

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

HIGHER EDUCATION. Provides for the transfer of UNO from the LSU System to the UL System and specifies goals for the postsecondary education delivery system for the New Orleans region.

DIGEST

Proposed law provides for the transfer of the University of New Orleans (UNO) from the Louisiana State University (LSU) System to the University of Louisiana (UL) 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 Aug. 1, 2011, stating his intent for a change in governance from the Board of Supervisors of the LSU System to the Board 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 Board 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. Requires the board to maintain tenure policies and procedures that are in place for UNO employees who have already been awarded tenure or are in a tenure-track position on the date the transfer becomes effective.

Provides that the LSU Board 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 Board 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 on the effective date of proposed law. 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 on the effective date of proposed law.
- (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 Joint Legislative Committee on the Budget.
- (5) Take any personnel action with regard to any instructional or administrative employee of UNO prior to the transfer without the approval of the Bd. of Supervisors for the UL System.

Proposed 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 provides that such funding and resources shall not impact the Board of Regents' formula for equitable distribution of funds to institutions of higher education. Requires the legislature to appropriate sufficient funds to the Bd. of Supervisors to fully effect the transfer.

Proposed law requires the Board of Regents and the state of Louisiana to indemnify and hold harmless the LSU and UL System management boards for any liability and costs which may directly result from the transfer of existing contracts, financing, or immovable property.

Proposed law provides that for one year after the effective date of the transfer, fees previously paid by UNO to the Bd. of Supervisors of the LSU System and which become due after the transfer shall be paid to the Board of Regents to be used to defray transfer costs, including indemnification insurance.

Provides that proposed law does not impair the contractual or other obligations of the state or any state entity as a result of the transfer and that upon the date of the transfer of UNO all obligations of the LSU Bd. of Supervisors related to UNO shall be deemed to be obligations of the Bd. of Supervisors for the UL System.

Provides that all funds and revenues previously dedicated by the state constitution and state law related to the payment of bonds related to UNO shall continue to be collected and dedicated to such payments until other payment provisions are made. Further provides that all acts relating to such bonds by the LSU Bd. of Supervisors shall be deemed to be the acts of the Bd. of Supervisors for the UL System upon the date of the transfer of UNO.

Provides that proposed law does not preclude a Memorandum of Understanding (MOU) under which an existing bonded indebtedness of the LSU Bd. of Supervisors 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. Provides that if it is advantageous to the state for the LSU Bd. of Supervisors to maintain such bonded indebtedness, then the board shall make every effort to do so under a MOU.

Proposed law (R.S. 17:3241) states legislative intent that a comprehensive, integrated regional delivery system be provided for the delivery of public postsecondary education services in the New Orleans region. Specifies delivery system goals and requires the Board of Regents and the management boards for the UL System, Southern University System, and Community and Technical College System to adopt (by not later than Feb. 1, 2012) written action plans to accomplish the goals. Provides for the adopted action plans to be submitted to the legislative education committees.

Present law (R.S. 17:3215(2)) places UNO in the LSU System.

Proposed law repeals present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 17:3217; Adds R.S. 17:3230 and 3241; Repeals R.S. 17:3215(2))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Changes proposed law to provide for the transfer of UNO from the LSU System to the UL System, state legislative findings relative to goals for the postsecondary education delivery system for the New Orleans Region, and require the Board of Regents and three public postsecondary education management boards to develop written action plans to best accomplish these goals rather than to provide for the consolidation of SUNO and UNO and for management of the consolidated institution by the UL System.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Education to the re-engrossed bill.

1. Prohibits changing tenure policies and procedures in place for tenured and tenure-track UNO employees at the time of transfer.
2. Provides that the Bd. of Regents and the state shall indemnify and hold harmless the management boards for any liability and costs resulting from the transfer.
3. Provides that fees previously paid by UNO to the LSU Bd. shall be paid to the Bd. of Regents for 1-yr. post-transfer and used to defray transfer costs.
4. Specifies that the Bd. of Regents higher education funding formula shall not be impacted.
5. Requires the legislature to appropriate sufficient funding to effect the UNO transfer.
6. Provides that proposed law does not impair legal obligations of the state and state entities as a result of the transfer.
7. Provides for transfer of funds/revenues dedicated to repayment of transferred bonded indebtedness.
8. Provides for MOU between management boards to maintain bonded indebtedness.