



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

REVISED AGENDA

Friday, March 17, 2023

Upon adjournment of the Joint meeting of the House Committee on Appropriations and
the Senate Committee on Finance
House Chamber

- I. CALL TO ORDER ADDED** **(TIME CHANGE AND ADDED AGENDA ITEM #s 6(B), 12, and 13)**
- 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 an amendment to the software license and maintenance agreement between Louisiana Community and Technical College System (LCTCS) and Instructure, Inc., pursuant to R.S. 39:198(M)
 5. Review and approval of the Fiscal Year 2023-2024 operating budget for the Louisiana Lottery Corporation in accordance with the provisions of R.S. 47:9010(A)(7)
 6.
 - A. Relative to restrictions on authority of Division of Administration and LITACorp to expend up to \$1.5M from the Political Subdivision Federal Grant Assistance Fund approved at the February 17, 2023 meeting
 - B. Review of program administration guidelines relative to Political Subdivision Federal Grant Assistance Fund monies, in accordance with R.S. 39:100.201(D) (ADDED AGENDA ITEM #6B)**
 7. Review and approval of the Fiscal Year 2023-2024 operating budgets for the following state retirement systems in accordance with R.S. 11:176
 - A. Teachers' Retirement System of Louisiana
 - B. Louisiana State Employees' Retirement System
 - C. Louisiana School Employees' Retirement System
 - D. Louisiana State Police Retirement System
 8. Review and approval of an emergency contract between the state's office of risk management (ORM) and Arthur J. Gallagher Risk Management Services, LLC, for insurance broker services for the state's property and casualty insurance program in accordance with the provisions of R.S. 39:1540(B)(2)
 9. Review and approval of Water Sector Commission recommendations in accordance with the provisions of R.S. 39:100.56
 10. Review of a contract extension between the Louisiana Military Department and Imagine Learning, LLC, in accordance with the provisions of R.S. 39:1615(J)

11. Update and report from the Subcommittee on Pharmacy Benefit Manager Services under the Office of Group Benefits
12. Review and approval of a contract between the office of group benefits and Caremark PCS Health, LLC, in accordance with R.S. 42:802(D)(1) (**ADDED AGENDA ITEM #12**)
13. Review and approval of Insure Louisiana Incentive Program grant awards in accordance with R.S. 22:2364(F) (**ADDED AGENDA ITEM #13**)

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

V. ADJOURNMENT

Any person who does not feel comfortable giving testimony in person may submit a prepared statement 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 metoyers@legis.la.gov and received prior to noon on Thursday, March 16, 2023, will be distributed to the committee members prior to the meeting.

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.

Agenda Item #1

Fiscal Status Statement & Five-Year Base-Line Budget

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
GENERAL FUND FISCAL STATUS STATEMENT
FISCAL YEAR 2022-2023
(\$ in millions)**

March 17, 2023

	<u>FEBRUARY 2023</u>	<u>MARCH 2023</u>	<u>MARCH 2023 Over/(Under) FEBRUARY 2023</u>
<u>GENERAL FUND REVENUE</u>			
Revenue Estimating Conference - December 15, 2022	\$11,964.700	\$11,964.700	\$0.000
FY 21-22 Revenue Carried Forward into FY 22-23	\$404.875	\$404.875	\$0.000
Total Available General Fund Revenue	<u>\$12,369.575</u>	<u>\$12,369.575</u>	<u>\$0.000</u>
<u>APPROPRIATIONS AND REQUIREMENTS</u>			
Non-Appropriated Constitutional Requirements			
Debt Service	\$435.582	\$435.582	\$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>\$526.905</u>	<u>\$526.905</u>	<u>\$0.000</u>
Appropriations			
General (Act 199 of 2022 RS)	\$10,433.271	\$10,433.271	\$0.000
Ancillary (Act 169 of 2022 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 168 of 2022 RS)	\$174.578	\$174.578	\$0.000
Legislative (Act 198 of 2022 RS)	\$85.778	\$85.778	\$0.000
Capital Outlay (Act 117 of 2022 RS)	\$50.000	\$50.000	\$0.000
Total Appropriations	<u>\$10,743.626</u>	<u>\$10,743.626</u>	<u>\$0.000</u>
Other Requirements			
Funds Bill (Act 167 of 2022 RS)	\$170.500	\$170.500	\$0.000
Funds Bill (Act 1 of 2023 1ES)	\$0.000	\$45.000	\$45.000
Total Other Requirements	<u>\$170.500</u>	<u>\$215.500</u>	<u>\$45.000</u>
Total Appropriations and Requirements	<u>\$11,441.031</u>	<u>\$11,486.031</u>	<u>\$45.000</u>
General Fund Revenue Less Appropriations and Requirements	\$928.544	\$883.544	(\$45.000)

II. FY 2021-2022 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."

FY22 GENERAL FUND DIRECT SURPLUS/(DEFICIT) - ESTIMATED (millions)

FY21 Surplus/(Deficit)		699.220
FY22 General Fund - Direct Revenues:		
Actual General Fund Revenues	12,898.930	
General Fund - Direct Carryforwards to FY22	183.621	
Other Transfers	30.316	

Total FY22 General Fund - Direct Revenues		13,112.867
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FY22 General Fund - Direct Appropriations & Requirements:

Draws of General Fund - Direct Appropriations	(9,032.262)
General Obligation Debt Service	(432.530)
Transfers to Revenue Sharing Fund (Z06) - Constitution 7:26	(90.000)
Transfers Out to Various Funds for 20-XXX	(75.998)
Transfers to Coastal Protection and Restoration Fund (Z12) - R.S. 49:214.5.4	(12.000)
Transfers per Legislative Acts - Act 448 of 21RS - Hurricane and Storm Risk Reduction System Repayment Fund	(400.000)
Transfers per Legislative Acts - Act 505 of 22RS - Megaprojects Leverage Fund & Construction Subfund of the TTF	(600.000)
Transfers per Legislative Acts - Act 114 of 22RS - Funds Bill - Various Funds	(602.350)
Use of FY21 Surplus	(696.411)
Transfer to Revenue Stabilization Fund (Z25)	(788.478)

Total FY22 General Fund - Direct Appropriations & Requirements	(12,730.029)
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General Fund Direct Cash Balance	1,082.058
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Obligations Against the General Fund Direct Cash Balance:

General Fund - Direct Carryforwards to FY23	(404.875)
Unappropriated Use of FY21 Surplus	(2.809)
FY 22 adjustment completed in FY 23 - Remote Sellers - June 2022 taxes collected in July and distributed to LDR in August	17.628
FY22 adjustments completed in FY 23 - transfer to the Coastal Protection and Restoration Fund (Z12)	(0.725)
FY22 adjustments completed in FY 23 - corrections to various fund reversion amounts	9.415
FY22 LDR audit adjustments completed in FY 23 - sales tax and individual income tax revenues	25.827
FY22 LDR audit adjustments completed in FY 23 - corporate income tax and corporate franchise tax revenues	13.674
FY22 additional transfer to the Revenue Stabilization Fund (Z25) due to audit adjustment to corporate taxes	(13.674)

Total Adjustments	(355.538)
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Net General Fund Direct Surplus/(Deficit)	726.521
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Certification in accordance with R.S. 39:75A(3)(a)	\$726,520,516
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Notes:

Due to the FY 22 adjustments made in FY23, the revised amount transferred to the Revenue Stabilization Fund (Z25) is \$802.2m.
 Due to the FY 22 adjustments made in FY23, the revised amount transferred to the Coastal Protection and Restoration Fund (Z12) is \$12.7m.

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 2022-23	Ensuing Fiscal Year 2023-2024	Projected Fiscal Year 2024-2025	Projected Fiscal Year 2025-2026	Projected Fiscal Year 2026-2027
REVENUES:					
Taxes, Licenses & Fees	\$15,208,500,000	\$14,461,100,000	\$14,545,400,000	\$14,108,600,000	\$14,368,100,000
Less Dedications	(\$3,243,800,000)	(\$3,019,000,000)	(\$3,105,600,000)	(\$3,116,700,000)	(\$3,139,000,000)
TOTAL REC REVENUES	\$11,964,700,000	\$11,442,100,000	\$11,439,800,000	\$10,991,900,000	\$11,229,100,000
ANNUAL REC GROWTH RATE					
		-4.37%	-0.02%	-3.92%	2.16%
Other Revenues:					
Carry Forward Balances	\$404,874,737	\$0	\$0	\$0	\$0
<i>Total Other Revenue</i>	<i>\$404,874,737</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
TOTAL REVENUES	\$12,369,574,737	\$11,442,100,000	\$11,439,800,000	\$10,991,900,000	\$11,229,100,000
EXPENDITURES:					
General Appropriation Bill (Act 199 of 2022 RS)	\$10,028,395,894	\$10,820,888,699	\$10,787,028,766	\$11,066,220,917	\$11,304,180,950
Ancillary Appropriation Bill (Act 169 of 2022 RS)	\$0	\$0	\$5,731,199	\$11,662,990	\$17,802,394
Non-Appropriated Requirements	\$526,904,967	\$532,442,769	\$550,628,208	\$552,866,588	\$541,140,916
Judicial Appropriation Bill (Act 168 of 2022 RS)	\$174,577,666	\$176,567,800	\$176,567,800	\$176,567,800	\$176,567,800
Legislative Appropriation Bill (Act 198 of 2022 RS)	\$85,777,844	\$85,777,844	\$85,777,844	\$85,777,844	\$85,777,844
Special Acts	\$0	\$0	\$11,853,171	\$11,853,171	\$11,853,171
Capital Outlay Bill (Act 117 of 2022 RS)	\$50,000,000	\$0	\$0	\$0	\$0
TOTAL ADJUSTED EXPENDITURES (less carryforwards)	\$10,865,656,371	\$11,615,677,112	\$11,617,586,988	\$11,904,949,310	\$12,137,323,075
ANNUAL ADJUSTED GROWTH RATE					
		6.90%	0.02%	2.47%	1.95%
Other Expenditures:					
Carryforward BA-7s Expenditures	\$404,874,737	\$0	\$0	\$0	\$0
Supplemental Bill (Act 1 of the 2023 1ES)	\$45,000,000	\$0	\$0	\$0	\$0
Funds Bills (Act 167 of 2022 RS)	\$170,500,000	\$0	\$0	\$0	\$0
Total Other Expenditures	\$620,374,737	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$11,486,031,108	\$11,615,677,112	\$11,617,586,988	\$11,904,949,310	\$12,137,323,075
PROJECTED BALANCE	\$883,543,629	(\$173,577,112)	(\$177,786,988)	(\$913,049,310)	(\$908,223,075)
Oil Prices included in the REC forecast.	\$89.97	\$79.43	\$72.88	\$71.42	\$70.64

Agenda Item #2

BA-7 Agenda



Alan M. Boxberger
Interim Legislative Fiscal Officer

STATE OF LOUISIANA
Legislative Fiscal Office
BATON ROUGE

Post Office Box 44097
Baton Rouge, Louisiana 70804
Phone: 225.342.7233

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 *AAB*
Evan Brasseaux, Interim Deputy Fiscal Officer *EB*

Date: March 10, 2023

Subject: Joint Legislative Committee on the Budget
Meeting March 17, 2023

Attached are the Legislative Fiscal Office BA-7 (Budget Adjustment) write-ups for the March 17th 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: Health

AGENDA NO.: 1a

AGENCY: Medical Vendor Administration

ANALYST: Shawn Hotstream

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T.O.</u>
State General Fund:	\$0	Medical Vendor Administration	\$106,568,118	0
Interagency Transfers:	\$53,284,059			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$53,284,059			
Total	<u>\$106,568,118</u>	Total	<u>\$106,568,118</u>	0

I. SUMMARY/COMMENTS

This is a companion request to BA-7 1b (Medical Vendor Payments).

The purpose of this BA-7 is to request a total increase of \$106.6 M in budget authority in Medical Vendor Administration (\$53.3 M IAT and \$53.3 M Federal matching funds). The original source of IAT revenues (\$53.3 M) represents surplus federal revenues in Medical Vendor Payments (MVP) generated from enhanced federal match. A portion of the enhanced federal match (3 state quarters) was not built in the Medicaid budget for FY 23. IAT revenues are transferred from Medical Vendor Payments (BA-7 1b). The IAT funds will be used as a state match source to draw a like amount of federal matching funds (\$53.3 M).

Funding will be used for additional administrative costs in MVA for efforts related to the unwinding of the Public Health Emergency (PHE) requirements, specifically related to eligibility determinations. Projected costs include expenses associated with temporary staff augmentation contracts, outreach and additional advertising, and IT system changes. Expenditure details are reflected below:

- \$752,509 - Premium pay for Medicaid Eligibility Analysts (from \$1/hr to \$2/hr for 458 eligibility staff)
- \$533,333 - Overtime pay for all eligibility staff (estimate 16,000 hours of overtime in FY 23)
- \$371,319 - Salary cost associated with 20 temporary job appointments (eligibility staff) for 3 months (\$75,000 annualized salary)
- \$853,582 - Related Benefits
- \$12,800,000 - Advertising for a statewide awareness campaign (statewide billboards, newspaper ads, and radio advertising)
- \$4,200,000 - Operational expenses (printing fliers, letters, stamps, maintenance/ replacement costs of printers)
- \$10,590,912 - Staff augmentation contract (projected cost with University of New Orleans to assist with determinations)
- \$66,420,000 - Contracts with various provider groups/organizations to gather member information to assist in contacting Medicaid enrollees beginning in April. LDH indicates working with hospitals, pharmacies, and non-profits
- \$9,996,463 - Office of Technology Services costs associated with IT eligibility system changes
- ~~\$50,000~~ - 2 temporary attorney positions to assist with handling of appeals in the last quarter of FY 23
- \$106,568,118

II. IMPACT ON FUTURE FISCAL YEARS

The governor's executive budget reflects an increase in funding (\$89.2 M) in Medical Vendor Administration associated with the unwinding of the Public Health Emergency (eligibility determinations). Information provided by LDH indicates that Medicaid eligibility staff will begin the redetermination process in April 2023.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

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

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

DEPARTMENT: Health

AGENDA NO.: 1b

AGENCY: Medical Vendor Payments

ANALYST: Shawn Hotstream

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Private Providers	\$543,085,034	0
Interagency Transfers:	\$0	Public Providers	\$7,968,106	0
Self-Generated Revenue:	\$0	Medicare Buy-Ins & Supplements	\$21,751,103	0
Statutory Dedications:	\$0	Uncompensated Care Costs	\$16,490,200	0
Federal Funds:	\$589,294,443			
Total	<u>\$589,294,443</u>	Total	<u>\$589,294,443</u>	0

I. SUMMARY/COMMENTS

This is a companion request to BA-7 1a (Medical Vendor Administration).

The purpose of this BA-7 is to request \$589.3 M in additional federal budget authority in FY 23 within Medicaid, Medical Vendor Payments (MVP). The additional federal budget authority is the result of the extension of the enhanced Federal Medical Assistance Percentage (eFMAP) throughout FY 23, and additional managed care costs related to the public health emergency (PHE) not anticipated in the Medicaid budget (approximately 2 M projected additional member months).

The source of the federal funds is revenue generated from the temporary enhanced federal medical assistance percentage (FMAP) provided under the Families First Coronavirus Response Act provided to states to manage the declared Public Health Emergency (PHE). This enhanced match was authorized if state Medicaid programs met certain conditions, including continuous enrollment requirements (or a maintenance of effort) for most Medicaid beneficiaries that were enrolled in their programs by March, 2020. Based on the Medicaid Monthly Financial Report for December 2022, the department forecasts additional federal funds over budget associated with the extension of enhanced FMAP (eFMAP) through FY 23 and additional associated MCO costs related to the public health emergency.

The FY 23 (current year) Medicaid budget only includes 1 quarter (July 2022 through September 2022) of enhanced federal medical assistance percentage (eFMAP). However, additional eFMAP will be received on Medicaid spending through FY 23 (additional 6.2% for two quarters and 5% for the final quarter in state FY 23).

Schedule of eFMAP for FY 23 and FY 24 is reflected below:

- 6.2% from July 1, 2022 through March 2023 (3 quarters in state FY 23)
- 5% from April 2023 through June 2023 (1 quarter in state FY 23)
- 2.5% from July 2023 through September 2023 (1 quarter in state FY 24)
- 1.5% from October 2023 through December 2023 (1 quarter in state FY 24)

A portion of the earnings (\$53,284,059) is requested to be transferred to Medical Vendor Administration (see companion BA-7) for activities associated with the unwinding maintenance of effort requirements of the PHE.

II. IMPACT ON FUTURE FISCAL YEARS

The governor's executive budget reflects a transfer of approximately \$89.2 M in total funding (\$44.6 M SGF, \$44.6 M federal matching funds) to Medical Vendor Administration to provide ongoing support related to the unwinding of the Public Health Emergency.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

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

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

DEPARTMENT: Health

AGENDA NO.: 2

AGENCY: Acadiana Area Human Services District

ANALYST: Garrett Ordner

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T.O.</u>
State General Fund:	\$0	Acadiana Area Human Services District	\$403,500	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$403,500			
Total	<u>\$403,500</u>	Total	<u>\$403,500</u>	0

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to increase Federal budget authority by \$403,500 in the Acadiana Area Human Services District ("AAHSD") to incorporate grant funding from the Certified Community Behavioral Health Clinic Planning, Development, and Implementation (CCBHC - PDI) Grant through the Substance Abuse and Mental Health Services Administration (SAMSHA).

Certified Community Behavioral Health Clinic (CCHBC) refers to a SAMSHA-developed clinic model designed to ensure access to coordinated comprehensive behavioral health care for anyone who requests care for mental health or substance use, regardless of their ability to pay, place of residence, or age.

The intent of the CCBHC-PDI grant program is to (a) assist organizations in the planning for, development, and implementation of a CCBHC that meets the required criteria, (b) provide a comprehensive range of outreach, screening, assessment, treatment, care coordination, and recovery supports based on a needs assessment that aligns with the CCBHC Certification Criteria, and (c) support recovery from mental illness and/or substance use disorders (SUD) by providing access to high-quality mental health and SUD services, regardless of an individual's ability to pay.

AAHSD was awarded this grant on 09/23/22 in the amount of \$948,555 per year for four years, which carries a performance period of 9/30/2022 through 9/29/2026. Annual continuation awards depend on the availability of funds, grantee progress in meeting project goals and objectives, timely submission of required data and reports, and compliance with all terms and conditions of award. Due to the limited amount of time remaining in FY 23, AAHSD is only requesting budget authority in the amount of \$403,500. The spending breakdown for this amount is as follows:

Other Charges - Salaries	\$11,000
Other Charges - Other Compensation	\$179,000
<u>Other Charges - Related Benefits</u>	<u>\$61,500</u>
Personnel Costs	\$251,500
<u>Other Charges - Professional Services</u>	<u>\$152,000</u>
Total	\$403,500

Of the requested \$403,500, \$251,500 will be applied toward personnel costs. AAHSD initially listed eleven (11) personnel in its grant application:

<u>Position</u>	<u>Number of Staff</u>	<u>Annualized Salaries*</u>	<u>Annualized Benefits*</u>	<u>Annualized Total*</u>	<u>FY 23 BA-7</u>
Project Director	1	\$42,500	\$21,803	\$64,303	\$16,600
Evaluator**	1	\$70,000	\$0	\$70,000	\$70,000
Licensed Mental Health Professional	5	\$264,320	\$135,596	\$399,916	\$99,700
<u>Licensed Practical Nurse</u>	<u>4</u>	<u>\$173,388</u>	<u>\$88,948</u>	<u>\$262,336</u>	<u>\$65,200</u>
Total	11	\$550,208	\$246,347	\$796,555	\$251,500

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

*Amounts shown are grant-funded. Only 50% of costs associated with the Project Director and Evaluator positions will be funded by the grant.

**While listed as personnel in the grant application, AAHSD reports that the Evaluator position will actually be contracted.

The remaining \$152,000 will be applied toward contractual costs:

- 1) \$100,000 - TriWest Group will provide strategic consulting to support data collection and performance measurement for the grant, as well as conducting the CCBHC Needs Assessment.
- 2) \$52,000 - The Extra Mile will supply certified peer support specialists to serve within AAHSD service sites to support the successful implementation of a comprehensive, coordinated system of care.

II. IMPACT ON FUTURE FISCAL YEARS

The CCBHC-PDI grant performance period is 9/30/2022 through 9/29/2026. AAHSD will receive \$948,555 per year from FY 24 through FY 26, and \$237,138 in FY 27. However, annual continuation awards depend on the availability of funds, grantee progress in meeting project goals and objectives, timely submission of required data and reports, and compliance with all terms and conditions of award.

The FY 24 Executive Budget includes a \$1 M adjustment to provide Federal budget authority for the incorporation of these grant funds.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

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

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

DEPARTMENT: Health

AGENDA NO.: 3

AGENCY: OCDD

ANALYST: Tanesha Morgan

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T.O.</u>
State General Fund:	\$0	Administration	\$0	0
Interagency Transfers:	\$0	Community-Based	\$2,344,154	0
Self-Generated Revenue:	\$0	Pinecrest Support & Services Center	\$0	0
Statutory Dedications:	\$0	Central Louisiana Support & Services Center	\$0	0
Federal Funds:	\$2,344,154	Auxiliary Account	\$0	0
Total	<u>\$2,344,154</u>	Total	<u>\$2,344,154</u>	0

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal budget authority in the amount of \$2,344,154 in FY 23 for the Office of Citizens with Developmental Disabilities (OCDD). The source of funds is Individuals with Disabilities Education Act (IDEA) Part B and Part C grants from the US Department of Education. The grant was originally awarded to OCDD in July of 2021 and has been extended through September 2023. The total grant award is \$3,037,137 (\$2,344,154 to be expended in FY 23 and the remaining \$692,983 to be expended in FY 24). There is no state match requirement associated with the grant award.

The grant will be used support the Early Steps program, which is the state's early intervention system for children, age 0 to 36 months, who have a developmental delay.

The funds will be used as follows:

\$199,260	Evaluation kits for providers to evaluate children
\$150,000	Upgrades to the central finance office vendor's database system
\$511,164	Hardware and software to increase access for tele-therapy
\$1,065,000	Supplemental one-time payments to providers that experienced reduced caseloads due to the pandemic
\$168,730	Printing of brochures and other outreach materials
<u>\$250,000</u>	<u>Overhead cost</u>
\$2,344,154	Total

II. IMPACT ON FUTURE FISCAL YEARS

This BA-7 provides budget authority for FY 23 in the amount of \$2,344,154. The remaining grant balance of \$692,983 will be expended in FY 24 and is included in the executive budget. The grant award indicates that funds are available for obligation through September 2023 and must be liquidated by January 2024.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

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

JOINT LEGISLATIVE COMMITTEE ON THE BUDGET

BA-7 AGENDA

March, 2023

A. Fiscal Status Statement

B. 5-Year Base Line Projection

C. Regular BA-7s

- | | | |
|----|-----|--|
| 1a | LDH | Louisiana Department of Health
(09-305) Medical Vendor Administration |
| 1b | LDH | Louisiana Department of Health
(09-306) Medical Vendor Payments |
| 2 | LDH | Louisiana Department of Health
(09-325) Acadiana Area Human Services District |
| 3 | LDH | Louisiana Department of Health
(09-340) Office for Citizens with Developmental Disabilities |

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: 305 - MEDICAL VENDOR ADMINISTRATION	OPB LOG NUMBER 160R	AGENDA NUMBER 1A
SCHEDULE NUMBER: 09	Approval and Authority:	
SUBMISSION DATE: 03/02/2023		
AGENCY BA-7 NUMBER: #4 PHE Unwind from MVP-Revised		
HEAD OF BUDGET UNIT: Tara LeBlanc		
TITLE: Medicaid Executive Director		
SIGNATURE (Certifies that the information provided is correct and true to the best of your knowledge): <i>Tara A. LeBlanc</i>		

MEANS OF FINANCING	CURRENT FY 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023
GENERAL FUND BY:			
DIRECT	\$130,312,955	\$0	\$130,312,955
INTERAGENCY TRANSFERS	\$473,672	\$53,284,059	\$53,757,731
FEES & SELF-GENERATED	\$4,200,000	\$0	\$4,200,000
Regular Fees & Self-generated	\$4,200,000	\$0	\$4,200,000
Subtotal of Fund Accounts from Page 2	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$1,407,500	\$0	\$1,407,500
Medical Assistance Programs Fraud Detection (H14)	\$1,407,500	\$0	\$1,407,500
[Select Statutory Dedication]	\$0	\$0	\$0
Subtotal of Dedications from Page 2	\$0	\$0	\$0
FEDERAL	\$458,533,028	\$53,284,059	\$511,817,087
TOTAL	\$594,927,155	\$106,568,118	\$701,495,273
AUTHORIZED POSITIONS	996	0	996
AUTHORIZED OTHER CHARGES	0	0	0
NON-TO FTE POSITIONS	113	20	133
TOTAL POSITIONS	1,109	20	1,129

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Medical Vendor Administration	\$594,927,155	1,109	\$106,568,118	20	\$701,495,273	1,129
	\$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 of programs from Page 2:	\$0	0	\$0	0	\$0	0
TOTAL	\$594,927,155	1,109	\$106,568,118	20	\$701,495,273	1,129

**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: 305 - MEDICAL VENDOR ADMINISTRATION	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09		
SUBMISSION DATE: 03/02/2023	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: #4 PHE Unwind from MVP-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 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023
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 purpose of this BA-7 is to transfer funds via interagency transfer from Medical Vendor Payments (MVP) to Medical Vendor Administration (MVA) to use as state match to support additional costs incurred in MVA for the Public Health Emergency (PHE) unwind efforts. The state funds are available due to the enhanced FMAP provided to state Medicaid programs in response to the COVID-19 PHE for this purpose.

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

MEANS OF FINANCING OR EXPENDITURE	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$53,284,059	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$53,284,059	\$0	\$0	\$0	\$0
TOTAL	\$106,568,118	\$0	\$0	\$0	\$0

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

This action will require an additional 20 Non-TO FTE personnel.

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

This BA-7 cannot be postponed to the next fiscal year. The requested transfer is necessary to provide for the additional costs incurred in MVA for the Public Health Emergency (PHE) unwind efforts.

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.

No.

**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 requested transfer is necessary to provide for the additional costs incurred in MVA for the Public Health Emergency (PHE) unwind efforts necessary to maintain the enhanced FMAP funding and prevent penalties as detailed in the Consolidated Appropriations Act of 2023.

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 2022-2023	ADJUSTMENT (+) OR (-)	REVISED FY 2022-2023

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

There is no performance impact associated with this request.

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 performance impact associated with this request.

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

This transfer is being made solely to provide for the additional costs incurred in MVA for the Public Health Emergency (PHE) unwind efforts.

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 would result in insufficient funding in MVA for the additional costs associated with the Public Health Emergency (PHE) unwind efforts.

**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: Medical Vendor Administration

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$130,312,955	\$0	\$130,312,955	\$0	\$0	\$0	\$0
Interagency Transfers	\$473,672	\$53,284,059	\$53,757,731	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0	\$0
Statutory Dedications **	\$1,407,500	\$0	\$1,407,500	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$458,533,028	\$53,284,059	\$511,817,087	\$0	\$0	\$0	\$0
TOTAL MOF	\$594,927,155	\$106,568,118	\$701,495,273	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$56,094,685	\$1,285,842	\$57,380,527	\$0	\$0	\$0	\$0
Other Compensation	\$2,023,477	\$371,319	\$2,394,796	\$0	\$0	\$0	\$0
Related Benefits	\$36,909,295	\$853,582	\$37,762,877	\$0	\$0	\$0	\$0
Travel	\$15,021	\$0	\$15,021	\$0	\$0	\$0	\$0
Operating Services	\$4,297,078	\$17,000,000	\$21,297,078	\$0	\$0	\$0	\$0
Supplies	\$263,125	\$0	\$263,125	\$0	\$0	\$0	\$0
Professional Services	\$202,861,610	\$0	\$202,861,610	\$0	\$0	\$0	\$0
Other Charges	\$58,903,662	\$77,010,912	\$135,914,574	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$233,559,202	\$10,046,463	\$243,605,665	\$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	\$594,927,155	\$106,568,118	\$701,495,273	\$0	\$0	\$0	\$0
POSITIONS							
Classified	994	0	994	0	0	0	0
Unclassified	2	0	2	0	0	0	0
TOTAL T.O. POSITIONS	996	0	996	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	113	20	133	0	0	0	0
TOTAL POSITIONS	1,109	20	1,129	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$4,200,000	\$0	\$4,200,000	\$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:							
Medical Assistance Programs Fraud Detection (H14)	\$1,407,500	\$0	\$1,407,500	\$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: MEDICAL VENDOR ADMINISTRATION

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$53,284,059	\$0	\$0	\$53,284,059	\$106,568,118
EXPENDITURES:						
Salaries	\$0	\$642,921	\$0	\$0	\$642,921	\$1,285,842
Other Compensation	\$0	\$185,659	\$0	\$0	\$185,660	\$371,319
Related Benefits	\$0	\$426,792	\$0	\$0	\$426,790	\$853,582
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$8,500,000	\$0	\$0	\$8,500,000	\$17,000,000
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$38,505,456	\$0	\$0	\$38,505,456	\$77,010,912
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$5,023,231	\$0	\$0	\$5,023,232	\$10,046,463
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	\$53,284,059	\$0	\$0	\$53,284,059	\$106,568,118
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	10	0	0	10	20
TOTAL POSITIONS	0	10	0	0	10	20

QUESTIONNAIRE ANALYSIS

305 – MEDICAL VENDOR ADMINISTRATION

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

GENERAL PURPOSE

The purpose of this BA-7 is to transfer state funds via interagency transfer from Medical Vendor Payments (MVP) to Medical Vendor Administration (MVA) to use as state match to support additional costs incurred in MVA for the Public Health Emergency (PHE) unwind efforts. Initial costs include the cost for additional advertising, staff augmentation contracts, additional internal staffing, IT systems changes needed to accommodate the unwind, and outreach for public awareness efforts. The state funds are available due to the enhanced FMAP provided to state Medicaid programs in response to the COVID-19 PHE.

Approval of this BA-7 requires an additional 20 Non-T.O. FTE positions.

REVENUES

Interagency Transfer from MVP	\$ 53,284,059
Federal	\$ 53,284,059
Total	<u>\$ 106,568,118</u>

EXPENDITURES

Salaries	\$ 1,285,842
Other Compensation	\$ 371,319
Related Benefits	\$ 853,582
Operating Services	\$ 17,000,000
Other Charges	\$ 77,010,912
Interagency Transfers	\$ 10,046,463
Total	<u>\$ 106,568,118</u>

OTHER

Budget Contact: DeEdra Lamotte, Medicaid Program Manager 4
Bureau of Health Services Financing, Financial Management and Operations
Phone Number: (225) 342-4312
Email Address: DeEdra.Lamotte@la.gov

**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: 306 - MEDICAL VENDOR PAYMENTS		OPB LOG NUMBER 159		AGENDA NUMBER 1B		
SCHEDULE NUMBER: 09		Approval and Authority:				
SUBMISSION DATE: 02/22/2023						
AGENCY BA-7 NUMBER: #3 FEDERAL AUTHORITY						
HEAD OF BUDGET UNIT: TARA A. LEBLANC						
TITLE: MEDICAID EXECUTIVE DIRECTOR						
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge)</small> DocuSigned by: <i>Tara A. Leblanc</i>						
MEANS OF FINANCING	CURRENT FY 2022-2023	ADJUSTMENT (+) or (-)		REVISED FY 2022-2023		
GENERAL FUND BY:						
DIRECT	\$2,078,910,529	\$0		\$2,078,910,529		
INTERAGENCY TRANSFERS	\$119,632,199	\$0		\$119,632,199		
FEES & SELF-GENERATED	\$641,272,669	\$0		\$641,272,669		
Regular Fees & Self-generated	\$641,272,669	\$0		\$641,272,669		
Subtotal of Fund Accounts from Page 2	\$0	\$0		\$0		
STATUTORY DEDICATIONS	\$1,324,640,230	\$0		\$1,324,640,230		
LA Medical Assistance Trust Fund (H08)	\$982,819,274	\$0		\$982,819,274		
Louisiana Fund (Z13)	\$11,879,184	\$0		\$11,879,184		
Subtotal of Dedications from Page 2	\$329,941,772	\$0		\$329,941,772		
FEDERAL	\$13,484,638,330	\$589,294,443		\$14,073,932,773		
TOTAL	\$17,649,093,957	\$589,294,443		\$18,238,388,400		
AUTHORIZED POSITIONS	0	0		0		
AUTHORIZED OTHER CHARGES	0	0		0		
NON-TO FTE POSITIONS	0	0		0		
TOTAL POSITIONS	0	0		0		
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Payments to Private Providers	\$16,296,661,021	0	\$543,085,034	0	\$16,839,746,055	0
Payments to Public Providers	\$240,914,495	0	\$7,968,106	0	\$248,882,601	0
Medicare Buy-Ins and Supplements	\$742,596,185	0	\$21,751,103	0	\$764,347,288	0
Uncompensated Care Costs	\$368,922,256	0	\$16,490,200	0	\$385,412,456	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	\$17,649,093,957	0	\$589,294,443	0	\$18,238,388,400	0

**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: 306 - MEDICAL VENDOR PAYMENTS	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09		
SUBMISSION DATE: 02/22/2023	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: #3 FEDERAL AUTHORITY		

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 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023
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			
Health Excellence Fund (Z17)	\$24,398,481	\$0	\$24,398,481
Medicaid Trust Fund for the Elderly (H19)	\$5,048,896	\$0	\$5,048,896
New Opportunities Waiver (NOW) Fund (H10)	\$43,348,066	\$0	\$43,348,066
Hospital Stabilization Fund (H37)	\$257,146,329	\$0	\$257,146,329
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$329,941,772	\$0	\$329,941,772

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 Federal Funds from Medicaid Title XIX of the Social Security Act.

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

MEANS OF FINANCING OR EXPENDITURE	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$589,294,443	\$0	\$0	\$0	\$0
TOTAL	\$589,294,443	\$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.

This BA-7 requests additional Federal Budget Authority associated with the extension of enhanced Federal Medical Assistance Percentage (eFMAP) through FY 23 and MCO costs related to the Public Health Emergency (PHE).

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.

No.

**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 provide Medicaid with the appropriate Federal Budget Authority to fund the extension of eFMAP through FY 23 and MCO costs related to the PHE.

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: (KEY) Through the Uncompensated Care Costs activity, to encourage hospitals and other providers to provide access to medical care for the uninsured.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2022-2023	ADJUSTMENT (+) OR (-)	REVISED FY 2022-2023
S	Total DSH funds collected in millions (PI#17040)	368.9	16.5	385.4
K	Total federal funds collected in millions (PI#17041)	248.6	16.5	265.1
S	Total state match in millions (PI#17042)	120.3	0	120.3

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).
The adjustments are necessary to update the total and federal authority in the UCC program for the adjustments made through this BA-7.

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?)

This BA-7 requests additional Federal Budget Authority associated with the extension of enhanced eFMAP through FY 23 and MCO costs related to the PHE.

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 would result in Medical Vendor Payments not having adequate Federal Budget Authority to fund the extension of eFMAP through FY 23 and MCO costs related to the PHE.

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: PAYMENTS TO PRIVATE PROVIDERS

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$1,587,360,928	\$0	\$1,587,360,928	\$0	\$0	\$0	\$0
Interagency Transfers	\$105,543,851	\$0	\$105,543,851	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$616,555,215	\$0	\$616,555,215	\$0	\$0	\$0	\$0
Statutory Dedications **	\$1,315,492,364	\$0	\$1,315,492,364	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$12,671,708,663	\$543,085,034	\$13,214,793,697	\$0	\$0	\$0	\$0
TOTAL MOF	\$16,296,661,021	\$543,085,034	\$16,839,746,055	\$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	\$16,296,661,021	\$543,085,034	\$16,839,746,055	\$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	\$16,296,661,021	\$543,085,034	\$16,839,746,055	\$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	\$616,555,215	\$0	\$616,555,215	\$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:							
LA Medical Assistance Trust Fund (H08)	\$973,671,408	\$0	\$973,671,408	\$0	\$0	\$0	\$0
Louisiana Fund (Z13)	\$11,879,184	\$0	\$11,879,184	\$0	\$0	\$0	\$0
Health Excellence Fund (Z17)	\$24,398,481	\$0	\$24,398,481	\$0	\$0	\$0	\$0
New Opportunities Waiver (NOW) Fund (H30)	\$43,348,066	\$0	\$43,348,066	\$0	\$0	\$0	\$0
Hospital Stabilization Fund (H37)	\$257,146,329	\$0	\$257,146,329	\$0	\$0	\$0	\$0
Medicaid Trust Fund for the Elderly (H19)	\$5,048,896	\$0	\$5,048,896	\$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: PAYMENTS TO PRIVATE PROVIDERS

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$543,085,034	\$543,085,034
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	\$543,085,034	\$543,085,034
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	\$543,085,034	\$543,085,034
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: PAYMENTS TO PUBLIC PROVIDERS

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$52,812,641	\$0	\$52,812,641	\$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 **	\$9,147,866	\$0	\$9,147,866	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$178,953,988	\$7,968,106	\$186,922,094	\$0	\$0	\$0	\$0
TOTAL MOF	\$240,914,495	\$7,968,106	\$248,882,601	\$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	\$50,442,600	\$0	\$50,442,600	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$190,471,895	\$7,968,106	\$198,440,001	\$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	\$240,914,495	\$7,968,106	\$248,882,601	\$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:							
LA Medical Assistance Trust Fund (H08)	\$9,147,866	\$0	\$9,147,866	\$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
[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: PAYMENTS TO PUBLIC PROVIDERS

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$7,968,106	\$7,968,106
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	\$7,968,106	\$7,968,106
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	\$7,968,106	\$7,968,106
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: MEDICARE BUY-INS & SUPPLEMENTS

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$357,232,430	\$0	\$357,232,430	\$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	\$385,363,755	\$21,751,103	\$407,114,858	\$0	\$0	\$0	\$0
TOTAL MOF	\$742,596,185	\$21,751,103	\$764,347,288	\$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	\$742,596,185	\$21,751,103	\$764,347,288	\$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	\$742,596,185	\$21,751,103	\$764,347,288	\$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 3 NAME: <u>MEDICARE BUY-INS & SUPPLEMENTS</u>						
MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$21,751,103	\$21,751,103
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	\$21,751,103	\$21,751,103
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	\$21,751,103	\$21,751,103
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: UNCOMPENSATED CARE COSTS

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$81,504,530	\$0	\$81,504,530	\$0	\$0	\$0	\$0
Interagency Transfers	\$14,088,348	\$0	\$14,088,348	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$24,717,454	\$0	\$24,717,454	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$248,611,924	\$16,490,200	\$265,102,124	\$0	\$0	\$0	\$0
TOTAL MOF	\$368,922,256	\$16,490,200	\$385,412,456	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Relat. d 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	\$239,719,184	\$16,490,200	\$256,209,384	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$129,203,072	\$0	\$129,203,072	\$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	\$368,922,256	\$16,490,200	\$385,412,456	\$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	\$24,717,454	\$0	\$24,717,454	\$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: <u>UNCOMPENSATED CARE COSTS</u>						
MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$16,490,200	\$16,490,200
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	\$16,490,200	\$16,490,200
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	\$16,490,200	\$16,490,200
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**306 – MEDICAL VENDOR PAYMENTS**

Use reference question numbers, provide detailed information and use continuation sheets as needed.

GENERAL PURPOSE

This BA-7 requests additional Federal Budget Authority associated with the extension of enhanced Federal Medical Assistance Percentage (eFMAP) through FY 23 and MCO costs related to the Public Health Emergency (PHE).

REVENUES

MEANS OF FINANCING	AMOUNT
State General Fund	\$ -
Interagency Transfers	\$ -
Fees & Self-Generated	\$ -
Statutory Dedications	\$ -
Federal Funds	\$ 589,294,443
TOTAL REVENUES:	\$ 589,294,443

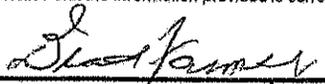
EXPENDITURES

PROGRAM	AMOUNT	CATEGORY
Payments to Private Providers	\$ 543,085,034	Other Charges
Payments to Public Providers	\$ 7,968,106	Interagency Transfers
Medicare Buy-ins & Supplements	\$ 21,751,103	Other Charges
Uncompensated Care Costs	\$ 16,490,200	Other Charges
TOTAL EXPENDITURES:	\$ 589,294,443	

OTHER

Budget Contact: Anthony Shamis, Medicaid Program Manager 3
 Bureau of Health Services Financing, Financial Management and Operations
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STATE OF LOUISIANA
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: HEALTH		FOR OPB USE ONLY				
AGENCY: Acadiana Area Human Services District		OPB LOG NUMBER		AGENDA NUMBER		
SCHEDULE NUMBER: 09-325		158		2		
SUBMISSION DATE: 02/13/23		Approval and Authority:				
AGENCY BA-7 NUMBER: 1						
HEAD OF BUDGET UNIT: Brad Farmer						
TITLE: 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 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023			
GENERAL FUND BY:						
DIRECT	\$17,636,138	\$0	\$17,636,138			
INTERAGENCY TRANSFERS	\$5,107,914	\$0	\$5,107,914			
FEES & SELF-GENERATED	\$1,536,196	\$0	\$1,536,196			
Regular Fees & Self-generated	\$1,536,196	\$0	\$1,536,196			
Subtotal of Fund Accounts from Page 2	\$0	\$0	\$0			
STATUTORY DEDICATIONS	\$0	\$0	\$0			
[Select Statutory Dedication]	\$0	\$0	\$0			
[Select Statutory Dedication]	\$0	\$0	\$0			
Subtotal of Dedications from Page 2	\$0	\$0	\$0			
FEDERAL	\$0	\$403,500	\$403,500			
TOTAL	\$24,280,248	\$403,500	\$24,683,748			
AUTHORIZED POSITIONS	0	0	0			
AUTHORIZED OTHER CHARGES	119	0	119			
NON-TO FTE POSITIONS	0	0	0			
TOTAL POSITIONS	119	0	119			
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
AAHSD (Program 1000)	\$24,280,248	119	\$403,500	0	\$24,683,748	119
Program 2	\$0	0	\$0	0	\$0	0
Program 3	\$0	0	\$0	0	\$0	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	\$24,280,248	119	\$403,500	0	\$24,683,748	119

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

DEPARTMENT: HEALTH	FOR OPB USE ONLY	
AGENCY: Acadiana Area Human Services District	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09-325		
SUBMISSION DATE: 02/13/23	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: 1		

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 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023
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?
This request provides an increase in Federal Funds to accept the Certified Community Behavioral Health Clinic (CCBHC) Substance Abuse and Mental Health Services Administration (SAMSHA) Grant. In order for Acadiana Human Service District (AAHSA) to become a CCBHC they have to provide Crisis Services, Target Case Management, Outpatient Primary Care Screening and Monitoring, Psychiatric Rehabilitation Services, community-based mental health care or veterans, and Peer, Family, and Counselor Services, in addition to the services already offered.

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

MEANS OF FINANCING OR EXPENDITURE	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$403,500	\$0	\$0	\$0	\$0
TOTAL	\$403,500	\$0	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:
No - this BA-7 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.
Grant was awarded in fiscal year 23 and has requirements that must be met this fiscal year. Postponing this request will jeopardize the grant award. This BA7 is needed to have authority to accept grant funds and accomplish goals of the grant.

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

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 result in the establishment of federal budget authority for FY-23 to meet requirements of awarded CCBHC grant.

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 2022-2023	ADJUSTMENT (+) OR (-)	REVISED FY 2022-2023

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 approval of this BA-7 will have a positive impact to increase access to improve the quality of community mental and substance use disorder treatment services through the expansion of CCBHCs. CCBHCs provide person- and family-centered integrated services.

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

This BA-7 will aid in meeting existing Performance Indicators.

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 request will prevent AAHSD from carrying out their missions and goals related to the grant award.

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: Acadiana Area Human Services District

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$17,636,138	\$0	\$17,636,138	\$0	\$0	\$0	\$0
Interagency Transfers	\$5,107,914	\$0	\$5,107,914	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$1,536,196	\$0	\$1,536,196	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$403,500	\$403,500	\$0	\$0	\$0	\$0
TOTAL MOF	\$24,280,248	\$403,500	\$24,683,748	\$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	\$176,100	\$0	\$176,100	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$23,545,515	\$403,500	\$23,949,015	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$558,633	\$0	\$558,633	\$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	\$24,280,248	\$403,500	\$24,683,748	\$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	119	0	119	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
TOTAL POSITIONS	119	0	119	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$1,536,196	\$0	\$1,536,196	\$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 1 NAME: Acadiana Area Human Services District

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$403,500	\$403,500
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	\$403,500	\$403,500
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	\$403,500	\$403,500
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

(Provide answers on the Questionnaire Analysis Form; answer all questions applicable to the requested budget adjustment.)

GENERAL PURPOSE

1. This request provides an increase in Federal Funds to accept the Certified Community Behavioral Health Clinic (CCBHC) Substance Abuse and Mental Health Services Administration (SAMSHA) Grant in the amount of \$403,500.

REVENUES

	<u>MOF</u>	<u>Description</u>	<u>Amount</u>
2.	Federal	CCBH Grant	<u>\$403,500</u>
	TOTAL		<u>\$403,500</u>

EXPENDITURES

9. This request provides an increase in Federal Funds to accept the CCBHC Substance Abuse and Mental Health Services Administration (SAMSHA) Grant. In order for Acadiana Human Service District (AAHSA) to become a CCBHC they have to provide Crisis Services, Target Case Management, Outpatient Primary Care Screening and Monitoring, Psychiatric Rehabilitation Services, community-based mental health care for veterans, and Peer, Family, and Counselor Services, in addition to the services already offered.

11.	Expenditure		
	<u>Object</u>	<u>Description</u>	<u>Amount</u>
	5600000	Other Charges	<u>\$403,500</u>
	TOTAL		<u>\$403,500</u>

OTHER

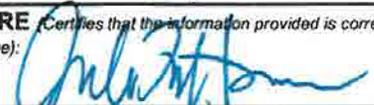
12. Provide names, phone numbers, and e-mail addresses of agency contacts

Brad Farmer, Executive Director
337-262-4190
Brad.Farmer@ia.gov

Yancey Mire, Director of Behavioral Health
337-262-1611
yancey.mire@ia.gov

Daniel Leger, Accountant Administrator 2
337-262-4189
Daniel.Leger@ia.gov

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

DEPARTMENT: Health		FOR OPB USE ONLY				
AGENCY: Office for Citizens with Dev. Disabilities		OPB LOG NUMBER <i>152</i>		AGENDA NUMBER <i>3</i>		
SCHEDULE NUMBER: 09-340		Approval and Authority:				
SUBMISSION DATE: December 22, 2022						
AGENCY BA-7 NUMBER: 03						
HEAD OF BUDGET UNIT: Julie Foster-Hagan						
TITLE: 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 2022-2023	ADJUSTMENT (+) or (-)		REVISED FY 2022-2023		
GENERAL FUND BY:						
DIRECT	\$42,536,245	\$0		\$42,536,245		
INTERAGENCY TRANSFERS	\$151,903,843	\$0		\$151,903,843		
FEES & SELF-GENERATED	\$3,986,265	\$0		\$3,986,265		
Regular Fees & Self-generated	\$3,986,265	\$0		\$3,986,265		
Subtotal of Fund Accounts from Page 2	\$0	\$0		\$0		
STATUTORY DEDICATIONS	\$0	\$0		\$0		
[Select Statutory Dedication]	\$0	\$0		\$0		
[Select Statutory Dedication]	\$0	\$0		\$0		
Subtotal of Dedications from Page 2	\$0	\$0		\$0		
FEDERAL	\$7,021,584	\$2,344,154		\$9,365,738		
TOTAL	\$205,447,937	\$2,344,154		\$207,792,091		
AUTHORIZED POSITIONS	1,682	0		1,682		
AUTHORIZED OTHER CHARGES	0	0		0		
NON-TO FTE POSITIONS	90	0		90		
TOTAL POSITIONS	1,772	0		1,772		
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Administration	\$16,354,838	101	\$0	0	\$16,354,838	101
Community-Based	\$35,582,631	54	\$2,344,154	0	\$37,926,785	54
Pincrest SSC	\$129,658,885	1,416	\$0	0	\$129,658,885	1,416
Central LA SSC	\$23,200,213	197	\$0	0	\$23,200,213	197
Auxiliary	\$651,370	4	\$0	0	\$651,370	4
	\$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	\$205,447,937	1,772	\$2,344,154	0	\$207,792,091	1,772

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

DEPARTMENT: Health	FOR OPB USE ONLY	
AGENCY: Office for Citizens with Dev. Disabilities	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 09-340		
SUBMISSION DATE: December 22, 2022	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: 03		

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 2022-2023	ADJUSTMENT (+) or (-)	REVISED FY 2022-2023
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

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**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 Federal Funds. This request provides for the use of American Rescue Plan Act (ARPA) of 2021 Part C of the Individuals with Disabilities Education Act (IDEA). IDEA authorizes the assistance to States to support the provision of special education and related services to children with disabilities and the provision and coordination of early intervention services for infants and toddlers with disabilities and their families, respectively.

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

MEANS OF FINANCING OR EXPENDITURE	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$2,344,154	\$692,983	\$0	\$0	\$0
TOTAL	\$2,344,154	\$692,983	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:
This action requires no additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
This BA-7 cannot be postponed to the next fiscal year. Funds are available for obligation by Part C lead agencies between July 1, 2021 and September 30, 2023 and must be liquidated by January 28, 2024.

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.
No, 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

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

The BA-7 will provide for operational efficiencies in the delivery of statewide developmental disabilities services. It implements statewide systems of coordinated, comprehensive, multidisciplinary, interagency programs to make early intervention services available to infants and toddlers with disabilities and their families.

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 2022-2023	ADJUSTMENT (+) OR (-)	REVISED FY 2022-2023

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).
This request does not involve revisions to existing objectives or performance indicators.

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?)

This request does not involve revisions to existing objectives or performance indicators.

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

This request allows the agency to meet its existing performance measures. This request does not provide for revisions to existing objectives or performance indicators.

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

There are no known direct impacts to existing objectives or performance indicators.

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: Administration

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$16,224,488	\$0	\$16,224,488	\$0	\$0	\$0	\$0
Interagency Transfers	\$130,350	\$0	\$130,350	\$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	\$16,354,838	\$0	\$16,354,838	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$7,316,147	\$0	\$7,316,147	\$0	\$0	\$0	\$0
Other Compensation	\$110,792	\$0	\$110,792	\$0	\$0	\$0	\$0
Related Benefits	\$7,137,501	\$0	\$7,137,501	\$0	\$0	\$0	\$0
Travel	\$166,214	\$0	\$166,214	\$0	\$0	\$0	\$0
Operating Services	\$352,291	\$0	\$352,291	\$0	\$0	\$0	\$0
Supplies	\$88,448	\$0	\$88,448	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$75,006	\$0	\$75,006	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,108,439	\$0	\$1,108,439	\$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	\$16,354,838	\$0	\$16,354,838	\$0	\$0	\$0	\$0
POSITIONS							
Classified	89	0	89	0	0	0	0
Unclassified	1	0	1	0	0	0	0
TOTAL T.O. POSITIONS	90	0	90	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	11	0	11	0	0	0	0
TOTAL POSITIONS	101	0	101	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

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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: Administration

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

A

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: Community-Based

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUT-YEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$26,311,757	\$0	\$26,311,757	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,731,790	\$0	\$1,731,790	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$517,500	\$0	\$517,500	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$7,021,584	\$2,344,154	\$9,365,738	\$692,983	\$0	\$0	\$0
TOTAL MOF	\$35,582,631	\$2,344,154	\$37,926,785	\$692,983	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$4,137,337	\$0	\$4,137,337	\$0	\$0	\$0	\$0
Other Compensation	\$445,010	\$0	\$445,010	\$0	\$0	\$0	\$0
Related Benefits	\$2,211,007	\$0	\$2,211,007	\$0	\$0	\$0	\$0
Travel	\$96,311	\$0	\$96,311	\$0	\$0	\$0	\$0
Operating Services	\$147,364	\$0	\$147,364	\$0	\$0	\$0	\$0
Supplies	\$88,580	\$0	\$88,580	\$0	\$0	\$0	\$0
Professional Services	\$8,219,245	\$0	\$8,219,245	\$0	\$0	\$0	\$0
Other Charges	\$19,674,630	\$2,344,154	\$22,018,784	\$692,983	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$537,401	\$0	\$537,401	\$0	\$0	\$0	\$0
Acquisitions	\$25,746	\$0	\$25,746	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$35,582,631	\$2,344,154	\$37,926,785	\$692,983	\$0	\$0	\$0
POSITIONS							
Classified	52	0	52	0	0	0	0
Unclassified	1	0	1	0	0	0	0
TOTAL T.O. POSITIONS	53	0	53	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	1	0	1	0	0	0	0
TOTAL POSITIONS	54	0	54	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$517,500	\$0	\$517,500	\$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 2 NAME: Community-Based

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$0	\$2,344,154	\$2,344,154
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	\$2,344,154	\$2,344,154
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	\$2,344,154	\$2,344,154
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

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**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: Plonecrest Supports and Services Center (PSSC)

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUT YEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$126,881,490	\$0	\$126,881,490	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$2,777,395	\$0	\$2,777,395	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$129,658,885	\$0	\$129,658,885	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$63,438,829	\$0	\$63,438,829	\$0	\$0	\$0	\$0
Other Compensation	\$875,575	\$0	\$875,575	\$0	\$0	\$0	\$0
Related Benefits	\$32,816,724	\$0	\$32,816,724	\$0	\$0	\$0	\$0
Travel	\$111,345	\$0	\$111,345	\$0	\$0	\$0	\$0
Operating Services	\$4,799,640	\$0	\$4,799,640	\$0	\$0	\$0	\$0
Supplies	\$8,064,377	\$0	\$8,064,377	\$0	\$0	\$0	\$0
Professional Services	\$1,267,064	\$0	\$1,267,064	\$0	\$0	\$0	\$0
Other Charges	\$3,123,317	\$0	\$3,123,317	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$13,243,123	\$0	\$13,243,123	\$0	\$0	\$0	\$0
Acquisitions	\$985,138	\$0	\$985,138	\$0	\$0	\$0	\$0
Major Repairs	\$933,753	\$0	\$933,753	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$129,658,885	\$0	\$129,658,885	\$0	\$0	\$0	\$0
POSITIONS							
Classified	1,305	0	1,305	0	0	0	0
Unclassified	33	0	33	0	0	0	0
TOTAL T.O. POSITIONS	1,338	0	1,338	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	78	0	78	0	0	0	0
TOTAL POSITIONS	1,416	0	1,416	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$2,777,395	\$0	\$2,777,395	\$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

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**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: Pinecrest Supports and Services Center (PSSC)

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: Central Louisiana Supports and Services Center (CLSSC)

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUT-YEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$23,160,213	\$0	\$23,160,213	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$40,000	\$0	\$40,000	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$23,200,213	\$0	\$23,200,213	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$9,747,805	\$0	\$9,747,805	\$0	\$0	\$0	\$0
Other Compensation	\$76,392	\$0	\$76,392	\$0	\$0	\$0	\$0
Related Benefits	\$4,966,871	\$0	\$4,966,871	\$0	\$0	\$0	\$0
Travel	\$18,000	\$0	\$18,000	\$0	\$0	\$0	\$0
Operating Services	\$1,337,538	\$0	\$1,337,538	\$0	\$0	\$0	\$0
Supplies	\$1,714,508	\$0	\$1,714,508	\$0	\$0	\$0	\$0
Professional Services	\$416,480	\$0	\$416,480	\$0	\$0	\$0	\$0
Other Charges	\$591,060	\$0	\$591,060	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,764,494	\$0	\$1,764,494	\$0	\$0	\$0	\$0
Acquisitions	\$2,291,065	\$0	\$2,291,065	\$0	\$0	\$0	\$0
Major Repairs	\$276,000	\$0	\$276,000	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$23,200,213	\$0	\$23,200,213	\$0	\$0	\$0	\$0
POSITIONS							
Classified	197	0	197	0	0	0	0
Unclassified	0	0	0	0	0	0	0
TOTAL T.O. POSITIONS	197	0	197	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	197	0	197	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$40,000	\$0	\$40,000	\$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

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**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: Central Louisiana Supports and Services Center (CLSSC)

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

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**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 5 NAME: Auxiliary

MEANS OF FINANCING:	CURRENT FY 2022-2023	REQUESTED ADJUSTMENT	REVISED FY 2022-2023	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027
GENERAL FUND BY:							
Direct	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$651,370	\$0	\$651,370	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MOF	\$651,370	\$0	\$651,370	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$154,302	\$0	\$154,302	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$82,677	\$0	\$82,677	\$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	\$414,391	\$0	\$414,391	\$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	\$651,370	\$0	\$651,370	\$0	\$0	\$0	\$0
POSITIONS							
Classified	4	0	4	0	0	0	0
Unclassified	0	0	0	0	0	0	0
TOTAL T.O. POSITIONS	4	0	4	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	4	0	4	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$651,370	\$0	\$651,370	\$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
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

A

**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 5 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

A

BA-7 QUESTIONNAIRE
QUESTIONNAIRE ANALYSIS

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

GENERAL PURPOSE

- 1 The purpose for this BA-7 is to provide for the use of American Rescue Plan Act (ARPA) of 2021 Part C of the Individuals with Disabilities Education Act (IDEA). IDEA authorize the assistance to States to support the provision of special education and related services to children with disabilities and the provision and coordination of early intervention services for infants and toddlers with disabilities and their families respectively.

REVENUES

- 2 **Federal Funds** - The funds must be used consistently with the current IDEA Part C statutory and regulatory requirements. IDEA Part C ARP funds may be used for any allowable purpose under Part C of the IDEA, including the direct provision of early intervention services to infants and toddlers with disabilities and their families, and implementing a statewide, comprehensive, coordinated, multidisciplinary, interagency system to provide early intervention services.

EXPENDITURES

- 9 **\$2,344,154** Other Charges
See attached Summary - Funds may be used for all allowable purposes under Part C of IDEA and are subject to all requirements and provisions that apply to IDEA funds, including requirements under IDEA.

ADDITIONAL INFORMATION

\$1M of this funding will provide support to providers who were impacted by reduced caseloads during the pandemic through support payments. During Covid, our providers had reduced caseloads when they could not make visits to families or families withdrew from the program. This one-time payment is to support those whose income was impacted by serving fewer children. Our data system has claims processing information that has been reviewed each month. Our data system contractor generated a report showing claims processed by provider. These funds from the USDOE are intended to mitigate the impact of COVID on our providers. The budget line items were approved by them in our application for Federal Funds.

OTHER

12. Additional information is available from the following agency contacts:

Mrs. Julie Foster-Hagan
Assistant Secretary
LDH, Office for Citizens with Dev.
Disabilities
Phone: 225.342.0095

Charles Ayles
Deputy Assistant Secretary 3
LDH, Office for Citizens with
Dev. Disabilities
Phone: 225.342.6822

A

Email: Julie.Hagan@LA.GOV

Email: Charles.Ayles@LA.GOV

Craig Gannuch
Program Manager 3 (Fiscal / Budget)
LDH, Office for Citizens with Dev.
Disabilities
Phone: 225.342.3418
Email: Craig.Gannuch@LA.GOV

BA-7 SUPPORT INFORMATION

Page ___ 1 ___

Agenda Item #3

Facility Planning and Control Agenda

DIVISION OF ADMINISTRATION
Facility Planning & Control

JOINT LEGISLATIVE COMMITTEE
ON THE
BUDGET

Briefing Book

FOR

March 2023

TABLE OF CONTENTS
JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
March 2023

Supplemental Funds Request	1
Interagency Transfer	
Food Innovation Center	
LSU Agricultural Center	
Louisiana State University	
Baton Rouge, Louisiana	
Project No.: 19-607-15-02, F.19002442	
Supplemental Funds Request	2
Fees and Self-Generated Funds	
J.K. Haynes Hall School of Nursing Renovation and Addition	
Planning and Construction	
Southern University, Baton Rouge	
Baton Rouge, Louisiana	
Project No.: 19-616-22-01	
Supplemental Appropriation	3
Center for Medical Education and Wellness	
LSU Health Sciences Center - Shreveport	
Caddo Parish	
Project No. 19-604S-15-01, F.19002219	
Supplemental Appropriation & Approval of a Change Order over \$100,000	4
Addition to Athletic Training & Meeting Facility Phase II	
Nicholls State University	
Thibodaux, Louisiana	
Project No. 19-621-14-02, F.19002328	
Reporting of Change Orders over \$50,000 and Under \$100,000	5
1) New 120 Bed Hospital	
Pinecrest Support and Services Center	
Central Louisiana State Hospital	
Pineville, Louisiana	
Project No. 09-340-12-01, Part 01 (F.09000040)	

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

February 22, 2023

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

**RE: Supplemental Funds Request
Interagency Transfer
Food Innovation Center
LSU Agricultural Center
Louisiana State University
Baton Rouge, Louisiana
Project No.: 19-607-15-02, F.19002442**

Dear Representative Zeringue:

Act 26 of the 2015 Regular Session authorized a total of \$3,500,000 in budget authority for the referenced project payable from Fees and Self-Generated Revenues. In addition, Louisiana State University (LSU) was able to secure \$1,500,000 in a federal EDA grant.

On behalf of LSU, Facility Planning and Control is requesting permission to supplement the project with additional budget authority from a federal EDA grant via Interagency Transfer in the amount of \$1,500,000.

Please place this item on the agenda for the next meeting of the committee.

Sincerely,



Mark A. Moses
Assistant Commissioner

Approved: _____


Jay Dardenne
Commissioner of Administration

CC: Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Mr. Bobby Boudreaux, 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. Summer Metoyer, House Fiscal Division
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division
Mr. James Pugh, FPC
Mr. Danny Mahaffey, LSU Office of Facility Services
Mr. Dale Fredrick, Director of Facilities Planning
Ms. Karen Campbell, Assistant Director / Architect

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

February 22, 2023

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

**RE: Supplemental Funds Request
Fees and Self-Generated Funds
J.K. Haynes Hall School of Nursing Renovation and Addition
Planning and Construction
Southern University, Baton Rouge
Baton Rouge, Louisiana
Project No.: 19-616-22-01**

Dear Representative Zeringue:

Act 117 of 2022 appropriated \$10,000,000 in Priority 5 funding for the subject project. Southern University is requesting to supplement the project with \$10,350,000 of Fees and Self-Generated Funds. The University also received \$1,000,000 in Act 592 of 2022 for this project, however budget authority is needed in order for Facility Planning and Control to receive the funds.

Therefore, Facility Planning and Control is requesting an increase in budget authority in the amount of \$11,350,000 in fees and self-generated funds and interagency transfers in order to proceed with the project.

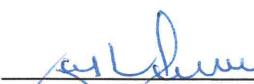
Please place this item on the agenda for the next meeting of the committee.

Sincerely,



Mark A. Moses
Assistant Commissioner

Approved: _____



Jay Dardenne
Commissioner of Administration

CC: Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Mr. Bobby Boudreaux, 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. Summer Metoyer, House Fiscal Division
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division
Mr. James Pugh, FPC
Mr. Ken Dawson, Southern University System

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2023

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

**RE: Supplemental Appropriation
Center for Medical Education and Wellness
LSU Health Sciences Center - Shreveport
Caddo Parish
Project No. 19-604S-15-01; WBS F.19002219**

Dear Representative Zeringue:

Act 117 of 2022 appropriated \$18,750,000 of Priority 1 and \$26,000,000 of Priority 5 General Obligation Bonds for the referenced project. A contract was issued to Lemoine under a Construction Management at Risk (CMAR) delivery method. The project is nearing completion during the early months of Fiscal Year 2023-2024 and additional funds are needed now in order to provide adequate cash flow for the project. In order to complete the project on the current schedule, we are requesting the approval of interest earnings to complete the work. If approved, the Priority 5 appropriation in the current Capital Outlay Act can be reduced by a like amount.

Therefore, in accordance with Section 5 of Act 117 of 2022, we request the Committee approve supplementing the project with \$3,800,000 of interest earnings.

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

Sincerely,



Mark A. Moses
Assistant Commissioner

Approved: _____



Jay Dardenne
Commissioner of Administration

CC: Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Mr. Bobby Boudreaux, 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. Summer Metoyer, House Fiscal Division
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division
Mr. Danny Mahaffey, LSU
Mr. Marc Gibson, LSUHSC-Shrvpt
Mr. James Pugh, FPC

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2023

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

**RE: Supplemental Appropriation & Approval of a Change Order over \$100,000
Addition to Athletic Training & Meeting Facility Phase II
Nicholls State University
Thibodaux, Louisiana
Project No. 19-621-14-02; WBS F.19002328**

Dear Representative Zeringue:

Act 117 of 2022 appropriated \$1,500,000 of General Fund (Direct) Non-Recurring Revenues to supplement existing appropriations for the referenced project. A contract was issued to TBT Contractors, Inc. of Louisiana in the amount of \$3,785,800 for Phase II of the project. The bids, inflated by supply chain cost escalation, came in high and the scope of the project was reduced from a full 100 yard covered practice field to a 75 yard covered field.

There is a need to advance the project now so that the structure will cover the entire field and avoid a future phase that will likely have increased costs. In order to proceed with construction in the current fiscal year, it is recommended that the appropriation be supplemented with interest earnings. Therefore, in accordance with Section 5 of Act 117 of 2022, we request the Committee approve supplementing the project with \$300,000 of interest earnings.

In addition, provided that the supplemental interest earnings are approved at this JLCB meeting, we respectfully request approval of a change order over \$100,000. To complete the cover over the field a change order in the amount of \$1,098,232 is required. Again, performing this work at a later date under a separate contract will likely result in overall increased costs.

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

Sincerely,

Mark A. Moses
Assistant Commissioner

Approved: _____

Jay Dardenne
Commissioner of Administration

CC: Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Mr. Bobby Boudreaux, 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. Summer Metoyer, House Fiscal Division
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division
Mr. Terry Braud, NSU
Ms. Danielle Breaux, NSU
Mr. David VanAlstine, FPC

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

February 24, 2023

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

**RE: Reporting of Change Orders over \$50,000 and Under \$100,000
New 120 Bed Hospital
Pinecrest Support and Services Center
Central Louisiana State Hospital
Pineville, Louisiana
Project No. 09-340-12-01, Part 01 (F.09000040)**

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 & Control has issued change orders which are itemized on the attached list.

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

Sincerely,

Handwritten signature of Mark A. Moses in blue ink.

Mark A. Moses
Assistant Commissioner

Approved: _____

Handwritten signature of Jay Dardenne in blue ink, written over a horizontal line.

Jay Dardenne

Commissioner of Administration

CC: Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Mr. Bobby Boudreaux, 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. Summer Metoyer, House Fiscal Division
Ms. Bobbie Hunter, Senate Fiscal Division
Ms. Debra Vivien, Senate Fiscal Division
Ms. Raynel Gascon, Senate Fiscal Division

**New 120 Bed Hospital
Pinecrest Support and Services Center
Central Louisiana State Hospital
Pineville, Louisiana
Project No. 09-340-12-01, Part 01 (F.09000040)
State ID No.: New and S068678, S06952, S06953, S06954
Site Code: 6-40-030**

Date of Contract: May 13, 2021

Original Contract Amount: \$32,389,000.00

Change by previous change orders:

Change Order No. 1:	\$56,052.00
Change Order No. 2:	\$31,139.00
Change Order No. 3:	\$46,469.00
Change Order No. 4:	\$47,738.00
Change Order No. 5:	\$46,152.00
Change Order No. 6:	\$79,299.00
Change Order No. 7:	\$43,824.00
Change Order No. 8:	\$82,075.00
Change Order No. 9:	\$92,625.00

Contract amount increased by change order 10: \$97,180.00

Contract amount increased by change order 11: \$95,183.00

Contract amount increased by change order 12: \$89,236.00

New Contract sum: \$33,195,972.00

Change Order No. 10 (executed December 12, 2022) increases the amount of the contract by \$97,180.00 to replace cast iron sanitary sewer line beneath Building D and associated demolition and repairs. This amount is covered by the project contingency.

Change Order No. 11 (executed January 3, 2023) increases the amount of the contract by \$95,183.00 to replace cast iron sanitary sewer line beneath Building E and associated demolition and repairs. This amount is covered by the project contingency.

Change Order No. 12 (executed February 3, 2023) increases the amount of the contract by \$89,236.00 to provide modifications to Buildings D & E ductwork, repairs to Pull Box 5, demolish and replace concrete walks and add card access at security gates. This amount is covered by the project contingency.

Agenda Item #4

Review and approval of amendment to software license and maintenance agreement between Louisiana Community and Technical College System (LCTCS) & Instructure, Inc.

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

TO: Louisiana Community and Technical College System
Joseph F. Marin
Vice President of Operations

FROM: Felicia M. Sonnier, CPPB
Deputy Director

DATE: January 25, 2023

RE: OSP Approval for JLCB
Amendment Number 1 to the Software License and Maintenance Agreement
between Louisiana Community and Technical College System and Instructure, Inc.
PST Log Number 20 04 012

The above referenced amendment has been reviewed by the Office of State Procurement (OSP). The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget (JLCB), contingent upon the recommended revisions being made to the Amendment Number 1 draft which is attached. Upon approval of the proposed term extension by JLCB, in accordance with La. R.S. 39:198.M., please return the "Agency Memo to OSP After JLCB Approval" with a copy of the approval.

The amendment will not receive final approval by OSP until it has been approved by JLCB.

If you should have any further questions/comments, please do not hesitate to contact me at (225) 342-8029 or at felicia.sonnier@la.gov.

Attachment(s)

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

AMENDMENT NUMBER 1
to the Software License and Maintenance Agreement
between LCTCSONline and Instructure, Inc.
PST Log #20 04 012

Be it known, that on the date of approval shown below, LCTCSONline and Instructure, Inc. located at 6330 South 3000 East, Suite 700, Salt Lake City, UT 84121 (hereinafter sometimes referred to as “Contractor” or “Instructure”) do hereby do hereby enter into this Amendment Number 1 to the Software License and Maintenance Agreement dated June 26, 2020, PST Log #20 04 012, under the following terms and conditions through the undersigned and duly authorized representatives of each respective party.

Change Term to read as follows:

The term of this Agreement begins on July 1, 2020 and will expire on June 30, 2025, unless otherwise terminated in accordance with the termination clauses in this Agreement.

All other terms and conditions of the Agreement remain the same. The original Agreement and all amendments constitute the entire Agreement between the State and the Contractor. Any other oral or written communications between the parties before or after its execution shall not alter its effects, unless the change or modification is in writing and signed by authorized representatives of the State and the Contractor. In the event of a conflict between the terms and conditions of the Agreement and this Amendment Number 1, the terms and conditions of this Amendment Number 1 shall prevail.

IN WITNESS WHEREOF, the parties have executed this Amendment Number 1 as of the approval date shown below.

Instructure, Inc.	Louisiana Community and Technical College System
Signature: 	Signature:  <small>Joseph Marin (Feb 1, 2023 13:54 CST)</small>
Name: Jeff Ebert	Name: Joseph Marin
Title: Director, Deal Desk & Pricing	Title: Vice President of Operations
Date: 02/01/2023	Date: 02/01/2023

Amendment for Instructure Contract 2023-2025 osp 01.25.2023

Final Audit Report

2023-02-01

Created:	2023-01-31
By:	Michele Nardini (mnardini@lctcs.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAAT-4Xh0UD1SVwher0pIK7YiwGVLfoNddj

"Amendment for Instructure Contract 2023-2025 osp 01.25.2023" History

-  Document created by Michele Nardini (mnardini@lctcs.edu)
2023-01-31 - 10:50:40 PM GMT- IP address: 76.165.120.2
-  Document emailed to Jeff Ebert (jebert@instructure.com) for signature
2023-01-31 - 10:52:38 PM GMT
-  Email viewed by Jeff Ebert (jebert@instructure.com)
2023-02-01 - 7:16:47 PM GMT- IP address: 66.249.84.83
-  Document e-signed by Jeff Ebert (jebert@instructure.com)
Signature Date: 2023-02-01 - 7:22:41 PM GMT - Time Source: server- IP address: 216.51.95.36
-  Document emailed to Joseph Marin (jmarin@lctcs.edu) for signature
2023-02-01 - 7:22:42 PM GMT
-  Email viewed by Joseph Marin (jmarin@lctcs.edu)
2023-02-01 - 7:53:57 PM GMT- IP address: 104.47.70.126
-  Document e-signed by Joseph Marin (jmarin@lctcs.edu)
Signature Date: 2023-02-01 - 7:54:05 PM GMT - Time Source: server- IP address: 76.165.120.2
-  Agreement completed.
2023-02-01 - 7:54:05 PM GMT

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

SOFTWARE LICENSE AND MAINTENANCE AGREEMENT
PST Log #20 04 012

This Software License and Maintenance Agreement ("Agreement") is entered into as of 1st day of July, 2020 ("Effective Day") by and between **Instructure, Inc.** located at 6330 South 3000 East, Suite 700, Salt Lake City, UT 84121 (hereinafter sometimes referred to as "Contractor" or "Instructure") and **LCTCOnline** located at 265 South Foster Drive, Baton Rouge, LA 70806 (hereinafter sometimes referred to as "Agency" or "State of Louisiana" or "Customer").

TERM:

The term of this Agreement begins on July 1, 2020 and will expire on June 30, 2023, unless otherwise terminated in accordance with the termination clauses in this Agreement. At the option of the State of Louisiana and acceptance of the Contractor, the Agreement may be extended for two (2) additional twelve (12) month periods at the prices, terms, and conditions outlined in Attachment A. Total agreement may not exceed sixty (60) months. Any extension to the initial term of this Agreement must be evidenced by an amendment to this Agreement signed by both parties.

Prior to the extension of the Agreement beyond the initial thirty-six (36) month 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 Agreement amendment to the Office of State Procurement ("OSP") to extend the Agreement terms beyond the initial thirty-six (36) month term. Total Agreement time may not exceed sixty (60) months.

APPLICABLE LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this Agreement shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

GRANT OF LICENSE:

Contractor will provide its learning management system software as a service through a URL within a hosted server environment (**Service**) as specified in **Attachment A**. **User** means a participant, instructor, or administrator of State's organization, who is authorized by the State to use the Service (and State has paid for this use) with login credentials.

API Access. Instructure provides access to its application-programming interface (**API**) as part of the Service for no additional fee. Subject to the other terms of this agreement, Instructure grants Customer a non-exclusive, nontransferable, revocable license to operate the API only for purposes of interfacing Customer's technology applications or services with the Service as allowed by the API's technical limitations and in accordance with the API Policy, as may be updated by Instructure from time to time. The Instructure **API Policy** is located at <http://www.instructure.com/policies/api-policy>

OWNERSHIP OF SOFTWARE:

Reservation of Rights by Instructure. The software, workflow processes, user interface, designs, know-how, API information, third party technology and other technologies provided by Instructure as part of the Service (except for "Customer Content") are the proprietary property of Instructure and its licensors, and all right, title and interest in and to such items, including all associated intellectual property rights, remain only with Instructure and its licensors. Instructure reserves all rights unless expressly granted in this agreement.

Feedback. With prior written consent from the State, Instructure may contact each User (no more than once each year) for the *sole purpose* of seeking feedback regarding performance of the Service and suggestions for improvements (such feedback will be stored in anonymous and aggregate form). Customer, and each User (to the extent Customer has such right), hereby grants Instructure an irrevocable, royalty-free perpetual license to use all feedback and suggestions regarding the Service.

OWNERSHIP OF RECORDS:

All records, reports, documents and other material delivered or transmitted to Contractor by the State shall remain the property of the State and shall be returned by Contractor to the State at Contractor's expense, at termination or expiration of this Agreement.

ATTACHMENTS:

The Attachments listed below are incorporated into and made a part of this Agreement:

- Attachment A – Description of Services and Price Schedule
- Attachment B – Service Order Form

SUPPORT PLAN:

Customer Support. Instructure must provide customer support for the Service under the terms of Instructure's Customer Support (**Support**), which are located at <http://www.instructure.com/policies/support-terms>. **Attachment A** outlines contractor's agreement to provide preventative maintenance, remedial maintenance, issue resolution procedures, help desk and on-site support, support hours and policies, priority and response schedule for customer support issues, updates, upgrades, etc.

Customer Owned Content. All information, data, results, plans, sketches, texts, files, links, images, photos, videos, audio files, notes, or other materials uploaded under Customer's User accounts in the Service remain the sole property of Customer, as between Instructure and Customer (**Customer Content**). Customer grants Instructure the worldwide, royalty-free right to use, publicly display, and distribute the Customer Content solely for purposes of performing its obligations under this agreement and providing and improving the Services. During the term of this agreement and for 3 months after expiration or termination, Customer may export the Customer Content through the API or by using the export feature within the Service. Instructure has no obligation to store the Customer Content 3 months after expiration or termination.

Customer Responsibilities. Customer (i) is solely responsible for Customer Content and all activities arising from its User accounts in the Service, (ii) must keep its passwords secure and confidential, and notify Instructure promptly of any known or suspected unauthorized access, and (iii) may use the Service only in accordance with applicable law and regulation.

Customer Restrictions. Customer may not, and will use reasonable means to ensure that each User does not,

- i. sell, resell, rent, or lease the Service or API;
- ii. reverse engineer the Service or the API;
- iii. remove or modify any proprietary marking or restrictive legends in the Service;
- iv. use the Service to store or transmit infringing, unsolicited marketing emails, libelous, obscene, deceptive, defamatory, pornographic, racist, sexual, hateful, or otherwise objectionable (except as necessary for Customer's instructional purposes, but in all cases in compliance with applicable law and regulation), unlawful or tortious material, or any other material in violation of a third-party right;
- v. use the Service to harm or impersonate any person, or for any commercial purpose (including accessing the Service to build a competitive service or product, or copy any feature, function or graphic for competitive purposes);
- vi. interfere with or disrupt the integrity or performance of the Service; or
- vii. attempt to gain unauthorized access to the Service or their related systems or networks.

Compliance with Laws. Each party represents and warrants to the other party that it will comply with all applicable laws and regulations (including all applicable export control laws and restrictions) with respect to its activities under this agreement. Instructure will implement all reasonable and typical administrative, technical, and physical safeguards to secure its facilities and systems from unauthorized access and to ensure the security of the Customer Confidential Information (defined below) and data. Instructure agrees to only use or disclose personal information records created or received from, by, or on behalf of Customer or its Users for the purposes of (a) providing and improving the Services and in accordance with the Instructure Privacy Policy, except that Instructure may create, use, and disclose de-identified and aggregated data based upon personal information records for its own purposes, (b) as permitted by this agreement, (c) as required by law or regulation, or (d) as authorized by Customer in writing. Notwithstanding the foregoing, Instructure may access, preserve, and disclose User's registration and any other information if required to do so based on a good faith belief that such access, preservation, or disclosure is necessary to: (i) enforce this agreement; (ii) respond to claims of a violation of the rights of third parties, whether or not the third party is a User, individual, or government agency; (iii) respond to customer service inquiries; or (iv) protect the rights, property, or personal safety of Instructure, other users or the public.

Warranty Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION, CONTRACTOR DISCLAIMS ALL WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT, AND

FITNESS FOR A PARTICULAR PURPOSE. CONTRACTOR DOES NOT WARRANT THAT THE SERVICE WILL BE UNINTERRUPTED OR BE ERROR-FREE.

INDEMNIFICATION AND LIMITATION OF LIABILITY:

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.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State from suits, actions, damages and costs of every name and description relating to personal injury and damage to 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 the State.

Contractor will indemnify, defend and hold the State 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 the State in any action for infringement of a United States Letter Patent with respect to the Products, Materials or Services furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State 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, the State may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) State's unauthorized modification or alteration of a Product, Material or Service; ii) State's use of the Service in combination with other products, materials, or services not furnished by Contractor; iii) State's use 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 shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the state's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non- infringing equipment of at least equal quality and performance; or (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 the State 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, shall be the greater of \$100,000, the dollar amount of

the Contract, or two (2) times the charges for services rendered within the preceding 12 months by the Contractor under the Agreement. 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.

The State 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 and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

CODE OF ETHICS:

The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Agreement. The Contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this Agreement.

WAIVER:

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.

HEADINGS:

Descriptive headings in this Agreement are for convenience only and shall not affect the construction of this Agreement or meaning of contractual language.

ASSIGNMENT:

No contractor shall 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 the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

CONTRACT CONTROVERSIES:

Any claim or controversy arising out of this Agreement shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673.

RIGHT TO AUDIT:

The State Legislative auditor, federal auditors and internal auditors of the State, or others so designated by the State, shall have the option to audit all accounts directly pertaining to this 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.

RECORD RETENTION:

The Contractor shall maintain all records in relation to this Agreement for a period of at least five (5) years after final payment.

CONTRACT MODIFICATIONS:

No amendment or modification of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

Changes to this Agreement include any change in a) compensation; b) beginning/ending date of this Agreement; c) scope of work; and/or d) contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Agreement.

SEVERABILITY:

If any term or condition of this Agreement, or the application thereof, is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Agreement are severable.

TERMINATION:

The State of Louisiana has the right to terminate this Agreement immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any Agreement with the State of Louisiana; (c) conflict of Agreement provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

TERMINATION FOR CONVENIENCE:

The State of Louisiana may terminate this Agreement for convenience at any time (1) by giving thirty (30) days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily. Both parties acknowledge and agree that in the event this Agreement is terminated no refunds shall be given for pre-paid fees.

TERMINATION FOR CAUSE:

The State may terminate this Agreement for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Agreement provided that the State 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 corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct such failure and thereafter proceeded

diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Agreement shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Agreement, provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the State to cure the defect.

TERMINATION FOR NON-APPROPRIATION OF FUNDS:

The continuation of this Agreement is contingent upon the appropriation of funds by the legislature to fulfill the requirements of this Agreement. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Agreement, 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 appropriation 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 the Agreement, the Agreement shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated. Both parties acknowledge and agree that no refunds shall be given for pre-paid fees.

SECURITY:

Contractor's personnel will comply with all security regulations in effect at the State's premises, the Information Security Policy at <http://www.doa.la.gov/Pages/ots/InformationSecurity.aspx> and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly. Contractor is responsible for promptly reporting to the State any known breach of security.

CONFIDENTIALITY:

The following provision will apply unless the State Agency specifically indicates that all information exchanged will be non-confidential:

All financial, statistical, personal, technical and other data and information relating to the State's operations which are designated confidential by the State and made available to the Contractor in order to carry out this Agreement or which becomes available to the Contractor in carrying out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Agreement, or is rightfully obtained from third parties.

COMPLIANCE WITH CIVIL RIGHTS LAWS:

The 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 as amended, the Federal 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 Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices and will 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.

PAYMENT:

The State shall pay Contractor in accordance with the Price Schedule set forth in Attachment A to this Agreement. Payments will be made by the State within thirty (30) days after receipt of a properly executed invoice, and approval by the State. Invoices shall include the agreement and order number, using department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

The Contractor shall invoice LCTCSONline directly and payment shall be made by LCTCSONline directly to the Contractor in accordance with the payment terms agreed to in this Agreement. The total maximum fee for services contained in this agreement shall not exceed **\$1,946,119.17 for the initial three (3) year term** of this agreement and shall not exceed a total of **\$3,412,156.12** for five (5) years if this agreement is extended for the maximum five (5) year term. The payment schedule for each year is detailed below and in **Attachment A**.

Year	Total Maximum Fees by Year
Year 1 (7/1/2020 – 6/30/2021)	\$617,186.98
Year 2 (7/1/2021 – 6/30/2022)	\$648,395.30
Year 3 (7/1/2022 – 6/30/2023)	\$680,536.89
Year 4 (7/1/2023 – 6/30/2024)	\$1,714,928.61
Year 5 (7/1/2024 – 6/30/2025)	\$1,751,108.34
Total	\$3,412,156.12

¹ The term of this agreement must be amended to extend the term beyond Year 3.

State must pay all fees as specified on the order, but if not specified then within 30 days of receipt of an invoice. State is responsible for the payment of all sales, use, VAT and other similar taxes. All orders are non-cancelable, and the fees are non-refundable (except as expressly provided herein).

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 in Attachment A.

LATE PAYMENTS:

Interest due by a State agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

FUND USE:

Contractor agrees not to use agreement proceeds 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.

USE OF AGENCY'S FACILITIES:

Any property of the State furnished to the Contractor shall be used only for the performance of this Agreement.

The Contractor shall be responsible for any loss or damage to property of the State and/or State Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or State Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State Agency all property of the State Agency prior to settlement upon completion, termination, or cancellation of this Agreement. All reference to the Contractor under this section shall include any of its employees, agents, or subcontractors.

WARRANTIES:

Contractor warrants that all services shall be performed in a workmanlike manner, and according to its current description contained in this Agreement.

No Surreptitious Code Warranty. Contractor warrants that Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in any software provided hereunder. "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. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

WARRANTY OF PERFORMANCE:

Service Availability Warranty. Instructure warrants to Customer, (i) that commercially reasonable efforts will be made to maintain the online availability of the Service for a minimum availability in a trailing 365-day period as provided below (excluding scheduled outages,

standard maintenance windows, force majeure, and outages that result from any technology issue originating from Customer or a User), (ii) the functionality or features of the Service may change but will not materially degrade during the Term, and (iii) that Support may change but will not materially degrade during the Term.

Annual Availability Warranty: 99.9% availability percentage

- If Customer has been using the Service for less than 365 days, the preceding 365 days will be used, but any days prior to Customer's use of the Service will be deemed to have had 100% availability.
- Any unavailability occurring prior to a successful credit claim cannot be used for any future claims.

A Customer is eligible for a service credit if the annual availability percentage drops below 99.9% for the preceding 365 days from the date of a service credit claim. The maximum amount of the credit is 1/12 of the annual subscription fee for a twelve (12) month period. This service credit is calculated by taking the number of hours that the Service was unavailable below the warranty and multiplying it by 3% of 1/12 the annual subscription fee. Customer's sole and exclusive remedy for breach of the warranty in this Section will be for Instructure to provide a credit as provided above; provided that Customer notifies Instructure in writing of such claim within the applicable month Customer becomes eligible or thirty (30) days after.

Third Party Links/Service Disclaimer. The Service may link to third party web sites (including without limitation, links provided by Users of the Service) or allow access to third-party services (including without limitation, turnitin.com and Google docs). Such sites and services are not under the control of Instructure, and Instructure is not responsible for the content or any link on such sites or for the temporary or permanent unavailability of such third-party sites or services.

EXTENT OF WARRANTY:

THESE WARRANTIES REPLACE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

ANTI-KICKBACK CLAUSE:

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee 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.

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.

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).

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.

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.

CONTRACTOR'S CERTIFICATION OF NO FEDERAL SUSPENSION OR DEBARMENT:

Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of this Agreement and debarment from future agreements.

Contractor, and each tier of Subcontractors, shall certify that it is not on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

CONTRACTOR'S COOPERATION/CLOSE-OUT:

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Agreement is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or to withhold State owned documents.

SECRETARY OF STATE REGISTRATION REQUIREMENT:

In accordance with Louisiana law, all corporations (see La. R.S. 12:262.1) and limited liability companies (see La. R.S. 12:1308.2) must be registered and in good standing with the Louisiana Secretary of State in order to hold a purchase order and/or a contract with the State.

PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL:

In accordance with La. R.S. 39:1602.1, for any contracts with a value of \$100,000 or more and for any Contractor with 5 or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

NOTICES:

All notices hereunder must be in writing and delivered by personal delivery, postage prepaid certified mail or nationally recognized delivery service, to the address beneath the name of each

respective party below. Such notice shall be effective when received as indicated by post office records. For the above purposes, the State's and Contractor's names and addresses are respectively:

State: Louisiana Community and Technical College System
265 S. Foster Dr.
Baton Rouge, LA 70806

Contractor: Instructure, Inc.
6330 South 3000 East
Suite 700
Salt Lake City, UT 84121

CONTRACTOR INSURANCE REQUIREMENTS:

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI. This rating requirement shall be waived for Workers' Compensation coverage only. The Contractor shall maintain for the duration of the agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

1. Scope and Limits of Insurance

a. Workers' Compensation

Before any work is commenced, the Contractor shall maintain during the life of the contract, Workers' Compensation insurance which shall comply with the Workers' Compensation laws of Louisiana and of the State of the Contractor's headquarters. Employers' Liability is included with a limit of \$500,000 per accident/per disease/per employee.

b. Commercial General Liability

The Contractors shall maintain during the life of the contract, such Commercial General Liability insurance, including Personal and Advertising Injury Liability, which shall have a limit per occurrence of \$1,000,000 and a general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

c. Automobile Liability

The Contractor shall maintain during the life of the contract, such Automobile Liability Insurance which shall have a combined single limit per occurrence of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned (if applicable), hired and non-owned automobiles.

d. **Professional Liability (Errors and Omissions) including Network and Privacy Security (“Cyber”)**

The Contractor shall maintain during the life of the contract, such Professional Liability insurance, which covers the professional errors, acts, or omissions of the Contractor and include first-party costs, due to an electronic breach that compromises the State’s confidential data shall have a minimum limit of \$4,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under the agreement. It shall provide coverage for the duration of the agreement and shall have an expiration date no later than thirty (30) calendar days after the anticipated completion of the agreement. The policy shall provide an optional extended reporting period of not less than twenty-four (24) months, from the expiration date of the policy.

2. Deductibles and Self-Insured Retentions

The Contractor shall be responsible for all deductibles and self-insured retentions.

3. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

a. **General Liability and Automobile Liability Coverage**

- i. The Department, its officers, agents, employees and volunteers shall include as an additional insured as regards negligence by the Contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Department.
- ii. The Contractor’s insurance shall be primary as respects the Department, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Department shall be excess and non-contributory of the Contractor’s insurance.
- iii. The Contractor’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

b. **Workers’ Compensation and Employers’ Liability Coverage**

The insurer shall agree to waive all rights of subrogation against the Department, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Department.

c. **All Coverage**

- i. Contractor shall endeavor to provide Department thirty (30) days notice in the event any coverage required under this agreement is canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits, ten (10)-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor’s policy.

- ii. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- iii. The insurance companies issuing the policies shall have no recourse against the Department for payment of premiums or for assessments under any form of the policies.
- iv. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Department, its officers, agents, employees and volunteers.

4. Acceptability of Insurers

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-: VI or higher**. This rating requirement may be waived for workers' compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the agreement.

5. Verification of Coverage

The Contractor shall furnish the Department with Certificates of insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Department before work commences and upon any agreement renewal thereafter.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, the contract, at the election of the Department, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the agreement.

6. Subcontractors

The Contractor shall include all subcontractors as insured under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Department reserves the right to request copies of subcontractor's Certificates at any time.

7. Workers' Compensation Indemnity

In the event Contractor is not required to provide or elects not to provide workers' compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State

of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers' Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent Contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this agreement.

RETURN OR DESTROY UPON TERMINATION:

Upon termination or expiration of this agreement for any reason, Customer must destroy or return all property belonging to Instructure. Customer will confirm this destruction or return requirement in writing upon request of Instructure.

SUSPENSION OF SERVICE AND REMOVAL OF STATE CONTENT FOR VIOLATIONS OF LAW OR POLICY:

Instructure may immediately suspend the Service and remove applicable Customer Content if it in good faith believes that, as part of using the Service, Customer and/or its Users may have violated a law or a restriction in this agreement. Where legally possible, Instructure shall endeavor to notify Customer in advance. In the event Instructure is required by law to remove an offending Customer Content immediately, Instructure will send notification to Customer and may remove such Content immediately after sending the notification.

SUBCONTRACTORS:

Notwithstanding anything to the contrary in this Agreement, Instructure is permitted to subcontract cloud-related infrastructure elements of the Services to third-parties to allow Instructure to fulfill its obligations under this Agreement (collectively, the "Cloud Providers").

SUBSTITUTION OF PERSONNEL:

If, during the term of this Agreement, the Contractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed by the Contractor.

MONEY DAMAGES INSUFFICIENT:

Each party acknowledges and agrees that any threatened or actual breach by a party of this Agreement or violation of the other party's intellectual property rights could cause irreparable injury or harm to the other party for which monetary damages would be an inadequate remedy. In such case, the other party may seek a court order, without the requirement of posting bond, to enjoin or otherwise stop any breach or avoid any future breach.

PUBLICITY:

The State agrees to act as a reference account that will, upon Contractor's reasonable request, provide Service-related comments to the press, potential investors, and current or prospective

customers and participate in Service-related case studies. The State agrees to issue joint press releases with Contractor regarding the Service, *as approved by Contractor*. The State agrees to allow Contractor to use its name, logo and non-competitive use details in both text and pictures in its various marketing communications and materials, in accordance with State's trademark guidelines and policies.

INDEPENDENT CONTRACTORS:

The parties are independent contractors with respect to each other.

NO ADDITIONAL TERMS:

Contractor rejects additional or conflicting terms of any State form-purchasing document.

SURVIVAL OF TERMS:

Any terms that by their nature survive termination or expiration of this Agreement, will survive.

FORCE MAJEURE:

Any delay in the performance of any duties or obligations of either party (except the payment of money owed) will not be considered a breach of this contract if such delay is caused by a labor dispute, shortage of materials, fire, earthquake, flood, or any other event beyond the control of such party.

COMPLETE AGREEMENT:

This is the complete Agreement between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this agreement. This Agreement is entered into with neither party relying on any statement or representation made by the other party not embodied in this Agreement and there are no other agreements or understanding changing or modifying the terms. This Agreement shall become effective upon final statutory approval.

IN WITNESS WHEREOF, the parties execute this Agreement as of the Effective Date. Each person who signs this Agreement below represents that such person is fully authorized to sign this Agreement on behalf of the applicable party.

Contractor: Instructure, Inc.	Agency: Louisiana Community and Technical College System
Signature: <i>Elizabeth Powell</i>	Signature: <i>Joseph F. Marin</i>
Name: Elizabeth Powell	Name: Joseph F. Marin
Title: Senior Manager, Deal Desk	Title: Chief Operations Officer
Date: Jun 24, 2020	Date: Jun 24, 2020

APPROVED
 DIVISION OF ADMINISTRATION
 OFFICE OF STATE PROCUREMENT
 LOG NO. *20 04 012*
 DATE: *June 26, 2020*
 BY: *Jelicia M. Sommer*
 STATE DIRECTOR OF PROCUREMENT

ATTACHMENT A

1) *Organizational Hierarchy*

Instructure replicates the organizational hierarchy of LCTCS by maintaining a single Canvas instance (root account). At this root account level, LCTCSOnline has central administrative control, data access, and reporting capabilities. Under that root account, Instructure provides a sub-account for each LCTCS member college. These sub-accounts enable each member college to maintain its own custom branding and style. Each college also retains local administrative and reporting capabilities within its sub-account.

Instructure meet with LCTCSOnline Project Manager on at least a quarterly basis to review the performance, maintenance, and uptime of the LCTCS Canvas account and to resolve any outstanding issues.

2) *Documentation - Included*

The Canvas Help Center—a freely available online documentation library, knowledgebase, and user community—can be accessed by clicking the Help button in the Canvas interface or directly at <http://help.instructure.com>.

The support resources of the Canvas Help Center are available 24/7/365 to administrators, faculty, and students. It contains links to Canvas Guides, video tutorials, FAQs, user-group specific help, discussion boards, release notes, and Canvas Communities sites, including Google Groups, Facebook, Listserv, Open Source, and client-specific communities.

All Canvas documentation is provided at no additional cost. The online Canvas Guides (<http://guides.instructure.com/>) are an extensive set of user and technical documentation and include Quickstart Guides for students and instructors. The Guides can be downloaded as PDF documents for hard copy printing and reproduction.

3) *Tier 1 Support for Instructors and Students and Premium Support Package – Not to Exceed \$1,026,410.50*

Instructure's support terms are located at <http://www.instructure.com/policies/support-terms>. Instructure employs an industry-standard, traditional three-tier technical support methodology for incident reporting, escalation, and resolution. Under Instructure's Support Packages, Tier I support is provided by the institution's LMS Administrator and Instructure's Support team provides Tier II and Tier III technical support. The Basic Support package is included in the Canvas subscription fee at no additional cost. Instructure also, however, offers optional Tier I Support that provides live 24/7/365 technical support for the institution's users. The table provides a comparison of the services offered in the support packages offered by Instructure.

Table 1. Canvas Support Packages

	Basic Support	Premium Support
Cost	Included in subscription fee	20% of annual subscription fee or \$2,500 minimum
Online Canvas Help Center	24/7/365	24/7/365
Email Support (escalated tickets to Tier II & III)	2-business day response time	8-hour response time
Toll-Free Phone Support for LMS Admin	M-F 6am to 6pm Local Time	24/7/365
Authorized LMS Admin Support Accounts ¹	1	3

¹ Additional LMS Administrator support accounts are available for \$500.00 per account per year.

To provide institutions with the highest level of support, Instructure highly recommends our optional Premium Support package and Tier I support. Client institutions that subscribe to the Premium Support package and Tier I Support consistently and enthusiastically report to us that they are extremely satisfied with the value, level of service, and cost-effectiveness of these services. We would be happy to provide additional references of client institutions that subscribe to the Premium and Tier I Support packages.

Tier I Support by Instructure’s Support team provides first-line help desk support to address and resolve user issues such as logging into Canvas, questions about Canvas features and functions, and resolving other operational problems.

The institution’s users can contact Instructure’s Tier I Support staff 24/7 through online ticket submission, chat, e-mail, or phone. The institution’s LMS administrator(s) have access to all user-submitted tickets and monthly usage reports. Instructure’s Tier I Support can be made accessible through the institution’s own branded support portal. The table below lists Tier I support service levels.

Table 2. Canvas Tier I Support Service Levels

Service	Service Level
First contact resolution	Greater than 75%
Call abandon rate	Less than 10%
Phone	80% of calls answered in 60 seconds or less
Online chat	80% of chat requests answered in 120 seconds or less
Online form – email & help desk ticket response	80% of tickets or emails responded to in 60 minutes or less

Instructure's support terms are located at <http://www.instructure.com/policies/support-terms>. Instructure Tier I Support requires the purchase of Premium Support as described in the table above as well as the subscription costs shown in the table below.

Table 3. Canvas Tier I Support Costs

Description	Term	Cost
Year 1 Tier I Support for Instructors and Students (38,511 x \$2.53)	7/1/2020 – 6/30/2021	\$97,432.83
Year 2 Tier I Support for Instructors and Students (38,511 x \$2.66)	7/1/2021 – 6/30/2022	\$102,439.26
Year 3 Tier I Support for Instructors and Students (38,511 x \$2.79)	7/1/2022 – 6/30/2023	\$107,445.69
Year 4 Tier I Support for Instructors and Students (38,511 x \$2.93)	7/1/2023 – 6/30/2024	\$112,837.23
Year 5 Tier I Support for Instructors and Students (38,511 x \$3.08)	7/1/2024 – 6/30/2025	\$118,613.88
Total Tier I Support for Instructors and Students (FTE Users)		\$538,768.89
Year 1 Tier I Support for Non-Traditional Users (750 x \$2.53)	7/1/2020 – 6/30/2021	\$1,897.50
Year 2 Tier I Support for Non-Traditional Users (750 x \$2.66)	7/1/2021 – 6/30/2022	\$1,995.00
Year 3 Tier I Support for Non-Traditional Users (750 x \$2.79)	7/1/2022 – 6/30/2023	\$2,092.50
Year 4 Tier I Support for Non-Traditional Users (750 x \$2.93)	7/1/2023 – 6/30/2024	\$2,197.50
Year 5 Tier I Support for Non-Traditional Users (750 x \$3.08)	7/1/2024 – 6/30/2025	\$2,310.00
Total Tier I Support for Non-Traditional Users¹		\$10,492.50
Total 5 Year Max Cost for Tier I Support		\$549,261.39

¹ The number of Non-Traditional Users is estimated at 750 per year. Any increase to the number of users will require an amendment to this agreement signed by both parties.

Non-Traditional User Definition

A Non-Traditional User is a user not included in the FTE definition above.

How Non-Traditional Users Will Be Determined Each Annual Term

For the initial annual term, the State will project the number of Non-Traditional Users. For each subsequent annual term, the actual number of Non-Traditional Users from the previous term in conjunction with any State projected increases will be used to determine the number of Non-Traditional Users for that upcoming annual term. The number of actual Non-Traditional Users will be calculated by the State and will be submitted annually to Contractor 30 days prior to the start of each annual term.

Table 4. Canvas Premium Support Package Costs

Description	Term	Cost
Year 1 Premium Support for all Users (20% of Subscription)	7/1/2020 – 6/30/2021	\$86,309.44
Year 2 Premium Support for all Users (20% of Subscription)	7/1/2021 – 6/30/2022	\$90,660.17
Year 3 Premium Support for all Users (20% of Subscription)	7/1/2022 – 6/30/2023	\$95,166.45
Year 4 Premium Support for all Users (20% of Subscription)	7/1/2023 – 6/30/2024	\$99,982.31
Year 5 Premium Support for all Users (20% of Subscription)	7/1/2024 – 6/30/2025	\$105,030.74
Total 5 Year Max Cost¹ for Premium Support		\$477,149.11

¹ The number of Non-Traditional Users is estimated at 750 per year. Any increase to the number of users will require an amendment to this contract signed by both parties.

4) Annual Software License and Maintenance – Not to Exceed \$2,385,745.62

The table below lists the key features and services included in the Canvas subscription fee.

Table 5. Canvas Subscription Inclusions Breakout

Canvas Subscription Inclusions	
Comprehensive and Complete Hosting Services	Synchronous/Asynchronous Learning Components
Communication Utilities	Migration Tools
Analytics/Reporting Tools	Test/Training Instance
Mobile Support and Apps	Basic Support Package
Content Management	Rubrics & Outcomes
Cross-Listing Support	ePortfolios
SpeedGrader™ and Gradebook	SIS Integration Support
500 MB Storage per User ^{1,2}	Web Conferencing
Analytics Toolset	Open API
Canvas Commons – Learning Object Repository (LOR)	Groups/Discussions/Social Media Tools/Chat

¹ Additional storage available at \$0.50 per 500 MB per user per year. Additional storage must be purchased in lots based on the institution's full user count.

² Any additional charge will require an amendment to this agreement signed by both parties.

Instructure’s comprehensive hosting services are included in the annual Canvas subscription fees at no additional cost. The table below lists key benefits and features of Instructure’s hosting services and support for Canvas.

Table 6. Instructure Hosting Services

Feature	Description
Comprehensive hosting services	Full system administration provided by Instructure—including performance monitoring, account management, and system maintenance—freeing up local institutional IT/IS resources
Native cloud service	Architected for the cloud; fully hosted, and managed on the infrastructure provided by Amazon Web Services with 99.9% guaranteed system availability
“Hands-Free” upgrade/update	Upgrades/updates are released on a regular schedule and typically deployed with no downtime incurred
Annual open security audits	Instructure contracts independent, third-party firms to conduct annual security audits of Canvas and publicly publishes the results
Backup and recovery	Data is automatically backed up daily on secure, geographically diverse servers
Disaster recovery	In case of emergency or disaster, data is recovered from backups that span multiple power grids and networks, with “offsite” backups in different geographical regions
Canvas Help Center	Web-based support and knowledgebase, including links to Canvas Guides, video tutorials, FAQs, user-groups, discussion board, and release notes
General forums	Instructure Announcements, Ask a Question, The Water Cooler
Product forums	Feature Requests, Feature Requests We’ve Implemented, Product Release Notes, What’s New in Canvas, Security Notices
Community Resources	Best Practice Webinar Topics (for vote), Best Practice Webinar Archive, Community Created Resources, InstructureCon Presentations, Extension & Integration Library
Incident reporting and tracking	Incidents reported via the integrated Help Tool, Canvas Help Center, email, and phone are tracked using Zendesk, a web-based help desk / support ticket system. Users can track their own reported incidents.
Online Standard Training Package	Includes LMS Administrator, Support, and Instructor/User training webinars
Optional training offerings	Includes high-level course topics that can be delivered online or onsite including the Course Design Workshop, Migrating to Canvas Workshop, Training Strategies Workshop, Collaboration Workshop, and customized training tailored to the institution’s specific training needs
Professional Services	Comprehensive deployment management and custom tool development can be engaged at additional cost

Contractor agrees to provide the following pricing to the State for the duration of the Agreement.

Table 7. Canvas Cloud Subscription Costs

Description	Due Date	Cost
Year 1 Subscription Cost for FTE Users (38,511 x \$11.11)	7/1/2020 – 6/30/2021	\$427,857.21
Year 2 Subscription Cost for FTE Users (38,511 x \$11.67)	7/1/2021 – 6/30/2022	\$449,423.37
Year 3 Subscription Cost for FTE Users (38,511 x \$12.25)	7/1/2022 – 6/30/2023	\$471,759.75
Year 4 Subscription Cost for FTE Users (38,511 x \$12.87)	7/1/2023 – 6/30/2024	\$495,636.57
Year 5 Subscription Cost for FTE Users (38,511 x \$13.52)	7/1/2024 – 6/30/2025	\$520,668.72
Total Subscription Costs for FTE Users		\$2,365,345.62
Year 1 Subscription Cost for Non-Traditional Users (750 x \$4.92)	7/1/2020 – 6/30/2021	\$3,690.00
Year 2 Subscription Cost for Non-Traditional Users (750 x \$5.17)	7/1/2021 – 6/30/2022	\$3,877.50
Year 3 Subscription Cost for Non-Traditional Users (750 x \$5.43)	7/1/2022 – 6/30/2023	\$4,072.50
Year 4 Subscription Cost for Non-Traditional Users (750 x \$5.70)	7/1/2023 – 6/30/2024	\$4,275.00
Year 5 Subscription Cost for Non-Traditional Users (750 x \$5.98)	7/1/2024 – 6/30/2025	\$4,485.00
Total Subscription Costs for Non-Traditional Users¹		\$20,400.00
Total 5 Year Max Subscription Costs		\$2,385,745.62

¹ The number of Non-Traditional Users is estimated at 750 per year. Any increase to the number of users will require an amendment to this contract signed by both parties.

Non-Traditional User Definition

A Non-Traditional User is a user not included in the FTE definition above.

How Non-Traditional Users Will Be Determined Each Annual Term

For the initial annual term, the State will project the number of Non-Traditional Users. For each subsequent annual term, the actual number of Non-Traditional Users from the previous term in conjunction with any State projected increases will be used to determine the number of Non-Traditional Users for that upcoming annual term. The number of actual Non-Traditional Users will be calculated by the State and will be submitted annually to Contractor 30 days prior to the start of each annual term.

ATTACHMENT B
INSTRUCTURE SERVICES ORDER FORM



.Services Order Form

Order #: Q-89675-7
Date: 6/23/2020
Offer Valid Through: 6/30/2020

6330 South 3000 East, Suite 700, Salt Lake City, UT 84121, United States

Order Form For Louisiana Community and Technical College System

Address: 265 S. Foster Dr.
City: Baton Rouge
State/Province: Louisiana
Zip/Postal Code: 70806
Country: United States

Order Information
Billing Frequency: Annual Upfront
Payment Terms: Net 30

Billing Contact

Name: Jessica Gay
Email: jgay@lctcs.edu lctcsaccountspayable@lctcs.edu
Phone: 225-308-4383

Primary Contact

Name: Melissa LaCour
Email: melissalacour@lctcs.edu
Phone: (225) 308-4402

Year 1

Description	Start Date	End Date	Metric	Qty	Price	Amount
Canvas Cloud Subscription	7/1/2020	6/30/2021	FTE	38,511	USD 11.11	USD 427,857.21
Canvas Cloud Subscription	7/1/2020	6/30/2021	User	750	USD 4.92	USD 3,690.00
24x7 Support	7/1/2020	6/30/2021	20% of Subscription (Minimums Apply)	1	USD 86,309.44	USD 86,309.44
Tier 1 Support	7/1/2020	6/30/2021	FTE	38,511	USD 2.53	USD 97,432.83
Tier 1 Support	7/1/2020	6/30/2021	User	750	USD 2.53	USD 1,897.50
Recurring Sub-Total						USD 617,186.98
Year 1 Total						USD 617,186.98

Year 2

Description	Start Date	End Date	Metric	Qty	Price	Amount
Canvas Cloud Subscription	7/1/2021	6/30/2022	FTE	38,511	USD 11.67	USD 449,423.37
Canvas Cloud Subscription	7/1/2021	6/30/2022	User	750	USD 5.17	USD 3,877.50

Description	Start Date	End Date	Metric	Qty	Price	Amount
24x7 Support	7/1/2021	6/30/2022	20% of Subscription (Minimums Apply)	1	USD 90,660.17	USD 90,660.17
Tier 1 Support	7/1/2021	6/30/2022	FTE	38,511	USD 2.66	USD 102,439.26
Tier 1 Support	7/1/2021	6/30/2022	User	750	USD 2.66	USD 1,995.00
Recurring Sub-Total						USD 648,395.30
Year 2 Total						USD 648,395.30

Year 3

Description	Start Date	End Date	Metric	Qty	Price	Amount
Canvas Cloud Subscription	7/1/2022	6/30/2023	FTE	38,511	USD 12.25	USD 471,759.75
Canvas Cloud Subscription	7/1/2022	6/30/2023	User	750	USD 5.43	USD 4,072.50
24x7 Support	7/1/2022	6/30/2023	20% of Subscription (Minimums Apply)	1	USD 95,166.45	USD 95,166.45
Tier 1 Support	7/1/2022	6/30/2023	FTE	38,511	USD 2.79	USD 107,445.69
Tier 1 Support	7/1/2022	6/30/2023	User	750	USD 2.79	USD 2,092.50
Recurring Sub-Total						USD 680,536.89
Year 3 Total						USD 680,536.89

Year 4

Description	Start Date	End Date	Metric	Qty	Price	Amount
Canvas Cloud Subscription	7/1/2023	6/30/2024	FTE	38,511	USD 12.87	USD 495,636.57
Canvas Cloud Subscription	7/1/2023	6/30/2024	User	750	USD 5.70	USD 4,275.00
24x7 Support	7/1/2023	6/30/2024	20% of Subscription (Minimums Apply)	1	USD 99,982.31	USD 99,982.31
Tier 1 Support	7/1/2023	6/30/2024	FTE	38,511	USD 2.93	USD 112,837.23
Tier 1 Support	7/1/2023	6/30/2024	User	750	USD 2.93	USD 2,197.50
Recurring Sub-Total						USD 714,928.61
Year 4 Total						USD 714,928.61

Year 5

Description	Start Date	End Date	Metric	Qty	Price	Amount
Canvas Cloud Subscription	7/1/2024	6/30/2025	FTE	38,511	USD 13.52	USD 520,668.72
Canvas Cloud Subscription	7/1/2024	6/30/2025	User	750	USD 5.98	USD 4,485.00

Description	Start Date	End Date	Metric	Qty	Price	Amount
24x7 Support	7/1/2024	6/30/2025	20% of Subscription (Minimums Apply)	1	USD 105,030.74	USD 105,030.74
Tier 1 Support	7/1/2024	6/30/2025	FTE	38,511	USD 3.08	USD 118,613.88
Tier 1 Support	7/1/2024	6/30/2025	User	750	USD 3.08	USD 2,310.00
Recurring Sub-Total						USD 751,108.34
Year 5 Total						USD 751,108.34
Grand Total:						USD 3,412,156.12

Deliverable	Description	Expiration
Canvas Cloud Subscription	FTE Metric is measured by the number of full-time equivalent students in accordance with the definition published by the Integrated Postsecondary Education Data System.	N/A
Canvas Cloud Subscription	User Metric reflects the maximum number of individuals authorized by the Customer to access and/or use the Service and Customer has paid for such access and/or use.	N/A
24x7 Support	24x7 support per year (20% of subscription - minimums apply)	N/A
Tier 1 Support	Tier 1 Support per user (minimums apply)	N/A
Tier 1 Support	Tier 1 Support per user (minimums apply)	N/A

The items above must be completed during the time period beginning on the later of the Effective Date or the initial Start Date specified in this Order Form and ending pursuant to the time frame set forth in the Expiration column above.

Metric	Description
FTE	FTE Metric is measured by the number of full-time equivalent students in accordance with the definition published by the Integrated Postsecondary Education Data System.

Product	Description
Canvas Cloud Subscription	Storage included in the annual subscription fee is (i) Unlimited files and database storage, and (ii) 500 MB per (FTE/User/Enrollment/Seat) multimedia storage. Additional multimedia storage can be purchased for USD \$1.00 per 1GB per year.

Duration: Instructure may begin providing the services on the later of: (i) ninety (90) days prior to the earliest start date; or (ii) the date of the last signature on this Order Form ("Effective Date"). Notwithstanding the foregoing, any third-party content purchased under this order form will be made available on the applicable start date listed above.

Miscellaneous: Instructure's support terms are available as follows:
 Canvas & Catalog: <https://www.canvaslms.com/policies/support-terms>
 Bridge: <https://www.getbridge.com/support-terms>
 Portfolium: <https://portfolium.com/support-terms>
 MasteryConnect: <https://www.masteryconnect.com/support/>

As part of our commitment to provide the most innovative and trusted products in the industry, at times we must increase our renewal rates to cover additional expenses associated with advancing our products. If you have concerns with any increases, please reach out to your account representative.

Notes

The pricing offered does not exceed the published pricing as of the date of this contract, which is \$27.60.

Billing Frequency Term:

Non-Recurring items will be invoiced upon signing. Recurring items will be invoiced 30 days prior to the annual start date.

PURCHASE ORDER INFORMATION	TAX INFORMATION
Is a Purchase Order required for the purchase or payment of the products on this order form?	Check here if your company is tax exempt: <u>X yes tax exempt</u>
Please Enter (Yes or No): <u>No</u>	<i>Please email any/all exemption certifications to ar@instructure.com.</i>
If yes, please enter PO Number: _____	

By executing this Order Form, each party agrees to be legally bound by this Order Form and the applicable terms and conditions.

Louisiana Community and Technical College System

Signature: <u>Joseph F. Marin</u>
Name: <u>Joseph F. Marin</u>
Title: <u>Chief Operations Officer</u>
Date: <u>Jun 24, 2020</u>

Instructure, Inc.

Signature: <u>Elizabeth Powell</u>
Name: <u>Elizabeth Powell</u>
Title: <u>Senior Manager, Deal Desk</u>
Date: <u>Jun 24, 2020</u>

Contract LCTCS_Instructure 07012020_06302025

Final Audit Report

2020-06-24

Created:	2020-06-23
By:	Michele Nardini (mnardini@lctcs.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAAyT9hNCw8aDeZyn5ht5DNqPsb6t0vddE

"Contract LCTCS_Instructure 07012020_06302025" History

-  Document created by Michele Nardini (mnardini@lctcs.edu)
2020-06-23 - 6:30:27 PM GMT- IP address: 68.105.159.41
-  Document emailed to Elizabeth Powell (epowell@instructure.com) for signature
2020-06-23 - 6:32:44 PM GMT
-  Email viewed by Elizabeth Powell (epowell@instructure.com)
2020-06-24 - 5:54:05 AM GMT- IP address: 74.125.212.43
-  Document e-signed by Elizabeth Powell (epowell@instructure.com)
Signature Date: 2020-06-24 - 9:22:44 PM GMT - Time Source: server- IP address: 73.20.85.91
-  Document emailed to Joseph Marin (jmarin@lctcs.edu) for signature
2020-06-24 - 9:22:46 PM GMT
-  Email viewed by Joseph Marin (jmarin@lctcs.edu)
2020-06-24 - 9:46:57 PM GMT- IP address: 24.254.48.159
-  Document e-signed by Joseph Marin (jmarin@lctcs.edu)
Signature Date: 2020-06-24 - 9:47:21 PM GMT - Time Source: server- IP address: 24.254.48.159
-  Signed document emailed to Joseph Marin (jmarin@lctcs.edu), Michele Nardini (mnardini@lctcs.edu), cdowns@instructure.com, renewals@instructure.com, and 4 more
2020-06-24 - 9:47:21 PM GMT



Adobe Sign

Agenda Item #5

Review and approval of
the Fiscal Year 2023-
2024 operating budget for
the Louisiana
Lottery Corporation



February 28, 2023

Representative Jerome Zeringue
House Appropriations Committee
Joint Legislative Committee on the Budget
State Capitol, 11th Floor,
Room 1116
Baton Rouge, LA 70804

Dear Representative Zeringue:

L.S.A.-R.S. 47:9010 (A) (7) states that not later than thirty days before the beginning of each regular session of the legislature, the president of the Louisiana Lottery Corporation (Corporation) shall submit the proposed annual budget of the corporation and the projected net proceeds to the Joint Legislative Committee on the Budget for review and approval.

Please find enclosed five (5) copies of the Corporation's budget for the fiscal year ending (FYE) June 30, 2024, that was approved by the Corporation's Board of Directors at their February 24, 2023, meeting. The attached document contains a brief message outlining the budget process, including a summary of the projections for the FYE 2024. The budget is presented in an income statement format followed by the supporting schedules. A narrative explanation of the budget line items completes the package.

The purpose of this budget is to provide a spending plan for the operating expenses of the Corporation from self-generated revenue. No dollars are appropriated for these expenditures. Transfers to the state will be dependent on the actual revenue generated, while the operating expenses will remain as budgeted.

While consumer buying patterns returned to normal after the pandemic restrictions were lifted, sales for FYE 2022 reached \$582.9 million. With three large jackpots greater than \$1.2 billion so far this fiscal year and continued growth in the scratch off tickets, sales for FYE 2023 are projected to reach a record \$633.6 million.

Several factors impact our projections for the budget year. We are continuing our strategy of higher prize payouts for our scratch off tickets. As a result, the proposed budget for scratch off sales is higher than the current year estimate. Since we are not able to predict the number or the size of the large jackpots in any twelve month span of time, our sales estimate for the Powerball and Mega Millions games is lower than the current fiscal year projection. Total sales are projected to reach \$610 million for FYE 2024, with transfers to the state estimated to total \$191.5 million.

The Louisiana Lottery Corporation continues to strive to adhere to our mission statement to generate maximum revenues for the State of Louisiana while upholding the highest standards of integrity and public trust. Since the Lottery's inception in September 1991 through our projections for the fiscal year ending June 30, 2023, total revenue will exceed \$12.8 billion and the related transfers to the state will total \$4.50 billion.

If you have any questions, please contact me at 225-297-2004.

Sincerely,


Rose J. Hudson
Enclosures



LOUISIANA LOTTERY CORPORATION

FINANCIAL PLAN

FOR THE FISCAL YEAR ENDING JUNE 30, 2024



February 24, 2023

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, 2024 reflects this commitment.

Sales have been exceptional for the two multi-state games, Powerball and Mega Millions, offered in Louisiana for the current fiscal year because of higher jackpot levels. The Powerball jackpot was over \$2 billion in November 2022. The Mega Millions game had jackpots of approximately \$1.3 billion twice during the fiscal year in July 2022 and January 2023. Total projected sales of \$633.6 million will exceed the Corporation's previous record of \$625 million in the fiscal year ending June 30, 2021. Of course, we cannot predict the level and timing of large jackpot levels for these games, especially for the twelve-month time span of a fiscal year. Therefore, budgeted sales for fiscal year 2024 are more conservative than current year projected amounts.

Total revenue and transfers to the state treasury for the fiscal year ended June 30, 2022 were \$581.3 million and \$191.2 million, respectively. Total revenue for the current 2023 fiscal year is projected at a record \$635.2 million and is budgeted for the 2024 fiscal year at \$611.3 million. These estimates result in projected transfers to the state for FYE June 30, 2023 of \$204 million and budgeted transfers of \$191.5 million for FYE June 30, 2024.

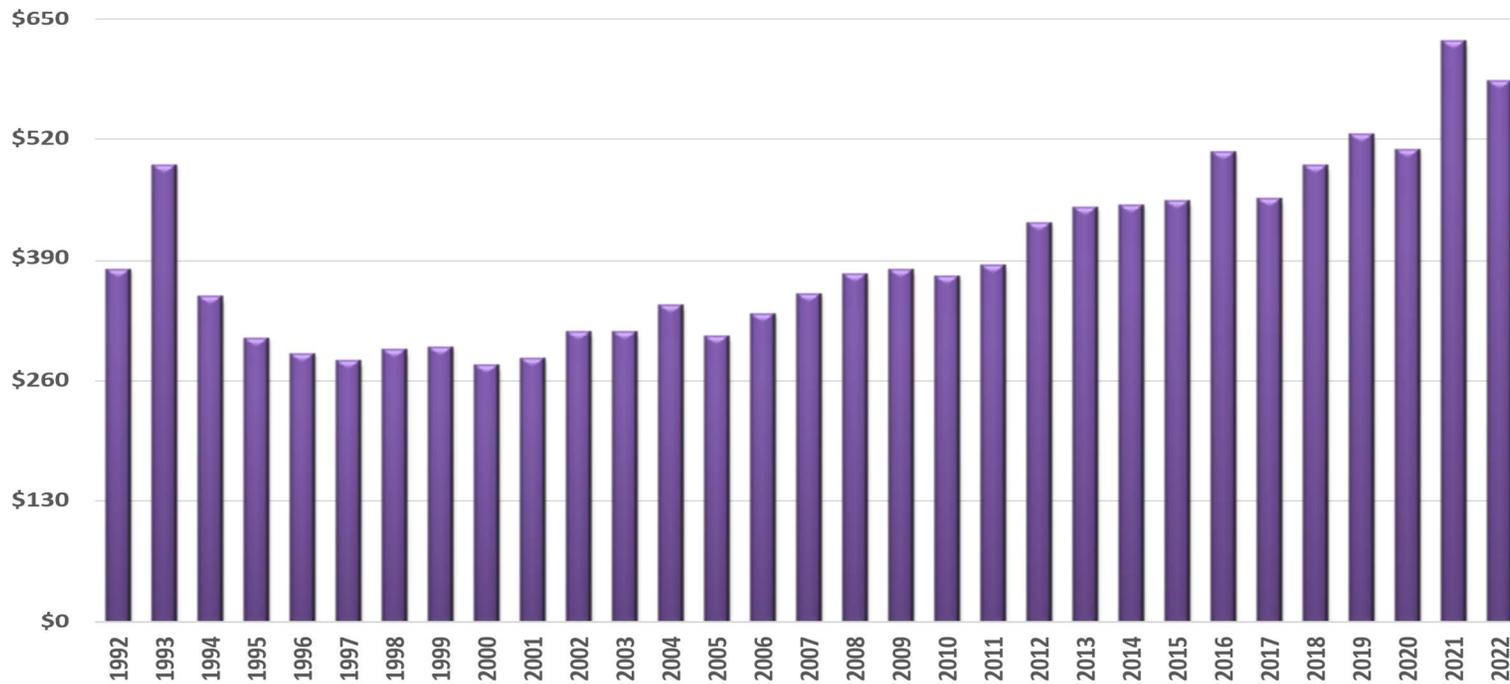
The operating budget is focused on the funding of prize structures for our games, providing steady and adequate compensation to our retailers, supporting our games and our retailers through advertising and marketing programs, operating efficiently, maintaining competitive salaries and benefits for our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

The estimated revenue, expenses, and transfer to the state result in a balanced budget for your review and approval.

Graphical presentations of historical Lottery sales and transfers to the state are presented below for informational purposes.

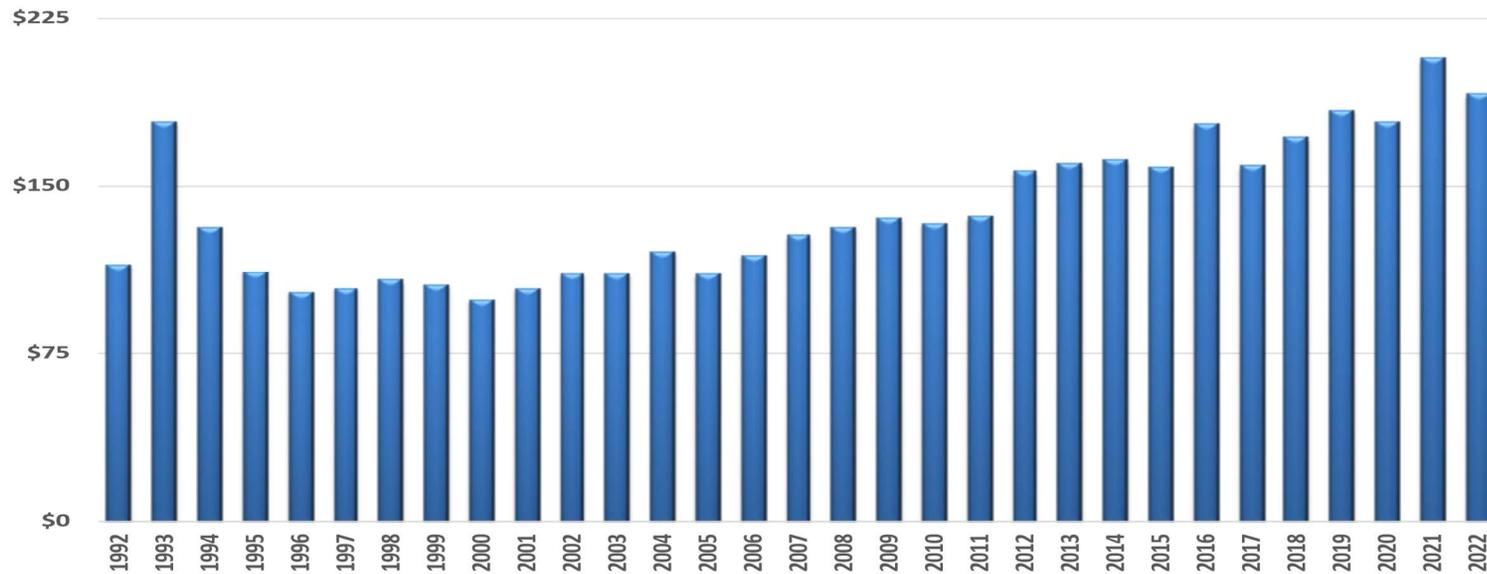
History of Total Sales

(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, 2024**

TABLE OF CONTENTS

Income Statement	1
Summary of Means of Financing, Expenditures and Fund Balance	5
Specified Uses of Retained Earnings (Net Position)	8
Schedule of Salaries and Benefits	9
Schedule of Operating Expenses	10
Schedule of Other Charges	13
Compensation of Board Members	14
Detail of Professional Service Contracts	15
Schedule of Acquisitions	16
Personnel Table	18
Budget Explanations	23
Summary of Capital Expenditure Requests	33

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

	<u>6/30/2022</u>	<u>% of Revenue</u>	<u>Projected 6/30/2023</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2024</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Revenue							
Ticket Sales							
Instant							
Instant- Scratch-Off	\$292,763,765	50.36%	\$306,800,000	48.30%	\$315,000,000	51.53%	\$8,200,000
Instant- Fastplay	20,097,752	3.46%	16,700,000	2.63%	17,000,000	2.78%	300,000
Total Instant	<u>312,861,517</u>	<u>53.82%</u>	<u>323,500,000</u>	<u>50.93%</u>	<u>332,000,000</u>	<u>54.31%</u>	<u>8,500,000</u>
Draw-Style							
<i>Jackpot Games</i>							
Powerball	68,347,423	11.76%	83,700,000	13.18%	64,000,000	10.47%	(19,700,000)
Mega Millions	31,648,247	5.44%	61,600,000	9.70%	45,000,000	7.36%	(16,600,000)
Lotto	21,986,006	3.78%	23,400,000	3.68%	24,000,000	3.93%	600,000
Easy 5	9,162,863	1.58%	8,400,000	1.32%	8,500,000	1.39%	100,000
<i>Daily Games</i>							
Pick 3	70,091,620	12.06%	66,700,000	10.50%	68,000,000	11.12%	1,300,000
Pick 4	58,331,284	10.03%	55,200,000	8.69%	57,000,000	9.33%	1,800,000
Pick 5	10,499,241	1.81%	11,100,000	1.75%	11,500,000	1.88%	400,000
Total Draw-Style	<u>270,066,684</u>	<u>46.46%</u>	<u>310,100,000</u>	<u>48.82%</u>	<u>278,000,000</u>	<u>45.48%</u>	<u>(32,100,000)</u>
Total Ticket Sales	<u>582,928,201</u>	<u>100.27%</u>	<u>633,600,000</u>	<u>99.76%</u>	<u>610,000,000</u>	<u>99.79%</u>	<u>(23,600,000)</u>
Other Revenue							
Interest Income	751,224	0.13%	1,538,000	0.24%	1,245,000	0.20%	(293,000)
Net (Decr.) Incr. In Fair Value	(2,531,537)	-0.44%	0	0.00%	0	0.00%	0
Retailer License Fees	6,575	0.00%	10,000	0.00%	10,000	0.00%	0
Retailer Security Deposits	2,630	0.00%	0	0.00%	0	0.00%	0
Miscellaneous Revenue	120,372	0.02%	0	0.00%	0	0.00%	0
Gain-Asset Disposals	53,489	0.01%	0	0.00%	0	0.00%	0
Total Other Revenue	<u>(1,597,247)</u>	<u>-0.27%</u>	<u>1,548,000</u>	<u>0.24%</u>	<u>1,255,000</u>	<u>0.21%</u>	<u>(293,000)</u>
Total Revenue	<u>\$581,330,954</u>	<u>100.00%</u>	<u>\$635,148,000</u>	<u>100.00%</u>	<u>\$611,255,000</u>	<u>100.00%</u>	<u>(\$23,893,000)</u>

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts

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

	<u>6/30/2022</u>	<u>% of Revenue</u>	<u>Projected 6/30/2023</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2024</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Expenses							
Prize Expense							
Instant- Scratch-Off	\$180,069,232	30.98%	\$196,352,000	30.91%	\$201,600,000	32.98%	\$5,248,000
Instant- Fastplay	13,793,932	2.37%	11,440,000	1.80%	11,730,000	1.92%	290,000
Draw-Style	<u>134,553,455</u>	<u>23.15%</u>	<u>154,900,000</u>	<u>24.39%</u>	<u>138,765,000</u>	<u>22.70%</u>	<u>(16,135,000)</u>
Total Prize Expense	<u>328,416,619</u>	<u>56.49%</u>	<u>362,692,000</u>	<u>57.10%</u>	<u>352,095,000</u>	<u>57.60%</u>	<u>(10,597,000)</u>
Retailer Compensation	<u>32,945,155</u>	<u>5.67%</u>	<u>36,115,000</u>	<u>5.69%</u>	<u>34,770,000</u>	<u>5.69%</u>	<u>(1,345,000)</u>
Operating Expenses							
Direct Expenses							
Lottery System Vendor Fees	4,731,397	0.81%	5,831,000	0.92%	4,985,000	0.82%	(846,000)
Cost of Scratch-Off Tickets	3,457,697	0.59%	3,664,000	0.58%	3,758,000	0.61%	94,000
Courier Service	<u>1,088,713</u>	<u>0.19%</u>	<u>1,227,000</u>	<u>0.19%</u>	<u>1,418,000</u>	<u>0.23%</u>	<u>191,000</u>
Total Direct Expenses	<u>\$9,277,807</u>	<u>1.60%</u>	<u>\$10,722,000</u>	<u>1.69%</u>	<u>\$10,161,000</u>	<u>1.66%</u>	<u>(\$561,000)</u>

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

	<u>6/30/2022</u>	<u>% of Revenue</u>	<u>Projected 6/30/2023</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2024</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
General Operating Expenses							
Advertising	\$6,997,979	1.20%	\$7,250,000	1.14%	\$7,250,000	1.19%	\$0
Contract Labor	256,820	0.04%	270,000	0.04%	270,000	0.04%	0
Depreciation	359,192	0.06%	400,000	0.06%	400,000	0.07%	0
Equipment Lease	46,309	0.01%	45,000	0.01%	45,000	0.01%	0
Insurance	774,018	0.13%	875,000	0.14%	1,006,000	0.16%	131,000
Postage	28,792	0.00%	40,000	0.01%	40,000	0.01%	0
Professional Fees (page 15)	347,305	0.06%	489,000	0.08%	583,000	0.10%	94,000
Lease Amortization	274,814	0.05%	407,000	0.06%	513,000	0.08%	106,000
Repairs & Maintenance	333,256	0.06%	414,000	0.07%	419,000	0.07%	5,000
Salaries and Benefits (page 9)	8,958,607	1.54%	9,576,000	1.51%	10,172,000	1.66%	596,000
Supplies (page 12)	362,626	0.06%	468,000	0.07%	468,000	0.08%	0
Communications Network	94,745	0.02%	110,000	0.02%	110,000	0.02%	0
Telephone	102,997	0.02%	110,000	0.02%	110,000	0.02%	0
Information Technology	302,839	0.05%	305,000	0.05%	305,000	0.05%	0
Multi-State Lottery	24,128	0.00%	65,000	0.01%	65,000	0.01%	0
Travel (page 10)	27,312	0.00%	75,000	0.01%	100,000	0.02%	25,000
Uncollectible Accounts	55,798	0.01%	50,000	0.01%	50,000	0.01%	0
Utilities	163,707	0.03%	175,000	0.03%	175,000	0.03%	0
Other General & Admin. (page 4)	360,931	0.06%	429,000	0.07%	679,000	0.11%	250,000
Total Gen Operating Expenses	<u>19,872,175</u>	<u>3.42%</u>	<u>21,553,000</u>	<u>3.39%</u>	<u>22,760,000</u>	<u>3.72%</u>	<u>1,207,000</u>
Total All Operating Expenses	<u>29,149,982</u>	<u>5.01%</u>	<u>32,275,000</u>	<u>5.08%</u>	<u>32,921,000</u>	<u>5.39%</u>	<u>646,000</u>
Net Income	190,819,198	32.82%	204,066,000	32.13%	191,469,000	31.32%	(12,597,000)
Payments to State Treasury	191,200,000	32.89%	204,066,000	32.13%	191,469,000	31.32%	(12,597,000)
(Decrease) Increase in Retained Earnings	<u>(\$380,802)</u>	<u>-0.07%</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$0</u>

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

	<u>6/30/2022</u>	<u>% of Revenue</u>	<u>Projected 6/30/2023</u>	<u>% of Revenue</u>	<u>Budgeted 6/30/2024</u>	<u>% of Revenue</u>	<u>*Variance Increase (Decrease)</u>
Other General & Administrative Supporting Detail							
Bank Charges	\$115,356	0.02%	\$114,000	0.02%	\$114,000	0.02%	\$0
Dues & Subscriptions	42,542	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	4,680	0.00%	1,000	0.00%	1,000	0.00%	0
Employee Training	5,893	0.00%	20,000	0.00%	20,000	0.00%	0
Seminars	24,082	0.00%	40,000	0.01%	40,000	0.01%	0
Services Purchased	168,111	0.03%	202,000	0.03%	452,000	0.07%	250,000
Taxes & Licenses	890	0.00%	0	0.00%	0	0.00%	0
Miscellaneous	(623)	0.00%	0	0.00%	0	0.00%	0
Total Other Gen. & Admin.	<u>\$360,931</u>	<u>0.06%</u>	<u>\$429,000</u>	<u>0.07%</u>	<u>\$679,000</u>	<u>0.11%</u>	<u>\$250,000</u>

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

MEANS OF FINANCING	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Fees & Self-Generated Revenues:				
1) Licenses	\$9,205	\$10,000	\$10,000	\$0
2) Sales of Goods and Services	582,928,202	633,600,000	610,000,000	(23,600,000)
3) Other (Penalties and Misc. Revenue)	120,372	0	0	0
4) Investment Income (Expense)	(1,780,313)	1,538,000	1,245,000	(293,000)
5) Gain on Disposal of Assets	53,489	0	0	0
Total Means of Financing	<u>\$581,330,955</u>	<u>\$635,148,000</u>	<u>\$611,255,000</u>	<u>(\$23,893,000)</u>

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts

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

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
EXPENDITURES (ACCRUAL BASIS)				
Salaries and Benefits: (page 9)				
Salaries	\$6,530,784	\$7,161,569	\$7,536,032	\$374,463
Related Benefits	2,427,822	2,414,431	2,635,968	221,537
Total Salaries and Benefits	<u>8,958,607</u>	<u>9,576,000</u>	<u>10,172,000</u>	<u>596,000</u>
Contract Labor-Board Members' Compensation (page 14)	145,000	145,000	145,000	0
Operating Expenses:				
Travel (page 10)	27,312	75,000	100,000	25,000
Operating Services (page 11)	19,309,133	21,522,000	21,453,000	(69,000)
Supplies (page 12)	362,626	468,000	468,000	0
Total Operating Expenses	<u>19,699,071</u>	<u>22,065,000</u>	<u>22,021,000</u>	<u>(44,000)</u>
Professional Services: (page 15)				
Accounting	185,026	200,000	200,000	0
Research and Management Consulting	0	50,000	50,000	0
Legal	115,079	119,000	119,000	0
Other	47,200	120,000	214,000	94,000
Total Professional Services	<u>347,305</u>	<u>489,000</u>	<u>583,000</u>	<u>94,000</u>
Other Charges: (page 13)				
Prize Expense and Retailer Compensation	361,361,774	398,807,000	386,865,000	(11,942,000)
TOTAL EXPENDITURES (ACCRUAL BASIS)	<u>\$390,511,757</u>	<u>\$431,082,000</u>	<u>\$419,786,000</u>	<u>(\$11,296,000)</u>

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

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Net Income	\$190,819,198	\$204,066,000	\$191,469,000	(\$12,597,000)
Less Payments to State Treasury (required and surplus)	191,200,000	204,066,000	191,469,000	(12,597,000)
Fund Balance at Beginning of Year	12,509,145	12,128,343	12,128,343	0
Fund Balance at End of Year	<u>12,128,343</u>	<u>12,128,343</u>	<u>12,128,343</u>	<u>0</u>
Reservations of Fund Balance (page 8)	\$12,128,343	\$12,128,343	\$12,128,343	\$0
Nonaccrual Charges				
Capital Expenditures (page 16)	513,924	1,200,000	2,284,000	1,084,000
Total Nonaccrual Charges	<u>\$513,924</u>	<u>\$1,200,000</u>	<u>\$2,284,000</u>	<u>\$1,084,000</u>

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

	6/30/2022	Projected 6/30/2023
Specified Uses of Retained Earnings:		
Land	\$1,542,415	\$1,542,415
Buildings (Net of Accumulated Depreciation)	2,093,520	\$1,965,487
Other Capital Assets (Net of Accumulated Depreciation)	486,176	\$614,209
Retailer Security Deposits	192,457	\$192,457
Deposits	13,775	\$13,775
Litigation and Prize Reserve	7,800,000	\$7,800,000
	\$12,128,343	\$12,128,343
Total Retained Earnings	\$12,128,343	\$12,128,343

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

	<u>6/30/2022</u>	% of Salaries	<u>Projected 6/30/2023</u>	% of Salaries	<u>Budgeted 6/30/2024</u>	% of Salaries	<u>*Variance Increase (Decrease)</u>
Employees-Permanent Positions (page 18)	120		118		118		0
Salaries at Full Employment	\$7,179,287		\$7,503,325		\$7,766,633		\$263,308
Turnover and Open Positions	(716,241)		(406,756)		(295,601)		111,155
Overtime Wages	1,023		0		0		0
Deputies for Drawings Security	66,715		65,000		65,000		0
	<hr/>		<hr/>		<hr/>		<hr/>
Total Salaries	6,530,784		7,161,569		7,536,032		374,463
	<hr/>		<hr/>		<hr/>		<hr/>
State Retirement Contributions	39,580	0.61%	41,000	0.57%	42,640	0.57%	1,640
Supplemental Retirement Plan Expense	536,907	8.22%	311,528	4.35%	327,817	4.35%	16,289
Basic Retirement Plan Expense	314,214	4.81%	343,755	4.80%	361,730	4.80%	17,975
457(b) Retirement Plan Expense	223,381	3.42%	247,074	3.45%	259,993	3.45%	12,919
Vacation Expense Accruals	12,895	0.20%	0	0.00%	0	0.00%	0
Medicare Tax	92,169	1.41%	100,262	1.40%	105,504	1.40%	5,242
State Unemployment Tax	824	0.01%	1,812	0.03%	2,184	0.03%	372
Insurance-Health, Dental, Vision	1,123,254	17.20%	1,279,000	17.86%	1,442,500	19.14%	163,500
Insurance- Life	43,452	0.67%	48,000	0.67%	49,920	0.66%	1,920
Insurance-Disability	41,147	0.63%	42,000	0.59%	43,680	0.58%	1,680
	<hr/>		<hr/>		<hr/>		<hr/>
Total Benefits	2,427,823	37.18%	2,414,431	33.71%	2,635,968	34.98%	221,537
	<hr/>		<hr/>		<hr/>		<hr/>
Total Salaries and Benefits	\$8,958,607		\$9,576,000		\$10,172,000		\$596,000
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Compensation of Board Members (page 14)	\$145,000		\$145,000		\$145,000		\$0
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**Louisiana Lottery Corporation
Schedule of Operating Expenses
For the Fiscal Years Ending as Shown**

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Travel				
In-State:				
Administrative	\$1,365	\$2,000	\$2,000	\$0
Field Travel	9,981	20,000	28,000	8,000
Board Members	<u>4,140</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total In-State	15,486	27,000	35,000	8,000
Out-of-State:				
Conference and Conventions	<u>6,661</u>	<u>38,000</u>	<u>55,000</u>	<u>17,000</u>
Total Out-of-State	6,661	38,000	55,000	17,000
Total Mileage Reimbursement	<u>5,165</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total Travel	<u>27,312</u>	<u>75,000</u>	<u>100,000</u>	<u>25,000</u>

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

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Operating Services				
Direct Expenses ***				
Lottery System Vendor Fees	\$4,731,397	\$5,831,000	\$4,985,000	(\$846,000)
Cost of Scratch-Off Tickets	3,457,697	3,664,000	3,758,000	94,000
Courier Service	1,088,713	1,227,000	1,418,000	191,000
Total Direct Expenses	<u>9,277,807</u>	<u>10,722,000</u>	<u>10,161,000</u>	<u>(561,000)</u>
General Operating Expenses				
Advertising	6,997,979	7,250,000	7,250,000	0
Contract Labor	112,023	125,000	125,000	0
Depreciation	359,192	400,000	400,000	0
Equipment Lease	46,309	45,000	45,000	0
Insurance	774,018	875,000	1,006,000	131,000
Postage	28,792	40,000	40,000	0
Lease Amortization	274,814	407,000	513,000	106,000
Repairs & Maintenance	333,256	414,000	419,000	5,000
Communications Network	94,745	110,000	110,000	0
Telephone	102,997	110,000	110,000	0
Information Technology	302,839	305,000	305,000	0
Multi-State Lottery	24,128	65,000	65,000	0
Uncollectible Accounts	55,798	50,000	50,000	0
Utilities	163,707	175,000	175,000	0
Bank Charges	115,356	114,000	114,000	0
Dues & Subscriptions	42,542	50,000	50,000	0
Freight	0	2,000	2,000	0
Recruiting	4,680	1,000	1,000	0
Employee Training	5,893	20,000	20,000	0
Seminars	24,082	40,000	40,000	0
Services Purchased	168,111	202,000	452,000	250,000
Taxes & Licenses	890	0	0	0
Miscellaneous	(623)	0	0	0
Total Gen Operating Exp.	<u>10,031,528</u>	<u>10,800,000</u>	<u>11,292,000</u>	<u>492,000</u>
Total All Operating Services	<u>\$19,309,335</u>	<u>\$21,522,000</u>	<u>\$21,453,000</u>	<u>(\$69,000)</u>

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

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts

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

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Supplies				
Printing	\$697	\$3,000	\$3,000	\$0
Office Supplies	27,682	30,000	30,000	0
Automotive Supplies	93,211	120,000	120,000	0
Scratch-Off Game Supplies- Dispensers and Delivery Bags	112,411	210,000	210,000	0
Draw-Style Game Supplies- Play Centers	82,543	50,000	50,000	0
Other Supplies	46,082	55,000	55,000	0
Total Supplies	<u><u>\$362,626</u></u>	<u><u>\$468,000</u></u>	<u><u>\$468,000</u></u>	<u><u>\$0</u></u>

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts

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

	<u>6/30/2022</u>	<u>Projected 6/30/2023</u>	<u>Budgeted 6/30/2024</u>	<u>*Variance Increase (Decrease)</u>
Other Charges				
Prize Expense	\$328,416,619	\$362,692,000	\$352,095,000	(\$10,597,000)
Retailer Compensation	<u>32,945,155</u>	<u>36,115,000</u>	<u>34,770,000</u>	<u>(1,345,000)</u>
Total Other Charges ***	<u><u>\$361,361,774</u></u>	<u><u>\$398,807,000</u></u>	<u><u>\$386,865,000</u></u>	<u><u>(\$11,942,000)</u></u>

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

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 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>06/30/22</u>	<u>Projected 06/30/23</u>	<u>Budgeted 06/30/24</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	\$7,500		(7,500)
William J. Black, Jr.**	R.S. 47:9004(D)	N/A	Annual Salary	15,000	15,000	1,600		(1,600)
Thomas E. Brumfield***	R.S. 47:9004(D)	N/A	Annual Salary	15,000		13,400	15,000	1,600
Whalen A. Gibbs	R.S. 47:9004(D)	N/A	Annual Salary	15,000	15,000	15,000	15,000	0
Terral C. Jackson****	R.S. 47:9004(D)	N/A	Annual Salary	15,000		7,500	15,000	7,500
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	15,000	7,500		0
Cynthia H. Morrell	R.S. 47:9004(D)	N/A	Annual Salary	15,000	15,000	15,000	15,000	0
Dan W. Morrish*****	R.S. 47:9004(D)	N/A	Annual Salary	15,000		7,500	15,000	0
E. Sheridan Shamburg (Chairman effective June 25, 2021)	R.S. 47:9004(D)	N/A	Annual Salary	15,000	25,000	25,000	25,000	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					\$145,000	\$145,000	\$145,000	\$0

* Term ended December 31, 2022
** Term ended August 8, 2022
*** Term began October 6, 2022
**** Term began February 1, 2023
***** Term began January 10, 2023

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts.

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

<u>Contractor - Purpose of Contract</u>	<u>06/30/22</u>	<u>Projected 06/30/23</u>	<u>Budgeted 06/30/24</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)	26,204	30,000	30,000	0
GLI Capital Group				
- instant ticket printing audit services	4,000	4,000	4,000	0
Emergent Method				
- strategic planning consulting		5,000		(5,000)
NASPL Standards Institute/TheOpen Group- certification of standards		6,000		(6,000)
Office of Legislative Auditor - financial and compliance audit/ observations of on-line drawings	185,026	200,000	200,000	0
Postlethwaite and Netterville-retirement plan review			30,000	30,000
P&N Technologies- network security audit	43,200	50,000	50,000	0
Vinformatix-data analytics modeling		60,000	60,000	0
Architect- design for Headquarters renovation			70,000	70,000
To be determined - business consulting services		45,000	50,000	5,000
Total Professional Service Contracts	\$347,305	\$489,000	\$583,000	\$94,000

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts.

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

<u>Description of Capital Expenditures</u>	<u>06/30/22</u>	<u>Projected 06/30/23</u>	<u>Budgeted 06/30/24</u>	<u>*Variance Increase (Decrease)</u>
Land and Buildings	\$48,505	\$650,000	\$1,800,000	\$1,150,000
Automotive	233,100	450,000	259,000	(191,000)
Communications Software & Equipment	53,508			0
Data Processing Software & Equipment	178,811	50,000	175,000	125,000
Other		50,000	50,000	0
Total Acquisitions	\$513,924	\$1,200,000	\$2,284,000	\$1,084,000

Detail on page 17

* The variance column represents the difference between budgeted 6/30/24 and projected 6/30/23 amounts.

**Louisiana Lottery Corporation
Schedule of Acquisitions
June 30, 2024 Financial Plan**

Automotive	
Vehicle Replacements for Field Staff	\$259,000
Building and Leasehold Costs	
Headquarters Office Renovations	1,800,000
Data Processing Software and Equipment	
Computer, Devices, Equipment, and Software Replacements	175,000
Other	
Contingency	<u>50,000</u>
Total Budgeted Capital Acquisitions	<u><u>\$2,284,000</u></u>

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2024
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending June 30, 2023	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending June 30, 2024
President	Filled	\$314,922		\$314,922
Senior Vice President and Secretary-Treasurer	Filled	\$192,148	7,686	\$199,834
Vice President of Sports Gaming & Deputy General Counsel	Filled	\$167,188	6,688	\$173,875
Senior Vice President and General Counsel	Filled	\$165,097	6,604	\$171,701
Vice President of Sales	Filled	\$156,564	6,263	\$162,827
Vice President of Finance and Controller	Filled	\$153,199	6,128	\$159,327
Vice President of Information Systems	Filled	\$152,312	6,092	\$158,405
Vice President of Marketing	Filled	\$139,902	5,596	\$145,498
Vice President of Internal Audit	Filled	\$138,002	5,520	\$143,522
Vice President of Security and Compliance	Filled	\$136,638	5,466	\$142,103
Vice President of Human Resources	Filled	\$123,975	4,959	\$128,934
Director of Finance	Filled	\$117,054	4,682	\$121,736
Director of Systems & Programming	Filled	\$102,640	4,106	\$106,746
Director of Products	Filled	\$102,202	4,088	\$106,290
Director of Information Technology	Filled	\$102,189	4,088	\$106,276
Art Director	Filled	\$100,983	4,039	\$105,022
Broadcast Producer	Filled	\$94,812	3,792	\$98,604
Communications Manager	Filled	\$92,115	3,685	\$95,800
Regional Sales Manager - Baton Rouge	Filled	\$85,989	3,440	\$89,428
Network Administrator	Filled	\$84,230	3,369	\$87,599
Regional Sales Manager - Monroe	Filled	\$79,194	3,168	\$82,361
Regional Sales Manager - Alexandria	Filled	\$79,002	3,160	\$82,162
Regional Sales Manager - New Orleans	Filled	\$79,002	3,160	\$82,162

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2024
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending June 30, 2023	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending June 30, 2024
Accounts Receivable and Procurement Manager	Filled	\$79,000	3,160	\$82,160
Regional Sales Manager - Lafayette	Filled	\$77,065	3,083	\$80,148
Corporate Accounts Representative	Filled	\$75,516	3,021	\$78,537
Computer Operations Supervisor	Filled	\$75,104	3,004	\$78,109
Senior Accountant	Filled	\$71,367	2,855	\$74,222
Distribution Center Manager	Filled	\$66,916	2,677	\$69,593
Accounting & Payroll Associate	Filled	\$65,513	2,621	\$68,134
Executive Administrative Assistant	Filled	\$63,490	2,540	\$66,029
Systems Administrator	Filled	\$63,382	2,535	\$65,918
Marketing Coordinator	Filled	\$61,525	2,461	\$63,986
Sales Support Manager	Filled	\$61,079	2,443	\$63,522
Senior Communication Specialist	Filled	\$57,762	2,310	\$60,072
Sales Representative - Alexandria	Filled	\$57,652	2,306	\$59,958
Sales Representative - Lafayette	Filled	\$57,629	2,305	\$59,934
Prize Payment Manager	Filled	\$57,431	2,297	\$59,729
Sales Representative - Lafayette	Filled	\$56,393	2,256	\$58,649
Sales Representative - Shreveport	Filled	\$56,393	2,256	\$58,649
Internal Auditor	Filled	\$56,373	2,255	\$58,628
Marketing Product Specialist	Open	\$56,209		\$56,209
Sales Representative - Baton Rouge	Open	\$56,209		\$56,209
Executive Assistant	Open	\$56,209		\$56,209
Sales Representative - Monroe	Open	\$56,209		\$56,209
Sales Representative - Lafayette	Open	\$56,209		\$56,209
Sales Representative - Alexandria	Open	\$56,209		\$56,209
Sales Representative - Baton Rouge	Filled	\$55,431	2,217	\$57,649
Sales Representative - Lafayette	Filled	\$54,650	2,186	\$56,836
Sales Representative - Lafayette	Filled	\$54,273	2,171	\$56,444
Sales Representative - Lafayette	Filled	\$54,078	2,163	\$56,241

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2024
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending June 30, 2023	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending June 30, 2024
Sales Representative - Monroe	Filled	\$54,078	2,163	\$56,241
Sales Representative - Monroe	Filled	\$54,078	2,163	\$56,241
Sales Representative- New Orleans	Filled	\$54,078	2,163	\$56,241
Sales Representative- New Orleans	Filled	\$54,078	2,163	\$56,241
Sales Representative - Shreveport	Filled	\$54,078	2,163	\$56,241
Sales Representative - Lafayette	Filled	\$53,440	2,138	\$55,577
Internal Auditor	Filled	\$53,349	2,134	\$55,483
Sponsorship Coordinator	Filled	\$52,828	2,113	\$54,941
Sales Representative- New Orleans	Filled	\$52,704	2,108	\$54,812
Sales Representative- New Orleans	Filled	\$51,241	2,050	\$53,291
Graphic Designer	Filled	\$51,075	2,043	\$53,118
Sales Representative - Alexandria	Filled	\$50,848	2,034	\$52,882
Sales Representative - Baton Rouge	Filled	\$50,848	2,034	\$52,882
Sales Representative - Monroe	Filled	\$50,848	2,034	\$52,882
Sales Representative- New Orleans	Filled	\$50,848	2,034	\$52,882
Communication Specialist	Open	\$50,035		\$50,035
Special Investigator	Open	\$50,035		\$50,035
Business Analyst Intern	Open	\$50,035		\$50,035
Accounting & Payroll Associate	Open	\$50,035		\$50,035
Software Quality Assurance Analyst	Filled	\$49,983	1,999	\$51,982
Sales Representative - Baton Rouge	Filled	\$49,718	1,989	\$51,707
Sales Representative - Baton Rouge	Filled	\$49,364	1,975	\$51,339
Sales Representative - Baton Rouge	Filled	\$49,364	1,975	\$51,339
Sales Representative- New Orleans	Filled	\$49,364	1,975	\$51,339
Sales Representative- New Orleans	Filled	\$49,364	1,975	\$51,339
Sales Representative - Shreveport	Filled	\$49,364	1,975	\$51,339
Human Resources Representative	Filled	\$49,343	1,974	\$51,316
Sales Support Coordinator	Filled	\$48,404	1,936	\$50,340

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2024
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year	Estimated	Budgeted Fiscal Year
		Ending June 30, 2023	Performance Increase 4.00%	Ending June 30, 2024
Senior Licensing Customer Service Representative	Filled	\$46,742	1,870	\$48,611
Sales Support Coordinator	Filled	\$45,905	1,836	\$47,741
Billing & Accounts Receivable Customer Service Representative	Filled	\$45,792	1,832	\$47,624
Special Investigator	Filled	\$43,867	1,755	\$45,622
Drawing Manager	Filled	\$43,867	1,755	\$45,622
Special Investigator	Filled	\$43,867	1,755	\$45,622
Communications Specialist	Filled	\$43,867	1,755	\$45,621
Compliance Coordinator	Filled	\$43,867	1,755	\$45,621
Administrative Coordinator	Filled	\$43,799	1,752	\$45,551
Video Editor	Filled	\$43,399	1,736	\$45,135
Distribution Center Assistant Manager	Filled	\$41,639	1,666	\$43,304
Administrative Assistant	Filled	\$41,627	1,665	\$43,292
Sales Support Coordinator	Filled	\$39,858	1,594	\$41,452
Software Quality Assurance Analyst	Filled	\$39,129	1,565	\$40,694
Regional Office Assistant - Alexandria	Filled	\$38,472	1,539	\$40,011
Regional Office Assistant - Shreveport	Filled	\$38,472	1,539	\$40,011
Retailer Licensing Customer Service Representative	Filled	\$37,530	1,501	\$39,031
Regional Office Asst - New Orleans	Open	\$35,916		\$35,916
Prize Payment Customer Service Representative	Filled	\$35,033	1,401	\$36,435
Prize Payment Customer Service Representative	Filled	\$35,033	1,401	\$36,435
Regional Office Asst - Monroe	Filled	\$34,883	1,395	\$36,279
Regional Office Assistant - Lafayette	Filled	\$34,493	1,380	\$35,873
Computer Operator	Filled	\$33,705	1,348	\$35,054
Regional Office Assistant - Shreveport	Filled	\$33,693	1,348	\$35,041
Warehouse / Mail Clerk	Filled	\$32,430	1,297	\$33,727
Warehouse/Mail Clerk	Open	\$32,392		\$32,392
Regional Office Assistant - Alexandria	Filled	\$31,488	1,260	\$32,747
Regional Office Assistant-Lafayette	Filled	\$31,488	1,260	\$32,747

Louisiana Lottery Corporation
Financial Plan for the Fiscal Year Ending June 30, 2024
Personnel Table (LA R.S. 47:9010 A.(7))

Position Title	Status	Current Fiscal Year Ending June 30, 2023	Estimated Performance Increase 4.00%	Budgeted Fiscal Year Ending June 30, 2024
Regional Office Assistant - Monroe	Filled	\$31,488	1,260	\$32,747
Regional Office Assistant - New Orleans	Filled	\$31,488	1,260	\$32,747
Regional Office Assistant - New Orleans	Filled	\$31,488	1,260	\$32,747
Regional Office Assistant - New Orleans	Filled	\$31,488	1,260	\$32,747
Warehouse/Mail Clerk	Filled	\$28,928	1,157	\$30,085
Warehouse/Mail Clerk	Filled	\$28,496	1,140	\$29,635
Warehouse/Mail Clerk	Filled	\$28,394	1,136	\$29,530
Warehouse/Mail Clerk	Filled	\$28,394	1,136	\$29,530
Warehouse/Mail Clerk	Filled	\$28,394	1,136	\$29,530
Computer Operator	Filled	\$12,717	509	\$13,225
Accounting Intern	Filled	\$22,337	893	\$23,230
		\$7,503,325	\$263,308	\$7,766,633
		118		118

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

Sales

Sales for the fiscal year ending (FYE) June 30, 2022, totaled \$582.9 million. Sales are projected to reach a record \$633.6 million for FYE 2023. Sales for FYE 2024 are budgeted at \$610 million.

Scratch-off sales are projected and budgeted to increase because of the continued increase in prize payouts. Sales are expected to rise to \$306.8 million for FYE 2023 and \$315 million for the budget year, FYE 2024.

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 family of games is projected to generate \$16.7 million in sales for FYE 2023 and \$17 million in FYE 2024.

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 Powerball jackpot over \$2 billion. Mega Millions sales were higher because of two jackpots of approximately \$1.3 billion. Similar jackpot levels and the resulting fluctuation in sales cannot be reasonably predicted for a twelve-month fiscal year. Therefore, the FYE 2024 budget for both games is conservative.

The Lotto and Easy 5 games are smaller in-state jackpot-driven games. Sales are dependent on jackpot levels but not to the extent of the much larger multi-state games. Lotto sales are expected to slightly increase for both years while Easy 5 sales should remain fairly constant.

Total combined sales for the Pick 3, Pick 4, and Pick 5 daily numbers games have slightly decreased in the current FYE 2023. We expect that the long-term steady growth of sales for this product line will resume in the FYE 2024 budget year.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

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 have increased to over 4% in the current fiscal year as the Federal Reserve has increased short-term interest rates in response to inflation concerns. Short-term investment earnings are projected at \$896,000 and budgeted conservatively at \$625,000 to account for the uncertainty of future interest rates.

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% range. The estimated interest income generated by this investment strategy is \$642,000 in the current year and \$620,000 in the budget year.

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.

Instant Prize Expense

The average Scratch-off prize structure has increased from 66% in FYE 2022, to 68% in FYE 2023 fiscal year, and then to a budget of 69% for FYE 2024. These prize payout enhancements are possible because of the 2020 legislative change to the required minimum percent of revenue transfer to the state and the effective use of the unclaimed prize pool.

For Scratch-off games, current and long-term projections indicate that the target funding of prizes at this 69% level during the budget year is approximately 64% from the operating budget and 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.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

The 69% 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 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 2023 and in FYE 2024. Vendor fees are reflected net of a weekly communication fee charged to all retailers.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

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. We have experienced inflationary increases in these costs in the past several years and have budgeted for some slight additional higher fees.

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.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

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 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. Because we cannot predict the impact of these events or other factors that can potentially affect our insurance costs, the budget for FYE 2024 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.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

- The Legislative Auditor's fees for conducting financial and compliance audits and drawings observations should remain stable for both years.
- A follow-up consulting project to analyze the sufficiency of the Lottery's retirement plans to provide adequate replacement income for participants is planned for the budget year at a cost of \$30,000.
- Data analytics for optimum prize structures and other business decisions are planned for both years for \$60,000.
- Architect fees of \$70,000 for renovations to our headquarters building are anticipated for the budget year.
- \$50,000 is included in in both years for a network security audit.
- A business consulting contingency of \$50,000 is included to cover costs for any unanticipated needs.

Lease Amortization

This expense represents the total of the spreading of each lease's costs over the term of each lease.

The Lottery leases five regional offices throughout the state to accommodate the customer service needs of retailers and players. In July 2022 we began converting the vehicle fleet for sales and security staff from owned to leased vehicles. The addition of the vehicle leases is the main reason for the increase in lease amortization for the current and budget years. The conversion of the fleet should be complete by the 2025 fiscal year.

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

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

janitorial services. 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%.

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 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.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

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.

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.

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.

The travel environment has been returning to normal in FYE 2023. Therefore, we are budgeting travel at the pre-pandemic level of \$100,000.

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.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

Utilities

Electrical and other utility expenses have increased over the past several years and are estimated at \$175,000 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. We have estimated these costs at \$20,000 for FYE 2023 and FYE 2024 with the expectation that training will return to pre-pandemic levels.

**Louisiana Lottery Corporation
Financial Plan
Budget Explanations
For the Fiscal Year Ending June 30, 2024**

Seminars are fees paid for lottery industry conferences, professional conferences, or other trade or business gatherings for employee educational and training purposes. We have the pre-pandemic level of \$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, vehicle lease management fees, 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

**Louisiana Lottery Corporation
Financial Plan
Summary of Capital Expenditure Requests
For the Fiscal Year Ending June 30, 2024**

Vehicle Replacements

The Lottery has a fleet of 40 vehicles used mainly by field personnel in the Sales and Security Departments. Over the past year, we have been converting the fleet from owned vehicles to leased vehicles with outsourced fleet management to ensure vehicles can be provided to staff in a safe and cost-effective manner. Seven vehicles will be sold and replaced with leased vehicles in the budget year at total cost of \$259,000. Accounting rules require the leases to be listed as a capital lease. The complete conversion from owned vehicles to leased vehicles should be completed in the 2025 fiscal year.

Building and Leasehold Costs

The downtown headquarters in Baton Rouge and our distribution center in south Baton Rouge are both owned locations. The headquarters building was completed in 2002. The twenty-one-year-old interior design and furniture are very outdated. We are planning an update in the budget year at a cost of approximately \$1.8 million to transform the facility to a modern professional appearance.

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.

Agenda Item #6

A. Restrictions on authority of
DOA & LITACorp to expend
up to \$1.5M from the Political
Subdivision Federal Grant
Assistance Fund

No Documentation

Agenda Item #6

B. Review of program
administration guidelines
relative to Political Subdivision
Federal Grant Assistance Fund
monies

ATTACHMENT A – PLAN

Name of Contracting Party: Louisiana Infrastructure Technical Assistance Corporation (LITACorp)

Name and Brief Narrative of Program: Established by ACT No. 497 in the 2022 Regular Session, the Louisiana State Legislature authorized the Political Subdivision Federal Grant Assistance Fund (§100.192) “to assist political subdivisions with competitive federal grant opportunities made pursuant to the Infrastructure Investment and Jobs Act (IIJA) ([P.L. 117-58](#))”. As a result of this legislation, a collaborative partnership between the Louisiana Municipal Association (LMA) and the Police Jury Association of Louisiana (PJAL) established the Louisiana Infrastructure Technical Assistance Corporation (LITACorp), a new nonprofit organization, to administer these funds on behalf of the Division of Administration (DOA). To carry out the legislative intent of the Political Subdivision Federal Grant Assistance Fund, LITACorp will administer a **Technical Assistance Program** to assist local governments (ex. municipalities and police juries) with identifying and applying for grants through the IIJA, and a **Matching Funds Grant Program** to equip local governments with matching funds that can be used to meet the local cost share requirements of federal grant programs funded through IIJA.

Definitions

1. For municipalities, rural is defined as 50,000 or less. For parishes, rural is defined as 75,000 or less.
2. Distressed is evaluated using the following indicators: persistent poverty designation, Justice40 Disadvantaged Community, MHI (below state average), and Poverty Rate (above state average).

Program Goals

1. Equip political subdivisions located in rural and economically distressed areas, as defined above, with the tools and resources they need to identify, apply for, and administer federal grants funded through the IIJA.
2. Minimize barriers for political subdivisions to access federal resources by assisting them with meeting local cost share requirements of federal grant programs funded through IIJA.
3. Acquire federal grant funds through the IIJA to construct, improve, or repair public infrastructure – water and sewer systems, roads, bridges, railways, ports, broadband, etc. – in rural and economically distressed communities throughout Louisiana.

Program Objectives

1. Hire one (1) or more consulting firms to serve as lead technical assistance providers for the Technical Assistance Program.
2. Make available \$20 million for the Matching Funds Grant Program, enabling political subdivisions to apply for this funding to help them meet local cost share requirements of IIJA grant programs.
3. Leverage at funding authorized through the Political Subdivision Federal Grant Assistance Fund with federal grant funding available through the IIJA to ensure a competitive return on investment for the State of Louisiana.

Activities

While staff will oversee and manage the Technical Assistance Program and Matching Funds Grant Program, LITACorp will also solicit proposals from and hire consulting firm(s) to carry out the majority of programmatic activities, thereby expanding the reach of LITACorp.

The consulting firm(s) selected to lead the implementation of the Technical Assistance Program will carry out the following activities:

1. Conduct Outreach to Louisiana Political Subdivisions

- a. Conduct informational workshops, events, and webinars in all 64 parishes to ensure communities are aware of LITACorp's Technical Assistance Program offerings.
- b. Attend community meetings, events, and conferences to present with or on behalf of LITACorp about upcoming IIJA grant opportunities, technical assistance services, and project development/design, etc.
- c. Maintain database of community requests for technical assistance, documentation of services offered per community, applications developed and submitted, etc.

2. Pursue IIJA Grant Funding

- a. For each project, create a funding resource roadmap to assist political subdivisions with developing capital stacks (i.e. funding strategy for critical infrastructure projects).
- b. Understand and effectively communicate grant eligibility information, application submittal requirements, grant portal system requirements, and all nuances specific to each application process.
- c. Collect and organize grant application information and instructions, and track FAQs as well as guideline changes.
- d. Prepare and manage grant application timeline, including grant writing schedule, quality assurance/quality control, applicant review/approval, and other key milestones to successfully submit grant applications by their stated due date.
- e. Request information and conduct research related to the development and submission of grant applications, including participation in federal agency webinars, workshops, or related events.
- f. Collect and organize relevant quantitative data and project narrative, and develop appropriate maps, tables, charts, and graphics for grant applications.
- g. Synthesize data/information and transform it into compelling narratives, exhibits, attachments, and other supplemental materials appropriate to the specific grant programs to demonstrate eligibility, need, and competitiveness of the grant applications.
- h. Develop or provide technically-sound conceptually project cost estimates, if not readily available, to outline base cost of applicant projects.
- i. Conduct public outreach, if applicable, such as public and stakeholder meetings to fulfill grant programs' community engagement requirements and to build awareness of and support for applicant projects.
- j. Draft and obtain letters of support from federal, state, and local elected officials in a timely fashion to submit with grant applications.

- k. Develop project budgets and justifications in accordance with grant solicitation requirements and in alignment with local and state policies and regulations.
- l. Conduct detailed benefit cost analyses as required by various grant programs.
- m. Gather required environmental data, permits, and approvals.
- n. Edit draft proposals for consistency of messaging, ensuring integration of grant requirements and completeness prior to applicant final review and submittal to grantmaking agency;
- o. Ensure each grant package is prepared and submitted in a timely fashion, with all elements adhering to grant requirements and evaluation criteria.
- p. Conduct a quality assurance/quality control process to ensure accuracy and completeness of applications.
- q. Ensure applicants have access to grant submittal portals and, as needed, upload information into agency grant portals for applicants' convenience.
- r. Collect and organize all materials prepared for any grant application and submit final versions to applicant and LITACorp as part of a close-out process.
- s. Assist with the coordination of regional and statewide projects to maximize impact and increase the competitiveness of submitted grant applications.

3. Manage Successful IJA Grant Applications

- a. Manage grantee compliance in accordance with federal, state, and local policies and procedures.
- b. Create and maintain project files that demonstrate compliance with all applicable federal, state, and local regulations.
- c. Coordinate and manage the creation and submittal of all reports required of grant recipients by the awarding agency and/or federal and state law.
- d. Streamline reporting processes to ensure continuous compliance with federal regulations governing grant administration requirements, communicate reimbursement requests and reporting requirements to communities, and implement grants management and monitoring processes to collect information necessary for fund requests and post-award reporting.
- e. Establish internal financial tracking systems, if not yet established, to ensure funds are expended for the specified purposes and within established timelines.
- f. Coordinate with applicants and relevant stakeholders to obtain all necessary costs estimates and other documentation to develop grant proposals and comply with required post-award reporting.
- g. Track and monitor all project activities and cost expenditures, including indirect costs, to ensure grant funds are expended in accordance with federal guidance, policies, and regulations.
- h. Monitor and evaluate the progress of projects post-award in accordance with the approved scope of work and budget outlined in grant applications.
- i. Complete close-out reporting requirements for all communities to demonstrate the scope of grant-funded work was fully implemented, all obligated funds were expended appropriately, and grant conditions were implemented and documented as required.

4. Project Management

- a. Comprehensive management and coordination of the Technical Assistance Program, including all grant applications, projects, and consultant staff.

- b. Provide LITACorp with detailed weekly updates regarding community outreach and engagement activities, project pipeline, IJA grant programs, regional collaboration opportunities, grant development/submission, ongoing challenges, and other related activities.
- c. Prepare formal responses to address LITACorp, applicant, and constituent questions/inquiries and requests for information.
- d. Attend relevant community meetings, workshops, events and hearings (as necessary).
- e. Assist LITACorp with identifying, strategizing, and prioritizing funding needs for community projects, including matching funds.
- f. Meet regularly with LITACorp and applicants to discuss potential grant application and project management matters, such as appropriate grant programs, project scope of work, and most competitive strategies to deploy to be awarded IJA grant funds.

5. Professional Technical Support

- a. Provide, accommodate, or secure professional design and technical services to:
 - i. Ensure applicants have access to licensed engineers and architects who can create and submit the designs and specifications necessary to illustrate feasibility and cost estimates for grant applications; and
 - ii. Certify project plans and specifications, oversee procurement processes, and manage construction.

Working alongside the selected consulting firm(s), LITACorp will solicit Letters of Intent (LOIs) from rural and distressed communities that need specific technical assistance services to guide them through project development, funding identification, grant preparation, and matching funds applications.

The proposed criteria to evaluate the LOIs include the following:

CRITERIA FOR MUNICIPALITIES		
Criterion	Description	Maximum Points
Distress	<p>The extent to which a municipality demonstrates economic distress, as defined by the following indicators:</p> <ul style="list-style-type: none"> • Persistent Poverty designation (USDA Economic Research Service: https://www.ers.usda.gov/data-products/county-typology-codes/) (15 points) • Justice40 Disadvantaged Community (Climate and Economic Justice Screening Tool: http://screeningtool.geoplatform.gov/en/#3/33.47/-97.5) (10 points) • Median Household Income below the state average (US Census: https://www.census.gov/topics/income-poverty/data/tables.html) (10 points) 	40

	<ul style="list-style-type: none"> Poverty Rate above the state average (US Census: https://www.census.gov/topics/income-poverty/data/tables.html) (5 points) 	
Rurality	<p>The extent to which a municipality demonstrates rurality as defined by the following population groups:</p> <ul style="list-style-type: none"> 1-5,000 (30 points) 5,001-15,000 (25 points) 15,001-25,000 (20 points) 25,001-35,000 (15 points) 35,001-50,000 (10 points) Greater than 50,000 (5 points) 	30
Fiscal	<p>The annual budget for the municipality:</p> <ul style="list-style-type: none"> Less than \$10 million (25 points) \$10,000,001-\$20,000,000 (20 points) \$20,000,001-\$30,000,000 (15 points) \$30,000,001-\$45,000,000 (10 points) Greater than \$45,000,000 (5 points) 	25
Capacity	<p>The number of federal grants the municipality applied for in the past three (3) years (max. 15 points):</p> <ul style="list-style-type: none"> None (15 points) 1-3 (12 points) 4-6 (8 points) 7-9 (4 points) 10 or more (2 points) <p>The number of federal grants the municipality was awarded in the past three (3) years (max. 5 points):</p> <ul style="list-style-type: none"> None (5 points) 1-3 (4 points) 4-6 (3 points) 7-9 (2 points) 10 or more (1 point) 	20
Discretionary	<p>Applied to municipalities meeting annual priorities of the LITACorp Board which will be voted on annually and published on the LITACorp website (currently under development). These priorities will also be in the Technical Assistance Program and Matching Funds Grant Program guidelines.</p>	5
TOTAL		120

CRITERIA FOR PARISHES		
Criterion	Description	Maximum Points

Distress	The extent to which a parish demonstrates economic distress, as defined by the following indicators: <ul style="list-style-type: none"> • Persistent Poverty designation (15 points) • Justice40 Disadvantaged Community (10 points) • Median Household Income below the state average (10 points) • Poverty Rate above the state average (5 points) 	40
Rurality	The extent to which a parish demonstrates rurality as defined by the following population groups: <ul style="list-style-type: none"> • 1-15,000 (30 points) • 15,001-30,000 (25 points) • 30,001-45,000 (20 points) • 45,001-60,000 (15 points) • 60,001-75,000 (10 points) • Greater than 75,000 (5 points) 	30
Fiscal	The annual budget for the parish: <ul style="list-style-type: none"> • Less than \$25,000,000 (25 points) • \$25,000,001-\$40,000,000 (20 points) • \$40,000,001-\$55,000,000 (15 points) • \$55,000,001-\$65,000,000 (10 points) • Greater than \$65,000,000 (5 points) 	25
Capacity	The number of federal grants applied the parish for in the past three (3) years (max. 15 points): <ul style="list-style-type: none"> • None (15 points) • 1-3 (12 points) • 4-6 (8 points) • 7-9 (4 points) • 10 or more (2 points) <p>The number of federal grants the parish was awarded in the past three (3) years (max. 5 points):</p> <ul style="list-style-type: none"> • None (5 points) • 1-3 (4 points) • 4-6 (3 points) • 7-9 (2 points) • 10 or more (1 point) 	20
Discretionary	Applied to parishes meeting annual priorities of the LITACorp Board which will be voted on annually and published on the LITACorp website (currently under development). These priorities will also be in the Technical Assistance Program and Matching Funds Grant Program guidelines.	5
TOTAL		120

The LITACorp Board will establish and publish, on the LITACorp website (currently under development), annual priorities at the beginning of the calendar year. These priorities will align

the Office of the Governor and the White House to encourage more applications from those areas with the greatest need.

LITACorp will utilize these scoring criteria to prioritize communities with the greatest need and will deploy the technical assistance providers to those communities first before serving more prosperous communities that apply for assistance. LITACorp will make every attempt to provide services to all communities that apply, but this goal will ultimately be determined by availability of the technical assistance providers working within the constraints of finite resources.

In addition to the Technical Assistance Program, LITACorp will also administer a Matching Fund Grants Program.

LITACorp is in the process of evaluating various grants management systems to collect contact information, LOIs, and matching funds applications from eligible entities throughout the state. Once procured, most of the grants management systems under consideration will require a 45- to 60-day period for setup, testing, and debugging before going live to the public.

LITACorp's Matching Funds Grant Program will administer at least \$20 million appropriated to the Political Subdivision Federal Grant Assistance Fund, to assist Louisiana communities with meeting the local cost share requirements established by most, if not all, federal grant programs through the IJA grant programs.

To participate in the Matching Funds Program, communities will complete and submit an application through the LITACorp application portal. All applicants will be encouraged to submit a LOI before applying for the Matching Funds Grant Program. Even if not selected for intensive technical assistance services, LITACorp will make every attempt to provide some level of technical assistance to all interested applicants.

As of February 2023, LITACorp is developing the application, including documentation requirements, and refining the evaluation process in order to choose communities based on need and project competitiveness.

The proposed criteria to evaluate the applications for matching funds assistance include the following:

CRITERIA FOR MUNICIPALITIES		
Criterion	Description	Maximum Points
Distress	The extent to which a municipality demonstrates economic distress, as defined by the following indicators: <ul style="list-style-type: none">• Persistent Poverty designation (15 points)• Justice40 Disadvantaged Community (10 points)• Median Household Income below the state average (5 points)• Poverty Rate above the state average (5 points)	35

Rurality	The extent to which a municipality demonstrates rurality as defined by the following population groups: <ul style="list-style-type: none"> • 1-5,000 (25 points) • 5,001-15,000 (20 points) • 15,001-25,000 (15 points) • 25,001-35,000 (10 points) • 35,001-50,000 (5 points) • Greater than 50,000 (0 points) 	25
Fiscal	The annual budget for the municipality: <ul style="list-style-type: none"> • Less than \$10 million (20 points) • \$10,000,001-\$20,000,000 (15 points) • \$20,000,001-\$30,000,000 (12 points) • \$30,000,001-\$45,000,000 (10 points) • Greater than \$45,000,000 (5 points) 	20
Capacity	The number of federal grants the municipality applied for in the past three (3) years (max. 12 points): <ul style="list-style-type: none"> • None (12 points) • 1-3 (8 points) • 4-6 (6 points) • 7-9 (4 points) • 10 or more (2 points) The number of federal grants the municipality was awarded in the past three (3) years (max. 8 points): <ul style="list-style-type: none"> • None (8 points) • 1-3 (6 points) • 4-6 (4 points) • 7-9 (2 points) • 10 or more (0 points) 	20
Discretionary	LITACorp will evaluate the applicant’s project readiness and project competitiveness to determine feasibility, and to ensure each project meets or exceeds the merit criteria established by the federal grant program(s) of interest. To be clear, if the project meets or exceeds all merit criteria for the specific federal grant program, the community will receive 20 points.	20
TOTAL		120

CRITERIA FOR PARISHES		
Criterion	Description	Maximum Points
Distress	The extent to which a parish demonstrates economic distress, as defined by the following indicators: <ul style="list-style-type: none"> • Persistent Poverty designation (15 points) • Justice40 Disadvantaged Community (10 points) 	35

	<ul style="list-style-type: none"> • Median Household Income below the state average (5 points) • Poverty Rate above the state average (5 points) 	
Rurality	<p>The extent to which a parish demonstrates rurality as defined by the following population groups:</p> <ul style="list-style-type: none"> • 1-15,000 (25 points) • 15,001-30,000 (20 points) • 30,001-45,000 (15 points) • 45,001-60,000 (10 points) • 60,001-75,000 (5 points) • Greater than 75,000 (0 points) 	25
Fiscal	<p>The annual budget for the parish:</p> <ul style="list-style-type: none"> • Less than \$25,000,000 (20 points) • \$25,000,001-\$40,000,000 (15 points) • \$40,000,001-\$55,000,000 (12 points) • \$55,000,001-\$65,000,000 (10 points) • Greater than \$65,000,000 (5 points) 	20
Capacity	<p>The number of federal grants applied the parish for in the past three (3) years (max. 12 points):</p> <ul style="list-style-type: none"> • None (12 points) • 1-3 (8 points) • 4-6 (6 points) • 7-9 (4 points) • 10 or more (2 points) <p>The number of federal grants the parish was awarded in the past three (3) years (max. 8 points):</p> <ul style="list-style-type: none"> • None (8 points) • 1-3 (6 points) • 4-6 (4 points) • 7-9 (2 points) • 10 or more (0 points) 	20
Discretionary	<p>LITACorp will evaluate the applicant’s project readiness and project competitiveness to determine feasibility, and to ensure each project meets or exceeds the merit criteria established by the federal grant program(s) of interest. To be clear, if the project meets or exceeds all merit criteria for the specific federal grant program, the community will receive 20 points.</p>	20
TOTAL		120

Applications will be evaluated on a rolling basis beginning May 2023 (anticipated) and will continue to be evaluated every two weeks to ensure LITACorp is being timely and responsive to community needs.

LITACorp intends to award grants for match amounts between \$250,000 and \$750,000, and non-construction grants between \$50,000 and \$350,000. LITACorp reserves the right to make awards outside of these budget ranges, especially for projects demonstrating substantial regional impact.

As the evaluation criteria indicates, rural and economically distressed communities will be prioritized for both the Technical Assistance Program and awards from the Matching Funds Grant Program.

Performance Measures

1. Host at least five (5) community outreach events in each federally-designated congressional district.
2. Develop and maintain a database of local elected officials and key stakeholders (ex. economic development practitioners, industrial development authorities, etc.) from all rural municipalities (population of 50,000 or less) and parishes (75,000 or less).
3. Develop and maintain a database of all identified IJJA grant opportunities, eligible projects (in communities throughout the state), applications submitted, and applications awarded.
4. Of all IJJA grant applications submitted, maintain a 70% success rate.
5. For every dollar invested through LITACorp, we anticipate \$3 in return through the award of federal grants to our communities. Our goal is to leverage our funding to acquire at least \$75 Million for the state.

Agenda Item #7

Review and approval of
the FY 2023-2024
operating budgets for the
state retirement systems
listed:

- Teachers' Retirement
- Louisiana State Employees' Retirement
- Louisiana School Employees Retirement
- Louisiana State Police Retirement



JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804

MEMORANDUM

To: Representative Jerome Zeringue, Chairman
Senator Bodi White, Vice Chairman
Members of the Joint Legislative Committee on the Budget (JLCB)

From: Stephanie Little, Attorney
House Fiscal Division

Date: March 17, 2023

Subject: Approval of State Retirement Systems' FY 2023-24 Operating Budgets

R.S. 11:176 and R.S. 39:81 require each of the four state public retirement systems to submit their respective operating budgets to the Joint Legislative Committee on the Budget (JLCB) for review and approval.

The four state retirement systems are as follows:

- Louisiana State Employees' Retirement System (LASERS)
- Teachers' Retirement System of Louisiana (TRSL)
- Louisiana School Employees' Retirement System (LSERS)
- Louisiana State Police Retirement System (STPOL)

R.S. 39:81(B) provides that the four state retirement systems must submit their proposed operating budgets to JLCB for review and approval at the same time as required for submission of state agency budgets. The state retirement systems have submitted their FY 2023-24 operating budgets to JLCB as required by law. In each case, the system's respective board has approved the proposed operating budget.

R.S. 39:81(B) further provides that the proposed operating budget request documents for the state retirement systems shall include, at a minimum, the following:

- Actual expenditures for the prior year
- Projected expenditures for the current and ensuing years
- A listing and itemization of each type of professional, personal or consulting service contract, along with the general purpose of each professional service as well as reasonable information concerning prior need for the requested services
- A personnel table containing salary information on authorized, estimated, and requested positions
- Any other information specified by JLCB

R.S. 11:102(B)(3)(e) provides that the non-investment related administrative expenses of each state retirement system are funded directly through employer contributions. These contributions, once received by the system, are categorized as Fees & Self-Generated Revenues for accounting purposes.

The state retirement system executive staff are prepared to provide the committee with up-to-date performance information for each system, covering items such as membership, benefits, asset valuation, investment yields, and unfunded accrued liability (UAL).

Below is a combined, high-level budget summary for the four state retirement systems. For more detail, please see the attached addendum for further information and analysis of each system's proposed budget.

FY 2023-24 Budget Summary (Includes all four State Retirement Systems)					
	FY 2021-22	FY 2022-23	FY 2023-24	\$ Change	% Change
	<u>Actual</u>	<u>Budgeted</u>	<u>Requested</u>	<u>from Budgeted</u>	<u>from Budgeted</u>
Means of Finance:					
Total Fees & Self-Generated Revenues	\$122,131,023	\$149,388,020	\$150,792,198	\$1,404,178	1%
Total Means of Finance					
Expenditures:					
Personal Services	\$34,948,284	\$39,235,307	\$40,880,028	\$1,644,721	4%
Operating Services	\$6,514,929	\$7,872,823	\$8,604,548	\$731,725	9%
Professional Services	\$1,598,461	\$4,000,500	\$4,358,732	\$358,232	9%
Other Charges	\$81,429	\$90,000	\$97,000	\$7,000	8%
Acquisitions & Major Repairs	\$754,714	\$1,250,000	\$1,382,500	\$132,500	11%
Subtotal Administrative Expenditures	\$43,897,817	\$52,448,630	\$55,322,808	\$2,874,178	5%
<i>Investment Management Fees</i>	\$78,233,206	\$96,939,390	\$95,469,390	(\$1,470,000)	-2%
Total Expenditures	\$122,131,023	\$149,388,020	\$150,792,198	\$1,404,178	1%
Total Admin. Expenditures by System:					
LASERS Total Admin. Expenditures	\$20,026,699	\$24,529,000	\$25,811,000	\$1,282,000	5%
TRSL Total Admin. Expenditures	\$18,850,313	\$22,174,363	\$23,607,300	\$1,432,937	6%
LSERS Total Admin. Expenditures	\$3,982,748	\$4,509,690	\$4,599,273	\$89,583	2%
STPOL Total Admin. Expenditures	\$1,038,057	\$1,235,577	\$1,305,235	\$69,658	6%
Total Expenditures					
Full-Time Equivalentents (FTEs):					
Classified	296	297	296	(1)	-
Unclassified	28	29	29	0	-
Total FTEs	324	326	325	(1)	-

Administrative Expenses:

Overall, administrative expenditures are increasing by \$2.9 million, or 5%, from the current year. The majority of the increase is due to increases in personal services expenditures (salaries and related benefits) at LASERS, TRSL, and STPOL. The remainder of the increase is driven primarily by increases in operating services and professional services expenses at the two largest systems (LASERS and TRSL).

Investment Management Fees:

Because investment fees are a large portion of each system’s operating budget, these expenditures are treated as a separate line item in the combined budget summary. Aggregate investment management fees are decreasing by \$1.5 million, or -2%, from the current year for a total of \$95.5 million in projected expenditures. The decrease is attributable to significant fee decreases at LASERS and STPOL.

Summary:

As shown in the included appendix, when viewed individually each system has taken a different strategy with respect to its proposed FY 24 budget. LASERS is using a one million dollar decrease in proposed investment fees to almost completely offset a 5% increase in total administrative expenses, resulting in an aggregate operating budget increase of \$282,000. TRSL has chosen to hold its investment fees steady and to increase administrative expenses by 6%, for a total budget increase of 2%. LSERS proposes a 2% increase to its administrative expenses, driven not by salaries and related benefits, which are actually reducing from current year levels, but by increases in acquisitions and professional services. STPOL used 14% of its reduction in investment fees to augment personal services and operating services expenses for FY 24, and otherwise decreased its total operating budget by -9%.

Each of the state retirement systems has provided additional information on their budget, which is included in the meeting file.

STATE RETIREMENT SYSTEM BUDGET ANALYSIS

TOTAL STATE RETIREMENT SYSTEMS

Budget Category	FY 2021-22 Actual	FY 2022-23 Budgeted	FY 2023-24 Proposed	FY 2022-23 Budgeted to 2021-22 Actuals	% Change Budgeted to Actuals	FY 2023-24 Proposed to FY 2022-23 Budgeted	% Change Proposed to Budgeted	2023-24 Proposed to FY 2021-22 Actuals	% Change Proposed to Actuals
Personal Services	\$ 34,948,284.00	\$ 39,235,307.00	\$ 40,880,028.00	\$ 4,287,023.00	12%	\$ 1,644,721.00	4%	\$ 5,931,744.00	17%
Operating Services	\$ 6,514,929.00	\$ 7,872,823.00	\$ 8,604,548.00	\$ 1,357,894.00	21%	\$ 731,725.00	9%	\$ 2,089,619.00	32%
Professional Services	\$ 1,598,461.00	\$ 4,000,500.00	\$ 4,358,732.00	\$ 2,402,039.00	150%	\$ 358,232.00	9%	\$ 2,760,271.00	173%
Other Charges and IAT Expenditures	\$ 81,429.00	\$ 90,000.00	\$ 97,000.00	\$ 8,571.00	11%	\$ 7,000.00	8%	\$ 15,571.00	19%
Acquisitions	\$ 754,714.00	\$ 1,250,000.00	\$ 1,382,500.00	\$ 495,286.00	66%	\$ 132,500.00	11%	\$ 627,786.00	83%
Total Administrative Expenses	\$ 43,897,817.00	\$ 52,448,630.00	\$ 55,322,808.00	\$ 8,550,813.00	19%	\$ 2,874,178.00	5%	\$ 11,424,991.00	26%
Total Investment Fees	\$ 78,233,206.00	\$ 96,939,390.00	\$ 95,469,390.00	\$ 18,706,184.00	24%	\$ (1,470,000.00)	-2%	\$ 17,236,184.00	22%
GRAND TOTAL	\$ 122,131,023.00	\$ 149,388,020.00	\$ 150,792,198.00	\$ 27,256,997.00	22%	\$ 1,404,178.00	1%	\$ 28,661,175.00	23%
Total Number of Positions	324	326	325	2	1%	(1)	0%	1	0%
Classified	296	297	296						
Unclassified	28	29	29						

LASERS

Budget Category	FY 2021-22 Actual	FY 2022-23 Budgeted	FY 2023-24 Proposed	FY 2022-23 Budgeted to 2021-22 Actuals	% Change Budgeted to Actuals	FY 2023-24 Proposed to FY 2022-23 Budgeted	% Change Proposed to Budgeted	2023-24 Proposed to FY 2021-22 Actuals	% Change Proposed to Actuals
Personal Services	\$ 15,821,143.00	\$ 16,977,000.00	\$ 17,919,900.00	\$ 1,155,857.00	7%	\$ 942,900.00	6%	\$ 2,098,757.00	13%
Operating Services	\$ 3,334,083.00	\$ 4,341,000.00	\$ 4,659,100.00	\$ 1,006,917.00	30%	\$ 318,100.00	7%	\$ 1,325,017.00	40%
Professional Services	\$ 539,378.00	\$ 2,461,000.00	\$ 2,441,000.00	\$ 1,921,622.00	356%	\$ (20,000.00)	-1%	\$ 1,901,622.00	353%
Other Charges and IAT Expenditures	\$ -	\$ -	\$ -	\$ -	0%	\$ -	0%	\$ -	0%
Acquisitions	\$ 332,095.00	\$ 750,000.00	\$ 791,000.00	\$ 417,905.00	126%	\$ 41,000.00	5%	\$ 458,905.00	138%
Total Administrative Expenses	\$ 20,026,699.00	\$ 24,529,000.00	\$ 25,811,000.00	\$ 4,502,301.00	22%	\$ 1,282,000.00	5%	\$ 5,784,301.00	29%
Total Investment Fees	\$ 27,041,649.00	\$ 32,500,000.00	\$ 31,500,000.00	\$ 5,458,351.00	20%	\$ (1,000,000.00)	-3%	\$ 4,458,351.00	16%
GRAND TOTAL	\$ 47,068,348.00	\$ 57,029,000.00	\$ 57,311,000.00	\$ 9,960,652.00	21%	\$ 282,000.00	0%	\$ 10,242,652.00	22%
Total Number of Positions	137	137	137	0	0%	0	0%	0	0%
Classified	125	125	125						
Unclassified	12	12	12						

Note: Multi-year projects are now included in the system's operating budget. The actual, budgeted, and proposed totals in this chart were generated by LASERS to include multi-year project amounts.

TRSL

Budget Category	FY 2021-22 Actual	FY 2022-23 Budgeted	FY 2023-24 Proposed	FY 2022-23 Budgeted to FY 2021-22 Actuals	% Change Budgeted to Actuals	FY 2023-24 Proposed to FY 2022-23 Budgeted	% Change Proposed to Budgeted	2023-24 Proposed to FY 2021-22 Actuals	% Change Proposed to Actuals
Personal Services	\$ 15,365,545.00	\$ 18,031,475.00	\$ 18,689,502.00	\$ 2,665,930.00	17%	\$ 658,027.00	4%	\$ 3,323,957.00	22%
Operating Services	\$ 2,420,906.00	\$ 2,678,888.00	\$ 3,056,548.00	\$ 257,982.00	11%	\$ 377,660.00	14%	\$ 635,642.00	26%
Professional Services	\$ 660,423.00	\$ 1,034,000.00	\$ 1,353,250.00	\$ 373,577.00	57%	\$ 319,250.00	31%	\$ 692,827.00	105%
Other Charges and IAT Expenditures	\$ 81,429.00	\$ 90,000.00	\$ 97,000.00	\$ 8,571.00	11%	\$ 7,000.00	8%	\$ 15,571.00	19%
Acquisitions	\$ 322,010.00	\$ 340,000.00	\$ 411,000.00	\$ 17,990.00	6%	\$ 71,000.00	21%	\$ 88,990.00	28%
Total Administrative Expenses	\$ 18,850,313.00	\$ 22,174,363.00	\$ 23,607,300.00	\$ 3,324,050.00	18%	\$ 1,432,937.00	6%	\$ 4,756,987.00	25%
Total Investment Fees	\$ 43,883,212.00	\$ 53,442,390.00	\$ 53,442,390.00	\$ 9,559,178.00	22%	\$ -	0%	\$ 9,559,178.00	22%
GRAND TOTAL	\$ 62,733,525.00	\$ 75,616,753.00	\$ 77,049,690.00	\$ 12,883,228.00	21%	\$ 1,432,937.00	2%	\$ 14,316,165.00	23%
Total Number of Positions	153	156	156	3	2%	0	0%	3	2%
Classified	143	145	145						
Unclassified	10	11	11						

LSERS

Budget Category	FY 2021-22 Actual	FY 2022-23 Budgeted	FY 2023-24 Proposed	FY 2022-23 Budgeted to FY 2021-22 Actuals	% Change Budgeted to Actuals	FY 2023-24 Proposed to FY 2022-23 Budgeted	% Change Proposed to Budgeted	2023-24 Proposed to FY 2021-22 Actuals	% Change Proposed to Actuals
Personal Services	\$ 3,080,775.00	\$ 3,406,255.00	\$ 3,402,391.00	\$ 325,480.00	11%	\$ (3,864.00)	0%	\$ 321,616.00	10%
Operating Services	\$ 644,071.00	\$ 712,935.00	\$ 735,400.00	\$ 68,864.00	11%	\$ 22,465.00	3%	\$ 91,329.00	14%
Professional Services	\$ 218,585.00	\$ 295,500.00	\$ 345,982.00	\$ 76,915.00	35%	\$ 50,482.00	17%	\$ 127,397.00	58%
Other Charges and IAT Expenditures	\$ -	\$ -	\$ -	\$ -	0%	\$ -	0%	\$ -	0%
Acquisitions	\$ 39,317.00	\$ 95,000.00	\$ 115,500.00	\$ 55,683.00	142%	\$ 20,500.00	22%	\$ 76,183.00	194%
Total Administrative Expenses	\$ 3,982,748.00	\$ 4,509,690.00	\$ 4,599,273.00	\$ 526,942.00	13%	\$ 89,583.00	2%	\$ 616,525.00	15%
Total Investment Fees	\$ 4,259,216.00	\$ 7,235,000.00	\$ 7,265,000.00	\$ 2,975,784.00	70%	\$ 30,000.00	0%	\$ 3,005,784.00	71%
GRAND TOTAL	\$ 8,241,964.00	\$ 11,744,690.00	\$ 11,864,273.00	\$ 3,502,726.00	42%	\$ 119,583.00	1%	\$ 3,622,309.00	44%
Total Number of Positions	29	28	27	(1)	-3%	(1)	-4%	(2)	-7%
Classified	25	24	23						
Unclassified	4	4	4						

LSPRS

Budget Category	FY 2021-22 Actual	FY 2022-23 Budgeted	FY 2023-24 Proposed	FY 2022-23 Budgeted to FY 2021-22 Actuals	% Change Budgeted to Actuals	FY 2023-24 Proposed to FY 2022-23 Budgeted	% Change Proposed to Budgeted	2023-24 Proposed to FY 2021-22 Actuals	% Change Proposed to Actuals
Personal Services	\$ 680,821.00	\$ 820,577.00	\$ 868,235.00	\$ 139,756.00	21%	\$ 47,658.00	6%	\$ 187,414.00	28%
Operating Services	\$ 115,869.00	\$ 140,000.00	\$ 153,500.00	\$ 24,131.00	21%	\$ 13,500.00	10%	\$ 37,631.00	32%
Professional Services	\$ 180,075.00	\$ 210,000.00	\$ 218,500.00	\$ 29,925.00	17%	\$ 8,500.00	4%	\$ 38,425.00	21%
Other Charges and IAT Expenditures	\$ -	\$ -	\$ -	\$ -	0%	\$ -	0%	\$ -	0%
Acquisitions	\$ 61,292.00	\$ 65,000.00	\$ 65,000.00	\$ 3,708.00	6%	\$ -	0%	\$ 3,708.00	6%
Total Administrative Expenses	\$ 1,038,057.00	\$ 1,235,577.00	\$ 1,305,235.00	\$ 197,520.00	19%	\$ 69,658.00	6%	\$ 267,178.00	26%
Total Investment Fees	\$ 3,049,129.00	\$ 3,762,000.00	\$ 3,262,000.00	\$ 712,871.00	23%	\$ (500,000.00)	-13%	\$ 212,871.00	7%
GRAND TOTAL	\$ 4,087,186.00	\$ 4,997,577.00	\$ 4,567,235.00	\$ 910,391.00	22%	\$ (430,342.00)	-9%	\$ 480,049.00	12%
Total Number of Positions	5	5	5	0	0%	0	0%	0	0%
Classified	3	3	3						
Unclassified	2	2	2						

The cover features a large white circle in the center containing the title. The background is a vibrant teal and green gradient with diagonal line patterns. Faint, light-colored icons of a calculator, pencil, and briefcase are scattered across the background.

Operating BUDGET



Teachers' Retirement System of Louisiana

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Post Office Box 94123
Baton Rouge LA 70804-9123

BOARD OF TRUSTEES

- Elected
Holly Bridges Gildig, M.Ed. Chair
David A. Hennigan Vice Chair
Neshelle S. Nogess M.B.A.
Lotte T. Delaney, M.P.A.
Tia T. Mills, Ed.D.
Vacant
Suzanne Breaux
Clyde F. Hamner Retired Members
James A. Taylor, Sr., J.D., Ph.D. Retired Members
Sommer Purvis School Food Service
Paul E. Nelson, Ph.D. Superintendents
Thomas F. Stafford, Ph.D. Colleges & Universities
Appointed
Delisha Boyd Member, House Retirement Committee
Ex Officio
Edward J. "Ed" Price Chair, Senate Retirement Committee
John M. Schroder State Treasurer
Cade Brumley, Ed.D. State Superintendent of Education
Jay Dardenne Commissioner, Division of Administration
Director
Katherine Whitney
Deputy Director
Douglas Swenson
Assistant Director
Jeff LaCour
Chief Investment Officer
Philip Griffith
Executive Counsel
Kenneth L. "Trey" Roche, III
Board Secretary
Erin Laley
Executive Assistant
Shameeka Kaufman

MEMORANDUM

To: Board of Trustees
From: Katherine Whitney, Director Kw
Date: November 3, 2022
Re: 2023-2024 Operating Budget

Enclosed is a copy of the proposed 2023-2024 Operating Budget. The operating budget contains two major categories - administrative expenses and investment related expenses.

The administrative portion of the budget, which includes all categories except investments, reflects an increase of \$1,432,937 (6.46 percent) from the 2022-2023 budget. The increase is primarily due to higher mandated personnel costs. These include market rate salary adjustments required by Civil Service as well as expected increases in health insurance and retirement. Other increases are driven by building rent, bank service charges, and IT professional services and acquisitions.

Full time staff size remains at 156, an 11 percent reduction from a high of 175 in 2011. This was made possible by the industriousness of staff to implement operational efficiencies, as well as recent years' investments in technology.

The investments portion of the budget remains unchanged from the 2022-2023 budget.

The overall budget, including investment expenses, reflects a total increase of \$1,432,937, or 1.89 percent, from the 2022-2023 budget.

The chart below shows a comparison of the total budget for 2022-2023 against the proposed 2023-2024 budget. Changes between the proposed and current budgets are outlined by major category.

Table with 2 columns: Category and Amount. Rows include Total Approved Operating Budget for 2022-2023 (\$75,616,753), Change in: Personnel Services (\$658,027), Travel Expenses (0), Operating Services (\$356,588), Supplies (\$21,072), Professional Services (\$319,250), Other Charges (0), Interagency Transfers (\$7,000), Acquisitions (\$71,000), Investment Expenses (0), and Total Operating Budget for 2023-2024 (\$77,049,690).

Toll free (outside the Baton Rouge area): 1.877.ASK.TRSL (1.877.275.8775)
TRSL is an equal opportunity employer and complies with the Americans with Disabilities Act.

Table of contents



4	Four-Year Budget Comparison
6	Exhibits (A-G)
13	Budget by Department at Category Level
25	Personnel Salary Schedule
32	Organizational Charts
45	Balanced Scorecard
46	Acronym List

Four-year budget comparison — Fiscal years 2020-21 through 2023-24

	Budget 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget Request 2023-2024	% Increase/ Decrease	2022-23 to 2023-24 Variance
ADMINISTRATIVE EXPENSES							
Personnel Services:							
Salaries	\$ 11,025,047	\$ 11,315,763	\$ 10,174,542	\$ 11,819,836	\$ 12,260,985	3.73%	\$ 441,149
Overtime	50,000	50,000	9,088	50,000	50,000	0.00%	0
Termination	90,000	70,000	51,281	100,000	100,000	0.00%	0
Students, Interns, Law Clerk	52,650	66,690	32,533	66,690	66,690	0.00%	0
Per Diem - Board Members	21,000	21,000	7,822	21,000	21,000	0.00%	0
Related benefits	5,773,454	5,670,356	5,090,280	5,973,949	6,190,827	3.63%	216,878
Total Personnel Services	\$ 17,012,151	\$ 17,193,809	\$ 15,365,545	\$ 18,031,475	\$ 18,689,502	3.65%	\$ 658,027
# of Positions	153	153	153	156	156	0.00%	0
Travel Expenses	\$ 96,000	\$ 96,000	\$ 27,422	\$ 96,000	\$ 96,000	0.00%	\$ 0
Operating Services:							
Advertising	\$ 10,000	\$ 10,045	\$ 10,959	\$ 11,220	\$ 15,420	37.43%	\$ 4,200
Printing	57,100	64,100	50,432	64,100	77,800	21.37%	13,700
Insurance	195,000	160,000	119,092	180,000	190,000	5.56%	10,000
Automotive repairs	4,000	4,000	4,174	4,000	9,000	125.00%	5,000
Maintenance - Equipment/Computer	573,600	508,700	352,364	508,700	466,750	(8.25%)	(41,950)
Rentals-Building	834,000	834,000	830,369	834,000	996,000	19.42%	162,000
Rentals-Equipment	89,000	89,000	75,554	89,000	92,000	3.37%	3,000
Rentals-Data Storage	83,300	79,300	99,290	86,300	106,300	23.17%	20,000
Dues/Subscriptions/Registrations	102,335	111,235	109,227	119,903	137,014	14.27%	17,111
Postage	400,473	375,473	368,223	375,473	419,000	11.59%	43,527
Telephone	88,000	97,000	121,369	97,000	137,000	41.24%	40,000
Bank Charges, Other Chgs., Mail Svcs.	52,192	80,985	185,669	143,192	223,192	55.87%	80,000
Total Operating Services	\$ 2,489,000	\$ 2,413,838	\$ 2,326,724	\$ 2,512,888	\$ 2,869,476	14.19%	\$ 356,588
Supplies	\$ 70,000	\$ 70,000	\$ 66,760	\$ 70,000	\$ 91,072	30.10%	\$ 21,072

Four-year budget comparison — Fiscal years 2020-21 through 2023-24

	Budget 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget Request 2023-2024	% Increase/ Decrease	2022-23 to 2023-24 Variance
Professional Services:							
Accounting and Auditing	\$ 128,500	\$ 128,500	\$ 92,060	\$ 103,000	\$ 103,000	0.00%	\$ 0
Actuarial	230,720	230,720	185,000	255,720	255,720	0.00%	0
Information Technology	48,100	112,680	60,366	79,300	89,300	12.61%	10,000
Legal	102,500	86,500	27,637	153,500	163,500	6.51%	10,000
Management & Consulting	55,580	107,000	22,316	124,880	440,130	252.44%	315,250
Medical	100,000	100,000	88,325	100,000	110,000	10.00%	10,000
Public Information	210,000	110,000	126,187	134,000	105,000	(21.64%)	(29,000)
Other Professional Services	83,600	83,600	58,532	83,600	86,600	3.59%	3,000
Total Professional Services	\$ 959,000	\$ 959,000	\$ 660,423	\$ 1,034,000	\$ 1,353,250	30.88%	\$ 319,250
Other Charges:							
Educational Expense & Other	\$ 31,000	\$ 31,000	\$ 23,766	\$ 31,000	\$ 31,000	0.00%	\$ 0
Total Other Charges	\$ 31,000	\$ 31,000	\$ 23,766	\$ 31,000	\$ 31,000	0.00%	\$ 0
Interagency Transfers:							
Department of Civil Service & Other	\$ 59,000	\$ 59,000	\$ 57,663	\$ 59,000	\$ 66,000	11.86%	\$ 7,000
Total Interagency Transfers	\$ 59,000	\$ 59,000	\$ 57,663	\$ 59,000	\$ 66,000	11.86%	\$ 7,000
Acquisitions	\$ 340,000	\$ 340,000	\$ 322,010	\$ 340,000	\$ 411,000	20.88%	\$ 71,000
TOTAL ADMINISTRATIVE EXPENSES	\$ 21,056,151	\$ 21,162,647	\$ 18,850,312	\$ 22,174,363	\$ 23,607,300	6.46%	\$ 1,432,937
INVESTMENT EXPENSES							
Custodian	\$ 390,000	\$ 390,000	\$ 402,324	\$ 390,000	\$ 405,000	3.85%	\$ 15,000
Investment Advisors	40,512,474	46,433,474	42,390,847	51,849,890	51,855,690	0.01%	5,800
Investment Performance Consultants	772,526	798,526	748,526	824,500	800,500	(2.91%)	(24,000)
Investment Monitoring & Compliance	325,000	378,000	341,515	378,000	381,200	0.85%	3,200
Total Investment Expenses	\$ 42,000,000	\$ 48,000,000	\$ 43,883,212	\$ 53,442,390	\$ 53,442,390	0.00%	\$ 0
TOTAL OPERATING EXPENSES	\$ 63,056,151	\$ 69,162,647	\$ 62,733,524	\$ 75,616,753	\$ 77,049,690	1.89%	\$ 1,432,937

Personnel services — 2023-24 budget supplemental data (Exhibit A)

Staff	TRSL will fund 156 positions for 2023-2024. Market rate salary adjustments increase required by Civil Service budgeted for classified and unclassified staff.	\$ 12,260,985
Overtime	Legislation implementation and disaster recovery.	50,000
Termination	Payout to employees for accrued leave when they retire or separate from service.	100,000
Students, Interns, Law Clerks	Includes positions classified as undergraduate and graduate students.	66,690
Per Diem - Board	Per diem payments for trustees' monthly committee and board meetings.	21,000
Related Benefits	Health and life insurance employer share, employer pension contributions, etc.	6,190,827
TOTAL PERSONNEL SERVICES		\$ 18,689,502

In-state travel — 2023-24 budget supplemental data (Exhibit B)

In-State Travel & Training		
Division	Description	Cost
Board of Trustees	Travel to attend board meetings and LAPERS	\$ 32,300
Executive	Routine travel and in-state travel and training	5,115
Staff	Travel and training	6,355
Total In-State Travel & Training		\$ 43,770

In-State Field Travel		
Division	Description	Cost
Admin Services	Travel to disaster recovery site	\$ 200
Employer Services	Employer Training	10,000
Information Technology	Travel to disaster recovery site	1,000
Public Information	Membership counseling and various trainings and workshops	5,550
Retirement & Audit	Employer Meetings	600
Total In-State Field Travel		\$ 17,350
TOTAL IN-STATE TRAVEL		\$ 61,120

Out-of-state travel level — 2023-24 budget supplemental data (Exhibit C)

Out-of-State Travel		
Division	Description	Cost
Board of Trustees	Due Diligence investment related travel	\$ 2,000
Executive	NASRA, NCTR	11,605
Legal	NAPPA	6,250
Audit	APPFA, Audit related travel	4,200
Accounting	P2F2	1,375
Public Information	NPEA	1,950
Investment	Hamilton Lane, NASIO, NASIP	7,500
TOTAL OUT-OF-STATE TRAVEL		\$ 34,880

Dues & subscriptions — 2023-24 budget supplemental data (Exhibit D)

Board Members	Diligent, LAPERS	\$ 10,200
Executive Department	BR Bar Association, COX, GFOA, IIA, ISACA, LAPERS, LASBA, LADB Assessment, LA Society of CPA's, NASRA, NCTR, NIRS, PAR2, PPCC, PRAL, Zoom	33,029
Legal	BR Bar Association, Bound Acts of the Legislature, COX, LAPERS, LASBA, LADB Assessment, Legiscon, NAPPA, Public Affairs Research Council of LA, US District Court, Westlaw Services	38,640
Investments	AICPA, Becker, BR Bar Association, CAIA, CFA, IIA, ILPA, LAPERS, LASBA, LADB Assessment, NASIO, Pension Fund Data Exchange, Wall Street Journal, Zoom	15,905
Accounting	Becker, GASB Comprehensive Plan, GFOA, GFOA Certification Review (Comprehensive AFR & PAFR), Payroll Managers Letter, Program Business Publication, P2F2, Southern Financial Exchange	6,840
Retirement	COX, Zoom	2,700
Information Technology	CISD, Copernic Desktop Search, Experts Exchange	608
Audit	APPFA, Becker, Fraud and Forensic Accounting, IIA, ISACA, LA Workforce Commission, LSU Center for Internal Audit (CIA)	6,150
Public Information	EMMA, Getty Images, Hoot Suite, LogMeIn, NPEA, On Track with Marusak, PRAL, Prezi, Survey Monkey, The Advocate	18,261
Human Resources	HR Laws, IPMA, LA Employment Law, LSU Courses, SHRMA	2,862
Employer Services	AGA, Becker, COX, IIA, NAGDCA	1,819
TOTAL DUES & SUBSCRIPTIONS		\$ 137,014

Professional services — 2023-24 budget supplemental data (Exhibit E)

Executive Department	Foster & Foster Actuaries & Consultants, CEM Administration Benchmarking, Inc., Fiduciary Services, Professional Travel	\$ 317,720
Legal	Ice Miller - LLC Tax Law, Avant & Falcon - Employment Law, Kean Miller, Klausner & Kaufman, Legal Remediation Settlements	163,500
Accounting	Hawthorn, Waymouth & Carroll, L.L.P., Sage Accounting System Support, Lexus Nexus, Postlethwaite & Netterville	98,900
Retirement	Medical Services, Pension Benefit Information, Inc., EVVE, Lexus Nexus	130,300
Information Technology	Bowen ECM Solutions, Communications Consulting Group, Data Integrity - RMJ Consulting and Sylint, Delphia, Disaster Recovery Vendors, KnoB4, Phone System Support, Plural Sight, Prosource Data Center, Scope Solutions, TRACE Security Penetration Testing, Sparkhound One Developer, Oracle Resource	524,430
Audit	Investment Audits, ACL Audit Support	10,000
Human Resources	RN Expertise, HireRight	3,400
Public Information	Election America, Modiphy, Inc.	105,000
TOTAL PROFESSIONAL SERVICES		\$ 1,353,250

Investment-related expenses — 2023-24 budget supplemental data (Exhibit F)

Investment Manager Fees	
International Equity	\$ 16,300,000
Domestic Equity	22,220,000
Domestic Fixed Income	2,325,000
Core Real Estate	1,195,690
Alternative Investment Manager	2,145,000
Global Fixed Income	5,800,000
Global REIT	1,870,000
Investment Custodian	
BNY Mellon	\$ 405,000
Investment Performance Consultant	
Aon Hewitt Investment Consulting, Inc.	\$ 650,000
ORP Investment Performance Consultant	
Mercer	\$ 150,500
Investment Monitoring & Compliance	\$ 381,200
TOTAL INVESTMENT-RELATED EXPENSES	\$ 53,442,390

Acquisitions — 2023-24 budget supplemental data (Exhibit G)

Division	Description	Cost
Information Technology	Network Servers/Personal Computers, PC Printers, Network Devices, and Software Licenses	\$ 365,000
TOTAL ACQUISITIONS-Computer		\$ 365,000
Administrative Services	Hole Punch Machine	\$ 6,000
Executive	Furniture Replacement for Member Lobby Renovation	15,000
TOTAL ACQUISITIONS-Office		\$ 21,000
Administrative Services	Automobile - To replace the 2013 Ford Explorer (acquired 2012) used for retirement and employer seminar field travel	\$ 25,000
TOTAL ACQUISITIONS-Automobile		\$ 25,000
TOTAL ACQUISITIONS		\$ 411,000

Budget by department at category level — 2023-24 budget supplemental data

BOARD OF TRUSTEES	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES - PER DIEM	\$ 7,822	\$ 21,000	\$ 21,000	\$ 21,000
TRAVEL	18,843	34,300	34,300	34,300
OPERATING SERVICES	9,300	1,700	10,200	10,200
SUPPLIES	862	800	800	900
PROFESSIONAL SERVICES	-	-	-	-
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 36,827	\$ 57,800	\$ 66,300	\$ 66,400

Budget by department at category level — 2023-24 budget supplemental data

EXECUTIVE	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 1,514,540	\$ 1,515,656	\$ 1,567,963	\$ 1,568,724
TRAVEL	2,018	15,890	15,890	16,720
OPERATING SERVICES	28,367	28,579	30,529	34,549
SUPPLIES	8,962	11,000	11,000	21,000
PROFESSIONAL SERVICES	199,112	292,720	317,720	317,720
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	15,000
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 1,752,999	\$ 1,863,845	\$ 1,943,102	\$ 1,973,713

Budget by department at category level — 2023-24 budget supplemental data

LEGAL	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 693,499	\$ 688,944	\$ 719,625	\$ 742,178
TRAVEL	3,284	3,980	3,980	8,125
OPERATING SERVICES	31,052	35,190	36,595	38,840
SUPPLIES	-	600	600	600
PROFESSIONAL SERVICES	27,637	86,500	153,500	163,500
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 755,473	\$ 815,214	\$ 914,300	\$ 953,243

Budget by department at category level — 2023-24 budget supplemental data

INVESTMENTS	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 1,631,987	\$ 1,592,705	\$ 1,886,362	\$ 1,967,763
TRAVEL	723	8,300	8,300	8,300
OPERATING SERVICES	20,785	17,475	20,025	27,405
SUPPLIES	258	500	500	500
PROFESSIONAL SERVICES	3,700	-	-	-
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	43,883,212	48,000,000	53,442,390	53,442,390
TOTAL EXPENDITURES & REQUEST	\$ 45,540,664	\$ 49,618,980	\$ 55,357,577	\$ 55,446,358

Budget by department at category level — 2023-24 budget supplemental data

ACCOUNTING	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 2,306,466	\$ 2,637,640	\$ 2,617,761	\$ 2,739,202
TRAVEL	-	2,375	2,375	2,375
OPERATING SERVICES	1,214,234	1,122,108	1,211,660	1,483,840
SUPPLIES	2,914	3,000	3,000	3,000
PROFESSIONAL SERVICES	94,715	123,900	98,400	98,900
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	40	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 3,618,369	\$ 3,889,023	\$ 3,933,196	\$ 4,327,317

Budget by department at category level — 2023-24 budget supplemental data

ADMINISTRATIVE SERVICES	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 397,818	\$ 424,159	\$ 426,259	\$ 438,168
TRAVEL	152	1,000	1,000	400
OPERATING SERVICES	506,446	562,265	562,265	605,442
SUPPLIES	24,387	28,000	28,000	32,500
PROFESSIONAL SERVICES	-	-	-	-
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	25,000	25,000	31,000
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 928,803	\$ 1,040,424	\$ 1,042,524	\$ 1,107,510

Budget by department at category level — 2023-24 budget supplemental data

AUDIT	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 549,288	\$ 559,867	\$ 542,276	\$ 765,905
TRAVEL	-	2,660	2,660	5,110
OPERATING SERVICES	2,515	3,260	4,415	6,250
SUPPLIES	681	500	500	700
PROFESSIONAL SERVICES	-	10,000	10,000	10,000
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 552,484	\$ 576,287	\$ 559,851	\$ 787,965

Budget by department at category level — 2023-24 budget supplemental data

HUMAN RESOURCES	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 1,106,761	\$ 1,252,194	\$ 1,328,293	\$ 1,341,738
TRAVEL	621	500	500	500
OPERATING SERVICES	1,635	2,862	2,862	2,862
SUPPLIES	688	600	600	1,000
PROFESSIONAL SERVICES	2,522	3,400	3,400	3,400
OTHER CHARGES	23,766	31,000	31,000	31,000
INTERAGENCY TRANSFERS	57,623	59,000	59,000	66,000
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 1,193,615	\$ 1,349,556	\$ 1,425,655	\$ 1,446,500

Budget by department at category level — 2023-24 budget supplemental data

INFORMATION TECHNOLOGY	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 2,312,129	\$ 3,078,745	\$ 3,109,556	\$ 3,226,373
TRAVEL	527	1,500	1,500	1,000
OPERATING SERVICES	466,135	576,570	576,708	586,108
SUPPLIES	23,122	17,000	17,000	23,122
PROFESSIONAL SERVICES	103,764	214,680	199,180	524,430
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	322,010	315,000	315,000	365,000
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 3,227,687	\$ 4,203,495	\$ 4,218,944	\$ 4,726,033

Budget by department at category level — 2023-24 budget supplemental data

PUBLIC INFORMATION	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 524,711	\$ 580,831	\$ 571,522	\$ 594,515
TRAVEL	-	8,500	8,500	8,000
OPERATING SERVICES	42,311	61,610	55,410	69,461
SUPPLIES	2,857	4,500	4,500	4,500
PROFESSIONAL SERVICES	126,187	110,000	134,000	105,000
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 696,066	\$ 765,441	\$ 773,932	\$ 781,476

Budget by department at category level — 2023-24 budget supplemental data

RETIREMENT	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 3,089,778	\$ 3,509,131	\$ 3,869,468	\$ 3,852,393
TRAVEL	-	1,500	1,500	700
OPERATING SERVICES	2,554	400	400	2,700
SUPPLIES	1,222	2,750	2,750	2,750
PROFESSIONAL SERVICES	102,785	117,800	117,800	130,300
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 3,196,339	\$ 3,631,581	\$ 3,991,918	\$ 3,988,843

Budget by department at category level — 2023-24 budget supplemental data

EMPLOYER SERVICES	PRIOR YEAR ACTUAL 2021-22	PRIOR YEAR OPERATING BUDGET 2021-22	EXISTING OPERATING BUDGET 2022-23	TOTAL REQUEST 2023-24
PERSONNEL SERVICES	\$ 1,230,746	\$ 1,332,937	\$ 1,371,390	\$ 1,431,543
TRAVEL	1,253	15,495	15,495	10,470
OPERATING SERVICES	1,391	1,819	1,819	1,819
SUPPLIES	808	750	750	500
PROFESSIONAL SERVICES	-	-	-	-
OTHER CHARGES	-	-	-	-
INTERAGENCY TRANSFERS	-	-	-	-
ACQUISITIONS	-	-	-	-
INVESTMENT EXPENSES	-	-	-	-
TOTAL EXPENDITURES & REQUEST	\$ 1,234,198	\$ 1,351,001	\$ 1,389,454	\$ 1,444,332

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Executive Department						
Honore, Lisa	50533160	Executive Liaison Officer (U/C)		\$ 162,739	\$ 4,883	\$ 167,622
Jenkins, Robyn	50393606	Policy Planner 3	AS-617	84,261	2,440	86,701
Laley, Erin	50648234	Administrative Program Specialist A	AS-613	35,984	1,040	37,024
Whitney, Katherine	00052750	Director (U/C)		302,827	9,079	311,906
Subtotal			4	585,811	17,442	603,253
Member and Employer Services						
Kaufman, Shameeka	00052762	Administrative Assistant 6	AS-614	48,485	1,400	49,885
Swenson, Douglas	50371150	Deputy Director (U/C)		217,422	6,521	223,943
Subtotal			2	265,907	7,921	273,828
Operations Division						
LaCour, Jeffrey	50317481	Assistant Director (U/C)		186,826	5,600	192,426
Subtotal			1	186,826	5,600	192,426
Accounting Department						
Ackerman, Donna	50341732	Accountant 3	AS-615	73,611	2,120	75,731
Ardoin-Ursin, Ella	50339798	Accountant Manager 1	AS-618	77,917	2,240	80,157
Brown, Jerrena	00052776	Administrative Assistant 4	AS-611	43,971	1,260	45,231
Brown, Sharhonda	00201254	Accountant 3	AS-615	49,962	1,440	51,402
Burke, Marlene	50359676	Accountant Supervisor 2	AS-617	77,979	2,240	80,219
Campbell, Beverly	00189279	Accountant Manager 1	AS-618	88,421	2,560	90,981
Christopher, Taymekian	50362824	Accountant 3	AS-615	70,387	2,040	72,427
Dorsey, Dominique	50380340	Accountant 1	AS-612	40,165	4,487	44,652
Fekete, Gene	00052774	Accountant Manager 3	AS-621	105,206	3,040	108,246
Fekete, Jodi	00052766	Accountant Manager 3	AS-621	92,352	2,660	95,012
Fisher, Jacqueline	50341733	Accountant 3	AS-615	77,958	0	77,958
Granier, Alexander	50344507	Accountant Manager 1	AS-618	62,296	1,800	64,096
Hadrick, Leslie	50362823	Accountant 3	AS-615	70,387	2,040	72,427
Johnson, Karissa	00052726	Accountant Manager 2	AS-619	88,941	2,560	91,501

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Leblanc, Lisa	50332605	Accountant 3	AS-615	60,445	1,740	62,185
McGlinchey, Caryn	00052769	Accountant Administrator 5	AS-624	117,354	3,380	120,734
Neal, Letha	50352451	Accountant 1	AS-612	37,003	3,548	40,552
Stevenson, Yolanda	50380333	Accountant 3	AS-615	51,002	1,480	52,482
Stone, Latrina	50332604	Accountant Manager 1	AS-618	66,456	1,920	68,376
Thames, Aimee	50343301	Accountant 2	AS-613	39,603	2,079	41,683
Thibodeaux, Melissa	50562228	Business Analytics Specialist	AS-620	75,670	2,180	77,850
Waldron, Melissa	50313172	Accountant Manager 1	AS-618	67,246	1,940	69,186
York, ShaKira	00052767	Accountant 3	AS-615	49,400	1,420	50,820
Vacant	50361945	Accountant 3	AS-615	58,781	1,700	60,481
Vacant	00052739	Accountant 3	AS-615	58,781	1,700	60,481
Vacant	50414126	Accountant Manager 4	AS-622	94,390	2,720	97,110
Premium Pay for 26 positions						89,640
Attrition						(20,566)
Subtotal			26	1,795,685	56,296	1,921,054
Administrative Svcs Department						
Haase, Bervin	00166102	Administrative Program Director 1	AS-616	58,074	1,680	59,754
Mcalister, Rebecca	00181224	Administrative Coordinator 3	AS-609	31,741	920	32,661
Mooney, Melissa	50594393	Administrative Program Manager 1	AS-614	54,850	1,580	56,430
Mouton, Jessica	50643931	Administrative Prog Spec A	AS-613	35,984	1,040	37,024
Roby, Joyce	00204778	Administrative Coordinator 2	AS-607	28,350	820	29,170
Schroeder, Krystal	50543784	Administrative Prog Spec A	AS-613	42,099	1,220	43,319
Venable, Brad	00202417	Administrative Coordinator 4	AS-611	39,395	1,140	40,535
Subtotal			7	290,493	8,400	298,893
Audit Department						
Farrar, Kyle	50489074	Auditor 4	AS-618	90,189	2,600	92,789
Harris, Asta	50464986	Auditor 3	AS-617	60,403	1,740	62,143
Lee, Blake	00146291	Audit Director 2	AS-623	106,662	3,080	109,742

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Rombach, Patricia	50339616	Audit Manager	AS-621	92,456	2,660	95,116
Vacant	50518948	Auditor-Information Systems 3	AS-619	77,043	2,220	79,263
Vacant	00146951	Auditor 3	AS-617	67,309	1,940	69,249
Premium Pay for 6 positions						17,928
Attrition						(20,566)
Subtotal			6	494,062	14,240	505,664
Employer Services Department						
Branagan, Edward	50486520	Administrative Program Director 4	AS-622	104,749	3,020	107,769
George, Jeffrey	50396341	Retirement Benefits Supervisor	AS-618	85,758	2,480	88,238
Grisby, Sandra	50380335	Accountant 3	AS-615	52,978	1,520	54,498
Henderson, Karla	50363694	Accountant Manager 1	AS-618	78,666	2,260	80,926
Lachney, Sharon	00163812	Retirement Benefits Specialist	AS-617	74,131	2,140	76,271
Landry, Heather	50487673	Retirement Benefits Specialist	AS-617	71,531	2,060	73,591
Resnick, Kelly	50479585	Retirement Benefits Analyst 3	AS-615	61,277	1,760	63,037
Rhodes, Paula	50351074	Retirement Benefits Manager	AS-619	96,491	2,780	99,271
Soileau, Melanie	00151568	Retirement Benefits Analyst 3	AS-615	63,149	1,820	64,969
Trosclair, Jessica	50313171	Retirement Benefits Specialist	AS-617	72,301	2,080	74,381
Young, Latasha	50339793	Accountant 3	AS-615	70,387	2,040	72,427
Zeringue, Anthony	00176669	Retirement Benefits Analyst 3	AS-615	78,770	2,280	81,050
Vacant	50542270	Accountant 3	AS-615	58,781	1,700	60,481
Premium Pay for 4 positions						13,953
Attrition						(20,566)
Subtotal			13	968,968	27,940	990,296
Human Resources Department						
Dardeau, Tammy	50460977	Human Resources Specialist	AS-617	73,362	2,120	75,482
Hart, Aricka	00184579	Human Resources Specialist	AS-617	75,650	2,180	77,830
Faber, Leigh	00052747	Human Resources Director	AS-620	96,262	2,780	99,042
Subtotal			3	245,274	7,080	252,354

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Info Technology Department						
Antonova, Krassimira	50327763	Information Technology Supervisor	TS-316	98,530	2,840	101,370
Ehson, Mohammad	50464479	Information Technology Applications Developer 3	TS-313	65,707	1,900	67,607
Guntz, Andrea	00144726	Information Technology Supervisor	TS-316	100,568	2,900	103,468
Hardy, James	50603400	Information Technology Technical Support Analyst 3	TS-313	58,947	4,931	63,879
Hodges, Mark	00144728	Information Technology Technical Engineer	TS-316	95,410	2,760	98,170
Maillet, Collin	50577293	Information Technology Technical Support Analyst 2	TS-312	57,658	1,660	59,318
Marangos, Steven	00052721	Information Technology Administrator	TS-321	130,874	3,780	134,654
Penton, Desiree	50522927	Information Technology Technical Support Analyst 2	TS-312	56,389	1,807	58,196
Pierron, Shawn	50305736	Information Technology Technical Support Analyst 3	TS-313	77,251	2,220	79,471
Prawitz, Edward	50396313	Information Technology Applications Engineer	TS-316	94,910	2,740	97,650
Rayburn, Mark	50339617	Information Technology Supervisor	TS-316	105,248	3,040	108,288
Skinner, Daniel	50521075	Information Technology Applications Developer 3	TS-313	61,214	1,760	62,974
Smith, Dayle	50314331	Information Technology Applications Developer 3	TS-313	75,691	2,180	77,871
Street, Kirsten	50570512	Business Analytics Specialist	AS-620	105,810	3,060	108,870
Stringfield, Peter	50314332	Information Technology Applications Developer 2	TS-312	54,891	3,860	58,751
Washington, Genett	50522926	Information Technology Technical Support Analyst 2	TS-312	58,989	1,896	60,885
Welchez, Luis	50445905	Information Technology Deputy Administrator	TS-319	124,654	3,600	128,254
Woodall, Peggy	50327764	Information Technology Supervisor	TS-316	91,707	2,640	94,347
Young, Pamela	50359927	Information Technology Associate 2	TS-309	49,837	1,440	51,277
Vacant	00052722	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	00052807	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	50327801	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	50467632	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	50501195	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	50521101	Information Technology Applications Developer 1	TS-311	61,714	1,780	63,494
Vacant	00174945	Information Technology Applications Developer 3	TS-313	70,658	2,040	72,698
Vacant	50381758	Information Technology Infosec Engineer	TS-316	86,570	2,500	89,070

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Vacant	00185358	Information Technology Manager	TS-318	99,112	2,860	101,972
Vacant	50656490	Information Technology Technical Specialist 2	TS-315	80,891	2,340	83,231
Vacant	50381759	Business Technology Specialist 1	TS-314	75,608	2,180	77,788
Premium Pay for 30 positions						90,636
Attrition						(267,363)
Subtotal			30	2,347,406	73,614	2,244,296
Investments Department						
Averite, Adam	50525853	Private Assets Manager (U/C)		130,042	3,900	133,942
Brown, Dana	50391478	Investment Director of Public Markets (U/C)		220,293	6,614	226,907
Coleman, Maurice	50391448	Deputy Chief Investment Officer (U/C)		252,366	7,566	259,932
Edmonson, Patricia	00164023	Investments Officer 3	AS-620	91,645	2,640	94,285
Griffith, Philip	00179550	Chief Investment Officer (U/C)		366,226	10,982	377,208
Stevenson, Davorio	50497344	Investments Operations Director (U/C)		86,944	2,605	89,549
Ventress, Melissa	00093768	Administrative Assistant 5	AS-613	62,546	1,800	64,346
Vacant	00201252	Investments Officer 3	AS-620	82,451	2,380	84,831
Vacant	50655725	Public Markets Investment Manager (U/C)		77,043	2,309	79,352
Subtotal			9	1,369,555	40,797	1,410,352
Legal Department						
Jelks, Sandra	50539024	Attorney 3	AS-620	79,602	2,300	81,902
Mills, Marion	00135834	Administrative Assistant 5	AS-613	60,819	1,760	62,579
Roche, Kenneth	50364834	Executive Counsel (U/C)		193,274	5,803	199,077
Rubin, Marina	50563684	Paralegal 2	AS-614	50,710	1,460	52,170
Vacant	50413880	Attorney-Deputy General Counsel 1	AS-623	103,605	2,980	106,585
Subtotal			5	488,010	14,303	502,313
Public Information Department						
Deville, Melanie	00183046	Administrative Assistant 4	AS-611	44,678	1,280	45,958
Guilbeau, Michelle	00136720	Public Information Director 3	AS-621	94,557	2,720	97,277
Horn, Clifton	50331995	Public Information Officer 3	AS-615	64,126	1,840	65,966

Personnel budget for Fiscal Year 2023-24

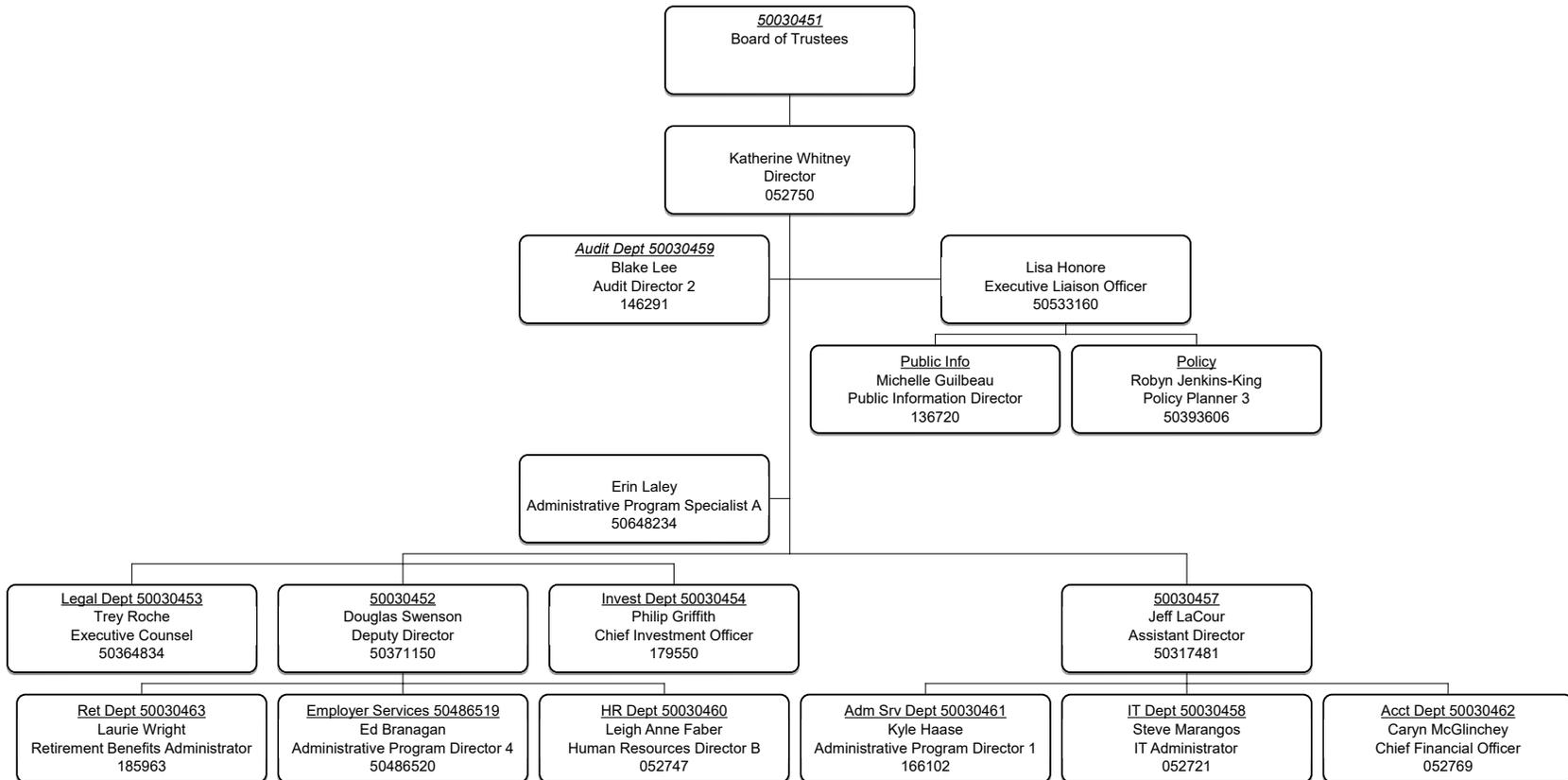
Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Levy, Kimberly	00052810	Public Information Officer 3	AS-615	61,755	1,780	63,535
Mack, Jerri	50326647	Public Information Officer 3	AS-615	63,378	1,820	65,198
Vacant	50374782	Public Information Officer 3	AS-615	63,586	1,840	65,426
Subtotal			6	392,080	11,280	403,360
Retirement Department						
Alexander, Cassundria	00052804	Retirement Benefits Analyst 3	AS-615	56,638	1,640	58,278
Alexander, Jonathan	50328615	Retirement Benefits Analyst 2	AS-613	46,446	4,044	50,490
Babin, Katie	50464683	Retirement Benefits Analyst 3	AS-615	53,747	1,560	55,307
Bagby, Jennifer	50336204	Retirement Benefits Specialist	AS-617	74,131	2,140	76,271
Brown, Raechel	50342437	Retirement Benefits Analyst 3	AS-615	51,688	1,500	53,188
Castille, Cristy	50328604	Retirement Benefits Analyst 2	AS-613	44,658	5,790	50,448
Champagne, Jeff	50317484	Retirement Benefits Analyst 1	AS-612	41,746	4,880	46,626
Clement, Kimberly	50342713	Retirement Benefits Analyst 2	AS-613	40,165	1,193	41,358
Coleman, LaPorsha	00136241	Retirement Benefits Analyst 2	AS-613	44,678	2,709	47,388
Doiron, John	50464687	Retirement Benefits Analyst 2	AS-613	44,678	3,656	48,334
Elmore, Amanda	50628146	Retirement Benefits Analyst 1	AS-612	40,165	3,529	43,693
Fletcher, Kasan	50337698	Retirement Benefits Analyst 2	AS-613	40,165	3,706	43,871
George, Jennifer	50347937	Retirement Benefits Supervisor	AS-618	79,373	2,280	81,653
Gonzales, Annie	50613097	Retirement Benefits Specialist	AS-617	60,902	1,760	62,662
Grant, Carla	50317483	Retirement Benefits Analyst 3	AS-615	78,146	2,260	80,406
Harrison, Kelli	00052780	Retirement Benefits Supervisor	AS-618	80,891	2,340	83,231
Harrison, Randall	00052729	Retirement Benefits Manager	AS-619	79,394	2,300	81,694
Johnson, Linnie	50316283	Retirement Benefits Manager	AS-619	79,352	2,280	81,632
Jovicic, Stefan	00140675	Retirement Benefits Analyst 3	AS-615	55,349	1,600	56,949
Landry, Philip	50570056	Retirement Benefits Supervisor	AS-618	75,379	2,180	77,559
Lowry, Kailey	00092487	Administrative Assistant 4	AS-611	27,061	780	27,841
Mccray, LaTonia	50347913	Retirement Benefits Analyst 3	AS-615	64,792	1,860	66,652
Monaco, Daniel	00198586	Retirement Benefits Analyst 1	AS-612	40,165	1,203	41,368

Personnel budget for Fiscal Year 2023-24

Employee Name	Position Number	Position Title	AS/TS Level	Annual Salary as of 06/30/2023	Increase / Decrease after 06/30/2023	Projected Salary for 2023-2024
Mosley, Catherine	00151576	Retirement Benefits Analyst 3	AS-615	49,712	1,440	51,152
O'Neil, Kristen	50316281	Retirement Benefits Analyst 3	AS-615	59,488	1,720	61,208
Parker, Sharon	00086293	Retirement Benefits Analyst 3	AS-615	66,872	1,920	68,792
Perkins, Ashanti	00052772	Retirement Benefits Specialist	AS-617	61,339	1,760	63,099
Powell, Clarissa	00166735	Retirement Benefits Analyst 2	AS-613	41,746	3,682	45,428
Powell, Gregory	00198573	Retirement Benefits Supervisor	AS-618	77,064	2,220	79,284
Reese, Linda	00114101	Retirement Benefits Supervisor	AS-618	79,373	2,280	81,653
Salpietra, Marlana	00136240	Retirement Benefits Analyst 2	AS-613	43,846	4,416	48,262
St. Pierre, Erin	50393251	Retirement Benefits Specialist	AS-617	54,974	1,580	56,554
Tran, To-Trinh	00052773	Retirement Benefits Analyst 3	AS-615	53,747	1,560	55,307
Trimble, Joanna	50342436	Retirement Benefits Analyst 2	AS-613	46,467	1,472	47,939
Ward, Kiera	50336203	Retirement Benefits Specialist	AS-617	64,480	1,860	66,340
Worthen, Mary	00114100	Retirement Benefits Supervisor	AS-618	73,174	2,120	75,294
Wright, Laurie	00185963	Retirement Benefits Administrator	AS-622	106,392	3,060	109,452
Vacant	50337697	Retirement Benefits Analyst 1	AS-612	47,986	1,380	49,366
Vacant	50628145	Retirement Benefits Analyst 1	AS-612	47,986	1,380	49,366
Vacant	00140676	Retirement Benefits Analyst 3	AS-615	58,781	1,700	60,481
Vacant	50628379	Retirement Benefits Analyst 3	AS-615	58,781	1,700	60,481
Vacant	50380382	Retirement Benefits Specialist	AS-617	67,309	1,940	69,249
Vacant	00116584	Administrative Coordinator 3	AS-609	33,530	960	34,490
Vacant	New	Retirement Benefits Specialist	AS-617	67,309	1,940	69,249
Premium Pay for 15 positions						71,256
Attrition						(82,265)
Subtotal			44	2,560,064	99,280	2,648,336
Total Salaries Excluding Student/Intern Wages			156	11,990,139	384,193	12,246,425
CLASSIFIED WAES				14,560		14,560
Grand Total Salaries w/Classified WAE				\$ 12,004,699	\$ 384,193	\$ 12,260,985

Organizational chart — TRSL

145 Classified
 11 Unclassified
 5 Students
 1 MBA Intern



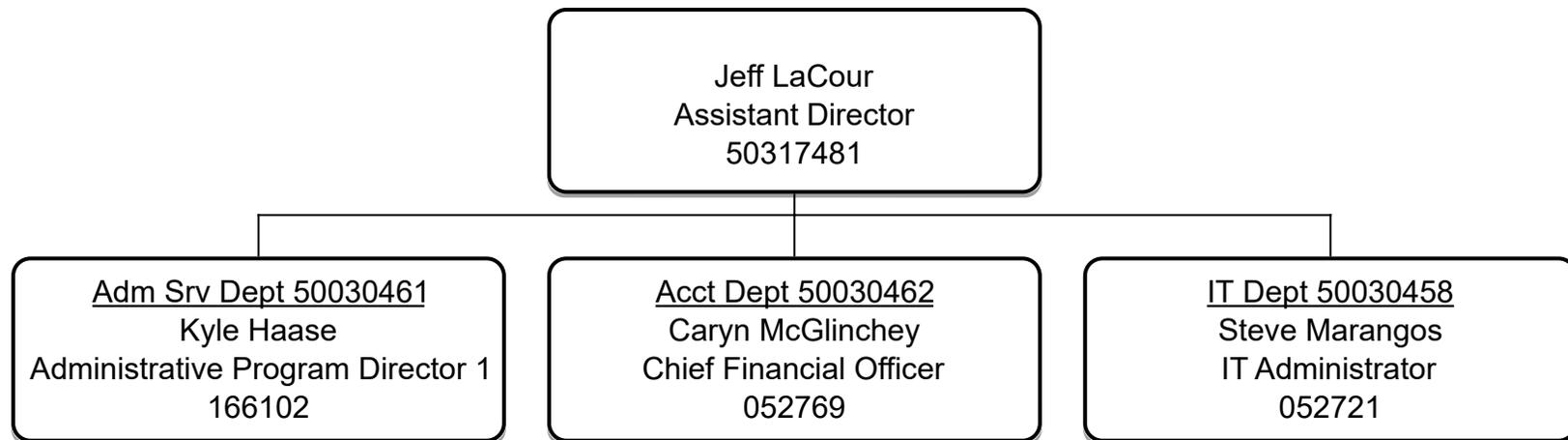
Organizational chart — Operations Division

66 Classified

1 Unclassified

0 WAE

0 Students



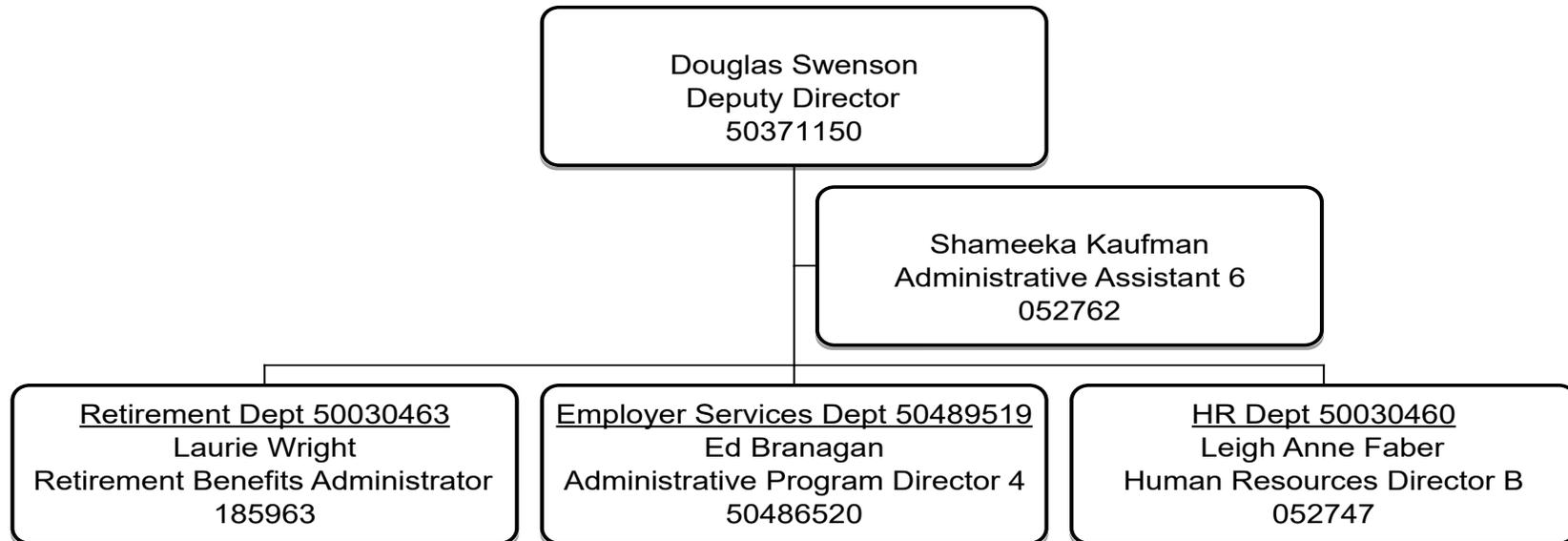
Organizational chart — Member Services Division



58 Classified

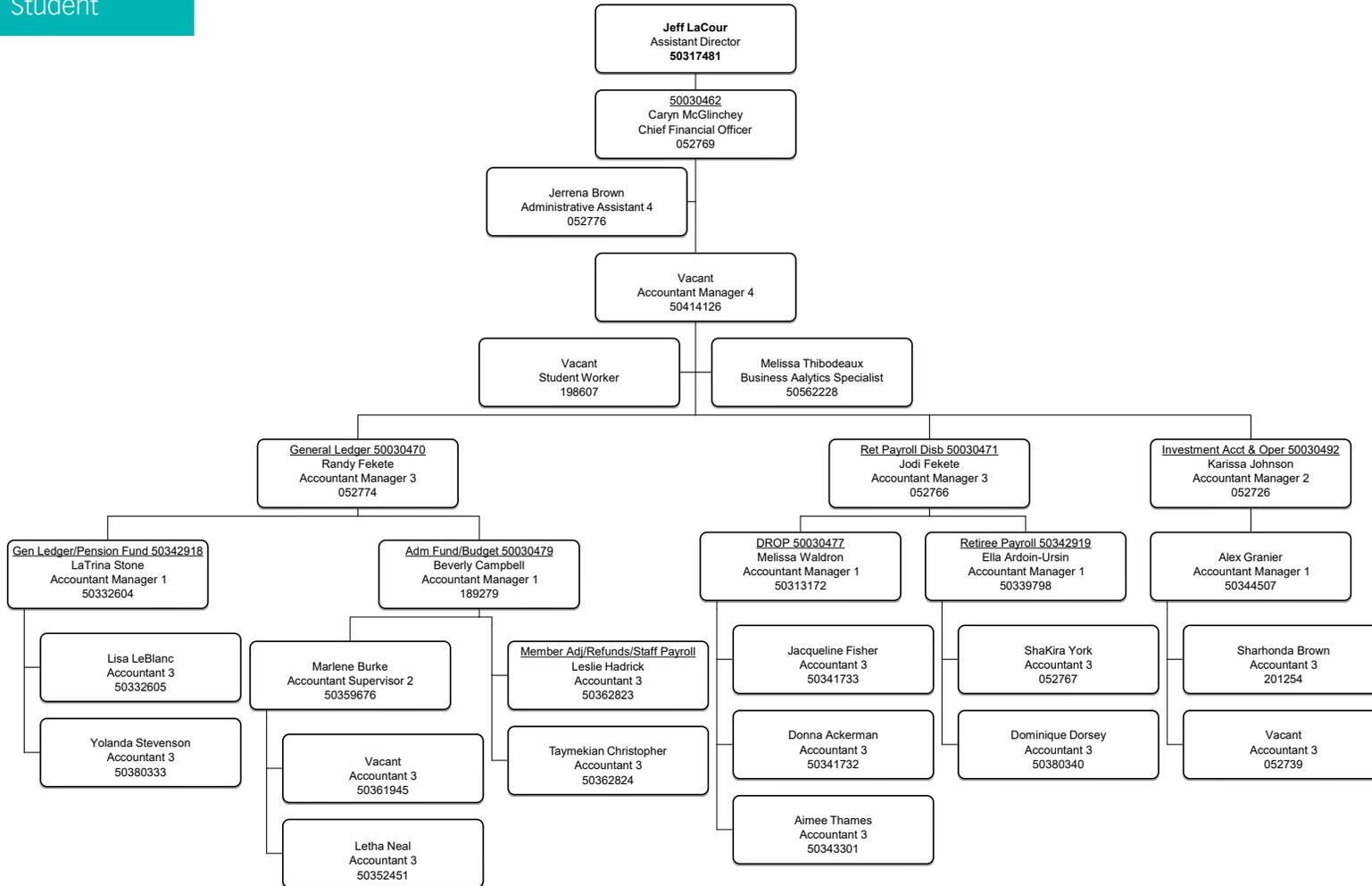
1 Unclassified

1 Student



Organizational chart — Accounting Department

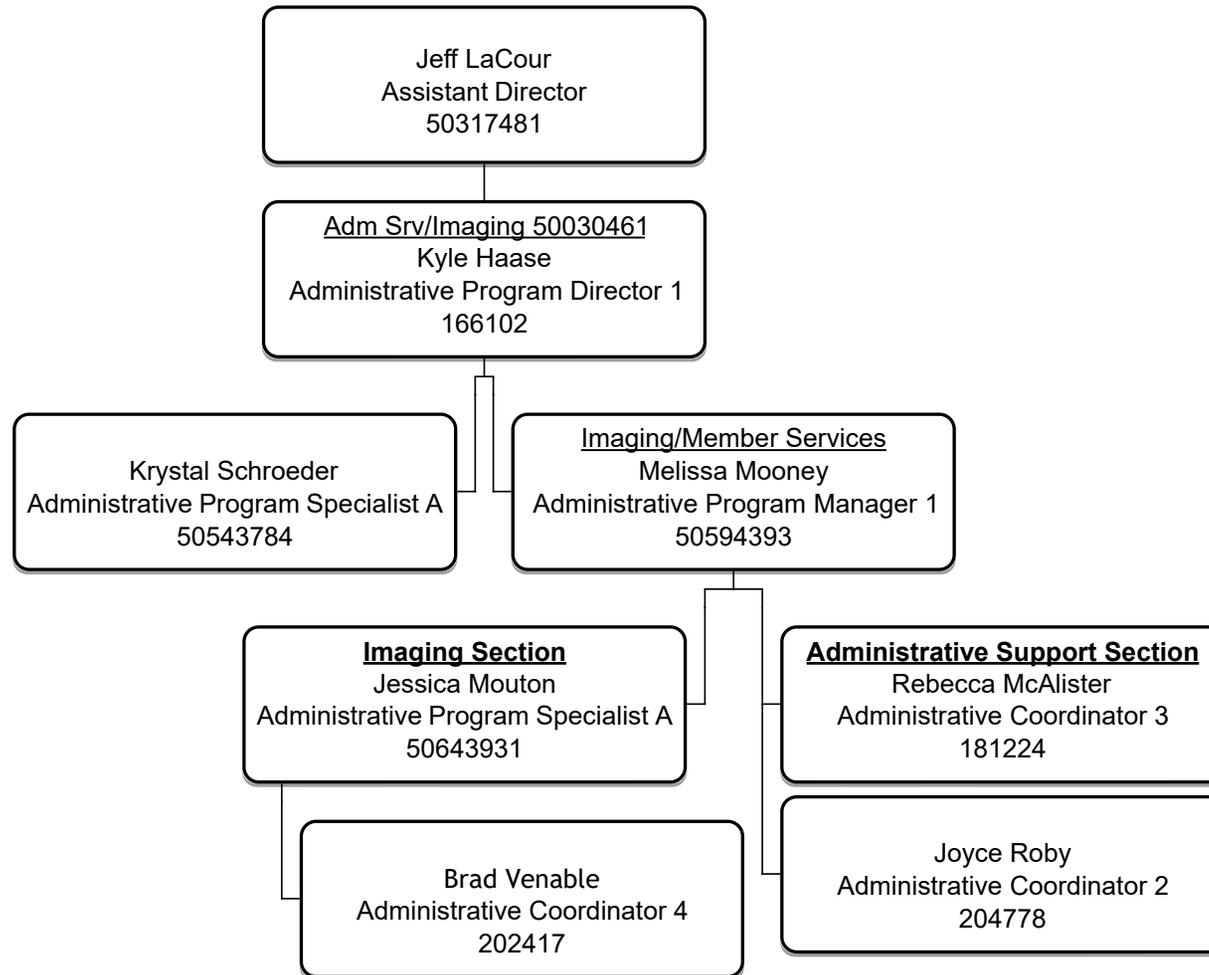
26 Classified
1 Student



Organizational chart — Administrative Services Department

7 Classified

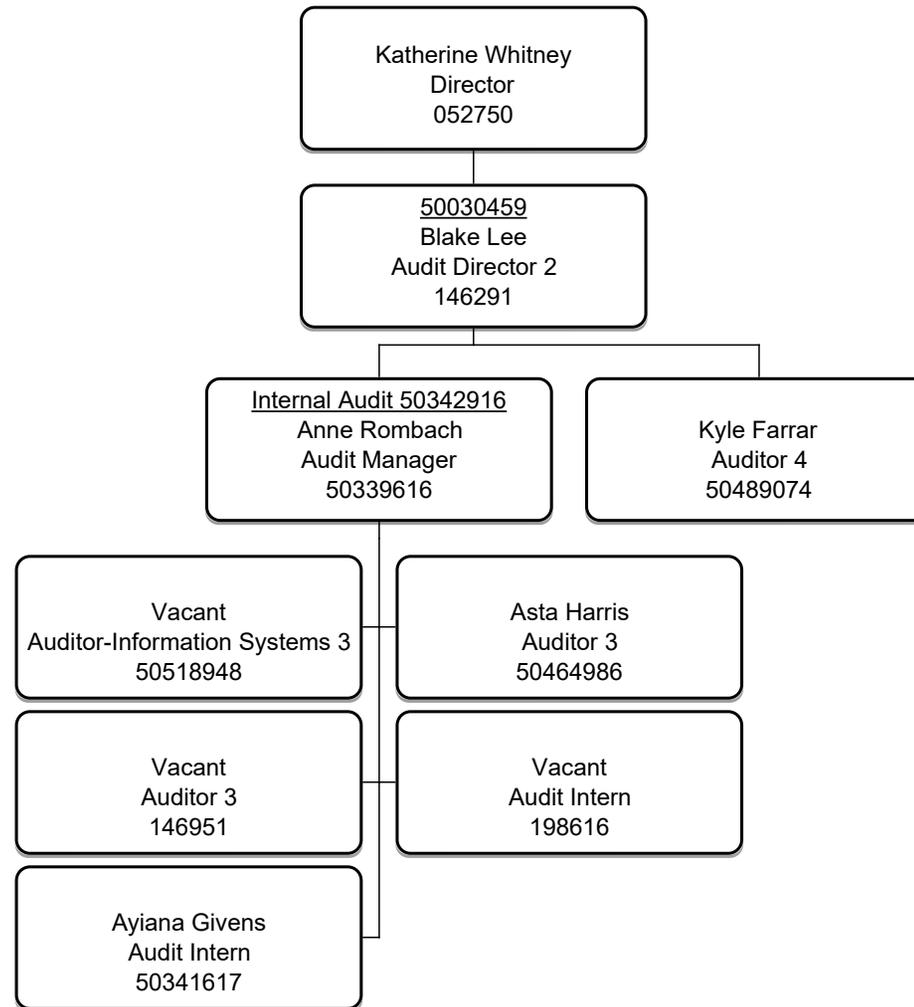
0 WAE



Organizational chart — Auditing Department

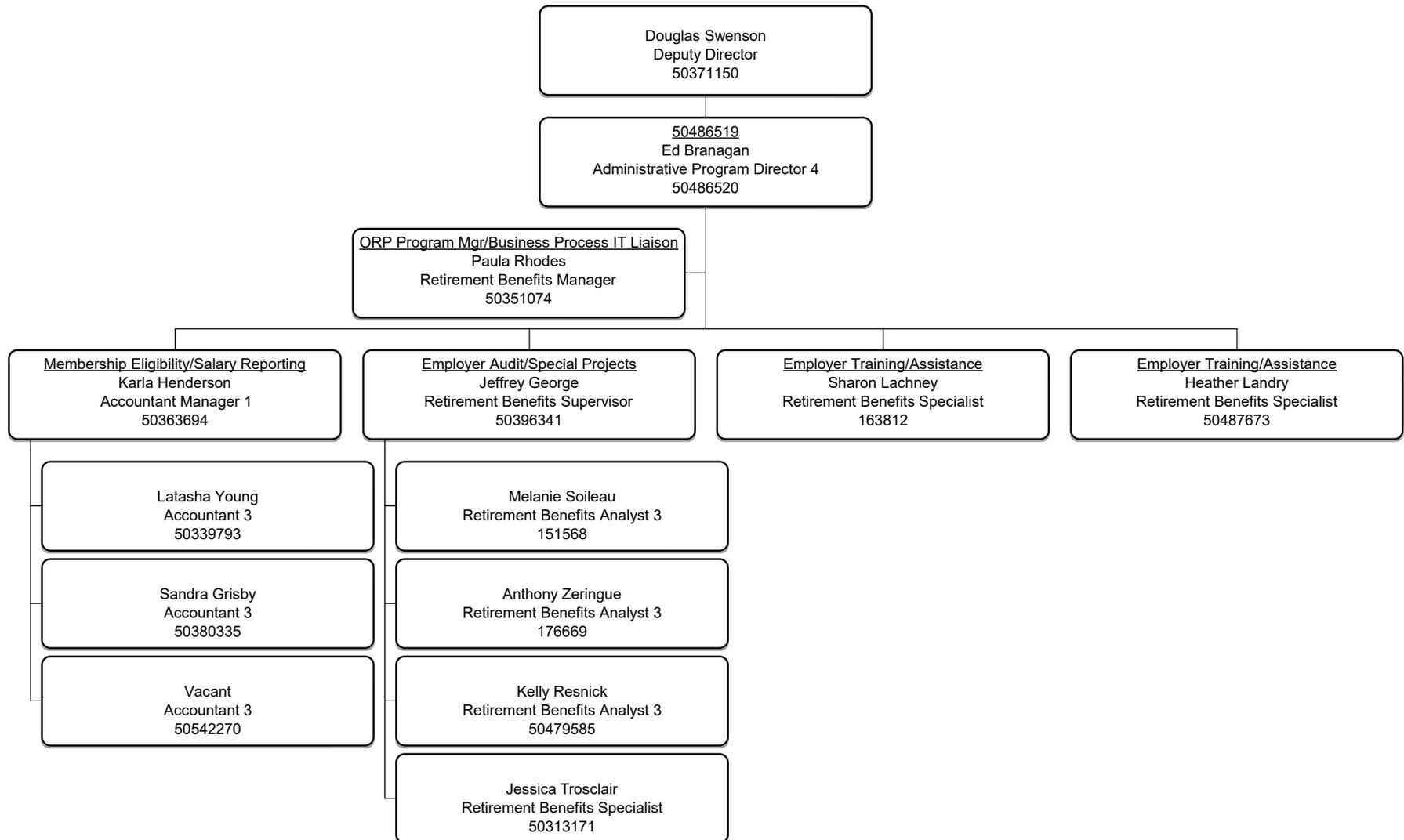
6 Classified

2 Students



Organizational chart — Employer Services Department

13 Classified



Organizational chart — Human Resources Department

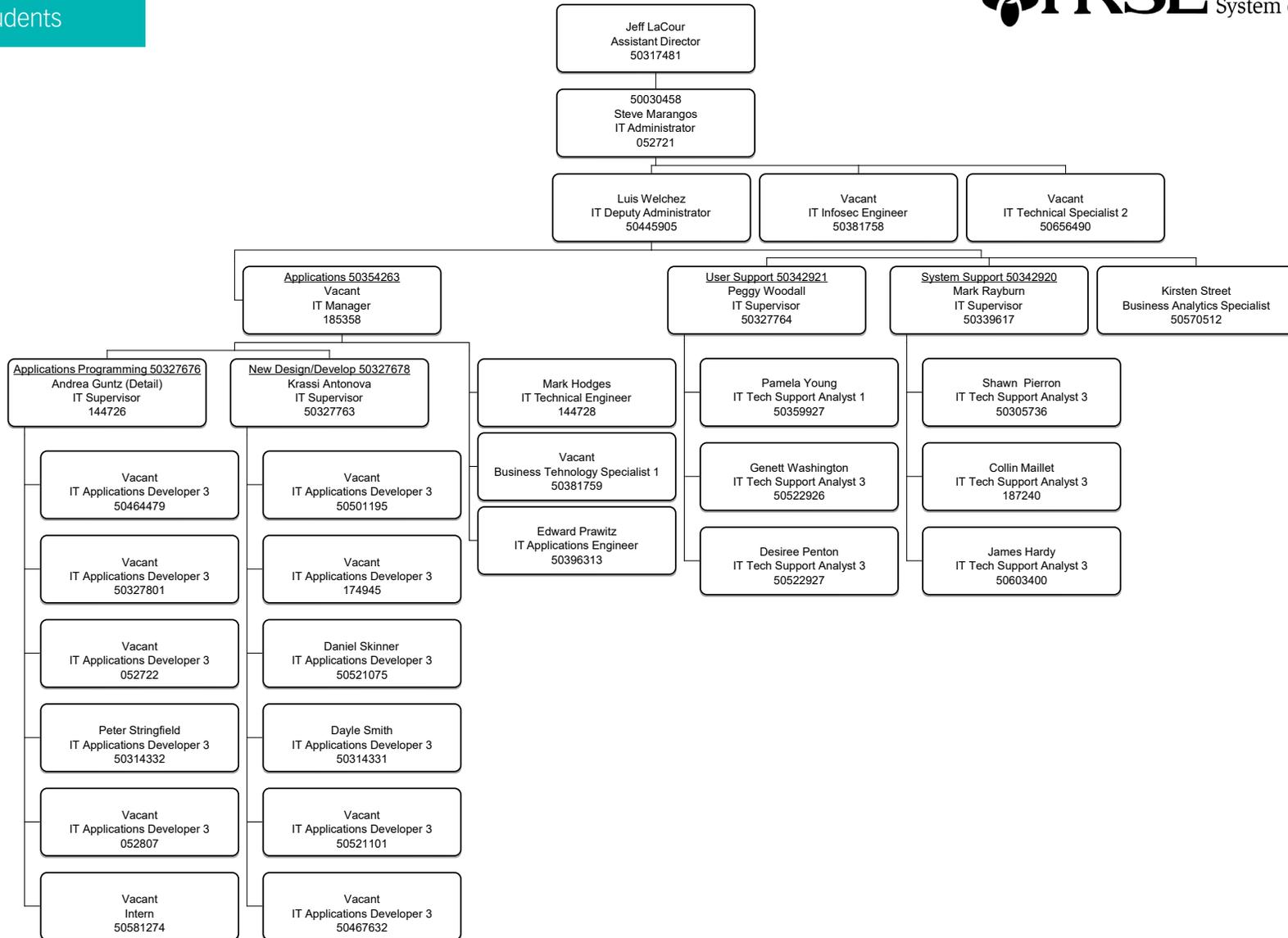
3 Classified



Organizational chart — Information Technology Department

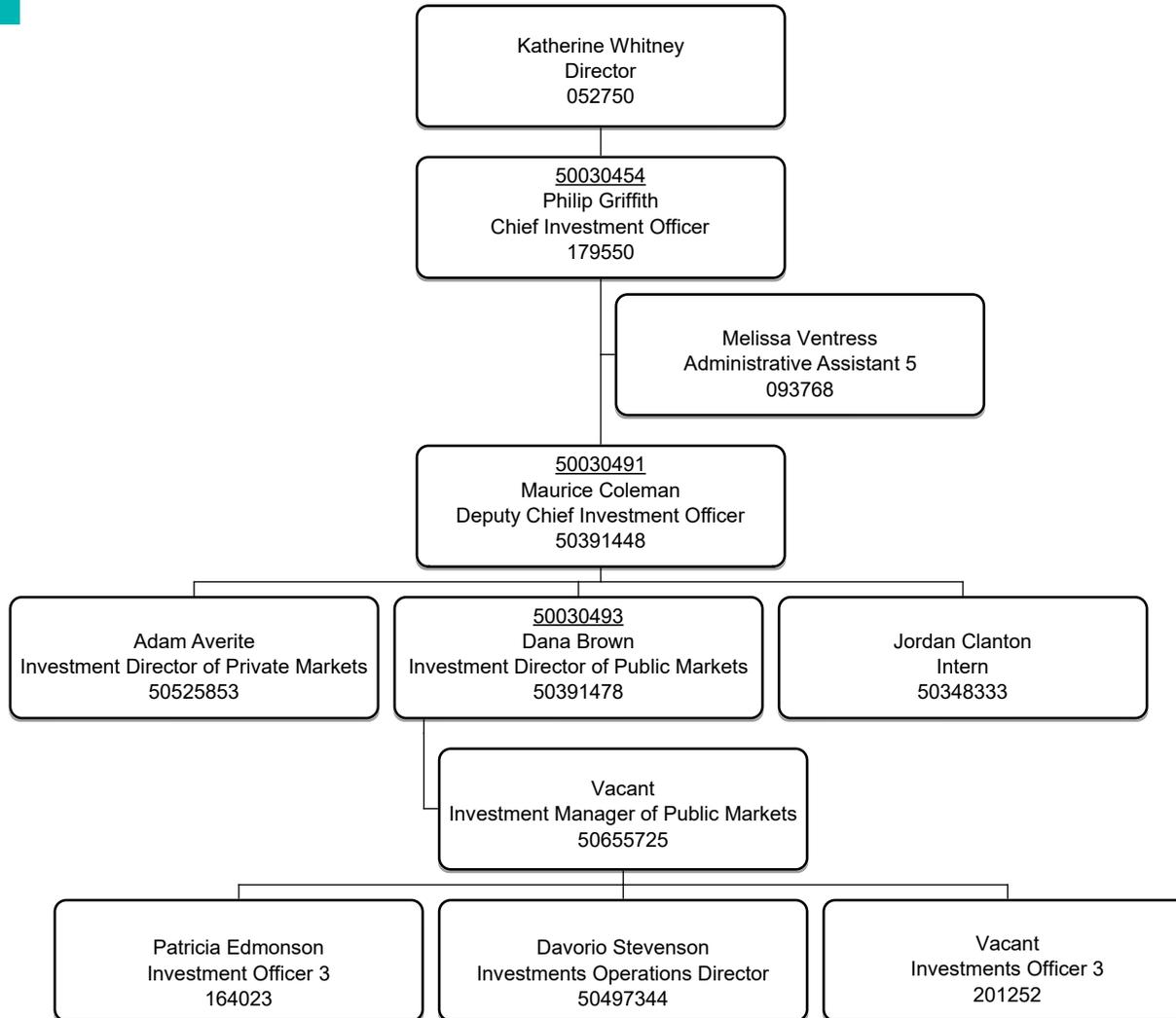
30 Classified

2 Students



Organizational chart — Investment Department

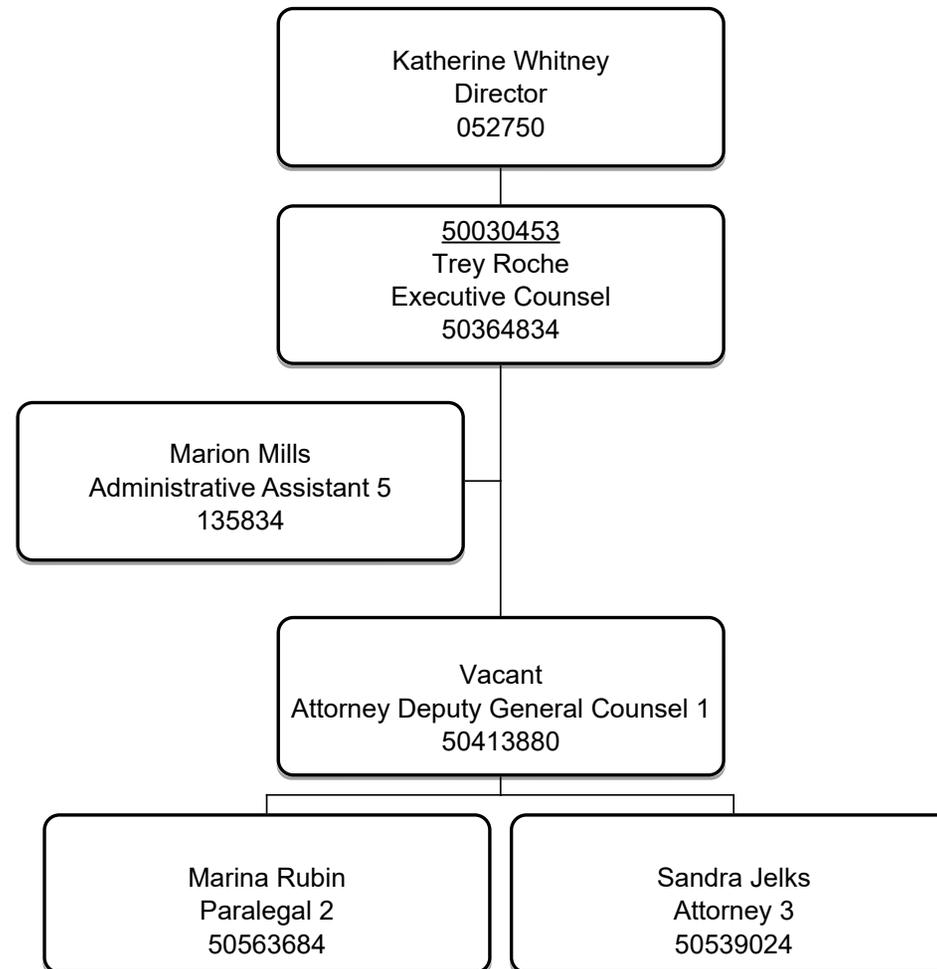
- 3 Classified
- 6 Unclassified
- 1 MBA Intern



Organizational chart — *Legal Department*

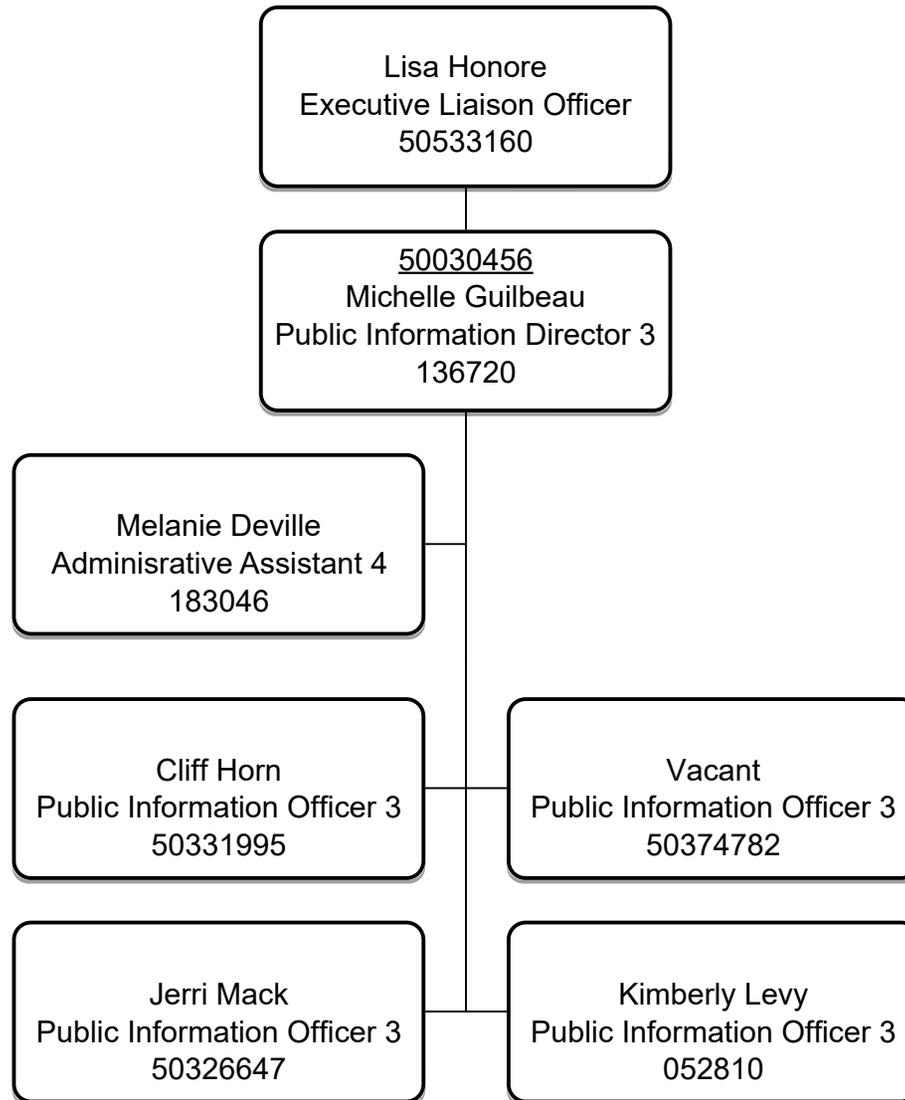
4 Classified

1 Unclassified



Organizational chart — Public Information Department

6 Classified

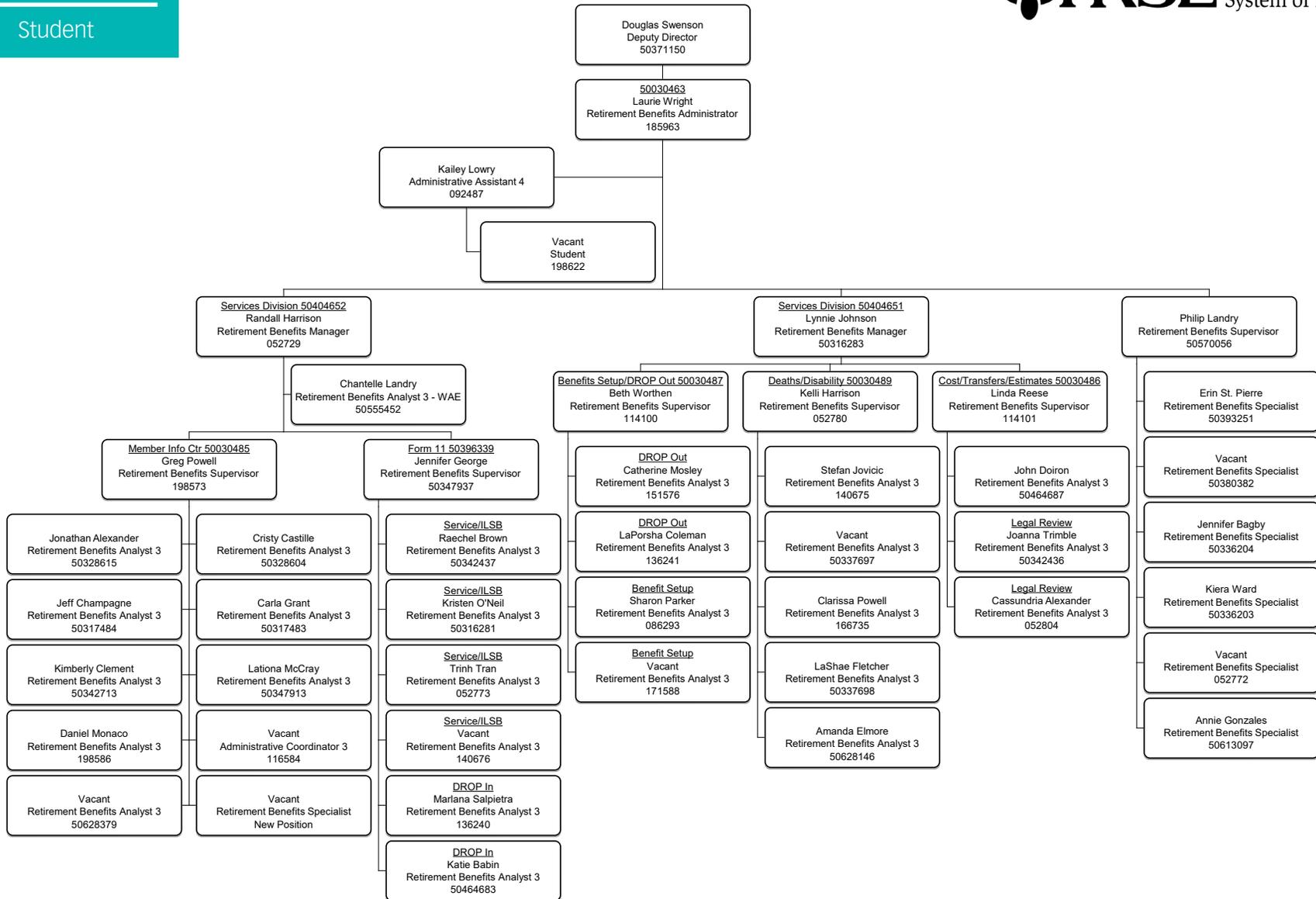


Organizational chart — Retirement Department



45 Classified

1 Student



Balanced scorecard

 <p>Balanced Scorecard FY 2023-24</p>	<p>CUSTOMER PERSPECTIVE</p> <p>How do we help our customers?</p>	<ul style="list-style-type: none"> • Deliver innovative, convenient, and reliable services • Administer retirement laws timely, accurately, and consistently • Protect the privacy and security of customer data • Provide essential retirement education, information, and communication • Increase awareness of trust fund stewardship
	<p>INTERNAL PROCESSES</p> <p>How do we excel in our operational functions?</p>	<ul style="list-style-type: none"> • Seek opportunities to enhance productivity and internal processes • Practice effective planning • Manage projects and initiatives effectively • Promote effective communication • Promote data-driven decision making • Create a flexible and responsive infrastructure
	<p>FINANCIAL PERSPECTIVE</p> <p>What must we accomplish for our financial stakeholders?</p>	<ul style="list-style-type: none"> • Maintain high standards of financial accountability and transparency • Achieve the long-term actuarial rate of return • Sustain cost-effective administration • Ensure budget credibility • Manage and communicate the System’s funding requirements
	<p>VALUE & BENEFIT</p> <p>What public benefit must we create?</p>	<ul style="list-style-type: none"> • Provide secure retirement benefits for plan members • Preserve the long-term sustainability of the trust • Support attracting and retaining qualified educators • Deliver responsive and efficient public services • Raise awareness of the System’s economic value to Louisiana
	<p>LEARNING & GROWTH</p> <p>How do we sustain our ability to change and improve?</p>	<ul style="list-style-type: none"> • Recruit a diverse and skilled work force • Employ and retain highly capable employees • Offer relevant training and development opportunities • Foster a positive and innovative work environment • Promote and recognize accountability and results

Acronym list — 2023-24 budget supplemental data

ACL	Audit Command Language	IPMA-HR	International Public Management Association for Human Resources
AFR	Annual Financial Report	ISACA	Information Systems Audit and Control Association
AGA	Association of Government Accountants	IT	Information Technology
AICPA	American Institute of Certified Public Accountants	LADB	Louisiana Attorney Disciplinary Board
APPFA	Association of Public Pension Fund Auditors	LAPERS	Louisiana Association of Public Employee Retirement Systems
BNY	Bank of New York/Mellon	LASBA	Louisiana State Bar Association
CAIA	Chartered Alternative Investment Analyst	NAGDCA	National Association of Government Defined Contribution Administrators
CEM	Cost Effective Management	NAPPA	National Association of Public Pension Attorneys
CFA	Chartered Financial Analyst	NASIO	National Association of State Investment Officers
CIA	Certified Internal Auditor	NASRA	National Association of State Retirement Administrators
CISD	Council of Information Service Directors	NCTR	National Council on Teachers' Retirement
CPA	Certified Public Accountant	NIRS	National Institute for Retirement Security
CPE	Continuing Professional Education	NPEA	National Pre-Retirement Education Association
DROP	Deferred Retirement Option Plan	ORP	Optional Retirement Plan
EVVE	Electronic Verification of Vital Events	P2F2	Public Pension Financial Forum
GAAFR	Governmental Accounting, Auditing and Financial Reporting	PAFR	Popular Annual Financial Report
GASB	Government Accounting Standards Board	PPCC	Public Pension Coordinating Council
GFOA	Government Finance Officers Association	PRAL	Public Relations Association of Louisiana
HR	Human Resources	REIT	Real Estate Investment Trust
IIA	Institute of Internal Auditors	SHRMA	Society for Human Resource Management Association
ILPA	International Limited Partners Association	TBD	To Be Determined
		WAE	When Actually Employed



LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

PROPOSED OPERATING BUDGET

Fiscal Year 2023-2024

October 2022



Louisiana State Employees'
Retirement System

8401 United Plaza Blvd., Baton Rouge, LA 70809 | Mail: P.O. Box 44213, Baton Rouge, LA 70804-4213

Toll-free: 1.800.256.3000 | Local: 225.922.0600 | www.lasersonline.org

TO: Board of Trustees
FROM: Cindy Rougeou, Executive Director
DATE: October 27, 2022
RE: FY 2023-2024 Operating Budget

Attached is a copy of the Operating Budget. Changes to the budget are as follows:

Operating Budget Before Investment Fees for 22-23	\$ 24,529,000
Net Changes:	
Personnel Costs (137 full time employees)	942,900
Travel	7,500
Operating Services (including supplies)	310,600
Professional Services	(20,000)
Acquisitions	41,000
Total Operating Budget before Investment Fees for 23-24	\$ 25,811,000
Investment Fee Operating Budget for 22-23	
	\$ 32,500,000
Net Changes:	
Investment Fees	(1,000,000)
Total Investment Fee Budget for 23-24	\$ 31,500,000
TOTAL OPERATING BUDGET FOR 23-24	\$ 57,311,000

Note: LASERS Multi-Year Project Budget was not included in the Operating Budget until 2022-2023. For presentation purposes we have included the Multi-Year Project Budget in the Operating Budget for years shown above.

BOARD OF TRUSTEES:

Judge William Kleinpeter, *Chair*
Shannon Templet, *Vice Chair*
Thomas Bickham
Virginia Burton
Charles F. Castille

Comm'r Jay Dardenne
Byron P. Decoteau, Jr.
Ternisa Hutchinson
Rep. Barry Ivey
Amy A. Mathews

Barbara McManus
Sen. Barrow Peacock, *Designee*
Sen. Edward Price
Hon. John Schroder

Cindy Rougeou, *Executive Director*



LASERS

Proposed Operating Budget Fiscal Year 2023-2024

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Budget Recap	1
Supplemental Data	
In State Travel	3
Out of State Travel	5
Dues & Subscriptions	7
Professional Services	9
Acquisitions	11
Budget by Division Summary	13
Budget by Division Detail	15
Personnel Summary by Division	25
Organizational Chart	31
Acronym List	43
Budget Addendum	45

**Proposed Operating Budget
2023-2024 Fiscal Year Recap**

BUDGET CATEGORY	2021-2022	2021-2022	2022-2023	PROPOSED	COMPARISION TO	
	ACTUAL	BUDGET	BUDGET	2023-2024 BUDGET	2022-2023 BUDGET AMOUNT	% Diff.
PERSONNEL SERVICES						
Regular Salaries	\$ 10,336,940	\$ 10,761,213	\$ 11,005,800	\$ 11,486,100	\$ 480,300	4.4%
Overtime Salaries	10,912	12,912	5,000	13,000	8,000	160.0%
Termination Pay	51,567	91,077	78,600	75,000	(3,600)	-4.6%
Wages	40,903	91,823	74,500	74,000	(500)	-0.7%
Per Diem-Board Members	4,650	10,000	7,000	7,000	-	0.0%
Related Benefits	5,376,171	5,794,275	5,806,100	6,264,800	458,700	7.9%
TOTAL- PERSONNEL	\$ 15,821,143	\$ 16,761,300	\$ 16,977,000	\$ 17,919,900	\$ 942,900	5.6%
# of Positions	137	137	137	137	0	0.0%
TOTAL - TRAVEL	\$ 21,924	\$ 144,800	\$ 162,100	\$ 169,600	\$ 7,500	4.6%
OPERATING SERVICES						
Computer Maintenance	699,198	764,340	1,108,800	1,148,800	40,000	3.6%
Building/Equip./Vehicle Maintenance	11,608	14,164	18,900	19,500	600	3.2%
Miscellaneous Operating Services	12,796	13,580	8,500	12,000	3,500	41.2%
Advertising/Public Relations	5,376	6,000	6,000	7,000	1,000	16.7%
Printing Services	82,641	87,000	112,000	135,000	23,000	20.5%
Insurance	102,967	111,726	110,000	110,000	-	0.0%
Rentals/Computer Licensing Software	926,160	954,626	1,196,300	1,333,600	137,300	11.5%
Building Rentals	700,171	701,000	701,000	841,000	140,000	20.0%
Dues and Subscriptions	57,924	65,420	65,000	65,800	800	1.2%
Bank Fees	23,109	25,976	25,000	25,000	-	0.0%
Mail, Delivery & Postage	237,737	237,737	260,000	265,000	5,000	1.9%
Telephone/Internet/Cable Services	157,940	155,349	229,100	184,000	(45,100)	-19.7%
Civil Svc/CPTP/Local Training	134,348	145,276	134,300	137,800	3,500	2.6%
Operating Supplies	160,184	175,346	204,000	205,000	1,000	0.5%
TOTAL - OPERATING SERVICES	\$ 3,312,159	\$ 3,457,540	\$ 4,178,900	\$ 4,489,500	\$ 310,600	7.4%

**Proposed Operating Budget
2023-2024 Fiscal Year Recap**

BUDGET CATEGORY	2021-2022	2021-2022	2022-2023	PROPOSED	COMPARISON TO	
	ACTUAL	BUDGET	BUDGET	2023-2024 BUDGET	2022-2023 BUDGET AMOUNT	% Diff.
PROFESSIONAL SERVICES						
Accounting and Auditing	85,850	95,000	95,000	95,000	-	0.0%
Professional Services Expenditures	169,892	566,972	2,066,000	2,036,000	(30,000)	-1.5%
Legal	50,140	50,140	15,000	25,000	10,000	66.7%
Medical/Disability	53,406	60,000	60,000	60,000	-	0.0%
Actuarial	180,090	189,860	225,000	225,000	-	0.0%
TOTAL - PROFESSIONAL	\$ 539,378	\$ 961,972	\$ 2,461,000	\$ 2,441,000	\$ (20,000)	-0.8%
TOTAL - ACQUISITIONS	\$ 332,095	\$ 385,000	\$ 750,000	\$ 791,000	\$ 41,000	5.5%
TOTAL OPERATING BUDGET	\$ 20,026,699	\$ 21,710,612	\$ 24,529,000	\$ 25,811,000	\$ 1,282,000	5.2%
Investment Fees	27,041,649	33,000,000	32,500,000	31,500,000	(1,000,000)	-3.1%
GRAND TOTAL with Investment Fees	\$ 47,068,348	\$ 54,710,612	\$ 57,029,000	\$ 57,311,000	\$ 282,000	0.5%

Note: LASERS Multi-Year Project Budget/Actuals were not included in the Operating Budget until 2022-2023. For presentation purposes we have included the Multi-Year Project Budget/Actuals in the Operating Budget for years shown above.

IN-STATE TRAVEL

2023-2024 Budget Supplemental Data

In-State Conferences & Training		
Division	Description	Cost
Board of Trustees & Executive	LAPERS, Agency Travel as Approved	\$ 15,000
Legal	LAPERS, Agency Travel as Approved	\$ 2,000
Public Information	LAPERS, Agency Travel as Approved	\$ 1,000
Information Technology	Agency Travel as Approved	\$ 2,000
Investments	LAPERS, Agency Travel as Approved	\$ 5,000
	Total In-State Conferences & Training	\$ 25,000
In-State Field Travel		
Division	Description	Cost
Board of Trustees & Executive	Board Meetings & Travel, RSEA Meetings	\$ 2,000
Audit	Agency Audits, Miscellaneous	\$ 500
Member Services	Member Counseling, Training, RSEA Workshops	\$ 15,000
Public Information	Miscellaneous	\$ 100
	Total In-State Field Travel	\$ 17,600
	TOTAL IN-STATE TRAVEL	\$ 42,600

OUT-OF-STATE TRAVEL

2023-2024 Budget Supplemental Data

Out-of-State Conferences & Training		
Division	Description	Cost
Board of Trustees & Executive	NASRA, Conferences and Training as Approved	\$ 46,000
Legal	NASRA, NAPPA, Training as Approved	\$ 9,000
Audit	APPFA	\$ 6,000
Fiscal	P2F2	\$ 8,000
Human Resources	SHRM	\$ 6,500
Member Services	NPEA	\$ 5,500
Public Information	Government Social Media, Creative South, Conferences and Training as Approved	\$ 7,000
Information Technology	PRISM, PMI, Gartner, Conferences and Training as Approved	\$ 25,000
Investments	NASIO, NASRA, Conferences, Training as Approved	\$ 10,000
	Total Out-of-State Conferences & Training	\$ 123,000
Out-of-State Field Travel		
Division	Description	Cost
Audit	Audit Field Travel	\$ 4,000
	Total Out-of-State Field Travel	\$ 4,000
	TOTAL OUT-OF-STATE TRAVEL	\$ 127,000

DUES AND SUBSCRIPTIONS

2023-2024 Budget Supplemental Data

Division	Description	Cost
Board of Trustees & Executive	NCPERS, NAPPA, LAPERS, NASRA, PAR, BR Bar Assn, LA State Bar Assn, Nat'l Inst. On Retirement Security, LA Attorney Disciplinary Board, Thomson West, LA Politics Weekly, NY Times Digital, WSJ	\$ 14,000
Legal	Legiscon, LA State Bar Assn, NAPPA, Thomson West, BR Bar Assn, LA Supreme Court Reporter, LA Attorney Disciplinary Board	\$ 30,000
Audit	APPFA, Society of LA CPAs, IIA, ISACA	\$ 2,500
Fiscal	AICPA, Nat'l GFOA, LA GFOA, Society of LA CPAs, P2F2, Sam's Club	\$ 6,000
Human Resources	SHRM, PHR	\$ 500
Member Services	NPEA	\$ 1,000
Public Information	Advocate, Press Club of BR, Sprout Social, Lynda.com, American Advertising Federation, GoToWebinar, NY Times Digital, Biteable LLC, CANVA Pro	\$ 3,500
Information Technology	PMI, PRISM, ISCEBS	\$ 2,300
Investments	AFP, CFA, WSJ, CAIA, Financial Times	\$ 6,000
	TOTAL DUES AND SUBSCRIPTIONS	\$ 65,800

PROFESSIONAL SERVICES

2023-2024 Budget Supplemental Data

Division	Description	Cost
Executive	Actuarial Services, Agency Projects including Board Governance, Legislative	\$ 225,000
Legal	Tarcza & Associates, Human Resources Legal Support	\$ 25,000
Audit	Financial Statement Audit	\$ 95,000
Member Services	Disability Claim Services	\$ 60,000
Public Information	Board Election Deposit	\$ 15,000
Information Technology	Additional implementation of the Microsoft Suite, ZenDesk integration, LexisNexis implementation	\$ 70,000
Projects	Optimus upgrade, Information Security Program-cybersecurity assessment & implementation, ESS replacement, myLASERS enhancements & security	\$ 1,950,000
Investments	Translation Services	\$ 1,000
	TOTAL PROFESSIONAL SERVICES	\$ 2,441,000

ACQUISITIONS

2023-2024 Budget Supplemental Data

Computer Acquisitions		
Division	Description	Cost
Information Technology	Blade servers, UPS batteries, additional SAN space, upgraded SAN, Nexus switch upgrades/additional switches, miscellaneous agency equipment and software	\$ 323,000
Projects	Cloud based security information and event management software, additional SAN space, additional Windows and Okta licensing, blade servers	\$ 450,000
	Total Computer Acquisitions	\$ 773,000
Other Acquisitions		
Division	Description	Cost
Executive	Miscellaneous agency furniture and equipment	\$ 15,000
Public Information	Video equipment	\$ 3,000
	Total Other Acquisitions	\$ 18,000
	TOTAL ACQUISITIONS	\$ 791,000

Budget by Division - Summary

2023-2024 Operating Budget

Budget by Division - Summary											
Budget Category	Board of Trustees, Executive & Facilities	Legal	Audit	Fiscal	Human Resources	Member Services	Public Information	Information Technology	Projects	Investments	Total
PERSONNEL SERVICES											
Regular Salaries	\$ 969,500	\$ 513,900	\$ 448,700	\$ 1,837,000	\$ 269,900	\$ 3,257,900	\$ 292,300	\$ 2,272,200	\$ -	\$ 1,624,700	\$ 11,486,100
Overtime Salaries	-	-	-	1,000	-	10,000	-	2,000	-	-	13,000
Termination Pay	-	10,100	-	34,000	-	18,200	-	12,700	-	-	75,000
Wages	-	-	-	15,000	-	22,000	-	22,000	-	15,000	74,000
Per Diem-Board Members	7,000	-	-	-	-	-	-	-	-	-	7,000
Related Benefits	479,400	245,100	238,400	979,800	576,400	1,673,600	161,700	1,152,600	-	757,800	6,264,800
TOTAL PERSONNEL	1,455,900	769,100	687,100	2,866,800	846,300	4,981,700	454,000	3,461,500	-	2,397,500	17,919,900
# of Positions	9	4	5	25	3	51	4	27	-	9	137
TOTAL TRAVEL	63,000	11,000	10,500	8,000	6,500	20,500	8,100	27,000	-	15,000	169,600
OPERATING SERVICES											
Computer Maintenance	-	-	-	-	-	-	-	788,800	360,000	-	1,148,800
Building/Equip/Vehicle Maintenance	13,000	-	-	-	-	500	-	6,000	-	-	19,500
Miscellaneous Operating Services	-	-	7,500	1,000	1,500	1,000	1,000	-	-	-	12,000
Advertising/Public Relations	-	-	-	-	-	-	7,000	-	-	-	7,000
Printing Services	-	-	-	-	-	55,000	80,000	-	-	-	135,000
Insurance	-	-	-	110,000	-	-	-	-	-	-	110,000
Rentals/Computer Lic. Software	-	-	-	-	-	19,000	-	1,155,600	150,000	9,000	1,333,600
Building Rentals	-	-	-	841,000	-	-	-	-	-	-	841,000
Dues and Subscriptions	14,000	30,000	2,500	6,000	500	1,000	3,500	2,300	-	6,000	65,800
Bank Fees	-	-	-	25,000	-	-	-	-	-	-	25,000
Mail Delivery & Postage	-	-	-	-	-	265,000	-	-	-	-	265,000
Telephone/Internet/Cable Services	-	-	-	-	-	-	-	154,000	30,000	-	184,000
Civil Svc/CPTP/Local Training	11,000	1,000	2,500	7,000	60,000	1,000	800	20,500	30,000	4,000	137,800
Operating Supplies	-	-	-	80,000	-	-	-	95,000	30,000	-	205,000
TOTAL OPERATING SERVICES	38,000	31,000	12,500	1,070,000	62,000	342,500	92,300	2,222,200	600,000	19,000	4,489,500

Budget by Division - Summary

2023-2024 Operating Budget

Budget by Division - Summary											
Budget Category	Board of Trustees, Executive & Facilities	Legal	Audit	Fiscal	Human Resources	Member Services	Public Information	Information Technology	Projects	Investments	Total
PROFESSIONAL SERVICES											
Accounting & Auditing	-	-	95,000	-	-	-	-	-	-	-	95,000
Professional Service Expenditures	-	-	-	-	-	-	15,000	70,000	1,950,000	1,000	2,036,000
Legal	-	25,000	-	-	-	-	-	-	-	-	25,000
Medical/Disability	-	-	-	-	-	60,000	-	-	-	-	60,000
Actuarial	225,000	-	-	-	-	-	-	-	-	-	225,000
TOTAL PROFESSIONAL SERVICES	225,000	25,000	95,000	-	-	60,000	15,000	70,000	1,950,000	1,000	2,441,000
TOTAL ACQUISITIONS	15,000	-	-	-	-	-	3,000	323,000	450,000	-	791,000
TOTAL OPERATING BUDGET	1,796,900	836,100	805,100	3,944,800	914,800	5,404,700	572,400	6,103,700	3,000,000	2,432,500	25,811,000
INVESTMENT FEES	-	-	-	329,600	-	-	-	-	-	31,170,400	31,500,000
GRAND TOTAL WITH INVESTMENT FEES	\$ 1,796,900	\$ 836,100	\$ 805,100	\$ 4,274,400	\$ 914,800	\$ 5,404,700	\$ 572,400	\$ 6,103,700	\$ 3,000,000	\$ 33,602,900	\$ 57,311,000

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Board of Trustees, Executive and Facilities Divisions)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED		COMPARISION TO 2022-2023 BUDGET	
			BUDGET 2023-2024		AMOUNT	% Diff.
Personnel Services						
Regular Salaries	\$ 912,215	\$ 936,900	\$ 969,500	\$	\$ 32,600	3.48%
Wages	\$ -	\$ 8,500	\$ -	\$	\$ (8,500)	-100.00%
Compensation to Board Members	\$ 4,650	\$ 7,000	\$ 7,000	\$	\$ -	0.00%
Related Benefits	\$ 410,656	\$ 424,300	\$ 479,400	\$	\$ 55,100	12.99%
Total Personnel Services	\$ 1,327,521	\$ 1,376,700	\$ 1,455,900	\$	\$ 79,200	5.75%
Total Travel	\$ 4,402	\$ 63,000	\$ 63,000	\$	\$ -	0.00%
Operating Services						
Building/Equip/Vehicle Maintenance	\$ 5,444	\$ 13,000	\$ 13,000	\$	\$ -	0.00%
Dues and Subscriptions	\$ 12,777	\$ 14,000	\$ 14,000	\$	\$ -	0.00%
Civil Svc/CPTP/Local Training	\$ 10,882	\$ 10,000	\$ 11,000	\$	\$ 1,000	10.00%
Total Operating Services	\$ 29,103	\$ 37,000	\$ 38,000	\$	\$ 1,000	2.70%
Professional Services						
Professional Services Expenditures	\$ -	\$ 30,000	\$ -	\$	\$ (30,000)	-100.00%
Actuary	\$ 180,090	\$ 225,000	\$ 225,000	\$	\$ -	0.00%
Total Professional Services	\$ 180,090	\$ 255,000	\$ 225,000	\$	\$ (30,000)	-11.76%
Total Acquisitions	\$ 13,787	\$ 12,000	\$ 15,000	\$	\$ 3,000	25.00%
Total	\$ 1,554,903	\$ 1,743,700	\$ 1,796,900	\$	\$ 53,200	3.05%

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Audit Services Division)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED		COMPARISION TO 2022-2023 BUDGET		
			BUDGET 2023-2024		AMOUNT	% Diff.	
Personnel Services							
Regular Salaries	\$ 430,470	\$ 436,200	\$ 448,700		\$ 12,500	2.87%	
Related Benefits	\$ 218,946	\$ 222,600	\$ 238,400		\$ 15,800	7.10%	
Total Personnel Services	\$ 649,416	\$ 658,800	\$ 687,100		\$ 28,300	4.30%	
Total Travel	\$ -	\$ 10,500	\$ 10,500		\$ -	0.00%	
Operating Services							
Miscellaneous Operating Services	\$ 6,421	\$ 6,000	\$ 7,500		\$ 1,500	25.00%	
Dues and Subscriptions	\$ 2,190	\$ 2,500	\$ 2,500		\$ -	0.00%	
Civil Svc/CPTP/Local Training	\$ 2,046	\$ 2,500	\$ 2,500		\$ -	0.00%	
Total Operating Services	\$ 10,657	\$ 11,000	\$ 12,500		\$ 1,500	13.64%	
Professional Services							
Accounting and Auditing	\$ 85,850	\$ 95,000	\$ 95,000		\$ -	0.00%	
Professional Services Expenditures	\$ -	\$ -	\$ -		\$ -	0.00%	
Total Professional Services	\$ 85,850	\$ 95,000	\$ 95,000		\$ -	0.00%	
Total	\$ 745,923	\$ 775,300	\$ 805,100		\$ 29,800	3.84%	

Proposed Operating Budget
Final 2022-2023 - Proposed 2023-2024, (Fiscal Division)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED		COMPARISION TO 2022-2023 BUDGET	
			BUDGET 2023-2024		AMOUNT	% Diff.
Personnel Services						
Regular Salaries	\$ 1,724,729	\$ 1,725,900	\$ 1,837,000	\$ 111,100	6.44%	
Overtime Salaries	\$ 92	\$ -	\$ 1,000	\$ 1,000	100.00%	
Termination Pay	\$ -	\$ 22,400	\$ 34,000	\$ 11,600	51.79%	
Wages	\$ 10,023	\$ 11,000	\$ 15,000	\$ 4,000	36.36%	
Related Benefits	\$ 854,050	\$ 871,900	\$ 979,800	\$ 107,900	12.38%	
Total Personnel Services	\$ 2,588,894	\$ 2,631,200	\$ 2,866,800	\$ 235,600	8.95%	
Total Travel	\$ -	\$ 6,000	\$ 8,000	\$ 2,000	33.33%	
Operating Services						
Miscellaneous Operating Services	\$ 861	\$ -	\$ 1,000	\$ 1,000	100.00%	
Insurance	\$ 102,967	\$ 110,000	\$ 110,000	\$ -	0.00%	
Building Rentals	\$ 700,171	\$ 701,000	\$ 841,000	\$ 140,000	19.97%	
Dues and Subscriptions	\$ 4,547	\$ 5,000	\$ 6,000	\$ 1,000	20.00%	
Bank Fees	\$ 23,109	\$ 25,000	\$ 25,000	\$ -	0.00%	
CPTP & Local Training	\$ 6,630	\$ 5,000	\$ 7,000	\$ 2,000	40.00%	
Operating Supplies	\$ 76,067	\$ 76,000	\$ 80,000	\$ 4,000	5.26%	
Total Operating Services	\$ 914,352	\$ 922,000	\$ 1,070,000	\$ 148,000	16.05%	
Investment Fees						
Investment Fees	\$ 317,609	\$ 320,000	\$ 329,600	\$ 9,600	3.00%	
Total Investment Fees	\$ 317,609	\$ 320,000	\$ 329,600	\$ 9,600	3.00%	
Total	\$ 3,820,855	\$ 3,879,200	\$ 4,274,400	\$ 395,200	10.19%	

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Human Resources Division)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED BUDGET 2023-2024	COMPARISION TO 2022-2023 BUDGET AMOUNT	% Diff.
Personnel Services					
Regular Salaries	\$ 248,640	\$ 290,100	\$ 269,900	\$ (20,200)	-6.96%
Related Benefits	\$ 511,755	\$ 552,900	\$ 576,400	\$ 23,500	4.25%
Total Personnel Services	\$ 760,395	\$ 843,000	\$ 846,300	\$ 3,300	0.39%
Total Travel	\$ -	\$ 6,500	\$ 6,500	\$ -	0.00%
Operating Services					
Miscellaneous Operating Services	\$ 716	\$ 1,500	\$ 1,500	\$ -	0.00%
Dues and Subscriptions	\$ 229	\$ 500	\$ 500	\$ -	0.00%
CPTP & Local Training	\$ 56,650	\$ 60,000	\$ 60,000	\$ -	0.00%
Total Operating Services	\$ 57,595	\$ 62,000	\$ 62,000	\$ -	0.00%
Total	\$ 817,990	\$ 911,500	\$ 914,800	\$ 3,300	0.36%

Proposed Operating Budget
Final 2022-2023 - Proposed 2023-2024, (IT Division)

BUDGET CATEGORY	ACTUAL		BUDGET		PROPOSED		COMPARISION TO	
	2021-2022		2022-2023		BUDGET		2022-2023 BUDGET	
							AMOUNT	% Diff.
Personnel Services								
Regular Salaries	\$	2,045,105	\$	2,255,200	\$	2,272,200	\$ 17,000	0.75%
Overtime Salaries	\$	-	\$	2,000	\$	2,000	\$ -	0.00%
Termination Pay	\$	31,777	\$	11,300	\$	12,700	\$ 1,400	12.39%
Wages	\$	12,534	\$	18,000	\$	22,000	\$ 4,000	22.22%
Related Benefits	\$	1,004,126	\$	1,128,800	\$	1,152,600	\$ 23,800	2.11%
Total Personnel Services	\$	3,093,542	\$	3,415,300	\$	3,461,500	\$ 46,200	1.35%
Total Travel	\$	3,065	\$	26,000	\$	27,000	\$ 1,000	3.85%
Operating Services								
Computer Maintenance	\$	551,916	\$	748,800	\$	788,800	\$ 40,000	5.34%
Building/Equip/Vehicle Maint.	\$	6,164	\$	5,400	\$	6,000	\$ 600	11.11%
Rentals/Computer Lic. Software	\$	898,271	\$	1,018,800	\$	1,155,600	\$ 136,800	13.43%
Dues and Subscriptions	\$	943	\$	2,500	\$	2,300	\$ (200)	-8.00%
Telephone/Internet/Cable Services	\$	147,549	\$	199,100	\$	154,000	\$ (45,100)	-22.65%
CPTP & Local Training	\$	29,764	\$	20,000	\$	20,500	\$ 500	2.50%
Operating Supplies	\$	70,216	\$	98,000	\$	95,000	\$ (3,000)	-3.06%
Total Operating Services	\$	1,704,823	\$	2,092,600	\$	2,222,200	\$ 129,600	6.19%
Professional Services								
Professional Services Expenditures	\$	29,150	\$	70,000	\$	70,000	\$ -	0.00%
Total Professional Services	\$	29,150	\$	70,000	\$	70,000	\$ -	0.00%
Acquisitions								
Computer Acquisitions	\$	290,053	\$	285,000	\$	323,000	\$ 38,000	13.33%
Total Acquisitions	\$	302,806	\$	285,000	\$	323,000	\$ 38,000	13.33%
Total	\$	5,133,386	\$	5,888,900	\$	6,103,700	\$ 214,800	3.65%

Proposed Operating Budget
Final 2022-2023 - Proposed 2023-2024, (Investments Division)

BUDGET CATEGORY	ACTUAL		BUDGET		PROPOSED		COMPARISION TO	
	2021-2022	2022-2023	2022-2023	2023-2024	BUDGET	2023-2024	2022-2023 BUDGET	% Diff.
Personnel Services								
Regular Salaries	\$ 1,540,233	\$ 1,592,100	\$ 1,592,100	\$ 1,624,700	\$ 32,600	\$ 32,600		2.05%
Wages	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -		0.00%
Related Benefits	\$ 703,517	\$ 716,900	\$ 716,900	\$ 757,800	\$ 40,900	\$ 40,900		5.71%
Total Personnel Services	\$ 2,243,750	\$ 2,324,000	\$ 2,324,000	\$ 2,397,500	\$ 73,500	\$ 73,500		3.16%
Total Travel	\$ 925	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -		0.00%
Operating Services								
Rentals/Computer Lic. Software	\$ 8,331	\$ 9,000	\$ 9,000	\$ 9,000	\$ -	\$ -		0.00%
Dues and Subscriptions	\$ 5,403	\$ 8,000	\$ 8,000	\$ 6,000	\$ (2,000)	\$ (2,000)		-25.00%
CPTP & Local Training	\$ 2,625	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	\$ -		0.00%
Total Operating Services	\$ 16,379	\$ 21,000	\$ 21,000	\$ 19,000	\$ (2,000)	\$ (2,000)		-9.52%
Professional Services								
Professional Services Expenditures	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -		0.00%
Total Professional Services	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -		0.00%
Investment Fees								
Investment Fees	\$ 32,047,455	\$ 32,180,000	\$ 32,180,000	\$ 31,170,400	\$ (1,009,600)	\$ (1,009,600)		-3.14%
Total Investment Fees	\$ 32,047,455	\$ 32,180,000	\$ 32,180,000	\$ 31,170,400	\$ (1,009,600)	\$ (1,009,600)		-3.14%
Total	\$ 34,308,509	\$ 34,541,000	\$ 34,541,000	\$ 33,602,900	\$ (938,100)	\$ (938,100)		-2.72%

Proposed Operating Budget
Final 2022-2023 - Proposed 2023-2024, (Legal Division)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED		COMPARISION TO 2022-2023 BUDGET		
			BUDGET 2023-2024		AMOUNT	% Diff.	
Personnel Services							
Regular Salaries	\$ 472,958	\$ 493,300	\$ 513,900	\$	20,600	4.18%	
Termination Pay	\$ -	\$ -	\$ 10,100	\$	10,100	100.00%	
Wages	\$ -	\$ 10,000	\$ -	\$	(10,000)	-100.00%	
Related Benefits	\$ 203,511	\$ 210,500	\$ 245,100	\$	34,600	16.44%	
Total Personnel Services	\$ 676,469	\$ 713,800	\$ 769,100	\$	55,300	7.75%	
Total Travel	\$ 6,798	\$ 11,000	\$ 11,000	\$	-	0.00%	
Operating Services							
Miscellaneous Operating Services	\$ 191	\$ -	\$ -	\$	-	0.00%	
Dues and Subscriptions	\$ 27,370	\$ 28,000	\$ 30,000	\$	2,000	7.14%	
CPTP & Local Training	\$ 324	\$ 1,000	\$ 1,000	\$	-	0.00%	
Total Operating Services	\$ 27,885	\$ 29,000	\$ 31,000	\$	2,000	6.90%	
Professional Services							
Legal	\$ 50,140	\$ 15,000	\$ 25,000	\$	10,000	66.67%	
Total Professional Services	\$ 50,140	\$ 15,000	\$ 25,000	\$	10,000	66.67%	
Total	\$ 761,292	\$ 768,800	\$ 836,100	\$	67,300	8.75%	

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Member Services Division)

BUDGET CATEGORY	ACTUAL 2021-2022	BUDGET 2022-2023	PROPOSED BUDGET 2023-2024	COMPARISION TO 2022-2023 BUDGET AMOUNT	% Diff.
Personnel Services					
Regular Salaries	\$ 2,681,783	\$ 2,995,300	\$ 3,257,900	\$ 262,600	8.77%
Overtime Salaries	\$ 10,820	\$ 3,000	\$ 10,000	\$ 7,000	233.33%
Termination Pay	\$ 19,790	\$ 32,400	\$ 18,200	\$ (14,200)	-43.83%
Wages	\$ 18,346	\$ 12,000	\$ 22,000	\$ 10,000	83.33%
Related Benefits	\$ 1,322,763	\$ 1,531,900	\$ 1,673,600	\$ 141,700	9.25%
Total Personnel Services	\$ 4,053,502	\$ 4,574,600	\$ 4,981,700	\$ 407,100	8.90%
Total Travel	\$ -	\$ 20,500	\$ 20,500	\$ -	0.00%
Operating Services					
Miscellaneous Operating Services	\$ 3,597	\$ 1,000	\$ 1,000	\$ -	0.00%
Printing Services	\$ 40,414	\$ 52,000	\$ 55,000	\$ 3,000	5.77%
Building/Equip/Vehicle Maint.	\$ -	\$ 500	\$ 500	\$ -	0.00%
Rentals/Computer Lic. Software	\$ 18,096	\$ 18,500	\$ 19,000	\$ 500	2.70%
Dues and Subscriptions	\$ 1,550	\$ 1,000	\$ 1,000	\$ -	0.00%
Mail, Delivery & Postage	\$ 237,737	\$ 260,000	\$ 265,000	\$ 5,000	1.92%
CPTP & Local Training	\$ 12,167	\$ 1,000	\$ 1,000	\$ -	0.00%
Total Operating Services	\$ 313,561	\$ 334,000	\$ 342,500	\$ 8,500	2.54%
Professional Services					
Disability	\$ 53,406	\$ 60,000	\$ 60,000	\$ -	0.00%
Total Professional Services	\$ 53,406	\$ 60,000	\$ 60,000	\$ -	0.00%
Total	\$ 4,423,131	\$ 4,989,100	\$ 5,404,700	\$ 415,600	8.33%

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Projects)

BUDGET CATEGORY	ACTUAL		BUDGET		PROPOSED		COMPARISION TO	
	2021-2022	2022-2023	2022-2023	2023-2024	BUDGET	2023-2024	2022-2023 BUDGET	% Diff.
Total Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Operating Services								
Computer Maintenance	\$ 147,282	\$ 360,000	\$ 360,000	\$ 360,000	\$ -	\$ -	\$ -	0.00%
Rentals/Computer Lic. Software	\$ 1,463	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	0.00%
Telephone/Internet/Cable Services	\$ 10,390	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	0.00%
CPTP & Local Training	\$ 13,260	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	0.00%
Operating Supplies	\$ 13,902	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	0.00%
Total Operating Services	\$ 186,297	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	0.00%
Professional Services								
Professional Services Expenditures	\$ 126,862	\$ 1,950,000	\$ 1,950,000	\$ 1,950,000	\$ -	\$ -	\$ -	0.00%
Total Professional Services	\$ 126,862	\$ 1,950,000	\$ 1,950,000	\$ 1,950,000	\$ -	\$ -	\$ -	0.00%
Acquisitions								
Computer Acquisitions	\$ 12,840	\$ 450,000	\$ 450,000	\$ 450,000	\$ -	\$ -	\$ -	0.00%
Total Acquisitions	\$ 12,840	\$ 450,000	\$ 450,000	\$ 450,000	\$ -	\$ -	\$ -	0.00%
Total	\$ 325,999	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ -	\$ -	0.00%

Proposed Operating Budget

Final 2022-2023 - Proposed 2023-2024, (Public Information Division)

BUDGET CATEGORY	ACTUAL		BUDGET		PROPOSED		COMPARISION TO		
	2021-2022		2022-2023		BUDGET		2022-2023 BUDGET	% Diff.	
AMOUNT									
Personnel Services									
Regular Salaries	\$	280,806	\$	280,800	\$	292,300	\$	11,500	4.10%
Termination Pay	\$	-	\$	12,500	\$	-	\$	(12,500)	-100.00%
Related Benefits	\$	146,849	\$	146,300	\$	161,700	\$	15,400	10.53%
Total Personnel Services	\$	427,655	\$	439,600	\$	454,000	\$	14,400	3.28%
Total Travel	\$	6,735	\$	3,600	\$	8,100	\$	4,500	125.00%
Operating Services									
Miscellaneous Operating Services	\$	990	\$	-	\$	1,000	\$	1,000	0.00%
Advertising/Public Relations	\$	5,376	\$	6,000	\$	7,000	\$	1,000	16.67%
Printing Services	\$	42,227	\$	60,000	\$	80,000	\$	20,000	33.33%
Dues and Subscriptions	\$	2,915	\$	3,500	\$	3,500	\$	-	0.00%
CPTP & Local Training	\$	-	\$	800	\$	800	\$	-	0.00%
Total Operating Services	\$	51,508	\$	70,300	\$	92,300	\$	22,000	31.29%
Professional Services									
Professional Services Expenditures	\$	13,880	\$	15,000	\$	15,000	\$	-	0.00%
Total Professional Services	\$	13,880	\$	15,000	\$	15,000	\$	-	0.00%
Acquisitions									
Furniture & Equipment Acquisitions	\$	-	\$	3,000	\$	3,000	\$	-	0.00%
Total Acquisitions:	\$	-	\$	3,000	\$	3,000	\$	-	0.00%
Total	\$	499,778	\$	531,500	\$	572,400	\$	40,900	7.70%

**LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
PERSONNEL BUDGET-FOR FISCAL YEAR 2023-2024**

Employee Name	Position Number	Position Title	Level	Annual Salary As Of 09/15/22	Projected Salary For 2022-2023	Projected Salary For 2023-2024
Executive & Facilities Divisions						
Boudreaux III, Bernard E.	52713	Assistant Director (Chief of Staff)	UC	250,000	250,000	257,188
Celestine, Amanda K.	50504136	Exec Management Officer	618	76,336	76,336	77,799
Labello, Donna G.	50343851	Exec Staff Officer	616	68,765	68,765	70,083
McIlwain, James T.	50330847	Deputy Director (C.A.O.)	UC	190,000	190,000	195,463
Menner, Angelo J.	50372300	Maintenance Repairer 2	212	54,226	54,226	54,766
Rougeou, Cynthia Y.	52694	Executive Director	UC	305,302	305,302	314,079
Vacant	50527857	Statewide Program Manager 1	622	94,390	94,390	94,390
Vacant	50514704	Statewide Program Manager 1	622	94,390	94,390	94,390
Vacant	50309495	Administrative Assistant 5	613	51,345	51,345	51,345
Subtotal			9	944,629	944,629	969,378
Legal Division						
Allen, Demetria R.	52689	Administrative Assistant 6	614	68,806	68,806	70,125
Grant, Tina V.	50354599	Executive Counsel	UC	220,000	220,000	226,325
Robertson, Morgan B.	152721	Attorney 3	620	94,411	96,245	102,956
Stark, Roland S.	50374816	Attorney - Dep Gen Counsel 1	623	112,278	112,278	114,430
Subtotal			4	495,495	497,329	513,836
Audit Division						
Babin, Reece M.	50550269	Auditor 4	618	74,922	74,922	76,358
Babin, Ryan	172896	Audit Director 2	623	126,485	126,485	128,909
Cowell, Hollie M.	177234	Auditor 3	617	88,878	88,878	89,253
Sena, Laura	50361252	Auditor 3	617	74,464	74,464	75,891
Xue, Tianyue N.	170897	Auditor 4	618	76,794	76,794	78,266
Subtotal			5	441,543	441,543	448,677
Fiscal Division						
Campoblanco, Rolando J.	165873	Accountant 4	617	52,270	52,270	54,274
Carter, Priscilla R.	50348952	Accountant 3	615	65,083	65,083	66,330
Cooper, Shalando M.	198303	Accountant 3	615	73,611	73,611	75,022
Craig, Lori D.	140265	Accountant Manager 1	618	75,858	75,858	77,312
Drinnon, Wretha L.	94409	Accountant Manager 3	621	107,245	110,999	116,952
Fillastre IV, Arthur P.	52696	Accountant Admin 5	624	135,346	135,346	137,940
Foster, Amber O.	120432	Accountant Manager 2	619	92,643	92,643	94,419
Franklin, LaShundra T.	50365506	Accountant 4	617	72,093	72,093	73,475
Gasperez, Nicole M.L.	50309497	Accountant 3	615	72,342	72,342	73,729

**LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
PERSONNEL BUDGET-FOR FISCAL YEAR 2023-2024**

Employee Name	Position Number	Position Title	Level	Annual Salary As Of 09/15/22	Projected Salary For 2022-2023	Projected Salary For 2023-2024
Joseph, Mona F.	199386	Accountant 3	615	73,611	73,611	75,022
Kimble, Amanda L.	144374	Accountant 3	615	57,262	57,262	58,908
Leggette, Kelly M.	50309464	Accountant 3	615	73,611	73,611	75,022
Oliver, Ebony S.	165874	Accountant 3	615	61,734	61,734	62,917
Pitcher-Jackson, Casey D.	140170	Accountant Manager 2	619	92,581	92,581	94,355
Plant, Meshon R.	52692	Accountant 3	615	61,984	61,984	63,172
Poindexter, Ernest D.	188608	Accountant Supervisor 2	617	83,387	83,387	84,985
Reed, Brittany Hastings	50406878	Accountant 3	615	63,024	63,024	64,232
Richard, Janice	139879	Administrative Assistant 4	611	50,877	50,877	50,877
Seils, Jeri J.	50309706	Accountant Manager 2	619	96,491	101,556	108,665
Singletery, Melissa B.	198217	Accountant 4	617	82,826	82,826	84,413
Stewart Jr., Charles L.	50309552	Accountant Supervisor 2	617	82,992	82,992	84,583
Wade, Megan C.	50378864	Accountant 4	617	72,405	72,405	73,793
Yarbrough, George C.	50389690	Accountant Manager 1	618	73,147	79,032	86,545
Vacant	50372858	Accountant 3	615	58,781	58,781	58,781
Vacant	121659	Accounting Technician	611	38,387	38,387	38,387
Subtotal			25	1,772,423	1,787,127	1,836,942
Human Resources Division						
Joseph, Valerie D.	160342	HR Analyst C	615	68,848	68,848	70,168
Metoyer, Sheila T.	117267	HR Director B	620	103,251	103,251	105,230
Rogers, Andrea H.	201256	HR Analyst C	615	68,120	68,120	69,426
Subtotal			3	240,219	240,219	244,824
Member Services Division						
Ackermann, Adrian A.	50309703	Retirement Benefits Educator	616	61,849	65,096	68,081
Adams, Tina M.	50465488	Retirement Benefits Specialist	617	76,694	76,694	78,164
Aker, Virginia M.	50309551	Retirement Benefits Analyst 3	615	72,888	76,715	79,486
Allen, Donald L.	50484787	Retirement Benefits Specialist	617	76,138	76,138	77,597
Baronne, Gregory J.	50308451	Retirement Benefits Analyst 3	615	70,084	73,763	76,426
Bishop, Joseph D.	126702	Retirement Benefits Educator	616	77,807	81,892	84,850
Brumfield, Brodie	168767	Retirement Benefits Analyst 3	615	66,723	66,723	68,002
Canella, Amy T.	52710	Administrative Coordinator 3	609	44,429	44,429	44,429
Casey, Christopher M.	50389959	Retirement Benefits Specialist	617	76,828	76,828	78,301
Chauvin, Suyapa R.	184208	Retirement Benefits Analyst 3	615	53,370	53,370	54,904
Clark, Markita S.	198760	Retirement Benefits Analyst 3	615	71,219	74,958	77,665

**LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
PERSONNEL BUDGET-FOR FISCAL YEAR 2023-2024**

Employee Name	Position Number	Position Title	Level	Annual Salary As Of 09/15/22	Projected Salary For 2022-2023	Projected Salary For 2023-2024
Crouchet, Christopher M.	50311656	Retirement Benefits Analyst 3	615	53,392	53,392	54,927
Daigle, Patience J.	50408777	Retirement Benefits Analyst 2	613	46,448	48,683	53,291
Drago, Jonathan M.	50363467	Retirement Benefits Asst. Admin.	620	102,667	102,667	104,635
Ducote, Timothy R.	50309481	Retirement Benefits Analyst 3	615	57,799	57,799	59,461
Gibbons, Tricia D.	183566	Retirement Benefits Admin.	622	116,185	116,185	118,412
Goodrich, Susan P.	184206	Retirement Benefits Educator	616	75,003	78,941	81,792
Gordon, Garrick M.	180562	Retirement Benefits Analyst 1	612	40,151	40,385	44,997
Harris, Derek P.	153333	Retire Benefits Supervisor	618	86,445	86,445	88,102
Hulbert, Jacqueline A.	52697	Administrative Coordinator 3	609	44,429	44,429	44,429
Johnson, Marguerite L.	50316486	Administrative Coordinator 3	609	39,208	39,208	39,959
Jones, Carlos M.	50338611	Retirement Benefits Specialist	617	79,966	79,966	81,499
Jones, Megan L.	153334	Retirement Benefits Supervisor	618	76,967	76,967	78,442
Kelley, Ian C.	50448397	Retirement Benefits Analyst 1	612	50,477	52,096	57,695
Kern, Michael J.	143916	Retire Benefits Supervisor	618	89,825	89,825	91,547
Kinchen, Wendy D.	50580301	Retirement Benefits Supervisor	618	82,058	82,058	83,631
Lamana, Terri J.	50309667	Retirement Benefits Analyst 1	612	41,752	43,092	48,174
Maddox, Andrew J.	50348929	Retirement Benefits Analyst 1	612	40,151	40,268	44,801
Novo, Meaghan E.	202416	Retirement Benefits Analyst 1	612	41,752	43,092	48,174
Peneguy, Jeanne E.	50481831	Retirement Benefits Specialist	617	83,393	83,393	84,991
Rabalais, Lauryn A.	199396	Retirement Benefits Analyst 1	612	41,752	44,066	49,784
Rink, Debbie A.	121530	Administrative Coordinator 3	609	38,002	38,002	38,730
Rivet, Brenda F.	111841	Retirement Benefits Analyst 3	615	78,764	82,899	83,408
Roan, Angela K.	50389958	Retirement Benefits Specialist	617	73,289	73,289	74,694
Romero, Aimee	50308428	Retirement Benefits Educator	616	75,003	78,941	81,792
Schexnayder, John	199392	Retirement Benefits Analyst 3	615	70,084	73,763	76,426
Trosclair, Jacob	50348927	Retirement Benefits Supervisor	618	80,062	80,062	81,597
Welchez, Carla F.	110522	Retirement Benefits Manager	619	93,785	93,785	95,583
Woerner, Emily	199391	Retirement Benefits Analyst 3	615	63,118	63,118	64,328
Young, Janice	199387	Administrative Coordinator 3	609	43,909	43,909	44,751
Vacant	199397	Retirement Benefits Supervisor	618	56,326	56,326	56,326
Vacant	50321051	Retirement Benefits Supervisor	618	56,326	56,326	56,326
Vacant	50338610	Retirement Benefits Specialist	617	56,326	56,326	56,326
Vacant	50363468	Retirement Benefits Manager	619	60,247	60,247	60,247
Vacant	50348928	Retirement Benefits Analyst 3	615	49,192	49,192	49,192

**LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
PERSONNEL BUDGET-FOR FISCAL YEAR 2023-2024**

Employee Name	Position Number	Position Title	Level	Annual Salary As Of 09/15/22	Projected Salary For 2022-2023	Projected Salary For 2023-2024
Vacant	50309500	Retirement Benefits Analyst 3	615	49,192	49,192	49,192
Vacant	191899	Retirement Benefits Analyst 1	612	40,165	40,165	40,165
Vacant	198045	Retirement Benefits Analyst 1	612	40,165	40,165	40,165
Vacant	203685	Retirement Benefits Analyst 3	615	49,192	49,192	49,192
Vacant	50309494	Retirement Benefits Educator	616	52,645	52,645	52,645
Vacant	80314	Retirement Benefits Educator	616	52,645	52,645	52,645
Subtotal			51	3,216,286	3,259,752	3,350,378
Public Information Division						
Diaz, Mark J.	142249	Public Info Officer 3	615	71,219	71,219	72,584
Harvey, Rachel P.	50343975	Public Information Officer 3	615	60,819	60,819	61,985
Normand, Tonja N.	123650	Public info Director 2	619	86,986	86,986	88,653
Vetsch, Mallory S.	164269	Public Info Officer 3	615	67,725	67,725	69,023
Subtotal			4	286,749	286,749	292,245
Information Technology Division						
Amous, Osama A.	150631	IT Technical Support Analyst 3	313	86,133	86,133	87,784
Ash, James A.	50544148	IT Applications Developer 3	313	66,030	66,030	67,928
Brasseaux, David M.	52690	IT Manager	318	101,982	101,982	103,937
Byrd, Gregory P.	50346876	IT Manager	318	107,224	107,224	109,279
Davis, Logan P.	50576861	IT Tech Support Analyst 2	311	50,315	53,250	55,901
Fitch, Brent	144938	IT Supervisor	316	101,587	101,587	103,002
Gerard, Reginald P.	50309669	IT Applications Developer 3	313	72,134	72,134	73,517
Halliburton, William G.	50309549	IT Applications Developer 1	311	55,744	57,045	61,933
Kelly, Bryan A.	144936	IT Applications Developer 3	313	85,654	85,654	87,296
Lin, Jingyu	50361458	IT Applications Developer 3	313	74,963	74,963	76,400
Lyle, Jonathan D.	50309672	IT Infosec Analyst 2	312	69,368	73,414	75,646
McBride, Charles R.	50326476	IT Infosec Engineer	316	94,162	94,162	95,967
Miller, Barney	50385210	IT Technical Support Analyst 3	313	85,488	85,488	87,127
Milner, Donald S.	50569908	IT Tech Specialist 1	314	89,461	89,461	91,176
Odom, Olga	50384060	Administrative Assistant 4	611	40,331	40,331	41,104
Phipps, Steven P.	50378851	IT Supervisor	316	93,059	93,059	94,843
Potturi, Ravi P.	185260	IT Applications Specialist 1	314	82,638	82,638	84,222
Regan, Jacob T.	50399273	IT Applications Developer 1	311	55,744	58,671	61,933
Scelfo Jr., Kenny P.	50378852	IT Applications Specialist 2	315	98,197	98,197	100,079
Schoonmaker, John E.	50326450	IT Deputy Administrator	319	127,171	127,171	129,608

**LOUISIANA STATE EMPLOYEES RETIREMENT SYSTEM
PERSONNEL BUDGET-FOR FISCAL YEAR 2023-2024**

Employee Name	Position Number	Position Title	Level	Annual Salary As Of 09/15/22	Projected Salary For 2022-2023	Projected Salary For 2023-2024
Sprouse, Johnathon P.	117675	IT Administrator	321	126,651	126,651	129,078
Thurman, Shane	50400125	Business Technology Analyst 3	313	80,163	80,163	81,699
Wilkins, Robert J.	164621	IT Supervisor	316	98,197	98,197	100,079
Vacant	50378825	IT Supervisor	316	86,559	86,559	86,559
Vacant	50471754	IT Applications Specialist 2	315	80,892	80,892	80,892
Vacant	50455309	IT Applications Specialist 2	315	80,892	80,892	80,892
Vacant	142231	IT Applications Developer 3	313	70,647	70,647	70,647
Subtotal			27	2,261,386	2,272,595	2,318,528
Investments Division						
Adams, Jennifer A.	50557116	Admin Program Specialist C	615	61,298	61,298	62,473
Beale, Robert W.	117754	Chief Invest Officer	UC	346,694	346,694	356,661
Brousseau, Jacques M.	50448579	Director	UC	173,347	173,347	178,331
Fournerat, Darren G.	50370515	Assistant Chief	UC	231,130	231,130	237,775
Funderburk, Celeste D.	50380559	Director	UC	189,530	189,530	194,979
Lacombe, Alisa	50448581	Manager	UC	173,347	173,347	178,331
Pearce Jr., Marshall R.	50448580	Manager	UC	173,347	173,347	178,331
Sanders, Lindsay	50380560	Assistant Chief	UC	231,130	231,130	237,775
Vacant	50448578	Manager	UC	100,000	100,000	100,000
Subtotal			9	1,579,823	1,579,823	1,624,656
GRAND TOTAL SALARIES W/CLASSIFIED WAE (excluding interns)			137	11,238,553	11,309,766	11,599,464

Assumptions:

- 1.) Annual Salaries estimated at the mid-point for vacant classified positions or SER where applicable
- 2.) Any reallocation increases due before 6/30/24 were incorporated into the applicable salary figure
- 3.) Unclassified adjustments for '23-24 were projected at 3%
- 4.) Salaries do not include premium pay
- 5.) Vacancies highlighted are not included in the sub-totals or total calculations

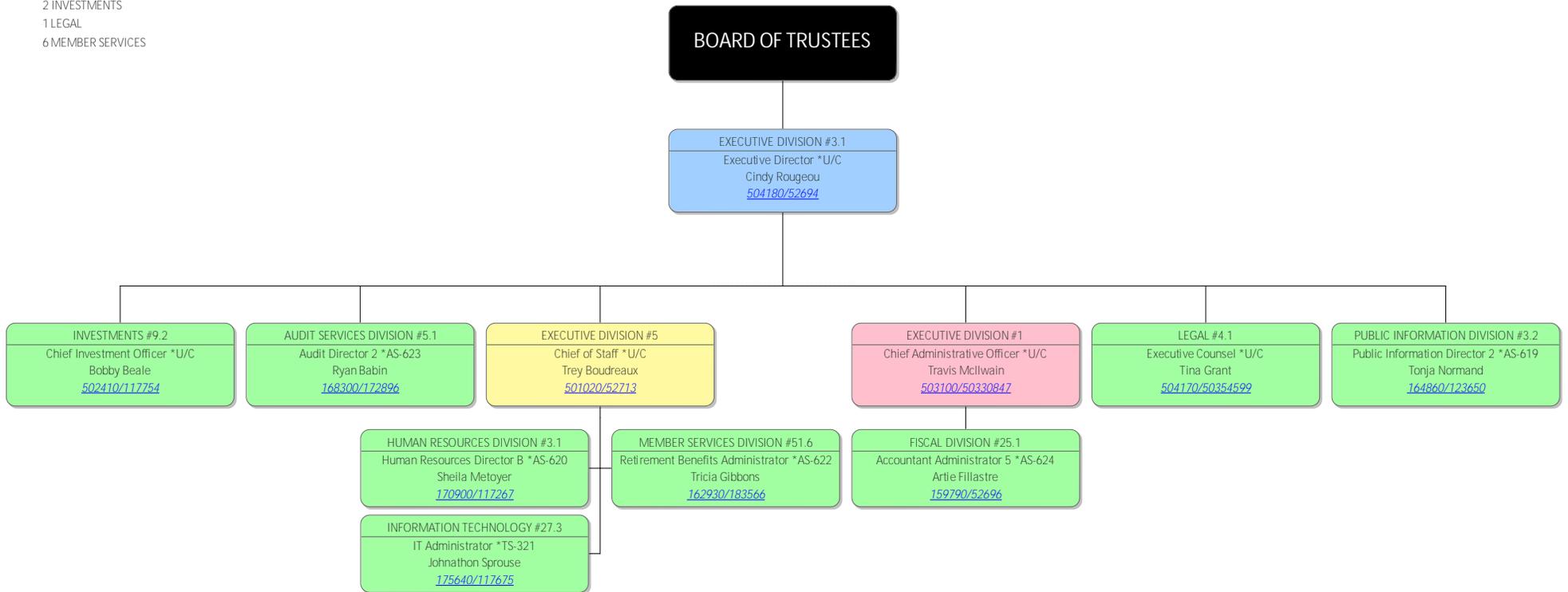
LASERS

137 FULL-TIME POSITIONS

- 9 EXECUTIVE
- 5 AUDIT SERVICES
- 25 FISCAL
- 3 HUMAN RESOURCES
- 27 INFORMATION TECHNOLOGY
- 9 INVESTMENTS
- 4 LEGAL
- 51 MEMBER SERVICES
- 4 PUBLIC INFORMATION

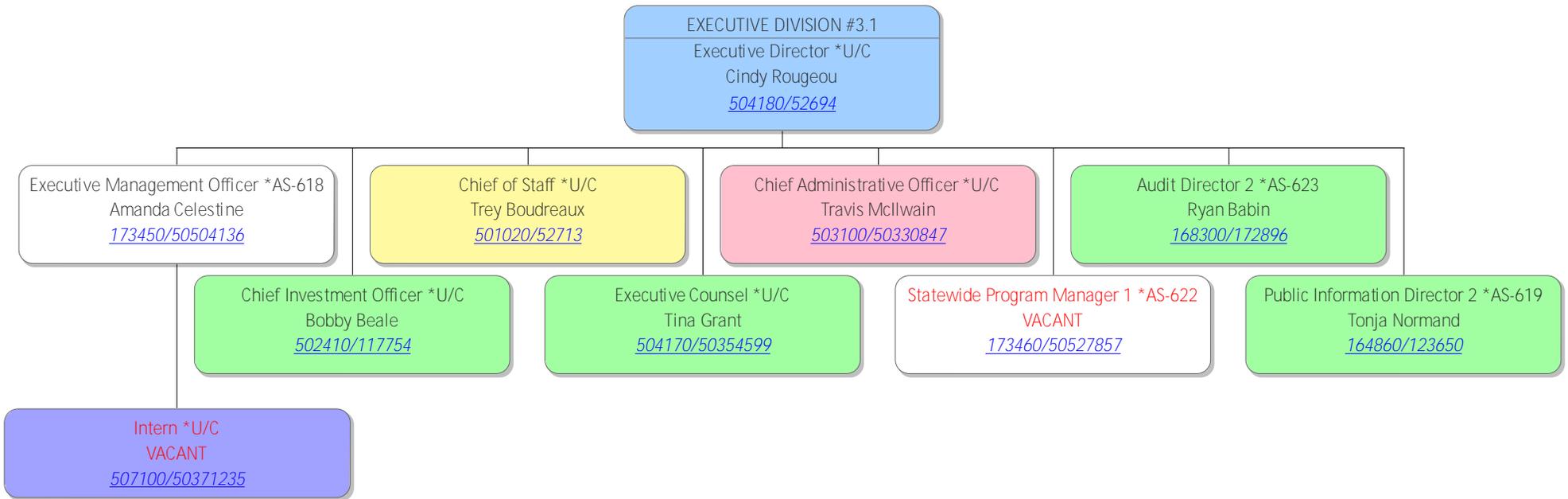
16 PART-TIME POSITIONS

- 1 AUDIT SERVICES
- 1 EXECUTIVE
- 1 FISCAL
- 1 HUMAN RESOURCES
- 3 INFORMATION TECHNOLOGY
- 2 INVESTMENTS
- 1 LEGAL
- 6 MEMBER SERVICES

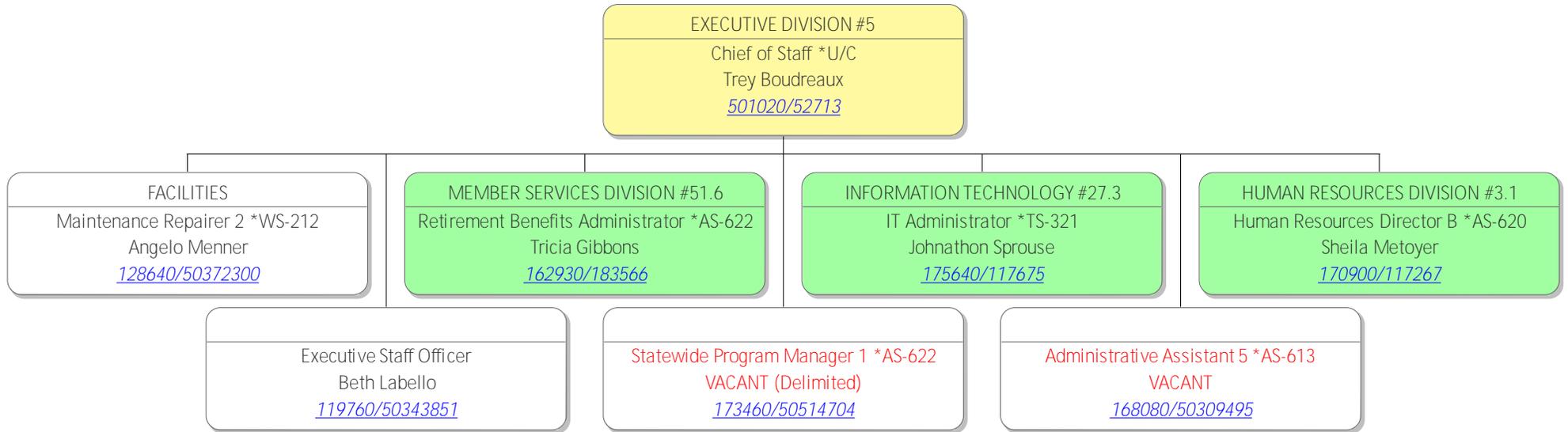


3 FULL-TIME POSITIONS
1 PART-TIME POSITION

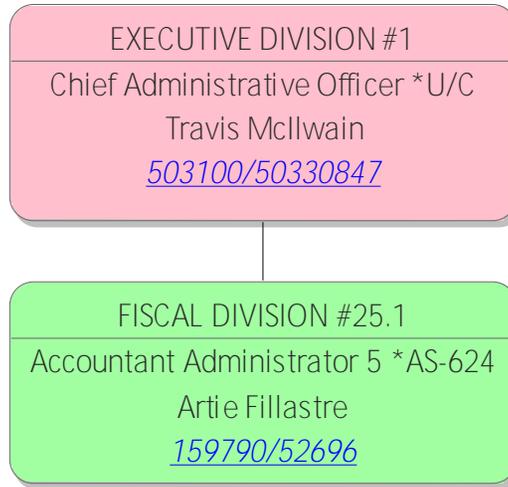
EXECUTIVE DIRECTOR'S STAFF



CHIEF OF STAFF'S STAFF

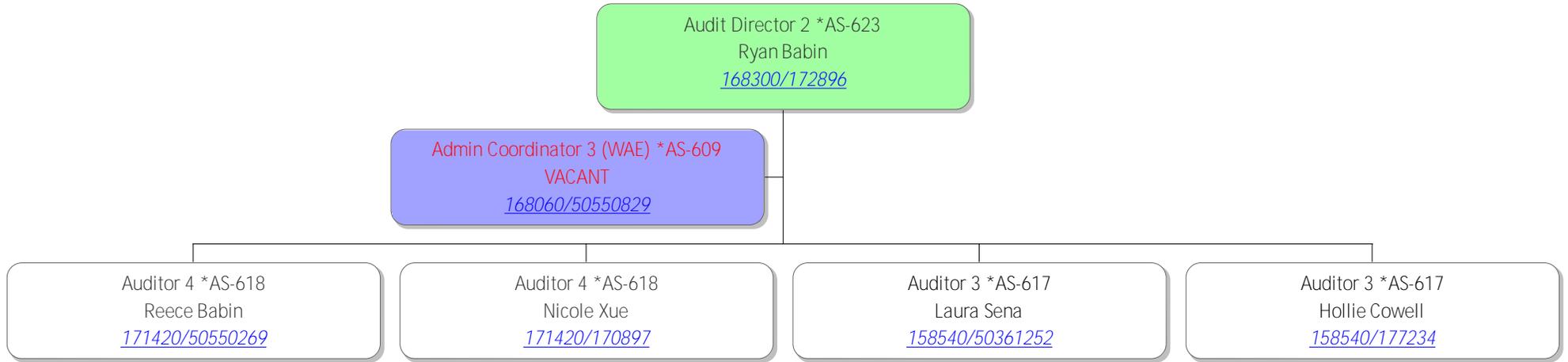


CHIEF ADMINISTRATIVE OFFICER'S STAFF

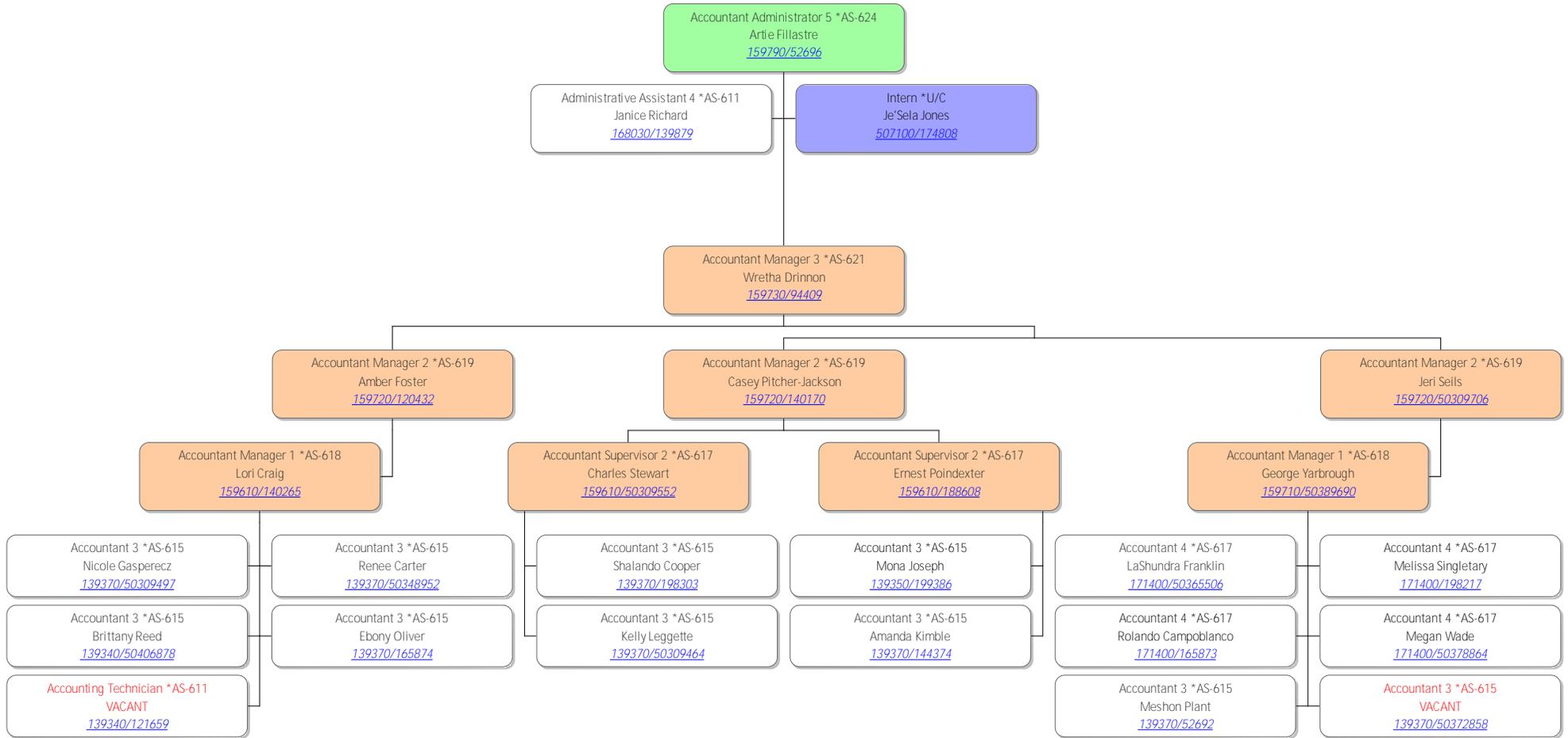


5 FULL-TIME POSITIONS
1 PART-TIME POSITION

AUDIT SERVICES DIVISION



FISCAL DIVISION

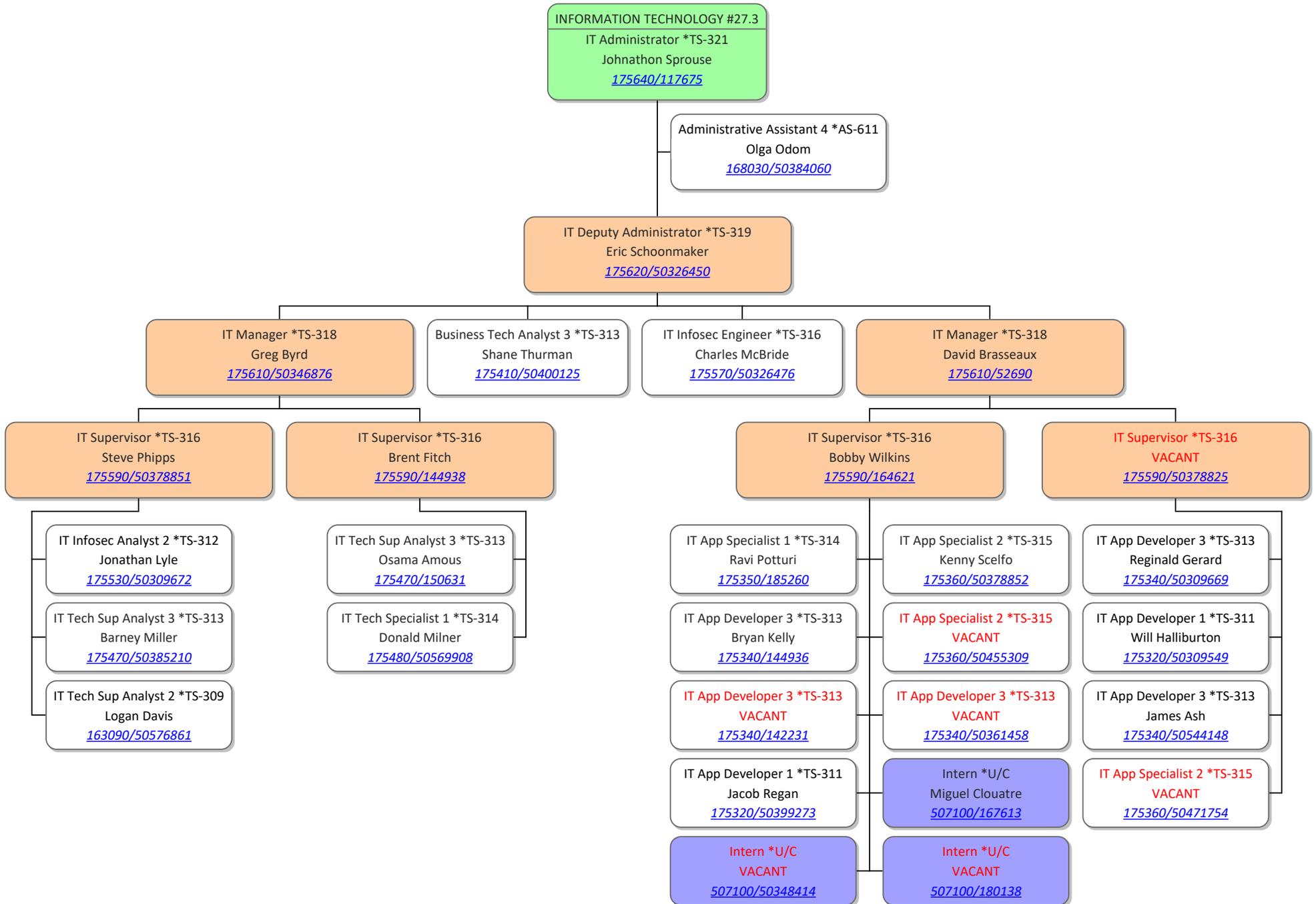


HUMAN RESOURCES DIVISION

3 FULL-TIME POSITIONS
1 PART-TIME POSITION

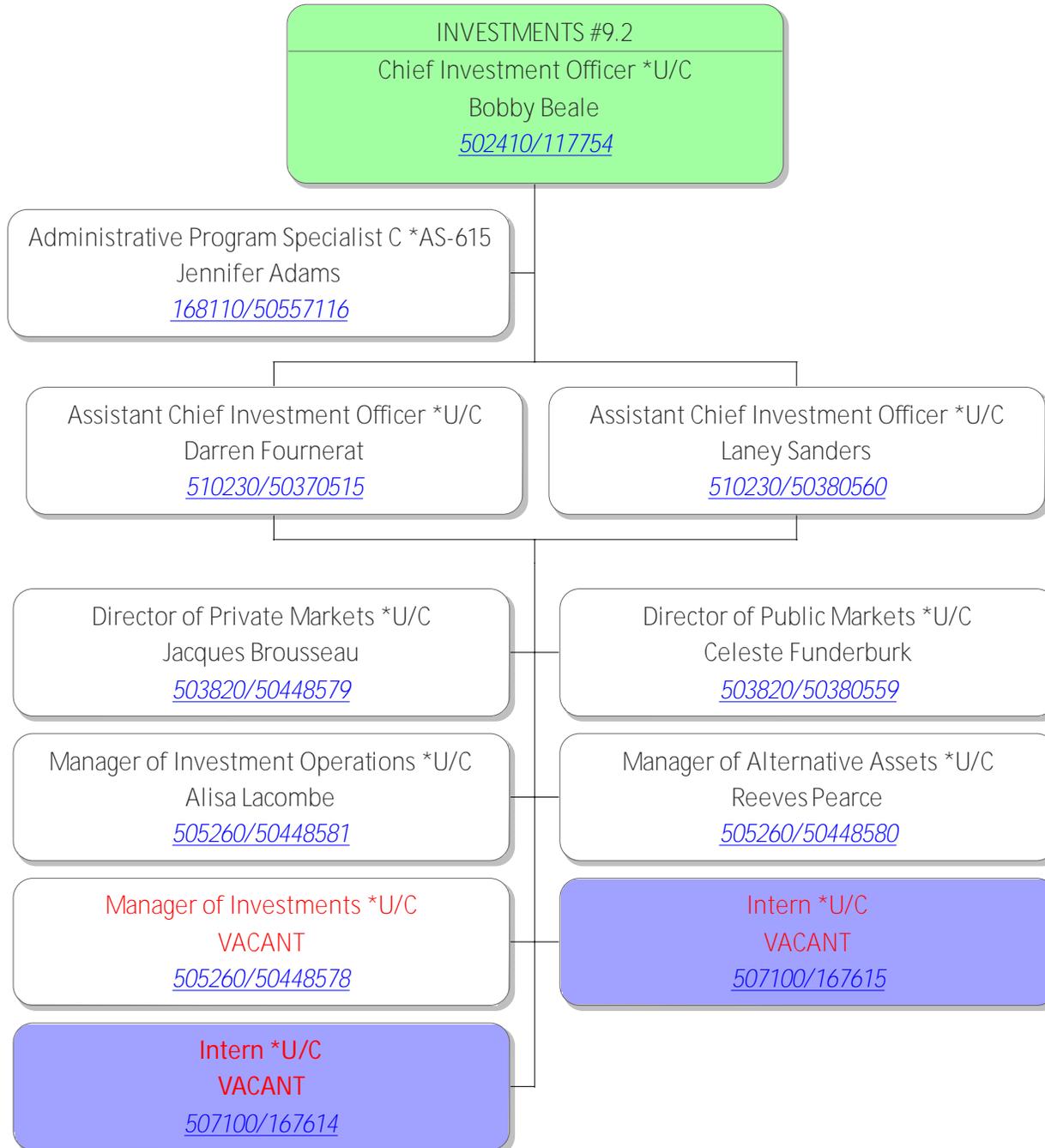


INFORMATION TECHNOLOGY DIVISION



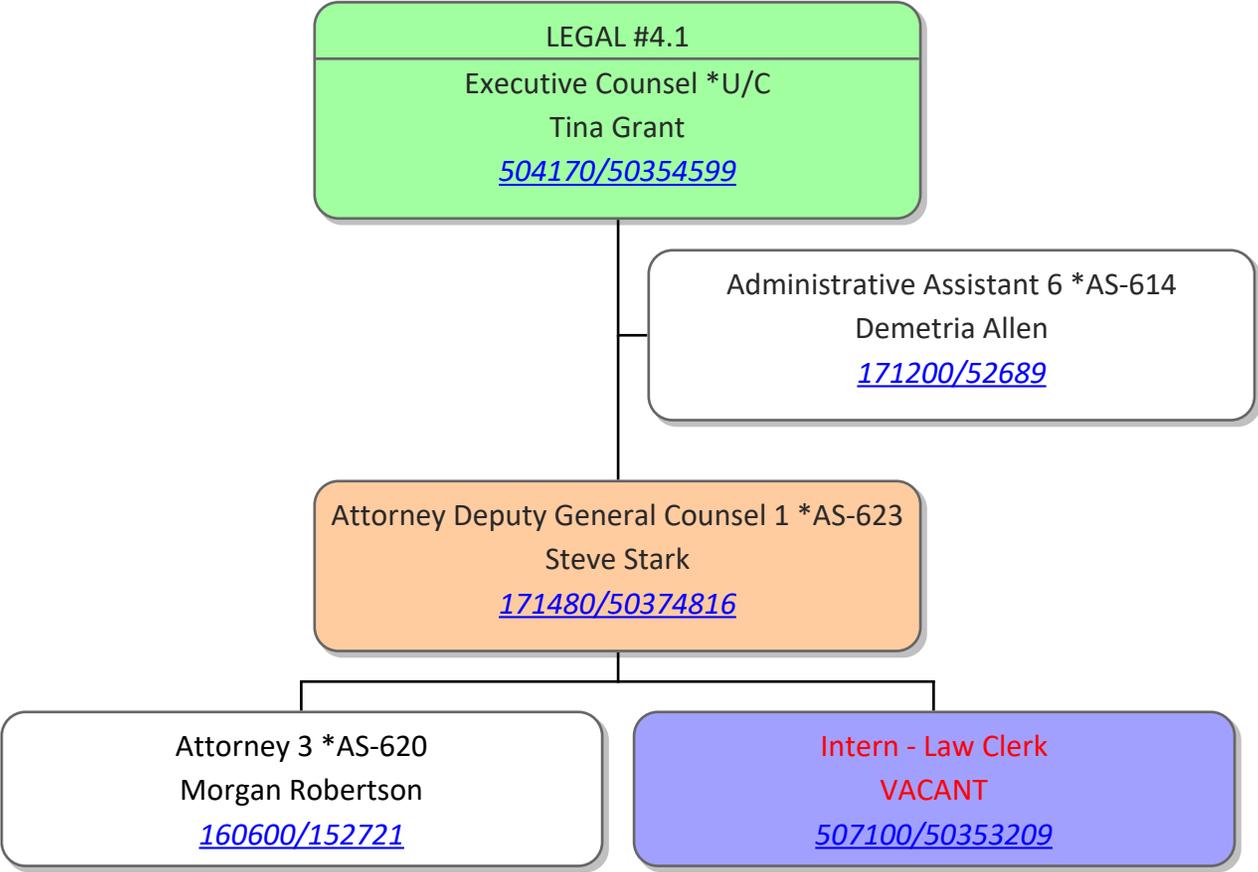
9 FULL-TIME POSITIONS
2 PART-TIME POSITION

INVESTMENTS DIVISION

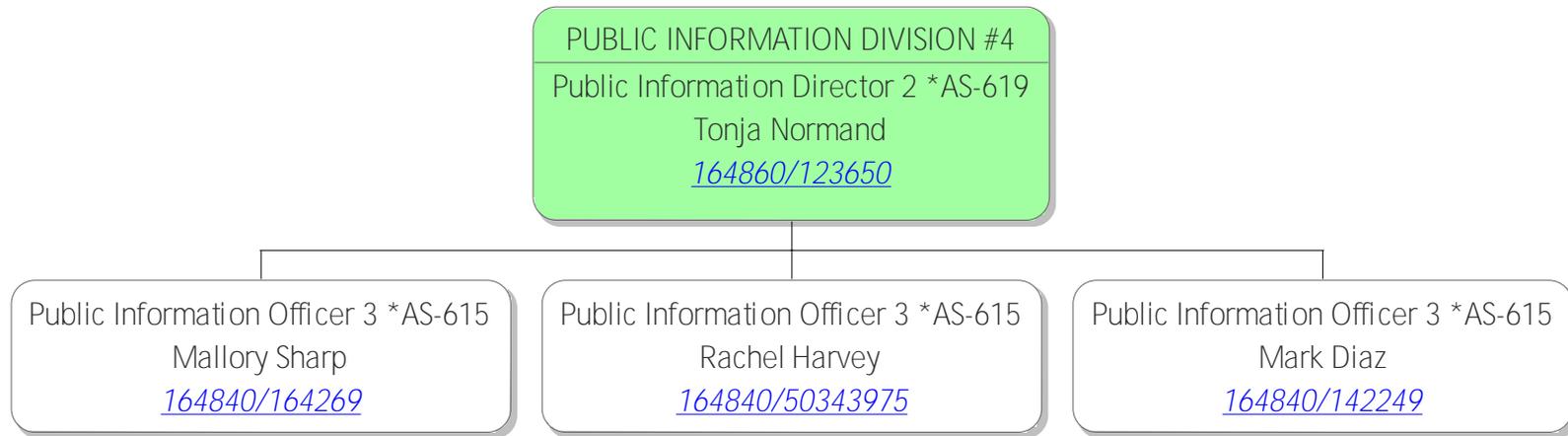


LEGAL DIVISION

4 FULL-TIME POSITIONS
1 PART-TIME POSITION



PUBLIC INFORMATION DIVISION



ACRONYM LIST

2023-2024 Budget Supplemental Data

Acronyms			
ACR	Agency Contribution Reporting	LAPERS	Louisiana Association of Public Employee Retirement Systems
AFP	Association for Finance Professionals	LLC	Limited Liability Company
AICPA	American Institute of Certified Public Accountants	NAPPA	National Association of Public Pension Fund Attorneys
APPFA	Association of Public Pension Fund Auditors	NASIO	National Association of State Investment Officers
AR	Accounts Receivable	NASRA	National Association of State Retirement Administrators
AS	Administrative Schedule	NCPERS	National Conference on Public Employee Retirement Systems
BR	Baton Rouge	NPEA	National Pension Education Association
CAIA	Chartered Alternative Investment Analyst Association	NY	New York
CAO	Chief Administrative Officer	P2F2	Public Pension Fund Forum
CFA	Chartered Financial Analyst	PAR	Public Affairs Research Council
CPA	Certified Public Accountant	PHR	Professional Human Resources
CPTP	Comprehensive Public Training Program	PID	Public Information Division
DCL	Dual Career Ladder	PMI	Project Management Institute
DROP	Deferred Retirement Option Plan	PRISM	Public Retirement Information Systems Management
ESS	Employer Self-Service	RS	Revised Statute
FTE	Full -Time Equivalents	RSEA	Retired State Employees' Association
FY	Fiscal Year	SAN	Storage Area Network
GFOA	Government Finance Officers Association	SHRM	Society of Human Resource Management
HR	Human Resources	SER	Special Entrance Rate
IIA	Institute of Internal Auditors	TS	Scientific and Technical Schedule
ISACA	Information Systems Audit and Control Association	UAL	Unfunded Accrued Liability
ISCEBS	International Society of Certified Employee Benefit Specialists	UC or U/C	Unclassified
IT	Information Technology	UPS	Uninterrupted Power Supply
JDE	JDEdwards	WAE	While Actually Employed
IT	Information Technology	WS	Technician and Skilled Trades Schedule
LA	Louisiana	WSJ	Wall Street Journal

Louisiana State Employees' Retirement System (LASERS)

Program Authorization: Const. Art. 10, Section 29; R.S. 11:401 et seq.

Agency Description

LASERS is a public trust fund created in 1946 to provide retirement allowances and other benefits for state officers, employees and their beneficiaries.

FY 2023-2024 Budget Summary

	<u>Prior Year</u>	<u>Existing</u>	<u>Proposed</u>	<u>Total</u>	
	<u>Actual</u>	<u>Operating</u>	<u>Operating</u>	<u>Proposed</u>	<u>%</u>
	<u>FY 21-22</u>	<u>Budget</u>	<u>Budget</u>	<u>Over/Under</u>	<u>Change</u>
		<u>FY 22-23</u>	<u>FY 23-24</u>	<u>Existing</u>	
Means of Financing:					
State General Fund by:					
Fees and Self-generated Revenues	\$ 47,068,348	\$ 57,029,000	\$ 57,311,000	\$ 282,000	0.5%
Total Means of Financing	\$ 47,068,348	\$ 57,029,000	\$ 57,311,000	\$ 282,000	0.5%
Expenditures & Request:					
Personnel Services	\$ 15,821,143	\$ 16,977,000	\$ 17,919,900	\$ 942,900	5.6%
Operating Expenses	3,334,083	4,341,000	4,659,100	318,100	7.3%
Professional Services	539,378	2,461,000	2,441,000	(20,000)	-0.8%
Acquisitions & Major Repairs	332,095	750,000	791,000	41,000	5.5%
Total Administrative Expenses	\$ 20,026,699	\$ 24,529,000	\$ 25,811,000	\$ 1,282,000	5.2%
Investment Management Fees	\$ 27,041,649	\$ 32,500,000	\$ 31,500,000	\$ (1,000,000)	-3.1%
Total Expenditures & Request:	\$ 47,068,348	\$ 57,029,000	\$ 57,311,000	\$ 282,000	0.5%
Authorized Full-Time Equivalents:					
Classified	125	125	125	0	0.0%
Unclassified	12	12	12	0	0.0%
Total FTEs	137	137	137	0	0.0%

Source of Funding

Funding for LASERS' operating budget comes from three (3) sources: employer contributions, employee contributions, and earnings from trust fund investments. LASERS had \$22.8 million in revenues for the fiscal year ending June 30, 2022.

Note: LASERS Multi-Year Project Budget/Actuals were not included in the Operating Budget until 2022-2023. For presentation purposes we have included the Multi-Year Project Budget/Actuals in the Operating Budget for years shown above.

Major Changes From Existing Operating Budget: LASERS

\$	57,029,000	FY 22-23 Existing Operating Budget
\$	942,900	Personnel Services
\$	7,500	Travel
\$	310,600	Operating Services
\$	(20,000)	Professional Services
\$	41,000	Acquisitions
\$	(1,000,000)	Investment Management Fees
\$	282,000	Total Proposed Adjustments
\$	57,311,000	FY 23-24 Proposed Operating Budget

FY 2023-24 Budget Summary-LASERS

	<u>Prior Year</u> <u>Actual</u> <u>FY 21-22</u>	<u>Existing</u> <u>Operating</u> <u>Budget</u> <u>FY 22-23</u>	<u>Proposed</u> <u>Operating</u> <u>Budget</u> <u>FY 23-24</u>	<u>Total</u> <u>Proposed</u> <u>Over/Under</u> <u>Existing</u>	<u>%</u> <u>Change</u>
Expenditures & Request:					
Personnel Services					
Salaries (Staff)	\$ 10,336,940	\$ 11,005,800	\$ 11,486,100	\$ 480,300	4.4%
Overtime	10,912	5,000	13,000	8,000	160.0%
Termination/Temporary Wages	51,567	78,600	75,000	(3,600)	-4.6%
Wages	40,903	74,500	74,000	(500)	-0.7%
Other Compensation-Board Members	4,650	7,000	7,000	-	0.0%
Related Benefits	5,376,171	5,806,100	6,264,800	458,700	7.9%
Total Personnel Services	\$ 15,821,143	\$ 16,977,000	\$ 17,919,900	\$ 942,900	5.6%
Travel Expenses	\$ 21,924	\$ 162,100	\$ 169,600	\$ 7,500	4.6%
Operating Expenses					
Computer Maintenance	\$ 699,198	\$ 1,108,800	\$ 1,148,800	\$ 40,000	3.6%
Building/Equipment/Vehicle Maint.	11,608	18,900	19,500	600	3.2%
Miscellaneous Operating Services	12,796	8,500	12,000	3,500	41.2%
Advertising/Public Relations	5,376	6,000	7,000	1,000	16.7%
Printing	82,641	112,000	135,000	23,000	20.5%
Insurance	102,967	110,000	110,000	-	0.0%
Rentals/Computer License Software	926,160	1,196,300	1,333,600	137,300	11.5%
Building Rentals	700,171	701,000	841,000	140,000	20.0%
Dues and Subscriptions	57,924	65,000	65,800	800	1.2%
Bank Fees	23,109	25,000	25,000	-	0.0%
Mail, Delivery & Postage	237,737	260,000	265,000	5,000	1.9%
Telephone/Internet/Cable Services	157,940	229,100	184,000	(45,100)	-19.7%
Civil Service/CPTP/Local Training	134,348	134,300	137,800	3,500	2.6%
Operating Supplies	160,184	204,000	205,000	1,000	0.5%
Total Operating Services	\$ 3,312,159	\$ 4,178,900	\$ 4,489,500	\$ 310,600	7.4%
Professional Services					
Accounting and Auditing	\$ 85,850	\$ 95,000	\$ 95,000	\$ -	0.0%
Professional Services Expenditures	169,892	2,066,000	2,036,000	(30,000)	-1.5%
Legal	50,140	15,000	25,000	10,000	66.7%
Medical/Disability	53,406	60,000	60,000	-	0.0%
Actuarial	180,090	225,000	225,000	-	0.0%
Total Professional Services	\$ 539,378	\$ 2,461,000	\$ 2,441,000	\$ (20,000)	-0.8%
Acquisitions	\$ 332,095	\$ 750,000	\$ 791,000	\$ 41,000	5.5%
Total Administrative Expenses	\$ 20,026,699	\$ 24,529,000	\$ 25,811,000	\$ 1,282,000	5.2%
Investment Expenses	\$ 27,041,649	\$ 32,500,000	\$ 31,500,000	\$ (1,000,000)	-3.1%
Total Expenditures & Request:	\$ 47,068,348	\$ 57,029,000	\$ 57,311,000	\$ 282,000	0.5%

Note: LASERS Multi-Year Project Budget/Actuals were not included in the Operating Budget until 2022-2023. For presentation purposes we have included the Multi-Year Project Budget/Actuals in the Operating Budget for years shown above.

Investment Management Fees: LASERS

Funding of Investment Expenses: Investment manager fees are treated as a direct offset to investment income. Senate Resolution No. 175 requires a quarterly report of the amount of funds invested, a listing of each investment and with whom, the annual returns and fees paid for services to the Senate Retirement Committee.

\$	8,381,000	Emerging Markets Investment Advisors
\$	1,060,000	Domestic Small Cap Investment Advisors
\$	795,000	International Large Cap Investment Advisors
\$	3,504,000	International Small Cap Investment Advisors
\$	11,181,400	Global Multi Sector Fixed Income
\$	1,221,100	Investment Operational Expenses
\$	3,334,000	Emerging Market Debt
\$	1,165,000	Core Fixed Income Investment Advisors
\$	<u>858,500</u>	Investment Consultant
\$	<u><u>31,500,000</u></u>	Total Investment Management Fees

Performance Information: LASERS

	<u>Actual</u> <u>6/30/2021</u>	<u>Actual</u> <u>6/30/2022</u>	<u>Projected</u> <u>6/30/2023</u>
Membership Census			
1) Retirees	53,259	53,615	53,750
2) Actives	38,572	37,358	38,000
3) DROP	1,311	1,199	1,250
Annual Benefits	\$1,364,477,409	\$1,395,718,166	n/av
Asset Valuation	\$13,347,462,993	\$13,824,312,747	n/av
Experience Account	\$85,173,827	\$23,082,605	n/av
Investment Yield			
Market Value	33.03%	-7.02%	n/av
Actuarial Value	9.95%	7.05%	n/av
Unfunded Accrued Liability	\$6,872,857,541	\$6,974,009,198	n/av
Funded Ratio	66.0%	66.5%	n/av
Employee Contribution Rate	8.06%	8.08%	8.10%
Employer Contribution Rate (Aggregate)			
Normal Cost	2.6%	3.1%	3.1%
<u>UAL</u>	<u>37.6%</u>	<u>37.9%</u>	<u>38.8%</u>
Total	40.2%	41.0%	41.9%

n/av = not yet available



**LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
FY2023-24 Proposed Budget Summary**

BUDGET CATEGORY	PRIOR YEAR ACTUAL 2021-22	EXISTING BUDGET 2022-23	PROPOSED BUDGET 2023-24	PROPOSED OVER/ UNDER EXISTING	% Chg
PERSONNEL SERVICES					
Salary and Compensation					
Regular	\$ 1,971,025	\$ 2,166,953	\$ 2,253,235	\$ 86,282	4%
Termination Pay	57,579	74,649	51,499	(23,150)	-31%
Board Compensation	7,200	7,350	7,350	-	0%
Total Salary and Compensation	\$ 2,035,804	\$ 2,248,952	\$ 2,312,084	\$ 63,132	3%
Related Benefits					
School Employees Retirement	495,615	543,552	561,395	17,843	3%
State Employees Retirement	49,383	50,961	57,641	6,680	13%
Teachers Retirement	29,239	36,295	22,103	(14,192)	-39%
FICA - Medicare Taxes	51,384	31,421	35,489	4,068	13%
Unemployment Insurance	-	2,000	2,000	-	0%
Group Insurance - Life	6,474	6,028	5,949	(78)	-1%
Group Insurance - Health	412,876	487,046	405,730	(81,316)	-17%
Total Related Benefits	1,044,970	1,157,302	1,090,307	(66,995)	-6%
TOTAL PERSONNEL SERVICES	3,080,775	3,406,255	3,402,391	(3,864)	0%
# of Positions	29	28	27	(1)	-4%
TRAVEL EXPENSES	53,018	79,440	80,600	1,160	1%
OPERATING SERVICES					
Advertising	492	730	1,030	300	41%
Printing	89,493	85,000	95,000	10,000	12%
Insurance	49,005	50,200	50,500	300	1%
Automotive Repairs	1,220	1,000	1,400	400	40%
Equipment/Software Maintenance	64,615	80,000	72,000	(8,000)	-10%
Rental	7,153	8,450	12,375	3,925	46%
Dues	8,476	10,690	11,455	765	7%
Subscriptions	46,459	41,650	45,080	3,430	8%
Postage	29,903	30,000	35,000	5,000	17%
Telephone & Internet	40,985	43,000	43,000	-	0%
Bank Charges	2,078	2,600	2,600	-	0%
Imaging	800	500	1,000	500	100%
Legal	1,407	3,700	3,700	-	0%
Educational	2,097	8,900	6,050	(2,850)	-32%
Employee Hiring Cost	3,558	590	600	10	2%
Miscellaneous	194	-	-	-	0%
Computer Software	1,590	1,200	1,200	-	100%
LA Register	-	300	300	-	0%
Employee Benefits	3,881	3,500	4,500	1,000	29%
Inter-agency Transfers - Civil Service	10,932	11,300	12,000	700	6%
Property Maintenance	207,147	230,900	234,600	3,700	2%
Supplies	19,568	19,285	21,410	2,125	11%
TOTAL OPERATING EXPENSES	591,053	633,495	654,800	21,305	3%
PROFESSIONAL SERVICES					
Accounting & Auditing	64,900	69,000	74,942	5,942	9%
Medical	10,400	18,000	15,000	(3,000)	-17%
Actuarial	104,149	110,000	161,440	51,440	47%
Investigations	3,436	4,000	4,200	200	5%
Legal	4,633	40,000	45,000	5,000	13%
Elections-Southwest	-	30,000	20,000	(10,000)	-33%
Information Technology Consulting	26,717	20,000	20,000	-	0%
Newsletter Publishing	4,350	4,500	5,400	900	20%
TOTAL PROFESSIONAL SERVICES	218,585	295,500	345,982	50,482	17%
ACQUISITIONS/MAJOR REPAIRS	39,317	95,000	115,500	20,500	22%
TOTAL ADMINISTRATIVE EXPENSES	3,982,748	4,509,690	4,599,273	89,583	2%
INVESTMENT EXPENSES	4,259,216	7,235,000	7,265,000	30,000	0%
TOTAL LSERS OPERATING BUDGET	\$ 8,241,964	\$ 11,744,690	\$ 11,864,273	\$ 119,583	1.02%

Louisiana School Employees' Retirement System (LSERS)

Program Authorization: Const. Art. 10, Section 29; R.S. 11:1101 et seq.

Agency Description

LSERS is a public retirement system for non-instructional personnel of the Louisiana public school system and began full operation on July 1, 1947.

Budget Summary

	<u>Prior</u> <u>Year</u> <u>Actual</u> <u>FY 21-22</u>	<u>Existing</u> <u>Operating</u> <u>Budget</u> <u>FY 22-23</u>	<u>Proposed</u> <u>Operating</u> <u>Budget</u> <u>FY 23-24</u>	<u>Total</u> <u>Proposed</u> <u>Over/Under</u> <u>Existing</u>	<u>%</u> <u>Change</u>
Means of Finance:					
State General Fund by:					
Fees and Self-generated Revenues	\$ 8,241,964	\$ 11,744,690	\$ 11,864,273	\$ 119,583	1.02%
Total Means of Finance	\$ 8,241,964	\$ 11,744,690	\$ 11,864,273	\$ 119,583	1.02%
Expenditures & Request:					
Personnel Services	\$ 3,080,775	\$ 3,406,255	\$ 3,402,391	\$ (3,864)	-0.11%
Operating Expenses	644,071	712,935	735,400	\$ 22,465	3.15%
Professional Services	218,585	295,500	345,982	\$ 50,482	17.08%
Acquisitions & Major Repairs	39,317	95,000	115,500	\$ 20,500	21.58%
Investment Management Fees	4,259,216	7,235,000	7,265,000	\$ 30,000	0.41%
Total Expenditures & Request:	\$ 8,241,964	\$ 11,744,690	\$ 11,864,273	\$ 119,583	1.02%
Authorized Full-Time Equivalents:					
Classified	25	25	24	(1)	-4.00%
Unclassified	4	4	4	-	0.00%
Total FTEs	29	28	27	(1)	-3.57%

Major Changes from Existing Operating Budget: LSERS

\$	11,744,690	FY 22-23 Existing Operating Budget	Comments for Major Changes
	63,132	Salary and Compensation	Market adjustment One position eliminated
	17,843	LSERS Employer Contribution Rate Adjustment	New hire joining LSERS
	6,680	LASERS Employer Contribution Rate Adjustment	Increased rate
	(14,192)	TRSL Employer Contribution Rate Adjustment	New hire joining LSERS
	4,068	FICA, Medicare Tax, and Unemployment Ins.	
	(78)	Group Insurance - Life	
	(81,316)	Group Insurance - Health	New hire elected no coverage Retirees drop off from the coverage
	1,160	Travel	Cost increase on hotel and mileages
	21,305	Operating Services (excluding Travel)	Material and labor price increases in general
	50,482	Professional Services	Increased Acturial and Audit Service Fees Asset Liability Analysis and Experience Study
	20,500	Acquisitions/Major Repair	Individual PC upgrade in 7 years
	30,000	Investment Expenses	Increased annual fee on custodial bank services
\$	119,583	Total Proposed Adjustments	
\$	11,864,273	FY 23-24 Proposed Operating Budget	

Table of Organization: LSERS
(all are classified positions unless otherwise noted)

Number	Occupational Group	Budgeted Salary	Average Salary
2	Unclassified - Executive Administrative	\$ 392,060	\$ 196,030
1	Unclassified - Legal Counsel	\$ 143,660	\$ 143,660
1	Unclassified - Chief Investment Officer	\$ 218,760	\$ 218,760
1	Investment Officer	\$ 59,899	\$ 59,899
5	Accounting and Auditing	\$ 311,173	\$ 62,235
6	Retirement Benefits	\$ 351,591	\$ 58,599
4	General Administrative	\$ 236,813	\$ 59,203
1	Human Resources	\$ 69,328	\$ 69,328
4	Information Technology	\$ 311,460	\$ 77,865
2	Buildings/Maintenance	\$ 132,491	\$ 66,245
27	Total Positions	\$2,227,235	\$ 82,490

Professional Services: LSERS

Accounting & Auditing

\$ 74,942 Audit LSERS' records and financial statements (contract via the LLA)

Medical

\$ 15,000 Examinations, evaluation, re-exams of disabled retirees (physicians in SMDB)

Legal

\$ 45,000 Litigation and tax-related matters (tax attorney - Weiler & Rees, LLC; Ice Miller, LLP, Clerk of Courts)

Other Professional Services

\$ 161,440 Fees for annual actuarial valuation, etc. (G.S. Curran & Company, Ltd.)
 20,000 LSERS Board of Trustee elections (Election America, Inc.)
 20,000 IT Consultant (RMJ Consulting and Tyler Technologies Inc.)
 5,400 Newsletter Publishing (Peacock Communications, LLC)
 4,200 Investigations on benefits made after death (The Berwyn Group, Inc.)

\$ 345,982 **Total Professional Services**

Acquisitions & Major Repairs: LSERS

Acquisitions

\$	4,000	Office Furniture & Equipment Replacement as needed
	46,500	Computer Equipment Upgrades

Major Repair

	65,000	Building Interior/Exterior Renovations
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\$	115,500	Total Acquisitions and Major Repairs
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Investment Management Fees: LSERS

\$	250,000	Custodian Bank - BNY Mellon
	215,000	Investment Consultant - Segal Marco Advisors
	2,906,000	Equity Managers
	1,380,350	Fixed Income Managers
	2,513,650	Alternative Managers

\$	7,265,000	Total Investment Management Fees
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Performance Information: LSERS

	<u>Actual at</u> <u>6/30/2021</u>	<u>Actual at</u> <u>6/30/2022</u>	<u>Projected at</u> <u>6/30/2023</u>
Membership Census			
1) Retirees	13,699	13,812	
2) Actives	11,700	11,450	
3) DROP	587	577	
4) Terminated Vested	487	568	
5) Terminated Due a Refund	4,649	4,979	
Annual Benefits	181,539,981	187,682,379	
Asset Valuation	2,057,868,923	2,119,804,904	
Experience Account	\$ 19,911,687	\$ 605,339	
Investment Yield			
Market Value	27.45%	-0.64%	
Actuarial Value	9.58%	7.57%	
Unfunded Accrued Liability*	\$ 660,505,117	\$ 686,968,204	n/av
Funded Ratio	75.70%	75.52%	n/av
Employee Contribution Rate **	7.5% / 8%	7.5% / 8%	7.5% / 8%
Employer Contribution Rate***	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
UAL	21.3%	20.3%	20.3%
Normal Cost	7.4%	7.3%	7.3%
Total	28.7%	27.6%	27.6%

n/av = not yet available

** UAL cannot be accurately predicted into future periods.*

*** New members on/after 7/1/2010 contribute 8%*

**** Employer Contribution Rate set by Public Employees' Retirement Systems Actuarial Committee. The employer contribution rates are the actuarially projected rates.*

Exhibit A

LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
FY2023-24 STAFF SALARY BENEFITS BUDGET

No.	Employee Name	Position Title	Current Rate	Current Salary	Total Projected Salary	LSERS Ret	LASERS Ret	TRSL Ret	Medicare	State Health	State Life	Total Projected Benefits	TOTAL	Termination pay	HAS/HRA
			8/10/2022	8/10/2022	FY2023-24	28.00%	42.00%	26.00%	1.50%	Amount	Amount	Amount	Amount	Amount	Amount
1	Bujol, Charles	Executive Director	97.86	203,549	222,235	62,226	-	-	3,334	-	378	65,937	288,172	16,000	
2	Zhou, Chenfei	Assistant Director	76.96	160,077	169,825	47,551	-	-	2,547	7,208	96	57,403	227,228	-	
3	Schof, Mandy	Executive Mgmt. Officer	38.35	79,768	81,363	22,782	-	-	1,220	6,305	-	30,307	111,670	5,868	
4	Simmons, Ashley	Executive Staff Officer	32.91	68,453	69,822	-	29,325	-	1,047	8,263	-	38,635	108,457	-	
5	Pryer, Laura	Admin Coordinator 4	22.53	46,862	47,800	13,384	-	-	717	-	-	14,101	61,901	3,447	
6	Green, Kim	Admin Coordinator 3	17.83	37,086	37,828	10,592	-	-	567	-	-	11,159	48,987	2,728	
Subtotal-Admin				511,846	628,873	156,534	29,325	-	9,433	21,775	474	217,542	846,415	28,043	
7	Freedman, Matt	Chief Investment Officer	96.33	200,366	218,760	61,253	-	-	3,281	7,208	-	71,742	290,502	-	
8	Besse, Maxime	Investment Officer 1	24.04	50,003	59,899	16,772	-	-	898	-	-	17,670	77,569	-	
9	John Strange	Executive Counsel	63.26	131,581	143,660	40,225	-	-	2,155	7,208	-	49,588	193,248	-	
10	Jordan, LaQuinta	Auditor 3	30.91	64,293	66,222	18,542	-	-	993	8,263	-	27,798	94,020	-	
11	Berkholz, Marcie	HR Specialist	32.36	67,309	69,328	19,412	-	-	1,040	-	216	20,668	89,996	-	
Subtotal-Admin Other				513,552	557,869	156,203	-	-	8,368	22,679	216	187,466	745,335	-	
12	Guzzardo, Anthony	IT Director	47.38	98,550	101,507	28,422	-	-	1,523	13,167	-	43,111	144,618	7,320	
13	Summers, Jacob	IT Appl Developer 2	24.51	50,981	56,731	15,885	-	-	851	4,504	-	21,239	77,971	-	1,000
14	Brown, Christopher	IT Supervisor	40.05	83,304	85,803	24,025	-	-	1,287	7,208	-	32,520	118,323	-	
15	Caperton, J Kent	IT Tech Supp Analyst 2	29.41	61,173	67,419	-	28,316	-	1,011	13,167	-	42,494	109,912	-	
Subtotal-IT				294,008	311,460	68,332	28,316	-	4,672	38,045	-	139,364	450,824	7,320	1,000
16	Gaudet, Tracy	Accountant Admin 2	40.07	83,346	85,013	-	-	22,103	1,275	12,609	216	36,204	121,216	6,131	
17	Lee, Sade	Accountant Manager 1	31.04	64,563	66,500	18,620	-	-	998	4,504	-	24,121	90,621	-	1,000
18	Yang, Qian	Accountant 1	17.79	37,003	43,339	12,135	-	-	650	5,164	36	17,985	61,324	-	1,000
19	Freeman, Leslie	Accountant 3	23.16	48,173	50,100	14,028	-	-	751	8,263	-	23,042	73,142	-	
Subtotal-Acctg				233,085	244,951	44,783	-	22,103	3,674	30,540	252	101,352	346,303	6,131	2,000
20	Garlington, Mitchell	Ret. Asst. Administrator	38.32	79,706	82,097	22,987	-	-	1,231	4,557	-	28,776	110,873	5,920	775
21	Walker, Sarah	Ret. Benefits Manager	27.10	56,368	58,623	16,414	-	-	879	8,263	36	25,592	84,215	-	
22	Brown, Tanasha	Ret. Benefits Specialist	29.44	61,235	63,072	17,660	-	-	946	7,208	-	25,814	88,887	-	
23	Cole-Jackson, Deven	Ret. Benefits Analyst 1	20.04	41,683	48,351	13,538	-	-	725	-	36	14,300	62,650	-	
24	Demoulin, Brook	Ret. Benefits Analyst 1	19.05	39,624	46,409	12,994	-	-	696	-	36	13,727	60,135	-	
25	Vacant	Ret. Benefits Analyst 1/2/3	25.00	52,000	53,040	14,851	-	-	796	8,263	-	23,910	76,950	-	
Subtotal-Ret				330,616	351,591	98,446	-	-	5,274	28,291	108	132,119	483,710	5,920	775
26	Cheek, Karl	Facility Maint. Manager A	28.40	59,072	68,344	19,136	-	-	1,025	-	216	20,378	88,722	-	
27	Seekins, Fred	Maint. Repair Master	26.70	55,536	64,147	17,961	-	-	962	7,208	575	26,706	90,853	4,085	
Subtotal-Bldg				114,608	132,491	37,097	-	-	1,987	7,208	791	47,083	179,574	4,085	
TOTALS				2,081,664	2,227,235	561,395	57,641	22,103	33,409	148,538	1,841	824,927	3,052,162	51,499	3,775

Exhibit B - Travel

Department	Description	Cost
IN STATE		
Board of Trustees	Board Meetings, Legislative Meetings, LA Association of Public Employees' Retirement Systems	\$ 36,000
ADMIN	LA Association of School Board Officials, LA School Bus Operators Association, Legislative and Superintendent Meeting, LA State Association of School Personnel Administrators, LSU Continuing Education	3,500
ACCTG	Governmental Finance Officers Association; Accounting Update Seminars	600
AUDIT	BR Chapter of IIA	500
IT	Public Retirement Information Systems Management	150
INV	LA Association of Public Employees' Retirement Systems	1,200
LEGAL	LA Association of Public Employees' Retirement Systems, LA School Bus Operators Association, Litigation	1,250
RET	Field Travel	100
TOTAL IN-STATE TRAVEL		\$ 43,300
OUT OF STATE		
Board of Trustees	National Council on Public Employee Retirement Systems	\$ 23,000
ADMIN	National Association of State Retirement Administration, Governmental Finance Officers Association	3,800
INV	National Association of State Chief Investment Officers; Private Investment	7,500
LEGAL	National Association of Public Pension Attorneys	3,000
TOTAL OUT OF STATE TRAVEL		\$ 37,300
TOTAL TRAVEL		\$ 80,600

Exhibit C - Equipment/Software Maintenance

Department	Description	Cost
IT	Microsoft Business Intelligence	\$ 1,000
	Accounting Software - Prosoft	9,000
	Secure Works -Dell Secureworks	5,300
	Microix	900
	Time Solutions for ADI	2,000
	AdminDroid	400
	SharePoint Backup - AvePoint	3,000
	Office 365	8,000
	Imaging Service - APYXX	16,000
	Fortigate	3,500
	Mail Chimp - Listserv	1,200
	1099 Express	200
	Pro Ware Asset Keeper	500
	Unitrends	20,000
	Microsoft Dfender	700
	Word Press	300
		\$ 72,000

Exhibit D - Dues

Department	Description	Cost
ADMIN	LA Association of Public Employees' Retirement Systems	\$ 1,400
	National Conference on Public Employee Retirement Systems	680
	Public Affairs Research Council of Louisiana	1,000
	National Association of State Retirement Administrators	3,500
	Government Financial Officers Association	300
	Louisiana State Board of CPA's	120
ACCTG	Government Financial Officers Association	400
AUDIT	Institute of Internal Auditors	250
	Association of Public Pension Fund Auditors	550
IT	Public Retirement Information Systems Management	350
RET	National Pension Education Association	900
HR	Society of Human Resource Management	230
	International Public Management Association for HR	210
	State Human Resources Managers Association	15
INV	Chartered Alternate Investment Analyst Association	750
LEGAL	National Association of Public Pension Attorneys	350
	Louisiana Bar Association	210
	Attorney Disciplinary Board	240
		<u>\$ 11,455</u>

Exhibit E - Subscriptions

Department	Description	Cost
ADM	Wall Street Journal	\$ 720
	The Advocate	300
	LA Governmental Studies	60
INV	Bloomberg	28,000
	Backstop Solutions	10,000
LEGAL	West Law	6,000
		\$ 45,080

Exhibit F - Education

Department	Description	Cost
ACCTG	Association of Governmental Accountants	\$ 200
ADM	LAPERS Seminar	300
AUDIT	Certified Internal Auditor Exam	750
IT	LinkedIn Learning	3,000
	KnowBe4	1,000
LEGAL	Continuing Professional Education for Louisiana attorneys	800
		<u>\$ 6,050</u>

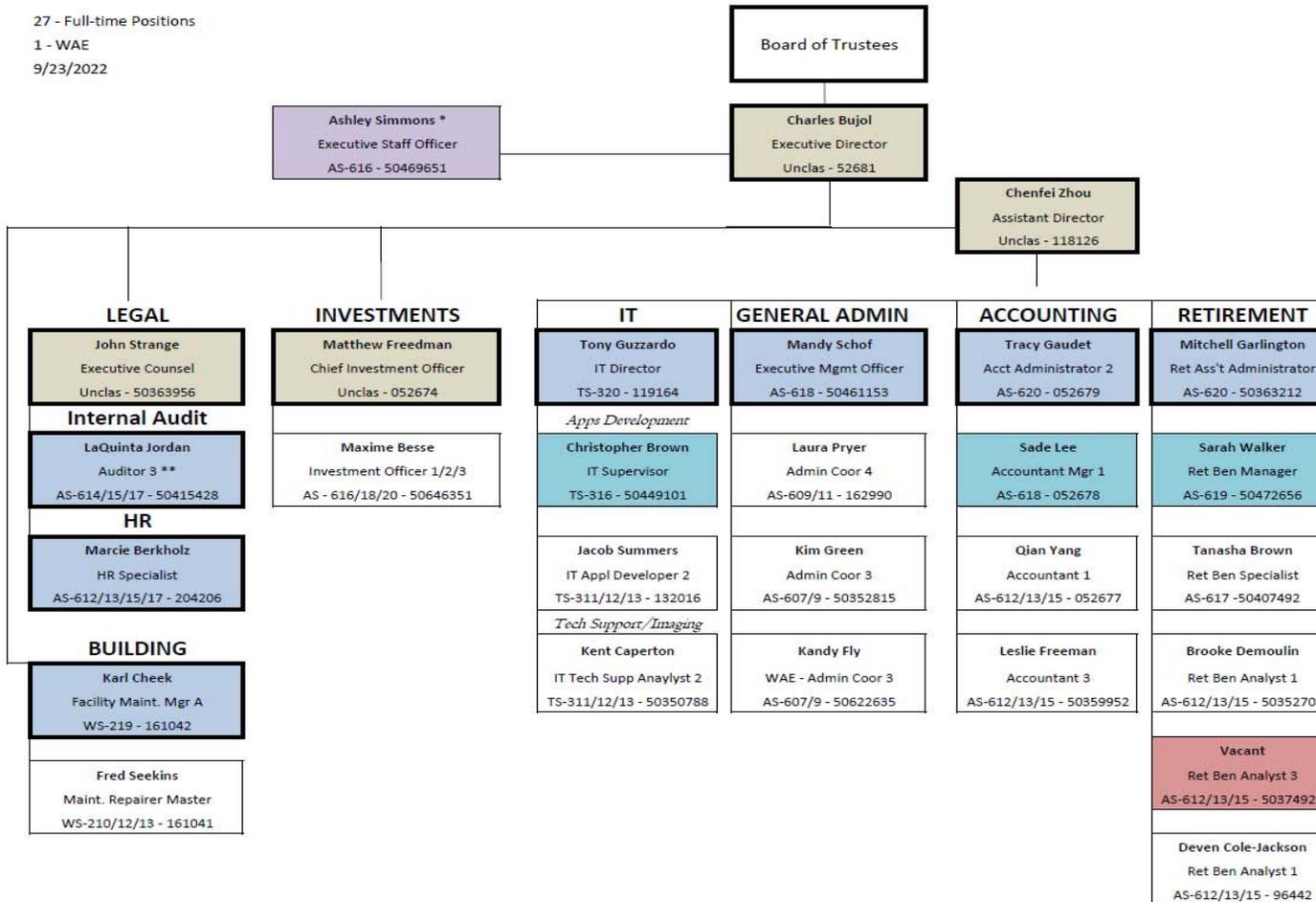
Exhibit G - Property Maintenance

Department	Description	Cost
BLDG	Landscape - Ground Works	\$ 25,000
	Elevators - Otis Elevator	12,000
	H.V.A.C. System - Johnson Controls	73,900
	Emergency Generator - Cummins Mid South, LLC	2,000
	Water	6,000
	Electricity	62,000
	Pest Control And Termite Inspection - Big River Pest Control, LLC, Arrow Pest Control	3,600
	Janitorial Services - Budget Cleaning and Maintenance, Inc.	35,000
	Waste Pick Up - Waste Management	2,700
	Fire Protection System Inspection - LA Fire Extinguisher, Inc.	5,000
	Security - Custom Security Systems, Inc.	1,400
	General Repairs	4,000
	Window Cleaning	2,000
		<u>\$ 234,600</u>

Louisiana School Employees' Retirement System

27 - Full-time Positions
 1 - WAE
 9/23/2022

Unclassified
Managers
Supervisors
Misc.
Vacant Position



**Functionally reports to the Board and Executive Management

*Indirectly reports to Assistant Director

Louisiana State Police Retirement System (LSPRS)

Program Authorization: Const. Art. 10, Section 29; R.S. 11:1301 et seq.

Agency Description

LSPRS is a qualified pension and retirement plan, established by the Louisiana Legislature in 1938 to provide retirement benefits for Louisiana state police officers and their beneficiaries.

Budget Summary

	<u>Prior Year</u> <u>Actuals</u> <u>FY 21-22</u>	<u>Existing</u> <u>Operating</u> <u>Budget</u> <u>FY 22-23</u>	<u>Proposed</u> <u>Operating</u> <u>Budget</u> <u>FY 23-24</u>	<u>Total</u> <u>Proposed</u> <u>Over/Under</u> <u>Existing</u>
Means of Financing:				
State General Fund by:				
<u>Fees and Self-generated Revenues</u>	\$ 4,087,187	\$ 4,997,577	\$ 4,567,235	\$ (430,342)
Total Means of Financing	\$ 4,087,187	\$ 4,997,577	\$ 4,567,235	\$ (430,342)
Expenditures & Request:				
Personal Services	\$ 680,821	\$ 820,577	\$ 868,235	\$ 47,658
Operating Expenses	115,869	140,000	153,500	13,500
Professional Services	180,075	210,000	218,500	8,500
Other Charges	-	-	-	-
Acquisitions & Major Repairs	61,292	65,000	65,000	-
<u>Investment Management Fees</u>	<u>3,049,129</u>	<u>3,762,000</u>	<u>3,262,000</u>	<u>(500,000)</u>
Total Expenditures & Request:	\$ 4,087,187	\$ 4,997,577	\$ 4,567,235	\$ (430,342)
Authorized Full-Time Equivalents:				
Unclassified	2	2	2	0
Classified	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
Total Employees	5	5	5	0

Source of Funding

Funding for LSPRS' operating budget comes from three (3) sources: employer contributions, employee contributions, and earnings from trust fund investments.

Major Changes from Existing Operating Budget: LSPRS

\$ 4,997,577	FY 22-23 Existing Operating Budget
\$ 47,658	Increase in Personal Services
\$ 2,500	Increase in Insurance
\$ 10,000	Increase in Maintenance & Repairs
\$ (1,000)	Decrease in Other: Equipment Rental
\$ 1,000	Increase in Dues & Subscriptions
\$ (3,000)	Decrease in Postage
\$ (500)	Increase in Telephone
\$ 2,000	Increase in Miscellaneous
\$ 2,500	Increase in Utilities
\$ 6,000	Increase in Accounting Services
\$ 2,500	Increase in Actuarial Fees
\$ (500,000)	Increase in Investment Manager Fees
\$ (430,342)	Total Proposed Adjustments
\$ 4,567,235	FY 23-24 Existing Operating Budget

Table of Organization: LSPRS
(all are classified positions unless otherwise noted)

<u>Number</u>	<u>Occupational Group</u>	<u>Proposed Salary</u>	<u>Average Salary</u>
2	Unclassified - Executive Administrative	\$ 350,000	175,000
2	Rate and Financial Analysis	\$ 125,468	62,734
1	General Administrative	\$ 46,483	46,483
1	Intern	\$ 20,000	20,000
<u>2</u>	<u>WAE</u>	<u>\$ 12,496</u>	<u>6,248</u>
8	Total Positions	\$ 554,447	69,306
	Potential Rewards and Recognition Pursuant to SCS 6.16.11	10,000.00	
	Total Positions and Potential Rewards	\$ 564,447	

Professional Services: LSPRS

Accounting & Auditing

\$ 66,000 Licensed Certified Public Accountant to perform all internal accounting functions for LSPRS.

\$ 16,000 Legislative Auditor or Licensed CPA to perform annual external audit for LSPRS.

Computer Consultant Fees

\$ 30,000 Consultant to provide support for the LSPRS database and network.

Legal

\$ 40,000 Attorney to provide legal services in conjunction with all system related matters and labor and tax issues as well as specific lawsuits.

Medical

\$ 4,000 Physician charges - Examination of applicants for disability requirements.

Other Professional Services

\$ 62,500 System Actuary - G.S.Curran & Company, LTD - Fees for annual valuation of LSPRS, compilation of data needed for valuation of reserves, and data needed at time of legislation.

\$ 218,500 Total Professional Services

Acquisitions & Major Repairs: LSPRS

\$ 40,000 Various smaller office acquisitions*
\$ 25,000 Update Pension Management Software**

\$ 65,000 Total Acquisitions and Major Repairs

*New roof for building.

**Reprogramming of the current pension management system is needed to support contemporary functionality, interfaces, user drive report writers, while addressing cyber security needs, including but not limited to MFA.

Investment Management Fees: LSPRS

\$ 130,000 Consultant to assist the Board of Trustees with investment manager monitoring and overall portfolio evaluation and management.

\$ 600,000 Global Fixed Income Investment Advisors

\$ 50,000 Large Cap Value Equity Investment Advisors

\$ 525,000 Large Cap Growth Equity Investment Advisors

\$ 475,000 Small Cap Growth Equity Investment Advisors

\$ 575,000 Small Cap Value Equity Investment Advisors

\$ 700,000 Alternative Investments

\$ 132,000 Investment Custodial - Global

\$ 75,000 Equity Index Advisors

\$ 3,262,000 Total Investment Management Fees

Performance Information: LSPRS

	<u>Actual at</u> <u>6/30/2021</u>	<u>Actual at</u> <u>6/30/2022</u>	<u>Projected at</u> <u>6/30/2023</u>
Membership Census			
1) Retirees	1,295	1,355	1,355
2) Actives	951	914	914
3) DROP	n/ap	n/ap	n/ap
Annual Benefits	\$ 64,716,051	\$ 72,704,372	n/av
Asset Valuation	\$1,159,337,587	\$997,876,785	n/av
Experience Account	\$ 9,497,110	\$ -	n/av
Investment Yield			
Market Value	32.10%	-12.37%	n/av
Actuarial Value	11.38%	6.76%	n/av
Unfunded Accrued Liability*	\$ 295,150,724	\$ 302,965,699	n/av
Funded Ratio	77.54%	77.91%	n/av
Employee Contribution Rate	8.5%	8.5%	8.5%
Employee Contribution Rate - New Hires after 12/31/2010	9.5%	9.5%	9.5%
Employer Contribution Rate**			
Normal Cost	Normal Cost	Normal Cost	Normal Cost
<u>UAL*</u>	<u>38.5%</u>	<u>42.0%</u>	<u>n/av</u>
Total	58.8%	58.8%	62.9%

* UAL cannot be accurately predicted into future periods.

** Employer Contribution Rate set by Public Retirement Systems' Actuarial Committee

n/ap = not applicable

n/av = not yet available

Budget Summary (LSPRS):

	<u>Prior Year</u> <u>Actuals</u> <u>FY 21-22</u>	<u>Existing</u> <u>Operating</u> <u>Budget</u> <u>FY 22-23</u>	<u>Proposed</u> <u>Operating</u> <u>Budget</u> <u>FY 23-24</u>	<u>Total</u> <u>Proposed</u> <u>Over/Under</u> <u>Existing</u>
Salaries - Regular	\$ 429,081	\$ 513,480	\$ 531,951	\$ 18,471
Other Compensation	\$ 25,242	\$ 40,816	\$ 32,496	\$ (8,320)
Board per diem & travel	2,972	3,500	4,500	\$ 1,000
<u>Salaries - Related Benefits</u>	<u>\$ 223,526</u>	<u>262,781</u>	<u>299,288</u>	<u>\$ 36,507</u>
TOTAL PERSONAL SERVICES	\$ 680,821	\$ 820,577	\$ 868,235	\$ 47,658
Travel & Seminars	\$ 13,522	25,000	25,000	\$ -
Insurance	\$ 17,225	17,500	20,000	\$ 2,500
Maintenance & Repairs	\$ 33,588	30,000	40,000	\$ 10,000
Other: Equipment Rental	\$ 5,634	8,000	7,000	\$ (1,000)
Dues & Subscriptions	\$ 6,742	6,500	7,500	\$ 1,000
Postage	\$ 11,322	18,000	15,000	\$ (3,000)
Telephone	\$ 3,169	3,000	2,500	\$ (500)
Miscellaneous	\$ 5,778	2,000	4,000	\$ 2,000
Supplies	\$ 10,344	20,000	20,000	\$ -
<u>Utilities</u>	<u>\$ 8,545</u>	<u>10,000</u>	<u>12,500</u>	<u>\$ 2,500</u>
TOTAL OPERATING EXPENSES	\$ 115,869	\$ 140,000	\$ 153,500	\$ 13,500
Accounting Services	\$ 60,000	60,000	66,000	\$ 6,000
Auditing Fees	\$ 10,250	16,000	16,000	\$ -
Computer Consultant Fees	\$ 22,367	30,000	30,000	\$ -
Legal Fees	\$ 31,094	40,000	40,000	\$ -
Medical Examinations	\$ 1,364	4,000	4,000	\$ -
<u>Actuarial Fees</u>	<u>\$ 55,000</u>	<u>60,000</u>	<u>62,500</u>	<u>\$ 2,500</u>
TOTAL PROFESSIONAL SERVICES	\$ 180,075	\$ 210,000	\$ 218,500	\$ 8,500
<u>Major Acquisitions</u>	<u>\$ 61,292</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ -</u>
TOTAL ACQUISITIONS	\$ 61,292	\$ 65,000	\$ 65,000	\$ -
Investment Consultant	\$ 120,000	130,000	130,000	\$ -
Custodial Fees	\$ 114,867	\$ 132,000	\$ 132,000	\$ -
<u>Investment Manager Fees</u>	<u>\$ 2,814,263</u>	<u>\$ 3,500,000</u>	<u>\$ 3,000,000</u>	<u>\$ (500,000)</u>
TOTAL INVESTMENT MGMT FEES	\$ 3,049,129	\$ 3,762,000	\$ 3,262,000	\$ (500,000)
TOTAL OPERATING BUDGET	\$ 4,087,187	\$ 4,997,577	\$ 4,567,235	\$ (430,342)

Change from prior year budget:

Operating	5.64%
Investment Management	-13.29%
Total	-8.61%

Agenda Item #8

Review and approval of
emergency
contract between office of
risk management
(ORM) & Arthur J.
Gallagher Risk
Management Services,
LLC

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2023

TO: Ms. Melissa Harris, State Risk Director
Division of Administration
Office of Risk Management

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB submittal
LaGov PO# 2000726951/ORM and Arthur J. Gallagher Risk Management Services LLC

The above referenced contract 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 consulting services contract in accordance with La. R.S. 39:1540(B)(2), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

The contract will not receive final approval by OSP until all required reviews are complete and it 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.

**EMERGENCY CONTRACT FOR CONSULTING SERVICES
BETWEEN
THE OFFICE OF RISK MANAGEMENT AND ARTHUR J. GALLAGHER
RISK MANAGEMENT SERVICES, INC.**

This Emergency Contract (hereinafter "Agreement" or "Contract") is entered into by and between the State of Louisiana, Division of Administration, Office of Risk Management, (hereinafter "ORM") and Arthur J. Gallagher Risk Management Services, LLC. (hereinafter "Gallagher" or "Contractor") under the following terms and conditions.

Contractor and ORM may sometimes hereinafter be collectively referred to as the "Parties" and individually as a "Party." The "State" shall mean the State of Louisiana and its departments, agencies, boards, and commissions as well as their officers, agents, servants, employees, and volunteers.

1. TERM OF CONTRACT

This Emergency Contract shall begin on February 1, 2023 and end on October 31, 2023.

ORM has the option to renew this Emergency Contract for up to one (1) additional three (3) month term ending no later than January 31, 2024 on terms and conditions mutually agreeable to both parties, subject to approval by the Office of State Procurement.

This Emergency Contract and any Amendments will be terminated on the effective date of the contract that will be issued pursuant to the upcoming Request for Proposal for Broker Services.

2. COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT

In consideration of the services required by this Emergency Contract, ORM hereby agrees to pay to Contractor a maximum fee of \$787,500.00 (seven hundred eighty-seven thousand, five hundred and no/100 dollars).

Payments are predicated upon successful completion or acceptable progress and written acceptance by ORM of the described tasks and deliverables as provided in Attachment B, Scope of Services. Payments will be made to the Contractor after written acceptance by ORM of the tasks and deliverables, and approval of an invoice by the State Risk Administrator for Underwriting, Loss Prevention, and Statistics (hereinafter "the Administrator"). ORM will make every reasonable effort to make payments within 30 days of the approval of the invoice.

During the execution of tasks contained in the Attachment B, Scope of Services, the Contractor may submit invoices, not more frequently than quarterly. The maximum schedule of invoicing is as follows:

Invoice #	To be dated the last working day of	Percent of fixed annual fee
1	March	20%
2	June	30%
3	September	30%
4	(end of contract)	20%

All pricing is fully burdened, inclusive of travel and all Contract-related expenses.

For each independent Key Deliverable found in Attachment B, Scope of Services, not successfully completed and delivered in the timeframe stated therein, ORM reserves the right to reduce the quarterly invoice payment otherwise due to the Contractor by \$1,000 per day until the Key Deliverable is successfully completed and delivered. If circumstances arise that are out of the control of the Contractor and will impact Contractor's performance, a clear explanation must be provided as soon as possible.

Payment of insurance premiums will be made pursuant to this Emergency Contract and through the Contractor when approved programs are bound. Contractor will invoice insurance premiums separately from Contractor's fee. Contractor shall pay all applicable taxes associated with the placement of the coverages from the insurance premium funds payments received under this Emergency Contract. This does not apply to insurance company surplus lines taxes, if applicable as the State of Louisiana is statutorily exempt. Contractor will be responsible to forward payment to the applicable markets. Any commission included in premiums for domestic/foreign wholesalers shall be disclosed and returned to ORM.

3. PROHIBITION AGAINST ADVANCE PAYMENTS

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law.

4. GOALS AND OBJECTIVES

The Contractor will act as the State's insurance broker-of-record. It will partner with ORM to achieve ORM's statutory duties by determining the most effective and cost-efficient property and casualty coverage, and by providing a range of consulting services to assist ORM in reaching and maintaining its goals.

The Contractor will provide review of risk exposure and program structure, develop recommendations and re-structuring options based on relevant insurance market conditions and available coverages, present ORM with competitive quotes with recommendations, and place and service the coverage. Related coverages and services may be added to each program at any time during the emergency contract period and the Contractor must handle all additions.

5. DESCRIPTION OF SERVICES

See Attachment B: Scope of Services, Section 1.0 Task and Services.

6. DELIVERABLES

See Attachment B: Scope of Services, Section 2.0 Deliverables.

The Emergency Contract will be considered complete when Contractor has delivered and ORM has accepted all deliverables specified in Attachment B: Scope of Services.

7. PERFORMANCE MEASURES AND MONITORING PLAN

The Administrator will provide oversight of the activities conducted hereunder. Notwithstanding Contractor's responsibility for management during the performance of this Emergency Contract, the Administrator or designee shall be the principal point of contact on behalf of ORM, including matters concerning Contractor's performance under this Emergency Contract, routine day-to-day contact, and monitoring Contractor's performance.

The performance measures for this Contract shall include the successful performance and completion of Contractor's obligations as provided in this Contract.

The Administrator or a designee will implement the monitoring plan as follows:

- A. Tracking progress of operational activities performed under the Emergency Contract through regular status meetings with Contractor and additional monitoring plan elements developed by ORM and agreed to by Contractor.
- B. Monitoring of various fiscal aspects of the services provided by Contractor.
- C. Providing oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of ORM.

9. VETERAN/HUDSON SMALL ENTREPRENEURSHIP PROGRAM PARTICIPATION

During the term of the Contract and at expiration, the Contractor shall report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

10. SUBSTITUTION OF KEY PERSONNEL

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of ORM. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any ORM or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this Contract, outside of ORM's or Contractor's reasonable control, as the case may be, ORM or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in rendering services.

11. STATE FURNISHED RESOURCES

The Administrator, as the Project Manager for this Contract, will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Project Manager shall be the principal point of contact on behalf of ORM and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

12. TAXES

Contractor shall pay all taxes on the funds received from this Contract under federal tax identification number 36-2102482.

Before the Contract may be approved, La. R.S. 39:1624(A)(10) requires the Office of State Procurement to determine that the Contractor is current in the filing of all applicable tax returns

and reports and in the payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue. The Contractor shall provide its seven-digit LDR Account Number to the State for this determination. The State's obligations are conditioned on the Contractor resolving any identified outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If the Contractor fails to resolve the identified outstanding tax compliance discrepancies within seven days of notification, then ORM may proceed with alternate arrangements without notice to the Contractor and without penalty.

13. TERMINATION

A. TERMINATION FOR CONVENIENCE

ORM may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor a termination date. Contractor shall be entitled to payment for deliverables in progress, to the extent ORM determines that the work is acceptable.

B. TERMINATION FOR CAUSE

Should ORM determine that the Contractor has failed to comply with the terms and conditions of this Contract, ORM may terminate the Contract for cause by giving the Contractor written notice specifying the Contractor's failure. If ORM determines that the failure is not correctable, then the Contract shall terminate on the date specified in such notice. If ORM determines that the failure may be corrected, ORM shall give a deadline for the Contractor to make the correction. If ORM determines that the failure is not corrected by the deadline, then ORM may give additional time for the Contractor to make the corrections or ORM may notify the Contractor of the Contract termination date.

C. NON-APPROPRIATION OF FUNDS (FISCAL FUNDING)

The continuation of this Contract is contingent upon the 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 Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation 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 the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

14. DISPUTE RESOLUTION

Any claim or controversy arising out of this Contract shall be resolved by the provisions of La. R.S. 39:1672.2 - 1672.4.

15. GOVERNING LAW

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736, its corresponding rules and regulations, and executive orders. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

16. E-VERIFY

Contractor shall comply with the provisions of La. R.S. -23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

17. RECORDS

A. OWNERSHIP OF WORK PRODUCT

All software, data files, documentation, records, worksheets, or any other related materials developed under this Contract shall become the property of ORM upon creation. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of ORM, and shall be returned by Contractor to ORM, at Contractor's expense, upon written request from ORM at termination or expiration of the Contract.

B. DATA/RECORD RETENTION

Contractor shall retain all its books, records, and other documents relevant to this Contract 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 Contract. Contractor shall comply with all applicable State and Federal laws regarding data retention and provide for a transition period that accommodates all data retention requirements of the State, including data retained and length of retention, following Contract termination, regardless of the reason for Contract termination. Additionally, all State data must be sanitized in compliance with the Louisiana Office of Technology Services (OTS) Information Security Policy at <https://www.doa.la.gov/doa/ots/policies-and-forms/>.

C. RECORD OWNERSHIP

All records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to ORM, at Contractor's expense, at termination or expiration of the Contract. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to ORM, at Contractor's expense, upon written request from ORM at termination or expiration of the Contract.

D. PUBLIC RECORDS COMPLIANCE

The Contractor agrees to retain all records and other documents relevant to this contract in accordance with the Louisiana Public Records Law, LA R. S. 44:1 et seq. The Contractor shall immediately refer any public records request to ORM for response. The Contractor shall take no other action concerning any public records request, unless directed by ORM. The Contractor shall provide any requested assistance and records access.

E. CONTRACTOR'S COOPERATION

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

18. ASSIGNABILITY

Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide notice of the assignment to the ORM and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the ORM. The ORM's written consent to the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

19. RIGHT TO AUDIT

Any authorized agency of the State (e.g. Office of the Legislative Auditor, Inspector General's Office, etc.) and of the Federal Government has the right to inspect and review all books and records pertaining to services rendered under this Contract for a period of five years from the date of final payment under the prime contract and any subcontract. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Contractor and subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

20. NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable and amended: the Equal Pay Act of 1963; the Age Discrimination in Employment Act 1967; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Fair Housing Act of 1968; Americans with Disabilities Act of 1990; and Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964 as amended by the Equal Employment Opportunity Act of 1972.

Contractor shall not discriminate in its employment practices, and shall render services under this Contract without regard to birth; race; color; natural, protective, or cultural hairstyle; religion; sex; sexual orientation; national origin; culture; pregnancy; veteran status; political ideas and affiliations; physical condition; 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 Contract.

21. CONTINUING OBLIGATION

Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future Contracts.

22. ELIGIBILITY STATUS

Contractor, and each tier of Subcontractors, shall certify that it is not on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

23. CONFIDENTIALITY

Contractor shall protect from unauthorized use and disclosure all information relating to the State's operations and data (e.g. financial, statistical, personal, technical, etc.) that becomes available to the Contractor in carrying out this Contract. Contractor shall use protective measures that are the same or more effective than those used by the State. Contractor is not required to protect information or data that is publicly available outside the scope of this Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Contract; or rightfully obtained from third parties.

24. AMENDMENTS

Any modification to the provisions of this Emergency Contract shall be in writing, signed by all parties, and approved by the required authorities.

25. PROHIBITED USE OF FUNDS

Contractor shall not use funds received for services rendered under this Emergency Contract to urge an elector to vote for or against any candidate or proposition on an election ballot, or to lobby for or against any matter the Louisiana Legislature or a local governing authority is considering to become law. This provision shall not prohibit the use of public funds for the dissemination of factual information relative to any proposition on an election ballot or any matter being considered by the Louisiana Legislature or a local governing authority.

26. SUBCONTRACTORS

The Contractor may, with prior written permission from ORM, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or ORM for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work.

27. PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL

In accordance with La. R.S. 39:1602.1, for any contract for \$100,000 or more and for any Contractor with five or more employees, Contractor, or any Subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel.

ORM reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of the Contract.

28. DUTY TO DEFEND

Upon notice of any claim, demand, suit, or cause of action against the State and/or ORM, alleged to arise out of or be related to this Contract, Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of

action is groundless, false, or fraudulent. ORM may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. Contractor shall obtain ORM's written consent before entering into any settlement or dismissal.

29. LIABILITY AND INDEMNIFICATION

A. CONTRACTOR LIABILITY

Contractor shall be liable without limitation to ORM for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors.

B. FORCE MAJEURE

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. ORM shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

C. INDEMNIFICATION

Contractor shall fully indemnify and hold harmless the State and/or ORM, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description relating to injury or death to any person, or damage, loss, or destruction to any property, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

D. INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall fully indemnify and hold harmless the State and/or ORM, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by ORM.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for ORM the right to continue using such product, material, service, or

component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide ORM monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

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

E. LIMITATIONS OF LIABILITY

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State and/or ORM be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

F. OTHER REMEDIES

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State and/or ORM, then, upon notice to the Contractor, the State and/or ORM may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

30. REQUIRED INSURANCE

Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, and employees. Subcontractors shall be required to carry their own insurance. The cost of such insurance shall be included in the total Contract amount. Failure to comply shall be grounds for termination of this Contract. For insurance requirements, refer to Attachment A, Insurance Requirements for Contractors.

31. LICENSES AND PERMITS

Contractor shall secure and maintain all licenses and permits, and pay any fees required to do the work required to complete this Contract.

32. SECURITY

Contractor's personnel shall comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to ORM promptly.

33. CYBERSECURITY TRAINING

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, the Contractor, any of its employees, agents, or subcontractors with access to State government information technology assets, shall complete the Louisiana Department of State Civil Service cybersecurity training during the contract period, if applicable. The Louisiana Department of State Civil Service cybersecurity training course is available at no cost. The Contractor must present evidence of such compliance and upon request.

For purposes of this Section, the Office of Technology Services will make all final determinations as to whether the contracted services require access to State government information technology assets. "Access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples include, but are not limited to, permissions to maintain or modify IT systems used by the State; or possession of State-issued laptops, credentials to access the State network, or badges to access the State's telecommunications closets or systems.

34. CODE OF ETHICS

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify ORM if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

35. SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

36. HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of contractual language.

37. ENTIRE AGREEMENT

This Contract and the Attachments hereto constitute the entire agreement between the parties with respect to the subject matter. All prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms.

38. NOTICE

The address for mailing of notices is as follows:

If to ORM:

1201 North 3rd Street, Suite G-192
Baton Rouge, LA 70802

If to Arthur J. Gallagher Risk
Management Services, LLC:

235 Highlandia Drive, Suite 200
Baton Rouge, LA 70803-7907

39. CONTRACT APPROVAL

This Contract is not effective until executed by all parties and approved in writing as required by law.

Done and signed on the dates indicated below:

Arthur J. Gallagher Risk Management
Services, LLC

State of Louisiana
Office of Risk Management



Print Name: BRAD FIFE
Title: Arca President
Date Signed 2/23/23

By: 

Melissa A. Harris
State Risk Director
Date Signed 2/23/2023

State of Louisiana
Division of Administration



Jay Dardenne
Commissioner of Administration
Date Signed 2/24/23

ATTACHMENT A: INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, and employees. Subcontractors shall be required to carry their own insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of Louisiana. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$3,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months from the expiration date of the policy, if the policy is not renewed.

5. **Cyber Liability**

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$2,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months from the expiration date of the policy, if the policy is not renewed.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by ORM. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability, Automobile Liability, and Cyber Liability

- a. ORM, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the Contractor on its GL policy. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable.
- b. The Contractor's GL insurance shall be primary as respects ORM, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by ORM shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against ORM, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for ORM.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to ORM. Ten (10) day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify ORM of policy cancellations or reductions in limits. A new Certificate of Insurance shall be provided.
- b. The acceptance of the completed work, payment, failure of ORM to require proof of compliance, or ORM's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against ORM for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to ORM, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall endeavor to obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. VERIFICATION OF COVERAGE

Contractor shall furnish ORM with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by ORM before work commences and upon any contract renewal or insurance policy renewal thereafter.

The Certificate Holder shall be listed as follows:
Office of Risk Management, Its Officers, Agents, Employees and Volunteers
1201 N. Third Street, Suite G-192
Baton Rouge, LA 70802

Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of ORM, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

F. SUBCONTRACTORS

Contractor shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. ORM reserves the right to request copies of subcontractor's Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor, or subcontractor, is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, or subcontractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana and ORM as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana and ORM shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor, or subcontractor, is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor, or subcontractor, hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

ATTACHMENT B: SCOPE OF SERVICES

The Office of Risk Management (ORM) was created within the Office of the Governor, Division of Administration by La. R.S. 39:1527, et seq. which designates the ORM to be solely responsible for all property, casualty and workers' compensation insurance, either self-insured through ORM or purchased through the commercial insurance market, for all State departments, agencies, boards, and commissions. La. R.S. 39:1535 more fully describes ORM's duties and responsibilities. The mission of ORM is to develop, direct, achieve and administer a cost effective comprehensive risk management program for all departments, agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and to protect the assets of the State of Louisiana.

A list of all State agencies that are provided insurance coverage and services through ORM can be found at <https://www.doa.la.gov/media/jpdfvtbb/lccodes.pdf>.

The current statewide property program consists of coverage for buildings and business property, equipment breakdown/boiler and machinery, fine arts, specialized equipment, business interruption and various specialty lines encompassing all State Agencies associated obligations as follow:

- Building/Business Personal property/special form including flood
- Terrorism including Nuclear, Biological, Contamination, and Radioactive coverage
- Business Interruption
- Equipment Breakdown
- Fine Arts
- Bridge Property
- National Flood Insurance Program

The current statewide casualty program consists of coverage for liability, auto, workers compensation and various specialty lines encompassing all State Agencies and associated obligations as follows:

- Commercial General Liability including or independent placement of:
 - Professional Liability
 - Publishers Media
 - Elevator and Escalator Liability
 - Watercraft Liability
 - Public Officials and Employees Liability
 - Employee Benefits Liability
 - Garage Keepers' Liability
 - Special Event/Entertainment Liability
 - Liquor Liability
 - Educators' Legal Liability
 - Law Enforcement Liability
 - Sexual Abuse and Molestation
- Workers' Compensation and Employers' Liability
- Medical Malpractice
- Wet Marine Hull and P&I
- Aircraft Hull and Liability
- Airport Liability

- Cyber Liability
- Automobile Liability and Physical Damage
- Bonds (Fidelity & Surety) and Crime
- Club Sports Liability and Accident
- Intellectual Property Liability
- Student Liability including or independent placement of:
 - Student Organization Liability
 - Student Internship/Professional Liability
 - Participant Accident Insurance
- International Travel insurance
- Non-Owned Aircraft Liability
- Master Builder's Risk and/or OCIP
- Crisis Response Management Coverage
- Inland Marine
- Single Agency Placements
- Pollution Liability

Coverage of the Louisiana Superdome, New Orleans Arena, Champions Square and SMG is part of the statewide program, carrying its own segregated policies. The policies will remain separated, although ORM has statutory oversight of the Superdome coverage lines and shall authorize final approval.

The State is statutorily obligated to provide only the following casualty coverage lines: 1) Workers' Compensation and Employers' Liability and 2) Bond and Crime including employee theft.

1.0 Tasks and Services

The Contractor shall provide, at a minimum, the following services for ORM:

- A. Act as broker-of-record for new coverages placed during the contract term.
- B. Analyze exposure, claims, coverage forms, and current program data to determine various options in property and casualty program structures and provide recommendations to make the program more efficient and effective. Catastrophe modeling through RMS and AIR is required.
- C. Identify programs, products, and markets capable of meeting the State's coverage needs. Make recommendations regarding quality of markets, limits, and differences in various markets' terms and conditions.
- D. Offer creative solutions and innovative suggestions for ORM to consider.
- E. Assist ORM in identifying and organizing pertinent information in order to more effectively market the property and casualty coverage programs. Coordinate the collection of data to include in any market solicitations.
- F. With authorization, solicit quotations for the programs. Act as an advocate for the State in communications with the markets and intermediaries, including negotiations of the lowest possible fees and/or deductible options. ORM anticipates participation in the broker meetings with market representatives to assist in the solicitation of the program.
- G. For insurance coverage placement, a maximum 10% commission rate will be allowed for those placements utilizing a foreign wholesale/intermediary broker. All foreign wholesale/intermediary compensation must be pre-agreed by ORM and fully disclosed.

For all premiums placed through domestic brokers that have a commission component, this commission must be identified and refunded to ORM.

- H. Compile quotations for the program in an Excel spreadsheet. Where there are an adequate number of markets to do so, provide multiple quotes for competitive purposes. In the event that this requirement is not possible or recommended, the Contractor must submit an explanation/recommendation to ORM for approval. For those markets that decline to offer a quote on coverage, documentation from the market indicating why they chose not to quote must be provided.
- I. Consider quotes from all qualified markets. All contacts from qualified and non-qualified markets must be documented and the Contractor must provide all results to ORM.
- J. Upon authorization, bind the program as directed by ORM. Binders and/or confirmation of coverage shall be required upon placement.
- K. Review and verify coverage documents received from all bound markets. Determine the coverage placed is correct and verify accuracy of price, rating classification and exposure.
- L. In addition to the original paper copies, deliver electronic copies of all coverage documents. All documents shall be submitted electronically (as requested) within 90 calendar days of their effective date. All coverage placed with multiple layers must include an Excel graphic display of the placement showing markets, policy numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.
- M. The Contractor is prohibited from accepting any contingent income, profit sharing, enhanced commission, or other forms of hidden income associated with this Contract. Confirm that compensation, including direct and contingent, on all market proposals has not been assessed or has been credited to the premium billed.
- N. Ensure the timely billing of all documents and endorsements to ORM and assist with premium allocations or breakdowns by agency for internal ORM billing purposes. In the event a Notice of Cancellation has been issued due to nonpayment of premium, work with ORM to resolve the situation and, to the extent possible, make payment on behalf of ORM.
- O. Prepare certificates of insurance and endorsements, as requested, within 48 hours on a normal schedule and within 12 hours on a rush schedule.
- P. Ensure proper service from markets on coverage placed and endorsements requested.
- Q. Assist ORM when other related coverage needs to be added during the term of the Contract, at no additional cost.
- R. Develop a strategy for any upcoming renewal during the contract period to be presented in writing to ORM a minimum of 90 calendar days before expiration of the Contract. Include and identify any intended intermediaries used in the solicitation process.
- S. Disclose coverage additions and coverage restrictions on all renewal quotes in a chart format as compared to the expiring coverage.
- T. Assist ORM with the reporting of claims. Be an advocate for the State on any disputed or problem claims. ORM's third-party administrator shall report the claims to the Contractor and the Contractor will be responsible for the reporting of all claims to the markets. In the event of an incident of high severity, act as an intermediary and advocate for the State with the markets to facilitate communication, data exchange, and prompt resolution of claims.

- U. Monitor claims submitted to the markets to ensure they are properly handled and responded to in a timely manner. Provide confirmation to ORM with the markets on all claims, including claim number and representative contact information.
- V. As requested by ORM, obtain clarification regarding coverage or claims questions.
- W. Provide loss runs for each insurance policy a minimum of 60 calendar days before expiration, including any prior year with open losses. These reports shall reflect claims opened and closed and claims reserved and paid by policy year (including all allocated loss adjustment expenses) until all claims are closed. These reports shall be cumulative for the coverage year and not just activity for the year. At ORM's request, loss runs shall be provided at any time during contract period.

Information to be reflected on the quarterly report for each individual claim shall include but not be limited to the following:

- Date of Loss;
- Status of claim (open, closed, reopened);
- Brief Description of Loss;
- Name of State Agency;
- Amount of claim as indicated below (by coverage code, if coverage code is applicable);
 - Total Incurred;
 - Amount paid;
 - Amount reserved;
 - Amount recovered;
 - Amount of loss adjustment expenses; and
 - Net Incurred.
- X. Advise ORM on a semiannual basis, or as requested, about current developments in the marketplace as to coverages, forms, availability, pricing or other significant developments that would impact the State or vendors/contractors dealing with the State.
- Y. Assist ORM with property-related and casualty-related training classes as needed for State agency personnel. Training on specific topics may be determined by ORM or recommended by the Contractor.
- Z. Provide risk management and professional services, as requested by ORM, including, but not limited to, identifying and minimizing loss potential, conducting and/or reviewing property inspections, reviewing casualty exposures, researching alternative risk transfer techniques, attending meetings with State agencies, markets, or other consultants.
- AA. At the request of ORM, research and provide recommendations for foreign and domestic market captives and/or risk retention pools.
- BB. Assist ORM with the analysis and reporting required as per Act 715 of the 2014 LA Legislative Regular Session.
- CC. Assist with the reports and supporting justification needed for certification of the State's property programs through the Department of Insurance as required by the Stafford Act.

- DD. Submit a stewardship report at the end of the Emergency Contract term including the status of all outstanding items from prior reports. Reports shall be provided (2) two weeks after the end of the Emergency Contract period.
- EE. Coordinate quarterly higher education focused round table events addressing targeted topics impacting the higher education landscape.
- FF. Provide monthly newsletters for trending risk topics, including safety and loss control, to be shared with ORM client agencies.
- GG. Coordinate IR testing and boiler inspections through program insurers.

2.0 Deliverables

A. Key Deliverables

1. Contractor shall bind coverage as agreed upon by ORM within five (5) calendar days of ORM approval.
2. All coverage documents shall be received (electronically, as requested) within 90 calendar days of their effective date.
3. All certificates of insurance and endorsements shall be received within 48 hours on a normal schedule and within 12 hours on a rush schedule.
4. The Contractor will report all claims within 12 hours to the applicable markets when notified by ORM and/or ORM's TPA.

These Key Deliverables will be subject to a performance penalty as follows:

For each independent Key Deliverable not successfully completed and delivered in the timeframe stated herein, the flat fee otherwise due to the Contractor will be reduced by \$1,000 per day until the Key Deliverable is successfully completed and delivered.

B. Additional Deliverables

1. Claims history and loss runs shall be submitted, a minimum of 60 calendar days before policy expiration, and at any time upon request by ORM.
2. Premium rates and commission rates shall be reported per market per layer on the bound insurance program within thirty (30) calendar days of binding. The preferred method of reporting is an Excel spreadsheet.
3. The costs associated with the Contract shall be subject to audit. The Contractor shall submit a statement identifying all income earned by each party participating in the placement of each of the casualty coverage programs and verify that no direct or indirect compensation has been retained.
4. All requested newsletters, reports, analyses, and recommendations shall be submitted in a timely manner as determined by ORM and communicated to the Contractor.

Agenda Item #9

Review and approval of
Water Sector Commission
recommendation

LEGISLATURE OF LOUISIANA

Jerome "Zee" Zeringue
Co-Chairman



Mike Reese
Co-Chairman

Water Sector Commission

P.O. Box 44486 Baton Rouge, LA 70804-4486
Office: (225) 342-1964
Fax: (225) 387-8912

March 16, 2023

The Honorable Jerome "Zee" Zeringue, Chairman
Joint Legislative Committee on the Budget
P.O. Box 44294, Capital Station
Baton Rouge, Louisiana 70804

Chairman Zeringue,

Pursuant to R.S. 39:100.56, the Water Sector Commission is authorized to approve adjustments to grant awards due to increases in project costs, not to exceed 5% of the total grant award for a project. Any project cost increase exceeding 5% of the project's total grant award requires the approval of the Joint Legislative Committee on the Budget. The Water Sector Commission met on March 16, 2023, and voted to recommend approval of the attached requests for additional funding due to project cost increases.

The Water Sector Commission request your approval of these recommendations. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Reese", is written over a horizontal line.

Senator Mike Reese, Co-Chairman

WATER SECTOR COMMISSION
APPROVED RECOMMENDATIONS
REQUESTS FOR ADDITIONAL FUNDING
MARCH 16, 2023

SUBRECIPIENT	ENTITY	TYPE	COMMENTS	WATER SECTOR COMMISSION ACTION - 03/16/2023
LAWSP10587	North Monroe Subdivision Sewerage District #1	sewer	Request for \$134,000 of additional funding due to bids exceeding available funds. 65% match commitment. WSP funds \$81,212 , match funds \$52,788. 11.8% increase, \$769,212 total grant award.	Recommendation approved
LAWSP10417	Tannehill Water System, Inc.	water	Request for \$16,583 for additional funding due to bids exceeding available funds. 78% match commitment. WSP funds \$9,316 , match funds \$7,267. 2.4% increase, \$394,316 total grant award.	Recommendation approved
LAWSP10133	Ebenezer Community Water System (HB2)	water	Request for \$91,550 for additional funding due to bids exceeding available funds. 25% match commitment. WSP funds \$73,240 , match funds \$18,310. 8.1% increase, \$973,240 total grant award.	Recommendation approved
LAWSP10600	Chatham	water	Request for \$164,357 of additional funding due to bids exceeding available funds. 5% match commitment. WSP funds \$156,530 , match funds \$7,827. Increase of 7.2%, \$2,336,530 total grant award.	Recommendation approved
LAWSP10102	DeQuincy	sewer	Request for \$90,000 of additional funding due to bids exceeding available funds. 25% match commitment. WSP funds \$72,000 , match funds \$18,000. Increase of 14.4%, \$572,000 total grant award.	Recommendation approved

Agenda Item #10

Review of a contract
extension between the
Louisiana Military
Department and Imagine
Learning, LLC



State of Louisiana

JOHN BEL EDWARDS
GOVERNOR

LOUISIANA NATIONAL GUARD
OFFICE OF THE ADJUTANT GENERAL
6400 St. Claude Avenue
Jackson Barracks
New Orleans, LA 70117

D. KEITH WADDELL
MAJOR GENERAL
THE ADJUTANT GENERAL

March 7, 2023

SUBJECT: RFP112PSCLA21-A-004, Course Choice and Credit Recovery Initiative, Youth Challenge Program (YCP), Statewide, Louisiana (LA21-A-004, PO#2000661667)

Mr. Mark Mahaffey
Director, House Fiscal Division
Joint Legislative Committee on Budget
P.O. Box 44294
Baton Rouge, Louisiana 70804

Dear Mr. Mahaffey:

We are requesting to be on the agenda for the April 21, 2023 Joint Legislative Committee on the Budget meeting.

Please consider this justification to exercise existing language to extend the current contract an additional twenty-four (24) months under the same rates, terms and conditions. The Louisiana Military Department (LMD) is requesting to Amend the RFP# 112PSCLA21-A-004 Course Choice Credit Recovery Initiative from the current three (3) years consulting services contract with Imagine Learning, L.L.C. extending services an additional twenty-four (24) months making a new contract end date of June 30, 2026.

The original contract was approved by the Office of State Procurement on September 29, 2021. The contract provides services to cadets in the Youth Challenge Program (YCP), throughout the state of Louisiana, to continue pursuit of a High School Diploma through either course credits recovered or initial attainment via online learning modules.

This extension is the best interest of the Louisiana Military Department because the Contractor has committed to extending the current rates, terms and conditions, and continues necessary services from the same Contractor.

If you have any questions, please call the undersigned at (318) 641-5396 or by email at owen.w.monconduit.nfg@army.mil.

Sincerely,

Owen W. Monconduit

Owen W. Monconduit
Brigadier General (Ret)
Louisiana Military Department
Deputy Director, Contracting & Purchasing

Enclosure

Cf:
LTC Kenneth Paul

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2023

TO: Brigadier General (Ret). Owen W. Monconduit
Louisiana Military Department
Deputy Director, Contracting and Purchasing

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000661667/Amendment 2
Imagine Learning, LLC

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 all required reviews are complete and it 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.

Contract # LA21-A-004

Amendment # 2

**AMENDMENT # 2 TO LA21-A-004 BETWEEN
LOUISIANA MILITARY DEPARTMENT**

AND

**IMAGINE LEARNING, L.L.C.
8860 E. SHAPARRAL ROAD, SUITE 100
SCOTTSDALE, AZ 85250**

Amendment Provisions: This Amendment is made and entered into between the Louisiana Military Department, represented by Brigadier General (Ret), Owen W. Monconduit, hereafter referred to as **LMD**, and Imagine Learning, L.L.C., represented by undersigned, herein referred to as **Contractor**.

In consideration of the mutual promises contained herein, the parties hereby agree to the following Amendment and, intended to be mutually bound, the parties hereby agree as indicated below:

INCREASE the total amount of the Contract to read **\$500,000.00** due to the following: (1) Additional twenty-four (24) months to extend the contract to **June 30, 2026**. (2) Additional estimated funding in the amount of **\$200,000.00**.

New contract completion date is **June 30, 2026**.

Total Cost of this Amendment is **\$200,000.00**

Amendment becomes effective upon approval by the Joint Legislative Committee on the Budget followed by written approval from the Office of State Procurement.

Justification for Amendment; 1) LMD is exercising the contract provision to extend the contract an additional twenty-four (24) months. 2) The twenty-four (24) month extension is at the same rate, terms and conditions of the original contract.

This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. All other terms and conditions contained in the basic Agreement remain the same and remain unchanged.

The Parties agree that a manually signed copy of this Amendment and any other document(s) attached that is delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement and/or Amendment(s). No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Agreement and/or subsequent Amendment(s).

IN WITNESS THEREOF, this Amendment is signed and entered into on the date indicated below:

APPROVED:



(Signature) 1/31/23
(Date)

Name: DAVID ALDERSLADE
Imagine Learning, L.L.C.
Title: EXECUTIVE VP & CFO

LOUISIANA MILITARY DEPARTMENT

B23 Ret Owen Monconduit January 31, 2023

(Signature) (Date)

Agency's Name: Owen W. Monconduit
Brigadier General (Ret), Louisiana Military Department
Agency's Title: Deputy Director, Contracting & Purchasing



State of Louisiana

JOHN BEL EDWARDS
GOVERNOR

LOUISIANA NATIONAL GUARD
OFFICE OF THE ADJUTANT GENERAL
6400 St. Claude Avenue
Jackson Barracks
New Orleans, LA 70117

D. KEITH WADDELL
MAJOR GENERAL
THE ADJUTANT GENERAL

September 29, 2021

SUBJECT: Notice to Proceed to Contract, RFP112PSCLA21-A-004, Course Choice and Credit Recovery Initiative with the Youth Challenge Program (YCP), Statewide, Louisiana (PO#2000602192)

Edgenuity Inc.
Attn: Mr. David Alderslade
8860 E. Chaparral Road, Suite 100
Scottsdale, Arizona 85250

Dear Mr. Alderslade:

You are hereby notified to commence work on the above subject contract. Your contract completion date is therefore **June 30, 2024**. Please note of the change in the Purchase Order number to 2000602192 (attached).

Work shall be in accordance with the terms of Contract # (LA21-A-004) enclosed.

If you have any questions concerning the above, please call the undersigned at 318-641-5359.

Sincerely,

A handwritten signature in blue ink that reads "Owen W. Monconduit".

Owen W. Monconduit
Brigadier General (Ret)
Louisiana Military Department
Deputy Director, Contracting and Purchasing

Enclosures

CF:
LTC Kenneth Paul
Ms. Timberly Deville



Office of State Procurement Contract Certification of Approval

This certificate serves as a confirmation that the Office of State Procurement has reviewed and approved the contract referenced below.

Reference Number: 2000602192

Vendor: EDGENUITY INC

Description: LA21-A-004 Course Choice&Credit Recovery

Approved By: SAMUEL MILLER

Approval Date: 09/29/2021 14:19:10

The above referenced number has been assigned by this office and will be used as identification for the approved contract. Please use this number when referring to the contract in any future correspondence or amendment(s).

The Internal Revenue Service (IRS) may find that this contract creates an employment relationship between your agency and the contractor. You should be advised that your agency is responsible for all taxes and penalties if such a finding is forthcoming. It is incumbent upon your agency to determine if an employee/employer relationship exists. Your agency must make the appropriate withholdings in accordance with law and IRS regulations, if applicable.

CONTRACT BETWEEN STATE OF LOUISIANA

NAME OF DEPARTMENT/AGENCY

Louisiana Military Department

AND

CONTRACTOR NAME

Edgenuity Inc.

CONTRACT NUMBER (ISIS/LAGOV)

LA21-A-004 / 2000575405 *60292*

TYPE OF SERVICES TO BE PROVIDED

PROFESSIONAL SERVICES CONSULTING SERVICES SOCIAL SERVICES PERSONAL SERVICES

CONTRACTOR (Legal Name if Corporation)

Edgenuity Inc.

FEDERAL EMPLOYER TAX ID NUMBER

31-1692050

STATE LDR ACCOUNT #

3448909001

STREET ADDRESS

8860 E. Chaparral Road, Suite 100

TELEPHONE NUMBER

(877) 725-4257

CITY Scottsdale

STATE AZ

ZIP CODE 85250

TERM OF CONTRACT

This Contract shall begin on July 1, 2021 and shall end on June 30, 2024. The State has the right to extend this Contract up to a total of three years with the concurrence of the Contractor and all appropriate approvals. With all proper approvals and concurrence of the Contractor, the State may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial Contract term. Prior to the extension of the Contract beyond the initial thirty-six (36) month 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 contract terms beyond the initial 3-year term. The total contract term, with extensions, shall not exceed five (5) years. The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT

In consideration of the services required by this Contract, the State hereby agrees to pay to Contractor a maximum fee of Three Hundred Thousand Dollars and No/100's \$300,000.00. Payments are predicated upon successful completion of the services described in *Description of Services* and acceptance of deliverables described in *Acceptance of Deliverables*; receipt of an invoice; and written approval of the Youth Challenge Program Project Manager – Ms. Timberly Deville.

The State shall make every reasonable effort to make payments within thirty (30) days of receiving an approved and signed invoice.

PROHIBITION AGAINST ADVANCE PAYMENTS

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law.

GOALS AND OBJECTIVES

The Contractor will provide a structured learning environment and instruction sufficient to allow students to transition back to their school districts successfully and on track to graduate High School. The expectation is that students will earn up to six (6) Carnegie credits which they will accomplish through a residential program at the YCP facility. Students will commit at least five (5) hours per day on all assigned schoolwork through the Contractor platform and with Contractor virtual teachers as required.

DESCRIPTION OF SERVICES

Contractor agrees to furnish services to State as specified in this Section and in any attachments.

The Contractor shall provide services for the Louisiana National Guard Youth Challenge Program operating at Camp Minden, Camp Beauregard and Gillis Long (Carville). Services shall be provided for up to eighteen (18) overlapping cycles; a cycle being five (5) months, and up to thirty (30) students per cycle utilizing Louisiana-certified, qualified teachers. Course catalogue offerings must be aligned with the current Louisiana State Academic Standards. Additionally, Contractor will train mentors and other administrative staff in the use of all Contractor systems and processes as well as provide coaching on critical customer responsibilities of **the Project**. The services will be provided in part, via a non-exclusive, non-transferable license to access and use Licensed Material for internal educational and training purposes solely through the subscription as set forth in this contract and detailed in Exhibit D. The services will be provided through enrollment requests that will be entered by YCP staff personnel and are deemed appropriate for the services secured through this contract as determined and approved by the Louisiana Military Department and issued by the Deputy Director, Contracting and Purchasing or the Contracting Officer.

A full description of the scope of services is contained in the following documents, which are made a part of this Contract:

- Statement of Work
- Contractor Personnel and Other Resources
- State Furnished Resources

DELIVERABLES

The Contract will be considered complete when Contractor has delivered and State has accepted all deliverables specified in the Statement of Work.

ACCEPTANCE OF DELIVERABLES

Deliverables shall be submitted, reviewed, and accepted according to the following procedure:

- A. *General*. The State shall accept work performed in accordance with the Statement of Work and/or as subsequently modified in State-approved documents.
- B. *Submittal and Review*. Contractor shall provide written notification to the Project Manager that a Deliverable is completed, and available for review and acceptance.

Upon Contractor's written notification, the Project Manager shall review the Deliverable within ten (10) business days. Within this period, the Project Manager shall direct the appropriate review process; coordinate any review outside the Project team; and present results to any appropriate committee(s) for acceptance. The review process shall be comprehensive—identifying all items that must be modified or added.

- C. *Acceptance or Rejection.* A Deliverable shall be considered accepted unless, within the ten (10) business days, the State Project Manager notifies the Contractor in writing that the Deliverable is rejected and specifies the items that, if modified or added, will cause the Deliverable to be accepted. A failure to submit all or any essential part of a Deliverable shall be cause for rejection of the Deliverable.
- D. *Resubmitting Deliverables.* Contractor shall provide written notification to the Project Manager when the Contractor resubmits a Deliverable for acceptance. The Project Manager shall review the resubmitted Deliverable within ten (10) business days. A resubmitted Deliverable shall be considered accepted unless, within this period, the Project Manager notifies the Contractor in writing that the resubmitted Deliverable is rejected and specifies the items that, if modified or added, will cause the resubmitted Deliverable to be accepted. The parties shall repeat this process until the resubmitted Deliverable is accepted, or the State determines that the Contractor has breached the Contract and places the Contractor in default.

TERMS OF PAYMENT

During the execution of tasks contained in the Statement of Work, the Contractor must submit invoices once per month. Services provided for the RFP will be invoiced for each enrollment per cadet that has been registered for and is active for a minimum of two (2) weeks.

Payments are predicated upon successful completion and written approval by the Louisiana Military Department of the described tasks and deliverables as provided in Sections 2.3 Deliverable and 2.4 Technical requirements (as applicable). Payment will be submitted for processing only after the YCP Project Manager approves the invoice for payment. Payments will be made to the Contractor after the Louisiana Military Department approves in writing the work performed and the submitted invoice. The State will make every reasonable effort to make payments within thirty (30) calendar days of an approved invoice that falls under a valid contract.

PAYMENT WILL BE MADE ONLY UPON APPROVAL OF

The State's Project Manager or his/her designee. The Project Manager, Ms. Timberly Deville, is the immediate monitor of the contract.

VETERAN/HUDSON SMALL ENTREPRENEURSHIP PROGRAM PARTICIPATION

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship Subcontractor participation and the dollar amount of each.

SUBSTITUTION OF KEY PERSONNEL

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The Contractor will make every reasonable attempt to assign the personnel listed in his proposal. The Contractor must update the comprehensive list of employees responsible for the account within one (1) week of position replacement.

STATE FURNISHED RESOURCES

State shall appoint a Project Manager for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this

Contract, the assigned Project Manager shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

TAXES

Before the Contract may be approved, La. R.S. 39:1624(A)(10) requires the Office of State Procurement to determine that the Contractor is current in the filing of all applicable tax returns and reports and in the payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue. The Contractor shall provide its seven-digit LDR Account Number to the State for this determination. The State's obligations are conditioned on the Contractor resolving any identified outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If the Contractor fails to resolve the identified outstanding tax compliance discrepancies within seven days of notification, then the using agency may proceed with alternate arrangements without notice to the Contractor and without penalty.

TERMINATION FOR CAUSE

Should the State determine that the Contractor has failed to comply with the Contract's terms, the State may terminate the Contract for cause by giving the Contractor written notice specifying the Contractor's failure. If the State determines that the failure is not correctable, then the Contract shall terminate on the date specified in such notice. If the State determines that the failure may be corrected, the State shall give a deadline for the Contractor to make the correction. If the State determines that the failure is not corrected by the deadline, then the State may give additional time for the Contractor to make the corrections or the State may notify the Contractor of the Contract termination date.

If the Contractor seeks to terminate the Contract, the Contractor shall file a complaint with the Chief Procurement Officer under La. R.S. 39:1672.2-1672.4.

TERMINATION FOR CONVENIENCE

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor a termination date. Contractor shall be entitled to payment for deliverables in progress, to the extent the State determines that the work is acceptable.

REMEDIES FOR DEFAULT

Any claim or controversy arising out of this Contract shall be resolved by the provisions of LSA - R.S. 39:1672.2 - 1672.4.

GOVERNING LAW

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, special terms and conditions, and specifications listed in the RFP (if applicable); and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

E-VERIFY

Contractor acknowledges and agrees to comply with the provisions of La. R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this Contract.

OWNERSHIP OF WORK PRODUCT

There is no development or creation of intellectual property under the services provided for District for Vendor Contractor's services. All software, services and content were developed at Vendor Contractor's own expense before Vendor Contractor's response to this RFP and during the performance of services under any future contract

award. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract.

DATA/RECORD RETENTION

Contractor shall retain all its books, records, and other documents relevant to this Contract 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 Contract. Contractor shall comply with all applicable State and Federal laws regarding data retention and provide for a transition period that accommodates all data retention requirements of the State, including data retained and length of retention, following Contract termination, regardless of the reason for Contract termination. Additionally, all State data must be sanitized in compliance with the most currently approved revision of NIST SP 800-66.

RECORD OWNERSHIP

All records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract.

CONTRACTOR'S COOPERATION

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

ASSIGNABILITY

Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

RIGHT TO AUDIT

Any authorized agency of the State (e.g. Office of the Legislative Auditor, Inspector General's Office, etc.) and of the Federal Government has the right to inspect and review all books and records pertaining to services rendered under this contract for a period of five years from the date of final payment under the prime contract and any subcontract. The Contractor and Subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Contractor and Subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

FISCAL FUNDING

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of the Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation 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 the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable and amended: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964; Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Fair Housing Act of 1968; and, Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and shall render services under this Contract 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 Contract.

CONTINUING OBLIGATION

Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future Contracts.

ELIGIBILITY STATUS

Contractor, and each tier of Subcontractors, shall certify that it is not on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

CONFIDENTIALITY

Contractor shall protect from unauthorized use and disclosure all information relating to the State's operations and data (e.g. financial, statistical, personal, technical, etc.) that becomes available to the Contractor in carrying out this Contract. Contractor shall use protecting measures that are the same or more effective than those used by the State. Contractor is not required to protect information or data that is publicly available outside the scope of this Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Contract; or rightfully obtained from third parties.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the State.

AMENDMENTS

Any modification to the provisions of this Contract shall be in writing, signed by all parties, and approved by the required authorities.

PROHIBITED USE OF FUNDS

Contractor shall not use funds received for services rendered under this Contract to urge an elector to vote for or against any candidate or proposition on an election ballot, or to lobby for or against any matter the Louisiana Legislature or a local governing authority is considering to become law. This provision shall not prevent the normal dissemination of factual information relative to any proposition on an election ballot or any matter being considered by the Louisiana Legislature or a local governing authority.

SUBCONTRACTORS

The Contractor may, with prior written permission from the State, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all Subcontractor work.

PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL

In accordance with La. R.S. 39:1602.1, effective May 22, 2018, for any contract for \$100,000 or more and for any Contractor with five or more employees, Contractor, or any Subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel.

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

INDEMNIFICATION AND LIMITATION OF LIABILITY

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 Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or Subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to property caused by Contractor, its agents, employees, partners or Subcontractors, 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 the State. If applicable, Contractor shall indemnify, defend and hold the State and its Authorized Users 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 the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State 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, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use 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 shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (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 the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order 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.

The State and Authorized User 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 and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

STAFF INSURANCE

Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or Subcontractors. The cost of such insurance shall be included in the total Contract amount. For insurance requirements, refer to Exhibit C.

LICENSES AND PERMITS

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract.

SECURITY

Contractor's personnel shall always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State promptly.

CYBERSECURITY TRAINING

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost or may use any alternate course approved in writing by the Office of Technology Services.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

CODE OF ETHICS

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this

Contract. The Contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of contractual language.

ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

This Contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This Contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the Contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

CONTRACT APPROVAL

This Contract is not effective until executed by all parties and approved in writing by the Office of State Procurement, in accordance with LSA-R.S.39:1595.1.

INSURANCE REQUIREMENTS FOR CONTRACTORS

See Exhibit C.

The cost of such insurance shall be included in the total Contract amount.

**– Remainder of page intentionally left blank –
– Signatures on the next page –**

THUS DONE AND SIGNED AT Pineville, Louisiana on the day, month and year first written above. IN WITNESS WHEREOF, the parties have executed this Agreement.

WITNESSES SIGNATURES:

Lee J. [Signature]
(Print Name & Signature)
Lyne Basco [Signature]
(Print Name & Signature)

LOUISIANA MILITARY DEPARTMENT

By: BSS Ret Owen Monconduct
Title: Deputy Director, Contracting & Purchasing

WITNESSES SIGNATURES:

TAMMY J. STOWASSER [Signature]
(Print Name & Signature)
Lisa H. Henson [Signature]
(Print Name & Signature)

EDGENUITY INC.:

By: [Signature]
Title: VP, Product Development

EXHIBIT A – Statement of Work

1.1 Scope of Work

The Contractor shall provide services for up to eighteen (18) overlapping cycles; a cycle is five (5) months, and up to thirty (30) students per cycle utilizing Louisiana-certified, qualified teachers. Course catalogue offerings must be aligned with the current Louisiana State Academic Standards. Additionally, Contractor shall train mentors and other administrative staff in the use of all Contractor systems and processes as well as provide coaching on critical customer responsibilities of **the Project**. The services will be provided through enrollment requests that will be entered by YCP staff personnel and are deemed appropriate for the services secured through the contract as determined and approved by the LMD and issued by the Deputy Director, Contracting and Purchasing or the Contracting Officer.

1.2 Task and Services

The tasks to be performed, at a minimum, are identified below and are not limited to:

- The Contractor shall provide the necessary teachers / instructional staff that are highly qualified as identified by the Every Student Succeeds Act (ESSA) standards and hold valid Louisiana teaching certifications. The Contractor shall offer qualified, Louisiana state-certified instructors.
- The Contractor shall ensure all employees including contracted personnel undergo and pass required background screening, identified at minimum by LDOE, using state and national criminal history records and will provide, upon request, a list of instructional employees to YCP for verification of compliance.
- The Contractor shall, for each enrolled student, provide all necessary online courseware including both initial credit (Course Choice) and credit recovery versions and instructional support.
- The Contractor shall offer an online registration process with workflows appropriate for the YCP.
- The Contractor shall offer ongoing support from the Contractor's professional support staff via video conference or telephonic dial-in as needed. Additional face to face support, should it be needed, will be discussed and agreed upon by the Contractor and YCP staff.
- The Contractor shall offer direct instruction by virtual teachers through a variety of media including telephone, online chat, synchronous teaching tools, texts and any other methods as agreed to by the Contractor and the YCP. The Contractor will institute a method of verification or security access to maintain confidentiality and security. LMD considers all student information confidential and will consider information release upon written request with detail reason(s) of release, as well as only with YCP approval. Information shall be safeguarded through security access protocols.
- The Contractor shall identify an education support specialist who will work with YCP facilitators to ensure that they are comfortable with the technology, utilize strategies to engage and encourage students, and understand how students are performing in the program.
- The Contractor shall offer ongoing evaluation and support and support of student engagement and program status.

- The Contractor shall offer continuous progress monitoring tools via on-line methods or in summary reports to YCP.
- The Contractor shall submit invoicing for applicable enrollments.
- The Contractor shall submit student academic data, transcripts, and reports via electronic and/or hard copy means to YCP at the completion of each course and/or course year.

1.3 Deliverables

The Contractor shall:

- Submit any and all requested documents required by the LDOE that will insure YCP remains a Supplemental Course Academy (SCA) provider. Requests must be fulfilled no later than the due dates set by either LDOE or YCP. Confirmation of deliverables being sent directly to LDOE must be given to YCP's Project Manager upon delivery.
- Provide a web-based course curriculum that is aligned with current Louisiana State Academic Standards.
- Provide assurance that all virtual teachers provided will be Louisiana certified and meet all state required standards, including background clearances, for courses/subjects taught.
- Provide education support, monitoring tools and ongoing evaluation and other support as needed.
- Provide One-Time training, minimum of eight (8) hours, of appropriate training for the local YCP instructional staff and leadership to facilitate successful administration of the Course Choice and Credit Recovery Program.
- Provide a list of qualified employees including name, job title, office and mobile number(s), email(s), and responsibilities to the Project and provide any updated information within one (1) week of position replacement(s).
- Respond with timely service and customer support in response to any State request(s) concerning the Project.

1.4 Technical Requirements

The major requirements of the system to be supported include:

1. Must be compatible with the following browsers:
 - i. Microsoft Edge and Internet Explorer
 - ii. Mozilla Firefox
 - iii. Safari
 - iv. Chrome
2. Must be compatible with the following PDF readers:
 - i. Adobe Acrobat Reader DC
3. Must be compatible with the following operating systems:
 - i. Windows 7
 - ii. Windows 8
 - iii. Windows 10

iv. Chrome

4. Must utilize password protection

1.5 Project Requirements

Each invoice shall specify the following for each active course enrollment per student:

- Cadet Name
- Course Enrolled
- Start Date
- End Date
- Cost
- School

The Contractor shall document and make accessible to the Project Manager, or designee, the results and approval by LMD personnel of each completed active course enrollment per student. LMD will measure the Contractor's performance by the quality of the services provided.

Status reports will be delivered to the Project Manager as requested. The report will address assignment progress in terms of hours spent, current status of work in progress, plans for next reporting period and any significant issues per student.

The Contractor and employees shall properly identify themselves at all times while on a Military or Government Installation. The Contractor and all employees shall present two (2) valid forms of picture identification at all times while on any military property.

CONTRACTOR PERSONNEL AND OTHER RESOURCES

CONTRACTOR RESOURCES

Contractor agrees to provide the following Contract related resources:

- A. *Project Manager.* Contractor shall provide a Project Manager to provide day-to-day management of project tasks and activities, coordination of Contractor support and administrative activities, and for supervision of Contractor employees. The project manager shall possess the technical and functional skills and knowledge to direct all aspects of the project.
- B. *Key Personnel.* Contractor shall assign staff who possess the knowledge, skills, and abilities to successfully perform assigned tasks. Individuals to be assigned by the Contractor are listed in Attachment IV: COST WORKSHEET.
- C. *Personnel Changes.* Contractor's Project Manager and other key personnel assigned to this Contract shall not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as

the case may be, the State or the Contractor, as the case may be, shall be responsible for providing an equally qualified replacement in time to avoid delays to the work plan.

CONTRACTOR PERSONNEL

The following individuals are assigned to the project, on a full time basis (unless otherwise indicated), and in the capacities set forth below:

Name	Job Title	Office Phone Number	Mobile Phone Number	Email Address	Responsibility to Contract
Sarah Shepard, Accounting Manager		480.675.7284 x1017		ar@edgenuity.com	Purchase orders
Roe Wilkinson	Account Executive	318.548.1980		roe.wilkinson@edgenuity.com	Support
Lynette McVay - Director of Sales and	Marketing Operations		480.675.7284 x 1122	bids@edgenuity.com	Contract

Additional space for Contractor Personnel:

Name	Job Title	Office Phone Number	Mobile Phone Number	Email Address	Responsibility to Contract

STATE FURNISHED RESOURCES

STATE FURNISHED RESOURCES

Louisiana Military Department shall appoint a Project Manager from the Youth Challenge Program, Ms. Timberly Deville, or designee, for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Project Officer shall be the principal point of contact on behalf of the Louisiana Military Department and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

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EXHIBIT B – Performance Standards

PERFORMANCE REQUIREMENTS

The Contractor shall document and make accessible to the Project Manager, or designee, the results and approval by LMD personnel of each completed enrollment per student. LMD will measure the Contractor's performance by the quality of the services provided.

Status reports shall be delivered to the Project Manager as requested. The report will address assignment progress in terms of hours spent, current status of work in progress, plans for next reporting period and any significant issues per student.

PERFORMANCE MEASUREMENT/EVALUATION/MONITORING PLAN

1.1 Performance Measures/Evaluation:

The performance of the contract will be measured by the LMD CO, designated Youth Challenge Program Education Coordinator, and or Operations Manager 318-290-5782 or 318-290-5791, authorized on behalf of the LMD, to evaluate the Contractor's performance against the criteria in the Statement of Work.

The Contractor will document and deliver to the LMD CO, or designee, the results and approval by LMD personnel of each completed reporting by LDOE and/or YCP. LMD will measure the performance by the quality of the services provided.

1.2 Monitoring Plan:

The Youth Challenge Program, Education Coordinator, Budget Officer, Operations Manager, or Special Assistant to the Director of Education Programs, YCP, Bldg 505 F Street, Camp Beauregard, Pineville, Louisiana 71360, telephone (318) 290-5807 and FAX (318) 641-3313 will all be responsible for the expenditure of contract funds and overall monitoring of Contractor operations and performance.

The Youth Challenge Project Manager, Ms. Timberly Deville, is the immediate monitor of the contract. The Project Manager will monitor the task and work products of the contract. The Project Manager will be the primary contact for daily performance of this contract resulting from this RFP. The Project Manager is responsible for reviewing the initial invoices from the Contractor prior to submission to the LMD.

No LMD personnel, other than the Deputy Director, Contracting and Purchasing or the Contracting Officer, shall have the authority to change or alter the Performance Measurement, Evaluation, and Monitoring Plan.

1.3 Veteran and Hudson Initiative Programs Reporting Requirements

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship Subcontractor participation and the dollar amount of each.

If a contract is awarded to a Proposer who proposed a good faith subcontracting plan, the using agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to

demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the using agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the contract award or the existing contract may be terminated.

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EXHIBIT C – Insurance Requirements for Contractors

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI. This rating requirement shall be waived for Worker's Compensation coverage only.

CONTRACTOR'S INSURANCE

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or Subcontractors. The cost of such insurance shall be included in the total contract amount.

MINIMUM SCOPE AND LIMITS OF INSURANCE

1.1 Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

1.2 Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

1.3 Professional Liability (Errors and Omissions)

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under the contract. It shall provide coverage for the duration of the contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

1.3.1 Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

1.3.2 Cyber Liability

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under the contract. It shall provide coverage for the duration of the contract and shall have an expiration date

no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premium.

1.3.3 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

1.3.4 Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1.3.4.1 Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.

The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

1.3.4.2 Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

1.3.4.3 All Coverages

All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.

The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.

The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.

Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

1.3.5 Acceptability of Insurers

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

1.3.6 Verification of Coverage

Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.

The Certificate Holder shall be listed as follows:

State of Louisiana

**Louisiana Military Department, Its Officers, Agents, Employees and Volunteers
718 E Street, Camp Beauregard, Pineville, Louisiana 71360
RFP: 112PSCLA21-A-004**

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain required insurance, the contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

1.3.7 Subcontractors

Contractor shall include all Subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each Subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of Subcontractor's Certificates at any time.

1.3.8 Workers Compensation Indemnity

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor

and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of the contract.

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EXHIBIT D –License and Subscription Services

1. LICENSES and SERVICES

- A. **License.** Edgenuity grants State, hereafter, “State” or “Customer, ” a non-exclusive, non-transferable license to access and use Licensed Material for internal educational and training purposes solely for the Subscription as set forth in this contract. This contract element provides only Customer and Customer's specifically authorized instructors, administrators, students and parents ("End Users") access to and use of the Subscription solely for internal education- and training-related purposes. License and Service types are listed below:
- I. **Concurrent License** – provides access to software throughout the Term by all authorized Users based on the number of simultaneous licenses purchased. Total number of users accessing program simultaneous cannot exceed total quantity of licenses purchased.
 - II. **Reusable License** – provides access to software throughout the Term by all authorized users based on the number of semester course enrollments purchased. Once a course enrollment is disabled or completed, the enrollment license can be reused for that student or another student throughout the contract period.
 - III. **Single User** – available to a single User identified by name and designated as the sole Student User of the specific license throughout the Term. Licenses cannot be transferred to another User.
 - IV. **Site License** – provides access to software throughout the Term by all authorized Users located in the specific physical sites of the Youth Challenge Program locations at Camp Beauregard, Camp Minden and ~~Camp~~ Gillis Long (Carville). For purposes of this contract, these YCP locations are considered traditional brick and mortar educational institutions that provide educational services to students at a common physical location. Not available for virtual schools.
 - V. **Virtual School** – a Customer that is (a) a private school licensed by the applicable state where students do not meet physically regularly for learning but where there is a teacher of record available to students enrolled at the institution and much of the learning takes place over the Internet with regular assistance or guidance from the teacher of record or (b) a private tutoring provider that makes available personal attention to each student clients enrolled in a program by faculty of tutoring provider and such services are the primary purpose of enrollment by students Clients; or (c) a public program implemented by School District where students do not meet physically regularly for learning but where there is a teacher of record available to students enrolled at the institution and much of the learning takes place over the Internet with regular assistance or guidance from the teacher of record regularly for learning; and (d) with respect to (a), (b), and (c) a Virtual School is not school that sells licenses or access to Software on a standalone bases or sells license or access to Software to students not actively enrolled in and participating in learning services provided by the private school or tutoring provider.

Licenses are available to access software throughout the Term by authorized Users not to exceed specific quantities stated on Price Quote.

- B. **Services.** As set forth in its proposal, Edgenuity will also provide Professional Development and/or Instructional Services, subject to an amendment to this contract, for Instructional Services and Professional Development. Customer's access to any Professional Development or Instructional Services will expire at the end of the Term or if the Subscription is terminated for any reason.
- C. **Edgenuity Technical and Customer Support.** Edgenuity will provide technical and customer support for the Service. Technical support includes system updates and enhancements when generally made available

and pushed per Edgenuity's regularly scheduled maintenance. Information on customer support and technical requirements is found at <https://www.edgenuity.com/support/customer-support/>.

3. USE OF SUBSCRIPTION

- A. **Customer Data and Student Data.** All data and materials uploaded or entered during use of the Subscription by Customer, including student information and student records, remain the property of Customer ("Customer Data"). All student-generated content and personally identifiable information about any students ("Student Data") shall remain the property of the student, or of the parent or legal guardian of the student. Customer represents and warrants that it has appropriate rights to any Customer Data and Student Data. Customer grants Edgenuity the right to use the Customer Data and Student Data solely for purposes of performing under this Agreement. Students (or Parents or legal guardians of the Student), retain ownership and control of all Student Data that is provided or accessed through Edgenuity's course, and ownership of such Student Data never passes to Edgenuity. During the term of this Agreement, Customer may export Customer Data and Student Data to the extent allowed by the functionality within the Subscription. For training and demonstration purposes, Edgenuity may use and share Customer Data and Student Data, but will share only with supervisors, instructors and other Customer employees who have appropriate authorization-granted by the Customer.
- B. **Customer Responsibilities.** Customer must (i) keep its passwords secure and confidential; (ii) be solely responsible for Customer Data and all activity in its account; (iii) use commercially reasonable efforts to prevent unauthorized access to its account and notify Edgenuity promptly of any such unauthorized access; and (iv) use the Subscription as described in Edgenuity's written technical guides. Customer authorizes its integrators or other third party vendors and Edgenuity to conduct initial setup and to allow continued access to the Subscription for the sole benefit of Customer. Customer may provide Edgenuity the name and contact information for all third parties authorized by Customer, or necessary for Customer to use the Subscription. Customer is solely responsible for ensuring compliance by its authorized integrators or other third party vendor(s) with all federal, state and local privacy laws and regulations. **Edgenuity hereby disclaims for all purposes and circumstances any responsibility or liability for use of the products including the customization thereof, except where prohibited by law and/or due to Edgenuity's negligence.**

7. EDGENUITY PROPERTY

- A. **Reservation of Rights.** The content, documentation, software, workflow processes, user interface, designs, know-how and other items provided by Edgenuity as part of the Subscription, any Instructional Services or Professional Development, or in response to Customer requests for customized content are the proprietary property of Edgenuity and its licensors, and all right, title and interest in and to such items, including all associated intellectual property rights, remain only with Edgenuity and its licensors. Customer may not remove or modify any proprietary marking or restrictive legends in the Edgenuity Courseware. Edgenuity reserves all rights unless expressly granted in this Agreement.

Restrictions. Customer may not (i) sell, resell, rent or lease the access to the Subscription or use it in a service provider capacity; (ii) use the Subscription to store or transmit infringing, unsolicited marketing emails, libelous, or otherwise objectionable, unlawful or tortious material, or to store or transmit material in violation of third-party rights; (iii) interfere with or disrupt the integrity or performance of the Subscription or attempt to gain unauthorized access to the Subscription or its related systems or networks; (iv) use the Subscription for other than internal Customer educational purposes; (v) reproduce, frame, mirror, modify, translate, enhance, decompile, disassemble, copy, download or reverse engineer the Subscription or modify, create derivative works based on the Subscription; or (vi) access the Subscription to build a competitive service or product, or copy any feature, function or graphic for competitive purposes.



State of Louisiana

JOHN BEL EDWARDS
GOVERNOR

LOUISIANA NATIONAL GUARD
OFFICE OF THE ADJUTANT GENERAL
6400 St. Claude Avenue
Jackson Barracks
New Orleans, LA 70117

D. KEITH WADDELL
MAJOR GENERAL
THE ADJUTANT GENERAL

June 24, 2022

SUBJECT: Notice to Proceed, Amendment #1 to Contract, RFP 112PSCLA21-A-004, Course Choice and Credit Recovery Initiative with the Youth Challenge Program (YCP), Statewide, Louisiana (LA21-A-004, PO#2000661667)

Imagine Learning, L.L.C.
Attn: Mr. David Alderslade
8860 E. Shaparral Road, Suite 100
Scottsdale, AZ 85250

Dear Mr. Alderslade:

In accordance with the terms of Amendment #1 to the contract (LA21-A-004, PO#2000661667), you are hereby notified to proceed. Your contract completion date remains at **June 30, 2024**, unless further extended by Amendment to the contract. The new Purchase Order is also enclosed.

Work shall be in accordance with the terms of the Amendment #1 to the Contract # (LA21-A-004).

If you have any questions concerning the above, please call the undersigned at 318-641-5359.

Sincerely,

A handwritten signature in blue ink that reads "B38 Ret Owen Monconduit".

Owen W. Monconduit
Brigadier General (Ret)
Louisiana Military Department
Deputy Director, Contracting and Purchasing

Enclosure

CF:
LTC Kenneth Paul
Ms. Timberly Deville



Office of State Procurement Contract Certification of Approval

This certificate serves as a confirmation that the Office of State Procurement has reviewed and approved the contract referenced below.

Reference Number: 2000661667

Amendment Number: 1

Vendor: IMAGINE LEARNING LLC

Description: LA21-A-004 RFP-Course Choice

Approved By: TONI GORDON

Approval Date: 06/24/2022 14:30:16

Contract # LA21-A-004

Amendment # 1

**AMENDMENT # 1 TO LA21-A-004 BETWEEN
LOUISIANA MILITARY DEPARTMENT**

AND

**IMAGINE LEARNING, L.L.C.
8860 E. SHAPARRAL ROAD, SUITE 100
SCOTTSDALE, AZ 85250**

Amendment Provisions: This Amendment is made and entered into between the Louisiana Military Department, represented by Brigadier General (Ret), Owen W. Monconduit, hereafter referred to as **LMD**, and Imagine Learning, L.L.C., represented by Mr. David Alderslade, herein referred to as **Contractor**.

In consideration of the mutual promises contained herein, the parties hereby agree to the following Amendment and, intended to be mutually bound, the parties hereby agree as indicated below:

NO DOLLAR CHANGE ORDER due to the following: 1) An approved Assignment of Contract from Edgenuity Inc., Assignor, to Imagine Learning, L.L.C., Assignee. 2) Contract completion date will remain at June 30, 2024.

Total Cost of this Amendment is **\$0.00**.

Amendment becomes effective: **January 1, 2022**.

Agenda Item #11

Update and report from
Subcommittee on
Pharmacy Benefit
Manager Services under
the
Office of Group Benefit

**Report of the Subcommittee on Pharmacy Benefit Manager Services
Under the Office of Group Benefits
to
the Joint Legislative Committee on the Budget**

The Subcommittee on Pharmacy Benefit Manager Services Under the Office of Group Benefits (Subcommittee), was formed by the Joint Legislative Committee on the Budget (JLCB), by vote on November 18, 2022. Members of the Subcommittee were appointed by Chairman Zeringue and Chairman White during the JLCB hearing on December 15, 2022. Senate members appointed are Senator Fred Mills, Senator Boudreaux, Senator Cloud, and Senator Milligan. House members appointed are Rep. Turner, Rep. Bacala, Rep. Edmonds, and Rep. Miller.

During the Subcommittee hearing on January 20, 2023, the members elected Senator Mills to serve as Chairman. The Subcommittee received testimony from Mark Blum, Executive Director with America's Agenda and Managing Director with the PBM Accountability Project, Commissioner Jay Dardenne and his staff, the Louisiana Legislative Auditor and his staff, and public testimony. As the Legislature is not a party to the pending litigation between the Louisiana Independent Pharmacist Association and the state, the Subcommittee declined to engage in discussion on the litigation and rather focused on positive steps to take moving forward to better secure state funded pharmacy benefit manager services. During the more than three and a half hour hearing, the Subcommittee received extensive testimony on the problematic business model of the PBMs and further agreed on consideration of six focus areas.

PBM BACKGROUND

Prescription drugs are one of the only commodities in the healthcare provider realm with a defined cost. The pharmacy has to purchase the drugs in order to dispense them to patients. This is unlike judging the value of time for an office visit or use of a single piece of equipment that may be used over and over on multiple patients. It has been a common practice by all PBMs to reimburse pharmacies below the amount that it costs the pharmacist to acquire the drug in his or her inventory. The PBM considers this and reports it to the managed care plan or plan sponsor as a "savings."

The PBM crisis is not unique to Louisiana. In fact, nationwide, whether it be public, private, or commercial insurance, the PBMs are regarded as a self-serving, fabricated middle-man that diverts money from pharmacists, issues baseless prior authorization denials, engages in predatory and laundering-type behaviors, artificially inflates PMPMs to the benefit of managed care organizations (often the PBM parent company), and steers patients toward their own mail order companies.

The PBMs have lampooned business, states, unions, and generally every well-intended plan sponsor into believing that they are able to provide *savings* in what would otherwise be a market that forced a cut in services or premium increases for plan participants. In fact, the PBMs get the plan sponsors to come to their defense when they are challenged in a legislative or public debate forum. The relationship is often described as one of blackmail or even Stockholm syndrome, where a person becomes complicit and reliant on their captor or abuser. Meanwhile, PBMs continue to be one of the most lucrative businesses on Earth today, with profits in the billions of dollars, dating back to at least 2019 where they were outpacing tech giants like Apple, Facebook, Google, and Netflix.

SIX FOCUS AREAS

- (1) Maintain network adequacy under the CVS Caremark contract that went into effect on January 1, 2023.
- (2) Review reimbursement terms of the CVS Caremark contract that went into effect on January 1, 2023.
- (3) Maximize the monitoring provisions afforded to OGB in the contract that went into effect on January 1, 2023.
- (4) Utilize a reverse auction in accordance with R.S. 39:1600.1, to procure pharmacy benefit manager services.
- (5) Implement an automated pharmacy claims adjudication engine, in accordance with R.S. 39:1600.1(D)(7), to perform real-time, electronic, line-by-line, claim-by-claim review of one hundred percent of invoiced PBM prescription drug claims, and identify all deviations from the specific terms of the PBM services contract.
- (6) Identify national best practices for monitoring and controlling PBMs for potential legislation in the 2023 regular session of the Louisiana Legislature.

Since the Subcommittee hearing on January 20, 2023, Senator Mills and Rep. Turner have led the charge of the Subcommittee and have provided staff oversight and direct participation in the extensive and ongoing discussions of the six focus areas set forth by the Subcommittee. Research and action steps include the following:

- Multiple hours of meetings with Mark Blum conducted by the Chairman and his staff.
- Commissioner Dardenne and his staff also spent multiple hours in discussions with Mr. Blum on reverse auctions and claim adjudications.
- Discussion of data provided by experts, including the two primary Louisiana wholesale drug distributors and practicing pharmacists.
- Discussion with the National Community Pharmacist Association (NCPA) on national best practices and PBM control legislation being pursued in other states.

On March 13, 2023, the Subcommittee convened to consider a presentation by Chairman Mills on the six focus areas as directed by the Subcommittee during the January 20, 2023 hearing, a presentation by the Division of Administration (DOA) on the ongoing monitoring and evolution of the PBM contract, and for review and approval of the report issued by the Subcommittee. Upon conclusion of the presentations and consideration of the testimony, the Subcommittee reports to JLCB the following in regard to the six focus areas set forth by the Subcommittee:

(1) Maintain network adequacy under the CVS Caremark contract that went into effect on January 1, 2023.

Network adequacy refers to a health plan's ability to deliver the benefits promised by providing *reasonable access* to sufficient network pharmacy services included under the terms of the contract. According to the CVS Caremark contract, at least 98% of commercial plan participants shall reside within 1.5 miles of a network pharmacy for urban areas, within 3 miles for suburban areas, and 10 miles for rural areas. For EGWP claims, the mileage requirements must comply with CMS guidelines.

In January 2023, the Louisiana Legislative Auditor (LLA) compiled an Informational Brief that provided a snapshot in time of the number of OGB plan participants and the number of pharmacies enrolled as an OGB pharmacy service provider. The LLA reviewed calendar year 2022 data from the Office of Group Benefits (OGB) on plan participants, network pharmacies, and pharmacy visits. The LLA also obtained information on the number of pharmacies that chose to opt-out of participation as a network pharmacy. As of January 5, 2023, there were 72 independent pharmacies that opted out of the CVS Caremark network. The LLA advised that the opt-in versus opt-out number is fluid as the number of pharmacies opting out had decreased to 68 as of January 13, 2023.

The LLA Informational Brief provides an excellent summary of data relative to pharmacies opting in or out of the program and the number of plan participants who utilized those pharmacies. In the January 2023 Informational Brief, LLA provides data that in December 21, 2022, 5,167 (2.6%) plan participants *only* visited a pharmacy in 2022 that opted out of the CVS Caremark network. The LLA did not evaluate whether those plan participants were still in need of prescriptions (acute v chronic medicine) and if so, were they able access them through another pharmacy or mail order.

IMMEDIATE/ONGOING ACTION:

The LLA intends to conduct a performance audit of OGB's PBM contract, but this will take time and is reliant on the data provided by OGB. This performance audit will provide an invaluable retrospective review of the program, but not a real-time analysis of the network.

Separate from the LLA audit, the sufficiency of the CVS Caremark network must be evaluated by OGB on an ongoing basis to ensure that plan participants have access to prescription drugs regardless of the specific pharmacy which provides those drugs. In accordance with *Attachment I: Scope of Work/Services* of the contract, OGB should hold CVS Caremark accountable for continuously monitoring network adequacy, providing clinical management and customer service, and identifying instances where plan members who were served by a pharmacy that opted-out need assistance in locating a participating pharmacy. OGB will need to monitor pharmacy network disruption to ensure compliance with the network mile requirements provided for in the contract. OGB will also need to ensure that the PBM is actively managing plan member continuity of care. OGB confirms that the contract does give the authority to monitor network adequacy and that they will be analyzing this data to ensure compliance and that OGB has authority to assess penalties on CVS Caremark for failure to comply.

(2) Review reimbursement terms of the CVS Caremark contract that went into effect on January 1, 2023.

In the CVS Caremark contract, the reimbursement rate for brand name drugs is set forth as Actual Wholesale Price (AWP) minus a discount that increases over a three year period. For retail 30-day prescriptions, the reimbursement rate starts at AWP-21.75% in the first year of the contract and increases over the three year contract term to AWP-22.15%. For retail 90-day prescriptions, the reimbursement rate starts at AWP-25.25% in the first year of the contract and increases over the three year contract term to AWP-25.65%. Each increase in the discount rate equals a decrease in reimbursement paid to the pharmacist.

IMMEDIATE/ONGOING ACTION:

Since the January 20, 2023, hearing of the Subcommittee, OGB has been presented with actual data provided by experts, including the two primary Louisiana wholesale drug distributors and cost reports from practicing pharmacists, for review and consideration. This has prompted a proposed contract amendment to change the reimbursement rate for both retail-30 and retail-90 prescriptions to AWP-

19.50% without annual escalation. Based on projected utilization, this is expected to increase pharmacy reimbursements by approximately \$39,000,000, for the term of the contract. These revised reimbursement rates will better ensure OGBs ability to preserve network adequacy. Although this amount is also now considered a reduction in savings to OGB, it is anticipated that this amount, and possibly a greater amount, can be recouped through pursuit of other PBM control measures. During the January 20, 2023 hearing of the Subcommittee, Mark Blum testified that in Minnesota, CVS Caremark was the incumbent PBM and then also bid on the reverse auction, and although it was the exact same PBM, to prevail in the reverse auction, the state recognized a true 27% savings. This proves that there is always a PBM, sometimes even the same PBM, that wants the book of business badly enough that they will cut into their own profits in order to secure the contract.

While AWP-19.50% may not be the preferred reimbursement rate, it is indeed more equitable than the current CVS Caremark contract tiered rate and the reimbursement rate under the OGB 2022 Express Scripts Emergency Contract. OGB should continue to monitor the impact of the reimbursement rate on network adequacy and address any shortfalls in accordance with the enforcement provisions of the contract.

(3) Maximize the monitoring provisions afforded to OGB in the contract that went into effect on January 1, 2023.

The CVS Caremark contract provides for extensive performance measures and identified deliverables in *Attachment I: Scope of Work/Services*.

IMMEDIATE/ONGOING ACTION:

OGB must ensure that the CVS Caremark contract is monitored thoroughly by qualified and expert PBM analytic staff to ensure that the PBM is challenged and accountable for its actions.

(4) Utilize a reverse auction in accordance with RS 39:1600.1, to procure pharmacy benefit manager services.

In December 2020, Senator Mills became aware of a PBM procurement process adopted by New Jersey in 2017 that utilized reverse auction technology. New Jersey saved \$2.5 billion in its pharmacy program over a five year period by use of reverse auction technology. In 2021, after studying in depth the New Jersey reverse auction process and having multiple meetings with the New Jersey Senate President and staff that implemented the program, Senator Mills passed ACT 102, which created a reverse auction *option* for Louisiana. Following the success of the New Jersey reverse auction, Louisiana, along with New Hampshire, Maryland, Minnesota, Ohio, and Colorado, have adopted reverse auction enabling legislation. In December 2022, Colorado released data indicating that it's reverse auction could generate a savings of \$6 million to \$10 million annually on drug costs without any reduction in benefits for state employees.

IMMEDIATE/ONGOING ACTION:

A bill must be filed in the 2023 Regular Session of the Louisiana Legislature to make the reverse auction *mandatory* for the procurement of OGB PBM services. During the 2021 legislative session, when ACT 102 passed, there was trepidation by OGB and also some legislators on the complexities and implementation of the reverse auction. It was a little understood concept. The compromise at that time was to make reverse auction optional and not mandatory. However, now with several states having already implemented their reverse auctions, Louisiana can utilize the experience of other states and consult with national experts, like Mark Blum, regarding the implementation of a reverse auction. It is even more imperative with an impending change in administration to make reverse auctions mandatory

in the law this session so that any work initiated under the current administration will continue to be supported when the term changes in January 2024.

(5) Implement an automated pharmacy claims adjudication engine in accordance with R.S. 39:1600.1(D)(7), to perform real-time, electronic, line-by-line, claim-by-claim review of one hundred percent of invoiced PBM prescription drug claims, and identify all deviations from the specific terms of the PBM services contract.

RS 39:1600.1 contemplates a two prong approach to securing a PBM contract through reverse auction. The first prong is the dynamic, online competition between PBMs to generate fully transparent actual pricing data for the state to award a contract based on highest value or lowest cost to the state. The second prong is the repurposing of the bidding platform to assure ongoing PBM accountability to the state through automated review of 100% of invoiced claims. This focus area is dedicated to the second prong.

IMMEDIATE/ONGOING ACTION:

OGB should immediately pursue a contract with a technology based company with expertise in automated pharmacy claims review to begin 100% review of invoiced claims paid under the CVS Caremark contract. During the January 20, 2023 hearing of the Subcommittee, Mark Blum testified that through technology based invoice review, New Jersey, the reverse auction pioneer state, recovered \$46 million in overbilling in one year. Likewise, Minnesota, the newest entrant in the reverse auction arena, is set to recognize \$65 million. Mark Blum has committed to continue his relationship with this state to provide any guidance that may be needed.

(6) Identify national best practices for monitoring and controlling PBMs for potential legislation in the 2023 regular session of the Louisiana Legislature.

Louisiana, in partnership with the Louisiana Independent Pharmacist Association (LIPA) and National Community Pharmacists Association (NACP), has been one of the most pro-active states in the nation in regard to legislative controls of PBMs. And, in 2019, Senator Mills passed SB 41, with sweeping prohibitions and regulatory parameters for PBMs. As soon as the states pass laws to control the PBMs, they find a trap door or work-around, so it is an ever continuing process until they are regulated at the federal level.

IMMEDIATE/ONGOING ACTIONS:

The Legislature should continue to pursue legislation for controlling PBMs. According to NACP, there are several national best practices that all states should consider, including prohibition on reimbursement below acquisition cost (Ark. Code 17-92-507), ability to decline to dispense (Ark. Code 17-92-507 (b)(4)(C)(e)), prohibition on retroactive claw backs (Ark. Code 23-92-506 (c)(1)-(3)), prohibition on transaction fees/adjudication fees (ARS 20-3332), establishment of a reimbursement floor -- can't be reimbursed below NADAC plus state's Medicaid fee for service dispensing fee (West Virginia is only state to pass this provision WV Code 33-51-9 (e)), and nondiscriminatory reimbursement for PBM non-affiliated pharmacies (WV Code 33-51-9 (f)). States are also advised to review and update their existing PBM laws. Senator Mills will file a PBM control bill during the 2023 regular session.

DOA OGB POSITION

Commissioner Dardenne continues to be actively engaged in seeking a resolution of these issues. He and his staff have been evaluating the merits of reverse auctions and have determined this to be the preferred method to procure PBM services in the future. Commissioner Dardenne and OGB do not oppose a change in the law mandating reverse auctions for the procurement of PBM services.

Likewise, Commissioner Dardenne and his staff have concluded that a real-time compliance review of 100% of the pharmacy claims adjudicated under the CVS Caremark Contract may generate savings for OGB. They are actively working to secure a vendor to perform these services.

Commissioner Dardenne and his staff recognize the importance of network adequacy and will continue to monitor plan members' access to network pharmacies and CVS Caremark's compliance with contract requirements.

Moreover, Commissioner Dardenne and OGB remain committed to identifying alternative processes, opportunities, and initiatives that will create additional savings for OGB plan members and the State. Doing so will ensure that OGB is able to maintain premium rate increases at a minimum without diminishing plan benefits to its members.

**Recommendation of the Subcommittee on Pharmacy Benefit Manager Services
Under the Office of Group Benefits
to
the Joint Legislative Committee on the Budget**

By motion of the Chairman, and adopted by the members of the Subcommittee, recommendations are as follows:

- (1) Approval of the contract, effective January 1, 2023, between the Office of Group Benefits and Caremark PCS Health, LLC, in accordance with R.S. 42:802(D)(1).
- (2) Approval of an amendment to this contract between the Office of Group Benefits and Caremark PCS Health, LLC, in accordance with R.S. 42:802(D)(2).
- (3) Support legislation to amend R.S. 39:1600.1, to make the reverse auction process mandatory.
- (4) Support legislation to adopt national best practices for monitoring and controlling PBMs.
- (5) Support intensive OGB contract monitoring, including but not limited to network adequacy, reimbursement rates, market check provisions, and any and all provisions to which CVS Caremark has given an assurance in the contract.
- (6) Support OGB's efforts to implement an automated pharmacy claims adjudication engine in accordance with R.S. 39:1600.1(D)(7).
- (7) Support legislative clarification of certain provisions of Act 102 of the 2021 Regular Session regarding JLCB authority to review and approve Office of Group Benefits PBM consulting contracts.
- (8) Continue the authority of the Subcommittee on Pharmacy Benefit Manager Services Under the Office of Group Benefits.



Fred H. Mills, Jr.
Chairman

3/13/2023
Date

Agenda Item #12

Review and approval of a
contract between the
office of group and
Caremark PCS Health



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



Office of Group Benefits

September 16, 2022 JLCB Meeting

Caremark PCS Health, LLC (“CVS Caremark”)

Pharmacy Benefit Manager Services Contract Overview

CVS Caremark

PBM Services Contract Overview & Comparison to Current PBM Emergency Contract

	Express Scripts	CVS Caremark
Contract Purpose	To provide PBM services to support certain self-funded health plans offered by OGB.	
Eligible Participants	Members enrolled in the Magnolia Open Access, Magnolia Local, Magnolia Local Plus, and Pelican HRA1000 plans.	
PBM Members as of 9/1/2022¹	198,293	
Contract Type	Emergency	Regular
Contract Term	1 year (12 months)	3 years (36 months)
Beginning Contract Date	01/01/2022	01/01/2023
Ending Contract Date	12/31/2022	12/31/2025
Renewable Options	None	Up to 24 additional months
Procurement Method	SFO	RFP
Contract Maximum Payable Amount²	\$602,142,205.00	\$2,070,144,000.00
Year 1 Total Projected Contract Expenditures, Net of Projected Rebates³	\$489,329,000	\$401,835,000
Year 2 Total Projected Contract Expenditures, Net of Projected Rebates³	N/A	\$425,419,000
Year 3 Total Projected Contract Expenditures, Net of Projected Rebates³	N/A	\$454,117,000

¹ Based on the 9/01/2022 member participation counts for the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, and Pelican HRA1000 plans.

² The maximum payable amount does not include expected rebates.

³ Projections performed by Buck Global, LLC, and are based on the pricing terms associated with the current Express Scripts emergency contract and the proposed CVS Caremark contract, for a sample of claims.

CVS Caremark

Financial Summary

CVS Caremark’s pricing was compared to the current emergency contract with Express Scripts and the 2020 RFP offer from CVS Caremark for reference. The exhibit below summarizes projected first-year (2023) and three-year (2023-2025) estimated plan costs, relative to current Express Scripts pricing.

	Express Scripts Current Contract (2022)	CVS Caremark (2023 Pricing from the 2020 Proposal) ⁴	CVS Caremark 2023-2025 (Market Check Pricing)	CVS Caremark 2023-2025 (Final Negotiated Pricing)
Year 1 Total Projected Cost, Net of Projected Rebates (2023)	\$489,329,000	\$470,713,000	\$465,312,000	\$401,835,000
Savings Compared to Current Contract	N/A	(\$18,616,000)	(\$24,017,000)	(\$87,494,000)
% Savings Compared to Current Contract	N/A	(3.8%)	(4.9%)	(17.9%)
3-Year Total Projected Cost, Net of Projected Rebates (2023-2025)	\$1,615,377,000	\$1,561,032,000	\$1,483,634,000	\$1,281,371,000
Savings Compared to Current Contract	N/A	(\$54,345,000)	(\$131,743,000)	(\$334,006,000)
% Savings Compared to Current Contract	N/A	(3.4%)	(8.2%)	(20.7%)

*The results above show the projections and combined savings in both the Commercial plan and EGWP plan.

*The projected amounts include a trend to account for increased utilization and increased pharmaceutical costs.

The final pricing which was obtained after further negotiations with CVS Caremark shows that, over the 3-year contract, OGB expects a savings of approximately **\$334 million**, a **20.7%** improvement relative to the current 2022 pricing terms with Express Scripts.

⁴ CVS Caremark’s Proposal to the 2020 RFP included pricing for 2023.

CVS Caremark

Background Information

- In 2020, OGB issued an RFP for PBM services. Upon completion of the competitive RFP process, CVS Caremark was awarded the Contract on July 9, 2020. MedImpact protested the award and the award was stayed.
- The Chief Procurement Officer (“CPO”) upheld the award to CVS Caremark. MedImpact then appealed the CPO’s decision to the Commissioner of Administration. The Commissioner of Administration also upheld the award. MedImpact challenged the Commissioner’s decision by filing a Petition for Judicial Review with the Nineteenth Judicial District Court in Baton Rouge. The Judge in the Nineteenth JDC overturned the Commissioner’s decision. In so ruling, the Judge cancelled the contract award to CVS Caremark and also cancelled the RFP.
- Since litigation was pending and OGB is required to have PBM services in place for its members, OGB negotiated an Emergency Contract with CVS Caremark beginning January 1, 2021. Subsequently, JLCB did not approve the Emergency Contract with CVS Caremark. As a result, OGB entered into an Emergency Contract with MedImpact for PBM services for calendar year 2021.
- In 2021, since litigation over the 2020 RFP was still pending, OGB issued a Solicitation for Offers (“SFO”). MedImpact and Express Scripts submitted offers. After evaluation, Express Scripts’ offer was selected and OGB entered into an Emergency Contract with Express Scripts for calendar year 2022.
- CVS Caremark and OGB appealed the District Court’s decision to the First Circuit Court of Appeal. After extensive briefing, oral arguments were heard on February 21st of this year. On June 3, 2022, the First Circuit issued its ruling which reversed the decision of the District Court. In its Opinion, the First Circuit expressly reinstated the Commissioner of Administration’s decision and upheld and reinstated the award of the PBM services contract to CVS Caremark.
- Upon receipt of the Court’s Order, OGB, in conjunction with its contract actuarial services firm, conducted a “Market Check” (an exercise to evaluate the competitiveness of PBM pricing) which OGB then used to negotiate better pricing terms from CVS Caremark.

Agenda Item #13

Review and approval of
Insure Louisiana
Incentive Program grant
awards

Insure Louisiana Incentive Program

Joint Legislative Committee on the Budget (JLCB) Summary

	Applicant Name	State of Domicile	Capital & Surplus ¹	Financial Strength Rating	Risk-Based Capital Ratio ¹	Net Premium-to-Surplus ¹	%Surplus Any One Risk ¹	Gross Premium-to-Surplus ¹	Grant Amount Requested	Proposed Grant Amount ²	Comments
1	Allied Trust Ins Co	TX	32,836,364	A (Demotech)	687%	0.1	0.6%	5.3	\$ 6,500,000	\$ 6,500,000	
2	Applied Underwriters Captive Risk Assurance Company, Inc.	NM	47,189,416	TBD (DemoTech)	309%	0.0	0.0%	(0.1)	\$ 10,000,000	-	Applicant does not currently possess a Louisiana Certificate of Authority.
3	Cajun Underwriters Reciprocal Exchange	LA	15,449,762	A (Demotech)	529%	(0.5)	3.9%	3.8	5,000,000	3,000,000	
4	Constitution Insurance Company	NY	23,570,889	A- (AM Best)	963%	0.6	9.7%	0.6	10,000,000	4,500,000	Application to add the Homeowners' line of business filed. Currently licensed for Fire & Allied Lines.
5	Elevate Reciprocal Exchange	TX	19,862,612	A (Demotech)	6948%	0.0	8.3%	0.0	5,000,000	3,750,000	
6	Gulf States Ins Co	LA	18,667,114	A (Demotech)	423%	1.4	2.7%	3.2	3,600,000	3,600,000	
7	Safepoint Ins Co	FL	\$42,622,400	A (Demotech)	514%	(0.3)	1.2%	7.4	10,000,000	8,500,000	
8	SafePort Ins Co	FL	67,615,352	A- (AM Best)	1007%	(0.4)	3.0%	2.0	2,000,000	2,000,000	
9	SureChoice Underwriters Reciprocal Exchange	TX	59,547,597	A (Demotech)	722%	0.0	3.8%	5.3	10,000,000	10,000,000	
Totals									\$ 62,100,000	\$ 41,850,000	

¹ - As of December 31, 2022

² - La. R.S. 22:2364(B) requires 20% of grant funds to be allocated to domestic insurers subject to certain statutory requirements.

The proposed grant amounts for non-domestic companies has been prorated and rounded based upon the remaining grant funds available, the statutory minimum grant requirement of \$2,000,000, and the 20% of capital & surplus limitation.