

GRANTING RESOURCES AND AUTONOMY FOR DIPLOMAS AGREEMENT

BE IT KNOWN, that the Board of Regents of the State of Louisiana (hereinafter referred to as “Regents”), **Official College Name, City, Louisiana, Zip** (hereinafter referred to as “Institution”), and the **Name Board of Supervisors** (hereinafter referred to as “Management Board”), in accordance with Act 741 of the 2010 Regular Session of the Louisiana Legislature, entitled the Louisiana Granting Resources and Autonomy for Diplomas Act (hereinafter referred to as “GRAD Act”), do hereby enter into an agreement. This six year agreement, beginning on August 15, 2010 and ending on June 30, 2016, is entered under the following terms and conditions including those in Attachments A, B, C, and D (hereinafter referred to as “Attachments”). Said Attachments are made a part hereof by reference and are applicable and enforceable as if written into the body of the agreement. The Management Board appears herein through its duly authorized system president.

This agreement applies solely to the performance objectives contained herein and the autonomies established by the GRAD Act.

I. PURPOSE

As stated in the enabling legislation, the GRAD Act is “to support the state’s public postsecondary education institutions in remaining competitive and increasing their overall effectiveness and efficiency by providing that the institutions achieve specific, measurable performance objectives aimed at improving college completion and at meeting the state’s current and future workforce and economic development needs and by granting the institutions

limited operational autonomy and flexibility in exchange for achieving such objectives.” The purpose of this agreement is to implement the GRAD Act.

II. PERFORMANCE OBJECTIVES

A. The four performance objectives of this agreement as prescribed in the GRAD Act are to:

- increase student success;
- increase articulation and transfer;
- enhance responsiveness to regional and statewide workforce and economic development needs; and
- increase institutional efficiency and accountability.

B. The GRAD Act also requires the reporting of pertinent institutional organizational data to Regents, the Legislature, and the Legislative Auditor.

III. RESPONSIBILITIES

A. The GRAD Act delineates responsibilities for participating public postsecondary education entities in Louisiana. The Institution, the Management Board and Regents each have unique responsibilities. As parties to this agreement, each agrees to fulfill the following responsibilities, which are further defined in the Attachments.

B. The **Institution** agrees to:

1. commit to and demonstrate satisfactory progress in meeting the applicable elements of the performance objectives and the organizational reporting requirement in the GRAD Act;
2. establish and submit with this agreement baselines, benchmarks and six-year targets as measures for the specific elements identified in the Attachments;

3. work with the Management Board and Regents to identify and establish baselines, annual benchmarks and six-year targets for additional applicable elements;
4. submit to Regents and the Management Board reports and data necessary to determine progress as prescribed by Regents; and
5. report within six months after entering into this agreement to the Legislative Auditor all information that the auditor requests to conduct a detailed study of the performance of postsecondary education in Louisiana, if funding is appropriated for this purpose.

C. The Management Board agrees to:

1. establish policies designed to increase the Institution's cohort graduation rates and graduation productivity rates consistent with institutional peers;
2. establish a schedule for increasing the Institution's nonresident tuition amounts to levels that are not less than the average tuition charged to Louisiana residents attending peer institutions in the Southern Regional Education Board (SREB) member states, by category as reported by the SREB. For Historically Black Colleges and Universities (HBCUs), that amount shall be determined by comparison with public HBCUs in the SREB member states by category;
3. adopt policies for increasing resident tuition in accordance with the GRAD Act and Board of Regents' policies in addition to the tuition authorities granted in R.S. 17:3351(A)(5)(e);
4. authorize the Institution's tuition increase pursuant to the Management Board policies and procedures. The policies shall require that in the initial year the tuition and fees collected based on participating in the GRAD Act will be held in an escrow account or another identified account until all

agreements are officially signed by all parties and executed. Such policies shall require all tuition and fees in the accounts be refunded if no final agreement is executed by October 31, 2010;

5. establish criteria for waiving any tuition or mandatory fee increase resulting from the GRAD Act in cases of financial hardship and include a process for notifying all prospective students in a timely manner of said hardship waiver;
6. certify initially, through formal Board action, that the Institution is capable of meeting the applicable elements of each performance objective given the Institution's baseline status, anticipated resources, and capacity to improve;
7. certify annually, through formal Board action, regarding the Institution's progress and the validity of information contained in the annual report;
8. certify initially, through formal Board action, the base level autonomies and, after year three, additional autonomies the Institution is capable of successfully managing as evidenced through audit reports and timely quarterly reports;
9. certify annually, through formal Board action, the operational autonomies the Institution is capable of continuing to successfully manage;
10. recommend to Regents, through formal board action, regarding Institution's continuation as a participating institution;
11. report to Regents prior year retained funds or carryforwards that were allowed pursuant to provisions in the GRAD Act; and
12. notify Regents in a timely manner of any extraordinary circumstances that are believed to prevent the Institution from fulfilling its obligations agreed upon in this agreement.

D. Regents agrees to:

1. develop and define the elements for each performance objective;

2. determine applicable elements for each performance objective by institution level;
3. determine additional performance objectives;
4. enter into this agreement with the Institution and the Management Board after receiving the Management Board's certification and other applicable documents and ascertaining that the reported data are appropriate based on GRAD Act requirements, Management Board policies and as set forth in the Attachments of this agreement;
5. identify academic programs with low student completion rates and those not aligned with workforce needs;
6. set statewide tuition policies in accordance with the GRAD Act and R.S. 17:3351(A)(5)(e)(i);
7. define Centers of Excellence and assess the academic standing of said Centers;
8. align the 2010-11 funding formula performance model with the performance objectives of the GRAD Act;
9. monitor, review, and report annually to the Legislature and the Governor regarding the Institution's progress in meeting the performance objectives;
10. identify base operational autonomies and additional autonomies as authorized by the GRAD Act to be granted to participating institutions subject to initial approval by the Division of Administration and certification by the Management Board;
11. consider additional autonomies within the purview of Regents authority that may be granted to participating institutions;
12. determine annually, based on the Institution's progress and Management Board's certification, whether tuition and fee authority and operational autonomies will continue to be granted to the Institution;

13. modify this agreement, subject to approval by the Joint Legislative Committee on the Budget, in the event extraordinary circumstances prevent the Institution from meeting the terms of this agreement;
14. revoke prospectively this agreement at any time if it is determined that the Institution has failed to abide by the terms of this agreement; and
15. implement the renewal process identified in the GRAD Act for additional six-year performance agreements.

IV. RESOURCES AND AUTONOMIES

A. In return for meeting the terms and conditions of this agreement, including committing to and demonstrating satisfactory progress in meeting the performance objectives and the organizational reporting requirement, the Institution will be granted the specific autonomies and resources as described in the GRAD Act and set forth herein. As well, by the approval of Regents and certification of the Management Board, the Institution may be granted additional autonomies that fall within the purview of Regents.

B. Upon execution and approval of this agreement for the **2010-2011** fiscal year, pursuant to policies adopted by the Management Board in accordance with Regents' tuition policies, the Institution shall be granted, in addition to the authority granted in R.S. 17:3351(A)(5)(e), the authority to increase tuition and mandatory fee amounts by up to five percent annually for entering into this agreement and thereby committing to meet the performance objectives prescribed by the GRAD Act through the applicable elements and the organizational reporting requirement. A base level of operational autonomy may be granted to the Institution subject to initial approval by the Division of Administration, certification by the Management Board and determination by Regents.

C. For the **2011-2012** fiscal year, if Regents determines the Institution has demonstrated satisfactory progress in meeting the performance objectives, the Institution shall be granted, in addition to the authority granted in R.S. 17:3351(A)(5)(e), the authority to increase tuition and mandatory fee amounts by up to five percent annually in accordance with the Management Board's and Regents' policies. Upon the Management Board's certification and Regents' determination, the Institution will also be allowed to continue to exercise the previously granted operational autonomies.

D. For the **2012-2013** fiscal year, if Regents determines the Institution has demonstrated satisfactory progress in meeting the performance objectives, the Institution shall be granted the authority to increase tuition and mandatory fee amounts by up to ten percent annually until the Institution's tuition and mandatory fee amounts reach the average tuition and fee amounts of its peers as identified by Regents in accordance with R.S. 17:3351 (A)(5)(e) and as weighted by the state's median household income. Upon the Management Board's certification and Regents' determination, the Institution will also be allowed to continue to exercise the base level operational autonomies previously granted.

E. For the **2013-2014** fiscal year and **thereafter**, if Regents determines the Institution has demonstrated satisfactory progress in meeting the performance objectives, the Institution will be granted the authority to continue to increase tuition and mandatory fees in accordance with the Management Board's policies until the Institution's tuition and mandatory fee amounts reach the average tuition and fee amounts of its peers as identified by Regents in accordance with R.S. 17:3351(A)(5)(e) and as weighted by the state's median household income. Once the Institution's tuition and mandatory fee amounts are at the peer average, tuition and mandatory fee amounts will be allowed to increase only as necessary to maintain levels as close to the peer average as practical. Upon the Management Board's certification and Regents' determination, the Institution will also be allowed to continue to exercise the base level autonomies previously granted. Regents, in collaboration with the Division of Administration, may also

identify additional operational autonomies as authorized by the GRAD Act which may be granted to the Institution subject to certification by the Management Board. Such additional operational autonomies shall be amended into this agreement as applicable and may include additional reporting requirements.

V. MONITORING PLAN

Regents will monitor the Institution's progress toward meeting the performance objectives required in the GRAD Act through the applicable elements. The Institution must annually report its progress on the applicable elements to the Management Board and Regents. The Management Board, through formal board action, is to certify the Institution's progress and recommend action regarding continuation of this agreement to Regents by May 1 of each year. Regents will then determine the Institution's progress and report the findings at its June meeting. By July 15 of each year, Regents will submit a written report of the findings to the Legislature and Governor. Regents shall also publish the Institution's performance information on the Regents' website.

VI. REVOCATION CLAUSE

Regents may revoke this agreement prospectively in accordance with grounds and a process to be established within 90 days of the date of execution of this agreement. The process shall include at a minimum that Regents will provide written notification of its intent to revoke to the Management Board and if requested, provide an opportunity to the Institution and the Management Board to address and provide rebuttal to the proposed findings upon which the revocation would be based at a public meeting prior to revocation. At a minimum, failure to meet reporting requirements will be grounds for revocation.

VII. TERMS OF AGREEMENT

A. This agreement shall begin on August 15, 2010 and shall expire not later than six years from this date. The continuation of the agreement is contingent upon determination of satisfactory progress by Regents. The Attachments list and define the Institution's performance objectives through applicable elements, including narrative reports and measures, as well as data required in the organizational report. Failing to provide the narrative report and measures for each applicable element of the performance objectives and/or the organizational report will be deemed grounds for revocation.

B. Measures for which baseline data are not established at the time of execution of this agreement will be established during year one. Thereafter, benchmarks and six year targets will be established for those measures, where applicable. Failing to establish appropriate baselines, benchmarks and six year targets will be deemed grounds for revocation.

C. The Management Board will verify the accuracy of all reported data and submit the measures to Regents for concurrence. Upon concurrence, the measures will become part of the terms and conditions of this agreement. If such measures are not submitted to and concurred in, there will be deemed grounds for revocation.

D. If at the end of the initial six year agreement the Institution desires to renew the agreement, it shall notify Regents at least six months prior to such termination date and Regents shall institute the process for renewal as prescribed in the GRAD Act.

VIII. EXTRAORDINARY CIRCUMSTANCES

The GRAD Act allows the Board of Regents to modify the agreements in the event extraordinary circumstances prevent the institution from meeting the terms of the agreement. Such modifications shall be subject to approval by the Joint Legislative Committee on the Budget. Should an extraordinary

circumstance prevent the Institution from meeting its responsibilities pursuant to this agreement, the Management Board shall notify Regents of the need for modification due to extraordinary circumstances. If Regents approves the modification request, Regents will submit the modification(s) for approval to the Joint Legislative Committee on the Budget. Upon such approval, the agreement will be modified accordingly.

THUS DONE AND SIGNED on the dates noted below in Baton Rouge, Louisiana.

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| (Name of Institution) | (date) |
| By: (Full name of President/Chancellor) | |
| President/Chancellor | |

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| _____ | _____ |
| (Name of Board of Supervisors) | (date) |
| By: (Full name of President) | |
| President | |

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| _____ | _____ |
| Board of Regents | (date) |
| By: Artis Terrell | |
| Chair | |