

New law provides for the transfer of the University of New Orleans (UNO) from the LSU System to the University of Louisiana System as follows:

- (1) Requires the chancellor of UNO to submit a letter to the president of the Southern Association for Colleges and Schools, Commission on Colleges (SACS), not later than August 1, 2011, stating his intent for a change in governance from the Bd. of Supervisors of the LSU System to the Bd. of Supervisors for the UL System.
- (2) Requires the chancellor, faculty, and administration of UNO to take every action necessary to efficiently and expeditiously comply with all SACS timelines, requirements, and procedures to ensure that the requested change of governance may be effected immediately upon receipt of commission approval.
- (3) Transfers UNO to the UL System, pursuant to the authority granted to the legislature by the La. constitution to transfer an institution from one board to another by law enacted by two-thirds of the elected members of each house. Also transfers the assets, funds, obligations, liabilities, programs, and functions related to the institution. Provides that such transfer will become effective immediately upon receipt of SACS approval for the change in governance.
- (4) Requires the Bd. of Supervisors for the UL System to develop policies and procedures to resolve issues related to the status and tenure of UNO employees which may arise from the transfer.

Provides that the LSU Bd. of Supervisors shall:

- (1) Continue to exercise its authority to supervise and manage UNO until such time as SACS grants approval for the requested change in governance and transfer of the institution to the UL System.
- (2) Work cooperatively and collaboratively with the UL System board to ensure that the transfer may be effected immediately upon receipt of SACS approval.
- (3) Enter into agreements to transfer as many UNO administrative and supervisory functions as possible to the UL System, prior to receipt of SACS approval, without adversely impacting the accreditation status of the institution.
- (4) Immediately transfer all assets, funds, facilities, property, obligations, liabilities, programs, and functions relative to UNO to the UL System, upon receipt of SACS approval for the transfer.

Provides that the LSU Bd. of Supervisors shall not:

- (1) Interfere with or impede in any way the processes to transfer UNO to the UL System.
- (2) Sell, transfer, or otherwise remove any asset or thing of value, movable or immovable, tangible or intangible, attributable to or owned by UNO, or owned, leased by, or operated by any foundation related to UNO. Further provides that access to any asset leased to any foundation related to UNO shall not be restricted or denied.
- (3) Incur, transfer or assign any debt or other responsibility or obligation to UNO that is not properly attributable to either institution.
- (4) Disproportionately reduce or reallocate the level of funding that would otherwise be allocated to UNO pursuant to the postsecondary education funding formula. Provides that until UNO is transferred to the UL System, no budget reductions or changes in funding allocations for the institution shall be imposed without prior review and approval from the Jt. Legislative Committee on the Budget.
- (5) Take any personnel action with regard to any instructional or administrative employee of UNO without the prior approval of the Bd. of Supervisors for the UL System.

New law requires the commissioner of administration to ensure that sufficient funds and resources are available to fully effect the transfer of UNO to the UL System. Further requires the legislature to appropriate sufficient funds to the Bd. of Supervisors of the LSU System and the Bd. of Supervisors for the UL System to fully effect the transfer.

New law provides that such funding and resources will not impact the Board of Regents' formula for the equitable distribution of funds to institutions of postsecondary education.

New law provides that the UNO, pursuant to their agreement with the UNO Foundation, shall reimburse the state for the purchase of available insurance for indemnification and costs which may arise from the transfer; provided however, that the state of LA will indemnify and hold harmless the Bd. of Supervisors of LSU and the Bd. of Supervisors for the UL System for any liability and costs which may result from the transfer of existing contracts, financing, or immovable property.

New law provides that effective beginning with the FY11-12, any and all funds previously paid by the UNO to the Bd. of Supervisors of LSU will be paid instead to the Bd. of Supervisors for the UL System; however, the total amount of such payments shall not be less than that paid during the FY10-11 Fiscal Year.

New law clarifies that the new law does not preclude a Memorandum of Understanding (MOU) between the boards under which an existing bonded indebtedness of the LSU System. Board would remain in force after an agreement that the Bd. of Supervisors for the UL System would be responsible for all payments, costs, and other covenants contained in the bonded indebtedness. Requires the Bd. of Supervisors of the LSU System "to make every effort" to maintain such bonded indebtedness under an MOU if it is advantageous to the state.

Prior law (R.S. 17:3215(2)) placed UNO in the LSU System. New law repeals this provision.

Effective July 12, 2011.

(Amends R.S. 17:3217; adds R.S. 17:3230 and 3241; repeals R.S. 17:3215(2))