2022
JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).				

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)

The mission of GOHSEP is to lead and support Louisiana and its citizens to prevent, prepare for, respond to, recover from and mitigate against man-made or natural disasters that threaten our State. These funds are directly related to GOHSEP's success in completing its mission.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

Not applicable

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

Failure to approve this BA-7 will hamper GOHSEP's ability to prevent and protect against hazards or threats, prepare the state to respond to and recover from emergencies and disasters, lead/coordinate Louisiana's response to all hazard events, and lead the delivery of the Hazard Mitigation Assistance Programs for the State.

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: ADMINISTRATIVE

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$43,731,764		\$43,731,764				
Interagency Transfers	\$1,186,347		\$1,186,347				
Fees & Self-Generated *	\$1,682,705		\$1,682,705				
Statutory Dedications **	\$921,000,000		\$921,000,000				
FEDERAL FUNDS	\$2,183,775,826	\$891,208,631	\$3,074,984,457				
TOTAL MOF	\$3,151,376,642	\$891,208,631	\$4,042,585,273				
EXPENDITURES:							
Salaries	\$4,938,830		\$4,938,830				
Other Compensation							
Related Benefits	\$2,358,753		\$2,358,753				
Travel	\$5,417		\$5,417				
Operating Services	\$980		\$980				
Supplies	\$201,705		\$201,705				
Professional Services							
Other Charges	\$3,127,065,160	\$891,208,631	\$4,018,273,791				
Debt Services							
Interagency Transfers	\$16,805,797		\$16,805,797				
Acquisitions							
Major Repairs							
UNALLOTTED							
TOTAL EXPENDITURES	\$3,151,376,642	\$891,208,631	\$4,042,585,273				
POSITIONS							
Classified							
Unclassified	62		62				
TOTAL T.O. POSITIONS	62		62				
Other Charges Positions	227		227				
Non-TO FTE Positions							
TOTAL POSITIONS	289		289				
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$1,682,705		\$1,682,705				
[Select Fund Account]							
[Select Fund Account]							
**Statutory Dedications:							
Louisiana Port Relief Fund (V47)	\$50,000,000		\$50,000,000				
Louisiana Rescue Plan Fund (V43)	\$490,000,000		\$490,000,000				
Louisiana Tourism Revival Fund (V48)	\$60,000,000		\$60,000,000				
Louisiana Water Sector Fund (V44)	\$300,000,000		\$300,000,000				
State Emergency Response Fund (V29)	\$21,000,000		\$21,000,000				

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT						
PROGRAM 1 NAME: <u>ADMINISTRATIVE</u>						
MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT					\$891,208,631	\$891,208,631
EXPENDITURES:						
Salaries						
Other Compensation						
Related Benefits						
Travel						
Operating Services						
Supplies						
Professional Services						
Other Charges					\$891,208,631	\$891,208,631
Debt Services						
Interagency Transfers						
Acquisitions						
Major Repairs						
UNALLOTTED						
TOTAL EXPENDITURES					\$891,208,631	\$891,208,631
OVER / (UNDER)						
POSITIONS						
Classified						
Unclassified						
TOTAL T.O. POSITIONS						
Other Charges Positions						
Non-TO FTE Positions						
TOTAL POSITIONS						

BA-7 QUESTIONNAIRE

GENERAL PURPOSE

1. The general purpose of BA-7 #18-111-06 is to increase Federal budget authority for GOHSEP.

REVENUES

7. The revenue associated with this request is Federal Funds. GOHSEP is currently appropriated \$2,183,775,826 in Federal Funds. Approval of this BA-7 will increase Federal budget authority to \$3,074,984,457.

For additional information on the multiple types of Federal Funds in this request and the projects that they are associated with, see Attachment A.

EXPENDITURES

9. The Other Charges expenditure category will be adjusted as a result of this BA-7. The current Burn Rate for these funds is included as Attachment B.

11.

Objec	Description	Amount	MOF
5610003	Other Public Assistance & Grants - General	\$891,208,631	Federal

OTHER

12. Christina Dayries
Deputy Director, Chief of Staff
225.358.5899
Christina.Dayries@la.gov

Paula Tregre
DPS Budget Director
225.925.4507
Paula.Tregre@la.gov

Federal Grant Program	Open Grant Disaster Programs	Funding Award	Reimbursed	Remaining
Public Assistance Program	26	18,982,351,614	15,587,207,930	3,395,143,684
Hazard Mitigation Grant Program	19	2,112,653,256	1,715,743,153	396,910,103
Flood Mitigation Assistance	9	339,732,640	162,657,063	177,075,577
Pre-Disaster Mitigation	5	9,053,001	2,189,980	6,863,021
Preparedness Grants	14	36,067,560	9,874,309	26,193,251
Disaster Case Management Grant	1	37,058,695	3,332,686	33,726,008
Disaster Housing Grant	1	9,336,964	2,917,624	6,419,340
CARES ACT	1	857,140,639	857,140,639	-
COVID Emergency Rental Programs	2	440,234,739	137,728,859	302,505,880
COVID Homeowner Assistance Program	1	146,668,557	4,588,172	142,080,385
American Rescue Plan Act-NEU	1	157,746,659	154,624,877	3,121,782
COVID Capital Projects Fund	1	176,741,864	-	176,741,864
Total		23,304,786,187	18,638,005,291	4,666,780,896

GOHSEP functions as the pass-through entity for the majority of this funding. The pace of reimbursements is largely dependent on the pace of project completion and the timing of reimbursement requests from sub-grantees (state agencies, parish/local governmental entities, etc.)


The Public Assistance program alone accounts for over 40,000 projects across 26 separate open disasters.

FY22 Federal Monthly Burn Rate

ATTACHMENT B

Grant/Disaster Program	FY22 Expended	Monthly Burn Rate
1603 - Hurricane Katrina	191,896,335	27,413,762
1607 - Hurricane Rita	1,043,330	149,047
1786 - Hurricane Gustav	1,409,863	201,409
1792 - Hurricane Ike	3,095,775	442,254
3392 - Louisiana Tropical Storm Nate	30,622	4,375
4080 - Hurricane Isaac	3,142,827	448,975
4102 - Severe Storms and Flooding	901,712	128,816
4228 - Severe Storms and Flooding	104,880	14,983
4263 - Severe Storms and Flooding	4,917,553	702,508
4277 - LA Severe Storms and Flooding	51,889,767	7,412,824
4300 - LA Storms, Tornadoes, and Winds	135,447	19,350
4345 - Hurricane Harvey	1,109,448	158,493
4439 - Severe Storms and Tornadoes	171,869	24,553
4458 - Hurricane Barry	7,052,549	1,007,507
4462 - Louisiana Flooding	986,032	140,862
4484 - Louisiana COVID-19	310,991,022	44,427,289
ARPA SLFRF NEU	154,624,877	22,089,268
BRIC GRANT	13,356	1,908
CARES	10,019,300	1,431,329
CRISIS COUNSELING	221,938	31,705
Emergency Rental Assistance Program	119,113,688	17,016,241
EMPG GRANTS	2,501,665	357,381
February Winter Weather Event 2021	2,315,802	330,829
Heavy Rainfall Statewide	115,939	16,563
HMND - FLOOD MITIGATION GRANTS	20,211,632	2,887,376
HMND - PRE-DISASTER GRANTS	1,013,092	144,727
Homeowner Assistance Fund	4,367,208	623,887
Not assigned	5,274,028	753,433
NSGP GRANTS	408,570	58,367
OSGP GRANTS	64,194	9,171
SHSP GRANTS	1,529,177	218,454
Tropical Storm Combined	376,867,934	53,838,276
Tropical Storm Cristobal	13,638	1,948
Tropical Storm Delta	13,659,558	1,951,365
Tropical Storm Nicholas	4,549	650
Tropical Storm Sally	1,389,940	198,563
Tropical Storm Zeta	5,301,652	757,379
Tropical Weather - Statewide	146,741	20,963
Tropical Weather - Statewide - August	384,153,474	54,879,068
UASI 2020	152,014	21,716
WIPP (WASTE ISOLATION PILOT PLANT) C	54,265	7,752
Grand Total	1,682,417,261	240,345,323

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: LOUISIANA DEPARTMENT OF HEALTH		FOR OPB USE ONLY				
AGENCY: OFFICE OF PUBLIC HEALTH		OPB LOG NUMBER		AGENDA NUMBER		
SCHEDULE NUMBER: 09-326		144 R		1b		
SUBMISSION DATE: February 28, 2022		Approval and Authority:				
AGENCY BA-7 NUMBER: #6R FEMA Disaster Reimbursements						
HEAD OF BUDGET UNIT: Kimberly Hood, JD						
TITLE: OPH Assistant Secretary						
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge)</small>						
 2022						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)		REVISED FY 2021-2022		
GENERAL FUND BY:						
DIRECT	\$57,235,968	\$0		\$57,235,968		
INTERAGENCY TRANSFERS	\$715,150,113	\$168,178,543		\$883,328,656		
FEES & SELF-GENERATED	\$54,175,366	\$0		\$54,175,366		
Regular Fees & Self-generated	\$54,166,366	\$0		\$54,166,366		
Subtotal of Fund Accounts from Page 2	\$9,000	\$0		\$9,000		
STATUTORY DEDICATIONS	\$10,148,851	\$0		\$10,148,851		
[Select Statutory Dedication]	\$0	\$0		\$0		
[Select Statutory Dedication]	\$0	\$0		\$0		
Subtotal of Dedications from Page 2	\$10,148,851	\$0		\$10,148,851		
FEDERAL	\$715,018,557	\$0		\$715,018,557		
TOTAL	\$1,551,737,855	\$168,178,543		\$1,719,916,398		
AUTHORIZED POSITIONS	1,235	0		1,235		
AUTHORIZED OTHER CHARGES	0	0		0		
NON-TO FTE POSITIONS	105	0		105		
TOTAL POSITIONS	1,340	0		1,340		
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
PUBLIC HEALTH SERVICES	\$1,551,737,855	1,340	\$168,178,543	0	\$1,719,916,398	1,340
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
TOTAL	\$1,551,737,855	1,340	\$168,178,543	0	\$1,719,916,398	1,340

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: LOUISIANA DEPARTMENT OF HEALTH	FOR OPB USE ONLY	
AGENCY: OFFICE OF PUBLIC HEALTH	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09-326		
SUBMISSION DATE: February 28, 2022	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: #6R FEMA Disaster Reimbursements		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
 The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022
GENERAL FUND BY:			
FEES & SELF-GENERATED			
Emergency Medical Technician Fund Account	\$9,000	\$0	\$9,000
[Select Fund/Account]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$9,000	\$0	\$9,000
STATUTORY DEDICATIONS			
Oyster Sanitation Fund (Q08)	\$186,051	\$0	\$186,051
Louisiana Fund (Z13)	\$6,821,260	\$0	\$6,821,260
Telecommunications for the Deaf Fund (E02)	\$2,716,136	\$0	\$2,716,136
Emergency Medical Technician Fund (P14)	\$0	\$0	\$0
Vital Records Conversion Fund (H18)	\$425,404	\$0	\$425,404
[Select Statutory Dedication]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$10,148,851	\$0	\$10,148,851

Use this section for additional Program Names, if needed.
 The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
SUBTOTAL (to Page 1)	\$0	0	\$0	0	\$0	0

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?

The source of funding is IAT from FEMA/GOHSEP in the amount of \$168,178,543. The purpose of this BA7 is to provide Office of Public Health with additional IAT authority to receive funding from FEMA/GOHSEP for disaster related expenditures. These expenditures are for ongoing support for: 1) \$12,579,529 - Hospital surge staffing contracts that are needed statewide to respond to the overwhelming need for healthcare providers in response to the COVID Pandemic; 2) \$37,447,790 - Mass Vaccination efforts in communities statewide; 3) \$403,002 - Contracts and operational supplies costs in response to Hurricane Ida and; 4) \$117,748,222 - COVID-19 testing for Point of Care (POC) and Polymerase Chain Reaction (PCR), Monoclonal Antibody treatment, Rapid COVID-19 testing statewide, and Professional Services and Supplies contracts for ongoing response to the COVID-19 pandemic.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$168,178,543	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
TOTAL	\$168,178,543	\$0	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:
This action does not require any additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.

The Office of Public Health does not have sufficient revenue or expenditure authority to receive these reimbursements from GOHSEP for OPH's ongoing disaster response efforts related to the COVID-19 Pandemic as well as ongoing response to Hurricane Ida.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.

Yes. The Office of Public Health has made obligations and expenditures for these catastrophic and emergency activities. These costs have been incurred in order to timely respond to the emergency needs of the state related to the COVID-19 Pandemic as well as Hurricane Ida response.

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

Approval of this BA-7 will allow the Office of Public Health to receive \$168,178,543 in Interagency Transfers from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) for ongoing costs incurred for Hospital Staffing Contracts, Mass Vaccination efforts, continued Hurricane Ida response, and COVID-19 testing and response statewide.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. (Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)

OBJECTIVE:				
LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2021-2022	ADJUSTMENT (+) OR (-)	REVISED FY 2021-2022

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)

There are no additional impacts other than what is stated above.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

This request is for Interagency Transfer funding for FEMA reimbursements as a direct response to the COVID-19 pandemic as well as Hurricane Ida response for which the agency does not have any performance indicators to track.

5. Describe the performance impacts of failures to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

Failure to approve this BA-7 will result in the agency's inability to receive \$168,178,543 in Interagency Transfers from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) for ongoing costs incurred for Hospital Staffing Contracts, Mass Vaccination efforts, continued Hurricane Ida response, and COVID-19 testing and response statewide.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: PUBLIC HEALTH SERVICES

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT/OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$57,235,968	\$0	\$57,235,968	\$0	\$0	\$0	\$0
Interagency Transfers	\$715,150,113	\$168,178,543	\$883,328,656	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$54,184,366	\$0	\$54,184,366	\$0	\$0	\$0	\$0
Statutory Dedications **	\$10,148,851	\$0	\$10,148,851	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$715,018,557	\$0	\$715,018,557	\$0	\$0	\$0	\$0
TOTAL MOF	\$1,551,737,855	\$168,178,543	\$1,719,916,398	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$78,824,822	\$0	\$78,824,822	\$0	\$0	\$0	\$0
Other Compensation	\$7,792,731	\$0	\$7,792,731	\$0	\$0	\$0	\$0
Related Benefits	\$49,378,340	\$0	\$49,378,340	\$0	\$0	\$0	\$0
Travel	\$2,758,228	\$0	\$2,758,228	\$0	\$0	\$0	\$0
Operating Services	\$13,852,790	\$0	\$13,852,790	\$0	\$0	\$0	\$0
Supplies	\$15,025,827	\$0	\$15,025,827	\$0	\$0	\$0	\$0
Professional Services	\$68,439,797	\$0	\$68,439,797	\$0	\$0	\$0	\$0
Other Charges	\$1,286,901,524	\$168,178,543	\$1,455,080,067	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$27,180,745	\$0	\$27,180,745	\$0	\$0	\$0	\$0
Acquisitions	\$1,783,251	\$0	\$1,783,251	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,551,737,855	\$168,178,543	\$1,719,916,398	\$0	\$0	\$0	\$0
POSITIONS							
Classified	1,221	0	1,221	0	0	0	0
Unclassified	14	0	14	0	0	0	0
TOTAL T.O. POSITIONS	1,235	0	1,235	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	105	0	105	0	0	0	0
TOTAL POSITIONS	1,340	0	1,340	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$54,175,366	\$0	\$54,175,366	\$0	\$0	\$0	\$0
Emergency Medical Technician Fund Account	\$9,000	\$0	\$9,000	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
Oyster Sanitation Fund (Q08)	\$188,051	\$0	\$188,051	\$0	\$0	\$0	\$0
Louisiana Fund (Z13)	\$6,821,260	\$0	\$6,821,260	\$0	\$0	\$0	\$0
Telecommunications for the Deaf Fund (E02)	\$2,716,136	\$0	\$2,716,136	\$0	\$0	\$0	\$0
Emergency Medical Technician Fund (P14)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vital Records Conversion Fund (H19)	\$425,404	\$0	\$425,404	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: PUBLIC HEALTH SERVICES

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$168,178,543	\$0	\$0	\$0	\$168,178,543
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$168,178,543	\$0	\$0	\$0	\$168,178,543
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$168,178,543	\$0	\$0	\$0	\$168,178,543
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

GENERAL PURPOSE

The purpose of this BA-7 is to request budget authority in the amount of \$168,178,543 for FEMA Reimbursements for ongoing Hospital Staffing Contracts, testing and supplies, and Mass Vaccination efforts statewide in response to the COVID-19 pandemic, and ongoing expenditures in response to Hurricane IDA.

REVENUES

Interagency Transfers – \$168,178,543 from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) FEMA Reimbursements.

EXPENDITURES

Other Charges –

GL 5620137- Other Charges Professional Services \$151,475,541: expenditures for medical staffing surge contracts (\$12,579,529); Mass Vaccination efforts (\$37,447,790); Monoclonal Antibody Services treatment (\$86,448,222); Point of Care (POC) and Polymerase Chain Reaction (PCR) testing (\$15,000,000);

GL 5620065 – Other Charges-Supplies \$16,703,002: Rapid COVID-19 tests (\$2,300,000); contracts for supplies for Hurricane IDA response as well as COVID-19 response (\$14,403,002).

OTHER

Name of Agency/Program Contact: Ashley Dromgoole, OPH Chief Financial Officer

Phone: (225)342-7881

Email: ashley.dromgoole@la.gov

Budget Contact: Ashley Dromgoole, OPH Chief Financial Officer

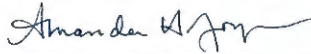
Phone: (225)342-7881

Email: ashley.dromgoole@la.gov

BA-7 SUPPORT INFORMATION

Page _____

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Louisiana Department of Health		FOR OPB USE ONLY				
AGENCY: Office of Behavioral Health		OPB LOG NUMBER 148		AGENDA NUMBER 1c		
SCHEDULE NUMBER: 09-330		Approval and Authority:				
SUBMISSION DATE: February 15, 2022						
AGENCY BA-7 NUMBER: BA-7 #5 IAT Budget Authority - GOHSEP Companion						
HEAD OF BUDGET UNIT: Amanda H. Joyner						
TITLE: Deputy Assistant Secretary						
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge):</small> 						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)		REVISED FY 2021-2022		
GENERAL FUND BY:						
DIRECT	\$111,565,158	\$0		\$111,565,158		
INTERAGENCY TRANSFERS	\$96,606,562	\$10,003,199		\$106,609,761		
FEES & SELF-GENERATED	\$952,760	\$0		\$952,760		
Regular Fees & Self-generated	\$952,760	\$0		\$952,760		
Subtotal of Fund Accounts from Page 2	\$0	\$0		\$0		
STATUTORY DEDICATIONS	\$6,540,074	\$0		\$6,540,074		
Compulsive & Problem Gaming Fund (H10)	\$2,583,873	\$0		\$2,583,873		
Tobacco Tax Health Care Fund (E32)	\$2,220,417	\$0		\$2,220,417		
Health Care Facility Fund (H12)	\$302,212	\$0		\$302,212		
State Coronavirus Relief Fund (STK)	\$1,433,572	\$0		\$1,433,572		
Subtotal of Dedications from Page 2	\$0	\$0		\$0		
FEDERAL	\$92,084,079	\$0		\$92,084,079		
TOTAL	\$307,748,633	\$10,003,199		\$317,751,832		
AUTHORIZED POSITIONS	1,674	0		1,674		
AUTHORIZED OTHER CHARGES	6	0		6		
NON-TO FTE POSITIONS	115	0		115		
TOTAL POSITIONS	1,795	0		1,795		
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
BH Admin and Comm Oversight	\$118,021,207	141	\$0	0	\$118,021,207	141
Hospital Based Treatment	\$189,707,426	1,654	\$10,003,199	0	\$199,710,625	1,654
Auxiliary	\$20,000	0	\$0	0	\$20,000	0
Program 4	\$0	0	\$0	0	\$0	0
Program 5	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
TOTAL	\$307,748,633	1,795	\$10,003,199	0	\$317,751,832	1,795

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Louisiana Department of Health	FOR OPB USE ONLY	
AGENCY: Office of Behavioral Health	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09-330		
SUBMISSION DATE: February 15, 2022	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: BA-7 #5 IAT Budget Authority - GO		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022
GENERAL FUND BY:			
FEES & SELF-GENERATED			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$0	\$0
STATUTORY DEDICATIONS			
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$0	\$0

Use this section for additional Program Names, if needed.
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
SUBTOTAL (to Page 1)	\$0	0	\$0	0	\$0	0

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?
The source of funding is IAT from FEMA/GOHSEP for disaster (COVID) related expenditures. The purpose of this BA-7 is to increase IAT budget authority to allow the Office of Behavioral Health to receive reimbursement for disaster-related expenditures from FEMA/GOHSEP.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$10,003,199	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
TOTAL	\$10,003,199	\$0	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:

This action does not require additional personnel

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.

The Office of Behavioral Health does not have sufficient revenue or expenditure authority to receive these reimbursements from GOHSEP for COVID-19-related expenditures.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.

This is not an after the fact BA-7.

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT				
<p>1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.</p> <p>There are no programmatic impacts that result from the approval of this BA-7.</p>				
<p>2. Complete the following information for each objective and related performance indicators that will be affected by this request. <i>(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)</i></p>				
OBJECTIVE:				
LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2021-2022	ADJUSTMENT (+) OR (-)	REVISED FY 2021-2022
JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).				
<p>3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. <i>(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)</i></p> <p>No new objectives or performance indicators will be created in the LaPAS database.</p>				
<p>4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.</p> <p>There are no performance impacts associated with any existing performance objectives or indicators.</p>				
<p>5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)</p> <p>Additional budget authority is required to receive these IAT funds from FEMA/GOHSEP. Failure to approve this BA-7 will result in OBH not having adequate IAT authority to receive reimbursement from FEMA/GOHSEP for disaster related expenditures.</p>				

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Behavioral Health Administration and Community Oversight Program

MEANS OF FINANCING:	CURRENT	REQUESTED	REVISED	ADJUSTMENT OUTYEAR PROJECTIONS			
	FY 2021-2022	ADJUSTMENT	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$16,067,659	\$0	\$16,067,659	\$0	\$0	\$0	\$0
Interagency Transfers	\$6,220,951	\$0	\$6,220,951	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$273,845	\$0	\$273,845	\$0	\$0	\$0	\$0
Statutory Dedications **	\$4,804,290	\$0	\$4,804,290	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$90,654,462	\$0	\$90,654,462	\$0	\$0	\$0	\$0
TOTAL MOF	\$118,021,207	\$0	\$118,021,207	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$8,185,048	\$0	\$8,185,048	\$0	\$0	\$0	\$0
Other Compensation	\$822,051	\$0	\$822,051	\$0	\$0	\$0	\$0
Related Benefits	\$6,182,248	\$0	\$6,182,248	\$0	\$0	\$0	\$0
Travel	\$96,252	\$0	\$96,252	\$0	\$0	\$0	\$0
Operating Services	\$129,421	\$0	\$129,421	\$0	\$0	\$0	\$0
Supplies	\$99,566	\$0	\$99,566	\$0	\$0	\$0	\$0
Professional Services	\$50,494	\$0	\$50,494	\$0	\$0	\$0	\$0
Other Charges	\$41,832,873	\$0	\$41,832,873	\$0	\$0	\$0	\$0
Debt Services		\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$60,623,254	\$0	\$60,623,254	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$118,021,207	\$0	\$118,021,207	\$0	\$0	\$0	\$0
POSITIONS							
Classified	101	0	101	0	0	0	0
Unclassified	2	0	2	0	0	0	0
TOTAL T.O. POSITIONS	103	0	103	0	0	0	0
Other Charges Positions	6	0	6	0	0	0	0
Non-TO FTE Positions	32	0	32	0	0	0	0
TOTAL POSITIONS	141	0	141	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$17,057	\$0	\$17,057	\$0	\$0	\$0	\$0
[Select Fund Account]	\$99,588	\$0	\$99,588	\$0	\$0	\$0	\$0
[Select Fund Account]	\$157,200	\$0	\$157,200	\$0	\$0	\$0	\$0
**Statutory Dedications:							
Compulsive & Problem Gaming Fund (H10)	\$2,583,873	\$0	\$2,583,873	\$0	\$0	\$0	\$0
Tobacco Tax Health Care Fund (E32)	\$2,220,417	\$0	\$2,220,417	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Behavioral Health Administration and Community Oversight Program

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$0	\$0
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 2 NAME: HOSPITAL BASED TREATMENT

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$95,497,499		\$95,497,499	\$0	\$0	\$0	\$0
Interagency Transfers	\$90,385,611	\$10,003,199	\$100,388,810	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$658,915	\$0	\$658,915	\$0	\$0	\$0	\$0
Statutory Dedications **	\$1,735,784	\$0	\$1,735,784	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$1,429,617	\$0	\$1,429,617	\$0	\$0	\$0	\$0
TOTAL MOF	\$189,707,426	\$10,003,199	\$199,710,625	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$83,229,945	\$0	\$83,229,945	\$0	\$0	\$0	\$0
Other Compensation	\$2,927,642	\$0	\$2,927,642	\$0	\$0	\$0	\$0
Related Benefits	\$49,377,699	\$0	\$49,377,699	\$0	\$0	\$0	\$0
Travel	\$109,168	\$0	\$109,168	\$0	\$0	\$0	\$0
Operating Services	\$15,908,361	\$10,003,199	\$25,911,560	\$0	\$0	\$0	\$0
Supplies	\$7,219,429	\$0	\$7,219,429	\$0	\$0	\$0	\$0
Professional Services	\$8,376,035	\$0	\$8,376,035	\$0	\$0	\$0	\$0
Other Charges	\$8,992,275	\$0	\$8,992,275	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$13,566,872	\$0	\$13,566,872	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$189,707,426	\$10,003,199	\$199,710,625	\$0	\$0	\$0	\$0
POSITIONS							
Classified	1,560	0	1,560	0	0	0	0
Unclassified	11	0	11	0	0	0	0
TOTAL T.O. POSITIONS	1,571	0	1,571	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	83	0	83	0	0	0	0
TOTAL POSITIONS	1,654	0	1,654	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$658,915	\$0	\$658,915	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
Health Care Facility Fund (H12)	\$302,212	\$0	\$302,212	\$0	\$0	\$0	\$0
State Coronavirus Relief Fund (STK)	\$1,433,572	\$0	\$1,433,572	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 2 NAME: HOSPITAL BASED TREATMENT

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$10,003,199	\$0	\$0	\$0	\$10,003,199
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$10,003,199	\$0	\$0	\$0	\$10,003,199
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$10,003,199	\$0	\$0	\$0	\$10,003,199
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 3 NAME: AUXILIARY

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0
POSITIONS							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$20,000	\$0	\$20,000	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 3 NAME: AUXILIARY

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$0	\$0
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 4 NAME: UNALLOTTED

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 4 NAME: UNALLOTTED

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$0	\$0
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

OBH BA-7 #5 – QUESTIONNAIRE

GENERAL PURPOSE

The purpose of this BA-7 is to increase IAT budget authority to allow the Office of Behavioral Health to receive reimbursement for disaster-related expenditures from FEMA/GOHSEP.

REVENUES

IAT \$10,003,199

EXPENDITURES

Program (MOF)	ORG	OBJ	Amount	Means of Finance
300	0033	3000	\$ 2,684,403	IAT
300	1402	3000	\$ 7,318,796	IAT
			<u>\$10,003,199</u>	

The total COVID-19-related disaster expenditures are projected to be \$14,004,265 within the OBH Hospital Program. The FY22 available IAT revenue authority is \$0, which will result in a projected shortfall of \$14M. \$4M of this projected shortfall was requested in BA-7 #4. As of February 15, 2022, the Hospital Program is in a deficit, which is primarily attributable to the need to contract for crisis nursing services at both Eastern Louisiana Mental Health System (ELMHS) and Central Louisiana State Hospital (CLSH). COVID-19 has exacerbated the national nursing crisis, and current Louisiana Civil Service nursing salaries are not sufficient for competitive recruitment and retention. The regular hourly rate for state classified registered nurses (RN) is between \$29 and \$35. In order to meet the need for adequate patient care, ELMHS and CLSH must contract for nursing services. Although the regular contracted hourly rate for RNs is between \$66 and \$85, the contractors have shifted to an hourly crisis rate that is between \$135 and \$203. This is due to their own inability to recruit and retain qualified nurses. See the attached price sheet.

OTHER

Contact:
Deanne Mills
Program Manager 3 - Budget – Administration
(225) 342-9265

Attachment C - Price Sheet
LDH OBH On-Site Direct Nursing Care Services

Eastern Louisiana Mental Health System (ELMHS); Registered Nurses (RN) & Licensed Practical Nurses (LPN)

	RN Hourly Rate	RN Hourly Crisis Rate	LPN Hourly Rate	LPN Hourly Crisis Rate
Orientation	\$ 65.95	\$135.00	\$ 36.00	\$98.00
Weekdays				
Day Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 36.00	\$98.00
Night Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 36.00	\$98.00
Weekends				
Day Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 36.00	\$98.00
Night Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 36.00	\$98.00
Holidays				
Day Shift - twelve (12) hours	\$ 85.00	\$202.50	\$ 36.00	\$147.00
Night Shift - twelve (12) hours	\$ 85.00	\$202.50	\$ 36.00	\$147.00

Central Louisiana State Hospital (CLSH); Registered Nurses (RN) & Certified Nursing Assistants (CNA)

	RN Hourly Rate	RN Hourly Crisis Rate	CNA Hourly Rate	CNA Hourly Crisis Rate
Orientation	\$ 65.95	\$135.00	\$ 18.20	\$65.00
Weekdays				
Day Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 18.20	\$65.00
Night Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 18.20	\$65.00
Weekends				
Day Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 18.20	\$65.00
Night Shift - twelve (12) hours	\$ 65.95	\$135.00	\$ 18.20	\$65.00
Holidays				
Day Shift - twelve (12) hours	\$ 85.00	\$202.50	\$ 18.20	\$97.50
Night Shift - twelve (12) hours	\$ 85.00	\$202.50	\$ 18.20	\$97.50

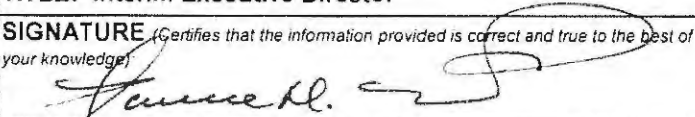
Day Shift: 6 AM - 6 PM; Night Shift: 6 PM - 6 AM; Shift differentials are included in hourly rate.

Holidays include: New Year's Day, Martin Luther King Day, Good Friday, Memorial Day, July 4th, Labor Day, Veterans Day, Thanksgiving Day and Christmas Day

Overtime: Overtime for staff will be billed at time and one half (1+1/2). All overtime requires hospital approval and is based on all hours worked in excess of forty (40) hours during the weekly period from Sunday (day shift) to Saturday (night shift).

A

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Special Schools & Commissions		FOR OPB USE ONLY				
AGENCY: Louisiana Educational Television Authority		OPB LOG NUMBER		AGENDA NUMBER		
SCHEDULE NUMBER: 19-662		146R		2		
SUBMISSION DATE: 2/28/22		Approval and Authority:				
AGENCY BA-7 NUMBER: 2						
HEAD OF BUDGET UNIT: Clarence Copeland						
TITLE: Interim Executive Director						
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge)</small>						
						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)		REVISED FY 2021-2022		
GENERAL FUND BY:						
DIRECT	\$9,476,810				\$9,476,810	
INTERAGENCY TRANSFERS	\$315,917		\$0		\$315,917	
FEES & SELF-GENERATED	\$2,344,201		\$199,952		\$2,544,153	
Regular Fees & Self-generated	\$2,344,201		\$0		\$2,344,201	
Subtotal of Fund Accounts from Page 2	\$0		\$199,952		\$199,952	
STATUTORY DEDICATIONS	\$75,000		\$0		\$75,000	
Education Excellence Fund (Z18)	\$75,000		\$0		\$75,000	
[Select Statutory Dedication]	\$0		\$0		\$0	
Subtotal of Dedications from Page 2	\$0		\$0		\$0	
FEDERAL	\$0		\$0		\$0	
TOTAL	\$12,211,928		\$199,952		\$12,411,880	
AUTHORIZED POSITIONS	66		0		66	
AUTHORIZED OTHER CHARGES	0		0		0	
NON-TO FTE POSITIONS	0		0		0	
TOTAL POSITIONS	66		0		66	
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Broadcasting	\$12,211,928	66	\$199,952	0	\$12,411,880	66
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2.	\$0	0	\$0	0	\$0	0
TOTAL	\$12,211,928	66	\$199,952	0	\$12,411,880	66

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Special Schools & Commissions	FOR OPB USE ONLY	
AGENCY: Louisiana Educational Television Authority	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 19-662		
SUBMISSION DATE: 2/28/22	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: 2		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
 The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022
GENERAL FUND BY:			
FEES & SELF-GENERATED			
[Select Fund Account]		\$199,952	\$199,952
[Select Fund Account]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$199,952	\$199,952
STATUTORY DEDICATIONS			
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$0	\$0

Use this section for additional Program Names, if needed.
 The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
SUBTOTAL (to Page 1)	\$0	0	\$0	0	\$0	0

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?
Source of Funding is Self-Generated Revenue. Existing authority was found in Fees and Self-Generated Revenue from IAT-Insurance. This was due to a lower than expected Risk Management bill. The funds were received as an insurance claim from Hurricane Laura. There are no restrictions on the funds.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$199,952	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
TOTAL	\$199,952	\$0	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:
No additional personnel are required.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
The insurance claim was settled at the end of December 2021 and the payment was received in January of 2022. Invoices from Alive Telecom and Coast to Coast Tower Service need to be paid for services rendered.

5. Is this an after the fact BA-7, e.g., have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.
Yes, the expenditures have been made but the invoices have not been paid. The work had to be completed to keep us on the air. If we lost service to our viewers, we could have jeopardized our state license.

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

The damage to the KLPA Transmitter, Tower and Antenna had to be repaired in order for us to stay on the air.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. (Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)

OBJECTIVE:				
LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2021-2022	ADJUSTMENT (+) OR (-)	REVISED FY 2021-2022
	No performance indicators will be affected.			
JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).				

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)

There is no direct impact on performance indicators.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

There are no performance indicators associated with this funding.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

If this BA-7 is not approved, the invoices will not get paid.

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: BROADCASTING

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$9,476,810	\$0	\$9,476,810	\$0	\$0	\$0	\$0
Interagency Transfers	\$315,917	\$0	\$315,917	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$2,344,201	\$199,952	\$2,544,153	\$0	\$0	\$0	\$0
Statutory Dedications **	\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$12,211,928	\$199,952	\$12,411,880	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$4,077,561	\$0	\$4,077,561	\$0	\$0	\$0	\$0
Other Compensation	\$8,888	\$0	\$8,888	\$0	\$0	\$0	\$0
Related Benefits	\$2,450,419	\$0	\$2,450,419	\$0	\$0	\$0	\$0
Travel	\$1,207	\$0	\$1,207	\$0	\$0	\$0	\$0
Operating Services	\$1,635,202	\$0	\$1,635,202	\$0	\$0	\$0	\$0
Supplies	\$65,517	\$0	\$65,517	\$0	\$0	\$0	\$0
Professional Services	\$43,375	\$0	\$43,375	\$0	\$0	\$0	\$0
Other Charges	\$616,703	\$0	\$616,703	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$388,706	\$0	\$388,706	\$0	\$0	\$0	\$0
Acquisitions	\$2,346,250	\$0	\$2,346,250	\$0	\$0	\$0	\$0
Major Repairs	\$578,100	\$199,952	\$778,052	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$12,211,928	\$199,952	\$12,411,880	\$0	\$0	\$0	\$0
POSITIONS							
Classified	60	0	60	0	0	0	0
Unclassified	6	0	6	0	0	0	0
TOTAL T.O. POSITIONS	66	0	66	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
TOTAL POSITIONS	66	0	66	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$2,344,201	\$199,952	\$2,544,153	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
Education Excellence Fund (Z18)	\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: BROADCASTING

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$199,952	\$0	\$0	\$199,952
EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$199,952	\$0	\$0	\$199,952
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$199,952	\$0	\$0	\$199,952
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

BA-7 QUESTIONNAIRE

GENERAL PURPOSE

The purpose of this BA-7 is to take in an insurance claim payout and pay expenses associated with Hurricane Laura damage to KLPA Transmitter, Tower and Antenna.

REVENUES

If Self-Generated Revenues

\$199,952 Insurance Claim

EXPENDITURES

Major Repairs for Hurricane Laura Damage (KLPA Transmitter Tower & Bridge)-\$199,952

- Alive Telecom:
 1. Invoice#2522 4/15/21, for Main Antenna Repair, \$24,475
- Coast To Coast Tower Service Inc:
 1. Invoice#2672, 5/6/21, for Weather delay, \$9,900
 2. Invoice#2671, 5/6/21, for completion of Mount TV Antenna Removal & Install \$85,212
 3. Invoice#2653, 3/17/21, for Class IV Rigging Plan to Rig Tower, \$45,000
 4. Invoice#2622, 2/25/21, for Customer Deposit for Top Mount TV Antenna Removal & Install Services, \$43,403
 5. Invoice#2586, for Initial Antenna Leak Discovery, \$3,962

OTHER

Clarence Copeland
Interim Executive Director
225-767-4446
kducote@lpb.org

Kimberly Ducote
Director of Business Services
225-767-4269

BA-7 SUPPORT INFORMATION

DIVISION OF ADMINISTRATION
Facility Planning & Control

JOINT LEGISLATIVE COMMITTEE
ON THE
BUDGET

Briefing Book

FOR

March 2022

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Grambling, Louisiana	
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Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2022

The Honorable Jerome Zeringue, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

**RE: Increase Budget Authority – Federal Funds
Louisiana Military Department
01/112 Statewide Backlog of Maintenance and Repair (BMAR), Phase 3, and
Statewide Infrastructure Rehabilitation, Phase 3
(Statewide)**

Dear Chairman Zeringue:

Act 485 of 2021 included an appropriation of \$2,245,005 in Priority 1 General Obligation Bonds, \$2,500,000 in Priority 2 General Obligation Bonds, and \$15,000,000 in Federal Funds for the referenced project.

The Louisiana Military Department is requesting authority to receive an additional \$12,000,000 payable from Federal Funds in Fiscal Year 2021-22. This will increase the Fiscal Year 2021-22 appropriation of Federal Funds to \$27,000,000. No increase or adjustment to State funding is requested, as this additional funding is all Federal Funds.

On behalf of the Louisiana Military Department, the Office of Facility Planning and Control is requesting authorization to accept an additional \$12,000,000 from the National Guard Bureau through the United States Property & Fiscal Office (USPFO) and Construction & Facilities Management Office to address BMAR projects.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Jason D. Sooter
Director

Recommended for Approval: _____

Mark A. Moses
Assistant Commissioner

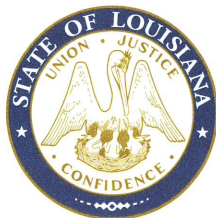
Approved: _____

Jay Dardenne
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC
Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Ms. Ternisa Hutchinson, OPB
Mr. Samuel Roubique, OPB
Mr. Paul Fernandez, OPB
Ms. Linda Hopkins, House Fiscal Division
Mr. Mark Mahaffey, House Fiscal Division
Mr. Daniel Waguespack, House Fiscal Division
Ms. Dazia Briscoe, House Fiscal Division
Ms. Martha Hess, Senate Counsel
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2022

The Honorable Jerome Zeringue, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

**RE: Reporting of Change Orders over \$50,000 and under \$100,000
Facility Planning and Control**

Dear Chairman Zeringue:

In accordance with R.S. 39:126 any change order in excess of fifty thousand dollars but less than one hundred thousand dollars shall be submitted to the Joint Legislative Committee on the Budget for review but shall not require committee approval. Pursuant to this authority Facility Planning and Control has issued change orders that are itemized on the attached list.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

A handwritten signature in blue ink that reads "Jason D. Sooter".

Jason D. Sooter
Director

Recommended for Approval: _____

A handwritten signature in blue ink that reads "Mark A. Moses".

Mark A. Moses
Assistant Commissioner

Approved: _____

A handwritten signature in blue ink that reads "Jay Dardenne".

Jay Dardenne
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC
Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Ms. Ternisa Hutchinson, OPB
Mr. Samuel Roubique, OPB
Mr. Paul Fernandez, OPB
Ms. Linda Hopkins, House Fiscal Division
Mr. Mark Mahaffey, House Fiscal Division
Mr. Daniel Waguespack, House Fiscal Division
Ms. Dazia Briscoe, House Fiscal Division
Ms. Martha Hess, Senate Counsel
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division

1) New 120 Bed Hospital Pinecrest Support and Services Center

Central Louisiana State Hospital
Louisiana Department of Hospitals
Pineville, Louisiana

Project No. 09-340-12-01, Part 01; WBS F.09000040

Date of Contract: May 13, 2021

Original Contract Amount:	\$32,389,000.00
Contract amount increased by Change Order 1:	\$ 56,052.00
New contract sum:	\$32,445,052.00

- **Change Order 1** increases the contract amount in order to relocate the existing underground electrical primary due to conflicts with the construction of a new retaining wall required at the perimeter of one of the new patient wings. This was an unforeseen condition.

2) Library Replacement

Grambling State University

Grambling, Louisiana

Project No. 19-623-13-02, Part 01; WBS F.19001130

Date of Contract: December 20, 2019

Original Contract Amount:	\$ 12,448,000.00	
Contract amount increased by Change Order 1:	\$ 82,822.72	07/20/20
Contract amount increased by Change Order 2:	\$ 58,501.25	11/13/20
Contract amount increased by Change Order 3:	\$ 81,846.52	04/23/21
Contract amount increased by Change Order 4:	\$ 47,216.00	06/14/21
Contract amount increased by Change Order 5:	\$ 65,371.00	10/22/21
Contract amount increased by Change Order 6:	\$ 59,037.00	11/17/21
Contract amount increased by Change Order 7:	\$ 81,206.00	12/15/21
New Contract Sum:	\$ 12,924,000.49	

- **Change Order 3** increases the contract amount by \$81,846.52 to relocate and add pull boxes and conduit lines that were in conflict with new construction. Also, water line sizes were upgraded to accommodate new fire hydrants and the building sprinkler system. These were unforeseen conditions and campus records did not show the existing lines.
- **Change Order 5** increases the contract amount by \$65,371 to replace existing fiber optics. The existing fiber optics could not be re-used after the installation of the new pull boxes and conduits due to the condition of the existing fiber optics.
- **Change Order 6** increases the contract amount by \$59,037 to provide electrical and data revisions on the first and second floors in order to coordinate with the furniture, fixtures, and equipment selected for the project. Funding for the FFE was released as construction progressed so there would be sufficient funds moving forward. The change order also provides credits to the project for Closed Captioned Television, and Audio/Visual systems which are no longer warranted based on the current furniture and AV systems.
- **Change Order 7** increases the contract amount by \$81,206 for additional exterior light fixtures in the outdoor plaza area as requested by Grambling State University. The addition of this lighting will provide for better security on the exterior of the library.



**LOUISIANA
LOTTERY
CORPORATION**

RECEIVED
FEB 11 2022
BY: *[Signature]*

LOUISIANA LOTTERY CORPORATION
FINANCIAL PLAN
FOR THE FISCAL YEAR ENDING JUNE 30, 2023



February 11, 2022

Board of Directors, Louisiana Lottery Corporation
Joint Legislative Committee on the Budget, Louisiana Legislature

Budget Message

The mission of the Louisiana Lottery Corporation as defined by statute is to offer the best possible lottery games in order to maximize revenue to the state while insuring the integrity of the lottery, the dignity of the state, and the general welfare of its citizens. Every year during the budgeting process, the Lottery renews its commitment to this mission. The financial plan for the fiscal year ending (FYE) June 30, 2023, reflects this commitment.

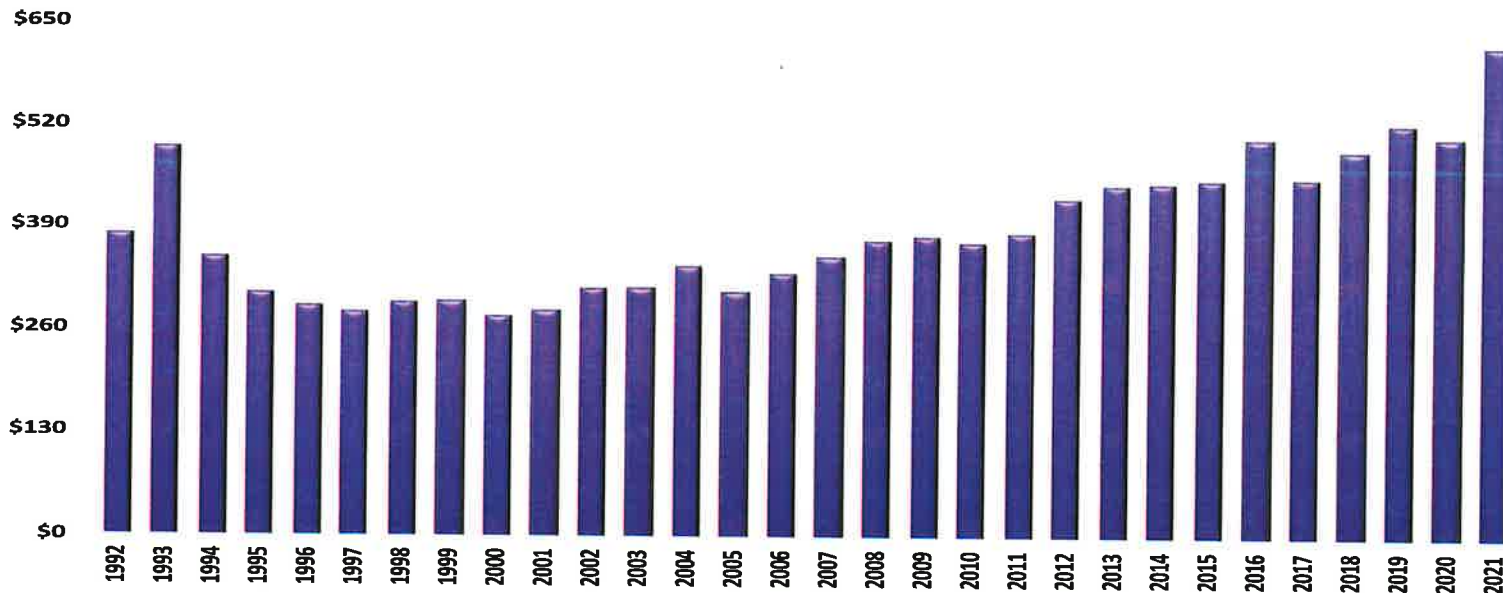
As restrictions were implemented at the onset of the pandemic, Lottery retailers remained open. Consequently, demand for lottery products increased significantly during the FYE June 30, 2022, resulting in record sales totals. Once the pandemic restrictions on businesses were lifted, player demand for lottery products returned to normal levels. As a result, sales for the FYE June 30, 2022, are projected to be lower than the previous year.

Two new products have been added to the lottery game portfolio. FastPlay, an instant win game with tickets printed by the terminals at the retailer locations, was introduced in June of 2021 with a progressive jackpot feature added in January 2022. Also, a new daily numbers game, Pick 5, was introduced in August of 2021. With these new additions and the continued strategy of higher prize payouts, sales and transfers to the state are projected to increase in the budget year. These expectations are reflected in our financial plan.

Total revenue and transfers to the state treasury for the fiscal year ended June 30, 2021, were \$624.8 million and \$207.5 million, respectively. Total revenue for the current 2022 fiscal year is projected at \$594.9 million and is budgeted for the 2023 fiscal year at \$600.8 million. These estimates result in projected transfers to the state for FYE June 30, 2022, of \$190.4 million and budgeted transfers of \$191.5 million for FYE June 30, 2023.

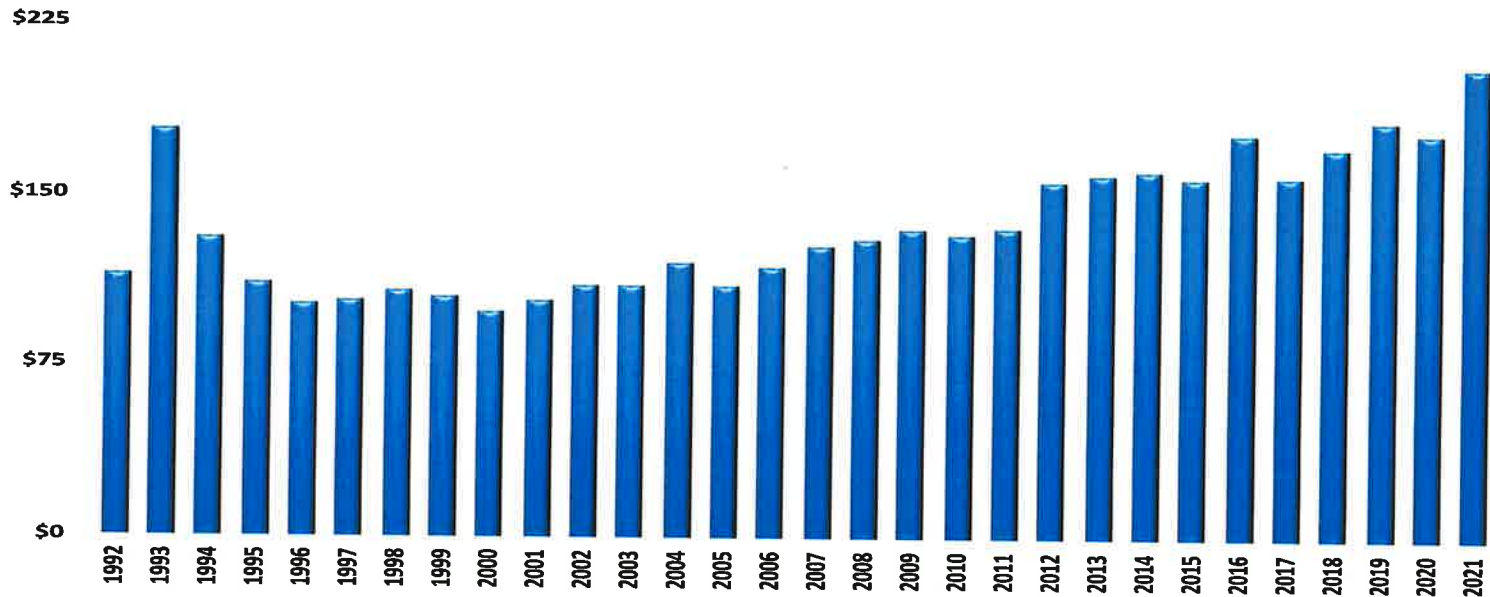
The operating budget is focused on the funding of prize structures for our games, providing steady and adequate compensation to our retailers, supporting our games and our retailers through advertising and marketing programs, operating efficiently, maintaining competitive salaries and benefits for our employees, and providing training and professional development for our workforce.

History of Total Sales (in \$millions)



History of State Transfers

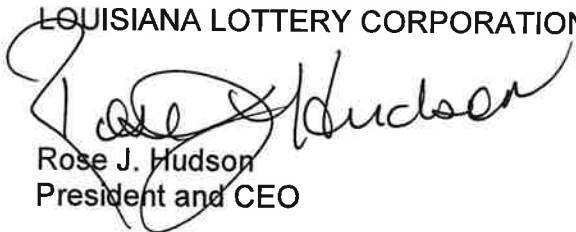
(in \$millions)



We have prepared a comprehensive package with financial comparisons and narrative explanations. The sections of our plan are listed in the table of contents. We are committed to providing thorough and relevant financial information to be used in the budget decision-making process. Should additional information or explanations become necessary, please feel free to contact us.

Respectfully submitted,

LOUISIANA LOTTERY CORPORATION



Rose J. Hudson
President and CEO

**LOUISIANA LOTTERY CORPORATION
FINANCIAL PLAN
FOR THE FISCAL YEAR ENDING JUNE 30, 2023**

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Louisiana Lottery Corporation
Income Statement
For the Fiscal Years Ending as Shown

	<u>6/30/2021</u>	<u>% of Revenue</u>	<u>Projected 6/30/2022</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2023</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Revenue							
Ticket Sales							
Instant							
Instant- Scratch-Off	\$333,364,160	53.36%	\$306,400,000	51.51%	\$320,000,000	53.27%	\$13,600,000
Instant- Fastplay	405,903	0.06%	21,000,000	3.53%	21,900,000	3.65%	900,000
Total Instant	<u>333,770,063</u>	<u>53.42%</u>	<u>327,400,000</u>	<u>55.04%</u>	<u>341,900,000</u>	<u>56.91%</u>	<u>14,500,000</u>
Draw-Style							
<i>Jackpot Games</i>							
Powerball	64,086,034	10.26%	67,000,000	11.26%	60,000,000	9.99%	(7,000,000)
Mega Millions	48,238,423	7.72%	32,650,000	5.49%	32,225,000	5.36%	(425,000)
Lotto	24,970,154	4.00%	20,000,000	3.36%	19,000,000	3.16%	(1,000,000)
Easy 5	11,227,274	1.80%	8,500,000	1.43%	8,375,000	1.39%	(125,000)
<i>Daily Games</i>							
Pick 3	77,046,160	12.33%	69,300,000	11.65%	69,000,000	11.49%	(300,000)
Pick 4	65,607,488	10.50%	58,500,000	9.83%	58,000,000	9.65%	(500,000)
Pick 5	0	0.00%	10,800,000	1.82%	11,500,000	1.91%	700,000
Total Draw-Style	<u>291,175,533</u>	<u>46.60%</u>	<u>266,750,000</u>	<u>44.84%</u>	<u>258,100,000</u>	<u>42.96%</u>	<u>(8,650,000)</u>
Total Ticket Sales	<u>624,945,596</u>	<u>100.02%</u>	<u>594,150,000</u>	<u>99.88%</u>	<u>600,000,000</u>	<u>99.87%</u>	<u>5,850,000</u>
Other Revenue							
Interest Income	1,128,327	0.18%	710,000	0.12%	755,000	0.13%	45,000
Net (Decr.) Incr. In Fair Value	(1,309,452)	-0.21%	0	0.00%	0	0.00%	0
Retailer License Fees	4,175	0.00%	10,000	0.00%	10,000	0.00%	0
Retailer Security Deposits	1,670	0.00%	0	0.00%	0	0.00%	0
Gain-Asset Disposals	29,722	0.00%	0	0.00%	0	0.00%	0
Total Other Revenue	<u>(145,558)</u>	<u>-0.02%</u>	<u>720,000</u>	<u>0.12%</u>	<u>765,000</u>	<u>0.13%</u>	<u>45,000</u>
Total Revenue	<u>\$624,800,038</u>	<u>100.00%</u>	<u>\$594,870,000</u>	<u>100.00%</u>	<u>\$600,765,000</u>	<u>100.00%</u>	<u>\$5,895,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Income Statement
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>% of Revenue</u>	<u>Projected 6/30/2022</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2023</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Expenses							
Prize Expense							
Instant- Scratch-Off	\$208,484,742	33.37%	\$193,032,000	32.45%	\$200,000,000	33.29%	\$6,968,000
Instant- Fastplay	261,901	0.04%	14,280,000	2.40%	15,002,000	2.50%	722,000
Draw-Style	<u>145,102,077</u>	<u>23.22%</u>	<u>133,065,000</u>	<u>22.37%</u>	<u>128,739,000</u>	<u>21.43%</u>	<u>(4,326,000)</u>
Total Prize Expense	<u>353,848,720</u>	<u>56.63%</u>	<u>340,377,000</u>	<u>57.22%</u>	<u>343,741,000</u>	<u>57.22%</u>	<u>3,364,000</u>
Retailer Compensation	<u>35,406,569</u>	<u>5.67%</u>	<u>33,867,000</u>	<u>5.69%</u>	<u>34,200,000</u>	<u>5.69%</u>	<u>333,000</u>
Operating Expenses							
Direct Expenses							
Lottery System Vendor Fees	4,862,279	0.78%	4,761,000	0.80%	4,560,000	0.76%	(201,000)
Cost of Scratch-Off Tickets	3,917,136	0.63%	3,659,000	0.62%	3,816,000	0.64%	157,000
Courier Service	<u>923,808</u>	<u>0.15%</u>	<u>1,226,000</u>	<u>0.21%</u>	<u>1,451,000</u>	<u>0.24%</u>	<u>225,000</u>
Total Direct Expenses	<u>\$9,703,223</u>	<u>1.55%</u>	<u>\$9,646,000</u>	<u>1.62%</u>	<u>\$9,827,000</u>	<u>1.64%</u>	<u>\$181,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

Louisiana Lottery Corporation
Income Statement
For the Fiscal Years Ending as Shown

	<u>6/30/2021</u>	<u>% of Revenue</u>	<u>Projected 6/30/2022</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2023</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
General Operating Expenses							
Advertising	\$6,427,604	1.03%	\$7,250,000	1.22%	\$7,250,000	1.21%	\$0
Contract Labor	257,799	0.04%	280,000	0.05%	280,000	0.05%	0
Depreciation	383,627	0.06%	400,000	0.07%	400,000	0.07%	0
Equipment Lease	43,806	0.01%	45,000	0.01%	45,000	0.01%	0
Insurance	680,989	0.11%	700,000	0.12%	805,000	0.13%	105,000
Lease Interest	0	0.00%	0	0.00%	6,000	0.00%	6,000
Postage	23,919	0.00%	40,000	0.01%	40,000	0.01%	0
Professional Fees (page 15)	355,189	0.06%	362,000	0.06%	368,000	0.06%	6,000
Rent	264,756	0.04%	262,000	0.04%	286,000	0.05%	24,000
Repairs & Maintenance	311,496	0.05%	365,000	0.06%	381,000	0.06%	16,000
Salaries and Benefits (page 9)	8,375,731	1.34%	9,244,000	1.55%	9,729,000	1.62%	485,000
Supplies	352,741	0.06%	430,000	0.07%	430,000	0.07%	0
Communications Network	100,079	0.02%	110,000	0.02%	110,000	0.02%	0
Telephone	111,069	0.02%	113,000	0.02%	113,000	0.02%	0
Information Technology	262,228	0.04%	305,000	0.05%	305,000	0.05%	0
Multi-State Lottery	123,612	0.02%	24,000	0.00%	50,000	0.01%	26,000
Travel	9,505	0.00%	23,000	0.00%	75,000	0.01%	52,000
Uncollectible Accounts	15,899	0.00%	50,000	0.01%	50,000	0.01%	0
Utilities	142,240	0.02%	150,000	0.03%	150,000	0.02%	0
Other General & Admin. (page 4)	377,350	0.06%	397,000	0.07%	673,000	0.11%	276,000
Total Gen Operating Expenses	<u>18,619,639</u>	<u>2.98%</u>	<u>20,550,000</u>	<u>3.45%</u>	<u>21,546,000</u>	<u>3.59%</u>	<u>996,000</u>
Total All Operating Expenses	<u>28,322,862</u>	<u>4.53%</u>	<u>30,196,000</u>	<u>5.08%</u>	<u>31,373,000</u>	<u>5.22%</u>	<u>1,177,000</u>
Net Income	207,221,887	33.17%	190,430,000	32.01%	191,451,000	31.87%	1,021,000
Payments to State Treasury	207,497,710	33.21%	190,430,000	32.01%	191,451,000	31.87%	1,021,000
(Decrease) Increase in Retained Earnings	<u>(\$275,823)</u>	<u>-0.04%</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Income Statement
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>% of Revenue</u>	<u>Projected 6/30/2022</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2023</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Other General & Administrative Supporting Detail							
Bank Charges	\$118,429	0.02%	\$117,000	0.02%	\$120,000	0.02%	\$3,000
Dues & Subscriptions	51,098	0.01%	50,000	0.01%	50,000	0.01%	0
Freight	0	0.00%	2,000	0.00%	2,000	0.00%	0
Recruiting	0	0.00%	1,000	0.00%	1,000	0.00%	0
Employee Training	6,730	0.00%	5,000	0.00%	20,000	0.00%	15,000
Seminars	15,576	0.00%	40,000	0.01%	40,000	0.01%	0
Services Purchased	184,781	0.03%	182,000	0.03%	440,000	0.07%	258,000
Taxes & Licenses	736	0.00%	0	0.00%	0	0.00%	0
Total Other Gen. & Admin.	<u>\$377,350</u>	<u>0.06%</u>	<u>\$397,000</u>	<u>0.07%</u>	<u>\$673,000</u>	<u>0.11%</u>	<u>\$276,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Summary of Means of Financing,
Expenditures and Fund Balance
For the Fiscal Years Ending as Shown**

MEANS OF FINANCING	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Fees & Self-Generated Revenues:				
1) Licenses	\$5,845	\$10,000	\$10,000	\$0
2) Sales of Goods and Services	624,945,596	594,150,000	600,000,000	5,850,000
3) Investment Income (Expense)	(181,125)	710,000	755,000	45,000
4) Gain on Disposal of Assets	29,722	0	0	0
Total Means of Financing	<u>\$624,800,038</u>	<u>\$594,870,000</u>	<u>\$600,765,000</u>	<u>\$5,895,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Summary of Means of Financing,
Expenditures and Fund Balance
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
EXPENDITURES (ACCRUAL BASIS)				
Salaries and Benefits: (page 9)				
Salaries	\$6,164,130	\$6,742,564	\$7,225,393	\$482,829
Related Benefits	2,211,600	2,501,436	2,503,607	2,171
Total Salaries and Benefits	<u>8,375,731</u>	<u>9,244,000</u>	<u>9,729,000</u>	<u>485,000</u>
Contract Labor-Board Members' Compensation (page 14)	144,798	145,000	145,000	0
Operating Expenses:				
Travel (page 10)	9,505	23,000	75,000	52,000
Operating Services (page 11)	19,084,899	19,992,000	20,626,000	634,000
Supplies (page 12)	352,741	430,000	430,000	0
Total Operating Expenses	<u>19,447,145</u>	<u>20,445,000</u>	<u>21,131,000</u>	<u>686,000</u>
Professional Services: (page 15)				
Accounting	166,537	189,000	189,000	0
Research and Management Consulting	11,750	50,000	50,000	0
Legal	149,325	119,000	119,000	0
Other	27,577	4,000	10,000	6,000
Total Professional Services	<u>355,189</u>	<u>362,000</u>	<u>368,000</u>	<u>6,000</u>
Other Charges: (page 13)				
Prize Expense and Retailer Compensation	389,255,288	374,244,000	377,941,000	3,697,000
TOTAL EXPENDITURES (ACCRUAL BASIS)	<u>\$417,578,151</u>	<u>\$404,440,000</u>	<u>\$409,314,000</u>	<u>\$4,874,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Summary of Means of Financing,
Expenditures and Fund Balance
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Net Income	\$207,221,887	\$190,430,000	\$191,451,000	\$1,021,000
Less Payments to State Treasury (required and surplus)	207,497,710	190,430,000	191,451,000	1,021,000
Fund Balance at Beginning of Year	12,784,969	12,509,146	12,509,146	0
Fund Balance at End of Year	<u>12,509,146</u>	<u>12,509,146</u>	<u>12,509,146</u>	<u>0</u>
Reservations of Fund Balance (page 8)	\$12,509,146	\$12,509,146	\$12,509,146	\$0
Nonaccrual Charges				
Capital Expenditures (page 16)	138,129	200,000	950,000	750,000
Total Nonaccrual Charges	<u>\$138,129</u>	<u>\$200,000</u>	<u>\$950,000</u>	<u>\$750,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

Louisiana Lottery Corporation
Specified Uses of Retained Earnings (Net Position)
For the Fiscal Years Ending as Shown

	6/30/2021	Projected 6/30/2022
Specified Uses of Retained Earnings:		
Land	\$1,542,415	\$1,542,000
Buildings (Net of Accumulated Depreciation)	2,173,048	2,150,000
Other Capital Assets (Net of Accumulated Depreciation)	285,016	606,146
New Capital Expenditure Purchases	500,000	200,000
Retailer Security Deposits	194,885	197,000
Deposits	13,782	14,000
Litigation and Prize Reserve	7,800,000	7,800,000
	\$12,509,146	\$12,509,146
Total Retained Earnings	\$12,509,146	\$12,509,146

**Louisiana Lottery Corporation
Schedule of Salaries and Benefits
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>% of Salaries</u>	<u>Projected 6/30/2022</u>	<u>% of Salaries</u>	<u>Budgeted 6/30/2023</u>	<u>% of Salaries</u>	<u>*Variance Increase (Decrease)</u>
Employees-Permanent Positions (page 18)	120		120		120		0
Salaries at Full Employment	\$6,656,795		\$7,179,287		\$7,423,594		\$244,307
Turnover and Open Positions	(544,665)		(501,723)		(263,201)		238,522
Deputies for Drawings Security	52,001		65,000		65,000		0
Total Salaries	6,164,131		6,742,564		7,225,393		482,829
State Retirement Contributions	37,869	0.61%	38,500	0.57%	40,040	0.55%	1,540
Supplemental Retirement Plan Expense	498,194	8.08%	563,005	8.35%	314,305	4.35%	(248,700)
Basic Retirement Plan Expense	289,781	4.70%	323,643	4.80%	346,819	4.80%	23,176
457(b) Retirement Plan Expense	205,647	3.34%	222,505	3.30%	238,438	3.30%	15,933
Vacation Expense Accruals	26,878	0.44%	0	0.00%	0	0.00%	0
Medicare Tax	85,477	1.39%	94,396	1.40%	101,156	1.40%	6,760
State Unemployment Tax	1,243	0.02%	2,023	0.03%	2,079	0.03%	56
Insurance-Health, Dental, Vision	986,094	16.00%	1,177,364	17.46%	1,377,570	19.07%	200,206
Insurance- Life	39,852	0.65%	40,000	0.59%	41,600	0.58%	1,600
Insurance-Disability	40,565	0.66%	40,000	0.59%	41,600	0.58%	1,600
Total Benefits	2,211,600	35.88%	2,501,436	37.10%	2,503,607	34.65%	2,171
Total Salaries and Benefits	\$8,375,731		\$9,244,000		\$9,729,000		\$485,000
Compensation of Board Members (page 14)	\$144,798		\$145,000		\$145,000		\$0

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

**Louisiana Lottery Corporation
Schedule of Operating Expenses
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Travel				
In-State:				
Administrative	\$2,239	\$2,000	\$2,000	\$0
Field Travel	1,287	5,000	20,000	15,000
Board Members	<u>1,689</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Total In-State	5,215	10,000	25,000	15,000
Out-of-State:				
Conference and Conventions		<u>10,000</u>	<u>45,000</u>	<u>35,000</u>
Total Out-of-State		10,000	45,000	35,000
Total Mileage Reimbursement	<u>4,290</u>	<u>3,000</u>	<u>5,000</u>	<u>2,000</u>
Total Travel	<u>\$9,505</u>	<u>\$23,000</u>	<u>\$75,000</u>	<u>\$52,000</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

**Louisiana Lottery Corporation
Schedule of Operating Expenses
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Operating Services				
Direct Expenses ***				
Lottery System Vendor Fees	\$4,862,279	\$4,761,000	\$4,560,000	(\$201,000)
Cost of Scratch-Off Tickets	3,917,136	3,659,000	3,816,000	157,000
Courier Service	923,808	1,226,000	1,451,000	225,000
Total Direct Expenses	<u>9,703,223</u>	<u>9,646,000</u>	<u>9,827,000</u>	<u>181,000</u>
General Operating Expenses				
Advertising	6,427,604	7,250,000	7,250,000	0
Contract Labor	113,002	135,000	135,000	0
Depreciation	383,627	400,000	400,000	0
Equipment Lease	43,806	45,000	45,000	0
Insurance	680,989	700,000	805,000	105,000
Lease Interest	0	0	6,000	6,000
Postage	23,919	40,000	40,000	0
Rent	264,756	262,000	286,000	24,000
Repairs & Maintenance	311,496	365,000	381,000	16,000
Communications Network	100,079	110,000	110,000	0
Telephone	111,069	113,000	113,000	0
Information Technology	262,228	305,000	305,000	0
Multi-State Lottery	123,612	24,000	50,000	26,000
Uncollectible Accounts	15,899	50,000	50,000	0
Utilities	142,240	150,000	150,000	0
Bank Charges	118,429	117,000	120,000	3,000
Dues & Subscriptions	51,098	50,000	50,000	0
Freight	0	2,000	2,000	0
Recruiting	0	1,000	1,000	0
Employee Training	6,730	5,000	20,000	15,000
Seminars	15,576	40,000	40,000	0
Services Purchased	184,781	182,000	440,000	258,000
Taxes & Licenses	736	0	0	0
Total Gen Operating Exp.	<u>9,381,676</u>	<u>10,346,000</u>	<u>10,799,000</u>	<u>453,000</u>
Total All Operating Services	<u>\$19,084,899</u>	<u>\$19,992,000</u>	<u>\$20,626,000</u>	<u>\$634,000</u>

*** These variable expenses fluctuate directly with lottery ticket sales.

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Schedule of Operating Expenses
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Supplies				
Printing	\$474	\$3,000	\$3,000	\$0
Office Supplies	16,385	30,000	30,000	0
Automotive Supplies	60,768	90,000	90,000	0
Scratch-Off Game Supplies- Dispensers and Delivery Bags	210,719	210,000	210,000	0
Draw-Style Game Supplies- Play Centers	40,251	50,000	50,000	0
Other Supplies	<u>24,144</u>	<u>47,000</u>	<u>47,000</u>	<u>0</u>
Total Supplies	<u>\$352,741</u>	<u>\$430,000</u>	<u>\$430,000</u>	<u>\$0</u>

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts

**Louisiana Lottery Corporation
Schedule of Other Charges
For the Fiscal Years Ending as Shown**

	<u>6/30/2021</u>	<u>Projected 6/30/2022</u>	<u>Budgeted 6/30/2023</u>	<u>*Variance Increase (Decrease)</u>
Other Charges				
Prize Expense	\$353,848,720	\$340,377,000	\$343,741,000	\$3,364,000
Retailer Compensation	<u>35,406,568</u>	<u>33,867,000</u>	<u>34,200,000</u>	<u>333,000</u>
Total Other Charges ***	<u>\$389,255,288</u>	<u>\$374,244,000</u>	<u>\$377,941,000</u>	<u>\$3,697,000</u>

*** These variable expenses fluctuate directly with lottery ticket sales.

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

**Louisiana Lottery Corporation
Compensation of Board Members
For the Fiscal Years Ending as Shown**

	<u>Statutory Authority For Payment</u>	<u>Authorized Per Diem Rate Per Meeting</u>	<u>What Other Expenses Are Paid With The Exception of Travel (Itemize Type and Amount)</u>	<u>06/30/21</u>	<u>Projected 06/30/22</u>	<u>Budgeted 06/30/23</u>	<u>*Variance Increase (Decrease)</u>
<u>Board Members:</u>							
Roman P. Banks	R.S. 47:9004(D)	N/A	Annual Salary 15,000	\$15,000	\$15,000	\$15,000	\$0
William J. Black, Jr.*	R.S. 47:9004(D)	N/A	Annual Salary 15,000	6,452	15,000	15,000	0
Larry C. Cager**	R.S. 47:9004(D)	N/A	Annual Salary 15,000	8,347			0
Whalen A. Gibbs	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,000	15,000	15,000	0
Anna M. Jones	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,000	15,000	15,000	0
Carmen T. Jones	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,000	15,000	15,000	0
Blake A. McCaskill	R.S. 47:9004(D)	N/A	Annual Salary 15,000	24,833	25,000	25,000	0
Cynthia H. Morrell	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,000	15,000	15,000	
E. Sheridan Shamburg (Chairman effective June 25, 2021)	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,166	15,000	15,000	0
Sean E. Wells	R.S. 47:9004(D)	N/A	Annual Salary 15,000	15,000	15,000	15,000	0
Total Board Members: 9							
Total Compensation				\$144,798	\$145,000	\$145,000	\$0

* Term began January 27, 2021

** Term Expired January 21, 2021

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

**Louisiana Lottery Corporation
Detail of Professional Service Contracts
For the Fiscal Years Ending as Shown**

<u>Contractor - Purpose of Contract</u>	<u>06/30/21</u>	<u>Projected 06/30/22</u>	<u>Budgeted 06/30/23</u>	<u>*Variance Increase (Decrease)</u>
Attorney General or other agreed upon counsel				
- retainer fee (Attorney General)	\$88,875	\$89,000	\$89,000	\$0
- legal fees (Phelps Dunbar, LLP)	60,450	30,000	30,000	0
Delehanty Consulting				
- instant ticket printing audit services		4,000	4,000	0
KPMG- audit of automated drawing and raffle machines	25,000			0
Emergent Method	11,750			0
- strategic planning consulting				
NASPL Standards Institute- certification of standards			6,000	6,000
Office of Legislative Auditor - financial and compliance audit/ observations of on-line drawings	166,537	189,000	189,000	0
Postlethwaite and Netterville-retirement plan review				0
Trace Security- network security audit		50,000		(50,000)
To be determined - business consulting services	2,577		50,000	50,000
Total Professional Service Contracts	\$355,189	\$362,000	\$368,000	\$6,000

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

Louisiana Lottery Corporation
Schedule of Acquisitions
For the Fiscal Years Ending as Shown

<u>Description of Capital Expenditures</u>	<u>06/30/21</u>	<u>Projected 06/30/22</u>	<u>Budgeted 06/30/23</u>	<u>*Variance Increase (Decrease)</u>
Land and Buildings	\$20,527	\$10,000	\$650,000	\$640,000
Leasehold Improvements	3,102			0
Automotive	22,931		200,000	200,000
Office (Furniture, Fixtures & Equipment)	11,470			0
Communications Software & Equipment				0
Data Processing Software & Equipment	80,099	140,000	50,000	(90,000)
Other		50,000	50,000	0
Total Acquisitions	\$138,129	\$200,000	\$950,000	\$750,000

Detail on page 17

* The variance column represents the difference between budgeted 6/30/23 and projected 6/30/22 amounts.

**Louisiana Lottery Corporation
Schedule of Acquisitions
June 30, 2023 Financial Plan**

Automotive	
Vehicle Replacements for Field Staff	\$200,000
Building and Leasehold Costs	650,000
Data Processing Software and Equipment	
Computer, Devices, Equipment, and Software Replacements	50,000
Other	
Contingency	<u>50,000</u>
Total Budgeted Capital Acquisitions	<u><u>\$950,000</u></u>

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
President	Filled	\$302,810		\$302,810
Senior Vice President and Secretary-Treasurer	Filled	184,757	7,390	192,148
Senior Vice President and General Counsel	Filled	158,748	6,350	165,097
Vice President of Sales	Filled	150,543	6,022	156,564
Vice President of Finance and Controller	Filled	147,307	5,892	153,199
Vice President of Information Systems	Filled	146,454	5,858	152,312
Vice President of Marketing	Filled	134,521	5,381	139,902
Vice President of Internal Audit	Filled	132,695	5,308	138,002
Vice President of Security and Compliance	Filled	131,383	5,255	136,638
Vice President of Human Resources	Filled	119,206	4,768	123,975
Director of Finance	Filled	102,320	4,093	106,412
Director of Systems & Programming	Filled	98,693	3,948	102,640
Director of Products	Filled	98,271	3,931	102,202
Director of Information Technology	Filled	98,258	3,930	102,189
Art Director	Filled	97,099	3,884	100,983
Broadcast Producer	Filled	91,165	3,647	94,812
Communications Manager	Filled	88,572	3,543	92,115
Regional Sales Manager - Baton Rouge	Filled	82,681	3,307	85,989
Network Administrator	Filled	77,133	3,085	80,219
Regional Sales Manager - Monroe	Filled	76,148	3,046	79,194
Regional Sales Manager - Alexandria	Filled	75,963	3,039	79,002

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
Regional Sales Manager - New Orleans	Filled	75,963	3,039	79,002
Accounts Receivable and Procurement Manager	Filled	75,962	3,038	79,000
Regional Sales Manager - Lafayette	Filled	74,101	2,964	77,065
Corporate Accounts Representative	Filled	72,612	2,904	75,516
Computer Operations Supervisor	Filled	72,216	2,889	75,104
Senior Accountant	Filled	68,623	2,745	71,367
Distribution Center Manager	Filled	64,342	2,574	66,916
Accounting & Payroll Associate	Filled	62,993	2,520	65,513
Executive Administrative Assistant	Filled	61,048	2,442	63,490
Accounting & Payroll Associate	Filled	60,393	2,416	62,809
Marketing Coordinator	Filled	59,159	2,366	61,525
Sales Support Manager	Filled	58,730	2,349	61,079
Sponsorship Coordinator	Open	60,448	-	60,448
Systems Administrator	Filled	58,049	2,322	60,371
Senior Communication Specialist	Filled	55,540	2,222	57,762
Sales Representative - Alexandria	Filled	55,435	2,217	57,652
Sales Representative - Lafayette	Filled	55,413	2,217	57,629
Prize Payment Manager	Filled	55,223	2,209	57,431
Sales Representative - Lafayette	Filled	54,224	2,169	56,393
Sales Representative - Shreveport	Filled	54,224	2,169	56,393
Internal Auditor	Filled	54,205	2,168	56,373

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
Sales Representative - Baton Rouge	Filled	53,299	2,132	55,431
Sales Representative- New Orleans	Filled	52,610	2,104	54,715
Sales Representative - Lafayette	Filled	52,548	2,102	54,650
Sales Representative - Lafayette	Filled	52,186	2,087	54,273
Sales Representative - Lafayette	Filled	51,998	2,080	54,078
Sales Representative - Monroe	Filled	51,998	2,080	54,078
Sales Representative - Monroe	Filled	51,998	2,080	54,078
Sales Representative- New Orleans	Filled	51,998	2,080	54,078
Sales Representative- New Orleans	Filled	51,998	2,080	54,078
Sales Representative - Shreveport	Filled	51,998	2,080	54,078
Sales Representative - Shreveport	Filled	51,608	2,064	53,673
Sales Representative - Lafayette	Filled	51,384	2,055	53,440
Internal Auditor	Filled	51,297	2,052	53,349
Sales Representative- New Orleans	Filled	50,677	2,027	52,704
Sales Representative - Baton Rouge	Open	52,447	-	52,447
Regional Office Assistant - New Orleans	Open	52,447	-	52,447
Regional Trainer - Shreveport	Open	52,447	-	52,447
Executive Assistant	Open	52,447	-	52,447
Sales Representative - Monroe	Open	52,447	-	52,447
Sales Representative - Lafayette	Open	52,447	-	52,447
Sales Representative- New Orleans	Filled	49,271	1,971	51,241

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
Graphic Designer	Filled	49,111	1,964	51,075
Sales Representative - Alexandria	Filled	48,892	1,956	50,848
Sales Representative - Baton Rouge	Filled	48,892	1,956	50,848
Sales Representative - Monroe	Filled	48,892	1,956	50,848
Sales Representative- New Orleans	Filled	48,892	1,956	50,848
Software Quality Assurance Analyst	Filled	48,060	1,922	49,983
Sales Representative - Baton Rouge	Filled	47,806	1,912	49,718
Human Resources Representative	Filled	47,445	1,898	49,343
Sales Representative- New Orleans	Filled	47,306	1,892	49,198
Sales Support Coordinator	Filled	46,542	1,862	48,404
Sales Representative - Baton Rouge	Filled	46,060	1,842	47,903
Sales Representative - Baton Rouge	Filled	46,060	1,842	47,903
Senior Licensing Customer Service Representative	Filled	44,944	1,798	46,742
Sales Support Coordinator	Open	46,687	-	46,687
Sales Representative - Alexandria	Open	46,687	-	46,687
Quality Assurance Manager	Open	46,687	-	46,687
Communication Specialist	Open	46,687	-	46,687
Information Technology Tech Support Analyst	Open	46,687	-	46,687
Special Investigator	Filled	44,301	1,772	46,073
Sales Support Coordinator	Filled	44,139	1,766	45,905
Billing & Accounts Receivable Customer Service Representative	Filled	44,031	1,761	45,792

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
Special Investigator	Filled	43,301	1,732	45,033
Drawing Manager	Filled	42,403	1,696	44,099
Video Editor	Filled	42,224	1,689	43,913
Administrative Coordinator	Filled	42,114	1,685	43,799
Communications Specialist	Filled	41,611	1,664	43,275
Compliance Coordinator	Filled	41,611	1,664	43,275
Distribution Center Assistant Manager	Filled	40,037	1,601	41,639
Administrative Assistant	Filled	40,026	1,601	41,627
Regional Office Assistant - Alexandria	Filled	36,992	1,480	38,472
Regional Office Assistant - Shreveport	Filled	36,992	1,480	38,472
Sales Support Coordinator	Filled	36,500	1,460	37,960
Retailer Licensing Customer Service Representative	Filled	36,086	1,443	37,530
Special Investigator	Open	37,285	-	37,285
Business Analyst Intern	Open	37,285	-	37,285
Regional Office Asst - Monroe	Filled	33,542	1,342	34,884
Regional Office Assistant	Filled	33,394	1,336	34,730
Prize Payment Customer Service Representative	Filled	33,231	1,329	34,561
Regional Office Assistant - Lafayette	Filled	33,167	1,327	34,493
Prize Payment Customer Service Representative	Filled	33,115	1,325	34,440
Computer Operator	Filled	32,409	1,296	33,705
Regional Office Asst - Shreveport	Filled	32,397	1,296	33,693

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2023
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending 06/30/2022	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending 06/30/2023
Sales Support Coordinator	Open	33,512	-	33,512
Equipment Coordinator	Open	33,512	-	33,512
Warehouse / Mail Clerk	Filled	31,182	1,247	32,430
Regional Office Assistant - Monroe	Filled	30,055	1,202	31,257
Regional Office Assistant - New Orleans	Filled	29,868	1,195	31,063
Regional Office Assistant - Alexandria	Filled	29,380	1,175	30,556
Regional Office Assistant - New Orleans	Filled	29,380	1,175	30,556
Regional Office Assistant-Lafayette	Filled	29,380	1,175	30,556
Warehouse/Mail Clerk	Filled	27,816	1,113	28,928
Warehouse/Mail Clerk	Filled	27,400	1,096	28,496
Warehouse/Mail Clerk	Filled	27,171	1,087	28,258
Warehouse/Mail Clerk	Filled	27,171	1,087	28,258
Warehouse/Mail Clerk	Filled	27,040	1,082	28,122
Accounting Intern	Open	18,643	-	18,643
Computer Operator	Filled	12,063	483	12,545
Total Salaries		\$7,179,287	\$244,307	\$7,423,594
Total Position		120		120

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2023**

Sales

Several factors have influenced Lottery sales over the past few years. Legislation was passed in 2020 reducing the mandated transfer percentage and providing the opportunity for enhanced prize structures resulting in higher demand for our Scratch-off products. Sales for Scratch-off tickets and Pick 3 and Pick 4 games soared when restrictions were imposed on many businesses during the beginning of the COVID pandemic. In addition, Lottery retailers were impacted by Hurricanes Laura, Delta and Ida reducing sales during the storms and for many weeks after.

Sales for the fiscal year ending (FYE) June 30, 2020, totaled \$509 million. The following year, FYE 2021, sales surged during the height of the pandemic reaching \$624.9 million. This represents the highest sales total since the inception of the Lottery. Once the restrictions were lifted, consumer demand for lottery products diminished slightly, with sales remaining significantly higher than FYE 2020 levels. Sales are projected to reach \$594.2 million for FYE 2022. With increased prize payouts and new game offerings, sales for FYE 2023 are budgeted at \$600 million.

Scratch-off sales have tapered off since the pandemic restrictions were lifted, with sales projected to reach \$306.4 million in the FYE 2022. Plans are to continue to increase the projected prize payouts in the budget year, with Scratch-off sales expected to rise to \$320 million for FYE 2023.

FastPlay, an instant win game with tickets printed by the terminals at the retailer locations, was introduced in June of 2021 with a progressive jackpot feature added in January 2022. The prize payouts of this new game are similar to the Scratch-off games. This new family of games is projected to generate \$21 million in sales for FYE 2022 and \$21.9 million in FYE 2023.

The multi-state jackpot-driven games offered in Louisiana are Powerball and Mega Millions. Both games are very similar in structure and prize offerings. Sales performance is very dependent on large jackpot levels. Sales increased for the Powerball game during the current fiscal year because of a \$700 million Powerball jackpot. Similar jackpot levels and the resulting fluctuation in sales cannot be reasonably predicted for a twelve-month fiscal year. Therefore, the FYE 2023 budget for both games is conservative.

**Louisiana Lottery Corporation
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Lotto and Easy 5 sales have been impacted by the introduction of FastPlay. As a result, sales for both games have declined slightly from FYE 2021. Lotto and Easy 5 sales are expected to remain fairly constant for FYE 2022 and FYE 2023.

Sales for the Pick 3 and Pick 4 daily numbers games increased tremendously in FYE 2021 due to the higher demand as a result of the COVID restrictions allowing our essential retailers to remain open. For FYE 2022, sales for these numbers games have leveled off. Sales for Pick 3 and Pick 4 for FYE 2022 are projected to reach \$69.3 million and \$58.5 million, respectively, remaining at levels significantly higher than FYE 2020. The sales totals for FYE 2023 are estimated to remain relatively constant at \$69 million and \$58 million, respectively. A new daily numbers game, Pick 5, was introduced in August of 2021. Pick 5 sales for FYE 2022 are projected to reach \$10.8 million and are budgeted at \$11.5 million for the full twelve months of FYE 2023.

Other Revenue

Interest income is estimated based on projected investment balances and rate of return.

Funds are held by the Lottery in a commercial banking account and short-term U.S. government money market fund to finance daily operations. Yields for money market funds dropped to near 0% in the last quarter of FYE 2020, as the Federal Reserve drastically reduced short-term interest rates in response to the economic turmoil from the COVID-19 pandemic. There are indications from the Federal Reserve that rates may begin to increase slightly during the next year to address inflationary concerns.

The Lottery also holds an intermediate-term portfolio of U.S. government and agency securities. This portfolio's rate of return is in the 2.1% range. The estimated interest income generated by this investment strategy is \$710,000 in the current year and \$755,000 in the budget year with a slight increase in interest rates projected.

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The change in the fair value of investments is recorded to comply with governmental accounting standards. Since the Lottery holds most of its investments until maturity, the market fluctuations have minimal impact on revenue received. No attempt is made to predict the market value changes for the budget year.

Scratch-off Prize Expense

The average Scratch-off prize structure has increased from 64% in FYE 2021, to 66% in FYE 2022 fiscal year, and then to a budget of 67% for FYE 2023. These prize payout enhancements are possible because of the legislative mandate change discussed in the sales section above.

For Scratch-off games, current and long-term projections indicate that the target funding of prizes at this 67% level during the budget year is approximately 62.5% from the operating budget and 4.5% from the unclaimed prizes pool. These prize structure and funding estimates may be adjusted during or at the end of the fiscal year because of actual financial results and updated forecasts. Any adjustments could change the average prize structure percentage and the allocation of the funding of prize expense between the operating budget and the unclaimed prizes pool.

The 68.5% average prize structure for the new instant FastPlay suite of games will be completely funded from the operating budget.

Draw-style Prize Expense

Draw-style prize expense for the Lotto and Powerball games is structured at 50% of sales. Pick 3, Pick 4, and Pick 5 have fixed prizes for the various levels of winnings. Prize expense for these games is based on historical and expected averages of 49%, 50%, and 50%, respectively. Actual prize expense for the year will vary depending on the number of drawings with high or low payouts. Prize expense may be adjusted to actual at the end of each fiscal year which may result in prize structure percentages higher or lower than the estimates included in the budget. The prize structure for Easy 5 is at 50% and at a 61% rate for the EZMatch instant-win feature included with this game. The Mega Millions game currently has a

**Louisiana Lottery Corporation
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50.5% prize structure. This percentage can increase or decrease if the funding requirement for game prize reserves is changed by the participating state lotteries.

Retailer Compensation

Retailer compensation consists of a sales commission for instant and draw-style ticket sales and various sales and prize cashing incentives. The total compensation is expected to remain at about 5.7% of total sales for the budget year.

Lottery System Vendor Fees

The lottery system vendor provides and maintains the retailer terminal network, the gaming computer system, and all related communication networks. The contractual compensation for these services is a commission rate of 2.6% of terminal-generated sales. In addition, the vendor provides various optional equipment and services. Total costs for these options are expected to be \$150,000 in FYE 2022 and in FYE 2023. Vendor fees are reflected net of a weekly communication fee charged to all retailers.

Cost of Scratch-off Tickets

Under the terms of the Scratch-off ticket printing and related services contract, the Lottery's ticket printer is compensated at a rate of 1.155% of Scratch-off sales. Licensing fees for specialty games and printing options not included in the base price are provided at additional costs. We have included \$120,000 of these expenses in both the current and budget years.

Courier Service

Courier costs include the fees charged by carriers to deliver Scratch-off ticket packs to retailer locations. The previous contract with the courier expired in November of 2021. The proposed contract with the current vendor has significant increases in fees due to many factors, including rising fuel and labor costs. Different vendors and different proposals are

**Louisiana Lottery Corporation
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being considered all resulting in higher shipping costs. The current estimates project courier costs to reach \$1.23 million for FYE 2022 and \$1.45 million for FYE 2023.

Advertising

Advertising expense includes media placement, production, point-of-sale production, publications, promotional merchandise, sports sponsorships, and special events. These costs are estimated at \$7.25 million in the current and budget years.

Contract Labor

Contract labor includes board member salaries and the use of temporary staffing agencies. These costs are expected to remain fairly constant.

Depreciation

Depreciation expense includes the spreading of the costs of capital expenditures over the estimated useful lives of the assets.

Equipment Lease

Copier, mailroom, and security system equipment lease costs are included in this item.

Insurance

This expense category includes premiums for business insurance. The policies purchased by the Lottery include coverage for directors and officer's liability, errors and omissions, crimes against the corporation, retirement plan fiduciary liability, cyber risk, standard automobile liability, general liability, worker's compensation claims, and property. The commercial

**Louisiana Lottery Corporation
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For the Fiscal Year Ending June 30, 2023**

insurance markets are very unpredictable and increases in premiums are usually driven by claims of the insured, losses incurred by the carriers because of catastrophic events, and the carrier's investment returns. The COVID- 19 pandemic and a very active 2021 hurricane season have impacted capacity and pricing for certain lines of insurance. Because we cannot predict the impact of these events or other factors that can potentially affect our insurance costs, the budget for FYE 2023 includes an estimated 15% increase in premiums for all policy renewals.

Postage

This line item includes all postage meter rates for routine business mailings and bulk mailings to retailers and players. Postage should remain at approximately \$40,000 in the budget year.

Professional Fees

These costs include legal fees, financial and compliance audit fees, and other professional service expenses. Explanations of these contractual costs are as follows:

- Legal fees are expected to remain consistent in the projected and budgeted years.
- Independent audit reviews of the Lottery's Scratch-off ticket printer are projected and budgeted at \$4,000.
- A fee of \$6,000 is budgeted for FYE 2023 for certification of the Lottery's Software Quality Assurance Testing Program
- A strategic planning project was completed in 2021.
- The Legislative Auditor's fees for conducting financial and compliance audits and drawings observations should remain stable for both years.

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- \$50,000 is included in FYE 2022 projections for a network security audit.
- A business consulting contingency of \$50,000 is included to cover costs for any unanticipated needs.

Rent

The Lottery leases five regional offices throughout the state to accommodate the customer service needs of retailers and players. An increase is included in the budget year because of the expiration of four office leases and a projected 10% increase upon renewal.

Repairs and Maintenance

Repairs and maintenance include software maintenance and support contracts, drawing machines maintenance and support, general repairs and maintenance on all equipment, automobiles, and facilities maintained by the Lottery, and janitorial services. There is a slight increase in the budget for 2023 of \$16,000 for the maintenance contract of the new automated drawing machines installed in the current fiscal year. The remaining costs are expected to be fairly consistent for the projected and budgeted years.

Salaries and Benefits

The variance in salaries and benefits is due to several factors. A 4% performance-based increase is included in the budgeted total for employee salaries. Normal employee turnover, the timing of filling open positions, and pay differences between new employees and incumbents, are reasons for total salary differences between the three years presented in this document. In addition, health, dental, and vision insurance premiums are budgeted to increase by 15%.

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Supplies

This category includes expenses for Scratch-off ticket dispensers, Scratch-off ticket delivery bags, retailer play centers, office supplies, printing supplies, computer supplies, and fuel for the Lottery's fleet of vehicles. Costs are expected to be fairly consistent with the current year.

Communications Network and Telephone

Communications network is the costs associated with the Lottery's computer network between headquarters, regional offices, and the distribution center. Telephone expense includes local and long-distance phone service for the Lottery's offices, 1-800 numbers, cellular phone fees, and company internet access.

Information Technology

The Lottery's gaming system is a closed system with no connection to the internet. The costs for that system are included in lottery system vendor fees discussed above.

Information technology costs are related to the Lottery's administrative system. Software, database management, computer network, and communications system services are included in this category. These services are provided by a third party through a technology infrastructure commonly referred to as the cloud. Over time this model eliminates the need for future major capital purchases of network servers and related equipment and substantial annual maintenance fees. No major changes are expected for this expense category in the budget year.

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Multi State Lottery

The Louisiana Lottery's share of the costs associated with the administration of the Powerball and Mega Millions multi-state lottery games is included in this category. The Multi-State Lottery Association (MUSL) has modified the method used to allocate expenses among the member lotteries. As a result, the Louisiana Lottery's share of the costs incurred by MUSL is projected to be \$24,000 for FYE 2022 and \$50,000 for FYE 2023.

Travel

This line item includes all in-state mileage reimbursement, hotel costs, meal reimbursements, and other business costs for employee meetings, board meetings, and educational training. In addition, out-of-state flight costs and other travel expenses for educational industry conferences and professional conferences are included in this category.

Travel ceased for the Lottery and most other businesses during the last quarter of FYE 2020 because of the COVID-19 pandemic. This pause continued throughout most of this fiscal year, with some travel expected in the last quarter. The travel environment is projected to return to normal in FYE 2023. Therefore, we are budgeting travel at the previous five-year average level of \$75,000.

Uncollectible Accounts

This expense includes amounts due from Lottery retailers that are delinquent and not expected to be paid. The amount is reported net of recoveries from collection agencies. Average annual uncollectible accounts are about \$25,000. However, the amount and timing of these expenses are very unpredictable. Therefore, we are allocating \$50,000 for these potential costs in the projected and budget years.

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Utilities

Electrical and other utility expenses are estimated at the five-year average of \$150,000 for both the current and budget years.

Bank Charges

These fees include charges for commercial treasury, investment management, and custodial services for the Lottery's bank accounts, electronic transaction processing, purchasing card processing, and investment portfolio holdings. These expenses should remain at approximately the same level for the current and budget years.

Dues and Subscriptions

Dues include annual membership fees to national and international lottery associations, trade organizations, and professional associations. Subscriptions are payments for trade and professional periodicals, draw-style research tools, and other educational and research materials. These costs are expected to remain consistent with the current year.

Recruiting

This expense includes charges for job placement advertisements for open employment positions at the Lottery throughout the fiscal year. The costs should remain at about the same level in the current and budget years.

Employee Training and Seminars

Employee training consists of group meetings conducted by outside instructors for training of sales, administrative, and professional staff. Consistent with travel costs, these types of meetings have not occurred since the beginning of the

**Louisiana Lottery Corporation
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pandemic. We have projected these costs at \$5,000 for FYE 2022 and at \$20,000 for FYE 2023 with the expectation that training will return to pre-pandemic levels.

Seminars are fees paid for lottery industry conferences, professional conferences, or other trade or business gatherings for employee educational and training purposes. These programs have shifted to virtual events during the pandemic. We have \$40,000 included in the projected and budgeted years for these costs.

Services Purchased

Expenses for retirement plan administration, payroll and human resources software services, accounting software support, shredding of unsold instant tickets, GPS fleet monitoring, cable television, email marketing, public relations monitoring services, community events setup, and collection agency fees are included in services purchased. Costs are projected to increase in the budget year to implement a redesign of the Lottery's website estimated to cost \$250,000. In addition, the Lottery will begin leasing vehicles and outsourcing fleet management with fees projected to reach \$7,500 for FYE 2023.

**Louisiana Lottery Corporation
Financial Plan
Summary of Capital Expenditure Requests
For the Fiscal Year Ending June 30, 2023**

Vehicle Replacements

The Lottery has a fleet of 40 vehicles used mainly by field personnel in the Sales and Security Departments. Currently, Lottery staff manages the fleet. As a result of current supply chain issues, the Lottery has been unable to procure vehicles to replace those with mileage in excess of 100,000 miles, presenting safety and maintenance concerns. As a solution, the Lottery is working to outsource fleet management to ensure vehicles can be provided to staff in a safe and cost-effective manner. Using the value of the current used vehicles to offset the cost of leasing new vehicles, the Lottery is including \$200,000 in this budget to lease 15 vehicles with the intent to eventually convert the entire 40 vehicle fleet to leased vehicles. Accounting rules require the lease to be listed as a capital lease.

Building and Leasehold Costs

The downtown headquarters in Baton Rouge and our distribution center in south Baton Rouge are both owned locations. Currently, each location has a diesel-powered generator for emergency power. The generator at the distribution center is 30 years old, and the generator at the downtown headquarters is over 19 years old. To ensure that the Lottery will be able to function during power outages, the Lottery has included \$650,000 in this budget for two generators that operate with natural gas.

Data Processing Software and Equipment

This technology budget request includes replacements for obsolete laptops, devices, workstation computers, communications equipment, and software.

Other

To accommodate unexpected capital needs, the Lottery has budgeted \$50,000.



UNIVERSITY
OF
LOUISIANA
L a f a y e t t e

Purchasing Office

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Université des Acadiens

January 14, 2022

Ms. Sherry Phillips-Hymel
Director, Senate Fiscal Services
Joint Legislative Committee on the Budget
P.O. Box 44294
Baton Rouge, LA 70804

RE: Submitting Agency – **University of Louisiana at Lafayette**
Contractor – **Ellucian Company L.P.**
Agreement Name – **PST Log #20 12 007, Amendment #5 to the Software License, Hosting Services and Maintenance Agreement**

Dear Ms. Phillips-Hymel:

Please consider this justification for the University of Louisiana at Lafayette to amend the current three (3) year Software License, Hosting Services and Maintenance Agreement with Ellucian Company L.P. (Ellucian) for an additional two (2) years. The extension is being requested as required per Louisiana R.S. 39:198(M).

The above written agreement was approved by the Office of State Procurement as a sole source agreement to provide the University’s Enterprise Resource Planning (ERP) System, other software component systems, and Hosting Services for the University of Louisiana at Lafayette as licensed from Ellucian.

The licensing is a continuation of software necessary as a continuation of support for the maintenance, upgrade and monitoring of the University systems. This extension will allow the University to maintain the current pricing for an additional two (2) years which provides savings to the State of Louisiana and the University. The University has had much success utilizing this resource through the baseline implementation of the systems licensed through Ellucian and would like to take advantage of the current momentum and energy to make additional progress.

The University has also purchased several additional pieces of software that augment the existing systems from Ellucian which will add new functionality into the originally implemented “stack”. The extension of the contract will allow the University to keep the pricing in check over the next two (2) years of the newly purchased pieces. Given the implementation complexity and the University resources required to support these products, we believe that two (2) additional years is necessary and adequate to reduce risk and assure continued success.

Your cooperation in this regard is greatly appreciated. Please do not hesitate to contact Kristi Montet with any questions or if you need further information by email at Kristi.montet@louisiana.edu or by phone at (337) 482-5201.

Sincerely,

DocuSigned by:
Marie Frank
1D6227D18F9A4G9...
Marie C. Frank, MPA, CPPB
Assistant Vice President of Administration and CPO

MCF/klm

AMENDMENT #5 TO SOFTWARE LICENSE, HOSTING SERVICES AND MAINTENANCE AGREEMENT

THIS AMENDMENT #5 TO SOFTWARE LICENSE, HOSTING SERVICES AND MAINTENANCE AGREEMENT (“Amendment”) is made by and between **UNIVERSITY OF LOUISIANA AT LAFAYETTE** (hereinafter referred to as “Client”) and **ELLUCIAN COMPANY L.P.** (“Ellucian”), having its principal place of business at 2003 Edmund Halley Dr., Suite 500, Reston, VA 20191.

Recitals

WHEREAS, Client and Ellucian entered into that certain Software License, Hosting Services and Maintenance Agreement with an Execution Date of December 19, 2019 (“PST Log #20 12 007”), the Term of which is presently scheduled to expire on June 30, 2022; and

WHEREAS, pursuant to Amendment #1 to PST Log #20 12 007 dated April 16, 2020 (“Amendment #1”), Client licensed 8,000 Folio reports for use with Ellucian Travel & Expense Management Powered by Chrome River Cloud Software for a Term which is presently scheduled to expire on June 30, 2022; and

WHEREAS, pursuant to Amendment #2 to PST Log #20 12 007 dated September 12, 2020 (“Amendment #2”), Client licensed additional Ellucian CRM Premium and CRM Lite Named Users for use with Ellucian CRM Advise Cloud Software for a Term which is presently scheduled to expire on June 30, 2022; and

WHEREAS, pursuant to Amendment #3 to PST Log #20 12 007 dated June 25, 2021 (“Amendment #3”), Client licensed five (5) blocks of Address Validations US and Canada for use with Ellucian CRM Advance Cloud Software for a Term which is presently scheduled to expire on June 30, 2022; and

WHEREAS, pursuant to Amendment #4 to PST Log #20 12 007 dated December 11, 2021 (“Amendment #4”), Client acquired additional hosting services for PaymentWorks Software and increased the amount of memory for use with Banner Document Management Software for a Term which is presently scheduled to expire on June 30, 2022 (as used herein any reference to the “Agreement” shall mean PST Log #20 12 007 and Amendments #1 through #4, collectively); and

WHEREAS, Ellucian will no longer license Cloud Software known as Ellucian Talent Management by Cornerstone OnDemand, Inc. (“Cornerstone”) as of June 30, 2022 such that Client will be required to acquire a license for such Cloud Software directly from Cornerstone for continued use of Talent Management Cloud Software beyond June 30, 2022; and

WHEREAS, the parties hereto desire to amend the Agreement on the terms herein stated in order to extend the Term of the Agreement for a period of two additional years (i.e., through June 30, 2024); and

WHEREAS, Client has secured approval from the Joint Legislative Committee on the Budget (“JLCB”) or other approval authorized by law to extend the Term of the Agreement for two (2) additional twelve (12) month periods on the same terms and conditions.

Amendment

NOW THEREFORE, in consideration of the foregoing recitals, the mutual covenants set forth in this Amendment, and the consideration extended by and between the parties hereto, the sufficiency of which is hereby acknowledged, Client and Ellucian hereby agree as follows:

1. Effective July 1, 2022, Client’s license to access and use Ellucian Talent Management Cloud Software is terminated. Accordingly, neither party shall owe the other any prospective obligations with respect to Ellucian Talent Management Cloud Software beyond June 30, 2022.
2. The Term of the Agreement is hereby extended for a period of two additional years through June 30, 2024, and any reference to an “end date” within the Agreement shall mean “June 30, 2024.”
3. The “Expiration Date” defined in Section 1.1 of PST Log #20 12 007 is hereby redefined as “June 30, 2024.”

4. The License Addendum contained within PST Log #20 12 007 is hereby amended to reflect the following:
 - The Expiration Date specified within Table 1 – Cloud Software is redefined as June 30, 2024; except for Ellucian Talent Management Cloud Software which is terminated effective July 1, 2022 as discussed in Section 1 of this Amendment.
 - The Expiration Date specified within Table 2 – Renewal and Realignment of Certain Cloud Software is redefined as June 30, 2024; and
 - The Expiration Date specified within Table 3 – Additional Cloud Software is redefined as June 30, 2024; except for Ellucian Talent Management Cloud Software which is terminated effective July 1, 2022 as discussed in Section 1 of this Amendment.

5. The Maintenance and Support Services Addendum contained within PST Log #20 12 007 is hereby amended to reflect the following:
 - The Expiration Date specified within Table 4 – Maintenance and Support Services is redefined as June 30, 2024.

6. The Application Hosting Services Addendum (the “AHS Addendum”) contained within PST Log #20 12 007 is hereby amended to reflect the following:
 - The Expiration Date specified in Section 3.0 of the AHS Addendum is redefined to mean June 30, 2024.

7. Effective July 1, 2022, the Payment Schedules contained within the Agreement are hereby superseded and replaced by the Payment Schedule attached to this Amendment as Attachment A.

8. This Amendment #5, together with the Agreement (as previously amended in writing), supersedes any and all prior and contemporaneous understandings or agreements of the parties in regard to the subject matter hereof and constitutes the final, complete, and exclusive statement of the agreement between the parties hereto as relates to amendment of the Agreement.

9. This Amendment may be supplemented, amended, or modified only by the mutual agreement of the parties, which mutual agreement shall be binding if and only if reduced to writing and signed by both parties.

10. Except as set forth above in this Amendment, the Agreement is unaffected and shall continue in full force and effect in accordance with its terms. In the event of any conflict between the Agreement and this Amendment (including any prior amendments thereto), the terms of this Amendment shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment with an Execution Date as specified below.

ELLUCIAN COMPANY L.P.

UNIVERSITY OF LOUISIANA AT LAFAYETTE

By: _____
Authorized Signature

By: _____
Authorized Signature

Name: _____
Printed

Name: _____
Printed

Title: _____
Printed

Title: _____
Printed

Date: _____

Date: _____

The last date of signature above is the “Execution Date” of this Amendment #5.

ATTACHMENT A

PAYMENT SCHEDULE

The following Payment Schedule summarizes the payments due from UL Lafayette under the Agreement as of the Execution Date of this Amendment #5: ¹

Month	FY 2022-23	FY 2023-24
July	\$1,519,407	\$1,556,186
August	\$85,431	\$85,431
September	\$85,431	\$85,431
October	\$85,431	\$85,431
November	\$85,431	\$85,431
December	\$85,431	\$85,431
January	\$85,431	\$85,431
February	\$85,431	\$85,431
March	\$85,431	\$85,431
April	\$85,431	\$85,431
May	\$85,431	\$85,431
June	\$85,431	\$85,431
ANNUAL TOTALS:	\$2,459,148	\$2,495,927
TOTAL:		\$4,955,075

Notes:

¹ For the avoidance of doubt, the payments reflected in this Payment Schedule represent the anticipated payment amounts for all Licensed Software, Cloud Software, Maintenance and Support Services fees, and Application Hosting Services fees identified in the Agreement as of the Execution Date of this Amendment #5 through an end date of June 30, 2024, and all fees shall remain subject to increase in accordance with the terms of the Agreement, including but not limited to the terms of Section 1.10 of PST Log #20 12 007. Ellucian will issue invoices for the payments in accordance with the Payment Terms specified within the Agreement. In the event of a conflict or inconsistency between the payments summarized in this Payment Schedule and the payments due under the written terms and conditions of the Agreement, the written terms and conditions of the Agreement will control over the payments summarized in this Payment Schedule.

**SOFTWARE LICENSE, HOSTING SERVICES AND
MAINTENANCE AGREEMENT**
PST LOG #20 12 007

This Software License, Hosting Services and Maintenance Agreement (“Agreement” or “Contract”) is made as of the Execution Date by and between **University of Louisiana at Lafayette** (“UL Lafayette”) and **Ellucian Company L.P.** (“Contractor” or “Ellucian”). The Agreement sets forth the terms and conditions whereby Contractor agrees to provide to UL Lafayette and UL Lafayette agrees to acquire from Contractor, licensed software products, hosting services and associated software maintenance and support services. The intent of this Agreement is to address all license software products (including product maintenance and support), all third party products, and all hosting services that will be acquired by UL Lafayette. As used herein, any reference to “Parties” shall mean to UL Lafayette and Ellucian and any reference to a “Party” shall mean to either UL Lafayette or Ellucian as the case may be.

The term of this Software License, Hosting Services and Maintenance Agreement is thirty-one (31) months from December 1, 2019 through June 30, 2022(the “**Term**”), unless otherwise terminated in accordance with the termination provisions of this Agreement. At the option of UL Lafayette and acceptance by the Contractor, this Agreement may be extended for two (2) additional twelve (12) month periods at the same prices, terms, and conditions. Total contract time may not exceed fifty-five (55) months.

Prior to the extension of this Agreement beyond the initial Term, prior approval by the Joint Legislative Committee on the Budget (“JLCB”) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (“OSP”) to extend the contract terms beyond the initial Term.

Certain addenda, exhibits, and supplements are attached to or referenced in this Contract (see Section 1.1 and Article II below). This Agreement and the associated Addenda constitute the entire agreement between the Parties with respect to the subject matter and specifically supersede the terms and conditions of any “shrink-wrap” agreement forms which may accompany Contractor’s Licensed Software and/or Licensed Material or which have been previously in force between UL Lafayette and Contractor.

ARTICLE I – DEFINITIONS, GRANTS

1.1 Definitions.

The term “**2014 Agreement**” shall mean the original Software License, Hosting Services and Maintenance Agreement bearing an Execution Date of December 9, 2014, including prior amendments thereto, under which UL Lafayette previously acquired licenses to certain Software from Ellucian. This Agreement is intended to replace and supersede the 2014 Agreement, including but not limited to prior amendments and agreements thereto for the Cloud Software identified in Tables 1 and 2 of this Agreement, for the Term herein stated. Any and all perpetual software licenses granted under the 2014 Agreement shall remain subject to the terms and conditions stated therein.

The term “**Addenda**” means the License Addendum (including Exhibits 1-4 thereto), the Maintenance and Support Services Addendum (including Exhibits 1 and 2 thereto), the Application Hosting Services Addendum (including Attachment 1, Schedules A-C), and the Payment Schedule referenced herein, as well as all Software Supplements attached to this Contract.

The term “**Agreement**” or “**Contract**” shall both mean the same thing and refer to all of the contents of the Agreement and all associated Addenda attached hereto and/or referenced herein.

The term “**Baseline**” shall mean the general release version of the Licensed Software, as updated to the particular time in question through both Contractor’s warranty services and through Maintenance and Support, but without any other modification whatsoever.

The term “**Beginning Date**” shall mean December 1, 2019. The parties intend that this Agreement shall have retroactive effect notwithstanding execution after December 1, 2019.

The term “**Client Data**” means all electronic data or information submitted by UL Lafayette to the Cloud Software, including without limitation any “**Client PII**” (meaning, personally identifiable information of UL Lafayette’s students, faculty and employees that is regulated by various state and federal laws and regulations).

The term “**Cloud Contract Year**” means, with respect to Cloud Software identified in this Contract, each period of twelve (12) consecutive months beginning on July 1 and ending on June 30 during the Cloud Software Term.

The term “**Cloud Software**” means the Software or Component System(s) (as identified in Tables 1-3 of the License Addendum attached hereto) which is provisioned in, and made available from, a remote environment as described more particularly herein. The term Cloud Software replaces the previously-used term “Subscription Services” used in the 2014 Agreement.

The term “**Cloud Software Term**” shall each mean the period from the Beginning Date through and including the Expiration Date. Effective on the Expiration Date, the Cloud Software Term will end without any further action by either Party hereto, after which time neither Party will owe the other any further obligations hereunder except as expressly set forth herein.

The term “**Computer Virus**” shall mean any computer code intentionally designed to disrupt, disable, harm, or otherwise impede in any manner, the operation of a computer program or computer system.

The term “**Contractor Confidential Information**” shall mean all research and development information related to Professional Services, Licensed Software, Hosting Services, or Licensed Material; the Licensed Software; the Licensed Material; Intellectual Property; software; computer code or instructions (including source and object code listings, program logic, algorithms, subroutines, modules, compilations, sequencing, “look and feel” or other subparts of computer programs and related documentation, including program notation); ideas, concepts, know-how, methods, techniques, structure, drawings; trade secrets and any other information or materials that have not been made available to the general public.

The term “**Contract Year**” means, with respect to Maintenance and Support Services identified in this Contract, each period of twelve (12) consecutive months beginning on July 1 and ending on June 30 through the Expiration Date. Based upon the anticipated Execution Date hereof, the initial Contract Year will be a partial one from the Beginning Date through June 30, 2020.

The term “**Data Protection Addendum**” shall mean the terms and conditions stated in **Exhibit 4** to the License Addendum.

The term “**Deliverable**” shall mean any Licensed Software product, Licensed Material, software, document, task, or other thing or work effort specifically identified by UL Lafayette as an obligation of the Contractor to deliver to UL Lafayette as part of this Agreement.

The term “**Delivery Address**” shall mean the address specified in a License Addendum.

The term “**Delivery Date**” shall mean, for each Licensed Software product, the date on which Contractor ships the Licensed Software system to the Delivery Address F.O.B. Contractor’s place of shipment (generally, Malvern, Pennsylvania). Notwithstanding the foregoing, Contractor shall be responsible for the Licensed Software Systems until it is received by UL Lafayette.

The term “**Documentation**” means the on-line and hard copy functional and technical specifications that

Ellucian provides for the Cloud Software and that describe the functional and technical capabilities of the Cloud Software.

The term “**Enhancement**” means general release, as opposed to custom, changes to the Baseline Licensed Software which increase the functionality of the Baseline Licensed Software.

The term “**Equipment**” shall mean the host(s) or client server(s) configuration and /or combinations of host(s) and client server configuration(s), with all Contractor-required third party databases and hardware/software peripherals; all located at UL Lafayette’s Operating Facility, within the United States of America and for which Contractor supports the Licensed Software.

The terms “**Errors**”, “**Defects**”, and “**Omissions**” shall mean and include deviations within the Licensed Software which prevent its successful operation in accordance with the Licensed Material.

The term “**Expiration Date**” means June 30, 2022.

The term “**Full Time Equivalent**” or “**FTE**” is determined based on the U.S. Department of Education Institute of Education Sciences National Center for Education Statistics Integrated Postsecondary Education Data System (“IPEDS”) client-reported Fall Total Full-time and Part-time Student Enrollment headcounts. The calculation of FTE students uses a fall student headcount model defined by IPEDS to derive a single value. The term “**Contracted FTE**” is discussed in Section 1.10 below (in the context of price escalation) and is identified, where applicable, in the notes related to specific Cloud Software in Tables 1-3.

The term “**HOSAL**” means Hosted Oracle Subscription Access as identified in Tables 1 and 3 to the License Addendum. The Cloud Software Term applicable to HOSAL will continue and remain in full force and effect until its conclusion, in accordance with the terms stated herein. Without limitation to any other limitations and/or restrictions as provided for in the License Addendum, UL Lafayette’s access and use of the HOSAL is limited to the applicable user/equipment configuration limitations specified in Oracle Software Detail Table A and Oracle Software Detail Table B in **Exhibit 3** to the License Addendum. HOSAL will terminate upon: (i) a termination for cause as described in Section 9.1 of the Agreement, (ii) a termination for the availability of funds as described in Section 9.2 of the Agreement, or (ii) an automatic termination as the result of the termination of the Hosting Services, as described in the section titled Termination of HOSAL Upon Termination of Hosting Services Term within Exhibit 3 below. Without limitation, nothing in this License Addendum will be interpreted to give UL Lafayette the right, and UL Lafayette will not have the right, to terminate HOSAL prior to the Expiration Date.

The term “**Hosting Services**” means the hosting services provided by Contractor as described in the SOW attached as part of the Application Hosting Services Addendum.

The term “**Intellectual Property**” and “**IP**” shall mean the same thing and shall mean all patents, patent rights, patent applications, copyrights, copyright registrations, trade secrets, trademarks, service marks and Confidential Information.

The term “**Licensed Material**” shall mean any and all Contractor-provided user, programmer and help desk material and documentation, in hard copy and electronic format, to assist UL Lafayette in the understanding, application, maintenance, or use of the Licensed Software which are actually delivered to UL Lafayette by Contractor pursuant to and/or during the term of this Agreement, and any updates, upgrades, substitutions, replacements, enhancements, improvements, or modifications thereof. Contractor will not remove features of functionality except where the business object of such feature or functionality is achieved by the Baseline Licensed Software in an alternate manner or where such feature is no longer generally required by those licensees of the Baseline Licensed Software in question.

The term “**Licensed Software**” shall mean any and all computer programs, which are identified in the attached

License Addendum, including all copies of source code (if provided), object code and all updates, Upgrades, corrections, additions, enhancements, improvements, or modifications thereof, and all Intellectual Property for such Licensed Software.

The term “**Maintenance**” means providing corrections of and/or Workarounds for Errors, Defects and Omissions.

The terms “**Maintenance and Support Services**” and “**Improvements**” shall each mean the provision of Maintenance, Enhancements and New Releases as detailed in Article VII and the Maintenance and Support Services Addendum.

The term “**New Releases**” means new editions of the Baseline Licensed Software.

The term “**Notification**” means a communication to Contractor’s ActionLine by means of: (i) Contractor’s Customer Support Center; (ii) the placement of a telephone call; or (iii) the sending of an e-mail, in each case, in accordance with Contractor’s then-current policies and procedures for submitting such communications.

The term “**Priority One – Critical Issue Call**” means a telephone call from UL Lafayette to Contractor’s ActionLine reporting that it believes that an Error, Defect, or Omission has occurred that: (1) renders the Licensed Software inoperative; or (2) causes the Licensed Software to fail catastrophically.

The term “**Priority Two – Urgent Issue Call**” means a telephone call from UL Lafayette to Contractor’s ActionLine reporting that it believes that an Error, Defect, or Omission has occurred that affects performance of the Licensed Software and has a material impact on UL Lafayette’s ability to use the Licensed Software, but does not prohibit UL Lafayette’s use of the Licensed Software.

The term “**Priority Three – Significant Issue Call**” means a telephone call from UL Lafayette to Contractor’s ActionLine reporting that it believes that an Error, Defect, or Omission has occurred that causes a significant impact on the use of the Licensed Software and is neither Critical nor Urgent.

The term “**Priority Four – Standard Issue Call**” means a telephone call from UL Lafayette to Contractor’s ActionLine reporting that it believes that an Error, Defect, or Omission has occurred that causes an impact on the use of the Licensed Software and is neither Critical nor Urgent.

The term “**Self-Help Code**” shall mean any back door; time bomb; drop dead device; any software, hardware, electronic or other security mechanism; any computer virus or other disablement, de-installation, deactivation, damage, or deletion mechanism; or other routine designed to disable or hinder or that shall hinder UL Lafayette’s freedom to use or physically and electronically transport the Licensed Software within UL Lafayette’s computing facilities, including software designed to be disabled with password protection, CPU serial number validation or dependency, electronic initialization protection, time-dependent execution, the passage of time or Licensed Software placed under the positive control of a person or party other than UL Lafayette.

The term “**Service Level Agreement**” and “**SLA**” both mean the Service Level Agreement applicable to certain Ellucian-proprietary Cloud Software provided under this Contract as detailed in **Exhibit 2** to the License Addendum. Ellucian will provide the Cloud Software consistent with Exhibit 2 to the License Addendum except as to (i) Ellucian Travel and Expense Management Powered by Chrome River Cloud Software and (ii) other Cloud Software for which a different service level agreement is provided for in a Software Supplement.

The term “**Software Supplement**” means, with respect to Licensed Software, the addenda, attachments, and exhibits referenced herein that contain additional terms, conditions, limitations and/or other information pertaining to that Licensed Software. If any terms of a Software Supplement conflict with any other terms of this Agreement, the terms of the Software Supplement will control. In the event that any Supplement terms

change, it must be agreed to in writing by both UL Lafayette and Contractor. Contractor confirms that it is responsible for any third party product licensed under this Agreement, pursuant to the terms of this Agreement, as they may be modified by a Software Supplement.

The term “**State**” shall mean the State of Louisiana.

The term “**Third Party Component Providers**” means third parties utilized by Ellucian to provide components of the Cloud Software.

The term “**UL Lafayette**” shall mean any business unit, division, department, or agency of University of Louisiana at Lafayette.

The term “**UL Lafayette Confidential Information**” shall mean all financial, statistical, personal, technical and other data and information relating to UL Lafayette’s operations and any other information or materials that have not been made available to the general public.

The term “**UL Lafayette Operating Facility**” shall mean a group of one or more buildings where UL Lafayette conducts business which are physically adjacent or are connected by physical, logical or communications connections and managed and operated centrally through the use of remote management technology.

The term “**Update**” means at least one (1) copy of the new published changes containing the packaged revisions to the Licensed Software and to the documentation. These Updates could be patches, releases, versions, etc.

The term “**Workaround**” means an avoidance procedure acceptable to UL Lafayette that will enable the continued use of the Licensed Software in question without a material adverse impact on UL Lafayette’s day-to-day business operations.

1.2 License Grant – Additional Perpetual Software. [RESERVED]

1.3 License Grant – Cloud Software.

(a) **Cloud Software (Table 1).** For the Cloud Software identified in Table 1 of the License Addendum attached hereto, and only during the Cloud Software Term, Ellucian grants UL Lafayette a non-exclusive, non-transferable license to access and use the Cloud Software for UL Lafayette’s internal use only. The license is further subject to the usage parameters identified in the License Addendum and any Software Supplement(s) identified therein.

(b) **Cloud Software (Table 2).** For the Cloud Software identified in Table 2 of the License Addendum attached hereto, and only during the Cloud Software Term, Ellucian grants UL Lafayette a non-exclusive, non-transferable license to access and use the Cloud Software for UL Lafayette’s internal use only. The license is further subject to the usage parameters identified in the License Addendum and any Software Supplement(s) identified therein.

1.4 License Grant – Additional Cloud Software (Table 3). For the Cloud Software identified in Table 3 of the License Addendum attached hereto, and only during the Cloud Software Term, Ellucian grants UL Lafayette a non-exclusive, non-transferable license to access and use the Cloud Software for UL Lafayette’s internal use only. The license is further subject to the usage parameters identified in the License Addendum and any Software Supplement(s) identified therein.

1.5 Right to Grant License and Ownership/Reservation of Rights. Ellucian has the right to grant UL Lafayette the licenses to use the Licensed Software (including Cloud Software) as described herein. Except as otherwise indicated in a Software Supplement, Ellucian owns all right, title, and interest in and to the Licensed Software

(including Cloud Software), including all Intellectual Property Rights therein. The licenses granted with respect to Cloud Software includes the right for UL Lafayette to allow UL Lafayette's prospective students, students, parents of students, alumni, faculty, and administration having a need to know to access the screen displays of the Cloud Software on a web-enabled basis for the purpose of viewing, inputting and/or querying data within the scope of UL Lafayette's permitted use of such Cloud Software. UL Lafayette shall be the exclusive owner of all Client Data provided hereunder. Any rights not expressly granted by Ellucian hereunder are expressly reserved by Ellucian.

- 1.6 Export Restrictions.** The Licensed Software is licensed subject to US export control laws. UL Lafayette will not allow the Licensed Software, in whole or in part, to be exported or used outside of the United States or otherwise exported or used in violation of United States law; however, UL Lafayette may permit access (as described in the Included Rights of Use Section) from outside of the United States subject to compliance with United States and local law. UL Lafayette is prohibited from directly or indirectly exporting (or re-exporting) or providing access to the Licensed Software to any country to which the United States has embargoed goods.
- 1.7** [RESERVED]
- 1.8 Disaster Recovery.** Except as otherwise may be set forth in a Software Supplement, the right to use Licensed Software shall include the right to use the Licensed Software on one or more CPU's or servers at any of UL Lafayette's or third party operated disaster recovery facilities for temporary disaster/recovery testing and/or processing.
- 1.9 United States Government Rights.** UL Lafayette may not acquire Cloud Software on behalf of the United States Government or any United States Government agency without Ellucian's prior written consent. The Cloud Software was developed fully at private expense and is a "Commercial Item" (as that term is defined in 48 C.F.R. 2.101 (OCT 2010)). UL Lafayette's right to use the Cloud Software is subject to (i) if acquired on behalf of a civilian agency, this Agreement as specified in 48 C.F.R. 12.212 (Computer Software), 48 C.F.R. 12.211 (Technical Data), and Part 27.405-3 of the Federal Acquisition Regulation ("FAR") and its successors, or (ii) if acquired on behalf of any agency within the Department of Defense ("DOD"), this Agreement as specified in 48 C.F.R. 227.7202-3 of the DOD FAR Supplement ("DFARS") and its successors, consistent with 48 C.F.R. 227.7202.
- 1.10 Price Escalators.** The annual fee for Cloud Software and Hosting Services set forth in this Contract will not increase during the initial Term except as stated below. All additional fees will be in effect for the remainder of the Term.
- 1.10.1 *FTE.*** Wherever pricing for Cloud Software is identified as based upon a specific FTE number, the license to such Cloud Software allows Client to use that Cloud Software for not more than the "**Contracted FTE**" identified in the notes applicable to such Cloud Software. For the avoidance of doubt, the following terms of this Section 1.10.1 shall not apply to Cloud Software unless identified as being priced based upon FTE (see Note 12 under Table 1 of the attached License Addendum). Ellucian reserves the right to perform an annual review of Client's then-current FTE. If Client's actual FTE exceeds the then-current Contracted FTE, Ellucian will have the right to charge additional fees associated with the increase or variation for the time that such increase or variation was in effect, based on Ellucian's then-current standard fees in effect at the time of such increase. Upon the payment by UL Lafayette of such fee, UL Lafayette's Contracted FTE will be increased to equal the then-current next tier for Contracted FTE. For avoidance of doubt, UL Lafayette will in no event be due a credit, refund or fee reduction in the event that UL Lafayette's actual FTE decreases below the Contracted FTE at any time during the Cloud Software Term. UL Lafayette agrees to provide Ellucian with reasonable access to its personnel, facilities, and documentation during normal business hours and with reasonable, prior notice, for purposes of ascertaining UL Lafayette's then-current FTE.

- 1.10.2 *Applications* – The Applications for which the Hosting Services are provided are listed in Schedule A to the Hosting Services Addendum. Additional Applications will not be hosted under this Agreement without the execution of an amendment by duly authorized representatives of each Party, and the payment by UL Lafayette of the applicable associated fees.
- 1.10.3 *Integrations* – Integrations covered by the Hosting Services are listed in Schedule A to the Hosting Services Addendum, and integrations covered by the Cloud Software are identified in Tables 1-3, as applicable. Additional integrations, integration paths and/or interfaces will not be covered or supported under this Agreement without the execution of an amendment by duly authorized representatives of each Party, and the payment by UL Lafayette of the applicable associated fees.
- 1.10.4 *3rd Party Escalators* – Additional fees charged by third party providers due to changes in the fee calculator applied to Cloud Software or to installed Hosting Services will be added to the fees payable hereunder. By way of example, if a third party database license fee calculator is changed during the Hosting Services Term (or the Software Term) resulting in increased fees for the applicable configuration used in the Hosting Services (or used for the Cloud Software), then such fee increase(s) will be added to the Hosting Services fee (or Cloud Software fees).
- 1.10.5 *Extraordinary Resource Requirements* – Cloud Software and Hosting Services are provisioned to maintain reasonable performance levels under normal usage. Performance may be impacted if UL Lafayette does not disclose relevant information during the discovery process, or if UL Lafayette does not implement practices recommended by Ellucian. Ellucian is not responsible for performance issues caused by UL Lafayette’s failure to provide proper discovery, or UL Lafayette’s failure to implement recommended practices. Additional resources will not be provided under this Agreement to remedy such performance issues without the execution of an amendment by duly authorized representatives of each Party, and the payment by UL Lafayette of the applicable associated fees.
- 1.10.6 *Annual Escalation With Respect to Certain Cloud Software* – Beginning July 1, 2020, annual subscription fees payable with respect to Ellucian Payment Center by TouchNet Cloud Software (as identified in Table 1) will increase annually by four percent (4%) over the annual subscription fees payable for the immediately preceding Cloud Contract Year. Beginning July 1, 2020, annual subscription fees payable with respect to Financial Aid FM Need Analysis and the HOSAL fees as identified in Table 1 will increase annually by five percent (5%) over the annual subscription fees payable for the immediately preceding Cloud Contract Year. Effective July 1, 2022, annual subscription fees payable for Ellucian CRM Advance Enterprise and Ellucian Analytics (as identified in Table 2) will increase by seven percent (7%) over the annual subscription fees payable for the same Cloud Software for the immediately preceding Cloud Contract Year (but will not increase again thereafter through the remainder of the Cloud Software Term).
- 1.11 Use of Client Data.** Ellucian shall have the right to (a) use, store, process, modify, reproduce, distribute and display client data, and to grant sublicenses to third parties, solely for the purposes of providing the software, performing Ellucian’s obligations under the Contract (including the Addenda) and complying with applicable law or legal requirements; (b) to use, store, process, modify and reproduce client data for Ellucian’s internal business purposes, including development, diagnostic, forecasting, planning, analysis and corrective purposes in connection with the Software and Services, and for otherwise improving and enhancing the Software and Services; and (c) to use, store, process, modify, reproduce, display, perform, distribute, disclose and otherwise exploit Aggregated Data in any manner for Ellucian’s business purposes, including disclosure within its public statements and marketing materials describing and/or promoting Ellucian and/or the Software and Services. “Aggregated Data” means any data obtained or generated by Ellucian, including data pertaining to the Software and Services, Ellucian’s systems and Software and Services, and the use of any of the foregoing, and includes data derived from client data and data that has been combined into databases which include third party data, which in all instances (i) does not identify any individual and (ii) is not attributed or attributable to a specific customer. Aggregated Data includes data that has been combined into databases which include

third party data.

- 1.12 Personal Data.** To effect the purposes of this Contract and/or a subsequent Order Form, UL Lafayette may from time to time provide Ellucian with certain personal data (UL Lafayette representing that it has the right to do so in each such instance) of UL Lafayette’s students, prospective students, parents of students, alumni, faculty members and employees that is regulated by various laws and regulations (“Client Personal Data”). Ellucian confirms that for so long as it processes Client Personal Data in respect of this Contract and/or the relevant Order Form, Ellucian will adhere to the provisions for the protection of Client Personal Data set forth in the Data Protection Addendum (Exhibit 4).

ARTICLE II – LIST OF ADDENDA

- 2.1 Addenda Included In This Contract.** This Contract consists of the License Addendum, the Maintenance and Support Services Addendum, and the Application Hosting Services Addendum, including all Tables therein and all Exhibits, Schedules, and Software Supplements referenced therein.

- The License Addendum identifies the Licensed Software and Cloud Software for which Ellucian grants a license for UL Lafayette’s use thereof and the fees payable therefor. The License Addendum includes the following:
 - **Table 1** identifies certain Cloud Software (originally licensed under the 2014 Agreement) for which UL Lafayette is granted a license effective December 1, 2019 (as further described in Section 1.3(a)) through the Cloud Software Term.
 - **Table 2** identifies certain Cloud Software (originally licensed under amendments to the 2014 Agreement) for which UL Lafayette is granted a license effective December 1, 2019 (as further described in Section 1.3(b)) through the Cloud Software Term.
 - **Table 3** identifies certain additional (new) Cloud Software for which UL Lafayette is granted a license effective December 1, 2019 (as further described in Section 1.4) through the Cloud Software Term.
 - Exhibits 1 – 4.
- The Maintenance and Support Services Addendum identifies the Maintenance and Support Services to be provided by Ellucian during the Term with respect to certain Licensed Software and the fees payable by UL Lafayette for such Maintenance and Support Services (as such Maintenance and Support Services are further described herein (see Article VII)). The Maintenance and Support Services Addendum includes the following:
 - **Table 4** identifies the parties’ obligations with respect to Maintenance and Support Services for certain Licensed Software originally licensed under the 2014 Agreement.
 - Exhibits 1 and 2.
- The Application Hosting Services Addendum (also referred to herein as the “AHS Addendum”) identifies the Hosting Services which Ellucian shall provide to UL Lafayette and the fees payable by UL Lafayette for such Hosting Services during the Term. The AHS Addendum includes the following:
 - Attachment I (including Schedules A – C).
- The Monthly Payment Schedule attached as the final page of this Contract.

ARTICLE III – LICENSE DELIVERY

- 3.1** [RESERVED]

- 3.2 License Software Delivery – Cloud Software (Tables 1-3).** UL Lafayette presently has access to and use of the Cloud Software identified in Table 1; accordingly, there is no new delivery obligation with respect to such Cloud Software. With respect to the Cloud Software identified in Tables 1 - 3, Ellucian will, as soon as reasonably practical following the Execution Date, provide the necessary process and procedure for Client’s access to the Cloud Software in accordance with this Agreement (the date on which Client is provided with this access is the “Delivery Date” for the purposes of the Cloud Software). In providing Cloud Software under this Agreement, Ellucian may use a combination of remote services, centralized services, and onsite services,

using personnel worldwide.

ARTICLE IV – SOFTWARE SUPPORT SERVICES FOR CLOUD SOFTWARE

4.1 Software Support Services for Cloud Software; Backup and Disaster Recovery. During the Cloud Software Term, as part of the annual Subscription Fees set forth in Tables 1-3, Ellucian will provide Software Support Services for the Cloud Software in accordance with the Maintenance Standards in **Exhibit 1** to the License Addendum. For the avoidance of doubt, with respect to the Cloud Software licensed under this Contract, Maintenance and Support Services for the Cloud Software are provided during the Cloud Software Term without payment of separate fees. The application of Software Support Services by Ellucian may result in changes in the form, timing, or other features of the Cloud Software. Ellucian will apply the Software Support Services to the Cloud Software to include Maintenance and New Releases.

Ellucian will conduct regular backup of Client Data. Backups will adhere to Ellucian’s internal backup controls. Ellucian will not be responsible for the accuracy of Client Data but will only be responsible for appropriately backing up the Client Data contained in the Cloud Software. The retention of this backup data is separated into the following components:

- *Database* – backups will be retained for three (3) months
- *Point in Time* – backups will be retained for one (1) week

At the end of these durations, the oldest copies of files will be deleted.

UL Lafayette may request copies of database backups for archival purposes. Upon such request, Ellucian will make a copy of the database available to UL Lafayette for secure download on a monthly basis. Each database backup made available in this manner will replace the previously available file. It will be UL Lafayette’s responsibility to retrieve those files in a timely manner.

Ellucian will maintain a disaster recovery plan for the Cloud Software. If the Cloud Software production environment is damaged in whole or in part preventing Ellucian from securely delivering the Cloud Software, Ellucian will failover the primary Cloud Software environment to Ellucian’s disaster recovery environment. Ellucian’s recovery time objective (RTO) is twenty-four (24) hours, measured from the time the Cloud Software is declared to have become unavailable until such services become available and operational in accordance with applicable service levels, as measured by Ellucian. Ellucian’s recovery point objective (RPO) is two (2) hours, measured from the time the first transaction is lost or from the time the Cloud Software became unavailable. Ellucian will test its disaster recovery plan annually and will, upon UL Lafayette’s written request, provide UL Lafayette with a summary of the most recent results. Note: Any Cloud Software downtime in excess of the aforementioned objectives will contribute towards the calculation of the SLA as defined in Exhibit 2 to the License Addendum.

ARTICLE V – PAYMENT

5.1 [RESERVED]

5.2 Subscription Fees. Subscription Fees for Cloud Software provided under Sections 1.3 and 1.4 are payable, respectively, in accordance with the Payment Terms specified in Tables 1 - 3 of the License Addendum and are summarized in the Monthly Payment Schedule.

5.3 Maintenance & Support Fees. Fees for Maintenance and Support Service are payable, respectively, in accordance with the Payment Terms specified in Table 4 of the Maintenance and Support Services Addendum and are summarized in the Monthly Payment Schedule.

- 5.4 **Hosting Services Fees.** Fees for Hosting Services are payable in accordance with the AHS Addendum and are summarized in the Monthly Payment Schedule.
- 5.5 **Invoices.** All invoices from Contractor shall identify the Licensed Software, location, UL Lafayette's purchase order number (if applicable), and, if applicable, quantity invoiced, list price, discounted price, extended price and total price.
- 5.6 **Taxes.** Any taxes, other than State and local sales and use taxes from which the State is exempt, shall be assumed to be included within the total cost shown herein.
- 5.7 **Late Charges.** UL Lafayette will pay each Contractor invoice by no later than thirty (30) days after the date thereof. Failure of UL Lafayette to pay any amounts to Contractor when due shall result in UL Lafayette paying interest for late payment. Interest due by UL Lafayette for late payments shall not accrue unless and until the amounts are at least fifteen (15) days past the original due date and shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

ARTICLE VI - PROPRIETARY RIGHTS

- 6.1 **No Title In UL Lafayette.** No title or ownership of Licensed Software, Licensed Material or IP is transferred to UL Lafayette by way of this Agreement.
- 6.2 **Rights In Derivative Works.** Contractor shall own all software development, modifications, enhancements, Updates, Deliverables and other materials, which are derivative works or contain derivative works of Contractor's Licensed Software, Licensed Material, and IP.
- 6.3 **Reverse-Engineering.** UL Lafayette agrees not to reverse-engineer the object code form of Licensed Software in any manner.
- 6.4 **UL Lafayette's Confidentiality, Nondisclosure Obligations.** As to the source code form of the Licensed Software received by UL Lafayette, if applicable, UL Lafayette agrees not to disclose it to anyone except an employee who has been informed in writing of UL Lafayette non-disclosure obligations under this Agreement. Further, UL Lafayette agrees not to disclose the Licensed Software, Licensed Material, or IP to any third party, except Authorized Third Parties. In the event that the Contractor discloses to UL Lafayette any information about the Contractor's business which is either Confidential as defined herein or is marked or designated as confidential or proprietary, UL Lafayette shall keep the same confidential and not disclose it to any third party without UL Lafayette's prior written consent. UL Lafayette shall treat such information in the same manner as it treats its own confidential information of the same type.
- 6.5 **UL Lafayette's Exceptions To Confidentiality.** Nothing contained herein shall in any way restrict or impair UL Lafayette's rights to use, disclose, or otherwise deal with any portion of Licensed Software, Licensed Material, or IP derived from:
- IP which is or becomes generally available to the public through no wrongful act of UL Lafayette;
 - IP which was in UL Lafayette's possession prior to the time it was acquired from Contractor and which was not directly or indirectly acquired from Contractor;
 - IP which is independently made available as a matter of right to UL Lafayette by a third party, provided that the third party did not breach any obligation to Contractor in making the IP available;
 - IP which is independently developed for UL Lafayette by persons not having exposure to those portions of Licensed Software or Licensed Material excepted above;
 - IP which is required (in the opinion of UL Lafayette's legal counsel), to be disclosed by court order or operation of law (provided that Contractor is given notice of any court proceeding and an opportunity to contest disclosure).

6.6 Copyright Notices. UL Lafayette agrees not to remove any copyright notices and other proprietary legends appearing on Licensed Software, Licensed Material and Intellectual Property.

6.7 Contractor's Confidentiality, Nondisclosure Obligations. In the event that UL Lafayette discloses to Contractor any information about UL Lafayette's business which is either Confidential as defined herein or is marked or designated as confidential or proprietary, Contractor shall keep the same confidential and not disclose it to any third party without UL Lafayette's prior written consent. Contractor shall treat such information in the same manner as it treats its own confidential information of the same type. Contractor shall return to UL Lafayette or destroy all such confidential information and certify in writing within thirty (30) days as to its return or destruction, upon the earliest to occur among the following:

- UL Lafayette's written request at any time;
- Termination of this Agreement, an Addendum or any licenses under this Agreement related to such information;
- Conclusion of Contractor's need for such information.

Additionally, under no circumstances is the Contractor to discuss and/or release information to the media concerning the selection process, the award process, the contracting process, the Agreement or the resulting project without prior express written approval of the Vice President for Finance and Administration of UL Lafayette.

6.8 Contractor's Exceptions To Confidentiality. Nothing contained herein shall in any way restrict or impair Contractor's rights to use, disclose, or otherwise deal with any portion of:

- UL Lafayette's confidential information which is or becomes generally available to the public through no wrongful act of Contractor;
- UL Lafayette's confidential information which was in Contractor's possession prior to the time it was acquired from UL Lafayette and which was not directly or indirectly acquired from UL Lafayette;
- UL Lafayette's confidential information which is independently made available as a matter of right to Contractor by a third party, provided that the third party did not breach any obligation to Contractor in making the IP available;
- UL Lafayette's confidential information which is required (in the opinion of Contractor's legal counsel) to be disclosed by court order or operation of law, provided that UL Lafayette is given notice of any court proceeding and an opportunity to contest disclosure;
- UL Lafayette's confidential information which independently developed for Contractor by persons not having exposure to those portions of UL Lafayette's confidential information.

ARTICLE VII – MAINTENANCE AND SUPPORT SERVICES (PERPETUAL SOFTWARE ONLY)

7.1 Maintenance Provided. During the Term, for each Contract Year specified in the Maintenance and Support Services Addendum, Contractor will provide UL Lafayette with Maintenance and Support Services with respect to the Baseline Licensed Software set forth in Table 4 of the Maintenance and Support Services Addendum, for such fees as are specified therein, in accordance with the support level specified for each Baseline Licensed Software system. The support level determines the hours during which Maintenance and Support will be provided, the targeted response times for certain defined categories of Maintenance and Support calls, and other details and procedures (collectively, the "Maintenance Standards") relating to the provision of Maintenance and Support. Each support level is identified in the Maintenance and Support Services Addendum and is described in the Exhibits thereto.

7.2 Limitations. All Maintenance and Support Services will be part of the applicable Baseline Licensed Software. Contractor's obligation to provide Maintenance and Support Services for Baseline Licensed Software owned

by parties other than Contractor is limited to providing the Maintenance and Support Services that the applicable third party owner provides to Contractor for that Baseline Licensed Software. In this regard, to the extent that an agreement authorizing Contractor to resell or sublicense a third party's Baseline Licensed Software is terminated or expires prior to the Expiration Date, then Contractor's obligation to provide Maintenance and Support Services for that Baseline Licensed Software, and UL Lafayette's obligation to pay Contractor for such Maintenance and Support Services, will automatically terminate simultaneously with the termination or expiration of the relevant agreement. UL Lafayette must provide Contractor with such facilities, equipment and support as are reasonably necessary for Contractor to perform its obligations under this Agreement, including remote access to the Equipment.

- 7.3. Term of Maintenance and Support Obligations.** The term of Maintenance and Support for each Baseline Licensed Software system is for the period from December 1, 2019 through June 30, 2022. After the Expiration Date, UL Lafayette will not receive any Maintenance and Support Services from Contractor unless Contractor and UL Lafayette enter into a valid extension to this Maintenance Agreement (up to the maximum term allowed by then-current State law) or new Maintenance Agreement that is approved by the State.
- 7.4 UL Lafayette's Central Support Team.** UL Lafayette shall designate a central support team. Only members of UL Lafayette's central support team shall be authorized to request Maintenance and Support Services from Contractor.

ARTICLE VIII - WARRANTIES

- 8.1 Ownership of Licensed Software and Materials.** Contractor hereby represents and warrants that it has the right to license the Licensed Software, Licensed Material and IP hereunder to UL Lafayette.
- 8.2 Limited Baseline Licensed Software System Warranty.**
- (a) Limited Baseline Licensed Software System Warranty by Contractor and Remedy For Breach. For each Licensed Software system, Contractor warrants to UL Lafayette that, for a period of twelve (12) months after the Delivery Date, the Baseline Licensed Software system, as used on the Equipment for the non-commercial computing operations of UL Lafayette, will operate without Errors, Defects or Omissions. For each Error, Defect or Omission, Contractor, as soon as reasonably practicable and at its own expense, will provide an avoidance procedure acceptable for or a correction of the Error, Defect or Omission. If despite its diligent, good faith and repeated efforts, Contractor is unable to provide an avoidance procedure for or a correction of an Error, Defect or Omission, then subject to the limitations set forth in Section 8.5, UL Lafayette may pursue a remedy at law to recover direct damages resulting from the breach of this limited warranty. These remedies are exclusive and are in lieu of all other remedies for breach of this limited warranty, and Contractor's sole obligations for breach of this limited warranty are contained in this Section 8.2(a).
- (b) Abrogation of Limited Warranty. The limited warranty in Section 8.2(a) will be null and void to the extent that: (i) anyone (including UL Lafayette) other than Contractor modifies the Baseline Licensed Software system; or (ii) UL Lafayette does not implement changes that Contractor provides to correct or improve the Baseline Licensed Software system. If despite any modification of the Baseline Licensed Software System, Contractor can replicate the reported problem as if the problem were an Error, Defect or Omission, then Contractor will nonetheless provide an avoidance procedure for or a correction of that reported problem as though the reported problem were an Error, Defect or Omission.
- 8.3 No Surreptitious / Security Code and Mechanisms.** Contractor warrants that first-delivered version of the Licensed Software provided hereunder shall be free from any "Self-Help Code". Excluded from this prohibition are identified and UL Lafayette-authorized features designed for purposes of maintenance or technical support. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component

designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. "Unauthorized Code" does not include "Self-Help Code."

Contractor agrees that in the event of any dispute with UL Lafayette regarding an alleged breach of this Agreement, Contractor shall not use any type of electronic means to prevent or interfere with UL Lafayette's use of the Licensed Software without first obtaining a valid court order authorizing same. UL Lafayette shall be given proper notice and an opportunity to be heard in connection with any request for such court order. Contractor understands that a breach of this provision could foreseeably cause substantial harm to UL Lafayette and to numerous third parties having business relationships with UL Lafayette. No limitation of liability, whether contractual or statutory, shall apply to a breach of this paragraph.

8.4 Disclaimer of Warranty and Conditions. The limited warranties in Sections 8.1, 8.2 and 8.3 are made exclusively and are in lieu of all other warranties. **CONTRACTOR MAKES NO OTHER WARRANTIES OR CONDITIONS WHATSOEVER, EXPRESS OR IMPLIED, WITH REGARD TO THE LICENSED SOFTWARE, HOSTING SERVICES, OR MAINTENANCE AND SUPPORT SERVICES PROVIDED UNDER THIS AGREEMENT, IN WHOLE OR IN PART. CONTRACTOR EXPLICITLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE. WITHOUT INTENDING TO LIMIT OR REDUCE CONTRACTOR'S WARRANTY OBLIGATIONS AS SET FORTH IN SECTIONS 8.1, 8.2 OR 8.3, CONTRACTOR EXPRESSLY DOES NOT WARRANT THAT THE LICENSED SOFTWARE, IN WHOLE OR IN PART, WILL BE ERROR FREE, WILL OPERATE WITHOUT INTERRUPTION OR WILL BE COMPATIBLE WITH ANY HARDWARE OR SOFTWARE OTHER THAN THE EQUIPMENT. UL LAFAYETTE WAIVES ANY CLAIM THAT THE LIMITED WARRANTIES SET FORTH IN SECTIONS 8.1, 8.2 OR 8.3, OR THE REMEDY FOR BREACH OF SUCH LIMITED WARRANTIES, FAILS ITS ESSENTIAL PURPOSE.**

8.5 Indemnification and Limitation of Liability.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless UL Lafayette from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors in the performance of this contract, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of UL Lafayette.

Contractor shall indemnify, defend and hold UL Lafayette and its affiliates harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims judgments, liabilities and costs which may be finally assessed against UL Lafayette in any action for infringement of a United States Letter Patent with respect to the Licensed Software furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that UL Lafayette shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, UL Lafayette may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as UL Lafayette requires.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: (i) UL Lafayette's unauthorized modification or alteration of the Licensed Software; (ii) UL Lafayette's use of the Licensed Software in combination with other products, materials, or services not furnished by Contractor; or (iii) UL Lafayette's use of the Licensed Software in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof should be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor has the right, at its own expense and sole discretion as UL Lafayette' exclusive remedy to take action in the following order of precedence: (i) to procure for UL

Lafayette the right to continue using such item(s) or part(s) thereof, as applicable; (ii) to modify the component so that it becomes a non-infringing product of at least equal quality and performance; (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to UL Lafayette up to the dollar amount of the Agreement.

For all other claims against the Contractor where liability is not otherwise set forth in the Agreement as being “without limitation”, and regardless of the basis on which the claim is made, Contractor’s liability for direct damages (i) for a claim related to Licensed Software, Contractor’s liability for direct damages shall be the greater of \$100,000 or the license fee actually paid for the particular Licensed Software giving rise to the liability; (ii) for a claim related to Cloud Software, the greater of \$100,000 or the subscription fees actually paid for the particular Cloud Software giving rise to the liability for the year in which the liability arose; (iii) for a claim related to Maintenance and Support, Contractor’s liability for direct damages shall be the greater of \$100,000 or the annual Maintenance and Support fees for the year in which the liability arose; and (iv) for a claim related to Hosting Services, Contractor’s liability for direct damages shall be the greater of \$100,000 or the annual Hosting Services fees for the year in which the liability arose. Unless otherwise specifically enumerated herein mutually agreed between the parties, neither Party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the Party has been advised of the possibility of such damages. Neither Party shall be liable for lost profits, lost revenue or lost institutional operating savings. UL Lafayette may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance bond, if any as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

8.6 FAILURE OF ESSENTIAL PURPOSES. THE PARTIES HAVE AGREED THAT THE LIMITATIONS SPECIFIED IN THIS SECTION 8, WILL SURVIVE AND APPLY EVEN IF ANY LIMITED REMEDY SPECIFIED IN THIS AGREEMENT IS FOUND TO HAVE FAILED ITS ESSENTIAL PURPOSE, AND REGARDLESS OF WHETHER UL LAFAYETTE HAS ACCEPTED ANY LICENSED SOFTWARE OR SUPPORT UNDER THIS AGREEMENT.

8.7 Business Practices and Ethics Code. Contractor warrants that it has given no commissions, payments, gifts, kickbacks, lavish or extensive entertainment, or other things of value to any employee or agent of UL Lafayette in connection with this Agreement and acknowledges that the giving of any such payments, gifts, entertainment, or other things of value is strictly in violation of UL Lafayette’s Code of Ethics as contained in the following documents or legislation:

LSA R.S. 42:1101 et seq.

A breach of the Code of Ethics may result in the cancellation of this and all future contracts. Contractor shall notify UL Lafayette of any solicitation by any of UL Lafayette’s employees or agents for such a thing.

8.8 Employees, Agents and Subcontractors Contracts. Contractor warrants that it shall be responsible for the conduct of its employees, agents, and subcontractors and shall obtain from its employees, agents, and subcontractors any contracts which are needed to enforce its obligations under this Agreement.

ARTICLE IX – GENERAL PROVISIONS

9.1 Agreement Termination for Cause. UL Lafayette may terminate this Agreement for cause based upon the failure of Contractor to comply with the terms and/or conditions of this Agreement; provided that UL Lafayette shall give the Contractor written notice specifying the Contractor’s failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then UL Lafayette may, at its option, place the Contractor

in default and the Agreement shall terminate on the date specified in such notice. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of UL Lafayette to comply with the terms and conditions of this Agreement; provided that the Contractor shall give UL Lafayette written notice specifying UL Lafayette's failure and a reasonable opportunity for UL Lafayette to cure the defect.

9.2 Agreement Termination for Funds Availability. The continuation of the Cloud Software provisions, the Maintenance and Support Services provisions, and the Hosting Services provisions of this Agreement is contingent upon the continuation of an appropriation of funds by the legislature to fulfill the requirements of the contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Cloud Software, Maintenance and Support Services, or Hosting Services provisions, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriations for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of same, the Parties' respective obligations pursuant to such provisions of the Agreement shall terminate on the date of the beginning of the first Cloud Contract Year and/or Contract Year for which funds have not been appropriated. Such termination shall be without penalty or expense to UL Lafayette except for payments which have been earned prior to the termination.

9.3 Licensed Software Usage Upon Termination. Upon the effective date of termination for cause of the Agreement, UL Lafayette shall through its best efforts, discontinue usage of the Licensed Software and Cloud Software and return to Contractor or destroy all user-accessible copies of the Licensed Software and Licensed Materials whether object or source. For the avoidance of doubt, upon the expiration of the Term of the Agreement, UL Lafayette shall continue to have the right to use the Licensed Software identified in Table 1 of the License Addendum in accordance with Article 1 of the Agreement.

9.4 Additional Client Responsibilities and Prohibitions With Respect to Cloud Software.

- UL Lafayette's authorized users will be provided with passwords, and UL Lafayette must hold the passwords in strict confidence and not transfer, exchange, misuse or abuse the passwords in any way or attempt in any way to disable, deactivate, or render ineffective the password protection of the Cloud Software.
- UL Lafayette will be responsible for its users' compliance with the terms of this Contract and this Section 9.4.
- UL Lafayette will be responsible for the accuracy, completeness, quality, and legality of Client Data and of the means by which it acquired Client Data.
- UL Lafayette will use commercially reasonable efforts to prevent unauthorized access to or use of the Cloud Software and will notify Ellucian promptly of any such unauthorized access or use.
- UL Lafayette will use the Cloud Software only in accordance with this Contract, the Documentation, and applicable laws.
- UL Lafayette will not make the Cloud Software available to anyone other than its authorized users.
- UL Lafayette will not sell, resell, rent, or lease the Cloud Software.
- UL Lafayette will not create any derivative works based on the Cloud Software.
- UL Lafayette will not use the Cloud Software to store or transmit any viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents, or programs.
- UL Lafayette will not attempt to gain unauthorized access to the Cloud Software or related systems or network.
- UL Lafayette will not use the Cloud Software to communicate, by way of electronic communication or otherwise, any message, data or material that: (1) is libelous, harmful to minors, obscene or constitutes pornography, (2) infringes the copyrights, patents, trade secrets, trademarks, trade names or other proprietary or privacy rights of a third party or is otherwise unlawful, or (3) would otherwise give rise to civil liability, or that constitutes or encourages conduct that could constitute a criminal offense, under any applicable law or regulation.

- Certain Cloud Software is subject to additional terms and restrictions as set forth in Software Supplements. Further, Ellucian may utilize certain Third Party Component Providers. With respect to the use of the Third Party Component Providers' services, UL Lafayette agrees to comply with any third party contractual provisions outlined in the Software Supplements. In all cases, if any terms of a Software Supplement conflict with any other terms of this Order Form, the terms of the Software Supplement will control.

9.5 Remedies for Default. Any claim or controversy arising out of this Agreement shall be resolved by the provisions of Louisiana Revised Statute 39:1673.

9.6 Assignment. Contractor shall not assign any interest in this Agreement by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit Contractor from assigning its bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. The following shall not be considered a prohibited "Assignment" of this Agreement: Contractor's assignment of this Agreement or of any Contractor's rights under this Agreement to Contractor's successor by merger or consolidation or to any person or entity that acquires all or substantially all of its capital stock or assets.

Notice of any such assignment or transfer shall be furnished promptly to UL Lafayette.

9.7 Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto.

9.8 Outsourcing. UL Lafayette shall have the right temporarily or permanently to sublicense, sublease, assign, or otherwise transfer to one or more Authorized Third Parties any or all of the license rights granted to UL Lafayette hereunder, provided, however that any such sublicense, sublease, assignment, or other transfer shall be for the use by such Authorized Third Party only to perform information processing services for UL Lafayette.

9.9 Right To Audit. The State Legislative auditor, federal auditors and internal auditors of UL Lafayette, the State, or others so designated by the State, shall have the option to audit all accounts directly pertaining to the Agreement for a period of five (5) years from the date of final payment or as required by applicable State and Federal Law. Records shall be made available during normal working hours for this purpose.

9.10 Records: Retention/Inspection. Contractor agrees to retain all books, records, and other documents relevant to this Agreement and the funds expended hereunder for at least five (5) years after final payment, or as required by applicable Federal law, if Federal funds are used to fund this Agreement. UL Lafayette will maintain appropriate records regarding the Cloud Software and UL Lafayette's use thereof. UL Lafayette will make such records available to Ellucian or its licensors upon reasonable request and will permit Ellucian or a licensor to inspect UL Lafayette's records and premises to verify UL Lafayette's compliance. Such inspection will take place with reasonable advance notice during business hours and is not intended to unreasonably disrupt UL Lafayette's operations. Inspections will be at Ellucian's expense unless the inspection shows a material non-compliance by UL Lafayette, in which case the inspection will be at UL Lafayette's expense. Ellucian may share the results of any such inspection with applicable licensors.

9.11 Fund Use. Contractor agrees not to use funds received for services rendered under this Agreement to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

9.12 Non-Discrimination. With respect to its employment of personnel, Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246, the Rehabilitation Act of

1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices and shall render services under this Agreement without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

- 9.13 Anti-Kickback Clause.** Contractor agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subcontractor shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.
- 9.14 Clean Air Act.** The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.
- 9.15 Energy Policy and Conservation Act.** The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).
- 9.16 Clean Water Act.** The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.
- 9.17 Anti-Lobbying and Debarment Act.** The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.
- 9.18 Entire Agreement, Partial Invalidity.** The making, execution, and delivery of this Agreement by Contractor and UL Lafayette have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Agreement embodies the entire understanding of the parties hereto on the subject matter hereof and supersedes any previous agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof. If any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portion or portions shall not be affected thereby.
- 9.19 Changes In Writing, Notices.** This Agreement, including Addenda, may be amended or modified only by an instrument of equal formality signed by duly authorized representatives of the respective Parties. Any alteration, variation, modification, or waiver of provisions of this Agreement shall be valid only when they have been reduced to writing, duly signed by the Parties, and approved as required by law. No amendment shall be valid until it has been executed by Contractor and UL Lafayette. Handwritten or typewritten text (other than information which is specifically called for in the spaces provided) which purports to modify or supplement the printed text shall have no effect and shall not add to or vary the terms of the Agreement. All such additions (whether submitted by UL Lafayette or Contractor) are objectionable and deemed material. All notices, requests, demands, or other communications hereunder shall be in writing and shall be deemed given if delivered personally; sent by registered or certified mail, return receipt requested; transmitted by electronic mail confirmed by first class mail; or sent by overnight courier to the following addresses (or to such other place as a Party may subsequently designate for its receipt of notices pursuant to this Agreement):

UL Lafayette:

University of Louisiana at Lafayette
Attn: Purchasing
Martin Hall, Room 123
104 University Circle
Lafayette, LA 70503

With a copy to:
University of Louisiana at Lafayette
Attn: Chief Information Officer
Stephens Hall, Room 119
201 East St. Mary Blvd.
Lafayette, LA 70503

Contractor:

Ellucian Legal Department
4 Country View Road
Malvern, PA 19355
Email: asklegal@ellucian.com

- 9.20 Waiver of Breach.** Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Agreement shall be held to be waived, modified or deleted except by the written consent of both Parties.
- 9.21 Use of UL Lafayette Trademark/Name.** Contractor shall not make any oral or written statement or perform any act indicating that UL Lafayette endorses or approves or has endorsed or approved Licensed Software and/or Licensed Material. Contractor shall not associate or in any way connect any name or trademark of UL Lafayette with the Licensed Software or Licensed Material without in each instance receiving UL Lafayette's prior written approval.
- 9.22 No Other Relationship/Obligations.** Neither Party shall have any right, power, or authority to assume, create, or incur any expense, liability, or obligation, express or implied, on behalf of the other Party, except as expressly provided herein. This Agreement is not intended to be nor shall it be construed as a joint venture, association, partnership, or other form of a business organization or agency relationship.
- 9.23 Governing Law; Forum.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with respect to this Agreement shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.
- 9.24 Force Majeure.** Neither Party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The Parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under this Agreement.
- 9.25 Headings, Counterparts.** Descriptive headings in this Agreement are for convenience and reference purposes only and shall not affect the construction or meaning of contractual language. Capitalized terms used in Addenda, Exhibits, Schedules, and Attachments shall have the same meaning ascribed to them as in the Agreement and the same effect as described herein.
- 9.26 Survival Period.** The provisions of ARTICLES VI and VIII to this Agreement shall survive the termination of this Agreement or any parts thereof.

9.27 Prohibition of Discriminatory Boycotts of Israel. In accordance with La. R.S. 39:1602.1, for any contract with a value of \$100,000 or more and for any contractor with five (5) or more employees, the Contractor, or Subcontractor, shall certify that it is not engaging in a boycott of Israel and shall, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State of Louisiana reserves the right to terminate this Agreement, if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective authorized representatives to be effective as of the date written by UL Lafayette below ("Execution Date").

UNIVERSITY OF LOUISIANA AT LAFAYETTE

DocuSigned by:
By: Jerry Luke LeBlanc
3051B08C525349D
Name: Jerry Luke LeBlanc
Title: V.P. Admin. & Finance
Date: 12/19/2019

ELLUCIAN COMPANY L.P.

DocuSigned by:
By: John McMonagle
E05A7A9A63E04D8
Name: John McMonagle
Title: VP, Chief Accounting Officer
Date: 12/19/2019

Billing Contact Information:

Name: Accounts Payable
Street Address: P.O. Box 40400
City, State, Zip Code: Lafayette, LA 70504

APPROVED
DIVISION OF ADMINISTRATION
OFFICE OF STATE PROCUREMENT
LOG NO: 20.12.007
DATE: January 7, 2020
BY: [Signature]
STATE DIRECTOR OF PROCUREMENT

LICENSE ADDENDUM

EQUIPMENT: Host(s) or client server configuration(s) and/or combinations of host(s) and client server configuration(s) within the United States of America for which Contractor supports the Licensed Software. UL Lafayette acknowledges that certain Licensed Software may require specific host or client configurations. Unless Contractor is providing Application Hosting Services, UL Lafayette, as soon as reasonably practicable, shall provide a detailed written description of the Equipment so that Contractor can confirm that it is a configuration on which Contractor supports use of the Licensed Software. Contractor will then advise UL Lafayette whether Contractor supports or does not support use of the Licensed Software on the proposed configuration. If Contractor does not support use of the Licensed Software on the proposed configuration, UL Lafayette must propose a new configuration until Contractor does confirm that it supports use of the Licensed Software on the proposed configuration.

NOTICE: Unless Contractor is providing Application Hosting Services, to use any of the Licensed Software, UL Lafayette must also obtain, install on the Equipment and maintain Contractor-supported versions of certain software products and software/hardware peripherals. Unless Contractor is providing Application Hosting Services, Contractor is advising UL Lafayette that UL Lafayette should consult with a Contractor professional services representative to obtain a written listing of such necessary software products and software/hardware peripherals.

TABLE 1 – CLOUD SOFTWARE:

Conditioned upon payment of the fees stated in Table 1, UL Lafayette is granted a license to the Cloud Software described in Table 1 below, during the Cloud Software Term, on the terms and conditions stated in the Contract to which this License Addendum is attached. All Subscription Fees stated herein are in addition to and not in lieu of any separate sums due from UL Lafayette under the Contract.

TABLE 1:

Licensed Software	Beginning Date / Expiration Date	Software Supplement	Annual Subscription Fee ^{1,2}
Ellucian CRM Recruit – SaaS Deployment ^{3,4,5,6} <i>Includes:</i> <ul style="list-style-type: none"> • Access to Ellucian Recruiter in a hosted, on-line environment • Two Ellucian CRM Recruit environments (one production and one non-production) • Ellucian CRM Recruit Payment Gateway • Banner Ellucian CRM Recruit Integration Manager • Includes patches and upgrades • 500,000 Address Cleanses per year ⁷ 	December 1, 2019 / June 30, 2022 ⁸	Informatica Software Supplement ⁹	\$112,463
Ellucian CRM Users ¹⁰ (for Ellucian CRM Recruit) <ul style="list-style-type: none"> • 40 Ellucian CRM Premium Named Users 		Microsoft Software Supplement ⁹	\$14,156
Daily Database Backup Support for Ellucian CRM Recruit		None	\$3,852
Financial Aid FM Methodology (for Hosted Deployment) ¹¹		None	\$6,050 ¹²
Ellucian Intelligent Learning Platform for Moodle ^{4,13}		None	\$41,195

<p>Ellucian CRM Advise ^{4,13} <i>Includes:</i></p> <ul style="list-style-type: none"> • Two Ellucian CRM Advise instances: One (1) Production; One (1) non-Production (QA, Test, Development) • Ellucian CRM Advise LMS Connector • Ellucian CRM Advise ERP Connector 		None	\$58,984
<p>Ellucian CRM Named Users ¹⁰ (for Ellucian CRM Advise)</p> <ul style="list-style-type: none"> • 1,000 Ellucian CRM Lite Named Users • 200 Ellucian CRM Standard Named Users • 31 Ellucian CRM Premium Named Users 		Microsoft Software Supplement ⁹	\$42,773
<p>Ellucian Talent Management ^{14,15} Renewal of existing licenses Includes:</p> <ul style="list-style-type: none"> • Learning (1,870 Active User licenses) • Recruiting (300 Active User licenses) • Onboarding (1,870 Active User licenses) • Performance (300 Active User licenses) 		Ellucian Talent Management Software Supplement ⁹	\$67,201
<p>Ellucian Elevate ^{4,16} <i>Includes:</i></p> <ul style="list-style-type: none"> • Up to 2,500 enrollment transactions per Subscription Year, and all enrollment transactions in excess of 2,500 will be billed at a rate of \$5.00 per enrollment transaction (subject to a 5% Subscription Year-to-Subscription Year increase during the Cloud Software Term), quarterly on a calendar year basis. As used herein, an “Enrollment Transaction” means a single session processing a successful registration of a student into a program. This session can include one or more courses. Course or program drops are not counted as enrollment transactions. • 50,000 address cleanses per Contract Year. If UL Lafayette exceeds this limit in any Subscription Year, Ellucian will invoice UL Lafayette an additional fee of \$.03 per address cleanse up to the first 100,000 address cleanses in excess of the limit(s). Thereafter, if UL Lafayette should exceed the 100,000 threshold, UL Lafayette must contact Ellucian to purchase additional block(s) of 500,000 address cleanses at Ellucian’s then-current rate. • Two Elevate instances (one production and one training) with a maximum of 10GB of data. 		Informatica Software Supplement ⁹	\$23,487
<p>Ellucian Payment Center by TouchNet ¹⁷ <i>Includes:</i></p> <ul style="list-style-type: none"> • Use of the Ellucian Payment Center by TouchNet for one (1) Campus Entity 		None	\$46,112 ¹²

<p>(additional Campus Entity licenses are available for additional fees). A “Campus Entity” is a college or university campus or facility that offers a degree program in its own name. A Campus Entity may have multiple branch locations from which classes or other services are offered; however, a branch will not be considered a Campus Entity unless it offers a degree program in its own, separate name. UL Lafayette may have multiple Campus Entities, and the Ellucian Payment Center by TouchNet annual subscription fees and other charges will vary depending upon (among other factors) the number of Campus Entities included within UL Lafayette.</p> <ul style="list-style-type: none"> • One (1) production environment and one (1) non-production environment. • TouchNet Connects: The TouchNet Connects component of the Ellucian Payment Center by TouchNet is licensed to UL Lafayette solely for the purpose of enabling UL Lafayette to access (and interface with) the component of Ellucian Payment Center by TouchNet that resides at the TouchNet Data Center. TouchNet Connects may not be used for any other purpose whatsoever. Unless otherwise specifically agreed, installation and configuration of TouchNet Connects will be the sole responsibility of UL Lafayette. 			
<p>Oracle Cloud Software – Application Specific Full Use ^{18,19} (See Oracle Software Detail Table A in Exhibit 3)</p>		<p>Oracle Cloud Software Supplement – Application Specific Full Use ⁹</p>	<p>\$87,931 ¹²</p>
<p>SUBSCRIPTION FEE FOR FIRST ANNUAL CLOUD CONTRACT YEAR (TABLE 1): ^{8,12}</p>			<p>\$504,204</p>

Notes to Table 1:

- ¹ The Annual Subscription Fee(s) shown in the table above do not include implementation/setup services. UL Lafayette has not requested that Ellucian provide Professional Services in conjunction with this Contract.
- ² The fees payable for Cloud Software include Maintenance and Support Services for the Cloud Software, and such Maintenance and Support Services will be provided during the Cloud Software Term in accordance with the terms of Article IV.
- ³ UL Lafayette must provide Ellucian with an active Administrative Privileged user during the Cloud Software Term.
- ⁴ Ellucian currently utilizes Amazon Web Services (“AWS”) for the provision of hosting services associated with this Cloud Software. In this regard, UL Lafayette shall ensure that all UL Lafayette authorized users comply with the Acceptable Use Policy and other applicable services terms currently available at <http://aws.amazon.com/legal>.
- ⁵ In order to use email marketing within CRM Recruit, UL Lafayette must acquire a license from a third-party vendor for the use of a compatible email marketing software product. Ellucian does not offer a license to use a

third-party email provider. Please contact the third-party provider directly for information regarding the pricing for and licensure of email marketing.

6 Additional terms applicable to Ellucian Recruit were included as part of Exhibit 3 to the 2014 Agreement, which is incorporated herein by this reference.

7 If UL Lafayette should exceed this limit during a Contract Year, the parties shall execute a separate written agreement to provide for the number of additional Address Cleanses agreed to between the parties (to be purchased in minimum incremental blocks of 500,000 Address Cleanses). Any additional fees shall be at Contractor's then-current rate or at a rate as otherwise negotiated between the parties for each additional block of 500,000 of Address Cleanses.

8 Based upon a Beginning Date of December 1, 2019, the Subscription Fee For First Annual Cloud Contract Year (Table 1) will be prorated as stated in the Payment Terms For Table 1 (below) to cover the partial initial Cloud Contract Year.

9 The referenced Software Supplements are attached hereto collectively as Exhibit 5.

10 For the purposes of this Cloud Software, the following definitions will apply: "Premium Named Users" means individuals who have full access to the CRM capabilities within any Ellucian CRM application and are authorized by UL Lafayette to use the Cloud Software, for whom subscriptions to the Cloud Software have been ordered, and who have been supplied user identifications and passwords by UL Lafayette (or by Ellucian at the request of UL Lafayette). "Standard Named Users" means individuals who have read, write, edit, and delete capabilities (based on the role-based access controls that UL Lafayette decides to enforce) and who are authorized by UL Lafayette to use the Cloud Software, for whom subscriptions to the Cloud Software have been ordered, and who have been supplied user identifications and passwords by UL Lafayette (or by Ellucian at the request of UL Lafayette). Standard Named Users may *not* make data structure changes, manage security roles, manage data through bulk import operations, or configure communication campaigns, goals, workflows, dialogs, system dashboards, system views, or reports. Standard Named Users can use workflows, dialogs, goals and create their personal dashboards and views. Standard Named Users may *not* manage or send mass communications or email campaigns using Dynamics CRM Marketing Campaign functionality or third party email marketing solutions. "Lite Named Users" means individuals who have read, write, edit, and delete capabilities (based on the role-based access controls that UL Lafayette decides to enforce) and who are authorized by UL Lafayette to use the Cloud Software, for whom subscriptions to the Cloud Software have been ordered, and who have been supplied user identifications and passwords by UL Lafayette (or by Ellucian at the request of UL Lafayette). Lite Named Users may *not* make data structure changes, manage security roles, manage data through bulk import operations, or configure communication campaigns, goals, workflows, dialogs, system dashboards, system views, or reports. Lite Named Users can use workflows and manage data presented outside of the Ellucian CRM application consoles. Lite Named Users may *not* run reports, goals, or dialogs, and may not manage or send mass communications or email campaigns using Dynamics CRM Marketing Campaign functionality or third party email marketing solutions. Premium/Standard/Lite Named User licenses are for UL Lafayette's designated users – including 3rd party agents – only and cannot be shared or used by more than one individual; provided, however, that Premium/Standard/Lite Named User licenses can be reassigned by UL Lafayette to individuals replacing former Premium/Standard/Lite Named Users who no longer require ongoing use of the Cloud Software.

11 For the avoidance of doubt, UL Lafayette's license for Financial Aid FM Methodology is for deployment in a hosted environment.

12 In regard to annual price escalation with respect to the Cloud Software identified by this Note 12, see Section 1.10.6 of the Contract and the Payment Terms For Table 1 below.

13 Pricing in this Order Form for Cloud Software allows for up to a tier threshold of 15,999 FTE (the "Contracted FTE"); annual pricing is subject to increase in accordance with the FTE terms contained herein.

14 Without limitation to any other limitations and/or restrictions as provided for herein, UL Lafayette's access and use of the Talent Management Software is limited to the number of Active Users (as such term is defined below). **Active Users.** The annual subscription fee for the Ellucian Talent Management Cloud Software (also referred to herein as "Ellucian Talent Management") includes the total number of Active User licenses as specified in the table above. On a regular basis (at least monthly), UL Lafayette's access and use of Ellucian Talent Management (including UL Lafayette's total number of Active Users) will be reviewed. If and when UL Lafayette's use of Ellucian Talent Management exceeds the limitations on Active Users as provided herein during the Cloud Software Term, Ellucian will promptly notify UL Lafayette of the increase and: (i) UL Lafayette will be invoiced

(in increments of 50 Active Users) for the increased number of Active Users, at additional subscription fees on a pro-rata basis for the remainder of the then-current Subscription Year, and UL Lafayette's payment will be due within thirty (30) days from the date of invoice; and (ii) annual subscription fees applicable to subsequent Subscription Years will be increased to reflect the increase in Active Users. Upon payment of the applicable increase(s) in subscription fees as provided above, UL Lafayette's total Active Users shall be increased to reflect the new total Active Users for which UL Lafayette has paid the additional subscription fees. All such increase in annual subscription fees will be based on the standard fees, policies, and practices in effect at the time of such increase. An "Active User" is a single, individual client user established on Ellucian Talent Management with a designation of "active" at any time during that calendar month (Ellucian and UL Lafayette have the ability to determine who is an Active User).

- 15 The parties are not renewing UL Lafayette's subscription to Ellucian Talent Management Online Administrator Training Package. The Talent Management Software and associated subscription fees identified in the table above do not include installation, implementation, configuration, technical projects, or any other professional consulting services associated with the Talent Management Software. Such services are not provided or offered by Ellucian hereunder. In order to obtain any such services, Client must contact and execute an agreement directly with Cornerstone OnDemand, Inc. ("Cornerstone") or a third party authorized by Cornerstone to provide such services.
- 16 In order to access and use the Ellucian Elevate Cloud Software and the Ellucian Payment Center for Elevate by TouchNet, UL Lafayette must separately contract with a merchant services provider (such as TouchNet) for merchant services (that is, the services that enable a business to accept a transaction payment from a customer's credit card or debit card through a secure channel). Merchant services are NOT provided by Ellucian and are NOT included as part of the fees payable to Ellucian. By its execution of this Order Form, UL Lafayette represents that it has contracted directly with or that it intends to contract directly with TouchNet for the provision of merchant services.
- 17 In order to use the Ellucian Payment Center by TouchNet Cloud Software, Client must separately contract with a merchant services provider (such as TouchNet or a TouchNet-approved third-party processor) for merchant services (that is, the services that enable a business to accept a transaction payment from a customer's credit card or debit card through a secure channel). Merchant services are NOT provided by Ellucian and are NOT included as part of the fees payable to Ellucian. By its execution of this Order Form, Client represents that it has contracted directly with or that it intends to contract directly with TouchNet for the provision of merchant services.
- 18 The above HOSAL fees are based upon UL Lafayette contracting for application hosting services with Ellucian and may only be used in conjunction with the applications hosted by Ellucian (see the Application Hosting Services Addendum). The HOSAL model is not available if the systems are not hosted with Ellucian. If UL Lafayette chooses to add other DB/IAS options to their HOSAL, additional charges will apply. The HOSAL is non-transferrable (i.e., UL Lafayette cannot port another Oracle license type into the HOSAL at any time). If UL Lafayette discontinues Ellucian's application hosting services at the end of a contract term or otherwise, the HOSAL terminates entirely, and UL Lafayette will not have any rights to the HOSAL components and will not be able to convert it into a different license type. All required Oracle Database and Internet Application Server licenses (as applicable) will need to be licensed afresh by UL Lafayette at that time. For purposes of clarification, license rights on any perpetual license components (such as Programmer) will remain unchanged for UL Lafayette.
- 19 See Oracle Software Detail Table A below for a listing of Oracle software products accessible through HOSAL and the applicable user/equipment configuration limitations. The pricing stated above is valid only if the Execution Date occurs on or before December 22, 2019.

PAYMENT TERMS FOR TABLE 1:

- (1) For the partial initial Cloud Contract Year from the Beginning Date through June 30, 2020, Ellucian shall have the right to invoice UL Lafayette for \$294,118 on the Execution Date, and UL Lafayette's payment therefor shall be due within thirty (30) days of the date of invoice. For the avoidance of doubt, the payment identified is equal

to a prorated amount of the Total Annual Fee listed in Table 1 above covering the period December 1, 2019 through June 30, 2020.

- (2) For the first full Cloud Contract Year applicable to Table 1 (meaning the period from July 1, 2020 through June 30, 2021), Ellucian shall have the right to invoice UL Lafayette for \$504,204 in advance of July 1, 2020, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (3) For the second full Cloud Contract Year applicable to Table 1 (meaning the period from July 1, 2021 through June 30, 2022), Ellucian shall have the right to invoice UL Lafayette for \$510,747 in advance of July 1, 2021, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (4) For the third full Cloud Contract Year applicable to Table 1 (meaning the period from July 1, 2022 through June 30, 2023), Ellucian shall have the right to invoice UL Lafayette for \$517,599 in advance of July 1, 2022, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (5) For the fourth full Cloud Contract Year applicable to Table 1 (meaning the period from July 1, 2023 through June 30, 2024), Ellucian shall have the right to invoice UL Lafayette for \$524,774 in advance of July 1, 2023, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.

Note: Dates indicated in the following table for full year three and four are pending approval of extension form JLCB.

For the Parties' convenience and budgetary planning purposes only, the Payment Terms For Table 1 are summarized in the following table (based upon the configurations and user counts specified herein as of the Execution Date – additional fees would apply in the event of changes to products and/or users counts):

Description of Payment	Amount	Estimated Due Date
Prorated Annual Subscription Fee for Table 1 (12/1/19 – 6/30/20):	\$294,118	December 1, 2019
Annual Subscription Fee for Table 1 (7/1/20 – 6/30/21):	\$504,204	July 1, 2020
Annual Subscription Fee for Table 1 (7/1/21 – 6/30/22):	\$510,747	July 1, 2021
Annual Subscription Fee for Table 1 (7/1/22 – 6/30/23):	\$517,599	July 1, 2022
Annual Subscription Fee for Table 1 (7/1/23 – 6/30/24):	\$524,774	July 1, 2023

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TABLE 2 – RENEWAL AND REALIGNMENT OF CERTAIN CLOUD SOFTWARE:

Conditioned upon payment of the Subscription Fees stated in Table 2, Client is granted a license to the Cloud Software described in Table 2 below, aligned to a Cloud Contract Year from July 1 to June 30 during the Cloud Software Term, on the terms and conditions stated in the Contract to which this License Addendum is attached. All Subscription Fees stated herein are in addition to and not in lieu of any separate sums due from UL Lafayette under the Contract.

TABLE 2:

Licensed Software	Beginning Date / Expiration Date	Software Supplement	Annual Subscription Fee ^{1,2}
Ellucian Analytics ^{3,4,5} <i>Includes:</i> <ul style="list-style-type: none"> • Ellucian Ethos Data Access for two (2) environments (one production and one non-production) • 1 TB storage • 30 Ellucian Analytics Designer Named Users • 200 Ellucian Analytics Viewer Named Users 	December 1, 2019 / June 30, 2022 ⁶	HP Vertica Software Supplement; Tableau Software Supplement ⁷	\$81,800
Ellucian CRM Advance Enterprise ^{3,4,8} <i>Includes:</i> <ul style="list-style-type: none"> • Two Ellucian CRM Advance environments (one production and one non-production) • Daily Database Backup Support for Ellucian CRM Advance Enterprise 		Microsoft Software Supplement ⁷	\$70,950
Ellucian CRM Users ^{9,10} (for Ellucian CRM Advance Enterprise) <ul style="list-style-type: none"> • 51 Ellucian CRM Standard Named Users • 20 Ellucian CRM Premium Named Users 		Microsoft Software Supplement ⁷	\$12,120
Ellucian Travel and Expense Management Powered by Chrome River ¹¹ <i>Includes:</i> <ul style="list-style-type: none"> • Up to 3,000 reports per Cloud Contract Year.. 		None	\$23,400
Ellucian Travel and Expense Management Powered by Chrome River <i>Includes:</i> <ul style="list-style-type: none"> • Up to 5,000 additional reports per Cloud Contract Year plus an overage allowance of ten percent (10%). If UL Lafayette exceeds eight thousand eight hundred (8,800)¹² reports in one Cloud Contract Year, Ellucian will invoice UL Lafayette for an additional fee of \$9.00 per report at the end of the Cloud Contract Year in which the overage occurred. • Up to 10,000 Purchasing Card (“PCard”) (non-travel) reports per Cloud Contract 		None	\$62,488

Year plus an additional ten percent (10%) overage allowance. If UL Lafayette exceeds 11,000 PCard reports in one Cloud Contract Year, Ellucian will invoice UL Lafayette for an additional fee of \$3.25 per PCard report at the end of the Cloud Contract Year in which the overage occurred.			
ANNUAL SUBSCRIPTION FEE (TABLE 2) (in effect through June 30, 2020 and subject to increase during the remainder of the Cloud Software Term): ⁶			\$250,758

Notes to Table 2:

- ¹ The Annual Subscription Fee(s) shown in the table above do not include implementation/setup services. UL Lafayette has not requested that Ellucian provide Professional Services in conjunction with this Contract.
- ² The fees payable for Cloud Software include Maintenance and Support Services for the Cloud Software, and such Maintenance and Support Services will be provided during the Cloud Software Term in accordance with the terms of Article IV.
- ³ Ellucian currently utilizes Amazon Web Services (“AWS”) for the provision of hosting services associated with this Cloud Software. In this regard, UL Lafayette shall ensure that all UL Lafayette authorized users comply with the Acceptable Use Policy and other applicable services terms currently available at <http://aws.amazon.com/legal>.
- ⁴ For the purposes of this Cloud Software, the following definitions will apply: “Designer Named Users” means individuals who have permissions to create and manage defined and/or client-created content. A Designer Named User will have access to design-based tools related to visualization, for whom subscriptions to the Cloud Software have been ordered, and who have been supplied user identifications and passwords by UL Lafayette (or by Ellucian at the request of UL Lafayette). UL Lafayette must have at least one Designer Named User who is also UL Lafayette’s administrative user, with administrative rights to manage and configure client-based configuration elements and to manage all extract, transform, load (ETL) or data loading jobs and processes. “Viewer Named Users” means individuals who have a set of defined permissions to enable that Viewer Named User to view and interact with analytic content, for whom subscriptions to the Cloud Software have been ordered, and who have been supplied user identifications and passwords by UL Lafayette (or by Ellucian at the request of UL Lafayette).
- ⁵ The annual Subscription Fees payable for Ellucian Analytics will increase effective July 1, 2022 to a new base year fee equal to \$87,526. The new base year fee applicable to this product shall remain flat through the remainder of the Cloud Software Term, subject to Section 1.10 of the Contract.
- ⁶ Based upon a Beginning Date of December 1, 2019, the Total Annual Subscription Fee stated in Table 2 will be prorated as stated in the Payment Terms (below) to cover the partial initial Cloud Contract Year from December 1, 2019 through June 30, 2020 in order to realign UL Lafayette’s subscription to such Cloud Software to a July 1 – June 30 Cloud Contract Year. UL Lafayette will be invoiced for the partial initial Cloud Contract Year and each subsequent Cloud Contract Year through the Expiration Date in accordance with the Payment Terms For Table 2 below.
- ⁷ The referenced Software Supplements are attached hereto collectively as Exhibit 5.
- ⁸ The annual Subscription Fees payable for Ellucian CRM Advance Enterprise will increase effective July 1, 2022 to a new base year fee equal to \$75,917. The new base year fee applicable to this product shall remain flat through the remainder of the Cloud Software Term, subject to Section 1.10 of the Contract.
- ⁹ The terms stated in Note 9 to Table 1 are incorporated herein by this reference except that “Lite Named Users” are not compatible with Ellucian CRM Advance.
- ¹⁰ The annual Subscription Fees payable for Ellucian CRM Users will increase effective July 1, 2022 to a new base year fee equal to \$12,968. The new base year fee applicable to this product shall remain flat through the remainder of the Cloud Software Term, subject to Section 1.10 of the Contract.

- ¹¹ The annual Subscription Fees payable for Ellucian Travel and Expense Management will increase effective September 1, 2020 to a new base year fee equal to \$24,765. The new base year fee applicable to this product shall remain flat through the remainder of the Cloud Software Term, subject to Section 1.10 of the Contract.
- ¹² For the avoidance of doubt, the stated number of available Travel and Expense Management reports (8,800) includes 8,000 reports plus ten percent (10%) overage on the basis of separate licensing of 3,000 and 5,000 reports per Cloud Contract Year as shown in Table 2 above.

PAYMENT TERMS FOR TABLE 2:

- (1) For the partial initial Cloud Contract Year from the Beginning Date through June 30, 2020, Ellucian shall have the right to invoice UL Lafayette for \$146,276 on the Execution Date, and UL Lafayette's payment therefor shall be due within thirty (30) days of the date of invoice. For the avoidance of doubt, the payment identified is equal to a prorated amount of the Annual Subscription Fee (Table 2) listed in Table 2 above covering the period December 1, 2019 through June 30, 2020.
- (2) For the first full Cloud Contract Year applicable to Table 2 (meaning the period from July 1, 2020 through June 30, 2021), Ellucian shall have the right to invoice UL Lafayette for \$252,123 in advance of July 1, 2020, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (3) For the second full Cloud Contract Year applicable to Table 2 (meaning the period from July 1, 2021 through June 30, 2022), Ellucian shall have the right to invoice UL Lafayette for \$252,123 in advance of July 1, 2021, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (4) For the third full Cloud Contract Year applicable to Table 2 (meaning the period from July 1, 2022 through June 30, 2023), Ellucian shall have the right to invoice UL Lafayette for \$263,664 in advance of July 1, 2022, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.
- (5) For the fourth full Cloud Contract Year applicable to Table 2 (meaning the period from July 1, 2023 through June 30, 2024), Ellucian shall have the right to invoice UL Lafayette for \$263,664 in advance of July 1, 2023, and UL Lafayette's payment therefor shall be due in full within thirty (30) days of the date of invoice.

Note: Dates indicated in the following table for full year three and four are pending approval of extension form JLCB.

For the Parties' convenience and budgetary planning purposes only, the Payment Terms For Table 2 are summarized in the following table (based upon the configurations and user counts specified herein as of the Execution Date – additional fees would apply in the event of changes to products and/or users counts):

Description of Payment	Amount	Estimated Due Date
Prorated annual Subscription Fee for Table 2 (12/1/19 – 6/30/20):	\$146,276	December 1, 2019
Annual Subscription Fee for Table 2 (7/1/20 – 6/30/21):	\$252,123	July 1, 2020
Annual Subscription Fee for Table 2 (7/1/21 – 6/30/22):	\$252,123	July 1, 2021
Annual Subscription Fee for Table 2 (7/1/22 – 6/30/23):	\$263,664	July 1, 2022
Annual Subscription Fee for Table 2 (7/1/23 – 6/30/24):	\$263,664	July 1, 2023

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TABLE 3 – ADDITIONAL CLOUD SOFTWARE:

Conditioned upon payment of the fees stated in Table 3, Client is granted a license to the Cloud Software described in Table 3 below, during the Cloud Software Term, on the terms and conditions stated in this Contract. All Subscription Fees stated herein are in addition to and not in lieu of any separate sums due from UL Lafayette under the Contract.

TABLE 3:

Licensed Software	Beginning Date / Expiration Date	Software Supplement	Annual Subscription Fee ^{1,2}
Ellucian Talent Management ³ New licenses Include: <ul style="list-style-type: none"> • Learning (480 additional Active User licenses) • Recruiting (2,050 additional Active User licenses) • Onboarding (480 additional Active User licenses – in addition to the Recruiting Suite users) • Performance (2,050 additional Active User licenses) 	December 1, 2019 / June 30, 2022 ⁴	Ellucian Talent Management Software Supplement ⁵	\$73,760
Oracle Cloud Software – Application Specific Full Use ^{6,7,8} (See Oracle Software Detail Table B in Exhibit 3)	December 1, 2019 / June 30, 2022 ⁴	Oracle Cloud Software Supplement – Application Specific Full Use ⁵	\$89,196
SUBSCRIPTION FEE FOR FIRST ANNUAL CLOUD CONTRACT YEAR (TABLE 3): ⁴			\$162,956

Notes to Table 3:

- ¹ The Annual Subscription Fee(s) shown in the table above do not include implementation/setup services. UL Lafayette has not requested that Ellucian provide Professional Services in conjunction with this Contract.
- ² The fees payable for Cloud Software include Maintenance and Support Services for the Cloud Software, and such Maintenance and Support Services will be provided during the Cloud Software Term in accordance with the terms of Article IV.
- ³ Without limitation to any other limitations and/or restrictions as provided for herein, UL Lafayette's access and use of the Talent Management Software is limited to the number of Active Users (as such term is defined in Note 13 to Table 1 above, the terms of which Note 13 are incorporated herein).
- ⁴ Based upon a Beginning Date of December 1, 2019, the Total Annual Subscription Fee (Table 3) will be prorated as stated in the Payment Terms (below) to cover the partial initial Cloud Contract Year.
- ⁵ The referenced Software Supplements are attached hereto collectively as Exhibit 5.
- ⁶ The above HOSAL fees are based upon UL Lafayette contracting for application hosting services with Ellucian and may only be used in conjunction with the applications hosted by Ellucian (see the Application Hosting Services Addendum). The HOSAL model is not available if the systems are not hosted with Ellucian. If UL Lafayette chooses to add other DB/IAS options to their HOSAL, additional charges will apply. The HOSAL is non-transferrable (i.e., UL Lafayette cannot port another Oracle license type into the HOSAL at any time). If UL Lafayette discontinues Ellucian's application hosting services at the end of a contract term or otherwise, the HOSAL terminates entirely, and UL Lafayette will not have any rights to the HOSAL components and will not be able to convert it into a different license type. All required Oracle Database and Internet Application Server licenses (as applicable) will need to be licensed afresh by UL Lafayette at that time. For purposes of clarification, license rights on any perpetual license components (such as Programmer) will remain unchanged for UL Lafayette.

- ⁷ In regard to annual price escalation with respect to the Cloud Software identified by this Note 7, see Section 1.10.6 of the Contract and the Payment Terms For Table 3 below.
- ⁸ See Oracle Software Detail Table B of Exhibit 3 below for a listing of Oracle software products accessible through HOSAL and the applicable user/equipment configuration limitations. The pricing stated above is valid only if the Execution Date occurs on or before December 22, 2019.

PAYMENT TERMS FOR TABLE 3: Ellucian will have the right to invoice UL Lafayette for a prorated amount of the Subscription Fee For First Annual Cloud Contract Year (Table 3) to cover the partial initial Cloud Contract Year from the Beginning Date through June 30, 2020, and UL Lafayette's payment therefor will be due within thirty (30) days of the date of invoice. Thereafter, for each successive Cloud Contract Year through the Cloud Software Term, Ellucian will invoice UL Lafayette for the Subscription Fees due for the Cloud Software listed in Table 3 (including applicable annual escalations with respect to HOSAL (as provided in Section 1.10.6)) on an annual basis in advance of each applicable Cloud Contract Year, and UL Lafayette's payment therefor will be due within thirty (30) days of the date of invoice.

Note: Dates indicated in the following table for full year three and four are pending approval of extension form JLCB.

For the Parties' convenience and budgetary planning purposes only, the Payment Terms For Table 3 are summarized in the following table (based upon the configurations and user counts specified herein as of the Execution Date – additional fees would apply in the event of changes to products and/or users counts):

Description of Payment	Amount	Estimated Due Date
Prorated Annual Subscription Fee for Table 3 (12/1/19 – 6/30/20):	\$95,058	December 1, 2019
Annual Subscription Fee for Table 3 (7/1/20 – 6/30/21):	\$162,956	July 1, 2020
Annual Subscription Fee for Table 3 (7/1/21 – 6/30/22):	\$162,956	July 1, 2021
Annual Subscription Fee for Table 3 (7/1/22 – 6/30/23):	\$162,956	July 1, 2022
Annual Subscription Fee for Table 3 (7/1/23 – 6/30/24):	\$162,956	July 1, 2023

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EXHIBIT 1 TO LICENSE ADDENDUM**Maintenance Standards Applicable to Cloud Software (Subscription Advantage Level)**

1. Ellucian's Action Line will be available to Client for Defect reporting five (5) days per week, Monday through Friday (excluding national holidays and Ellucian-observed holidays), from 8:00 AM to 8:00 PM (Eastern U.S. Time). However, production outages will be supported 24x7x365 as long as Client contacts Ellucian's Action Line via the telephone number provided to Client.
2. The priority of an active incident is indicated at the time the incident is first reported to Ellucian. Client must report the priority of the incident using the definitions below. Ellucian will review and validate the priority for open incidents and may adjust the priority to better align with these definitions.

Ellucian uses reasonable commercial efforts to respond to Client's Notifications in accordance with the following guidelines:

Priority Levels	Definition	Target Response Times
Priority 1 - Critical	A Notification that the production Cloud Software instance is not available for remote access by Client or that Client believes that a Defect has caused: (i) a full failure (i.e., "crash") of its computer system; (ii) a full failure of the Cloud Software; or (iii) a failure of its computer system or the Cloud Software which, in either case, prevents Client from performing data processing which is critical to Client's operations on the day on which the alleged Defect is reported.	1 hour or less
Priority 2 - High	A Notification that Client believes that a Defect has caused a partial failure of the Cloud Software or a failure that significantly hinders Client's ability to perform data processing which is critical to Client's operations on the day on which the alleged Defect is reported	4 hours or less
Priority 3 - Medium	A Notification that Client believes that a Defect has caused an intermittent failure of, or problem with, the Cloud Software, or that causes a significant delay in Client's ability to perform data processing on the day on which the alleged Defect is reported, but where the processing is <u>not</u> critical to Client's operations	1 business day or less
Priority 4 - Low	A Notification that Clients believes that a Defect exists, but it does not significantly affect critical processing	3 business days or less

For purposes of these targets, a "response" will mean an initial contact from an Ellucian representative to Client to begin evaluation of the problem reported under one of the categories of calls identified above. As a prerequisite to Ellucian's obligation to respond to Client's Notification(s), Client must follow Ellucian's policies and procedures (such as the dialing of a particular phone number, the categorization of a particular problem, etc.) when submitting a Notification.

A "Notification" means a communication to Ellucian by means of: (i) Ellucian's Action Line; (ii) the placement of a telephone call; or (iii) the sending of an e-mail, in each case, in accordance with Ellucian's then-current policies and procedures for submitting such communications.

3. Response times listed in this Exhibit reflect targets and should not be construed as contractual obligations. Response time commitments do not promise a complete resolution within the stated time frames. Rather, the time commitment is intended to indicate the estimated target time interval in which Ellucian will contact Client after triaging and routing. Ellucian will begin working the request to seek a resolution of the issue once communication with Client has been established to verify the request and depending on the priority level as described above.

EXHIBIT 2 TO LICENSE ADDENDUM**Service Level Agreement****1. Coverage and Terminology.**

This Service Level Agreement (the "SLA") applies to both the production Cloud Software instance supported under the Contract to which the License Addendum is attached and the Production Applications supported under the Statement of Work ("SOW") attached as Attachment I to the Application Hosting Services Addendum (the "AHS Addendum").

Availability: With respect to Cloud Software, "Availability" means the percentage of a particular month (based on 24-hour days for the number of days in the subject month) that the production Cloud Software is available for remote access by Client as measured by Ellucian pursuant to the Service Level Objectives defined in the Service Level Objective section below. With respect to Production Applications under the AHS Addendum, "Availability" means the percentage of a particular month (based on 24-hour days for the number of days in the subject month) that the Production Applications are available for remote access by Client as measured by Ellucian pursuant to the Service Level Objectives defined in the Service Level Objective section below.

Measurement: Availability is measured as the ratio of actual Availability to expected Availability resulting in an "Achieved Availability" percentage. Achieved Availability is determined by calculating the aggregate minutes, during the periods the production Cloud Software instance is / Production Applications are scheduled to be available ("Scheduled Uptime"), that the production Cloud Software instance is / Production Applications are unavailable for use by Client ("Unscheduled Outage"), divided by the total aggregate minutes of scheduled Availability for the month which is Scheduled Uptime minus the time the production Cloud Software is / the Production Applications are scheduled to be unavailable with Client agreement ("Scheduled Downtime"), and rounded to the nearest 10th (tenth) unless otherwise indicated in the specific SLA definition. The "Achieved Availability" calculation is expressed as:

$$\text{Achieved Availability} = 1 - (\text{Unscheduled Outage} / (\text{Scheduled Uptime} - \text{Scheduled Downtime}))$$

For the avoidance of doubt, the unavailability of the production Cloud Software instance / Production Applications as a result of scheduled maintenance and emergency maintenance windows will not be considered a service outage and will not give rise to Service Level Credits.

2. Service Level Objective.

Ellucian aims to achieve one hundred percent (100%) Availability for the production Cloud Software instance and the Production Applications supported by the SOW. Subject to the terms in this SLA, Ellucian will provide ninety-nine and one half percent (99.5%) Availability for the production Cloud Software instance and for the Production Applications supported by the SOW.

A monthly Availability report will be made available within ten (10) business days following Client's written request.

3. Service Level Credits.

Except under the conditions mentioned in the Conditions section below, if the Availability of the production Cloud Software instance/Production Applications is less than ninety-nine and one-half percent (99.5%), Ellucian will issue a credit (a "Service Level Credit") to Client according to the following tables.

Production Cloud Software / Production Applications	
Availability	Service Level Credit Issued by Ellucian *
>= 99.50%	None
99.00% - 99.49%	5% of applicable monthly fee
97.00% - 98.99%	10% of applicable monthly fee
95.00% - 96.99%	15% of applicable monthly fee
92.00% - 94.99%	20% of applicable monthly fee
<92%	25% of applicable monthly fee; plus 7% for each additional 3.3% of total downtime in the applicable calendar month, up to a maximum of 100% of the applicable monthly fee

* For the avoidance of doubt, and without limitation, Service Level Credits are subject to the terms and conditions provided for in Section 6 ("Service Level Credit Request, Payment Procedures") of this SLA.

4. Maintenance Procedure.

- 4.1 With respect to Cloud Software, Ellucian will schedule maintenance windows to perform upgrades to new releases of Cloud Software. Clients will receive notification at least two weeks in advance for any maintenance windows requiring production environments to be unavailable.
- 4.2 With respect to the Production Applications under the SOW, Ellucian will use diligent efforts to announce scheduled maintenance as defined in the Standard Maintenance Matrix outlined in Schedule B to the AHS Addendum.
- 4.3 Ellucian reserves the right to perform emergency maintenance (for example, to restore Cloud Software or remediate security vulnerabilities) without any prior notification, should it be deemed necessary to protect and maintain the security, availability or integrity of the Cloud Software or Production Applications.

5. Conditions.

- 5.1 Client will not receive any Service Level Credits under this SLA in connection with any failure or deficiency caused by or associated with any of the following:
- Outages, delays, or latency elsewhere on the Internet (including but not limited to upstream internet service providers (ISPs)) that hinder access to the Cloud Software or Production Applications;
 - Scheduled maintenance, to the extent provided herein, and emergency maintenance and upgrades;
 - Domain Name Server (DNS) issues and DNS propagation outside the direct control of Ellucian;
 - Browser or DNS caching that may make the production Cloud Software or Production Applications appear inaccessible when others can still access it;
 - False SLA breaches reported as a result of outages or errors of any Ellucian measurement system;
 - File transfer, email or webmail delivery and transmission;
 - Circumstances beyond Ellucian's reasonable control;
 - Any issues caused by the action of third party software, contractors, or vendors (other than third parties authorized by Ellucian); or

- Functional Cloud Software and/or Production Applications setup, configuration, or functionality outside the scope of this Contract.

- 5.2 Ellucian is not responsible for localized incidents affecting a subset of the population. Further, Ellucian is not responsible for intermittent availability issues such as those that cannot be documented, measured or repeated.
- 5.3 A "System Change Window" means any change made to the Production Applications. During a System Change Window, Application monitoring will be measured and reported but Service Level Credits will not be provided until user acceptance testing (as mutually agreed by the parties) is completed.

6. Service Level Credit Request, Payment Procedures.

- 6.1 As part of Ellucian's obligation to provide the Cloud Software and Hosting Services, Ellucian will provide oversight for monitoring this SLA utilizing the availability metrics information provided through the use of an industry standard monitoring tool (such tool will be the authoritative system for service level measurement under this SLA). Utilizing this output, and in order to receive a Service Level Credit, Client must make all Service Level Credit requests via email or Ellucian's ticketing system. Each Service Level Credit request in connection with this SLA must include Client's account name and the dates and times of the unavailability of the production Cloud Software/Production Applications and must be received by Ellucian within thirty (30) days after such production Cloud Software/Production Applications was/were not available as defined herein. If Ellucian can confirm the unavailability, and after Ellucian performs a root cause analysis which identifies that the production Cloud Software/Production Applications was/were the cause of the unavailability, then Service Level Credits will be applied within two (2) months after Ellucian's receipt of Client's Service Level Credit request.
- 6.2 The Service Level Credit percentage will be based on the amount of the fee paid by Client for Cloud Software/Hosting Services for the month being measured. Notwithstanding anything to the contrary herein, the total amount credited to Client in a particular month under this SLA will in no event exceed the total fee paid by Client for Cloud Software/Hosting Services for such month. Service Level Credits are exclusive of any applicable taxes charged to Client or collected by Ellucian. Such Service Level Credits are Client's sole and exclusive remedy with respect to any failure or deficiency in the production Cloud Software/Production Applications. No Service Level Credits will be issued for non-production environments.
- 6.3 Note: If a Service Level Credit is due in the last billing cycle of the Cloud Software Term/Hosting Services Term, then the Service Level Credit will be applied against the fees due in the last billing cycle of the Cloud Software Term/Hosting Services Term or refunded, as the case may be. Service Level Credits are otherwise non-refundable and can be used only towards future billing charges for the Cloud Software/Hosting Services.

EXHIBIT 3 TO LICENSE ADDENDUM

Termination of HOSAL Upon Termination of Hosting Services Term: Pursuant to the terms contained in the Application Hosting Services Addendum of the Contract to which this License Addendum is attached, UL Lafayette has the right to terminate the Hosting Services, at its convenience and without penalty, upon at least thirty (30) days prior written notice to Contractor and otherwise in accordance with the terms and conditions governing such termination for convenience as outlined in the Contract. Subject to UL Lafayette's exercise of such termination for convenience of the Hosting Services in accordance with the terms of the Contract, the subscription for HOSAL set forth in Table 2 and Table 4 of the License Addendum will automatically terminate (without any action by or between the parties) concurrently with the effective date of the termination for convenience of the Hosting Services under the Contract and, upon such termination, UL Lafayette's right and license to access the HOSAL will terminate. Contractor will have the right to invoice UL Lafayette, as of the effective date of termination of HOSAL, for any subscription fees due up to and including the effective date of termination that have not then been paid by UL Lafayette, or (as applicable) will refund any subscription fees prepaid for any period following the effective date of termination.

Oracle Software Detail Table A:

ORACLE SUBSCRIPTION SOFTWARE ¹		
Browser/Web Server Configuration		
Required Oracle Products (included in Oracle Software Pricing)	Server	Pricing Metric
<p><u>Oracle Database Enterprise Edition</u> Includes: JServer Enterprise Edition, interMedia, Objects Option, Networking Kit, Objects for OLE, Advanced Replication Option, Distributed Option, Parallel Query Option, (including bitmap indexes and parallel bitmap-star query), SQL*Plus, Visual Information Retrieval and Workflow.</p> <p>Also included are: Advanced Backup & Recovery, Queuing, Advanced, Connection Manager & Pooling, 64-bit option, Warehouse Builder, SQL Developer Data Modeler, MPI, OCI, ODBC Driver, Enterprise Manager and Enterprise backup utility.</p> <p>For OS/390 implementation, use of either Access Manager for CICS or Access Manager for IMS/TM is included.</p> <p>Restricted Use: Oracle Internet Directory for the purposes of storing Oracle Database Service information.</p> <p>Restricted use of Oracle Cloud File System is included, specifically for storing Oracle Software binaries and homes, Oracle software administrative files, and Oracle software diagnostic files.</p>	Database Server	18 Virtual Processors
<p><u>Diagnostics Pack</u> Includes: Management Connectors for: Remedy Help Desk, Microsoft Operations Manager 2005, HP ServiceCenter/HP Service Manager, HP OpenView Operations, IBM Tivoli Enterprise Console, Microsoft System Center Operations Manager, CA Service Desk.</p>	Database Server	18 Virtual Processors
<p><u>Tuning Pack</u></p>	Database Server	18 Virtual Processors

Notes to Oracle Cloud Software Detail Table A:

¹ Subject to the restrictions and limitations of this Order Form, including without limitation the terms and conditions in the Oracle Cloud Software Supplement attached to this Order Form, as of the Execution Date, if Client exceeds the limitations or restrictions as otherwise specified in connection with the Oracle Cloud Software

license (including without limitation the number of processors and/or named users), or otherwise modifies the above configuration (i.e. multi-core processor chips are contemplated), then, upon discussion and agreement between the parties, additional fees may be assessed and/or additional terms and conditions may be imposed by Ellucian and/or Oracle Corporation. In this regard, additional virtual processors may be added at Ellucian's then-current fee for such additional virtual processors.

Oracle Software Detail Table B:

ORACLE SUBSCRIPTION SOFTWARE ¹		
Browser/Web Server Configuration		
Required Oracle Products (included in Oracle Software Pricing)	Server	Pricing Metric
<p><u>Oracle Database Enterprise Edition</u> Includes: JServer Enterprise Edition, interMedia, Objects Option, Networking Kit, Objects for OLE, Advanced Replication Option, Distributed Option, Parallel Query Option, (including bitmap indexes and parallel bitmap-star query), SQL*Plus, Visual Information Retrieval and Workflow.</p> <p>Also included are: Advanced Backup & Recovery, Queuing, Advanced, Connection Manager & Pooling, 64-bit option, Warehouse Builder, SQL Developer Data Modeler, MPI, OCI, ODBC Driver, Enterprise Manager and Enterprise backup utility.</p> <p>For OS/390 implementation, use of either Access Manager for CICS or Access Manager for IMS/TM is included.</p> <p>Restricted Use: Oracle Internet Directory for the purposes of storing Oracle Database Service information.</p> <p>Restricted use of Oracle Cloud File System is included, specifically for storing Oracle Software binaries and homes, Oracle software administrative files, and Oracle software diagnostic files.</p>	Database Server	6 Virtual Processors
<p><u>Diagnostics Pack</u> Includes: Management Connectors for: Remedy Help Desk, Microsoft Operations Manager 2005, HP ServiceCenter/HP Service Manager, HP OpenView Operations, IBM Tivoli Enterprise Console, Microsoft System Center Operations Manager, CA Service Desk.</p>	Database Server	6 Virtual Processors
<p><u>Tuning Pack</u></p>	Database Server	6 Virtual Processors

Notes to Oracle Cloud Software Detail Table B:

¹ The terms of Note 1 to the Oracle Cloud Software Detail Table A above are incorporated herein by this reference.

EXHIBIT 4 TO LICENSE ADDENDUM**Data Protection**

“Data Protection Law” means all laws and regulations relating to the processing of Client Personal Data by Ellucian, each as and when applicable, including but not limited to regulation (EU) 2016-679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (“GDPR”) and any applicable national implementing law as amended from time to time.

In order to adduce adequate safeguards with respect to the protection of Client Personal Data, the parties agree to the following clauses:

Data Protection

1. Ellucian confirms that for so long as it processes Client Personal Data in performing its obligations under an Order Form, it will:
 - (a) maintain appropriate technical and organizational data security measures, including a written information security policy to protect the Client Personal Data consistent with applicable laws and regulations;
 - (b) maintain the confidentiality of Client Personal Data in accordance with the terms stated in the Agreement to which this Exhibit 4 to License Addendum is attached;
 - (c) process the Client Personal Data only in accordance with the Client’s instructions. The parties agree that the relevant Order Form contains instructions from Client to Ellucian to process Client Personal Data as reasonably required to perform the obligations described therein. Client hereby authorises Ellucian to take such steps in the processing of Client Personal Data on behalf of Client as are reasonably necessary for the performance of Ellucian’s obligations under the applicable Order Form. Additional instructions outside of the scope of the applicable Order Form, including instructions regarding assisting Client with its requirements under Articles 32 to 36 of GDPR or other Data Protection Law, will be agreed by the parties in writing, including any additional fees payable by Client to Ellucian for carrying out instructions that require Ellucian to change or supplement its existing business process and technical and organisational data security measures;
 - (d) limit access to the Client Personal Data to Ellucian’s employees, agents and subcontractors (including Ellucian group companies) who have a need to access such Client Personal Data to perform Ellucian’s obligations under the relevant Order Form. Client agrees that Ellucian may use subcontractors to fulfill its obligations under the applicable Order Form so long as Ellucian’s relationship with such subcontractors complies with clause (e) below;
 - (e) require that its employees, agents and subcontractors who have access to the Client Personal Data agree to abide by substantially similar restrictions and conditions that apply to Ellucian with regard to such Client Personal Data;
 - (f) implement appropriate administrative, technical and physical safeguards designed to ensure the security or integrity of the Client Personal Data and protect against unauthorized access to or use of such Client Personal Data that could result in substantial harm or inconvenience to the Client;
 - (g) notify Client of a Information Security Breach as soon as reasonably practicable and without undue delay after Ellucian becomes aware, and take reasonable steps to mitigate the effects of the Information Security Breach. An “Information Security Breach” is an event that is known to have resulted in unauthorized access to, or unauthorized use or disclosure of, Client Personal Data;
 - (h) make available to Client such information as is strictly necessary for the Client to demonstrate its compliance with applicable data protection law at no cost to Ellucian. Any costs arising in connection with Ellucian’s obligations under this clause shall be promptly reimbursed to Ellucian by the Client upon reasonable request. Ellucian uses independent third party auditors to verify the adequacy of its security measures for Cloud Software and Cloud Services. No more than once per calendar year, Client may request and Ellucian will provide: (i) subject to Client executing a non-disclosure agreement, a copy of the most

recent independent security attestation report associated with the provision of Cloud Software or Cloud Services as applicable, and (ii) a copy of Ellucian's then-current information security policies and standards that relate to security controls associated with the Cloud Software or Cloud Services as applicable; and

(i) not transfer the Client Personal Data from within the European Economic Area ("EEA") to locations outside the EEA unless it takes such measures as are necessary to ensure the transfer is in compliance with applicable data protection law. Such measures may include (without limitation) transferring the Client Personal Data to a recipient in a country that the European Commission has decided provides adequate protection for personal data (including, but not limited to, as a result of adherence to the EU-US Privacy Shield Framework), to a recipient that has achieved binding corporate rules authorization in accordance with applicable data protection law, or to a recipient that has executed standard contractual clauses adopted or approved by the European Commission.

2. As applicable, the parties may agree to specify in individual Order Forms the subject-matter and duration of processing of Client Personal Data, the nature and purpose of the processing, the type of personal data and categories of data subjects, the obligations and rights of the Client as controller and any specific processing instructions.

3. The parties agree that on the termination or completion of the provision of the relevant Software or services the subject of an Order Form, Ellucian and its subcontractors shall, at the Client's request, return all the Client Personal Data in their possession (if any) and the copies thereof to the Client or shall destroy all the Client Personal Data and certify to the Client that it has done so, unless legal obligations imposed upon Ellucian prevent it from returning or destroying all or part of the Client Personal Data transferred. In the latter case, Ellucian warrants that it will maintain the confidentiality of the Client Personal Data transferred and will not actively process (except for storage and deletion) such Client Personal Data.

EXHIBIT 5 TO LICENSE ADDENDUM

Software Supplements referenced in Tables 1 – 3 of the License Addendum):

Informatica Software Supplement
Microsoft Software Supplement
Ellucian Talent Management Software Supplement
Oracle Cloud Software Supplement – Application Specific Full Use
HP Vertica Software Supplement
Tableau Software Supplement

INFORMATICA SOFTWARE SUPPLEMENT (INFORMATICA LLC)

1. **Additional Definitions.** **Address** is a human-readable and human-interpretable description of a delivery point to which mail or other physical objects can be delivered. **Content** means any and all Address data, records and structures included in and associated with Address data provided in certain products. **Content Supplier** is a third party, often a postal administration or postal operator that has provided Informatica with data to be included in Content. **Content Update** is a new version of Content containing updated, improved, or enriched data.

2. **General License Terms.** In order for Informatica to make certain license services available, Informatica may collect certain information about Client's use of such services for purposes of understanding how they are being used, including without limitation information about frequency and duration of usage ("Usage Data"). Informatica reserves the right to aggregate such Usage Data in a form that does not identify Client or any individual and use such aggregated Usage Data for Informatica's internal business purposes and use and disclose such aggregated Usage Data for preparing and issuing normative and benchmarking data. Except as otherwise provided hereunder, Informatica agrees to hold all Client-specific Usage Data as Confidential Information pursuant to the Agreement. As between the parties, Informatica shall own all right, title, and interest in and to all intellectual property rights in all materials developed by or on behalf of Informatica based on or including as a component thereof any such aggregated Usage Data and all generalized knowledge, skill, know-how and expertise relating to such information.

3. **Data as a Service (DaaS) Address Content and Web Service Subscriptions.** The Informatica Services set forth in this subsection are subscription based licenses or services that require the additional licensing of country-specific or other content. In addition to the terms set forth herein and in the Agreement, certain Content Suppliers impose certain fixed and non-negotiable terms and conditions that Informatica is obliged to impose upon use of the Content ("Pass-through Terms"). The Pass-Through Terms are available at <http://www.addressdoctor.com/en/support/download.html;#fbid=JN9Pexspgzi>. By using the applicable Informatica Services, Client: (i) acknowledges having received and reviewed the Pass-through Terms, (ii) accepts the terms of the Pass-through Terms unconditionally, and (iii) understands and accepts the Pass-through Terms may be varied and/or augmented in the future by the Content Suppliers without notice. Any queries in regard to the Pass-through Terms may be addressed directly to the Content Supplier. Content Suppliers may from time to time require additional terms and conditions to be signed by the Client and Client agrees to do so immediately upon request or cease use of the Content.

Client will not use any Informatica Service or any data or information that is accessed or delivered through or derived therefrom to take any action, or assist others in taking any action, that (i) is unlawful, harassing, invasive of another's privacy, abusive, threatening, harmful, obscene, defamatory, libelous or fraudulent, (ii) violates the personal privacy rights of others, (iii) victimizes, harasses, degrades, or intimidates any individual or group of individuals, (iv) constitutes unauthorized or unsolicited transmission of advertising, junk or bulk email, or other form of unauthorized solicitation or spam, (v) constitutes an attempt to impersonate any person or entity, (vi) is intended to omit, delete, forge, or misrepresent transmission information, (vii) is intended to cloak the identity or contact information of Client or others, (viii) infringes or misappropriates any intellectual property of any third party, or (iv) interferes with or disrupts the use of the Informatica Services. Client acknowledges that Informatica neither endorses the content of any communications made under Client's account nor assumes responsibility for any material contained therein.

Informatica and/or the Content Suppliers may audit use of the Content on behalf of its licensors to ensure Client's usage is in accordance with the Agreement. Informatica may request from Client and make information on Content use available to the Content Suppliers at any time. In the event of misuse of Content by Client, Client may be required to pay additional fees. Client shall be fully liable for any and all additional fees arising due to misuse of the Content including but not restricted to any fines, penalties, damages or other fees payable to the Content Suppliers or third parties. Informatica may provide Client's contact details to the Content Supplier for use in the event that the Content Supplier wishes to contact Client directly for audit or any other reason.

No trademarks used in the Content may be used or reproduced by Client for any purposes. Client must not systematically query the Content in order to create a copy of the underlying reference databases. The Content

contains the intellectual property of the Content Suppliers and is licensed to the Client on an annual basis subject to payment of the applicable fees. The Content remains the intellectual property of the Content Suppliers at all times. The Client's own data and databases shall remain the property of Client. If one or more Addresses from the United Kingdom are processed by Client, Client acknowledges the right of Royal Mail on the basis of this contract to directly enforce all terms against Client relating to the postal reference data. Employees and representatives of the Royal Mail are authorized to inspect applicable accounting and Content at Client's site during general business hours and after adequate advanced notice in order to control the compliance with clauses concerning Royal Mail's data.

MICROSOFT SOFTWARE SUPPLEMENT

These terms apply to any Microsoft products (the “Microsoft Products”) that are made available, displayed, run, accessed or which otherwise interact, directly or indirectly with the applicable Cloud Software. Microsoft Corporation or one of its affiliates (collectively, “Microsoft”) has licensed the software to Ellucian.

By using the Cloud Software (which is connected as described above to Microsoft Products) Client accepts these terms.

1. Client may not remove, modify, or obscure any copyright, trademark or other proprietary rights notice that is contained in or on the Microsoft Products.
2. Client may not reverse engineer, decompile, or disassemble the Microsoft Products, except to the extent that such activity is expressly permitted by applicable law.
3. **NO WARRANTIES BY MICROSOFT.** CLIENT AGREES THAT IF CLIENT HAS RECEIVED ANY WARRANTIES WITH REGARD TO THE MICROSOFT PRODUCTS OR THE CLOUD SOFTWARE, THEN THOSE WARRANTIES ARE PROVIDED SOLELY BY ELLUCIAN AND DO NOT ORIGINATE FROM, AND ARE NOT BINDING ON, MICROSOFT.
4. **NO LIABILITY OF MICROSOFT FOR CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, MICROSOFT SHALL HAVE NO LIABILITY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES ARISING FROM OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE MICROSOFT PRODUCTS OR THE CLOUD SOFTWARE, INCLUDING WITHOUT LIMITATION, PENALTIES IMPOSED BY GOVERNMENT. THIS LIMITATION WILL APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.
5. This Order Form only gives Client limited rights to use the Microsoft Products in connection with the Cloud Software. Ellucian and Microsoft reserve all other rights.
6. Client agrees that Ellucian may disclose Client’s information to Microsoft as reasonably necessary to verify compliance with this Order Form.
7. The Microsoft Products are not fault-tolerant and are not guaranteed to be error free or to operate uninterrupted. Client may not use the Microsoft Products in any application or situation where the Microsoft Products’ failure could lead to death or serious bodily injury of any person, or to sever physical or environmental damage (“High Risk Use”). High Risk Use does not include utilization of the Microsoft Products for administrative purposes, to store configuration data, engineering and/or configuration tools, or other non-control applications, the failure of which would not result in death, personal injury, or severe physical or environmental damage. These non-controlling applications may communicate with the applications that perform the control but must not be directly or indirectly responsible for the control function. Client will be responsible for any third-party claim arising out of Client’s use of the Microsoft Products in connection with any High Risk Use.
8. Microsoft is an intended third party beneficiary of this Order Form with the right to enforce provisions of this Order Form and to verify Client’s compliance.

ELLUCIAN TALENT MANAGEMENT SOFTWARE SUPPLEMENT

1. **Ownership:** Ellucian Talent Management is owned by Cornerstone OnDemand, Inc. ("Cornerstone"). Cornerstone and/or its licensors own all right, title, and interest, including all patent, copyright, trade secret, trademark, moral rights, mask work rights, and other intellectual property rights in and to Ellucian Talent Management and the associated Documentation, and Cornerstone expressly reserves all rights not expressly granted to Client hereunder.
2. **Service Level Agreement (Availability):** In place of any other availability targets/guarantees and service level agreements otherwise provided for in this Order Form or in the Agreement, the following Service Level Agreement will apply with respect to Ellucian Talent Management:

Cornerstone will provide at least 99.5% availability per calendar month to the Ellucian Talent Management Cloud Software, excluding reasonable and scheduled maintenance periods, which usually occur at or after 5:30 p.m. Pacific Time on Fridays. In the event that Cornerstone does not comply in all material respects with this availability obligation, then, for each 0.3% of availability below 99.5%, Client shall be entitled, as its sole and exclusive remedy therefor, to a credit against the Client's next invoice equal to 1/365th of the amount of the annual subscription fee for Ellucian Talent Management Cloud Software paid by Client. Client will submit a credit request as soon as reasonably practicable, but no later than thirty (30) days after the event giving rise to a credit. Upon receiving a request, Ellucian will work with Cornerstone to provide a response within ten (10) business days.

3. **DISCLAIMER OF WARRANTIES:** EXCEPT AS EXPRESSLY STATED IN THIS CLOUD SOFTWARE ORDER FORM, NEITHER ELLUCIAN NOR CORNERSTONE MAKES, AND EACH OF THEM HEREBY DISCLAIMS, ANY AND ALL EXPRESS AND IMPLIED WARRANTIES, GUARANTEES, AND REPRESENTATIONS OF ANY KIND WHATSOEVER, WITH RESPECT TO ELLUCIAN TALENT MANAGEMENT AND ANY RIGHT OF ACCESS THERETO, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. EXCEPT AS SET FORTH IN THE SERVICE LEVEL AGREEMENT IN ATTACHMENT 1, NEITHER ELLUCIAN NOR CORNERSTONE WARRANTS THAT THE CLOUD SOFTWARE WILL BE UNINTERRUPTED, ERROR-FREE-VIRUS FREE OR COMPLETELY SECURE. THE CLOUD SOFTWARE IS SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. EXCEPT TO THE EXTENT EXPRESSLY PROVIDED IN THE SERVICE LEVEL AGREEMENT IN ATTACHMENT 1, CORNERSTONE IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS. CORNERSTONE DISCLAIMS ANY AND ALL RESPONSIBILITY FOR CLIENT DATA, THIRD-PARTY CONTENT, THIRD-PARTY LINKS AND WEBSITES, AND ANY OTHER CONTENT NOT POSTED BY CORNERSTONE.

ORACLE CLOUD SOFTWARE SUPPLEMENT – APPLICATION SPECIFIC FULL USE

Note: Unless otherwise stated in the operative provisions below, this Software Supplement applies to the Oracle Corporation (“Oracle”)-proprietary Cloud Software that is part of the Ellucian Cloud Software identified in the Contract to which this Software Supplement is appended.

1. Additional Definitions.

“Ancillary Programs” are defined as those third party materials specified in the program documentation which may only be used for the purpose of installing (i.e., in Ellucian’s environment) or operating the Oracle Cloud Software with which the Ancillary Programs are delivered.

“Oracle Cloud Software” means the Oracle -proprietary Cloud Software that is part of the Ellucian Cloud Software identified in the Contract.

2. Ownership. Oracle owns the Oracle Cloud Software.

3. Restrictions on Use of Oracle Cloud Software. Client’s use of the Oracle Cloud Software is subject to the following additional terms and conditions:

- (a) The provisioning of Oracle Cloud Software is based upon Client contracting for Cloud Software with Ellucian and may only be used in conjunction with the Ellucian Cloud Software. The Oracle Cloud Software is not available except through Ellucian Cloud Software. If Client chooses to add other DB/IAS options, additional charges will apply. The Oracle Cloud Software is non-transferrable, i.e. Client cannot port another Oracle license type into the Cloud Software at any time. If Client discontinues Ellucian’s Cloud Software at the end of a contract term or otherwise, access to the Oracle Cloud Software terminates entirely, and Client will not have any rights to the Oracle Cloud Software and will not be able to convert it into a different license type. All required Oracle Database and Internet Application Server licenses will need to be licensed afresh by Client at that time.
- (b) Client has the right to use the Oracle Cloud Software only in object code form, only on the designated Equipment in Ellucian’s environment), and only to process data for Client’s business operations. Client’s use of the Oracle Cloud Software is restricted as may otherwise be provided for in the documentation for the Oracle Cloud Software program in question. Client recognizes that the annual subscription fee is based on the hardware configuration on which such software will be run.
- (c) Client is prohibited from assigning, giving or transferring the Oracle Cloud Software to another individual or entity (and if Client grants a security interest in the Oracle Cloud Software, the secured party has no right to use or transfer the Oracle Cloud Software).
- (d) Client is prohibited from making the Oracle Cloud Software available in any timesharing, service bureau, hosting, outsourcing, subscription service or rental arrangement, in whole or in part.
- (e) Client agrees that the Oracle Cloud Software is limited for use only in conjunction with the Software owned by Ellucian and cannot be modified for use with any third party application.
- (f) Client agrees not to use the Oracle Cloud Software for any purpose except within the scope of the Software owned by Ellucian, in accordance with the restrictions set forth in the Contract.
- (g) Client acknowledges that the Oracle Cloud Software is proprietary to Oracle and is supplied by Ellucian under license from Oracle. Title to the Oracle Cloud Software will at all times remain

vested in Oracle or its designated successor and does not pass in any way to Client or any third party. Except for the right of use that is expressly provided to Client under the Contract, no right, title or interest in or to the Oracle Cloud Software is granted to Client.

- (h) Client will not reverse engineer (unless required by law for interoperability), disassemble or decompile the Oracle Cloud Software, in whole or in part, nor will Client duplicate the Oracle Cloud Software.
- (i) ORACLE WILL NOT BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL, ARISING FROM CLIENT'S USE OF THE ORACLE CLOUD SOFTWARE OR RELATED MATERIALS.
- (j) Client is prohibited from publishing any result of any benchmark tests run on the Oracle Cloud Software.
- (k) Client must comply fully with all applicable export laws and regulations of the United States and other applicable export and import laws to assure that neither the Oracle Cloud Software, nor any direct product thereof, is exported, directly or indirectly, in violation of applicable laws.
- (l) Client acknowledges and agrees that Oracle is a third party beneficiary of the Contract with regard to the Oracle Cloud Software.
- (m) Client acknowledges and agrees that Oracle is not required to perform any obligation or to incur any liability unless expressly specified in the Contract.
- (n) Client acknowledges and agrees that Ellucian will be permitted, upon reasonable request, to periodically audit Client's use of the Oracle Cloud Software (including through an onsite audit or remote access, or both) and report such use to Oracle. Ellucian has the right to assign its right to audit Client's use of the Oracle Cloud Software to Oracle; Client will cooperate with each such audit as requested by Ellucian or Oracle. Client must remit payment within thirty (30) days of written notification any underpaid fees, with a failure to make such payment being a material breach of the Contract. Client will bear its own expenses in connection with any such audit, whether conducted by Ellucian or Oracle.
- (o) Client acknowledges and agrees that the Uniform Computer Information Transactions Act will have no applicability to the Oracle Cloud Software licensed hereunder.
- (p) In connection with Ellucian's warranty obligations relating to the Oracle Cloud Software, Client must, as a prerequisite to receiving any such warranty coverage, notify Ellucian of a Defect (for which the warranty will apply) within one (1) year after the Delivery Date. Further, no action, regardless of form, arising out of or relating to any Oracle Cloud Software licensed hereunder may be brought more than eighteen (18) months after the cause of action has accrued.
- (q) Certain third party technology may be appropriate or necessary to operate some Oracle Cloud Software programs and is specified in the program documentation and/or at a website specified in the program documentation. Such third party technology is licensed to Client under the terms of the third party technology license agreement specified in the program documentation and not under the terms of the Contract.
- (r) Certain third party technology, which may include Ancillary Programs, ("Third Party Technology"), including certain open source Third Party Technology ("Open Source Technology") may be included on the same medium or as part of the download of Oracle Cloud Software provided to Client, but such Third Party Technology is licensed under the terms of Client's license agreement specified in

the program documentation referencing such Third Party Technology. Open Source Third Party Technology may be licensed on the terms of one or more of the following open source licenses: Mozilla Public License, Common Public License, GNU Lesser General Public License, Netscape: Public License or similar royalty-free/open source license (collectively, the "Open Source Licenses"). Client may only use the Open Source Technology in compliance with the terms of this Order Form and with the terms of any relevant Open Source License. Any use of Open Source Technology outside of Client's licensed use of applicable Oracle Cloud Software programs is subject to the rights and obligations under such third party technology's Open Source License. Open Source Technology programs that are separate from Oracle programs are provided as a courtesy to Client and are licensed solely under the relevant Open Source License. ANY OPEN SOURCE TECHNOLOGY IS PROVIDED BY ELLUCIAN ON AN "AS-IS" BASIS, WITHOUT WARRANTY OF ANY KIND (WHETHER EXPRESSED OR IMPLIED), AND NEITHER ORACLE NOR ELLUCIAN WILL HAVE ANY LIABILITY IN CONNECTION WITH ANY OPEN SOURCE TECHNOLOGY ACCESSED OR UTILIZED BY CLIENT.

- (s) Without limitation, Client's right to use the Oracle Cloud Software is subject to the user limitations and product limitations provided for in the Contract.
- (t) In licensing the Oracle Cloud Software, Client has not relied on the future availability of any Oracle-provided programs or updates.
- (u) At the termination or expiration of the Contract for any cause whatsoever, Client shall discontinue its use of the Oracle Cloud Software and shall deliver the Oracle Cloud Software, including all archival or other copies of the Oracle Cloud Software, to Ellucian in accordance with the applicable provisions of the Contract and shall forfeit all rights to use and/or access the Oracle Cloud Software in any way.

HP/VERTICA SOFTWARE SUPPLEMENT

1. **Internal Use.** The use of the Cloud Software is for Client's internal purposes only and is subject to any specific software licensing information or restrictions that are in the Cloud Software and/or in the Documentation.
2. **License Restrictions.** Client may not make copies or distribute, reseller or sublicense the Cloud Software to third parties. Client may not modify, reverse engineer, disassemble, decrypt, decompile or make derivative works of the Cloud Software. If there is a mandatory right for Client to do so under statute, Client must inform Ellucian in writing about such modifications.
3. **Global Trade Compliance.** Client agrees to comply with trade-related laws and regulations of the U.S. and other national governments. If Client exports, imports or otherwise transfers the Cloud Software, Client will be responsible for obtaining any required export or import authorizations.
4. **Compliance.** Ellucian or its licensor may audit Client's compliance with the Cloud Software.
5. **U.S. Government.** If the Cloud Software is licensed to Client for use in the performance of a U.S. Government prime contract or subcontract, Client agrees that, consistent with FAR 12.211 and 12.212, commercial computer software, computer software documentation and technical data for commercial items are licensed under our standard commercial license.
6. **Third Party Programs.** The Cloud Software may include third party software programs that are subject to open source, freeware or pass through commercial licenses and/or notices that are required to be distributed with the Cloud Software. These licenses and notices are available to Client in the Cloud Software director, in Documentation or via a supplementary list provided by Ellucian or its licensor. Client shall not remove these agreements and notices. Any covenants, representations, warranties, indemnities and other commitments with respect to the Cloud Software are made by Ellucian and not by any authors or suppliers of, or contributors to, such open source, freeware or commercial programs. This Cloud Software Order Form does not modify or abridge any rights or obligations that you may have under the third party licenses included with the Cloud Software. Client's use is subject to the rights and obligations under the applicable open source, freeware or pass through license. Any third party program that is separate from, but delivered with, the Cloud Software, if any, is provided and licensed solely under the applicable open source, freeware or commercial pass through license for the program.
7. **Ownership.** No transfer of ownership or any intellectual property will occur under this Contract.
8. **Termination or Expiration of Licenses.** Immediately upon termination or expiration of the Cloud Software Term, Client will stop accessing the Cloud Software and destroy or return any copies of the Documentation to Ellucian. Ellucian or its licensor may ask Client to certify in writing that it has complied with this section.
9. **Anti-Corruption Laws.** Client agrees that it is familiar with the provisions of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other analogous anti-corruption legislation in other jurisdictions where Client does business (together, "Anti-Corruption Law"), and that it shall not in connection with the license to the Cloud Software make any payment or transfer anything of value, offer, promise or give a financial or other advantage or request, agree to receive or accept a financial or other advantage either directly or indirectly: to any government official or employee (including employees of a government corporation or public international organization) or to any political party or candidate for public office or to any other person or entity with an intent to obtain or retain business or otherwise gain an improper business advantage. Client further agrees that it will not take any action which would cause it to be in violation of the Anti-Corruption Laws. In case of breach of the above, Ellucian may suspend or terminate the subscription of the Cloud Software at any time without notice or indemnity. Client agrees to indemnify the non-breaching party for any losses, damages, fines or penalties which the non-breaching party may suffer or incur as a result of or incidental to any such violation.

TABLEAU SOFTWARE SUPPLEMENT

1. **Definitions:**

“**Contractor**” means those independent third parties who perform services for Client related to the Contract to which this Tableau Software Supplement is attached.

2. **Limited License:** Subject to the terms and conditions of this Tableau Software Supplement and all restrictions in the applicable Contract, Ellucian grants to Client a non-transferable, non-sublicenseable, non-exclusive license, during the Cloud Software Term, to use the Tableau code incorporated into the Cloud Software in object code form, in accordance with the applicable Documentation and solely to query and analyze data generated by Ellucian products (and no other data) in the manner permitted by the Cloud Software. Client may allow its Contractors to use the Cloud Software in accordance with this Cloud Software Order Form provided that Client shall remain liable for all acts and omissions of its Contractors as if a breach of the terms herein stated is a breach by Client.

3. **License Scope and Restrictions.** In order to use the Cloud Software, Client must use the subscription(s) activated and/or registered by Ellucian. Client shall not (and shall not allow any third party to): (a) decompile, disassemble, or otherwise reverse engineer the Cloud Software or Third-Party Code or attempt to reconstruct or discover any source code, underlying ideas, algorithms, file formats or programming interfaces of the Cloud Software or Third-Party Code by any means whatsoever (except and only to the extent that applicable law prohibits or restricts reverse engineering restrictions, or as permitted by an applicable Open Source Software license); (b) distribute, sell, sublicense, rent, lease or use the Cloud Software or Third-Party Code (as defined below) for time sharing, hosting, service provider or like purposes; (c) remove any product identification, proprietary, copyright, trademark, service mark, or other notices contained in the Cloud Software or Third-Party Code; (d) modify any part of the Cloud Software or Third-Party Code, create a derivative work of any part of the Cloud Software or Third-Party Code, or incorporate the Cloud Software or Third-Party Code into or with other software, except to the extent expressly authorized in writing by Tableau Software, Inc. (“Tableau”); (e) publicly disseminate performance information or analysis (including, without limitation, benchmarks) from any source relating to the Cloud Software; (f) utilize any equipment, device, software, or other means designed to circumvent or remove any form of copy protection used by Tableau in connection with the Cloud Software, or use the Cloud Software together with any authorization code, serial number, or other copy protection device not supplied by Ellucian (or Tableau); (g) use the Cloud Software to develop a product which is competitive with any Cloud Software offerings; (h) use unauthorized license keys or keycode(s) or distribute or publish keycode(s) except as may be expressly permitted by Tableau in writing; (i) enable access to the Cloud Software for a greater number of Users than the sum quantity of licenses purchased in this Cloud Software Order Form; or (j) reassign license rights between users so frequently as to enable a single license to be shared between users.

4. **Ownership.** Notwithstanding anything to the contrary, except for the limited license rights expressly provided to Client, Ellucian and its licensors have and will retain all rights, title and interest (including without limitation all patent, copyright, trademark, trade secret and other intellectual property rights) in and to the Cloud Software, Third-Party Code and all copies, modifications and derivative works thereof (including any changes which incorporate any of Client’s ideas, feedback or suggestions). Client acknowledges that it is obtaining only a limited license right to the Cloud Software and Third-Party Code and that irrespective of any use of the words “purchase”, “sale” or like terms hereunder no ownership rights are being conveyed to Client.

5. **Confidentiality.** Client acknowledges that, it may obtain information relating to the Cloud Software or Tableau, including, but not limited to, code, technology, know-how, ideas, algorithms, testing procedures, structure, interfaces, specifications, documentation, bugs, problem reports, analysis and performance information, and other technical, business, product, and data (“Confidential Information”). Client shall not disclose Confidential Information to any third party or use Confidential Information for any purpose other than the use of the Cloud Software as licensed hereunder.

6. **Warranty Disclaimer.** EXCEPT FOR ANY WARRANTY THAT MAY BE OFFERED BY ELLUCIAN, THE CLOUD SOFTWARE, INCLUDING WITHOUT LIMITATION THE THIRD-PARTY CODE, IS PROVIDED “AS IS” AND TABLEAU MAKES NO WARRANTIES TO ANY PERSON OR ENTITY WITH RESPECT TO THE CLOUD SOFTWARE AND DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION WARRANTIES OF TITLE, NON- INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. **Limitation of Damages and Remedies.** IN NO EVENT SHALL TABLEAU BE LIABLE UNDER CONTRACT, TORT, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THE CLOUD SOFTWARE. NOTWITHSTANDING ANYTHING IN AGREEMENT TO THE CONTRARY, THE TOTAL LIABILITY OF TABLEAU TO CLIENT, INCLUDING BUT NOT LIMITED TO DAMAGES OR LIABILITY ARISING OUT OF CONTRACT, TORT, BREACH OF WARRANTY, INFRINGEMENT OR OTHERWISE, SHALL NOT IN ANY EVENT EXCEED THE FEES PAID BY CLIENT WITH RESPECT TO THE CLOUD SOFTWARE. TABLEAU SHALL NOT BE LIABLE FOR LOSS OR INACCURACY OF DATA, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, SYSTEM DOWNTIME, GOODWILL, PROFITS OR OTHER BUSINESS LOSS, REGARDLESS OF LEGAL THEORY, EVEN IF TABLEAU HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE PARTIES AGREE THAT THE LIMITATIONS OF THIS SECTION ARE ESSENTIAL AND THAT TABLEAU WOULD NOT PERMIT CLIENT TO USE THE CLOUD SOFTWARE ABSENT THE TERMS OF THIS SECTION. THIS SECTION SHALL SURVIVE AND APPLY EVEN IF ANY REMEDY SPECIFIED HEREIN SHALL BE FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

8. **Export Compliance.** Client acknowledges that the Cloud Software is subject to United States export control and economic sanctions laws, regulations and requirements and to import laws, regulations and requirements of certain foreign governments. Client shall not, and shall not allow any third party to, export from the United States or allow the re-export or re-transfer of any part of the Cloud Software: (i) to any country subject to export control embargo or economic sanctions implemented by any agency of the U.S. Government; (ii) to any person or entity on any of the U.S. Government’s Lists of Parties of Concern (<http://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern>); (iii) to any known end-user or for any known end-use related to the proliferation of nuclear, chemical or biological weapons or missiles, without first obtaining any export license or other approval that may be required by any U.S. Government agency having jurisdiction with respect to the transaction; or (iv) otherwise in violation of any export or import laws, regulations or requirements of any United States or foreign agency or authority.

9. **Government End-Users.** The Cloud Software is commercial computer software. If the user or licensee of the Cloud Software is an agency, department, or other entity of the United States Government, the use, duplication, reproduction, release, modification, disclosure, or transfer of the Cloud Software, or any related documentation of any kind, including technical data and manuals, is restricted by a license agreement or by the terms of this Agreement in accordance with Federal Acquisition Regulation 12.212 for civilian purposes and Defense Federal Acquisition Regulation Supplement 227.7202 for military purposes. The Cloud Software was developed fully at private expense. All other use is prohibited.

10. **Audit Rights.** Upon Tableau’s written request, Client shall certify in a signed writing that its use of the Cloud Software is in full compliance with the terms of the Contract and this Tableau Software Supplement and provide a current list of users. With prior reasonable notice, Tableau may audit the Cloud Software in use by Client, software monitoring system and records, provided such audit is during regular business hours. If such inspections or audits disclose that Client has installed, accessed, or permitted access to the Cloud Software in a manner that is not permitted under the Cloud Software Order Form and this Tableau Software Supplement, then Client is liable for the reasonable costs of the audit in addition to any other fees, damages, and penalties Tableau may be entitled to hereunder and pursuant to applicable law.

11. **Third Party Beneficiary.** Client acknowledges that Tableau has a substantial interest in the Cloud Software and that Tableau is a third party beneficiary to this Tableau Software Supplement. As such, Tableau has full right to bring any action against Client, including injunctive action, to enforce the terms of this Tableau Software Supplement.

12. **Third-Party Code**. The Cloud Software may contain or be provided with components which are licensed from third parties (“Third Party Code”), including components subject to the terms and conditions of “open source” software licenses (“Open Source Software”). Open Source Software may be identified in the Documentation, or in a list of the Open Source Software provided to Client upon Client’s written request. To the extent required by the license that accompanies the Open Source Software, the terms of such license will apply in lieu of the terms of this Tableau Software Supplement with respect to such Open Source Software, including, without limitation, any provisions governing access to source code, modification or reverse engineering.
13. **Termination and Survival**. The terms set forth in the sections entitled License Scope and Restrictions, Ownership, Confidentiality, Warranty Disclaimer, Limitation of Damages and Remedies, and Third Party Beneficiary shall survive any termination of the Contract.

MAINTENANCE AND SUPPORT SERVICES ADDENDUM**TABLE 4 – MAINTENANCE AND SUPPORT SERVICES:**

Pursuant to Article VII of the Agreement, Ellucian will provide Maintenance and Support Services for the Licensed Software identified in Table 4 below.

PARTIAL CONTRACT YEAR PAYMENT AMOUNT:	\$301,820 ¹
PARTIAL CONTRACT YEAR PAYMENT DATE:	December 1, 2019
FIRST ANNUAL CONTRACT YEAR PAYMENT DATE:	July 1, 2020
EXPIRATION DATE:	June 30, 2022 ⁹

Licensed Software	Contract Year Begins/Ends	Expiration Date	Maintenance Standards	Base Year Fee
Banner Student (includes Student Self-Service and Faculty and Advisor Self-Service)	July 1/June 30	June 30, 2022	Advantage Plus ²	Included
EDI.Smart (one (1) licensed copy to be used on only one (1) Windows-based personal computer)	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Financial Aid (includes Financial Aid Self-Service)	July 1/June 30	June 30, 2022	Advantage Plus	Included
CSS Profile Interface	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Finance (includes Finance Self-Service)	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Human Resources (includes Employee Self-Service)	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Advancement (includes Advancement Self-Service)	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Workflow	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Student Retention Performance ³	July 1/June 30	June 30, 2022 ⁴	Advantage Plus	Included
Banner Recruiting and Admissions Performance	July 1/June 30	June 30, 2022 ⁴	Advantage Plus	Included
Ellucian Degree Works	July 1/June 30	June 30, 2022 ⁵	Advantage Plus	Included
Ellucian International Student & Scholar Management	July 1/June 30	June 30, 2022	Advantage Plus	Included
Luminis Basic	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Integration Technologies	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Integration for eLearning	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner International Tax Navigator Interface	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Operational Data Store	July 1/June 30	June 30, 2022	Advantage Plus	Included

Licensed Software	Contract Year Begins/Ends	Expiration Date	Maintenance Standards	Base Year Fee
Banner Enterprise Data Warehouse	July 1/June 30	June 30, 2022	Advantage Plus	Included
Ellucian Mobile – Platform Edition	July 1/June 30	June 30, 2022	Advantage Plus	Included
Oracle Software – Application Specific Full Use ⁶ <ul style="list-style-type: none"> • Data Integrator Enterprise Edition • Internet Developer Suite • Programmer 	July 1/June 30	June 30, 2022 ⁷	Advantage Plus	Included
IBM Cognos Software – Restricted Use License	July 1/June 30	June 30, 2022 ⁷	Advantage Plus	Included
Banner Document Management Integration Component	July 1/June 30	June 30, 2022	Advantage Plus	Included
Banner Document Management Suite <ul style="list-style-type: none"> • ApplicationXtender Capture Package • ApplicationXtender Desktop • ApplicationXtender for Office • ApplicationXtender Media Distribution • ApplicationXtender Package • ApplicationXtender Reports Management Package • ApplicationXtender Test Package • ApplicationXtender Web Access .NET • ApplicationXtender Web Services 	July 1/June 30	June 30, 2022 ⁷	Advantage Plus	Included
Evisions IntellectCheck <ul style="list-style-type: none"> • Accounts Payable Module • Payroll Check Module • Email Direct Deposit for Statement for A/P • Email Direct Deposit for Payroll 	July 1/June 30	June 30, 2022 ⁷	Advantage ⁸	Included
Evisions FormFusion <ul style="list-style-type: none"> • FormFusion Enterprise • Email w/encryption • PL-SQL Director • Banner Document Management Integration 	July 1/June 30	June 30, 2022 ⁷	Advantage	Included
Applications Manager by Automic (2 Windows Automation Engines, 2 Windows Agents, 1 Banner Agent and 1 Graphical Analysis Package)	July 1/June 30	June 30, 2022 ⁷	Advantage	Included
Automic Limited Use Enterprise License Upgrade (from Linux-specific version)	July 1/June 30	June 30, 2022 ⁷	Advantage Plus	Included
TOTAL:				\$532,497

Notes to Table 4:

¹ The pricing stated herein is valid only if the Execution Date occurs in the month of December 2019.

² The Advantage Plus Maintenance Standards are as described in Exhibit 1 to this Maintenance and Support Services Addendum.

- 3 Improvement fees are based on the license usage restrictions provided for in the Contract and will increase if UL Lafayette’s scope of use increases beyond the license usage restrictions provided for therein.
- 4 The IBM Cognos Software embedded in the Student Retention Performance Licensed Software is owned by a third party.
- 5 The Steno Run-Time Library product embedded in the Baseline Ellucian Degree Works Licensed Software is owned by a third party.
- 6 The fee pricing stated above is valid only if the Execution Date occurs on or before December 30, 2019 at 11:00 a.m. (CST).
- 7 Indicates the Licensed Software is owned by a third party.
- 8 The Advantage Maintenance Standards are as described in Exhibit 2 to this Maintenance and Support Services Addendum.
- 9 The stated Expiration Date is subject to extension for up to (but not more than) two additional Contract Years through June 30, 2024 as described in the opening paragraphs of page 1 of the Agreement (any such extension shall require written approval from JLCB).

PAYMENT TERMS FOR TABLE 4: For the Baseline Licensed Software set forth in Table 4 above, for the period beginning December 1, 2019 and ending June 30, 2020, Client shall owe the Partial Contract Year Payment Amount identified and payment shall be due to Ellucian on the latter of (a) thirty (30) days from the date of such invoice or (b) the Partial Contract Year Payment Date. Fees for Maintenance and Support Services for each subsequent Contract Year will be billed in advance of the start of each such Contract Year, may increase by not more than five percent (5%) over the amount payable for Maintenance and Support Services for the immediately preceding Contract Year, and are payable on July 1 of each applicable Contract Year throughout the remainder of the Term. Maintenance and Support Services will not continue beyond the Expiration Date absent a separate written agreement between the Parties.

Note: Dates indicated in the following table for full year three and four are pending approval of extension form JLCB.

For the Parties’ convenience and budgetary planning purposes only, the Payment Terms For Table 4 are summarized in the following table:

Description of Payment	Amount	Estimated Due Date
Partial Contract Year Payment Amount for Table 4 (12/1/19 – 6/30/20):	\$301,820	December 1, 2019
Annual Maintenance and Support Services Fee for Table 4 (7/1/20 – 6/30/21):	\$532,497	July 1, 2020
Annual Maintenance and Support Services Fee for Table 4 (7/1/21 – 6/30/22):	\$559,122	July 1, 2021
Annual Maintenance and Support Services Fee for Table 4 (7/1/22 – 6/30/23):	\$587,078	July 1, 2022
Annual Maintenance and Support Services Fee for Table 4 (7/1/23 – 6/30/24):	\$616,432	July 1, 2023

EXHIBIT 1 TO MAINTENANCE AND SUPPORT SERVICES ADDENDUM

Maintenance Standards – Advantage Plus Level

I. Defined Terms:

“Notification” means a communication to Ellucian’s Action Line by means of: (i) Ellucian’s Customer Support Center; (ii) the placement of a telephone call; or (iii) the sending of an e-mail, in each case, in accordance with Ellucian’s then-current policies and procedures for submitting such communications.

“Priority One Call” means a Notification that UL Lafayette believes that a Defect has caused: (i) a full failure (i.e., “crash”) of its computer system; (ii) a full failure of the Licensed Software; or (iii) a failure of its computer system or the Licensed Software which, in either case, prevents UL Lafayette from performing data processing which is critical to UL Lafayette’s operations on the day on which the alleged Defect is reported.

“Priority Two Call” means a Notification that UL Lafayette believes that a Defect has caused a partial failure of UL Lafayette’s computer system or the Licensed Software which significantly hinders its ability to perform data processing which is critical to UL Lafayette’s operations on the day on which the alleged Defect is reported.

“Priority Three Call” means a Notification that UL Lafayette believes that a Defect has caused an intermittent failure of, or problem with, its computer system or the Licensed Software that causes a significant delay in UL Lafayette’s ability to perform data processing on the day on which the alleged Defect is reported, but where the processing is not critical to UL Lafayette’s operations.

“Priority Four Call” means a Notification that UL Lafayette believes that a Defect has caused a problem with its computer system or the Licensed Software that does not significantly affect critical processing.

II. Hours During Which Ellucian’s “Action Line” Telephone Support Will be Available to UL Lafayette in Connection with the Provision of Maintenance: Seven (7) days per week, 24 hours per day.

Note: Ellucian’s Action Line uses an automated answering system to receive and record telephone calls from client, as well as to receive reports via Ellucian’s Customer Support Center and e-mail. This system allows Ellucian’s Action Line staff to classify, prioritize, record basic details, conduct certain research, and assign a consultant to respond to a UL Lafayette’s telephone call.

III. Targeted Response Times: With respect to Ellucian’s Maintenance obligations, Ellucian will use diligent, commercially reasonable efforts to respond to Notifications from UL Lafayette relating to the Baseline Software identified in the Maintenance and Support Services Addendum in accordance with the following guidelines:

- Priority One Calls** – one (1) hours or less.
- Priority Two Calls** – four (4) hours or less.
- Priority Three Calls** – twenty-four (24) hours or less.
- Priority Four Calls** – seventy-two (72) hours or less.

Notes: (1) For purposes of these targets, a “response” will mean as an initial contact from an Ellucian representative to UL Lafayette to begin evaluation of the problem reported under one of the categories of calls identified above; (2) As a prerequisite to Ellucian’s obligation to respond to UL Lafayette, UL Lafayette must follow the policies and procedures of Ellucian’s Action Line (such as the dialing of a particular phone number, the categorization of a particular problem, etc.) when submitting its Notification.

EXHIBIT 2 TO MAINTENANCE AND SUPPORT SERVICES ADDENDUM

Maintenance Standards – Advantage Level

I. Defined Terms:

“Notification” means a communication to Ellucian’s Action Line by means of: (i) Ellucian’s Customer Support Center; (ii) the placement of a telephone call; or (iii) the sending of an e-mail, in each case, in accordance with Ellucian’s then-current policies and procedures for submitting such communications.

“Priority One Call” means a Notification that UL Lafayette believes that a Defect has caused: (i) a full failure (i.e., “crash”) of its computer system; (ii) a full failure of the Licensed Software; or (iii) a failure of its computer system or the Licensed Software which, in either case, prevents UL Lafayette from performing data processing which is critical to UL Lafayette’s operations on the day on which the alleged Defect is reported.

“Priority Two Call” means a Notification that UL Lafayette believes that a Defect has caused a partial failure of UL Lafayette’s computer system or the Licensed Software which significantly hinders its ability to perform data processing which is critical to UL Lafayette’s operations on the day on which the alleged Defect is reported.

“Priority Three Call” means a Notification that UL Lafayette believes that a Defect has caused an intermittent failure of, or problem with, its computer system or the Licensed Software that causes a significant delay in UL Lafayette’s ability to perform data processing on the day on which the alleged Defect is reported, but where the processing is not critical to UL Lafayette’s operations.

“Priority Four Call” means a Notification that UL Lafayette believes that a Defect has caused a problem with its computer system or the Licensed Software that does not significantly affect critical processing.

II. Hours During Which Ellucian’s “Action Line” Telephone Support Will be Available to UL Lafayette in Connection with the Provision of Maintenance: Five (5) days per week, Monday through Friday, excluding United States holidays and Ellucian-observed holidays, from 8:00 AM to 8:00 PM (Eastern US Time).

III. Targeted Response Times: With respect to Ellucian’s Maintenance obligations, Ellucian will use reasonable efforts to respond to Notifications from UL Lafayette relating to the Baseline Software identified in the Maintenance and Support Services Addendum in accordance with the following guidelines, with the time period to be measured beginning with the first Ellucian Action Line business hour occurring after Ellucian’s receipt of the Notification:

- Priority One Calls** – two (2) hours or less.
- Priority Two Calls** – four (4) hours or less.
- Priority Three Calls** – twenty-four (24) hours or less.
- Priority Four Calls** – seventy-two (72) hours or less.

Notes: (1) For purposes of these targets, a “response” will mean as an initial contact from an Ellucian representative to UL Lafayette to begin evaluation of the problem reported under one of the categories of calls identified above; (2) As a prerequisite to Ellucian’s obligation to respond to UL Lafayette, UL Lafayette must follow the policies and procedures of Ellucian’s Action Line (such as the dialing of a particular phone number, the categorization of a particular problem, etc.) when submitting its Notification.

APPLICATION HOSTING SERVICES ADDENDUM

1.0 SCOPE OF SERVICES

Contractor hereby agrees to furnish Application Hosting Services to UL Lafayette in consideration of Client's payment of a monthly fee for same as specified in Attachment I (including Schedules A – C and the Monthly Payment Schedule attached thereto).

1.1 CONCISE DESCRIPTION OF SERVICES

Contractor hereby agrees to provide UL Lafayette with the Application Hosting Services set forth in the Statement of Work specified in Attachment I.

2.0 STATEMENT OF WORK: COMPLETE DESCRIPTION OF SERVICES / TASKS

Contractor will perform services according to the terms of this Agreement and according to the Statement of Work specified in Attachment I.

3.0 TERM OF APPLICATION HOSTING SERVICES

These services to be provided pursuant to this Contract shall begin on **December 1, 2019** (the "Commencement Date") and shall end on **June 30, 2022** (the "Expiration Date"). UL Lafayette will have the right (the "Early Termination Right") to terminate these services at its convenience, by providing written notice of such termination to Contractor (Contractor's receipt of such notice is referred to herein as the "Termination Notice Date"). In the event of UL Lafayette's exercise of the Early Termination Right as provided for above, termination will be effective thirty (30) days following the Termination Notice Date (the "effective date of termination") and Contractor shall be paid in full for all Application Hosting Services rendered up to and including the effective date of termination, all of which shall be due and payable in full in any event upon the effective date of termination.

4.0 COMPENSATION/PAYMENT TERMS

The maximum amount authorized to be paid under this Application Hosting Services Addendum is **\$4,542,835** (subject to the terms stated in Section 1.10 of the Contract to which this Application Hosting Services Addendum is attached). The fees identified herein are for Hosting Services provided during the "Hosting Services Term" (commencing on December 1, 2019 and ending on June 30, 2022) and include all out-of-pocket expenses incurred by Contractor for performance of the Hosting Services described in Attachment I. UL Lafayette will pay the fees for Hosting Services on a monthly basis in fifty-five (55) consecutive monthly installments of \$82,597 each, beginning December 1, 2019 through June 1, 2024. Ellucian will invoice UL Lafayette in advance of each month during the Hosting Services Term for the monthly installment, and UL Lafayette's payments shall be due within thirty (30) days of the date of each such invoice.

Note: Dates beyond June 30, 2022 indicated in section 4.0 are pending approval of extension form JLCB.

ATTACHMENT I

APPLICATION HOSTING SERVICES – STATEMENT OF WORK (“SOW”) AND MONTHLY PAYMENT SCHEDULE

1. **Definitions.** The defined terms in the Agreement will have the same meaning in this SOW unless the context clearly indicates otherwise. In addition to the defined terms in the Agreement, the following defined terms will apply to this SOW:
 - 1.1 “*Agreement*” means the Agreement, Work Order or Amendment to which this SOW is attached.
 - 1.2 “*Application(s)*” means the application software modules listed in the Application Inventory in Schedule A, that are purchased or licensed by Client (or provided by Ellucian for Client’s benefit) and installed on the Cloud Environment.
 - 1.3 “*Application Configuration Administration*” means the setting and adjusting of Application global, system, class, and/or user-specific defined data elements that affect the functionality or display of the Application, and for those which are modifiable only through vendor-delivered Application entry screens, forms, processes or utilities, for the Applications supported under this SOW.
 - 1.4 “*Application Home*” means the specific set of software code, or software code tree, used for the process of running a specific Application.
 - 1.5 “*Application Security Administration*” means the granting and revoking of global, class, and/or user-specific data entry forms, processes, and reports, through baseline (i.e., general release without modification) and delivered Application screens and utilities, for that which are accessed or run by end users and/or used by the Applications supported under this SOW.
 - 1.6 “*Client System(s)*” means the Applications and data, which are installed on or reside on the Cloud Environment.
 - 1.7 “*Cloud Environment*” means the computing and networking resources (including servers, storage systems, backups systems, and network access components) provided or used by Ellucian.
 - 1.8 “*Core Component*” means the Application(s) which provides the primary functionality which the majority of the user population interfaces with on a regular and ongoing basis.
 - 1.9 “*Database*” means the physical data files tied to one or more Database Instances.
 - 1.10 “*Database Instance*” means the logical set of resources and node-specific configuration files required to operate a Database.
 - 1.11 “*ERP*” means enterprise resource planning.
 - 1.12 “*Full Time Equivalent*” or “*FTE*” is determined based on the U.S. Department of Education Institute of Education Sciences National Center for Education Statistics Integrated Postsecondary Education Data System (“IPEDS”) client-reported Fall Total Full-time and Part-time Student Enrollment headcounts. The calculation of FTE students uses a fall student headcount model defined by IPEDS to derive a single value.
 - 1.13 “*Hosting Services*” means the hosting services provided by Ellucian for the Applications, as described in this SOW.

- 1.14 *"Hosting Services Term"* means the term during which Ellucian will provide the Hosting Services, as otherwise provided for in the Agreement.
- 1.15 *"Production"* means the specific Applications (as well as the Database Instances, Databases, and Cloud Environment running the Applications) which are exclusively used as the single authoritative and "live" system the Client interacts with for transactional processing. Production excludes any and all testing, training and/or other non-live Application or environment instances.
- 1.16 *"Schedule A"* means the Schedule attached to this SOW as Schedule A and labeled "Service Configuration and Systems Inventory."
- 1.17 *"Schedule B"* means the Schedule attached to this SOW as Schedule B and labeled "Standard Maintenance Windows."
- 1.18 *"Schedule C"* means the Schedule attached to this SOW as Schedule C and labeled "Information Security Addendum."
- 1.19 *"Service Incident"* means a disruption to normal service operations.
- 1.20 *"Service Request"* means a request by an authorized user for information, advice, access, role change or other inquiry that may facilitate a change to the current state of Client's System or Cloud Environment.
- 1.21 *"Transition"* or *"Transition Services"* means and refers to the process of planning, directing and coordinating the migration of IT knowledge, systems, processes, data and capabilities from the Client and/or other third parties to Ellucian for delivery of the Applications.
- 1.22 *"VPN"* means an encrypted, secure virtual private network pathway used for the purpose of remote connectivity.

2. Delivery Environment.

- 2.1 Ellucian will deliver the Hosting Services from a Cloud Environment satisfying the requirements of the Applications hosted under this SOW. The Cloud Environment will align with the security controls and attributes set forth in the Information Security Addendum attached hereto as Schedule C.
- 2.2 Ellucian will be responsible for its own costs related to Ellucian's use of the Cloud Environment.
- 2.3 Ellucian will be responsible for supplying licenses and functionality for the following items in the Cloud Environment:
 - a. Backup
 - b. Disaster Recovery
 - c. Internet connectivity
 - d. Load balancing
 - e. Monitoring
 - f. Operating Systems
 - g. Security Scanning

3. Hosting Services Functional Requirements.

- 3.1 Ellucian will host all Production and non-Production environments identified in Schedule A and all associated Applications.

- 3.2 Ellucian will provide Client storage for all Applications and associated Databases.
- 3.3 Ellucian will provide a secure method for the Client to upload and download files necessary for the primary function of the Applications.
- 3.4 Ellucian uses a global delivery model in performing the Hosting Services, meaning that Ellucian personnel worldwide may be involved in delivery.

4. Information Security.

Please refer to the Information Security Addendum attached hereto as Schedule C.

- 5. Transition Services.** Ellucian will establish a team (the “Transition Team”) to be led by a Transition Manager. The Transition Team will plan, direct and coordinate the migration of IT knowledge, systems, processes, data and capabilities from the Client and/or third parties to Ellucian for the delivery of the Applications. The timeframe for any Transition Services will be based on the project scope/requirements and will be finalized and agreed upon by the parties during or promptly following the initial meeting between Ellucian and Client.

The Transition Manager will be Ellucian’s primary Cloud point of contact during performance of the Transition Services as described herein. The Transition Manager will be responsible for:

- a. Managing Transition deliverables, including the charter, schedule, and Client Care/portal site.
 - b. Overseeing communications and delivering according to a plan jointly developed and agreed upon by the parties.
 - c. Confirming all resources involved in the Transition Services have a common understanding of the needs of both businesses as well as the project deliverables.
 - d. Managing scope and delivery timetables to be consistent and complementary with the objectives of the Transition Services.
 - e. Monitoring progress and reporting the status of the Transition Services to all stakeholders.
- 6. Ellucian Communications with Client.** During the Hosting Services Term, Ellucian will regularly communicate with Client regarding product adoption, upgrades and other projects pertaining to the Cloud Environment, change management, and problem resolution. In addition, Ellucian will identify a primary point of contact who will act as the point of escalation for any Hosting Services-related activities.
- 7. Operating System Administration Services.** Ellucian will provide Operating System (“OS”) Administration for the OS environments in the Cloud Environment. In this regard, Ellucian will be responsible for:
- a. Installations and configurations of the OS environments for Application environments.
 - b. Maintaining access to and control of special user accounts used for OS administration (i.e. “ROOT” or “Administrator”).
 - c. Installation of patches and updates from the applicable vendor(s) for OS environments.
 - d. Troubleshooting and resolving OS incidents.
- 8. Database and Application Administration Services.** Ellucian will provide Database Administration (“DBA”) Services and Application Administration Services for the Databases, Application Homes and Application environments as defined in Schedule A.

8.1 Ellucian will:

- a. Install, configure, and update Applications as defined in Schedule A, and Database environments for vendor-specific systems.

- b. Configure, as defined in Schedule A, baseline Application Home environments for vendor-specific systems.
- c. Perform Database system level security administration for the Database environments.
- d. Perform Database and Application Home clones, system refreshes or replications, for the Cloud Environment as agreed by the parties up to two (2) requests per month.
- e. Exercise exclusive access and control of DBA privileged or super-user level passwords, to include those Application accounts requiring such access, to Databases, Database Instances and Applications.
- f. Provide troubleshooting and diagnostic support for the Databases, Database Instances and Database Homes.
- g. Provide troubleshooting and diagnostic support for the Applications, Application configurations and Application Homes.
- h. Provide reasonable assistance with application maintenance issues requiring Database and Application administration knowledge and experience for designated Applications.
- i. Perform tuning and adjusting of Database and Database Instance, and Application parameters and configurations based on the specific vendor's recommendations, input from users, and response time sampling based on Ellucian's standard practices for designated Applications.
- j. Communicate with third party vendors or other Ellucian business units to resolve escalated issues as they arise for designated Applications.

8.2 Client will:

- a. Appoint or provide a user liaison to coordinate and perform the Application Security Administration functions and duties as requested by the Client for the Applications.
- b. Appoint or provide user liaison(s) to coordinate and perform the Application Configuration Administration functions and duties as requested by the Client for the Applications.
- c. Appoint or provide a single named user liaison to coordinate ERP activities of patches and upgrades for the Applications.
- d. Provide for programmers, analysts and user liaisons to research or review custom code, data level problems or data integrity issues for the Applications, and to develop and/or correct Client-developed customizations to Applications.
- e. Maintain active software support contracts with Ellucian and third party vendors for all Applications such that the appropriate vendor will provide personnel to develop and/or correct code in the Applications as needed.
- f. Provide functional, technical programming and user liaisons to provide troubleshooting of Application issues and to communicate with the applicable software vendor, including opening support contacts with the applicable software vendor.
- g. Perform the function of the job and job stream management role, if applicable; and be responsible for creating, maintaining, and troubleshooting Application jobs and job streams submitted either through the Application or in a supported scheduling system.
- h. Provide support for all user functions, management and other Applications not defined in this SOW.
- i. Communicate any applicable Database or Application software standards and procedures for access to designated systems to participating students, faculty, staff and alumni.
- j. Provide all end-user workstation and mobile device desktop and peripherals support for the Applications.
- k. Provide support for all user reporting for applications (including those Applications defined in this SOW), including other ancillary third party systems.

9. **Backups and Disaster Recovery.** Ellucian will back up the Applications. Backups will adhere to Ellucian's internal backup controls. Ellucian will not be responsible for the accuracy of data in the Client's Databases and Applications, but will only be responsible for appropriately backing up the data in the Databases and Applications supported under this SOW.

9.1 **Backups.** Ellucian will conduct regular backup of all data and configuration files required for availability of Hosting Services. The retention of this data is separated into the following components:

- *Database* – backups will be retained for three (3) months
- *Point in Time* – backups will be retained for one (1) week

These durations are provided as part of the standard Hosting Services. At the end of these durations, the oldest copies of files will be deleted.

Client may request copies of Database backups for archival purposes. Upon such request, Ellucian will make a copy of the database available to Client for secure download on a monthly basis. Each Database backup made available in this manner will replace the previously available file. It will be the Client's responsibility to retrieve those files in a timely manner.

9.2 **Disaster Recovery.** Ellucian will maintain a disaster recovery plan for the Production environments within the Hosting Services. If the primary Cloud Environment is damaged in whole or in part preventing Ellucian from securely delivering the Hosting Services, Ellucian will failover the primary Cloud Environment to Ellucian's disaster recovery environment. Ellucian's recovery time objective (RTO) is twenty-four (24) hours, measured from the time the Hosting Services are declared to have become unavailable until such services become available and operational in accordance with applicable service levels, as measured by Ellucian. Ellucian's recovery point objective (RPO) is two (2) hours, measured from the time the first transaction is lost or from the time the Hosting Services became unavailable. Ellucian will test its disaster recovery plan annually and will, upon Client's written request, provide Client with a summary of the most recent results. **Note:** Any Hosting Services downtime in excess of the aforementioned objectives will contribute towards the calculation of the SLA as defined in Exhibit 2 to the License Addendum.

10. **Systems Monitoring.** Ellucian will monitor the Cloud Environment on a 24x7x365 basis.

10.1 Ellucian will monitor the Application components and the Cloud Environment for availability.

10.2 Client will allow Ellucian-based remote services monitoring and security tools reasonable access to the Applications.

11. **Standard External Interfaces for Integrations.** Installation and operation of supported Applications may require installation of third-party applications, which may require connectivity to environments external to Ellucian or Client networks. Only the following defined integration paths, integrations and interfaces will be installed and supported under this SOW: (i) those defined baseline integration paths, integrations and interfaces listed in Section 11.2 below (the "Baseline Integrations"); and (ii) any additional integrations and interfaces specifically listed in Schedule A.

11.1 As it relates to any external interfaces/defined third party integration services as described herein, Ellucian will:

- Open appropriate access to the Cloud Environment based on the requirements provided by Client. Access is provided via:
 - Public Internet Access* – Used for Applications such as Portal and Self-Service.
 - Site-to-Site VPN* – A pair of VPN routers is configured, shipped, monitored, and maintained by Ellucian to provide encrypted access for administrative Application interfaces; as a network path for integrations to on-campus services; or for direct access to Database instances for Client programmers. The Site-to-Site VPN will be configured with industry standard encryption protocols.
- Support administrative connectivity to the Cloud Environment from defined IP addresses or IP network subnets with the following protocols as appropriate: HTTP (for non-sensitive/non-protected data only); HTTPS; FTPS; SSH.
- Maintain at least 1Gb/sec bi-directional datacenter connectivity to the Public Internet with diverse providers and physical entrances.

- d. Maintain Internet firewalls to protect the Applications from unwanted and inappropriate access. Firewalls shall be configured with a default deny rule for inbound traffic.

11.2 **Baseline Integrations** – The following are included as part of the Hosting Services:

Baseline Integrations		
Function	Path	Protocols
Upload or Download Data	Internet, Site to Site VPN, Cloud Peer	Secure File Transfer
System Printing from ERP	Site to Site VPN, Cloud Peer	UNIX Print
Directory Authentication*	Site to Site VPN, Cloud Peer	Secure LDAP
Integrations through Ellucian’s standard web services APIs	Internet, Site to Site VPN, Cloud Peer	HTTP/Secure HTTP

*Authentication is based on Client’s directory.

11.3 As it relates to any external interfaces/defined third party integration services as described herein, Client will:

- a. Submit any new interface or connectivity requirement requests to Ellucian in writing at least fourteen (14) days in advance.
- b. Provide Ellucian with a point-of-contact for communication of activities, planning and requests/requirements.

12. **Managing Service Requests.** Ellucian will deploy an Information Technology Service Management (“ITSM”) tool capable of providing for Service Incident management, Service Request fulfillment, change management and knowledge management. Ellucian will adhere to internal change and incident management controls.

12.1 Ellucian will:

- a. Deploy a self-service web portal for the reporting of Service Incidents, Service Requests and change requests.
- b. Provide necessary training to Client’s IT staff on the utilization and documentation of requests via the ITSM Self-Service Module.
- c. Provide a service desk with a U.S.-based toll-free phone number monitored on a 24x7x365 basis (including site holidays). Please note that the service desk does not provide end-user support for the Applications supported in this SOW.
- d. Escalate unresolved Service Incidents or Service Requests as designated in Ellucian’s incident management process.

12.2 Client will provide Ellucian with current and updated contact information.

13. **Conditions to offer Hosting Services.** In order for Ellucian to provide the Hosting Services, Client will be responsible for the following:

- a. Licensing all Applications listed in Schedule A to permit the Applications (and other necessary components as reasonably determined by Ellucian and agreed to and approved by Client in writing) to be installed and used on the Cloud Environment.
- b. Paying for any upgrades (i.e., SSL purchase and renewals, compiler purchase and renewals) that are reasonably necessary or required to operate the Applications located within the Cloud Environment as appropriate.

- c. Permitting and scheduling required downtime within reasonable timeframes for the Applications and underlying systems for upgrades and maintenance. Client shall not require Ellucian to perform systems maintenance to the Production systems while end users, staff, faculty or other users are using such systems. Certain non-Production maintenance activities require terminating user access to the Applications.
 - d. Consulting with Ellucian for projects to establish requisite lead times, and Ellucian shall not be responsible for delays or failure to meet Client's expectations if adequate lead time is not provided.
 - e. Bearing the cost of all Client-maintained customizations and customized code enhancements required to operate within the Cloud Environment to the extent not expressly provided through this SOW.
 - f. Not, without the express written consent of Ellucian (such consent not to be unreasonably withheld or delayed), (i) installing additional software on, (ii) requiring additional software to be installed on, or (iii) modifying Applications or any other software or systems installed on or within, the Cloud Environment.
 - g. To the extent that this SOW provides for Ellucian to host any software that was not licensed to Client by Ellucian ("Other Vendor Software"), Client's execution of the Agreement constitutes a warranty and representation by Client that Client has obtained all rights required or appropriate to enable Ellucian to provide the Hosting Services and other services in connection with such Other Vendor Software, without the payment of any amounts or the provision of any additional consideration by Ellucian to the licensor of such Other Vendor Software or to any other person or entity whatsoever.
 - h. Further, Ellucian will not be responsible for the operation and maintenance of Other Vendor Software unless specifically set forth in Schedule A. Client will be solely responsible for obtaining the right for Ellucian to have access to and use all software (inclusive of database and middleware) and resources in order for Ellucian to perform the Hosting Services, including without limitation all permissions and sublicenses required from third party vendors ("Third Party Access Rights"). Ellucian will not be liable for Client's failure to secure sufficient Third Party Access Rights licenses. In addition, Ellucian will not be responsible for non-performance if Ellucian's non-performance is caused by Client's failure to obtain the requisite Third Party Access Rights. Ellucian will not be liable for any damages suffered by Client by reason of any failure or non-performance in Other Vendor Software or third party hardware. Upon request, Client will provide documentation to Ellucian of its licenses for Other Vendor Software prior to Ellucian making adjustments to the resources used to provide the Hosting Services.
14. **Lawful Use.** The Client's System may not be used in any manner that would violate or infringe upon any applicable laws, copyrights, trademarks, trade secrets, right of publicity, right of privacy or any other right of any person or entity. The Client's System may not be used to access or store any material which is obscene, libelous or defamatory. Hosting Services may not be used for the purpose of transporting or storing any material, which is obscene, libelous or defamatory. Client must also comply with appropriate use requirements for other non-Ellucian networks Client may access through Client's System or the Hosting Services.
15. **Third Party Providers.** Ellucian may utilize certain third party providers, including but not limited to for the provision of certain hosting services infrastructure and components. Ellucian currently utilizes Amazon Web Services ("AWS") for the provision of the Hosting Services. In this regard, Client shall ensure that all Client authorized users comply with the Acceptable Use Policy and other applicable services terms currently available at <http://aws.amazon.com/legal>.
16. **Price Escalators.** The annual fee for the Hosting Services will not increase during the initial Hosting Services Term except as stated in accordance with Section 1.10 of the Contract to which this Application Hosting Services Addendum is attached.
17. **Events Upon Termination.**
- 17.1 Upon termination or expiration of the Hosting Services Term, Client access and use of the Hosting Services will immediately cease, and Client will have no further access to or use of the Hosting Services.

- 17.2 Upon termination or expiration of the Hosting Services Term, provided that Client has provided Ellucian with a written request at least thirty (30) days prior to the end of the Hosting Services Term, Ellucian will, at no additional charge to Client, promptly provide Client with (a) a copy of the current Database; (b) a copy of the current code tree or related Application files that may have been modified from installation; and (c) any other Application data files for in scope Applications that contain Client content. Such Client data will then be securely deleted by Ellucian in accordance with Ellucian's then-current data security, retention and disposal policies.
18. **Ellucian Property**. Any hardware, software or other items owned, leased, or licensed by Ellucian and used in provision of the Hosting Services will at all times remain the property of Ellucian and will not in any event transfer to Client. Client hereby acknowledges that it will not make any claims to or claim ownership or right to possession of any such hardware, software or other items.

Application Hosting Services: General Support, Incident Prioritization, and Target Response Metrics

1. General Support

Standard Hours of Support: “Normal Business Hours” are defined as Monday through Friday, 8:00 AM to 5:00 PM (Client’s local time) and exclude Ellucian’s observed holidays. Upon Client’s request, Ellucian will provide Client with a listing of such holidays. Work affecting non-Production systems or work which is reasonably deemed by Ellucian as non-mission-critical will be performed only during Normal Business Hours.

After Hours Support: Work to resolve incidents of “Priority 1” and “Priority 2” will be performed after Normal Business Hours as appropriate.

2. Incident Prioritization:

Priority Levels: The priority of an active incident is indicated at the time the incident is first reported to Ellucian. Client must report the priority of an incident using the definitions below. Ellucian will review and validate the priority for open incidents and may adjust the priority to better align with these definitions.

Priority Level	Definition
P1	System Down Issues that result in an active Client Production environment not being available
P2	Major Functionality Issue Issues that cause any mission-critical functions in a Production environment to perform unacceptably or to fail
P3	Minor Functionality Issue Issues that do not meet the criteria for P1 or P2

3. Target Response Metrics

Response times listed below reflect targets and are not (and should not be construed as) contractual obligations. Response time commitments do not imply, promise or guarantee a complete resolution within the stated time frames. Rather, the time commitment is intended to indicate the estimated target time interval in which the Client will be contacted by Ellucian technicians after service desk triaging and routing the issue to either the Client’s onsite representative or Ellucian support. Ellucian technicians will begin triaging the request to seek a resolution of the issue once communication with the Client has been established to validate an incident and depending on the priority level as described below. In the event an issue is identified as needing to be escalated or triaged to Client’s onsite representative or third party vendor during times when the Client does not provide or has not contracted for onsite or third party support or at any time the Client is unavailable in a manner that would prevent referral of an issue to the next level of support, the referral will be made within the response times set forth below when the Client site is next available for business during Normal Business Hours.

Priority Level	Target Response Time	Notification Schedule
P1	60 Minutes	Every 60 minutes after triage via email or phone until resolution and via ITSM incident management tool
P2	4 Hours	Updates via ITSM incident management tool
P3	Next business day	Updates via ITSM incident management tool

Schedule A to Attachment I to Application Hosting Services Addendum

Service Configuration and System Inventory			
Client Name:		University of Louisiana at Lafayette	
Total FTE (IPEDS/ Intl Equiv.):		15,999	
Application Inventory			
Core ERP Application:		Production Instance	Non-Production Instance
Description	Count	Count	Count
Banner ERP Base (Database, JobSub, Banner 9 Applications, EIS, BEP, BEIS, ESM, Ethos Integration)	1		1
Additional Non-Production Instances	--		1
Product Components:		Production Instance	Non-Production Instance
Description	Count	Count	Count
Banner Workflow	1		1
Ellucian Mobile	1		1
Business Intelligence (ODS/EDW) (R4 Upsize)	1		1
IBM Cognos	1		1
Banner Document Management Suite	1		1
Banner Enterprise Job Scheduler by Automatic (UC4)	1		1
Banner Recruiting & Admissions Performance	1		1
Banner Student Retention Performance	1		1
Recruit Integration Manager	1		1
Ellucian DegreeWorks	1		1
Evisions FormFusion	1		1
Evisions IntelleCheck	1		1
Ellucian Luminis Platform	1		1
Runner Technologies: CLEAN Address	1		1

Baseline Integrations		
Function	Path	Protocol
Upload or Download of data	Internet, Site to Site VPN, Cloud Peer	Secure File Transfer
System Printing from ERP	Site to Site VPN, Cloud Peer	UNIX Print
Directory Authentication*	Site to Site VPN, Cloud Peer	Secure LDAP
Integrations through Ellucian standard web services APIs	Internet, Site to Site VPN, Cloud Peer	HTTP/Secure HTTP

*Authentication is based on the Client's directory.

Validation of 3rd Party Licenses		
Quantity	Description	Provided by

24	Application Specific Hosted Oracle Enterprise DB, diagnostics and tuning pack	Ellucian
N/A	Application Specific Hosted Oracle IAS (Web Logic)	N/A
2	Oracle Programmer (perpetual license)	University of Louisiana at Lafayette
1	Secure Socket Layer (SSL) / Transport Layer Security (TLS) Certificate	University of Louisiana at Lafayette
2	Fujitsu NetCOBOL Compiler License for Linux (1 Prod, 1 Non-Prod)	University of Louisiana at Lafayette

Schedule B to Attachment I to Application Hosting Services Addendum**Standard Maintenance Windows**

The Standard Maintenance Matrix below applies to the Cloud Environment and Client's System identified in Schedule A.

Terminology

- **General Hosting Infrastructure** – Controlled by Ellucian and encompasses the following: Firewalls, Routers, Switches, DNS, Proxy, Hosting Environment, Operating Systems and Facilities.
- **Client Specific Application/Services Infrastructure** – Controlled by Client and encompasses the following: Database Software, Applications, Clones/Refreshes, System Configuration Changes, and Programming related activities.
- **Ellucian Manager** – Ellucian manager with direct responsibility for changes to a particular service area.
- **Ellucian CAB** – Change Advisory Board [General]. The Committee of Ellucian stakeholders that review and approve the change. Depending on the scope of the change, the CAB may involve managers, directors, general managers, and potentially vice presidents.
- **Client CAB (Recommended)** – Change Advisory Board [Client]. The Committee of Client stakeholders that review and approve the change. This committee will be defined by the Client. Examples are project managers or site CIOs/Directors who are directly responsible for the Hosting Services and Applications.

Standard Maintenance Matrix**Client Specific Application/Services Infrastructure**

	Duration	Date	Anticipated service disruption	Notification	Final Approvals
Daily	1 hours	Weekday	None	None	Ellucian Manager
Weekly	4 hours	Weekend	Low	1 week prior	Ellucian CAB and Client CAB
Monthly	8 hours	Weekend	Likely	2 weeks prior	Ellucian CAB and Client CAB

Notes:

- a. Even though change windows are defined they will only be used as necessary. Emergency changes required to restore a disrupted service will follow documented change processes and may not occur during one of the windows defined above or during a defined window.
- b. For Client Specific Application/Services Infrastructure, Ellucian will discuss and mutually agree with the Client to schedule daily, weekly and monthly change windows. The above table is a suggested standard model and will be used pending such mutual agreement between Client and Ellucian.

Schedule C to Attachment I to Application Hosting Services Addendum

Information Security Addendum

This Schedule C to Exhibit 1 contains terms governing information security to which Ellucian will adhere during the Hosting Services Term. Ellucian may modify specific security protections from time to time but will continue to provide at least the same level of security as on the date this Schedule C became part of the Agreement.

1. Information Security Program

Ellucian will maintain a global Information Security Program aligned with ISO 27001 that will plan, implement and manage processes on an ongoing basis to meet information security objectives and requirements applicable to the Hosting Services delivered worldwide. The Information Security Program will include demonstrable oversight and commitment from Ellucian senior management. The Information Security Program will also include performing information security risk assessments and implementing treatment plans at appropriate intervals, such as when significant changes to the Hosting Services occur.

2. Information Security Compliance

Ellucian will design and maintain a control environment for the Hosting Services aligned with global information security practices and standards such as ISO 27001 and third party attestation frameworks such as SSAE 16 / SOC 1 and SOC 2.

3. Information Security Policy

Ellucian will maintain an Information Security Policy that is approved by senior management and communicated to employees and applicable third parties. The Information Security Policy will identify roles and responsibilities as well as governing principles and control objectives for information security across Ellucian's global business operations. The Information Security Policy and will be reviewed annually and supporting standards, guidelines and procedures will be adjusted as appropriate.

4. Information Security Awareness Program

Ellucian will maintain an employee awareness program to allow employees to understand and fulfill their responsibilities for information security, including requirements for personal data privacy, confidentiality, and non-disclosure of information.

5. Personnel Security

Employees will be screened in accordance with relevant laws and such screening will be proportional to employee roles and responsibilities. Employees and applicable third parties will agree to requirements for confidentiality and non-disclosure of information prior to employment or prior to providing services to Ellucian.

6. Physical Security

Ellucian currently uses Amazon Web Services (AWS) who is responsible for protecting the global infrastructure upon which the Hosting Services are delivered. AWS will maintain controls to manage and monitor physical access at both the data center perimeter and building ingress points using security staff, or electronic access control validation.

7. Access Control

Ellucian will authorize access to the Cloud Environment only for employees and third parties with a legitimate business need. Controls and mechanisms to authenticate access and monitor and prevent unauthorized access to

Client's Systems will also be in place. Ellucian will also maintain appropriate onboarding and termination processes to manage revocation of access to Client's Systems.

8. Data Security

Ellucian will maintain security controls to safeguard Client's Systems from unauthorized access, modification, disclosure or destruction, or become inaccessible to authorized users. Data protection methods will include restricting and monitoring access to information systems, encrypting data in transit and while at rest when necessary or required, maintaining backups of Client's Systems, and securely returning data to the Client, or disposing or destroying data in a secure manner using techniques consistent with NIST 800-88 ("Guidelines for Media Sanitization").

9. Client's System Security

Ellucian will protect the confidentiality, integrity and availability of Client's Systems. Ellucian will maintain safeguards for the security of electronic communications networks. Ellucian will also maintain a change management process to control planned and unplanned changes and the installation of software, manage mechanisms to detect threats such as malware, and recording and monitoring security events to identify anomalous or unauthorized activity.

10. Technical Vulnerability Management

Ellucian will maintain a process and supporting tools to evaluate and resolve technical vulnerabilities within Client's Systems within reasonable timeframes to address the risk of potential exploitation, or system or data compromise.

11. Third Party Security

Ellucian will maintain a process to identify risks to Client's Systems that are accessible to third parties. The process will ensure that relevant information security requirements are incorporated into business agreements with third parties and that relevant third party risks are addressed within reasonable timeframes.

12. Information Security Incident Management

Ellucian will maintain an information security incident management program to respond to security incidents within the Cloud Environment. Ellucian will provide timely notification to the Client in the event that Client's Systems or data is known to have suffered an Information Security Breach. Timely notification is defined as providing notice to the Client as soon as reasonably practicable and without undue delay after Ellucian became aware of the Information Security Breach. An "Information Security Breach" is defined as an event(s) that is known to have resulted in unauthorized access to a Client's System or use or disclosure of Client data. Ellucian will further maintain a process to capture and apply knowledge gained from such events to address the likelihood of reoccurrence.

13. Business Continuity Management

Ellucian will implement controls designed to maintain the continued availability of Client's Systems. Controls will include maintaining a defined business continuity management plan relevant to the Hosting Services that, if interrupted, may result in significant downtime or data loss.

PAYMENT SCHEDULE (TABLES 1 – 4 PLUS AHS)

For the Parties' convenience and budgetary planning purposes only, the following Payment Schedule summarizes the payments due from UL Lafayette under this Contract as of the Execution Date. For the avoidance of doubt, the identification of fees beyond June 30, 2022 do not constitute a commitment by either party to extend the Term of the Contract past June 30, 2022, and the parties expressly acknowledge that extension of the Contract through June 30, 2024 shall require written approval from JLCB: ¹

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
July		\$1,534,377	\$1,567,545	\$1,613,894	\$1,650,423
August		\$82,597	\$82,597	\$82,597	\$82,597
September		\$82,597	\$82,597	\$82,597	\$82,597
October		\$82,597	\$82,597	\$82,597	\$82,597
November		\$82,597	\$82,597	\$82,597	\$82,597
December	\$919,869	\$82,597	\$82,597	\$82,597	\$82,597
January	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
February	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
March	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
April	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
May	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
June	\$82,597	\$82,597	\$82,597	\$82,597	\$82,597
ANNUAL TOTALS:	\$1,415,451	\$2,442,944	\$2,476,112	\$2,522,461	\$2,558,990
TOTAL:	\$11,415,958				

Notes:

¹ For the avoidance of doubt, the payments reflected in this Payment Schedule represent the anticipated payment amounts for all Licensed Software, Cloud Software, Maintenance and Support Services fees, and Application Hosting Services fees identified in this Contract as of the Execution Date through an end date of June 30, 2024 (extension of the Term beyond June 30, 2022 shall require approval from JLCB as provided in the Contract), and all fees shall remain subject to increase in accordance with the terms of the Contract, including but not limited to the terms of Section 1.10 of the Contract. Ellucian will issue invoices for the payments in accordance with the Payment Terms specified within each of the License Addendum, the Maintenance and Support Services Addendum, and the Hosting Services Addendum (meaning that the dates identified above are estimated due dates). In the event of a conflict or inconsistency between the payments summarized in this Payment Schedule and the payments due under the written terms and conditions of the Contract, the written terms and conditions of the Contract will control over the payments summarized in this Payment Schedule.

RS 24:653

§653. Duties and functions

A. The committee shall make such study and examination of the matters pertaining to the budgeting and fiscal affairs of the state and its political subdivisions, their funds, revenues, expenditures, and any other financial affairs of the state and of its political subdivisions as may be deemed desirable by the committee or the legislature. The committee may also study and examine all requests for professional, personal, social service, and consulting service contracts to determine the impact of privatizing state government programs, functions, or activities. The committee shall make such reports of its findings and recommendations with regard to such matters to the legislature upon its request or as is deemed advisable by the committee.

B. Prior to and during each regular session of the legislature, the joint committee may make such studies and hold such hearings with respect to budget requests or statements and with respect to the executive budget as it shall deem appropriate and are necessary to carry out its duties and functions.

C. Following the review, analysis, and study of the proposed executive budget, the committee shall submit its findings and recommendations thereon to the members of the legislature not later than two weeks prior to each regular session of the legislature.

D. The committee shall make such continuing study and examination of matters pertaining to the budgeting of the state revenues and their expenditures, and the fiscal affairs of the state and its agencies, and shall make quarterly reports and recommendations to the legislature and such other reports as the committee or the legislature deems advisable.

E. The committee shall interpret the legislative intent respecting all fiscal and budgetary matters of the state and conduct general oversight and review of the budget execution processes of the various budget units and other agencies of the state when necessary.

F. The committee shall study, review, and approve or disapprove all transfers of funds from one program specified in the allotments established in each agency's budget to another program. Except as provided in R.S. 39:73 and 87.4, no transfer of funds from one program specified in the allotments in an agency's budget to another shall be made without prior approval of the committee.

G. The committee shall have the full power and authority to adopt rules and regulations prescribing and governing its procedures, policies, meetings, and any and all other activities relating to its functions and duties, including the power and authority to issue binding directives to agencies concerning the proper and efficient execution of their respective budgets as same were approved by the legislature.

H.(1) The committee shall have a litigation subcommittee which shall monitor and study the amounts of state funds required to pay judgments and compromises arising out of lawsuits against the state, its departments, and, with respect to payment of state funds as insurance premiums, the insurers thereof. The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the litigation subcommittee.

(2) No attorney representing the state or any of its departments or agencies or any of its employees entitled to indemnification under R.S. 13:5108.1 shall sign any compromise or settlement which obligates the state to pay more than one million dollars without prior consultation with the attorney general and the members of the litigation subcommittee of the Joint Legislative Committee on the Budget.

I. The committee shall have the authority to nullify a penalty applied by the office of risk management relative to a state agency which has failed to receive certification after undergoing a loss prevention audit, as provided in R.S. 39:1536(B).

J. The committee may establish a subcommittee to execute its duties relative to oversight of performance-based budgeting under the Louisiana Government Performance and Accountability Act, as provided in Subpart D of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950. When the subcommittee acts on behalf of the committee, the chairman of the subcommittee shall provide to each member of the committee a summary report of the subcommittee's action.

K.(1) In the conduct of its responsibility to discharge the constitutional fiscal and budgetary responsibilities of the Louisiana Legislature, the committee shall consider the operating budgets of public entities and salaries of particular public officials which by law require the approval of the committee in accordance with the following:

(a) The committee shall consider operating budgets in advance of the beginning of a subject entity's fiscal year. If the committee finds that the entity has failed to receive the required approval, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any amount contained within that budget. The committee may also adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants. If the committee determines that an entity whose operating funds are administered outside of the state treasury has failed to receive the required approval of its budget, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to that effect, and any expenditure of public monies by such entity shall constitute a violation of the provisions of Article VII, Section 14 of the Constitution of Louisiana.

(b) The consideration of salaries of public officials that by law require the approval of the committee shall occur prior to the execution of any employment contract for that official. The state shall not be liable for any payment of such salary if the salary has not been approved by the Joint Legislative Committee on the Budget. The committee shall have the authority to adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any monies related to the payment of the salary at issue. The committee is also authorized to adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants.

(2) The provisions of this Section shall have no effect on the provisions of any contract which is in effect prior to July 1, 2008.

(3) Notwithstanding any contrary provision of law, the chairman of the Joint Legislative Committee on the Budget may grant an entity, for good cause shown, an extension of time, not to exceed thirty days, to comply with the provisions of this Subsection, and the Joint Legislative Committee on the Budget may grant an additional extension of time.

L.(1)(a) Upon receipt of the reports from the various departments within the executive branch of state government as provided by R.S. 36:8(A)(6) and the public postsecondary education management boards as provided by R.S. 17:3130(C) and 3351(F), the Joint Legislative Committee on the Budget shall transmit the reports to the legislative fiscal office for review and analysis and may conduct hearings to review the reports.

(b) The legislative fiscal office shall review the reports and perform any additional analysis of the reports that is necessary to provide an accurate actual estimate as compared to the fiscal note as the bill was enacted.

(2) The reports required to be submitted under this Section shall be in a manner as prescribed by the chairman of the Joint Legislative Committee on the Budget and shall be accompanied by such other information as the chairman may require. At a minimum, the report shall present the differences between the original estimate as the bill was enacted and the actual current revenues or expenditures. Depending upon the scope of the original legislation, the comparisons between the fiscal note as the bill was enacted and the actual amounts shall include but not be limited to tax increases, decreases, fee increases and repeals, tax exemptions, suspensions, credits, rebates, exclusions, and deductions, among others.

(3) No later than February first of each year, the committee shall report its findings in a public meeting relative to any legislation that has been enacted that affects state revenues, public postsecondary education management boards and the related institutions or the various departments and the related entities and that legislation has a fiscal impact which has increased by the amount of one million dollars or more over the amount of the fiscal note as the bill was enacted. The review and analysis shall also examine the receipt, expenditure, allocation, dedication, or means of financing to determine specifically how the increases impact state revenue, the departments, agencies, boards, commissions, and like entities within the executive branch of state government, as well as among the public postsecondary education institutions of the state. The Joint Legislative Committee on the Budget shall transmit copies of the final report to the governor, the president of the Senate, and the speaker of the House of Representatives, and distribute a copy to each member of the legislature.

M.(1) All economic and financial reports for projects submitted in conjunction with the request for approval of the Joint Legislative Committee on the Budget in excess of a total state commitment of ten million dollars for the term of the project shall provide the following information:

(a) Inclusion of all input information, data, and assumptions, including but not limited to data sources, economic growth assumptions, and an assessment/basis of the reasonableness of each.

(b) A description of the analytical model employed for the report and how each input was utilized with that model.

(c) Results in terms of value-added, household earnings, and employment, and a description of each concept.

(d) Results by industry sector, with an assessment of possible adverse effects on sectors that compete with the subsidized company for in-state customers.

(e) Explicit identification of the project's effect on direct expenditure requirements in the state budget or any reduction in taxes or state revenues, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

(f) An additional assessment by the secretary of the Department of Economic Development regarding the extent to which the project would not have occurred but for the proposed state financial support. The secretary's assessment shall reference other business factors which contributed to the project activity occurring and factors which will be required for ongoing sustainability including but not limited to labor, transportation, energy, among others.

(g) Cost/benefit comparisons of the incentives in the package compared to the costs in the package shall be for the same period of time or the same term, both for the direct benefits to the state as well as the indirect benefits to the state.

(2)(a) The department shall submit the request for Joint Legislative Committee on the Budget approval of the project with the analysis to the committee for its review at least seventeen business days, or as permitted by the chairman, prior to the meeting for which the department is seeking the committee's approval. In the event that the chairman specifies a request submission period that is less than seventeen business days, the chairman shall notify all members of the committee of the revised submission time period. Presentation of the information required shall be in a format developed by the department in consultation with the Legislative Fiscal Office and the Joint Legislative Committee on the Budget.

(b) Upon receipt of the request, the Joint Legislative Committee on the Budget shall transmit the report to the legislative fiscal office for evaluation of the department's assessment and the legislative fiscal office shall make such information available to the committee during its review.

(3) For the purposes of this Section and notwithstanding any other provision of law to the contrary, "project" shall mean any public-private partnership, agreement with a nonpublic party, lease, cooperative endeavor agreement, memorandum of understanding, or other contractual agreement which would result in or is expected to result in the obligation of state resources or the expenditure of revenues from the operation, management, or control of a state resource for the purposes of engendering economic growth or development in the state through the utilization of certain incentives, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

N.(1) The committee shall have a dedicated fund review subcommittee which shall review and make recommendations on special funds in the state treasury that dedicate state revenue.

(2) The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the dedicated fund review subcommittee. The committee shall provide that the membership of the subcommittee is bipartisan and diverse.

(3) No later than September 1, 2017, and every two years thereafter, the committee shall provide for the dedicated fund review subcommittee.

(4) The dedicated fund review subcommittee shall conduct the review of special funds and submit recommendations to the committee as required in R.S. 49:308.5.

Added by Acts 1976, No. 538, §3, eff. March 10, 1980. Acts 1984, No. 694, §1; Acts 1997, No. 738, §1; Acts 1997, No. 1465, §1, eff. July 15, 1997; Acts 1998, 1st Ex. Sess., No. 11, §1; Acts 2001, No. 894, §1, eff. June 26, 2001; Acts 2008, No. 842, §1, eff. July 8, 2008; Acts 2010, No. 861, §10; Acts 2013, No. 96, §2, eff. July 1, 2013; Acts 2014, No. 704, §1, eff. July 1, 2014; Acts 2017, No. 355, §1, eff. June 22, 2017; Acts 2018, No. 612, §8, eff. July 1, 2020; Acts 2019, No. 404, §16.

NOTE: See Acts 2019, No. 404, §§16 and 20 regarding the repeal of certain changes made to R.S. 24:653(N)(3) in Acts 2018, No. 612.

NOTE: See Acts 2018, No. 612 and Acts 2019, No. 404 providing for the effects of the conversion of certain dedicated funds to special statutorily dedicated fund accounts.

CONTRACT SUMMARY:

Louisiana Department of Health (LDH) is requesting permission to exercise the contractual option for a twenty-four (24) months extension with Magellan Medicaid Administration for continued technical support for State Supplemental Rebate Program and Preferred Drug List (PDL) Management and Drug Rebate Processing for Medicaid. The Magellan contract services allows LDH to:

- Manage all aspects of the supplemental rebate negotiation process as well as the Medicaid Drug Rebate Program for all Louisiana program types, as prescribed by State and federal regulations.
- Negotiate supplemental rebate agreements with pharmaceutical manufacturers through multi-state pooling contracts and through a single state PDL.
- Manage federal and supplemental rebate and billing collection functions;
- Provide information and data management of the PDL;
- Provide technical support to the P&T Committee.

BACKGROUND:

Act 395 of the 2001 Regular Session of the Louisiana Legislature amended R.S.46:153.3 (B)(2)(a) and authorized LDH to establish a drug formulary utilizing a Prior Authorization (PA) process or any other process or combination of processes that prove to be cost-effective in the medical assistance program. The Omnibus Budget Reconciliation Act of 1990 (OBRA 90) required the implementation of a federal Medicaid Drug Rebate Program (MDRP), effective January 1, 1991. Under this law, drug manufacturers are required to pay rebates for drugs dispensed under state outpatient drug programs in order to be included in state Medicaid formularies. States are required to cover all of the drugs for which a manufacturer provides rebates under the terms of the law.

Two subsequent pieces of federal legislation further updated the rebate provisions: the Deficit Reduction Act of 2005 extended the rebate program to outpatient drugs administered in a physician's office or another outpatient facility, and the ACA expanded the rebate program to cover claims paid by Medicaid MCOs. Magellan is currently managing the Supplemental Rebate/PDL and Drug Rebate invoicing for LDH. Contracts for supplemental rebates are already established for certain therapeutic classes. The extension of the contract would allow the State to continue to receive supplemental rebates and Federal Drug Rebates without interruption.

Magellan Medicaid Administration has been providing Supplemental Rebate PDL/PA services since 2004 and comprehensive Drug Rebate Processing services since 2019. Supplemental Rebate PDL/PA services were procured through a competitive RFP process in years 2006 (2 proposers), 2009 (2 proposers), 2012 (one proposal), 2015 (one proposal), and 2018 (2 proposals). Supplemental Rebate PDL/PA and Drug Rebate combined services were procured through the RFP process in 2019. LDH is satisfied with the performance of Magellan. LDH does not have

adequate staff or staff with the expertise necessary to negotiate supplemental rebates or invoice and collect federal rebates.

FISCAL IMPACT:

- The total amount to extend the Magellan contract for twenty-four months is \$2,504,736 with an annual spend of \$1,252,368/year.

Start Date	October 1, 2019
End Date	September 30, 2022
Requested Extension (Amendment 1)	October 1, 2022 – September 30, 2024
Extension Amount	\$2,504,736
Total Contract Amount	\$5,985,397

- Below you will find a breakdown of the Rebate Collections for SFY 2021:

Means of Financing:	FFS		MCO		Total	
	Federal	Supplemental	Federal	Supplemental	Federal	Supplemental
Federal Share	27,620,906	1,041,109	729,121,321	71,011,826	756,742,227	72,052,935
State Share	9,968,786	375,752	263,150,482	25,629,200	273,119,268	26,004,952
Total	37,589,692	\$1,416,861	\$ 992,271,803	\$96,641,026	\$1,029,861,495	\$98,057,887



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

February 9, 2022

Ms. Pamela Bartfay Rice, Esq.
Assistant Director
Professional Contracts
Office of State Procurement
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

RE: Request for Pre-Approval to Appear before JLCB

Dear Ms. Rice:

The Louisiana Department of Health - Medical Vendor Administration (MVA), Bureau of Health Services Financing (BHSF), is requesting pre-approval to appear before the Joint Legislative Committee on the Budget (JLCB) for Amendment #1 (LaGov# 2000429415) with Magellan Medicaid Administration.

The Bureau seeks to extend the current contract to ensure continuity of service provided to the Medicaid Pharmacy Program State Supplemental Rebate/Preferred Drug List (PDL) and Drug Rebate Processing programs. Additionally, the Bureau is asking to exercise the option to extend for up to twenty-four additional months, with approval at the same rates, terms, and conditions of the current contract. Extending the contract will also increase the maximum amount of the contract to \$5,985,396.00. Allowing this extension will avoid disruption to the supplemental/drug rebate services we currently provide, which will result in the continuation of rebate collections.

MVA is requesting to appear before JLCB on **March 18, 2022**. Thank you for considering approving this request.

Sincerely,

Patrick Gillies
Medicaid Executive Director

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2022

TO: Mr. Patrick Gillies
Louisiana Department of Health
Medicaid Executive Director

FROM: Ms. Pamela Bartfay Rice, Esq.
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000429415/Amendment 1
Magellan Medicaid Administration, Inc.

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact Pam Rice at OSP.

AMENDMENT TO
AGREEMENT BETWEEN STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 1
LAGOV#: 2000429415
LDH #: 060939

MVA

Medical Vendor Administration

(Regional/ Program/
Facility)

Bureau of Health Services Financing

Original Contract Amount \$ 3,480,660.00

AND

Original Contract Begin Date 10-01-2019

Magellan Medicaid Administration, Inc

Original Contract End Date 09-30-2022

Contractor Name

RFP Number: 3000011194/12063

AMENDMENT PROVISIONS

Change Contract From: From Maximum Amount: 3,480,660

Current Contract Term : 10/01/2019 - 09/30/2022

CF-1: 11) 09/30/2022
12) \$3,480,660
13) SFY2020 - \$700,361; SFY2021 - \$1,223,539; SFY2022 - \$1,243,669; SFY2023 - \$313,092
14) FY2020 - \$78,000 implementation fee, \$52,000/month for Oct-March and \$103,454/month for April-June (FY20 Total \$700,361)
SFY2021 - \$103,454/month for July-Sept; and \$101,464/month for Oct - June (FY21 Total \$1,223,539 SFY2022 - \$101,464/month for
July-Sept; and \$104,364/month for Oct - June (FY22 Total \$1,243,669) SFY2023 - \$104,364

Change Contract To: To Maximum Amount: 5,985,396

Changed Contract Term: 10/01/2019 - 09/30/2024

CF-1: 11) 09/30/2024
12) \$5,985,396
13) SFY: SFY20 - \$700,361; SFY21 - \$1,223,539; SFY22 - \$1,243,669; SFY23 - \$1,252,368; SFY24 - \$1,252,368; SFY25 - \$313,092
14) SFY2020 - \$78,000 implementation fee, \$52,000/month for Oct - March and \$103,454/month for April-June (FY20 Total \$700,361);
SFY2021 - \$103,454/month for July-Sept; and \$101,464/month for Oct - June (FY21 Total \$1,223,539); SFY2022 - \$101,464/month for
July-Sept and \$104,364/month Oct-June (FY22 - Total \$1,243,669); \$104,364/month (FY23 Total -\$1,252,368); \$104,364/month (FY24
Total -\$1,252,368); and \$104,364/month for July-Sept (FY25 Total \$313,092).

Justifications for amendment:

An extension is needed to ensure continuity of services being provided to the Medicaid Pharmacy Program's State Supplemental Rebate/Preferred Drug List (PDL)/Drug Rebate Processing programs. The contract with Magellan Medicaid Administration contains an option to extend for up to twenty-four (24) additional months, with JLCB approval at the same rates, terms and conditions of the initial contract term. LDH seeks to extend the current contract for a period of twenty-four (24) months, through September 30, 2024 utilizing the Contract Amendment processes. This extension will avoid disruption to the supplemental/drug rebate services, resulting in the continuation of rebate collections.

This Amendment Becomes Effective: 10-01-2022

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Magellan Medicaid Administration, Inc

Secretary, Louisiana Department of Health or Designee

CONTRACTOR SIGNATURE DATE

SIGNATURE DATE

PRINT
NAME

NAME Patrick Gillies

CONTRACTOR
TITLE

TITLE Executive Medicaid Director

OFFICE MVA/Director's Office

PROGRAM SIGNATURE DATE

NAME



Bureau of Health Services Financing

Attachment B

Statement of Work

For

**Medicaid Supplemental Rebate and Drug Rebate
Processing for LDH**

STATEMENT OF WORK

Goal/Purpose

The Contractor will provide support in the following manner:

- 1) Supplemental Rebate: To provide technical support for the State Supplemental Rebate Program and Preferred Drug List (PDL) Management Services and Supplies, including but not limited to research into the relative safety, clinical efficacy and cost of products within defined therapeutic drug classes; and
- 2) Drug Rebate Processing: To provide support in performing the federal and supplemental drug rebate processing for the Louisiana Department of Health (LDH) Medicaid program, including but not limited to invoicing, reconciliation, and dispute resolution for all of LDH's Medicaid drug rebate programs.

The Contractor will meet the Louisiana Medicaid Pharmacy Benefits Management Program's needs in regards to developing and maintaining a PDL for the Louisiana Medicaid Fee-for-Service members in the legacy Medicaid program; developing and maintaining a single PDL (inclusive of Managed Care Organizations (MCOs)) upon LDH's direction; negotiating Supplemental Rebate Agreements with pharmaceutical manufacturers through a single state or multi-state pooling initiative, unless otherwise directed by LDH; negotiating Supplemental Rebate Agreements based on guaranteed net unit price (GNUP), value or outcomes based arrangements, or other contract terms as directed by LDH; billing and collecting from pharmaceutical manufacturers for supplemental rebates pursuant to agreements entered into between such manufacturers and the Department; and billing and collecting from pharmaceutical manufacturers for federal drug rebates for LDH's Medicaid program.

The Contractor will provide the following services: 1) Management of all aspects of the supplemental rebate negotiation process; 2) Provide information and data management of the PDL; 3) Technical support to the P&T Committee; 4) Providing the Department with expertise in the financial and clinical analysis of P&T recommendations both before and after implementation; 5) Administration and management of the Medicaid drug rebate program; 6) Calculate the amount of rebate owed by each manufacturer; 7) Generate the respective invoices; 8) Updating the rebate management system; 9) Track and resolve drug manufacturer disputes, and associated reporting; 10) Identify drugs reimbursed and request any associated rebate from participating pharmaceutical manufacturers consistent with Federal and State regulations and 11) Operate in accordance with CMS guidance, rules and regulations regarding all aspects of the Medicaid Drug Rebate program.

Deliverables

I. SUPPLEMENTAL REBATE/PDL AND DRUG REBATE PROCESSING GENERAL REQUIREMENTS

The Contractor shall be responsible for the administration and management of the requirements and responsibilities of the Supplemental Rebate/PDL Program and the Drug Rebate Program. The Contractor shall comply with any and all applicable LDH issued policy manuals and guides. This is also applicable to all subcontractors, employees, agents and anyone acting for or on behalf of the Contractor.

GENERAL REQUIREMENTS - OUTCOME - # 1**QUALITY ASSURANCE**

The Contractor shall develop a Quality Assurance Plan that documents the process to be used in assuring the quality of services provided for each requirement. The plan shall be developed with the Department's Strategic Plan outcomes in mind.

Performance Measures

- The Quality Assurance Plan shall be due ninety (90) days from the execution of the contract.

Monitoring Plan

The contract monitor shall:

- Review annually to: a) see if the Contractor has met its goals for the year, b) update and/or set goals and milestones for the next year, c) analyze outcomes and effectiveness of services, and d) identify areas and opportunities for improvements.
- Monitor the quality, impact, and effectiveness of services provided under the contract.

GENERAL REQUIREMENTS - OUTCOME - # 2**REPORTS**

Develop and deliver recurring and ad hoc reports as mutually agreed upon by the Contractor and the Department. Maintain flexible reporting capabilities and must be able to respond to the reporting requests of the Department and the Department's designees.

Performance Measures

- Establish and maintain a database that has the capacity for data analysis, generation of ad hoc reports, both electronic and hard copy, and secure storage of supplemental drug rebate information as required under this contract.
- Developing recommendations and provide detailed strategies for maximizing the Department's annual savings resulting from the implementation of the PDL. These recommendations shall provide specific written suggestions for enhancing rebates and lowering net pharmacy costs through PDL products and other areas as requested by the Department.
- Upon reasonable notice, Contractor shall be available to testify before the Louisiana Legislature or other interested parties, as requested by the Department;
- Prepare and submit any report as required and requested by the Department, any designee of the Department, and/or CMS that is related to the Contractor's duties and obligations under the Contract at no cost to the Department. Any changes to the formats must be approved by the Department prior to implementation;
- Information considered to be of a proprietary nature shall be clearly identified as such by the Contractor at the time of submission; Any information considered proprietary must be approved by Contractor before LDH will release information;
- Reports may be modified as indicated by the Department at no additional cost to the State; and
- Provide sample/other reports as requested

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted by the deadline(s);.
- Review the documents to ensure the requested information is provided

GENERAL REQUIREMENTS - OUTCOME - # 3

STAFFING REQUIREMENTS

Have in place the organizational, operational, managerial and administrative capacity to be capable of fulfilling all contract requirements outlined in this contract. Procure, equip, furnish, operate and maintain facilities appropriate to support the requirements of this contract;

Performance Measures

- Administrative office shall maintain, at a minimum, business hours of 8:00 am to 5:00 pm Central Time, Monday through Friday, excluding recognized Louisiana State holidays and be operational on all LDH regularly scheduled business days.
- Annually and on a date determined by the Department, the Contractor shall submit:
 - An updated organization chart complete with the Key and Core Staff positions. The chart must include the person's name, title and telephone number, and portion of time allocated to the Louisiana Medicaid contract, other Medicaid contracts, and other lines of business;
 - A functional organization chart of the key program areas, responsibilities and the areas that report to that position; and
 - A listing of all functions and their locations and a list of any functions that have moved outside of the State of Louisiana in the past contract year.
- Maintain appropriate personnel to respond to administrative inquiries from the Department on business days;
- Ensure that all entities or individuals, whether defined as "key staff" or not, performing services under contract with Louisiana Medicaid are not "ineligible individuals" to participate in the federal health care programs, in federal procurement or non-procurement programs or have been convicted of a criminal offense that falls within the ambit of **42 USCA 1320a-7(a)**, but has not yet been excluded, debarred, suspended, or otherwise declared ineligible. Exclusion lists include the Department of Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities (available via the internet at <https://exclusions.oig.hhs.gov/>) and the General Services Administration's List of Parties Excluded from Federal Programs (available via the internet at www.sam.gov); If the Contractor has notice that any temporary, permanent, subcontract, part-time or full-time Contractor staff has become an "ineligible individual" or is proposed to become ineligible based on pending charges, the Contractor shall remove said personnel immediately from any work related to this contract and notify LDH within five (5) business days. For felony convictions, the Department will determine if the individual should be removed from the contract project; If any of the organizational or key personnel information has changed since response to the RFP, the Contractor must update and provide this information to the Department no later than the contract execution date. The same is applicable to any subcontractor information; Provide the appropriate staff representation for attendance and participation in relevant meetings and/or events scheduled by the Department; and The Contractor shall remove or reassign, upon written request from the Department any employee or subcontractor employee that the Department deems to be unacceptable; and Develop and maintain adequate fully trained staff to respond to all stakeholder inquiries while protecting confidentiality and maintaining the security and integrity of all systems. Staff must be trained to understand and observe requirements related to confidentiality and operating guidelines for functions included in this contract.

Monitoring Plan

The contract monitor shall:

- Review resumes of staff; and
- Review certifications from Contractor regarding staff.

GENERAL REQUIREMENTS - OUTCOME - # 4**RECORD-KEEPING REQUIREMENTS**

The Contractor shall retain all books, recordings, records and other documents relevant to the contract and funds expended thereunder for at least five (5) years after final payment or as prescribed in **45 CFR 75.361**, or whichever is longer.

Performance Measures

Retain all books, recordings, records and other documents relevant to the contract and funds expended thereunder for at least five (5) years after final payment or as prescribed in 45 CFR 75.361, or whichever is longer.

- Image documentation received from all stakeholders. Such images shall be in a standardized file format that is easily retrievable by LDH.
- Make available to the Department any requested records via a written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana at no cost to the Department. The Contractor shall allow the Department to inspect, audit or copy records at the Contractor's site, without cost to the Department.

Monitoring Plan

The contract monitor shall:

- Review the documents to ensure the requested information is provided.

GENERAL REQUIREMENTS - OUTCOME - # 5

CONFIDENTIALITY

The Contractor must maintain full confidentiality of all drug rebate pricing data, including Unit Rebate Amount (URA), Unit Rebate Offset Amount (UROA), Supplemental Unit Rebate Amount (SURA) data, and any multi-state or LDH specific value or outcome based rebate contract provisions in accordance with state and federal guidelines.

Performance Measures

- Maintain up-to-date procedures to ensure timely and accurate responses while ensuring confidentiality of information.
- Establish and implement proper safeguards against the unauthorized use and disclosure of the data produced and exchanged pursuant to the administration of the rebate programs as well as other aspects of the interface between LDH, CMS, and manufacturers (including but not limited to encryptions). Such safeguards shall include the adoption of policies and procedures to ensure that the data shall be used solely in accordance with program requirements and applicable federal and state law. The Contractor shall establish appropriate administrative, technical, procedural, and physical safeguards to protect the confidentiality, integrity, accessibility, and security of the data and to prevent unauthorized access to the data. The safeguards shall provide a level of security at least comparable to the level of security required of LDH by CMS, as specified by CMS. Any and all Contractor personnel interacting with this data must be advised by the Contractor of the confidential nature of the information, the safeguards required to protect the information, and the administrative, civil and criminal penalties for noncompliance contained in the applicable federal laws; and
- Unless expressly authorized in the contract or prior written approval has been received from the Department, the Contractor is strictly prohibited from releasing to any third party any data received or generated as a result of activities associated with the contract. This includes, but is not limited to, utilization data, invoice amounts, collection amounts, outstanding balance amounts, etc.

Monitoring Plan

The contract monitor shall:

- Review confidentiality procedures;
- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided; and
- Review confidentiality agreement.

GENERAL REQUIREMENTS - OUTCOME - # 6**IMPLEMENTATION PLAN**

Upon approval of a contract award by the Office of State Procurement, the Contractor must prepare an implementation plan.

Performance Measures

- Provide an implementation plan, including narrative, diagram, and timeline, to deliver all services by the start date of the contract; and
- Implementation plan is due within fourteen (14) days for Department approval.

Monitoring Plan

The contract monitor shall:

- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided.

II. SUPPLEMENTAL REBATE/PDL SCOPE**SUPPLEMENTAL REBATE/PDL OUTCOME - # 1****PHARMACEUTICAL AND THERAPEUTICS (P&T) COMMITTEE**

The Contractor shall provide the following support for the Medicaid P&T Committee including, but not limited to:

- Supply therapeutic class reviews for the Louisiana P&T Committee. All medications available in a therapeutic class will be reviewed for comparative efficacy, side effects, dosing, prescribing trends and indications;
- Provide cost analysis of the therapeutic class to the Committee under guidelines specified by the Department to allow the P&T Committee to make informed recommendations from both a clinical and cost perspective;
- Review therapeutic classes no less than annually;
- Provide clinical pharmacists to review therapeutic classes including new medications or indications as approved by the Food and Drug Administration (FDA) and provide recommendations to the P&T Committee and the Department for appropriate changes to the PDL;
- Support, attend in person, and present clinical and cost information for all P&T Committee meetings each year;
- Develop the P&T Committee recommendations following the meeting to be approved by the Secretary of LDH;
- Develop clinically sound and cost-effective recommendations at the request of the Department to help the Department manage the PDL; and
- Provide consultation including P&T Committee support as directed by the Department.

Performance Measures

- Produce monographs, supplemental rebate negotiations, and savings analysis for each therapeutic class under review by the Committee no later than thirty (30) calendar days prior to each P&T Committee meeting. Such reviews shall include summaries of the

- relative safety and efficacy of each drug within the therapeutic class and recommendations for the inclusion or exclusion of medications on the PDL within each class and relative cost sheets for each drug within the therapeutic class. Savings estimations shall be coded to protect the confidentiality of rebate information in a format agreed to by the Department and the Contractor. New drugs or drug indications will be reviewed when appropriate;
- Provide the P&T Committee recommendations report no later than three (3) business days following the meeting. The report shall consist of a listing of preferred drugs and those requiring prior authorization;
 - Provide assistance in developing the minutes of the P&T Committee during and following the meeting, which is not limited to record keeping during the meeting and assistance in writing the minutes thirty (30) calendar days or more after the meeting;
 - Provide a report no later than thirty (30) calendar days prior to each P&T Committee meeting with the financial and clinical analysis of P&T recommendations both before and after implementation, including but not limited to projected vs. actual supplemental rebate collections, to be distributed to the P&T Committee members; and
 - Provide any additional reports as necessary in a format agreed upon by the Department and the Contractor.

Monitoring Plan

The contract monitor shall:

- Attend the P & T Committee meetings to ensure the Contractor attends and presents the information at the meeting.
- Ensure the monographs, cost analysis, P & T Committee recommendations, and meeting minutes information are provided to the Department within the required time frame.
- Review the monographs to ensure they are in a format agreed upon by the Department.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 2

Preferred Drug List (PDL)

The Contractor shall assist in the management of a PDL by providing the following, including, but not limited to:

- Work in conjunction with the Department to develop a PDL that is clinically sound, cost-effective, and minimally disruptive to Louisiana's Medicaid recipients and their providers;
- Review all medications available in a therapeutic class for efficacy, side effects, dosing, prescribing trends and indications, no less than annually. The P&T Committee will be provided relative cost information pursuant to guidelines approved by the Department;
- Provide cost analysis for all drugs which the Contractor provides a clinical monograph, in addition to any additional drug reviews from other evidence based services. Cost analysis must contain cost, rebate information, utilization data, projected market share shifts and savings for each therapeutic class or specific drugs to be reviewed;
- The cost sheets shall provide current utilization data and cost data in a format that will ensure rebate confidentiality;
- The list of drugs included in the cost analysis must be pre-approved by the Department;
- Develop recommendations and provide detailed strategies for maximizing the Department's annual savings resulting from the implementation of the PDL. These recommendations shall provide specific written suggestions for enhancing rebates and lowering net pharmacy costs through PDL products and other areas as requested by the Department;
- Provide staff to present its proposal to the P&T Committee, in person, during the regular meetings as directed by the Department;
- Provide clinical and cost support for all P&T Committee meetings. The Contractor will prepare informational packets for the P&T Committee members and Department staff prior to any scheduled meetings;

- Present clinical monographs to LDH at least thirty (30) calendar days prior to the meeting date;
- Assist the State in developing a single state PDL if requested by the Department, including but not limited to manually/electronically updating the PDL list. Recommendations for the Single PDL shall take into consideration costs to pharmacy providers and expenditures by MCOS; and
- Prepare/update the PDL for posting to the LA Medicaid website or other websites as directed by LDH.

Performance Measures

- Present cost sheet documents (in written format and orally) to LDH at least thirty (30) calendar days prior to the P&T meeting date;
- Provide to the Department all relevant documentation and data necessary to allow the Department's P&T Committee to conduct a minimum of forty (40) therapeutic class reviews per calendar year during two (2) or more P&T Committee meetings as requested by the Department;
- Review new medications in therapeutic classes affected by the PDL as these new medications are approved by the FDA;
- Provide electronic files containing updates for the PDL to the Department within five (5) working days after the Department's approval of the PDL. Such files will be in a format agreed upon by the involved parties and shall include drug information to the NDC level;
- Provide a progress report which includes meetings, classes reviewed, contracts with pharmaceutical manufacturers, etc. with accompanying timelines; and
- Provide assistance to the State in developing a single state PDL if requested by the Department, including but not limited to manually/electronically updating the PDL list within fifteen (15) calendar days or less after the P&T meeting.

Monitoring Plan

The contract monitor shall:

- Ensure cost sheets and the electronic files containing updates for the PDL are provided in a timely manner; and
- Review the cost sheets and electronic files to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 3

Supplemental Rebates

The Contractor shall manage all identified aspects of the supplemental rebate process, including, but not limited to the following:

- Maintain existing Supplemental Rebate Agreements with pharmaceutical manufacturers, as directed by the Department;
- Negotiate new or renewed Supplemental Rebate Agreements with pharmaceutical manufacturers on behalf of the Department. The parties will mutually develop a time frame for negotiating State Supplemental Rebates with manufacturers within therapeutic classes;
- Determine the best methodology for calculating State Supplemental Rebates paid by pharmaceutical manufacturers and develop a template to be used in contract negotiations with pharmaceutical manufacturers that will meet CMS approval. The Contractor's methodology is subject to the Department's approval and ongoing adaptation to the Department's needs;
- Negotiate State Supplemental Rebate Agreements for each therapeutic class selected for the PDL/Single PDL. In these negotiations, the preferred drug list may be adjusted to limit brand name drug products in each therapeutic category. The Contractor shall renegotiate

the agreements as necessary at such time as the Department prepares to review such therapeutic class, and in response to changes in market conditions (e.g. when the Food and Drug Administration approves a new agent within a therapeutic class);

- Obtain bids from pharmaceutical manufacturers in the form of executable Supplemental Rebate Agreements (the Contractor and manufacturers are required to use the rebate agreement agreed on by the Department);
- Assist the Department in obtaining CMS approval of the State Supplemental Rebate Agreements. The Contractor must submit all State Supplemental Rebate Agreements and the Preferred Drug List for each therapeutic class to the Department for approval;
- Present Supplemental Rebate Agreements signed by the manufacturer to the Department thirty (30) calendar days after the Department's approval of the PDL;
- Supplemental Rebate Agreements may be made between the State of Louisiana Department of Health and the pharmaceutical manufacturers in a format approved by the Department. One (1) original copy of the Supplemental Rebate Agreement with the original signatures shall be returned to the manufacturer and one (1) original copy maintained by the Contractor for LDH;
- Notify the Department before conducting a Supplemental Rebate Agreement negotiation;
- Facilitate Supplemental Rebate Agreement discussions and inquiries from manufacturers. The Contractor shall provide the Department with a Supplemental Rebate Bid Solicitation Report when requested by the Department;
- Maintain the Department's State Supplemental Rebate Agreements separately from those of the Contractor's other clients pursuant to La R.S. 44:4(36); and
- All negotiations with manufacturers and inquiries including but not limited to meetings, telephone calls, and mailings from manufacturers regarding State Supplemental Rebate Agreements may be handled by the Contractor in its home office(s).

Performance Measures

- Produce a Monthly Contract Status Report showing the status of the State Supplemental Rebate Agreements with each manufacturer along with the manufacturer code, document and date no later than fifteen (15) calendar days after the end of each calendar month;
- Produce and facilitate the signing of supplemental rebate contracts with pharmaceutical manufacturers in a format agreed to by the Department and CMS. These contracts will be forwarded to the Department;
- Provide quarterly reports no later than thirty (30) days after the end of the quarter and include information in the annual report that details the compliance of Medicaid providers with the PDL;
- Track the effective dates of all Supplemental Rebate Agreements and provide the Department with a Louisiana Medicaid (LAM) Billing File Report, which includes manufacturer, labeler codes and names, national drug code (NDC), status, Original (O)/Amendment (A), value, calculation, start and end dates, price, document number and tier no later than fifteen (15) calendar days after the end of each calendar month;
- Produce a monthly Contract Status Report which includes manufacturer, number, document, status, start date, end date, and products no later than fifteen (15) calendar days after the end of each calendar month;
- Produce an analysis of savings realized by the Pharmacy program as a result of the implementation of the PDL, in a format agreed to by the Department and the Contractor. The report shall detail the impact of the supplemental rebates on the Medicaid Pharmacy Benefits Management program in cost avoidance, supplemental rebate amounts, utilization variances and other agreed upon data within thirty (30) calendar days after receipt of the utilization data by the Department;

- Provide any additional reports as necessary in a format agreed upon by the Department and the Contractor; and
- Provide assurances that the Department's Supplemental Rebate Agreements are kept confidential and held separately from its other clients.

Monitoring Plan

The contract monitor shall:

- Review the monthly Contract Status Reports and compare to Pharmacy's internal report;
- Review the monthly LAM Billing File Report and reconcile with the Department's records;
- Review the Annual Savings Analysis report;
- Ensure all the reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 4

Supplemental Rebate Administration

The Contractor shall assist the State in supplemental rebate administration in the following manner, including, but not limited to:

- Provide the capability to negotiate as a stand-alone state, in a multi-state purchasing pool, and as a state single PDL;
- Implement multi-state pooling initiatives in accordance to guidelines established by CMS in SMDL #04-006 (available in the procurement library) or single state initiative. In addition, the Contractor must have clear understanding of federal and state statutes and regulations governing the Medicaid Program, Medicare Part D and State Supplemental Rebates; and
- Assist the Department in dispute resolution activities with pharmaceutical manufacturers as they pertain to Supplemental Unit Rebate Agreements (SURA) calculations.

Performance Measures

- Provide the supplemental unit rebate amounts (SURA) data in a Department approved text file format;
- Provide the necessary documentation to the Department to support the supplemental rebate billings along with amounts to submit to the manufacturers at the NDC level in a format as specified by the Department and the rebate agreements;
- Provide a quarterly report listing all National Drug Code (NDCs) with zero (0) SURAs;
- Provide an electronic file containing calculated SURAs to the Department within ten (10) calendar days after receipt of the CMS National Rebate file. The parties will agree upon the format for submission of each SURAs data; and
- Submit a written report detailing the status of any disputes regarding SURAs with each manufacturer no later than fifteen (15) days after the end of each month during the term of the contract.

Monitoring Plan

The contract monitor shall:

- Review documentation submitted to the Department by the Contractor to support the supplemental rebate billings along with amounts to submit to the manufacturers at the NDC level;
- Ensure the reports are submitted in a timely manner; and

- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL OUTCOME - # 5

Annual Analysis and Recommendation Report - Louisiana Medicaid PDL Program Overview and Results

The Contractor shall prepare a formal annual report outlining Louisiana Medicaid PDL Program Overview and Results. In the report, the Contractor shall provide a summary of the activities of the PDL for the State Fiscal Year and assess and report the strengths and weaknesses of the PDL program, complete with opportunities for future cost saving initiatives. All data in the report shall be referenced and include current trends and best practices in the pharmacy arena.

Performance Measures

- A draft report to be submitted to the Department for review by January 15 and final report by February 15, annually.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner;
- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 6

Transition Plan – Supplemental Rebate/PDL

The Contractor shall develop a Transition Plan to facilitate a smooth transition of the contracted functions at the end of the contract period, from the Contractor back to the Department and/or to another Contractor designated by the State. The Contractor shall provide full support and assistance in the transition of operations to the Department or to a successor Contractor in order to minimize any disruption of services covered under the resulting contract.

Performance Measures

- The Transition Plan shall be due thirty (30) calendar days of contract execution;
- Sixty (60) calendar days prior to contract termination, or upon LDH request, an updated Transition Plan shall be submitted to LDH for approval. The plan should include, but not be limited to the following: 1) Supplemental Rebate Information, 2) P&T Committee Meeting related information, 3) PDL, 4) Invoicing Information, and 5) Savings. .

Monitoring Plan

The contract monitor shall:

- Ensure the report(s) is submitted by the deadline(s);
- Review the documents to ensure the requested information is provided.

III. DRUG REBATE PROCESSING

DRUG REBATE PROCESSING - OUTCOME - # 1

Drug Rebate Invoicing

The Contractor shall:

- Manage all aspects of the Medicaid Drug Rebate invoicing process for federal, state supplemental, FFS, and MCO rebate programs for both outpatient prescription drugs and physician-administered drugs;
- Invoice and collect manufacturer payments/rebates for medications dispensed by pharmacies and administered by physicians to Medicaid clients in FFS and managed care;
- Interface with the Department and any contractor(s) of the Department to receive the rebate labeler data needed to perform the rebate functions contained within this contract;
- Interface with the Department and any contractor(s) of the Department to receive the Unit Rebate Amount (URA), Unit Rebate Offset Amount (UROA), and Supplemental Unit Rebate Amount (SURA) data needed to perform the rebate functions;
- Maintain full confidentiality protections for all pricing data submitted, consistent with State and federal guidelines;
- Utilize data from a national drug compendia to validate claims data, inform conversion factors, and carry out other functions necessary for the generation and validation of invoices. The Contractor may elect to interface with the Department and the Department's contractors, including the Fiscal Intermediary, to obtain this data;
- Interface with the Department and any contractor(s) of the Department, including the Fiscal Intermediary, to receive utilization data, including FFS claims and MCO encounters;
- Manage utilization data identifying non-rebateable claims;
- Carry out a number of variance analysis processes to determine whether the utilization data received from the Fiscal Intermediary is complete and accurate (i.e. failure to submit all claims from FFS and all MCOs; submittal of corrupt data; wide swings in utilization by plan; outlier claims identified by paid amount, unit quantity, or other factors; etc.);
- Provide network administration in coordination with MMIS or other assigned entity;
- Follow Federal Invoicing Processes and Procedures;
- Produce quarterly drug rebate invoices and maintain drug rebate invoicing process documentation;
- Process payments of drug rebate invoices timely and in compliance with the Department's fiscal unit; and
- Coordinate research and resolution of drug rebate disputes.

Performance Measures

- **Labeler Data**
 - Maintain a list of active and terminated labelers and provide reports as necessary;
 - Maintain a history of a labeler's active and termination dates, including labelers that have more than one active period and provide reports as necessary;
 - Maintain a record of all labeler information provided by CMS, including but not limited to labeler contacts and addresses; and provide reports as necessary; and
 - Report updates in labeler status (i.e. new labelers, terminated labelers) to the Department's Fiscal Intermediary no less than once per quarter.
- **Pricing Data**
 - Use quarterly Unit Rebate Amount (URA) data to update product termination dates;
 - Use quarterly (URA), Unit Rebate Offset Amount (UROA), and Supplemental Unit Rebate Amount (SURA) data to generate both current quarter invoices and prior quarter adjustments;

- Prior period rate adjustments must be applied regardless of the payment status; and
- Prior period rate or unit adjustments that result in a balance owed to the State or credit due to the labeler must be communicated to the labeler on a quarterly basis.
- **Drug Compendia Data**
 - Establish and maintain a system and database that has the capacity to utilize data from anational drug compendia to validate claims data, inform conversion factors, and carry out other functions necessary for the generation and validation of invoices required under the contract. If the Contractor elects to interface with the Department and the Department's contractors, including the Fiscal Intermediary, to obtain this data, it has the capacity required under the contract.
- **Managing Utilization Data**
 - Maintain a table of NDCs for non-rebateable products including immunizations, certain diabetic supplies, etc.;
 - Maintain a table of 340B covered entities that carve in Medicaid per the Medicaid Exclusion File (MEF) published quarterly by Health Resources and Services Administration (HRSA). The methodology for review of the Medicaid Exclusion File (MEF) and the decision-making process regarding which providers to include in this table are subject to Departmental review and approval;
 - Interface with the Department and any contractor(s) of the Department, including the Fiscal Intermediary, to receive utilization data, including FFS claims and MCO encounters, on a schedule to be agreed upon by the Department and the Contractor;
 - Submit a detailed plan of variance analyses to be performed and the frequency of each, to be approved by the Department within thirty (30) days from the execution of the contract. The Contractor must immediately report to the Department any data inconsistencies or concerns regarding data quality;
 - Maintain variance analysis reports and any action taken as a result as part of the record-keeping requirements of this contract; and
 - Identify and exclude the following claims from drug rebate invoice calculations:
 - Claims from 340B covered entities who carve in Medicaid per the HRA Medicaid Exclusion File, in accordance with the Department's policy regarding 340B covered entity Medicaid billing;
 - FFS claims where the Medicaid paid amount is zero;
 - Claims for drugs dispensed or administered in an inpatient setting; and
 - Any other claims that are deemed not rebate-eligible per federal and/or state guidelines.
- **Invoice Pre-Processing, Generation, and Quality Assurance**
 - Utilize a crosswalk from NDC to physician-administered drug Healthcare Common Procedure Coding System (HCPCS - often referred to as "J codes") whereby only appropriate NDCs are linked to a HCPCS with an appropriate conversion factor;
 - Maintain a table of conversion factors to convert NCPDP drug billing units to CMS invoice units;

- Prior to sending invoices, carry out a number of variance analyses and quality assurance checks to determine whether invoice unit quantities and/or amounts are accurate;
- Submit a detailed plan of variance analyses and quality assurance checks to be performed and the frequency of each, to be approved by the Department within thirty (30) days from the execution of the contract;
- Immediately report to the Department any data inconsistencies or concerns regarding data quality;
- Variance analysis reports and any action taken as a result shall be maintained by the Contractor as part of the record-keeping requirements of this contract;
- Produce invoices in a manner that allows for the tracking and allocation of invoiced and collected amounts for the following program types, at a minimum:
 - FFS Pharmacy, Federal, Non-Expansion;
 - MCO Pharmacy, Federal, Non-Expansion;
 - FFS Pharmacy, Federal, Expansion;
 - MCO Pharmacy, Federal, Expansion;
 - FFS Pharmacy, Supplemental, Non-Expansion;
 - MCO Pharmacy, Supplemental, Non-Expansion;
 - FFS Pharmacy, Supplemental, Expansion;
 - MCO Pharmacy, Supplemental, Expansion;
 - FFS J-Code, Federal, Non-Expansion;
 - MCO J-Code, Federal, Non-Expansion;
 - FFS J-Code, Federal, Expansion; and
 - MCO J-Code, Federal, Expansion.
- Obtain URA, UROA, and labeler data required for invoice generation on or about the fifth (5th) day of each invoicing month. This data may be obtained either directly from CMS’ Drug Data Reporting (DDR) system or through interfaces with the Department or contractor(s) of the Department;
- Produce and distribute one hundred percent (100%) of drug rebate invoices for federal programs within sixty (60) calendar days after the end of each quarterly rebate period;
 - Federal drug rebate program paper invoices and electronic invoices shall have a postmark or transmission date within sixty (60) days of the end of each quarter, in accordance with all applicable CMS guidelines.
- Produce and distribute one hundred percent (100%) of rebate invoices for supplemental programs as follows:
 - Supplemental rebate paper invoices and electronic invoices shall have a postmark or transmission date on or before the dates specified in the table below. Postmark and transmission dates shall be defined in accordance with CMS guidance and definitions for the federal rebate programs.

Calendar Year	Supplemental Invoice Due Date
Q1 (Jan-Mar)	Jun 15
Q2 (Apr-Jun)	Sep 15
Q3 (Jul-Sep)	Dec 15
Q4 (Oct-Dec)	Mar 15

- Produce and distribute invoices on an expedited schedule as requested by the Department. Such requests typically occur annually for the quarter two (2) invoicing cycle.

• **Rebate Invoice Accuracy**

- Have in place systematic safeguards to prevent invoicing a manufacturer for a negative unit quantity;
- Is liable for the actual amount of all contractor-caused miscalculations, failure to address past due accounts receivables adequately, and incorrectly invoicing rebates; and
- Within two (2) business days, notify in writing appropriate Department staff when a data or data quality issue has been discovered by itself or a third party, describing the nature of the defect and the fields, tables, and data elements impacted and the extent of the errors, including monetary estimates. A corrective action plan shall be submitted within seven (7) calendar days for approval by the Department.
- **Dispute Resolution**
 - Adjust invoiced units, at the claim level to the greatest extent possible, to account for billing or other errors;
 - Independently resolve disputes in accordance with write-off thresholds and dispute resolution procedures;
 - Provide manufacturers or their designated agent(s) access to materials and/or data needed to support rebate payments, including but not limited to: invoice copies, claim-level detail, and prior communications within two (2) business days of the request;
 - Provide claim-level detail data to labelers within two (2) business days of the request by the State or labeler;
 - Resolve ninety percent (90%) of all disputes within three (3) months of receipt, and one hundred percent (100%) of all disputes within six (6) months of receipt; and
 - In the event that a dispute cannot be resolved within six (6) months, the Contractor shall issue a report to the Department containing the number of units and associated dollars in dispute, the reason for the dispute, a description of all relevant communications and good faith efforts made to resolve the dispute with the labeler, and the reason the dispute remains unresolved.
 - LDH reserves the right to conduct final review and approval and make the final determination on course of action on any and all disputes. The Contractor shall comply with all LDH decisions regarding course of action for dispute resolution.
- **Labeler Non-Payment and Aged Balances**
 - Send written delinquency notices to labelers with unpaid invoices on a schedule not less frequent than outlined below;
 - The first delinquency notice shall have a postmark or transmission date no later than the date listed below or, if the date listed is a weekend, holiday, or other non-business day, the postmark or transmission date shall be no later than the business day immediately preceding the date listed:

Invoice Quarter	Delinquency Notice Date – Federal Programs	Delinquency Notice Date – Supplemental Programs
Q1 (Jan – Mar)	July 15	July 30
Q2 (Apr – Jun)	October 15	October 30
Q3 (Jul – Sep)	January 15	January 30
Q4 (Oct – Dec)	April 15	April 30

- The second delinquency notice shall have a postmark or transmission date no later than the date listed below or, if the date listed is a weekend, holiday, or other non-business day, the postmark or transmission date shall be no later than the business day immediately preceding the date listed:

Invoice Quarter	Delinquency Notice Date – Federal Programs	Delinquency Notice Date – Supplemental Programs
Q1 (Jan – Mar)	August 15	August 30
Q2 (Apr – Jun)	November 15	November 30
Q3 (Jul – Sep)	February 15	February 28
Q4 (Oct – Dec)	May 15	May 30

- Submit, for Departmental approval, a plan for the collection of aged balances. Periodically report on aged balance collections in a format and frequency to be approved by the Department.
- **Drug Rebate Payments, Reconciliations, and Accounts Receivable Processes**
 - On a daily basis, download and reconcile deposit information from the State’s contracted banking lockbox provider:
 - Ninety-five percent (95%) of payments shall be reconciled within three (3) business days of receipt; and
 - One hundred percent (100%) of payments shall be reconciled within seven (7) business days of receipt.
 - Maintain, at a minimum, the following rates of accounts receivable collection:
 - Ninety percent (90%) of invoiced amounts shall be collected within sixty (60) days of invoice mailing or transmission;
 - Ninety-five percent (95%) of invoiced amounts shall be collected within one-hundred eighty (180) days of invoice mailing or transmission; and
 - Every effort shall be made to collect one hundred percent (100%) of invoiced amounts within one-hundred eighty (180) days of invoice mailing or transmission.
 - Reconcile payments and remit payment posting reports to the Department within one (1) business day after the close of each calendar month for deposits made within the month; and
 - Ensure that the Department Fiscal section is provided with any necessary information needed to close out the fiscal year prior to the deadline established by Fiscal.

Monitoring Plan

The contract monitor shall:

- Meet with Contractor based upon agreed dates and times to ensure processes are in place and objectives/goals are being met;
- Ensure reports are submitted in a timely manner;
- Review confidentiality procedures; and
- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided.

DRUG REBATE PROCESSING OUTCOME - # 2

Drug Rebate Processing Reports and Documents

The Contractor shall:

- Assist in quarterly CMS reporting as related to drug rebates and other areas as assigned;
- Prepare and submit various quarterly and annual drug rebate reports to the Department as described herein. If after preparation and submission, an error is discovered either by the Contractor or the Department, the Contractor shall correct the error(s) and resubmit accurate reports within ten (10) calendar days;
- Conduct financial analysis and perform special data analysis projects pertaining to the pharmacy program/drug rebate processing as requested;

- Track and report program productivity;
- Assist in the preparation of the Department's MVA/Pharmacy budget as it relates to rebates as requested;
- Ensure that accurate and consistent information is given to program staff, drug manufacturers/labelers, providers, and recipients;
- Monitor policies and procedures to ensure compliance with laws and federal regulations;
- Represent Medicaid in programmatic matters at various federal, state and local hearings, meetings and conferences;
 - Ensure that all required reports or files, as specified by the Department, are submitted in a timely manner for review and approval by the Department. The Contractor's failure to submit the reports or files as specified may result in the assessment of liquidated damages, as stated in the Liquidated Damages Section; and
- Perform other pharmacy related program activities as requested by the Pharmacy Director and/or their designee.

Performance Measures

- For each deliverable, a performance measure will determine if the contractor has completed the work. Examples include reports, documentation of performance, hours worked, etc.
- Recurring reports shall include, but not be limited to, the following. Report content and formatting shall be mutually established and agreed upon by the Department and the Contractor:
 - Quarterly accounts receivable reporting shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Quarterly dispute resolution activities and resolutions shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Quarterly reports containing information needed for submission of CMS-64 data shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Monthly reports outlining the activities, progress, and challenges of the drug rebate program shall be submitted within fifteen (15) calendar days of the end of each month; and
 - Quarterly reports of pharmacies who are 340B covered entities shall reflect updates from the most recent MEF and must be provided no later than the twenty-fifth (25th) day of the month preceding the beginning of each calendar quarter.
- If a Contractor error is discovered either by the Contractor or the Department, the Contractor shall correct the error(s) and submit accurate reports within ten (10) calendar days from the date of discovery by the Contractor or date of written notification by the Department (whichever is earlier):
 - Due to the potential for cash flow impacts and federally-mandated reporting, the Department may, at its discretion, decrease the timeframe in which the Contractor is required to correct the error(s) and submit accurate reports; and
 - The Department may, at its discretion, extend the due date if an acceptable corrective action plan has been submitted and the Contractor can demonstrate to the Department's satisfaction that the problem cannot be corrected within ten (10) calendar days.
- Failure of the Contractor to respond within the above specified timeframes may result in a loss of any money due to the Contractor and the assessment of liquidated damages as provided in the Liquidated Damages Section of this contract.

Report Submission Timeframes

- Unless otherwise specified, deadlines for submitting files and reports are as follows:
 - Daily reports and files shall be submitted within one (1) business day of the due date;
 - Weekly reports and files shall be submitted no later than the Wednesday following the reporting week;
 - Monthly reports and files shall be submitted within fifteen (15) calendar days of the end of each month;
 - Quarterly reports and files shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date; and
 - Annual reports and files shall be submitted within thirty (30) calendar days following the twelfth (12th) month.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

DRUG REBATE PROCESSING - OUTCOME - # 3**Drug Rebate Processing Administration****Performance Measures**

- Provide at least two (2) full-time staff to be located on the premises of the Department to facilitate the Drug Rebate Program;
- In addition to the staffing requirements the following functionality shall be incorporated:
 - Key staff roles may include:
 - Project Director;
 - Quality Assurance/Internal Auditor;
 - Rebate Manager;
 - Financial Analyst; and/or
 - Systems Liaison/Business Analyst.
 - Final determination of key staff positions and roles shall be mutually agreed upon by the Contractor and the Department;
 - Provide the name, resume, and references for all key staff;
 - All key staff positions filled should be one hundred percent (100%) dedicated to Louisiana; and
 - Inform the Department in writing within seven (7) days, when an employee leaves one of the key staff positions. The vacancy shall be filled within thirty (30) days. Staff assignments shall be fully covered at all times. The name of the interim contact person should be included with the notification. The name and resume of the permanent employee should be submitted as soon as the new hire has taken place. LDH reserves the right to approve the person(s) filling the key staff positions.
- Establish a Louisiana-dedicated phone line that is available at a minimum during routine business hours, defined as Monday through Friday, 8:00 am to 5:00 pm Central Time;
- Respond to written communications, including those received via electronic mail in a timely manner;

- Make every effort to respond to ninety-eight percent (98%) or more of all written correspondence within five (5) business days;
- Maintain a Louisiana-specific dedicated email address to receive and respond to inquiries; and
- Keep informed and up-to-date on Medicaid and other state rebate programs in order to stay abreast of rebate policies and regulations, and make suggestions to the State as necessary to ensure compliance with such policies and regulations.

Monitoring Plan

The contract monitor shall:

- Review documentation and/or reports submitted to the Department by the Contractor to support the drug rebate billing/invoicing process.
- Ensure the reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided and/or received.

DRUG REBATE PROCESSING OUTCOME - # 4

Annual Analysis and Recommendation Report - Louisiana Medicaid Drug Rebate Processing Overview and Results

The Contractor shall prepare a formal annual report outlining Louisiana Medicaid Drug Rebate Processing Overview and Results. In the report, the Contractor shall provide a summary of the drug rebate activities for the State Fiscal Year, track and report program productivity, and assess and report the strengths and weaknesses of the program complete with opportunities for future strategies to collect rebates effectively and efficiently. All data in the report shall be referenced and include current trends and best practices in the pharmacy arena.

Performance Measures

- A draft report to be submitted to the Department for review by January 15 and final report by February 15, annually.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner;
- Review the documents to ensure the requested information is provided.

DRUG REBATE PROCESSING OUTCOME - # 5

Transition Plan - Louisiana Medicaid Drug Rebate Processing

The Contractor shall develop a Transition Plan to facilitate a smooth transition of the contracted functions at the end of the contract period, from the Contractor back to the Department and/or to another Contractor designated by the State. The Contractor shall provide full support and assistance in the transition of operations to the Department or to a successor Contractor in order to minimize any disruption of services covered under the resulting contract of this contract.

Performance Measures

- Submit the Transition Plan within thirty (30) calendar days of contract execution. Sixty (60) calendar days prior to contract termination or expiration of the contract by its own terms, or upon LDH request, an updated Transition Plan shall be submitted to LDH for approval; Plan must include a detailed breakdown of processing steps performed, staffing, equipment, facilities, supply consumption, workloads, standard procedures and any additional information that the Department, at its sole discretion feels is necessary to effect a smooth transition to the successor Contractor. The Transition Plan must include invoicing information;
- Provide training to successor Contractor's management in the use, operation and maintenance of computer programs, policies and procedures. The training will utilize current and complete documentation, instruction materials and handbooks. All training materials will be based on the complete and current documentation. Training will be provided for key successor contractor personnel as deemed necessary by the Department;
- Perform a comprehensive assessment of all documentation. This documentation assessment will be completed and delivered to the Department annually with a final comprehensive assessment completed before the end of the contract term on a date determined by the Department. The purpose of the review will be to assess whether the documentation accurately and completely reflects existing Department procedures, and meets all documentation requirements. The Contractor will update any documentation which is not accurate, complete and in accordance with these requirements annually with a final comprehensive assessment completed prior to the end of the contract term on a date determined by the Department;
- Transfer the Contractor's records and associated records to the successor contractor or to the Department. This transfer will be conducted in order to prevent any interruption in the delivery of record retention services, including custodianship, preparation of copies, access, retrieval and certification while the transfer is executed. The transfer will be completed within ten (10) calendar days after receiving a request from the Department; Transfer all files, and documentation in an electronic format to the successor within ten (10) calendar days of receiving a request from the Department. The transition/takeover plan must be adhered to within thirty (30) days of written notification of contract termination or without written notification when the contract with expire by its own terms, unless other appropriate time frames have been mutually agreed upon by both the Contractor and the Department.

Monitoring Plan

The contract monitor shall:

- Ensure the plan is submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

Payment

- The Contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly no later than fifteen (15) days following the month of services, or as defined in the contract terms. Payment of invoices shall be subject to approval of the Medicaid Director, Pharmacy Director, Pharmacy Program Manager 2 or designee. Continuation of payment shall be dependent upon available funding.
- Payments will be made to the Contractor after written acceptance by the Louisiana Department of Health of the payment task and approval of an invoice. The Department will make every reasonable effort to make payments within thirty (30) calendar days of the approval of an invoice under a valid contract. Such payment amounts for work performed must be based on

at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices. The Contractor will not be paid more than the maximum amount of the contract.

- The Department, at its discretion, reserves the right to collect amounts due by withholding and applying all balances due to the Department to future payments. The Department reserves the right to collect interest on unpaid balances beginning thirty (30) calendar days from the date of initial notification. Any unpaid balances after the refund is due shall be subject to interest at the current Federal Reserve Board lending rate or ten percent (10%) annually, whichever is higher.

Retainage

The Department shall secure a retainage of ten percent (10%) from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis. Within ninety (90) days of the termination of the contract, if the Contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, the Department shall release all retained amounts to the Contractor.