

**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FINANCE COMMITTEE**

**June 23, 2022**

**Item I.1.**     **Grambling State University's** request for approval to amend the University's existing lease agreement with Barnes and Noble College Bookstores, LLC, and implement the First Day Complete Program.

**EXECUTIVE SUMMARY**

Grambling State University requests approval to amend its existing contract with Barnes & Noble, its contracted bookstore operator. The original contract was entered on July 1, 2019, and this first amendment would become effective on July 1, 2022. The amendment would add the First Day Complete Program to the agreement.

In order to expand textbook affordability to students, Grambling State University would like to implement the First Day Complete Program, a Barnes & Noble inclusive access program, for courses beginning with the Fall 2022 semester. The First Day Complete Program would include course textbook costs with tuition and fees creating considerable savings for students while retaining the academic freedom for faculty to choose the best materials for their courses. Course materials would be available to students on their first day of class. The students' cost for the required course materials would be twenty-four dollars (\$24) per credit hour per semester. Students would have the option of opting-out of the program and securing materials on their own. If students do not opt-out, they would be charged for the course materials. Working with Barnes & Noble, GSU will educate students about the First Day Complete Program.

Barnes & Noble will be responsible for the procurement of desired textbooks and course materials from faculty course material orders for required course materials each term in accordance with course material adoptions through the Adoption and Insights Portal.

Barnes & Noble will provide GSU with exclusive online services through the Bookstore website including fulfillment of the First Day Complete Program and any distance learning material needs during the term of this agreement.

GSU would be responsible for providing functioning links on its Learning Management System and for providing suitable secure space for inventory management, student package delivery and pickup for the First Day Complete Program. GSU would also provide Barnes & Noble with student course information and upload each student's complete course schedule, including associated credit hours, eligibility status for the Complete Program, and any additional data required by Barnes & Noble in order to implement the First Day Complete Program.

## **RECOMMENDATION**

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED***, that the Board of Supervisors for the University of Louisiana System hereby approves Grambling State University's request to amend the University's existing lease agreement with Barnes & Noble College Bookstores, LLC, and implement the First Day Complete Program.

***BE IT FURTHER RESOLVED***, that the President of Grambling State University is hereby authorized to execute the amendment described herein and any and all documents necessary.



May 31, 2022

**MEMORANDUM TO THE BOARD OF SUPERVISORS  
OF THE UNIVERSITY OF LOUISIANA SYSTEM**

**SUBJECT: REQUEST FOR APPROVAL TO AMEND THE UNIVERSITY'S LEASE  
AGREEMENT WITH BARNES AND NOBLE COLLEGE BOOKSELLERS, LLC, AND  
IMPLEMENT THE FIRST DAY COMPLETE PROGRAM**

Grambling State University (GSU) respectfully requests approval to amend its existing contract with Barnes & Noble, its contracted bookstore operator. The major purpose of this amendment is to create a significant savings for students while retaining the academic freedom for faculty to choose the best materials for their courses. Furthermore, course materials would be available to students on their first day of class. The original contract was entered on July 1, 2019, and this first amendment would become effective on July 1, 2022.

Your favorable consideration of this request is greatly appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "RJ Gallot", with a stylized flourish at the end.

Richard J. Gallot, Jr., JD  
President

Attachment

**Amendment No. 1 to  
Bookstore Lease and Management Services Agreement  
Between  
Board of Supervisors for the University of Louisiana System  
And  
Barnes & Noble College Booksellers, LLC**

Effective July 1, 2022 (“Effective Date”), this Amendment No. 1 (“Amendment”) to the Agreement for Bookstore Services dated July 1, 2019 (“Agreement”) is hereby entered into by and between Board of Supervisors for the University of Louisiana System (“ULS”) with and on behalf of Grambling State University (“Grambling”) (hereinafter referred interchangeably as the “Lessor” and “Grambling”) and Barnes & Noble College Booksellers, LLC, (hereinafter referred to as the “Lessee” or “Barnes & Noble”), according to the following terms and conditions. All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

1. **Section 2.2.11 Payment Formula** of the Agreement is hereby amended by adding, “and course materials sales through the First Day® Complete program” after “twenty percent (20%)” in the paragraph beginning, ““Pure Digital Course Materials Sales: shall be defined as”.
2. **Section 3.6 Responsibilities of LESSOR GRAMBLING** of the Agreement is hereby amended by adding the following language as new subsection 11:
  11. A daily export file with the required SIS student export data (including student email addresses) to support a personal experience for faculty and students and enable Barnes & Noble to both provide its products and services to GRAMBLING, including the Adoption and Insights Portal (“AIP”), and send Bookstore-related information and personalized content to GRAMBLING’s students.
3. **Exhibit A.1 Right to Operate Bookstore** of the Agreement is hereby amended by deleting the last sentence of the second paragraph and replacing it with the following:

Barnes & Noble will provide exclusive on-line services through the Bookstore website including fulfillment of the First Day® Complete Program (as defined below) and any distance learning material needs, during the term of this Agreement.
4. **Exhibit C, Section 21, Surcharges** of the Agreement is hereby amended by deleting this section in its entirety and replacing it with the following:

Freight charges, restocking fees, and other publisher charges invoiced to Barnes & Noble are included in the publisher unit cost of net-priced new textbooks, to which Barnes & Noble’s gross margin % is added.
5. The Agreement is hereby amended by adding new **Section 23 under Exhibit “C”** as follows:

**Section 23. First Day® Complete Program:**

- a) In order to expand affordability to students, GRAMBLING agrees to implement the First Day® “Complete Program” (inclusive access) for all courses beginning with Fall 2022 semester using a per credit pricing format.
  - (i) Barnes & Noble Responsibilities.
    1. Barnes & Noble will manage the Complete Program on behalf of GRAMBLING and will be responsible for the procurement of desired textbooks and course materials. Barnes & Noble

shall fill faculty course material orders (adoptions) for required course materials each term only in accordance with course material adoptions through AIP (or any new adoption tool Barnes & Noble introduces) by faculty or authorized department designees that adhere to the schedule below:

- a. On or before April 1<sup>st</sup> for the fall semester
  - b. On or before October 1<sup>st</sup> for the spring semester
  - c. On or before March 1<sup>st</sup> for the summer semester
2. For any course material adoptions that are not adopted using AIP or turned in by the above deadlines, Barnes & Noble will use commercially reasonable efforts to provide such course materials by the first day of the course but cannot guarantee delivery. Course materials will be provided in either rental (new or used) or digital format, at Barnes & Noble's discretion, in order to maintain the value of the Complete Program.
3. At a minimum starting two weeks prior to the deadline, Barnes & Noble will deliver daily reporting on courses without course material adoptions to GRAMBLING's compliance designee for follow-up with faculty.
4. Two weeks after the end of each semester ("Grace Period"), Barnes & Noble will notify GRAMBLING of any Rental Materials not returned by students.
  - a. The list will identify the names of students who have not returned their Rental Materials.
  - b. GRAMBLING will work with Barnes & Noble to encourage those students to resolve their accounts with Barnes & Noble (e.g., GRAMBLING will place a hold on the student account(s), message student(s) via all available communication methods, etc.) in order to maintain the value of the Complete Program.
  - c. In the event a student does not return Rental Materials, Barnes & Noble reserves the right to require student payment of an appropriate rental replacement fee (75% of the new course material selling price) and/or identify the student ineligible for the Complete Program in future semesters.

(ii) GRAMBLING Responsibilities.

1. GRAMBLING shall place the necessary electronic links on its learning management system (LMS) no later than (2) two weeks prior to the start of the term. At least two (2) weeks prior to the start of the term, GRAMBLING shall audit all electronic links on its learning management system (LMS) to ensure they are functional.
2. GRAMBLING is solely responsible, at its expense, for providing mutually agreed upon secured space, in addition to space within the Bookstore, for inventory management and student package delivery and pickup for the Complete Program.
3. By electronic transmission, GRAMBLING shall provide Barnes & Noble the course schedule with enrollment information on a daily basis.
4. Delivered to an SFTP server on a daily basis and in a format provided by Barnes & Noble or through an SIS integration, GRAMBLING also shall upload each student's complete course schedule, including associated credit hours, eligibility status for the Complete Program, and any additional data required by Barnes & Noble in order to implement the Complete Program.

At a minimum, GRAMBLING shall begin dropping the file no later than twelve (12) weeks out from the course start date through the end of the registration period for each course.

- (iii) Joint Responsibilities. The parties agree to work together to negotiate publishers' pricing of textbooks and course materials.
- (iv) Included and Excluded Materials.
  - 1. The Complete Program will include only required course materials in print rental or digital formats. The Bookstore, at its sole discretion, will determine which course materials (i) may be retained by a student and (ii) which are considered rentals requiring students to return them at the end of the semester (collectively, "Rental Materials").
  - 2. The following items are excluded from the Complete Program: adopted school supplies, kits, uniforms, art supplies, calculators, non-required course materials, or items deemed not a textbook. In addition, the Complete Program does not include shipping costs for delivery to students outside of the Bookstore or designated locations on campus.
  - 3. The following programs, grade year, or schools are excluded from the Complete Program: Graduate.
- (v) Communications. GRAMBLING and Bookstore will work together to promote understanding of the Complete Program. All communication and marketing regarding the Complete Program will be the responsibility of GRAMBLING. Barnes & Noble will work with GRAMBLING to help educate, promote, and communicate the Complete Program to the students in multiple formats. GRAMBLING shall not issue any external communications, including but not limited to press releases, without the prior written consent of the Corporate Communications department of Barnes & Noble.
- (vi) Financial Terms.
  - 1. The price per credit per semester for all students shall be \$24, which (a) GRAMBLING agrees to pay Barnes & Noble via ACH in accordance with this Section 23 notwithstanding any applicable opt-out or other legal obligations of GRAMBLING and (b) the parties hereby acknowledge and agree is an average price across all courses and shall apply regardless of how many or whether course materials are being used in a particular course.
  - 2. No later than ten (10) days after the census date, GRAMBLING and Barnes & Noble will review and mutually agree upon the number of credits for students who have not opted out of the Complete Program that will appear in the "Initial Invoice". In the event GRAMBLING does not agree within such ten (10) day period upon the number of credits, the Initial Invoice will contain the price per credit (\$24) for all courses based on ninety percent (90%) of the number of students who have not opted out of the Complete Program. GRAMBLING shall pay the Initial Invoice via ACH within thirty (30) days of receipt. Notwithstanding any other provision in this Agreement, Barnes & Noble will withhold commission and/or guarantee and other payments due GRAMBLING under this Agreement in the event GRAMBLING does not comply with its payment obligations hereunder.
  - 3. If there is a discrepancy in the number of credits in the Initial Invoice, Barnes & Noble will send a final invoice to GRAMBLING ("Final Invoice"). Barnes & Noble's Final Invoice will be based on GRAMBLING registrar's final enrollment information by credit hour. GRAMBLING will remit payment of the Final Invoice to Barnes & Noble via ACH within

thirty (30) days of receipt. Notwithstanding any other provision in this Agreement, Barnes & Noble will withhold commission and/or guarantee and other payments due GRAMBLING under this Agreement in the event GRAMBLING does not comply with its payment obligations hereunder.

- a. Barnes & Noble shall have the right to audit the registrar’s records in the event that Barnes & Noble reasonably believes the enrollment information reported by GRAMBLING deviates from actual enrollment.
  - b. If the results from the audit prove any final enrollment counts are higher than the counts provided by GRAMBLING, Barnes & Noble shall invoice GRAMBLING for the additional charges.
  - c. If the results from the audit prove any final enrollment counts are lower than the counts provided by GRAMBLING, Barnes & Noble shall provide a credit to GRAMBLING.
  - d. At no time during an audit shall either party fail to perform their agreed upon services or responsibilities, including payment on outstanding invoices, with regard to the Complete Program.
4. On an annual basis beginning with the completion of the first year of the Complete Program, both parties agree to mutually evaluate and determine the price per credit and other financial terms. The evaluation is based on faculty course materials adopted for the fall and spring semesters, taking into consideration changes in the amount of consumables or to overall title count. Any changes to the per credit price will be agreed upon by the parties no later than March with an effective date starting with the fall semester.
6. Except as expressly modified above, all other terms and conditions of the Agreement shall remain the same.
7. This Amendment may be signed and sent electronically by the parties. All signed counterparts will be deemed originals and together shall constitute the entire Amendment.

Agreed as of the Effective Date:

**Grambling State University**

**Barnes & Noble College Booksellers, LLC**

\_\_\_\_\_

\_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** Senior Vice President of Stores

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

*April 2022 v.2*

## Martin Lemelle

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**From:** Martin Lemelle  
**Sent:** Thursday, January 30, 2020 10:19 AM  
**To:** Kimberly Otte  
**Subject:** Signature Date for Contract

Kim,

Please let this email reflect a notation that signature date for Barnes and Noble should be updated to reflect the year 2020 instead of 2019. I have signed and will send a copy of the contract to your return address.

Thanks,

Martin



### Martin Lemelle, MBA

Executive Vice-President and Chief Operating Officer

Grambling State University | Grambling, LA 71245

Phone: 318-274-6192 | Fax: 318-274-6172

[Request a Meeting with Me](#)

[lemellemar@gram.edu](mailto:lemellemar@gram.edu) | [www.gram.edu](http://www.gram.edu)



**GRAMBLING STATE UNIVERSITY  
BOOKSTORE LEASE AND MANAGEMENT SERVICES  
AGREEMENT**

WHEREAS this Lease (the "Lease" or "Agreement") is made and entered into by and between the Board of Supervisors ( the "Board") for the University of Louisiana System ("ULS") as of this 1st day of July 2019 ("Effective Date") with and on behalf of Grambling State University ("GRAMBLING") (hereinafter referred interchangeably as the "LESSOR" and "GRAMBLING"); and Barnes & Noble College Booksellers, LLC, (hereinafter referred to as the "LESSEE" or "BARNES & NOBLE"), a Delaware limited liability company, having its principal place of business at 120 Mountain View Boulevard, Basking Ridge, NJ 07920, collectively the "Parties", and provides as follows:

**WITNESSETH:**

WHEREAS, in response to LESSOR's original Request for Proposal (herein referred to as the "RFP") to Lease the Bookstore on GRAMBLING's campus pursuant to the authority of LA R.S. 17:3361-65, BARNES & NOBLE was selected as LESSEE; and

WHEREAS, the GRAMBLING bookstore provides needed services for students, faculty and staff, provides a revenue generating auxiliary for GRAMBLING, contributes to the social environment of GRAMBLING, and plays an important role in the recruitment, retention and overall satisfaction of the GRAMBLING's students; and

WHEREAS, the Parties are appearing herein to agree to extend the Lease as allowed to an effective termination date of June 30, 2024 for the existing lease between GRAMBLING and BARNES & NOBLE, entered into as of July 1, 2014, under the terms and conditions agreed to by the Parties outlined herein;

WHEREAS, the ULS Board hereby enters into this Lease as LESSOR in accordance with the authority set forth in Louisiana Revised Statutes 17:3361, et seq., which requires, in particular part, renovation and/or construction or investment by BARNES & NOBLE of improvements upon property owned by the LESSOR;

WHEREAS GRAMBLING seeks to enter into this Agreement with BARNES & NOBLE for the purposes of providing contracted bookstore management services for the GRAMBLING bookstore at GRAMBLING during the term of the Lease. BARNES & Noble agrees to provide to the services described in this Agreement and in Exhibits A-I attached hereto, each of which is incorporated by reference as if fully set forth herein. This Bookstore Agreement provides services at the Bookstore located in the Favrot Student Union on the GRAMBLING campus and programs and services provided by the Bookstore to GRAMBLING and through the Bookstore website. Throughout this Agreement, the campus bookstore, the programs and services provided by BARNES & NOBLE, and the bookstore website are referred to, collectively, as the "Bookstore."

## GRAMBLING / B&N BOOKSTORE AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and intending to be legally bound, GRAMBLING and BARNES & NOBLE agree as follows:

### ARTICLE I LEASE OF GRAMBLING BOOKSTORE

1.1 The Recitals are hereby incorporated into and made a part of this Amendment as if fully set forth herein. The Lease operation must be conducted on GRAMBLING property and in buildings and/or facilities designated by GRAMBLING. BARNES & NOBLE agrees to perform the services specified under this Agreement with that standard of care, skill, and diligence normally provided by a first class, professional organization in the performance of similar services provided to other public universities, and to perform the services in a timely manner as required by this Agreement. BARNES & NOBLE shall operate the Bookstore in a manner which reflects GRAMBLING'S reputation for academic excellence and supports the academic mission of GRAMBLING. BARNES & NOBLE shall provide the GRAMBLING community with a full range of merchandise and services as expected from a quality, full-service university bookstore serving one of the nation's premier HBCUs.

1.2 Performance Bond. BARNES & NOBLE must provide GRAMBLING with a Performance Bond in the amount of \$175,000.00, and renewable annually for the full period for the Agreement. BARNES & NOBLE will be notified by letter to secure a Performance Bond from a surety or insurance company currently on the U.S. Department of Treasury Financial Management Service list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the AM. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds. No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A- rating by A.M. Best up to a limit of ten percent of policy holders' surplus as shown by AM. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds fifteen percent of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond must be received within twelve (12) working days from the date of notification.

**ARTICLE II  
TERMS AND CONDITIONS**

2.1 Length of Lease. The term of this Lease shall commence on July 1, 2019 and, subject to termination or further renewal as provided below, shall terminate on June 30, 2024 (the "Renewal Term").

GRAMBLING shall have the option to renew the Agreement for subsequent one-year (1) renewal terms (each a "Renewal Term") by providing BARNES & NOBLE written notice of renewal no later than thirty (30) days prior to the end of the then-current Renewal Term.

An "Agreement Year" as used in this Agreement shall be July 1 through June 30 of each year during each Renewal Term hereof.

In accordance with the provisions of Louisiana Revised Statute R.S. 17:3361, the maximum length of the Lease with any and all agreed upon extensions shall not exceed a period of ninety-nine (99) years from the date of inception of the initial Lease.

2.2 Payment and Financial Terms.

2.2.1 Payment & Terms. The sum of the Percentage of Commissionable Sales plus the Percentage of Pure Digital Course Materials Commissionable Sales shall be paid by BARNES & NOBLE to GRAMBLING by the last day of each month via electronic funds transfer (EFT) for business transacted during the previous month, beginning August 31, 2019.

The calculation of the Minimum Annual Guarantee shall be made at the end of each Agreement Year. Payment of any additional amount due to bring the payments of the sum of the Percentage Of Commissionable Sales plus the Percentage of Pure Digital Course Materials Commissionable Sales for the Agreement Year up to the Minimum Annual Guarantee shall be made annually by July 31, beginning in 2020.

BARNES & NOBLE shall coordinate EFT payments and deliver or mail all payments to the following address:

Mr. Martin Lemelle  
Chief Operating Officer  
Grambling State University  
P.O. Box 607  
403 Main Street  
Grambling, LA 71275

A detailed statement of its computation shall accompany each payment, and BARNES & NOBLE shall furnish additional supporting documentation to GRAMBLING upon request.

2.2.2 Signing Bonus Payment. BARNES & NOBLE shall provide a signing bonus payment of Fifty Thousand Dollars (\$50,000) to GRAMBLING (hereinafter, referred to as the "Signing Bonus

Payment"). Payment of the Signing Bonus Payment is contingent upon, and shall be made within ninety (90) days after, the successful implementation of BARNES & NOBLE's Campus Connect Technologies, including but not limited to registration, student financial aid, and LMS and FacultyEnlight™ (or Adoption and Insights Portal ("AIP") beginning fall 2020) integrations, and enrollment feeds, and GRAMBLING providing BARNES & NOBLE all student email addresses (including incoming students) by agreed upon dates.

BARNES & NOBLE will amortize the Signing Bonus Payment on a straight-line basis over the five (5) year period of this Agreement. Should GRAMBLING terminate this Agreement without cause before the end of that period, then GRAMBLING shall reimburse BARNES & NOBLE for any amount of the investment not yet amortized.

2.2.3 Grambling University Foundation Scholarship Donation. BARNES & NOBLE shall provide an annual Grambling University Foundation Scholarship Donation of Two Thousand Five Hundred Dollars (\$2,500) to GRAMBLING (hereinafter, referred to as the "Grambling University Foundation Scholarship Donation"). The Grambling University Foundation Scholarship Donation shall be made by BARNES & NOBLE within sixty (60) days after the execution of this Lease and annually thereafter in July of each Agreement Year. Distribution of the Grambling University Foundation Scholarship Donation to GRAMBLING Students shall be at the sole discretion of GRAMBLING.

2.2.4 Annual Textbook Scholarships. BARNES & NOBLE shall provide annual textbook scholarships of Three Thousand Dollars (\$3,000) to GRAMBLING (hereinafter, referred to as the "Annual Textbook Scholarships"). The Annual Textbook Scholarships payments shall be made by BARNES & NOBLE within sixty (60) days after the execution of this Lease and annually thereafter in July of each Agreement Year. Distribution of the Annual Textbook Scholarships to GRAMBLING Students shall be at the sole discretion of GRAMBLING.

2.2.5 Athletics Donation. BARNES & NOBLE shall provide an annual athletics donation payment of Two Thousand Five Hundred Dollars (\$2,500) to GRAMBLING (hereinafter, referred to as the "Athletics Donation"). The Athletics Donation shall be made by BARNES & NOBLE within sixty (60) days after the execution of this Lease and annually thereafter in July of each Agreement Year.

2.2.6 Athletics Apparel Donation. BARNES & NOBLE shall provide annual athletics apparel donations of Two Thousand Five Hundred Dollars (\$2,500) to GRAMBLING (hereinafter, referred to as the "Athletics Apparel Donation"). The Athletics Apparel Donation shall be made by BARNES & NOBLE within sixty (60) days after the execution of this Lease Agreement and annually thereafter in July of each Agreement Year.

2.2.7 Utilities Payment. BARNES & NOBLE shall provide an annual utilities payment of Fifteen Thousand Dollars (\$15,000) to GRAMBLING (hereinafter, referred to as the "Utilities Payment"). The Utilities Payment shall be made by BARNES & NOBLE within sixty (60) days after the execution of this Lease and annually thereafter in July of each Agreement Year.

2.2.8 True Spirit Site Sales Payment Formula. During each Agreement Year, BARNES & NOBLE shall pay GRAMBLING Twenty Percent (20.0%) of True Spirit Site Gross Sales, as hereinafter defined.

“True Spirit Site Gross Sales” shall be defined as all general merchandise sales sold by BARNES & NOBLE through the True Spirit website less:

- Voids
- Customer refunds
- Discounts (provided that the discount amount thereof was included in General Merchandise Gross Sales)
- Sales tax paid by BARNES & NOBLE to any government agency which was collected from customers
- Sales made at no margin by BARNES & NOBLE at the request of GRAMBLING

2.2.9 Financial Reporting Requirements. BARNES & NOBLE shall comply with all financial reporting requirements set forth in Exhibit “G” attached hereto and incorporated herein by reference.

2.2.10 Interest: Attorneys’ Fees. Each Party shall be entitled to recover from the other Party all direct and reasonable costs and expenses, including reasonable attorneys’ fees, incurred by the prevailing Party in enforcing this Agreement. Each Party shall also have the right to seek and obtain an injunction against any breach of any provision of this Agreement.

2.2.11 Payment Formula. During each Agreement Year, BARNES & NOBLE shall pay GRAMBLING a minimum annual guaranteed payment (“Minimum Annual Guarantee” as hereinafter defined), or the applicable sum of the Percentage Of Commissionable Sales plus the Percentage Of Pure Digital Course Materials Commissionable Sales (as hereinafter defined) of the Bookstore, whichever is greater, according to the following schedule:

Minimum Annual Guarantee

- Agreement Year July 1, 2019 - June 30, 2020: One Hundred Thirty Thousand Dollars (\$130,000)
- For the Agreement Year beginning July 1, 2020 and each subsequent Agreement Year, the Minimum Annual Guarantee shall be ninety percent (90%) of the calculated sales commissions by BARNES & NOBLE in the immediately preceding Agreement Year.

Percentage Of Commissionable Sales shall be as follows:

- Eleven Percent (11.0%) of Commissionable Sales

Percentage Of Pure Digital Course Materials Commissionable Sales:

- Seven Percent (7.00%) of Pure Digital Course Materials Commissionable Sales

LESSEE agrees that sales from its website are fully commissionable.

In any Agreement Year which is less than a complete year, and any year in which a termination of this Agreement occurs whether with or without cause, the payments shall be based upon the sum

## GRAMBLING / B&N BOOKSTORE AGREEMENT

of the Percentage Of Commissionable Sales plus the Percentage Of Pure Digital Course Materials Commissionable Sales, and the Minimum Annual Guarantee shall not apply.

“Gross Sales” shall be defined as all sales of BARNES & NOBLE and revenue received by BARNES & NOBLE based upon all business conducted in or from the Bookstore for any product or service offered by the Bookstore, including revenue received from textbook rentals and the total amount paid by students for publisher consignment rental sales. This includes all orders taken or received at the Bookstore, whether such orders are placed at the Bookstore, via the internet (i.e., "on-line sales"), orders received through the Bookstore website, or elsewhere. Gross Sales shall include any commissions received by BARNES & NOBLE from products including, but not limited to, class rings, clothing, and general merchandise; and commissions received by BARNES & NOBLE that are allocated to the stores for authorized sales by other companies or organizations on the Bookstore Website. Gross Sales shall also include the amounts earned from processing transactions for publishers related to the consignment of their rental property.

“Commissionable Sales: shall be defined as Gross Sales less:

- Voids
- Customer refunds
- Handling fees associated with the non-return of rental textbooks
- Pure Digital Course Materials Sales
- Discounted sales to authorized GRAMBLING departments and Faculty/Staff
- Discounts (provided that the discount amount thereof was included in Gross Sales)
- Sales tax paid by BARNES & NOBLE to any government agency collected from customers
- Computer hardware sales
- True Spirit Site Commissionable Sales
- Merchandise sales at less than a 20% initial gross margin
- Sales made at no margin by BARNES & NOBLE at the request of GRAMBLING

“Pure Digital Course Materials: shall be defined as digital-only content that is adopted by GRAMBLING Faculty as course materials for academic instruction and sold at a gross margin less than twenty percent (20%). Pure Digital Course Materials Sales, regardless of margin amount, shall not include sales of Net-Priced Bundled Packages or any other bundled packages of Course Materials adopted by GRAMBLING Faculty that include physical content and digital content, including, but not limited to, textbook, workbook, course packets, CD/DVD, custom published printed materials or other physical course materials bundled with a passcode for access to digital content. These bundled course materials of physical and digital content as well as Pure Digital Course Materials with a gross margin exceeding 20% shall be included in the calculation of Commissionable Sales for the full commission rates.

“Pure Digital Course Materials Commissionable Sales” shall be defined as Pure Digital Course Materials Sales less:

- Voids
- Customer refunds

- Discounts (provided that the discount amount thereof was included in Pure Digital Course Materials Sales)

## 2.3 Construction Requirements.

2.3.1 Standard. BARNES & NOBLE shall provide a state-of-the-art retail Bookstore facility at GRAMBLING throughout the Renewal Term.

2.3.2 Bookstore Facility Improvements. BARNES & NOBLE shall work closely with personnel designated by GRAMBLING to develop plans to make store improvements ("Store Improvements") to the existing Bookstore facility in order to maintain a state-of-the-art Bookstore facility.

2.3.3 Facility Investment. BARNES & NOBLE shall invest Forty-Five Thousand Dollars (\$45,000) (the "Facility Investment") to fund a game day trailer ("Game Day Trailer") and to provide ongoing Store Improvements throughout the Renewal Term of the Agreement.

BARNES & NOBLE's Facility Investment may include, but not be limited to, the following:

- Game Day Trailer
- Wall treatment/Slatwall
- Floor treatment
- Furniture
- Fixtures
- Graphics/Signage
- Window treatments
- Décor items
- Merchandise accent lighting
- Paint
- Ceiling
- Lighting

2.3.4 Facility Investment Depreciation. The Facility Investment by BARNES & NOBLE shall be depreciated on a straight-line basis over five (5) years. GRAMBLING shall not have a payback obligation for any undepreciated portion of the Facility Investment beyond June 30, 2024.

2.3.5 GRAMBLING Approval. The Store Improvements for the Bookstore must meet GRAMBLING standards; must be approved in advance by GRAMBLING; must comply with all GRAMBLING regulations and requirements; must comply with all applicable procurement and permitting regulations and all applicable laws; and must be coordinated by BARNES & NOBLE in conjunction with GRAMBLING.

2.3.6 Finishes. All wall colors, carpeting and complementing finishes must conform to GRAMBLING's brand design guidelines and be approved by GRAMBLING.

2.3.7 Design Fees. BARNES & NOBLE shall provide Bookstore design and planning services for the Bookstore. All Bookstore design fees and planning fees associated with Store Improvements shall be incurred solely by BARNES & NOBLE and BARNES & NOBLE shall treat all design and planning fees as BARNES & NOBLE's operating expenses.

2.3.8 Obligations with Termination with Cause. If this Agreement is terminated by GRAMBLING with cause (per Sections 2.5A, 2.5B, or 2.6 of this Agreement) prior to the Facility Investment being fully depreciated, then GRAMBLING shall not reimburse BARNES & NOBLE for any portion of the approved Facility Investment not yet depreciated, and the Store Improvements shall remain the property of GRAMBLING.

If this Agreement is terminated by BARNES & NOBLE with cause (per Section 2.5A or 2.5C of this Agreement) prior to the Facility Investment being fully depreciated, then GRAMBLING shall reimburse BARNES & NOBLE for any portion of the approved Facility Investment not yet depreciated, and the Store Improvements shall remain the property of GRAMBLING.

2.3.9 Obligations Re: Termination Without Cause. If this Agreement is terminated by GRAMBLING without cause (per Section 2.7 of this Agreement) prior to the Facility Investment being fully depreciated, then GRAMBLING shall reimburse BARNES & NOBLE for any portion of the approved Facility Investment not yet depreciated, and the Store Improvements shall remain the property of GRAMBLING.

If this Agreement is terminated by BARNES & NOBLE without cause prior to the Facility Investment being fully depreciated (per Section 2.7 of the Agreement), then GRAMBLING shall not reimburse BARNES & NOBLE for any portion of the approved Facility Investment not yet depreciated, and the Store Improvements shall remain the property of GRAMBLING.

2.3.10 Accounting of Facility Investment. BARNES & NOBLE shall provide GRAMBLING with a full accounting of its Facility Investment, including copies of invoices paid to vendors for the Store Improvements. Copies of invoices shall be provided to GRAMBLING within sixty days of completion of the Store Improvements.

2.3.11 Investment Difference. If the actual amount spent by BARNES & NOBLE on the Store Improvements is less than Forty-Five Thousand Dollars (\$45,000), then BARNES & NOBLE shall pay to GRAMBLING the difference between the actual amount spent during the Renewal Term of this Agreement and \$45,000, payable within ninety (90) days of the completion of the Store Improvements (the "Investment Difference"). If the actual amount spent by BARNES & NOBLE on the Store Improvements is more than Forty-Five Thousand Dollars (\$45,000), then BARNES & NOBLE shall be solely responsible for all costs necessary to complete the Store Improvements.

2.3.12 Property Upon Termination. BARNES & NOBLE agrees that upon expiration, termination, or non-renewal of this Agreement, the Store Improvements shall remain the property of GRAMBLING.



2.3.13 Signage. Any proposed exterior or interior signage, including but not limited to, banners, graphics, and window usage must be approved by GRAMBLING, and must adhere to GRAMBLING standards and requirements.

2.3.14 Timing of Facility Investment and Store Improvements. The timing of the Facility Investment and Store Improvements shall be determined by GRAMBLING in collaboration with BARNES & NOBLE.

2.3.15 Liens. Notice is hereby given that GRAMBLING shall not be liable for any labor, services or materials furnished to BARNES & NOBLE pursuant to this Article II, and that no mechanics' or other liens for any such labor or materials shall attach to or affect the interest of GRAMBLING in and to the property occupied by the Bookstore. All contracts or other written agreements relative to any labor or services shall provide explicitly that the provider of all such labor or services waives any right to assert any mechanic's or materialman's claim or lien against the property occupied by the Bookstore. In addition, BARNES & NOBLE shall, within thirty (30) calendar days of the filing of any claim for a mechanic's lien or materialman's lien, cause the property occupied by the Bookstore to be released from any such lien or claim.

## 2.4 Use of Facilities

2.4.1 Use of GRAMBLING's Facilities/Services. BARNES & NOBLE and its employees or agents shall have the right to use those facilities of GRAMBLING that are necessary to perform services under this Agreement and shall have no right of access to any other facilities of GRAMBLING.

2.4.2 Presence on GRAMBLING's Premises. BARNES & NOBLE agrees that all persons working for or on behalf of BARNES & NOBLE whose duties require their presence on GRAMBLING'S premises shall obey all rules and regulations that are established by GRAMBLING and shall comply with the reasonable directions of GRAMBLING's officers, employees, or agents. Further, BARNES & NOBLE shall be responsible for the acts of its employees, contractors, and agents while on GRAMBLING'S premises and while they are acting in the course and scope of their employment of BARNES & NOBLE, or under its authority as agents, as the case may be. Accordingly, BARNES & NOBLE agrees to take all reasonable measures to prevent injury and loss to persons or property located on GRAMBLING'S premises. BARNES & NOBLE shall be responsible for all damage to persons or property caused by BARNES & NOBLE or any of its employees, contractors, or agents when acting in the course and scope of their employment or agency, as the case may be. BARNES & NOBLE shall promptly repair, to the reasonable satisfaction of GRAMBLING, any damage that it, or its employees, contractors, or agents may cause to the GRAMBLING'S premises or equipment when acting in the course and scope of their employment or agency, as the case may be. On BARNES & NOBLE's failure to do so, GRAMBLING may repair such damage and BARNES & NOBLE shall reimburse GRAMBLING on demand for all direct costs relating to the repair. BARNES & NOBLE shall perform the services identified in this Agreement without unreasonably interfering in any way with the activities of the GRAMBLING'S faculty, students, staff, or visitors.

BARNES & NOBLE shall verify that all subcontractors dealing with BARNES & NOBLE performing any work pursuant to this Agreement have sufficient liability and workers compensation insurance and shall obtain certificates evidencing such insurance. In addition, BARNES & NOBLE shall verify that all subcontractors dealing with BARNES & NOBLE performing any work pursuant to this Agreement are properly licensed under the laws of the state of Louisiana or any other applicable laws to do the work that such subcontractor is hired to complete. Finally, BARNES & NOBLE shall provide GRAMBLING with a written list of all subcontractors who are performing work on the GRAMBLING'S campus and such contractors must be approved in writing by GRAMBLING prior to entering onto the GRAMBLING'S campus. Such approval of subcontractors shall not be unreasonably withheld and failure of GRAMBLING to object to any subcontractor within ten (10) days of receipt of such list shall be deemed to be an approval of such subcontractor.

2.4.3 Facility and Equipment Requirements. BARNES & NOBLE shall comply with all facility and equipment requirements set forth in Exhibit "H" attached hereto and incorporated herein by reference.

## 2.5 Termination

- A. The parties may terminate this Lease for default as set forth in subparagraphs B and C below. The occurrence of any of the items outlined in subparagraphs B and C below shall be construed as an event of default by LESSEE or LESSOR, as applicable. Upon the occurrence of any such event of default, or any other failure of either Party to comply with any of the terms of this Agreement, the non-defaulting Party shall provide the defaulting Party written notice giving thirty (30) days in which to remedy the default and avoid termination. Failure of the defaulting Party to remedy the event of default within thirty (30) days from the date of the written notice (or in the case of a non-compliance which cannot be cured within thirty (30) days, should fail to diligently commence such cure within thirty (30) days and diligently continue to pursue such cure thereafter) shall result in immediate termination of the Lease; provided, however, that, at LESSOR's option, in the event of a termination of this Lease due to a default by LESSEE that is not cured as set forth herein, LESSEE shall continue to perform its obligations under the Lease up to a maximum of ninety (90) days or the end of the existing semester, whichever is longer, from the date of termination. During this period both parties shall continue to be bound by the terms and conditions of the Lease.

Should GRAMBLING determine that BARNES & NOBLE has failed to comply with the Agreement's terms, GRAMBLING may give additional time for BARNES & NOBLE to make the corrections or GRAMBLING may notify BARNES & NOBLE of the Agreement termination date.

### B. LESSEE default:

1. If LESSEE fails to pay the Minimum Annual Guarantee or any other lease payment or any expenses assumed by LESSEE in this Lease promptly, as

stipulated, provided, however, that upon the third such failure to pay, LESSOR may exercise any rights granted herein or otherwise without the necessity to give LESSEE such 30 day notice to cure.

2. If LESSEE fails to meet those capital outlay commitments within allocated timetables provided for in this Lease except as provided in Excused Performance as described in Paragraph 2.12 below.
3. If LESSEE fails to meet utility reimbursement commitment.
4. If LESSEE fails to comply with any of the provisions and/or conditions detailed in this Lease.
5. If LESSEE, after commencement of construction, but prior to substantially completing construction of the improvements to the Bookstore or any committed additions, abandons, (with no intent to continue) construction on any part of the Bookstore for a period of 30 consecutive days.

C. LESSOR Default:

1. If LESSOR shall refuse, fail or be unable to perform or observe any of the terms or conditions of this Lease for any reason other than Excused Performance (as described in Paragraph 2.12 below).
2. If GRAMBLING becomes (i) insolvent; (ii) seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding; or (iii) proceedings in bankruptcy or insolvency are instituted against GRAMBLING, a receiver is appointed, or if any substantial part of GRAMBLING's assets is the object of attachment, sequestration or other type of comparable proceeding, and such proceeding is not vacated or terminated within thirty (30) days after its commencement or institution.
3. If LESSOR, without review, consideration and collaboration with LESSEE, changes any policies existing at inception of this Lease which change adversely affects LESSEE's ability to meet financial and/or operational expectations of this Lease.

D. Early Termination. Neither Party may give notice of its intention to terminate this Agreement prior to September 30, 2019.

2.6 Termination with Cause

- A. GRAMBLING may immediately terminate this Agreement by providing BARNES & NOBLE with written notice without any right of cure by BARNES & NOBLE in the following cases:

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1. Conviction of BARNES & NOBLE for willful misconduct including, but not limited to, criminal conduct;
2. If BARNES & NOBLE becomes (i) insolvent; (ii) seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding; or (iii) proceedings in bankruptcy or insolvency are instituted against BARNES & NOBLE, a receiver is appointed, or if any substantial part of BARNES & NOBLE's assets is the object of attachment, sequestration or other type of comparable proceeding, and such proceeding is not vacated or terminated within thirty (30) days after its commencement or institution; or
3. Material and intentional misrepresentation of Gross Sales or Commissionable Sales.

2.7 Termination Without Cause. GRAMBLING may terminate the Agreement at any time, without cause, by giving one-hundred twenty (120) days written notice to BARNES & NOBLE of such termination or negotiating with BARNES & NOBLE a termination date. BARNES & NOBLE shall be entitled to payment for all services provided hereunder prior to the date of termination. BARNES & NOBLE may terminate the Lease at any time without cause by giving one-hundred twenty (120) days written notice to GRAMBLING of such termination or negotiating with GRAMBLING a termination date.

2.8 Assignment of Lease. This Lease or any portion thereof or any interest therein shall not be assigned, transferred, conveyed, sublet or disposed of without the previous consent, in writing, of LESSOR, which shall not be unreasonably, conditioned, or delayed; provided, however, BARNES & NOBLE may assign this Agreement without prior consent of GRAMBLING to any successor entity resulting from a merger or consolidation with BARNES & NOBLE or the sale of all or substantially all of the assets of BARNES & NOBLE, or to any entity controlled by, controlling, or under common control with BARNES & NOBLE. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and assigns.

2.9 Payments. LESSOR shall not be responsible for any costs incurred by LESSEE in the preparation of this agreement.

2.10 Excused Performance (Force Majeure). In the event that the performance of any terms or provisions of this Lease (other than the payment of monies) shall be delayed or prevented because of riots, war, public disturbances, unavailability of materials meeting the required standards, fires, floods, Acts of God, or any other reason whatsoever which is not within the control of the Party whose performance is interfered with and which, by the exercise of reasonable diligence, said Party is unable to prevent (the foregoing collectively referred to as "Excused Performance"), the Party so interfered with may at its option suspend, without liability, the performance of its obligations (other than the payment of monies) during the period such cause continues, and extend any due

date or deadline for performance by the period of such delay, but in no event shall such delay exceed thirty (30) days.

### **ARTICLE III**

#### **SPECIFICATIONS FOR OPERATION OF THE BOOKSTORE**

3.1. Introduction. BARNES & NOBLE, as LESSEE, shall operate the Bookstore for the purpose of selling books (including textbooks and course materials), school supplies, office supplies, stationery, personal items, and gift items which are applicable to GRAMBLING's trade and other such items agreed to by the Parties. Additional sale items or additional Bookstore retail, rental or wholesale functions may be provided under this Lease.

#### 3.2 Personnel.

3.2.1 Staffing. BARNES & NOBLE shall be responsible, at its sole cost and expense, to employ all personnel necessary for the efficient operation of a full-service Bookstore in accordance with this Lease.

3.2.2 Manager. The Bookstore manager assigned to the Bookstore by BARNES & NOBLE must be approved in advance by GRAMBLING. Subsequent changes in assignments will be made by BARNES & NOBLE only after prior consultation with, and approval by GRAMBLING. GRAMBLING expects management continuity (i.e., limited turnover of the Manager) in order for BARNES & NOBLE to meet GRAMBLING'S expectations and requirements.

3.2.3 Employee Conduct. BARNES & NOBLE shall be responsible for the payment of all taxes, wages, benefits and other costs associated with its employees at the Bookstore. BARNES & NOBLE shall be required to remove any employee, agent, or independent contractor from the Bookstore at GRAMBLING'S request, provided such request is not for an illegal or impermissible reason.

3.2.4 Background Checks. As between the Parties, BARNES & NOBLE shall assume all liability arising out of, and is solely responsible for, conducting background checks for all of BARNES & NOBLE'S non-temporary full-time and part-time employees.

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

3.2.6 Student Employees / Student Internship Program. BARNES & NOBLE shall fill employment opportunities with GRAMBLING students, when appropriate. BARNES & NOBLE shall implement a student internship program ("Student Internship Program") at the Bookstore,

whereby GRAMBLING Students shall be provided with paid internships and career opportunities. The number of GRAMBLING Students participating in the Student Internship Program each year shall be mutually agreed upon.

3.2.7 Organization Chart/Staffing Level. BARNES & NOBLE shall present its organization chart/staffing level to GRAMBLING for discussion and approval to ensure there will be sufficient on-site staff to provide the required level of service. Changes or reductions to the agreed-upon staffing level shall require discussion with, and approval by, GRAMBLING.

3.3 Should LESSEE, with approval of LESSOR, enter into a sublease of any part of the leased premises for any purpose whatever, LESSEE shall collect from the SUBLESSEE and remit to GRAMBLING as additional commission an amount equal to three per cent (3 %) of taxable sales of sublessee as reported by sublessee to the State of Louisiana Sales and Use Tax Department. The percentage above is not and should not be considered as a tax of any sort, its purpose is to serve as additional compensation payable to GRAMBLING.

3.4 Accounting Records. LESSEE shall maintain such accounting records and books in connection with all operations under this Lease, as may be satisfactory to LESSOR. LESSEE shall take all necessary precautions to assure that all income is immediately recorded through cash registers of a type to be approved by GRAMBLING. LESSEE shall establish adequate internal controls and determine at such frequent intervals as may be necessary that the controls are being maintained.

LESSOR shall have full access at all times to the Bookstore accounting records, including all cash registers at the campus Bookstore, with or without notice. LESSEE shall maintain and make available to GRAMBLING all sales tax reports when requested.

LESSEE shall provide an annual report by a CPA pertaining to LESSEE's on-campus operations. LESSOR reserves the right to have its Internal Audit Department and/or other state auditors to include the State of Louisiana Office of the Legislative Auditor audit LESSEE'S books and records pertaining to the Lease.

3.5 Equipment. LESSEE shall provide at LESSEE'S own expense, any and all required equipment not provided by LESSOR.

3.6 Responsibilities of LESSOR GRAMBLING. LESSOR will provide space with adequate ingress and egress, including a reasonable use of passageways and driveways. LESSOR will continue to provide heating, lighting, ventilation, and the utilities required for the provisions of such services. LESSOR will:

1. Maintain and repair the following infrastructure items: the building in which the Bookstore is located, to include the maintenance of water, sewer, and electrical lines, ventilation facilities, electrical lighting fixtures, and heating and air conditioning;
2. A list of employees having keys shall be submitted to LESSOR;

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3. Not be liable to LESSEE for any loss, damage, cost, or expense which might result from the interruption of such services in Section 3.6(1) as so long as LESSOR undertakes to restore such services as promptly as possible following an interruption and the interruption is not due to GRAMBLING's gross negligence or greater misconduct;
4. Warrants to LESSEE that LESSOR has the full right, power and authority to execute and perform the Lease;
5. Provide LESSEE, as the exclusive Bookstore provider to GRAMBLING, access to all debit cards or other financial services made available by LESSOR to its students;
6. Remedy promptly, at its sole cost, any health or environmental problems at the Bookstore with the exception of those caused by LESSEE. LESSOR agrees to promptly notify BARNES & NOBLE of any instances noted of either health or environmental concerns at the Bookstore or in the building in which the Bookstore is located that either exist or are likely to exist. To the best of its knowledge, GRAMBLING is not aware of any health or environmental problems that currently exist or are likely to develop in the Bookstore or in the building in which the Bookstore is located;
7. Provide an electronic link to the Bookstore website on the GRAMBLING home webpage, registration system, and within GRAMBLING's learning management system ("LMS");
8. Comply with all federal, state and local laws, ordinances, rules, regulations, and orders applicable to its performance under this Agreement;
9. GRAMBLING warrants to BARNES & NOBLE that it has full right, power and authority to execute and perform the Agreement as herein provided;
10. GRAMBLING shall provide extermination services for the Bookstore.

### 3.7 Responsibilities of LESSEE.

3.7.1 LESSEE will comply with all federal, state and local laws, ordinances, rules, regulations, and orders applicable to its performance under this Lease. LESSEE shall maintain and operate the facilities and services included in the Lease in a courteous, efficient, and orderly manner. LESSEE shall obtain all required licenses and permits, pay all required fees, taxes and other charges, and shall conduct business without undue interference with the general building operation in which the Bookstore is located. LESSEE shall use reasonable care in the use of assigned space, and upon termination of the Lease, shall have such space in as good condition as when received except for ordinary wear and tear, and damage or destruction beyond LESSEE's control and not due to LESSEE'S fault or negligence.

3.7.2 LESSEE is also responsible for:

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1. Janitorial services, on a daily basis, to assure a clean, well-groomed appearance of the Bookstore. LESSEE shall provide and pay for cleaning and waxing floors, for janitor, and other services and supplies as necessary to insure prompt, convenient, sanitary and efficient service and operation. GRAMBLING reserves the right to send a representative into the Bookstore premises at any time for inspection or valid purpose. After such inspections, LESSEE will be advised in writing of unsatisfactory conditions, if any, for which LESSEE is responsible. Deficiencies shall be corrected promptly by LESSEE;
2. Providing telephone service, including installation, equipment repair, and long distance calls;
3. Provide trash receptacles adequate for the volume of trash produced and will provide regular trash pickup.

3.7.3 LESSEE agrees not to own, operate or have an interest in another bookstore that would be in competition with any GRAMBLING Bookstore site as defined within the scope of this Lease;

3.7.4 LESSEE warrants to LESSOR that is has full right, power and authority to execute and perform the Lease as herein provided.

3.7.5 LESSEE will develop an annual marketing plan to current students and alumni with the assistance of GRAMBLING and the GRAMBLING's alumni association to determine the method to communicate with those groups.

3.7.6 LESSEE shall be the exclusive agent for the rental and/or sale of graduation caps and gowns.

3.7.7 LESSEE shall have a non-exclusive right to sell convenience store items such as food, health and beauty items, and other sundries, as approved by GRAMBLING. LESSEE must honor any existing and future contracts GRAMBLING has with soft drink bottlers and vending machine sales.

3.7.8 LESSEE shall provide special book order services for students, faculty, and staff and make every effort to obtain the earliest possible delivery of such books.

3.7.9 Sublease. LESSEE shall not sublease any portion of the facility covered under the provisions of this Lease without the express written consent of LESSOR. The terms of any sublease shall be established by mutual agreement between the LESSOR, LESSEE and any sublessee. There shall be no provisions of any sublease that shall conflict with the requirements of this Lease between LESSOR and LESSEE.

1. If applicable, LESSEE shall not consummate a contract of sublease to any sublessee which provides rights and privileges greater than those provided by LESSOR to LESSEE in this Lease.



2. Should LESSEE sublease any portion of the facility to any sublessee, said sublessee shall not be authorized to use any portion of the value of the facility as collateral to obtain funding sufficient to pay for any improvements made to the facility.
3. Should LESSEE sublease any portion of the facility to any sublessee, the parties shall mutually waive rights of recovery.

#### **ARTICLE IV INSURANCE REQUIREMENTS**

4.1 Insurance Requirements. LESSEE shall procure and maintain for the duration of the Lease, insurance against claims for injuries or damages to property which may arise from or in connection with the performance of the work hereunder by LESSEE and its agents, representatives, employees, or subcontractors. The cost of such insurance shall be the responsibility of LESSEE.

The insurance afforded by this policy shall not be suspended, voided, canceled, reduced in coverage or in limits during the term of the Lease.

4.2 Minimum Scope of Insurance Requirements for LESSEE.

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

- Insurance Services Office Commercial General Liability coverage "occurrence form" CG 00 01(current form approved for use in Louisiana). "Claims Made" form is unacceptable.
- Insurance Services Office from number CA 00 01 (current form approved for use in Louisiana). The policy shall provide coverage for owned, hired, and non-owned coverage. If and automobile is to be utilized in the execution of this contract, and LESSEE does not own a vehicle, then proof of hired and non-owned coverage is sufficient; and
- Workers' Compensation insurance as required by the Labor Code of the State of Louisiana, including Employers Liability insurance.

B. Minimum Limits of Insurance. LESSEE shall maintain limits no less than:

- Commercial General Liability: \$2,000,000 combined single limit per Occurrence for bodily injury, personal injury, and property damage (or higher limits depending on size of contract).
- Automobile Liability: \$1,000,000 combined single limit per accident, for bodily injury and property damage.

- Workers Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of Louisiana and Employers Liability coverage. Exception: Employers liability limit is to be \$1,000,000 when work is to be over water and involves maritime exposure.

4.3 Deductibles and Self-Insured Retention. Any deductibles or self-insured retentions must be declared to and approved by GRAMBLING. At the option of GRAMBLING, either: 1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respect GRAMBLING, its officers, officials, employees and volunteers; or 2) LESSEE shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

4.4 Other Insurance Provisions. Policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage.

GRAMBLING, its officers, officials, employees, Boards and Commissions and volunteers are to be added as "additional insureds". The coverage shall contain no special limitations on the scope of protection afforded to GRAMBLING, its officers, officials, employees or volunteers. It is understood that the business auto policy under "Who is an Insured" automatically provides liability coverage in favor of the State of Louisiana.

Any failure to comply with reporting provisions of the policy shall not affect coverage provided to GRAMBLING, its officers, officials, employees, Boards and Commissions or volunteers.

LESSEE's insurance shall apply separately to each insure against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Workers Compensation and Employers' Liability Coverage.

The insurer shall agree to waive all rights of subrogation against GRAMBLING, its officers, officials, employees, and volunteers for losses arising from work performed by LESSEE for GRAMBLING.

3. All Coverages.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except upon written notice to GRAMBLING.

4.5 Acceptability of Insurers. Insurance is to be placed with insurers with an AM Best's rating of A-VI or higher. This rating requirement may be waived for workers compensation coverage only.

4.6 Verification of Coverage. LESSEE shall furnish GRAMBLING with certificates of insurance effecting coverage required. Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. GRAMBLING reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.7 Content Coverage. LESSEE shall not be prohibited from securing insurance coverage for the value of LESSEE's contents contained within the facility.

4.8 Independent Contractor. All of BARNES & NOBLE's employees furnishing services to GRAMBLING shall be deemed employees solely of BARNES & NOBLE and shall not be deemed for any purposes whatsoever employees or agents of, acting for or on behalf of, GRAMBLING. BARNES & NOBLE shall perform all services pursuant to this Agreement as an independent contractor and with its own credit. BARNES & NOBLE shall discharge all its duties and liabilities as such. No acts performed or representations, whether oral or written, made by BARNES & NOBLE with respect to third parties shall be binding on GRAMBLING or vice-versa.

4.9 Indemnification Agreement. LESSEE agrees to defend, indemnify, and hold harmless the State of Louisiana, its state departments, agencies, boards and commissions, or GRAMBLING, and each of their officers, agents, servants and employees, including volunteers, from and against any and all third party claims or causes of action, demands, expense, costs (including reasonable attorneys fees), and liability (collectively, "Claims") arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or arise out of any act or omission of BARNES & NOBLE or its agents, servants, and employees, except those Claims, arising out of the negligence of the State of Louisiana, its state departments, agencies, boards, Commissions, or GRAMBLING, or any of their agents, representatives, or employees.

## **ARTICLE V MISCELLANEOUS**

5.1 Energy Consumption. LESSEE shall agree to keep energy consumption to a minimum and shall comply with energy conservation practices and policies and shall endeavor to conserve the use of energy thereof. LESSOR shall not be liable for any loss that may result from the interruption or failure of any such utility.

5.2 Inventory Control. LESSEE shall not hold LESSOR responsible or liable for the pilferage, damage or theft of any equipment and inventory before, during or after, the Renewal Term unless caused by GRAMBLING or any of its employees, agents, or volunteers. GRAMBLING shall not be liable for loss of inventory, equipment, etc. due to fire damage or loss due to heating or cooling malfunctions, weather, or other actions of which LESSEE has not provided GRAMBLING prior notice, unless caused by GRAMBLING or any of its employees, agents, or volunteers. Notice of any such events shall be submitted by BARNES & NOBLE to the Director of Physical Plant and the University Police no later than thirty (30) days of full execution of this Lease.

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5.3 Advisory Committee. GRAMBLING has formed an advisory committee consisting of students, faculty, and staff who will make recommendations for improvements, services, and suggestions. LESSEE manager will be required to attend and respond to the committee. The chair of the committee shall be a representative identified by the GRAMBLING Vice President for Finance.

5.4 Written Notice. All Notices shall be in writing and be sufficiently given to the parties at the addresses set forth below via certified mail or overnight delivery service:

ON BEHALF OF LESSOR:  
Grambling State University  
Vice President for Finance  
403 Main Street  
Grambling, LA 71245

ON BEHALF OF LESSEE:  
Barnes & Noble College Booksellers, LLC  
Kimberly Otte, Vice President, Stores  
2605 Sagebrush Drive, Suite 102  
Flower Mound, TX 76028

A courtesy copy of all notices to BARNES & NOBLE shall also be sent to Barnes & Noble College, 120 Mountainview Blvd., Basking Ridge, NJ 07920, Attn: Legal Department.

5.5 Changes. This Agreement shall not be modified, altered, or changed except by mutual agreement confirmed in writing by an authorized representative of each party to this Agreement.

5.6 Point of Contact. Point of contact for administrative issues for GRAMBLING shall be Mr. Martin Lemelle, Chief Operation Officer, GRAMBLING, P.O. Box 607, 403 Main St. Grambling, LA 71275, Telephone # 318-274-6124, e-mail- lemellemar@gram.edu. Point of contact for administrative issues for BARNES & NOBLE shall BARNES & NOBLE's Vice President, Stores, Kimberly Otte, 2605 Sagebrush Dr. Suite 102, Flower Mound, TX 75028, Telephone # 972-899-3140, e-mail- kotte@bncollege.com. Corporate Address- Barnes & Noble College, 120 Mountain View Blvd., Basking Ridge, NJ 07920.

5.7 Assignment. BARNES & NOBLE shall not assign any rights or delegate any obligations created by this Agreement without prior written consent of GRAMBLING. Consent to assign shall be in sole discretion of GRAMBLING. Any assignment in violation of this Agreement is void. This Agreement shall be binding upon the successors, legal representatives and permitted assigns of the parties and is made for the exclusive benefit of the parties and no benefit to any third party is intended.

5.8 Force Majeure. In the event that either party is unable, wholly or in part, to carry out its obligations under this Agreement by reason of Excused Performance, each Party shall diligently pursue the removal of the Excused Performance so as to resume the performance of this Agreement as soon as possible after the act of Excused Performance so as to minimize the interference with the provisions set forth in this Agreement.

5.9 Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions herein shall not be deemed a waiver of such terms, covenants, or conditions, nor shall any waiver or relinquishment of any right or power hereunder at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.

5.10 Confidentiality. BARNES & NOBLE shall not publish or otherwise disclose, except to GRAMBLING, any confidential information or data obtained hereunder or disclosed in connection herewith, except if legally required or with the prior written consent of GRAMBLING.

GRAMBLING shall not publish or otherwise disclose, except to BARNES & NOBLE, any information or data obtained hereunder or disclosed in connection herewith, except with the prior written consent of BARNES & NOBLE.

The parties shall abide by the applicable provisions of State of Louisiana's Public Records Act.

Each Party's financial, marketing, or customer information, research, development, business activities, products, services, technical knowledge, and personally identifiable student and employee information shall constitute "Confidential Information" hereunder. Each Party may use the Confidential Information of the other Party only in connection with the specific duties authorized by this Agreement and shall not, directly or indirectly, use, copy, disclose, or disseminate to any other person or entity any Confidential Information. Each Party agrees to protect the confidentiality of the Confidential Information in the same manner that it protects its own confidential information but with no less than a reasonable standard of care. The obligations set forth herein shall not apply to any Confidential Information that becomes known to the public through lawful means and without violation of any law or agreement not to disclose such Confidential Information.

Each Party further agrees it shall cause its personnel and representatives to agree to be bound by the terms of this Agreement and be responsible for any of their breach thereof. To the extent legally permissible, each Party agrees to notify the other Party of any unauthorized use or disclosure of Confidential Information and to take all actions reasonably necessary to prevent further unauthorized use or disclosure. If a Party is required by an interrogatory, subpoena, civil investigative demand, or similar process to disclose any Confidential Information, to the extent legally permissible, such Party shall promptly provide written notice to the other Party so the other Party may seek to avoid or minimize the required disclosure or, in the discretion of the disclosing Party, waive compliance with the provisions of this Agreement. The terms of this section shall survive the expiration or termination of this Agreement.

5.11 Conflict of Interest. BARNES & NOBLE affirms that to the best of its knowledge, there exists no actual or potential conflict of interest between BARNES & NOBLE's business or financial interests and its services under this Agreement, and in the event of change in either its private interests or service under this Agreement, BARNES & NOBLE shall inform GRAMBLING regarding a possible conflict of interest which may arise as a result of such change. BARNES & NOBLE also affirms that there exists no actual or potential conflict between GRAMBLING's employees and BARNES & NOBLE.

5.12 Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable or invalid in whole or in part for any reason, such illegal, unenforceable or invalid provision shall not affect the legality, enforceability or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of

this Section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision that is as similar in tenor to the stricken provision as is legally possible.

5.13 Remedies for Default; Resolution of Conflicts. Any claim or controversy arising out of this Lease shall be resolved by the provisions of LSA - R.S. 39:1672.2 - 1672.4. Any dispute or conflict resulting from this Lease shall be resolved by adoption of the procedures included in L.S.A.-R.S. 39:1524-1526.

5.14 Governing Law. This Agreement 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 of the University of Louisiana System; state executive orders; and the terms and conditions of this Lease. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Agreement shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

5.15 E-Verify. BARNES & NOBLE 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 Agreement.

5.16 Compliance with Laws. BARNES & NOBLE and GRAMBLING each shall comply with all applicable national, state and local laws and regulations, including but not limited to relevant employment laws, in the course of providing services under this Agreement, including but not limited to the Family Educational Rights and Privacy Act.

5.17 Regulatory and Other Notices. BARNES & NOBLE and GRAMBLING each shall immediately forward to the other party, by electronic mail or overnight delivery, all correspondence, complaints and notices pertaining to this Agreement or performance hereunder received from any attorney, court or government regulatory agency applicable to the other Party or the other Party's performance hereunder.

5.18 Accounting, Inspections, and Audit. BARNES & NOBLE shall keep books and records in connection with its Bookstore operations at GRAMBLING including, but not limited to, records of all financial transactions, inventory records, bank records and employee records. Such relevant books and records shall be open for inspection and audit by GRAMBLING and/or its authorized representatives at reasonable hours at GRAMBLING's or BARNES & NOBLE's offices, if necessary. Such records, as described herein, shall be retained by BARNES & NOBLE for a period of five (5) years, except that if any litigation, claim or audit is started before the expiration date of the 5-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

5.19 Taxes. Before the Agreement may be approved, La. R.S. 39:1624(A)(10) requires the Office of State Procurement to determine that BARNES & NOBLE 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. BARNES & NOBLE shall provide its seven-digit LDR Account Number to the GRAMBLING for this determination. GRAMBLING's

obligations are conditioned on BARNES & NOBLE resolving any identified outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If BARNES & NOBLE 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 BARNES & NOBLE and without penalty. LESSEE shall be responsible for any applicable federal, state, county, and parish sales taxes and tax collection, reporting and payment for merchandise sold hereunder, except any property, excise or municipal taxes on the Bookstore.

5.20 Record Ownership. All records, reports, documents and other material delivered or transmitted to BARNES & NOBLE by GRAMBLING shall remain the property of GRAMBLING and shall be returned by BARNES & NOBLE to GRAMBLING, at BARNES & NOBLE's expense, at termination or expiration of the Agreement. All material related to the Agreement and/or obtained or prepared by BARNES & NOBLE in connection with the performance of the services contracted for herein shall become the property of GRAMBLING, and shall be returned or provided by BARNES & NOBLE to GRAMBLING, at BARNES & NOBLE's expense, at termination or expiration of the Agreement. All other records, reports, documents and other material delivered or transmitted by BARNES & NOBLE to GRAMBLING shall remain the property of BARNES & NOBLE and shall be returned by GRAMBLING to BARNES & NOBLE, at GRAMBLING's expense, at termination or expiration of the Agreement.

5.21 Contractor's Cooperation. BARNES & NOBLE has the duty to fully cooperate with the GRAMBLING and provide any and all requested information, documentation, etc. to GRAMBLING when requested. This applies even if this Agreement is terminated and/or a lawsuit is filed (except if such lawsuit is filed by GRAMBLING against BARNES & NOBLE).

5.22 Continuing Obligation. BARNES & NOBLE 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 disclosed may constitute grounds for suspension and/or termination of the Agreement and debarment from future Agreements.

5.23 Eligibility Status. BARNES & NOBLE shall certify that it is not on the List of Parties Excluded from Federal Procurement or Non-procurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

5.24 Prohibition of Discriminatory Boycotts of Israel. In accordance with Executive Order Number JBE 2018-15, effective May 22, 2018, for any contract for \$100,000 or more and for any entity with five or more employees, BARNES & NOBLE shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Agreement, refrain from a boycott of Israel.

GRAMBLING reserves the right to terminate this Agreement if BARNES & NOBLE engages in a boycott of Israel during the term of the Agreement.

5.25 Entire Agreement. This Agreement and the Exhibits attached hereto constitute and express the whole agreement of the parties hereto with reference to the subject matter hereof and to any of the matters or things herein provided, whether oral or written.

5.26 Marks. The names, trademarks, and logos of each Party are the exclusive property of such Party, and each Party reserves all rights in and to its own marks. Each Party shall use the marks of the other Party only in connection with its performance under this Agreement, provided, however, BARNES & NOBLE may use GRAMBLING'S name in any of its required public filings.

5.27 Headings and Interpretation. The headings used in this Agreement are for convenience only and do not constitute substantive matter to be considered in construing its terms. The use in this Agreement of the terms (a) "include", "includes", "including", and "such as" shall be deemed in all cases to be followed by the words "without limitation" and (b) "shall", "must", and "will" are equivalent and indicate mandatory and definitive requirements in all cases. When used in this Agreement, "GRAMBLING" includes all segments of the institution including all alumni, athletic and academic departments. This Agreement will be fairly interpreted and construed in accordance with its terms and without strict interpretation or construction in favor of or against either Party.

5.28 Authority. Each Party represents and warrants (a) it has all right, power, and authority to enter into this Agreement and to fully perform its obligations hereunder and (b) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly and validly authorized by all necessary action.

5.29 Signatures and Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but which together will constitute one and the same agreement. Counterparts and signed copies may be transmitted via electronic means and shall constitute originals for all purposes.

5.30 Benefit and Binding Effect. This Lease shall be binding upon and shall inure to the benefit of LESSOR and LESSEE and their successors and assigns.

5.31 Lease Modification. LESSEE shall seek, in writing, the advance written approval of the GRAMBLING Vice President for Finance, regarding any change, modification or alteration of any aspect of the Lease. The Vice President Finance shall be responsible for notifying and securing the approval of the appropriate authorities before issuing any written approvals to LESSEE regarding the Lease. No change, modification or amendment of this Lease shall be valid unless the same shall be in writing and signed by both Parties.

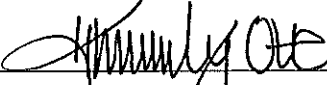
[Signatures appear on the following page]




**GRAMBLING / B&N BOOKSTORE AGREEMENT**

THUS DONE AND SIGNED AT Grambling State University, Grambling, Louisiana on the day, month and year first written above.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

|                        |  |
|------------------------|--|
|                        | <b>BARNES &amp; NOBLE COLLEGE BOOKSELLERS, LLC</b>                                 |
| Authorized Signature:  |  |
| Signer's Printed Name: | KIMBERLY OTTE  |
| Title:                 | VP STORES  |
| Date:                  | 24 January 2019  |

|                        |  |
|------------------------|--|
|                        | <b>GRAMBLING STATE UNIVERSITY</b>  |
| Authorized Signature:  |  |
| Signer's Printed Name: | Martin Lemelle   |
| Title:                 | Executive Vice-President   |
| Date:                  | January 30, 2020   |

**EXHIBIT "A"**

**OPERATIONAL REQUIREMENTS**

1. Right To Operate Bookstore. BARNES & NOBLE shall have the exclusive right to operate the Bookstore on the GRAMBLING campus in Grambling, LA. However, Grambling may authorize the sale of certain items by approved vendors, student groups, or by University organizations.

BARNES & NOBLE shall be GRAMBLING's exclusive retail buyer and seller of all required, recommended or suggested course materials and supplies, including books delivered in all formats (digital, rental, new, or used), course packs, interactive or other courseware, computer software containing learning content, textbook rentals, open educational resources ("OER") available for purchase, and materials published or distributed electronically, through the LMS, sold over the Internet, or through hosted e-commerce links. BARNES & NOBLE will provide exclusive on-line services through the Bookstore website including fulfillment of any distance learning material needs during the term of this Agreement.

GRAMBLING shall not contract with any third party to provide any services of the type outlined in this Agreement whether on or off campus, through e-commerce sites, hyperlinks to alternate sources, or otherwise endorsed or supported by GRAMBLING. GRAMBLING acknowledges and agrees any attempt to circumvent BARNES & NOBLE by entering into any oral or written agreement or arrangement with a third party for such services and sources, or any materially reduced enrollment or elimination or modification by GRAMBLING of significant programs or departments, could materially and detrimentally impact the revenue stream of this Agreement. In such event, the parties agree to discuss the renegotiation of the financial terms of the Agreement.

2. Bookstore Name. The name of the Bookstore shall be as follows:

- GRAMBLING Bookstore

GRAMBLING and/or BARNES & NOBLE may determine another name that is mutually agreed upon.

3. Bookstore Locations. GRAMBLING shall have the right to add or remove Bookstore locations if GRAMBLING deems such additions or removals are in the best interests of GRAMBLING.
4. Products and Services. BARNES & NOBLE shall provide the GRAMBLING community with a full range of course materials, new textbooks, used textbooks, digital textbooks, custom published materials, open educational resources ("OER"), inclusive access/course fee-based course materials, textbook rentals, general books, bestsellers, reference books, supplies, art supplies, computer/technology products, computer supplies, and peripherals, course related supplies, general merchandise, emblematic clothing, emblematic gifts,

## GRAMBLING / B&N BOOKSTORE AGREEMENT

greeting cards, convenience items, health and beauty aids (HBAs), special order services, graduation related merchandise, and other services expected from a full-service Bookstore.

5. Agreement Administrator. GRAMBLING's Agreement Administrator ("Agreement Administrator") shall oversee the management and operations of BARNES & NOBLE's activities at GRAMBLING. The BARNES & NOBLE Regional Manager shall meet at least once per quarter with GRAMBLING's Agreement Administrator to discuss BARNES & NOBLE's performance. BARNES & NOBLE's Vice President, Stores shall visit GRAMBLING at least once per Agreement Year to meet with GRAMBLING's Agreement Administrator. At the commencement of this Agreement, the Agreement Administrator shall be the University's Chief Operating Officer.
6. GRAMBLING Authority On Product Offerings. BARNES & NOBLE shall withdraw from display or sale, any item or items, which GRAMBLING requests not be displayed or sold.

**EXHIBIT "B"**

**CUSTOMER SERVICE REQUIREMENTS**

1. Customer Service Expectations. BARNES & NOBLE shall provide excellent customer service at the Bookstore, including processing customers efficiently during Rush periods and other peak periods.
2. Nametags/Identification Tags. BARNES & NOBLE shall ensure that all Bookstore employees wear nametags/identification tags.
3. Image Of The Bookstore. BARNES & NOBLE shall operate the Bookstore in a manner that reflects the image and reputation and supports the mission of GRAMBLING. BARNES & NOBLE shall become involved in the academic, cultural, and social environment at GRAMBLING and take advantage of opportunities to offer special merchandising, marketing, and/or assistance based upon the ongoing and unique activities of GRAMBLING. BARNES & NOBLE shall create temporary selling points at various sites around campus in connection with special events and programs.
4. Support Of Student Organizations. BARNES & NOBLE shall cooperate to whatever reasonable extent possible to assist and support student organizations and student activities with respect to Bookstore services and merchandise.
5. Customer Feedback. BARNES & NOBLE shall seek customer feedback on a regular basis through methods that include, but are not limited to, customer surveys and student focus groups. Customer feedback results shall be shared with the GRAMBLING Administration for evaluation and input.
6. Hours Of Operation. Hours of operation shall be defined by GRAMBLING in conjunction with BARNES & NOBLE. Hours of operation shall be extended during the beginning of each semester, and to support special programs and events as necessary including but not limited to, open houses, orientation, and athletic events. Changes to the defined hours of operation must be approved by GRAMBLING. During all hours of operation, including peak business hours and extended hours of operation, BARNES & NOBLE shall staff the Bookstore adequately to provide the level of service required by GRAMBLING.
7. Refund Policy. BARNES & NOBLE's refund policy shall be sensitive to the needs of GRAMBLING Students and customers.
8. Bookstore Advisory Committee. GRAMBLING shall have the option to establish a Bookstore Advisory Committee. In the event GRAMBLING establishes a Bookstore Advisory Committee, the following requirements shall apply:
  - BARNES & NOBLE's Bookstore Manager shall meet up to four times per year with the Bookstore Advisory Committee and with the GRAMBLING Administration to

## GRAMBLING / B&N BOOKSTORE AGREEMENT

review Bookstore operations and merchandise selection. BARNES & NOBLE's Regional Manager shall attend at least one Bookstore Advisory Committee meeting per semester.

- BARNES & NOBLE's Bookstore Manager shall work cooperatively with the Committee, and with the GRAMBLING Administration in the development and improvement of Bookstore programs, merchandise selection, services, and policies.
- BARNES & NOBLE shall make every reasonable effort to comply with requests from the Committee and from the GRAMBLING Administration to improve the program, merchandise selection, services, and policies.

**EXHIBIT "C"**

**COURSE MATERIALS REQUIREMENTS**

**Course Materials**

1. Comprehensive Course Materials Services. BARNES & NOBLE shall provide comprehensive course materials services and shall work closely with GRAMBLING to support all GRAMBLING academic programs. BARNES & NOBLE shall exclusively provide course materials, including all required, recommended, or suggested course materials and supplies, including textbooks, OER course materials, coursepacks, software, access codes, and materials published or distributed electronically.
2. Agent For The Collection Of Course Materials Adoptions. BARNES & NOBLE shall be GRAMBLING'S agent for the collection and compilation of course materials adoptions from GRAMBLING'S faculty.
3. Course Materials Quantities. BARNES & NOBLE shall provide sufficient quantities of course materials, custom-published materials, OER course materials, software, access codes, and related academic supplies and materials, as required by the faculty for course work, to be available for purchase by students according to the schedule established by GRAMBLING.
4. GRAMBLING Rights Regarding Adoption Data.  
In the course of providing the services contracted for in this Agreement, BARNES & NOBLE collects certain information from the faculty through its online research and adoption tool, FacultyEnlight™ (or AIP), and/or on its Course Book Information forms. BARNES & NOBLE also creates a computer database containing, among other things, course book information (all such information, the "Booklist"). These forms and the database are BARNES & NOBLE's proprietary information, created at substantial cost and expense to BARNES & NOBLE and used in connection with its business, the retail sale of textbooks.

Should GRAMBLING require any information that may be contained within the forms or the database either for its educational purposes, or in order to comply with any public records request where no exemption is available (such as an exemption for commercial information), GRAMBLING understands that it will be responsible for collecting that information from the faculty.

Subject to the "exclusive campus bookseller provision" set forth above, nothing set forth in this paragraph shall be construed to limit in any manner the right of any other off-campus vendor to use its own course book information form to obtain this information from the faculty.

5. Early Course Materials Adoptions.

BARNES & NOBLE shall fill orders for books and required supply items from term to term in accordance with textbook and supply adoptions by the faculty. The Bookstore shall be given notice by the faculty or authorized department designees of the textbook and supply adoptions for all courses offered as follows:

- a) On or before October 1 for the spring term.
- b) On or before March 1 for the summer sessions.
- c) On or before April 1 for the fall term.

BARNES & NOBLE shall be responsible, at its cost and expense, for contacting in a timely manner all faculty members for their textbook and supply adoptions. GRAMBLING shall not be responsible for compiling, nor shall it maintain, a list of such adoptions.

- 6. Distance Learning/Online Courses. BARNES & NOBLE shall provide exclusive course materials services for GRAMBLING'S current or future distance learning/online courses and other programs, as desired by GRAMBLING.
- 7. Custom-Published Materials. BARNES & NOBLE shall provide custom-published materials (i.e., coursepacks). This includes the securing of copyright clearances in compliance with all copyright laws, production/printing, and sales.
- 8. Textbook Rental Program. BARNES & NOBLE shall maximize the availability of textbook rental titles for GRAMBLING students and shall provide a comprehensive textbook rental program at the Bookstore.
- 9. Used Textbook Program. BARNES & NOBLE shall maximize the availability of used textbooks for GRAMBLING students.
- 10. Digital Course Materials/Innovative Course Materials Delivery Mechanisms. BARNES & NOBLE shall provide an exclusive digital delivery program that addresses the changing types of course materials, including providing digital course materials and digital textbooks. BARNES & NOBLE shall work with the administration and faculty to determine the best possible options for the introduction of new technology and delivery mechanisms. Throughout the term of this Agreement, GRAMBLING shall continually evaluate digital delivery programs in the marketplace and maintain the right to select alternate digital delivery programs at any time during the Agreement, if it is determined that such programs are in the best interests of GRAMBLING.
- 11. Open Educational Resources. BARNES & NOBLE shall provide access to OER course materials to support academic programs as needed/required as well as accommodate the adoption of OER as requested by GRAMBLING Faculty.

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12. Inclusive Access/Course Fee Program. BARNES & NOBLE shall provide an inclusive access/course fee program at GRAMBLING, if requested by GRAMBLING.
13. Online Course Materials Ordering. BARNES & NOBLE's Bookstore website shall include but not be limited to, the ability for customers to order and reserve textbooks/course materials.
14. Students With Disabilities. BARNES & NOBLE shall provide required course materials services to students with disabilities through collaboration with GRAMBLING.
15. HEOA/Other Laws. BARNES & NOBLE shall work with GRAMBLING to help ensure GRAMBLING'S compliance with the Higher Education Opportunity Act (HEOA) and all other relevant state, federal, and local laws, rules, and regulations.
16. Desk Copies. GRAMBLING prohibits the purchase and sale of complimentary/desk copies by the Bookstore.
17. Buyback. BARNES & NOBLE shall buy back books from students at not less than 50% of the original textbook retail price for textbooks that have been adopted for an ensuing semester. (i.e., If a textbook was purchased new and has been readopted, then BARNES & NOBLE shall pay the student not less than 50% of the original new textbook retail price during buyback. If a textbook was purchased used and has been readopted, then BARNES & NOBLE shall pay the student not less than 50% of the original used textbook retail price during buyback.) Textbooks that have not been adopted for an ensuing semester shall be purchased at a minimum of the current wholesale price, established by national used book wholesalers and published in one of the current national used book wholesale buying guides.

### **Course Materials Affordability / Pricing Policies**

18. Course Materials Affordability. GRAMBLING is extremely committed to making course materials affordable to GRAMBLING Students. BARNES & NOBLE's course materials pricing policies shall be innovative and prices cannot exceed the pricing policy requirements as described in Exhibit C19 and C20 of this Agreement.
19. Pricing Policy- Course Materials. BARNES & NOBLE shall adhere to the following course materials pricing policy:
  - "List-Priced" new textbooks shall be sold at no higher than list price.
  - "Pre-Priced" new textbooks shall be sold at no higher than the pre-price.
  - "Net-Priced" new textbooks shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
  - "Net-Priced" bundled packages of course materials (i.e., textbook, workbook, CD, passcode, etc., bundled together) shall be sold at no higher than a thirty percent (30%) gross profit margin.



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- Digital course materials sold by publishers to BARNES & NOBLE at net-price shall be sold by the Bookstore at no higher than a twenty-five percent (25%) gross profit margin.
  - Digital course materials sold by publishers to BARNES & NOBLE via the agency fee pricing model shall be sold by the Bookstore at no higher than the retail price established by the publisher.  
(Note: Some digital course materials shall be sold at less than a 20% gross margin. See definition of Pure Digital Course Materials in Section 2.2.1 of this Agreement.)
  - Used textbooks shall be sold at no higher than seventy-five percent (75%) of the current new textbook retail price.
  - Coursepacks and custom published materials (i.e., materials requiring copyright permissions) shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
  - Textbook rentals shall be rented at competitive national prices, and on average, shall not exceed fifty percent (50%) of the purchase price.
20. Inclusive/Course Fee Model Course Materials. Inclusive/course fee model course materials, if authorized by GRAMBLING, shall be sold by BARNES & NOBLE at a margin to be mutually agreed upon by the parties in writing.
21. Surcharges. There shall be no add-ons or surcharges to cover freight, handling, or publisher re-stocking fees (i.e., the formulas in Exhibit C19 of this Agreement shall be applied to the actual price listed on the publisher's invoice in order to determine the selling price of a particular textbook/course material).
22. Price Match Guarantee. BARNES & NOBLE shall implement a price match guarantee program which will match prices of course materials advertised or offered from: (a) a brick and mortar bookstore within fifteen (15) miles of GRAMBLING, or (b) amazon.com and B&N.com, with the exception of online marketplaces including "other sellers" on Amazon and B&N.com and peer-to-peer markets. Price matching shall be honored within seven days of the original purchase date. Any price difference will be refunded to the customer via the original form of payment. GRAMBLING shall price match all course materials, including new course materials, used course materials, and rented course materials, provided the rental term period of the rented BARNES & NOBLE course materials is the same as the rental term period of the price-matched materials.

**EXHIBIT "D"**

**TECHNOLOGY REQUIREMENTS**

1. Technology Investment. BARNES & NOBLE shall provide, at its sole expense, state-of-the-art technology (the "Technology Investment") including, bookstore computer system, point-of-sale system, computerized textbook management system, technology necessary to comply with HEOA, and alternative technology for textbooks/course materials, to deliver the desired level of service.

GRAMBLING will not buy out the undepreciated portion of BARNES & NOBLE's Technology Investment at the termination, expiration, or non-renewal of this Agreement.

2. Technology Platform. LESSEE will provide and maintain a technology platform to assure the complete automation of Bookstore charge process and an effective and comprehensive computer system, point-of-sale system, etc. LESSEE agrees to furnish all necessary hardware and software that is compatible and one that interfaces with GRAMBLING's computer software system and current access card system. Such systems and processes will facilitate financial aid and accounts receivable systems operated by GRAMBLING.
3. Website. BARNES & NOBLE shall manage and operate a unique full-service Bookstore website. The website shall conform to GRAMBLING design guidelines and link to and from GRAMBLING'S website. The Website shall include, but not be limited to, the ability for customers to order and reserve textbooks, general books, and general merchandise. The Website shall offer registration integration, online buyback, and the ability for faculty to submit textbook adoptions online. BARNES & NOBLE shall remove any product or advertising from the GRAMBLING Bookstore website upon written request from GRAMBLING'S Agreement Administrator.
4. PCI Compliance. To ensure all possible steps are taken to secure student, faculty, staff, and customer personal data, all in-store technology and e-commerce processing must be PCI compliant with the current PCI data security standard. Upon written request from GRAMBLING, BARNES & NOBLE will provide a statement acknowledging they are in PCI compliance and going forward shall continue to provide any PCI certification documentation that may be required annually upon written request for the same.

BARNES & NOBLE shall ensure that its employees do not write credit card information down on paper or keep files of credit card information and that no credit card information is stored in any system on campus.

5. Europay, Mastercard, And Visa (EMV) Compliance. BARNES & NOBLE shall ensure that all transaction terminals in the Bookstore are compliant with current EMV standards for authorizing credit and debit card transactions.
6. Customer Data. Except to the extent required by law, customer data (defined as any customer or student data BARNES & NOBLE receives from GRAMBLING pursuant to

## GRAMBLING / B&N BOOKSTORE AGREEMENT

this Agreement) shall not be shared or sold by BARNES & NOBLE without the express written approval of the customer.

To the extent legally permitted, BARNES & NOBLE shall notify GRAMBLING promptly of any security breach that results in the unauthorized access, disclosure, or misuse of customer data related to this Agreement. To the extent permissible by law, BARNES & NOBLE shall promptly report to GRAMBLING any use or disclosure of customer data not authorized in writing by the customer. BARNES & NOBLE's report to GRAMBLING shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the customer data used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, if known (iv) what BARNES & NOBLE has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, (v) what corrective action BARNES & NOBLE has taken or shall take to prevent future similar unauthorized use or disclosure, and (vi) such other information as reasonably requested by GRAMBLING.

**EXHIBIT "E"**

**TENDER TYPES / DISCOUNTS REQUIREMENTS**

1. Tender Types. At a minimum, BARNES & NOBLE shall accept cash, personal checks, major credit cards, Tiger1 Card, Bookstore gift cards, bank debit cards, department charges, student charges, scholarship charges/vouchers, third-party agency charges, and financial aid account charges/vouchers. BARNES & NOBLE shall be solely responsible for all expenses and collection of debts resulting from cash, personal checks, credit cards, and bank debit card transactions.
2. Tiger1Card (University Card). BARNES & NOBLE shall provide at its sole expense the hardware, software, and interfaces necessary in order to accept any current or future Tiger1Card utilized by GRAMBLING at the Bookstore. BARNES & NOBLE may be required to pay a transaction fee for Tiger1Card transactions.
3. Department Charges. BARNES & NOBLE will offer a 20% discount on all authorized departmental purchases except adopted textbooks, special orders, sale books, class and alumni rings, computer software, periodicals, discounted merchandise, computer hardware, stamps, health and beauty aids, food snacks, and beverages. Payments for such charge sales shall be guaranteed by a GRAMBLING Purchase Order and payable within 30 days of receipt of the merchandise by the department. Invoices must show detail of merchandise purchased and received. Textbooks are excluded from this discount. Payments for such charge sales shall be guaranteed by GRAMBLING and payable within 60 days. Delinquent payment penalties shall be computed in accordance with Louisiana Revised Statute 39:1695.
4. Faculty/Staff Discounts. BARNES & NOBLE will allow full-time faculty and staff of GRAMBLING a 10% discount on all merchandise available at the Bookstore except adopted textbooks, special orders, sale books, class and alumni rings, computer software, periodicals, discounted merchandise, computer hardware, stamps, health and beauty aids, food snacks, and beverages.

**EXHIBIT "F"**

**GENERAL MERCHANDISE AND MARKETING REQUIREMENTS**

**General Merchandise Pricing Policies**

1. Pricing Policy-General Books. BARNES & NOBLE shall sell trade books, reference books, and other non-textbooks at no more than the publisher's list price, or if there is no list price, at prices competitive in the local area and competitive in the university bookstore industry.
2. Pricing Policy-General Merchandise. BARNES & NOBLE shall sell all other merchandise including, clothing, giftware, and supplies at prices competitive in the local area and competitive in the university bookstore industry. BARNES & NOBLE shall provide emblematic/logo merchandise at multiple price points.

**General Merchandise And Marketing**

3. Emblematic Clothing And Gifts. BARNES & NOBLE shall promote and brand GRAMBLING by offering a broad selection of emblematic clothing and gifts that comply with GRAMBLING's current and/or future licensing requirements, design guidelines, and requirements for branded products. BARNES & NOBLE shall provide exceptional value to customers by offering high quality products and services at fair prices and multiple price points, including a robust selection of Adidas Sideline apparel.
4. Technology Products. BARNES & NOBLE shall provide a comprehensive selection of technology products. Products shall include, but not be limited to, computer hardware, software, supplies, and accessories. Technology product lines/vendors shall be approved in advance by GRAMBLING.
5. General Books/Reference. BARNES & NOBLE shall provide a selection of general books and reference books, including a selection of general book Bestsellers, local/regional books and general books reflecting the culture and history of GRAMBLING.
6. Course Related Supplies. BARNES & NOBLE shall provide sufficient quantities of all course related supplies as requested by GRAMBLING Faculty.
7. New Product Lines. BARNES & NOBLE shall continually expand and introduce new product lines that appeal to customers including, students, faculty, staff, alumni, visitors, and fans, and generate traffic into the Bookstore.
8. Graduation Merchandise. BARNES & NOBLE shall offer graduation merchandise including, announcements, diploma frames, and class rings, in the Bookstore and at other locations as designated by GRAMBLING during graduation.

## GRAMBLING / B&N BOOKSTORE AGREEMENT

9. Social Media. BARNES & NOBLE shall develop and implement a social media marketing and promotion strategy for the Bookstore. To the extent that BARNES & NOBLE develops its own social media sites, such as Facebook, Instagram, and Twitter, or integrates with GRAMBLING sites, BARNES & NOBLE shall keep its posted information up-to-date, and refresh its sites frequently, consistent with effective social media strategies and conforming to GRAMBLING'S social media standards and practices.
10. Licensing Program. BARNES & NOBLE shall purchase branded merchandise only from vendors who adhere to current and/or future GRAMBLING licensing program requirements.
11. Marketing Program. BARNES & NOBLE shall develop and implement a comprehensive marketing program and will partner with Athletics when appropriate. BARNES & NOBLE shall review the marketing program with GRAMBLING on a quarterly basis.

GRAMBLING shall not accept advertising, permit tabling or other promotional activities by any seller of college course materials and/or course supplies other than the Bookstore at any event sponsored by GRAMBLING or located on the GRAMBLING campus.

BARNES & NOBLE will work with GRAMBLING in new student orientation, alumni and faculty outreach through the Igniting the New Student Connection, Igniting the Alumni Connection and Igniting the Faculty Connection programs. To facilitate these programs, GRAMBLING will provide BARNES & NOBLE with all enrolled student, parent, alumni and faculty email lists on an annual basis.

BARNES & NOBLE, in conjunction with GRAMBLING, will implement BARNES & NOBLE's Campus Connect Technologies, including but not limited to registration, student financial aid, LMS and FacultyEnlight™ (or AIP) integrations, and enrollment feeds.

12. Vendor Code Of Conduct. BARNES & NOBLE shall have a vendor code of conduct policy. The policy must ensure that all vendors with which BARNES & NOBLE does business meet FLA (Fair Labor Association) standards.

**EXHIBIT "G"**

**FINANCIAL REPORTING REQUIREMENTS**

1. Monthly Reporting. On a monthly basis, BARNES & NOBLE shall submit a sales report to GRAMBLING, including sales by category, non-commissionable sales (with supporting detail), and total sales for the Bookstore.
2. Annual Reporting. On an annual basis, BARNES & NOBLE shall submit a detailed GRAMBLING Bookstore financial statement to GRAMBLING. At a minimum, the Bookstore financial statement shall include the following:
  - Sales by Category/Department including commissionable and non-commissionable sales
  - Total Sales
  - Cost of Goods Sold
  - Gross Margin
  - Personnel Expenses
  - Direct Operating Expenses
  - Indirect Expenses (e.g., Management Fee, BARNES & NOBLE Overhead Charges)
  - Commission Paid to GRAMBLING
  - Profit/Loss
  - Dollar Amount of "Retail Textbook Buyback"
  - Dollar Amount of "Wholesale Textbook Buyback"
  - Online/Website Sales
  - Course Materials Unit Sales
3. BARNES & NOBLE's Financial Statement. BARNES & NOBLE shall provide GRAMBLING with a copy of its audited company financial statement on an annual basis. Financial statements requested by and provided to LESSOR should not include operations at other LESSEE locations.

**EXHIBIT "H"**

**FACILITY AND EQUIPMENT REQUIREMENTS**

1. GRAMBLING Bookstore Size and Location. BARNES & NOBLE shall operate the current Bookstore, located in the Favrot Student Union, consisting of approximately 11,740 square feet.
2. Minor Repairs. BARNES & NOBLE shall be responsible for minor repairs to the interior of the Bookstore unless caused by GRAMBLING or its employees or agents.
3. Special Event Equipment. BARNES & NOBLE shall, at its sole expense, provide any necessary fixtures or equipment, including but not limited to, carts, tents, and POS terminals to sell GRAMBLING merchandise at designated special events on campus to capitalize on sales opportunities.
4. Furniture, Fixtures, And Equipment. BARNES & NOBLE shall have the option to use the existing furniture, fixtures, and equipment located within the Bookstore that are owned by GRAMBLING at the commencement of the Agreement. Any GRAMBLING-owned furniture, fixtures, and equipment in the Bookstore which BARNES & NOBLE decides to no longer use in the operation of the Bookstore shall be turned over to GRAMBLING.

BARNES & NOBLE shall be responsible to maintain any furniture, fixtures, and equipment located within the Bookstore at its expense except to the extent maintenance is required due to GRAMBLING'S or its employees' or agents' negligence or greater misconduct. At the expiration, termination, or non-renewal of the Agreement, BARNES & NOBLE shall return any GRAMBLING-owned furniture, fixtures, and equipment used, to GRAMBLING in the same condition as at the commencement of the Agreement, excepting normal wear and tear.

With respect to the furniture, fixtures, and equipment provided, GRAMBLING makes no implied or express warranties, including, but not limited to, the implied warranties of functionality and fitness for a particular purpose. Unless otherwise specifically agreed, all GRAMBLING furniture, fixtures, and equipment offered for BARNES & NOBLE's use is supplied in "as is" condition and BARNES & NOBLE shall use it at BARNES & NOBLE's own risk.

5. Replacement Of Equipment. Any current Bookstore equipment, fixtures or furniture that requires replacement during the term of this Agreement shall be replaced by BARNES & NOBLE at BARNES & NOBLE's expense and become the property of GRAMBLING at the termination of this Agreement. Any such investment by BARNES & NOBLE in replacements hereunder shall meet GRAMBLING's standards and must be approved in writing in advance by GRAMBLING.
6. Emergency Key. BARNES & NOBLE shall provide an emergency key for the Bookstore to be left with GRAMBLING's Police Department.



7. Enforcing Regulations. BARNES & NOBLE shall collaborate with GRAMBLING's Police Department and the GRAMBLING Administration concerning questions of discipline, enforcing regulations, and internal security and theft control in the Bookstore. BARNES & NOBLE's first point of contact with regard to security and safety issues for the Bookstore shall be GRAMBLING's Police Department.
8. Security Services. GRAMBLING shall provide security services for the Bookstore facility in the same manner as provided for other GRAMBLING buildings. GRAMBLING shall not provide dedicated security services within the Bookstore.
9. Vehicles. BARNES & NOBLE shall at its sole expense provide Vehicle(s) necessary (if any) for the operation of the Bookstore. BARNES & NOBLE shall ensure that any person that will drive GRAMBLING property has a valid driver's license appropriate to the vehicle being driven.
10. Communication Expenses. BARNES & NOBLE shall have access to GRAMBLING's web services, campus telephone services, and voice answering system at the standard GRAMBLING rate.
11. Trash Removal/Recycling. BARNES & NOBLE shall participate in the University's recycling program. BARNES & NOBLE shall remove all trash and recyclable materials and place them in the proper GRAMBLING recycling containers.

**EXHIBIT "I"**

**INVENTORY PURCHASE REQUIREMENTS**

1. Inventory Purchase At End Of Agreement. GRAMBLING shall repurchase, or require a successor contractor to purchase, BARNES & NOBLE's inventory at cost in the event of cancellation of this Agreement, in the same manner as purchased by BARNES & NOBLE.

In the event of cancellation of this Agreement, GRAMBLING shall purchase, or require a successor contractor to purchase, BARNES & NOBLE's rental inventory outstanding at the time of the transition, at the buyback value (50% of the retail price).

In the event of termination of this Agreement for any reason, GRAMBLING shall provide (1) a secure space in or near the Bookstore during the last two weeks of the then-current term or semester to allow BARNES & NOBLE to collect from students outstanding textbooks on consignment owned by the publishers and (2) reasonable support related to such returns, including but not limited to communications to students. Alternatively, if GRAMBLING chooses not to provide such space and support, GRAMBLING shall assume and be wholly responsible for all of BARNES & NOBLE's liability to the publishers related to the textbooks on consignment during the applicable term or semester, including but not limited to financial obligations with regard to the returns or non-returns of textbooks.

Should GRAMBLING change logo or contracted athletic apparel provider/licensee, GRAMBLING will either give BARNES & NOBLE six (6) months written notice or will allow BARNES & NOBLE to automatically deduct from commissions due the cost of unsold emblematic merchandise.

**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FINANCE COMMITTEE**

**June 23, 2022**

**Item I.2.**      **Louisiana Tech University's** request for approval to assess a tuition rate of \$400 per credit hour for its undergraduate and \$475 per credit hour for its graduate online programs as allowed by Act 426 of the 2013 Regular Session.

**EXECUTIVE SUMMARY**

Act 426 of the 2013 Regular Session grants authority for the Board to impose tuition and fees for students enrolled in an academic degree program offered entirely through distance education.

Louisiana Tech University requests Board approval to assess students enrolled in its undergraduate online programs a tuition rate of \$400 per credit hour and to assess students enrolled in its graduate online programs a tuition rate of \$475 per credit hour. The proposed rates are competitive with other distance education programs and are relative of the costs associated with providing distance education courses.

**RECOMMENDATION**

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University's request to assess a tuition rate of \$400 per credit hour for its undergraduate online programs and \$475 per credit hour for its graduate online programs as allowed by Act 426 of the 2013 Regular Session.***



I.2.

# LOUISIANA TECH UNIVERSITY

OFFICE OF THE PRESIDENT

June 1, 2022

Dr. James B. Henderson  
President  
University of Louisiana System  
1201 North Third Street, Suite 7-300  
Baton Rouge, LA 70802

Dear Dr. Henderson:

This is a request for approval to implement a distance education per credit hour tuition rate for Louisiana Tech University's online programs. The programs are listed in the attached proposal. The University is requesting a tuition rate of \$475 per graduate credit hour and \$400 per undergraduate credit hour.

Act 426 of the 2013 Regular Session grants authority for the Board to impose tuition and fees for students enrolled in an academic degree program offered entirely through distance education. As indicated in the attached proposal, the proposed rates are competitive with other rigorous distance education programs and are relative to the costs associated with providing distance education programs.

Please place this item on the agenda for consideration at the June 2022 meeting of the University of Louisiana System Board of Supervisors.

Sincerely,

A handwritten signature in blue ink that reads "Leslie K. Guice".

Leslie K. Guice  
President

**Louisiana Tech University**  
**List of Programs**

| Degree or Certificate Type     | Program Name   |
|--------------------------------|--|
| MS, MSE, GC, GC                | MS Engineering and Technology Management,<br>MSE Engineering (Industrial Concentration), GC<br>Six Sigma Black Belt, GC Data Science (newly<br>approved) |
| MAT                            | Early Childhood Education  |
| MAT                            | Elementary Education   |
| MAT                            | Middle-Level Education   |
| MAT                            | Secondary Education  |
| MAT                            | Visually Impaired/Blind Education  |
| MBA                            | Master of Business Administration  |
| GCBA                           | Graduate Certificate in Business Administration  |
| Post Baccalaureate Certificate | Business Foundations   |
| MA                             | History  |
| Graduate Certificate           | Dynamics of Domestic Violence  |
| GC                             | CYBER EDUCATION FOR K-12 TEACHERS  |
| GC                             | HIGHER EDUCATION ADMINISTRATION  |
| GC                             | TEACHER LEADER EDUCATION   |
| GC                             | VISUAL IMPAIRMENTS - BLIND EDUCATION<br>SPECIAL EDUCATION, MILD/MODERATE,<br>GRADES 1-5  |
| GC                             |  |
| B.S.                           | Health Informatics and Information Management  |
| MHI                            | Master of Health Informatics   |
| Undergraduate Certificate      | Forensic Psychology  |
| Graduate Certificate           | Industrial-Organizational Psychology<br>Graduate Certificate in Technical Writing and<br>Communication (GC/TEWC)   |
| Graduate Certificate           |  |
| MA                             | English  |
| MA                             | Industrial-Organizational Psychology   |
| BIS                            | Interdisciplinary Studies  |

**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FINANCE COMMITTEE**

**June 23, 2022**

**Item I.3.**      **University of Louisiana System's** request for approval of the Board Operations and System Universities' Fiscal Year 2022-23 Internal Audit Plans.

**EXECUTIVE SUMMARY**

The Fiscal Year 2022-23 Internal Audit Plans for the Board Operations and University of Louisiana System institutions were prepared in accordance with the Internal Audit Charter of the System that was revised by the Board at its December 1, 2017 meeting. The audit plans have been prepared by the System and Campus Directors of Internal Audit with input from the campus Presidents and other campus administrative personnel, System personnel, Board members, and the Office of the Legislative Auditor. The plans include reviews of administrative, academic, auxiliary, and service units of the Board and universities; as well as follow-ups to internal and external audit findings and recommendations.

**RECOMMENDATION**

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves the Board Operations and System Universities' Fiscal Year 2022-23 Internal Audit Plans.*

**FINANCE COMMITTEE  
UNIVERSITY OF LOUISIANA SYSTEM  
ANNUAL AUDIT PLAN FOR FISCAL YEAR 2022-23**

| Campus                              | Audit Area/Focus   |
|-------------------------------------|--|
| Board Operations                    | Travel and Purchasing Card Audits<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects   |
| Grambling State University          | Disaster Recovery Plan and Data Security Review<br>Review of Student Technology Fees<br>Registrar's Office Assurance Engagement<br>Vault Reconciliations and Cash Handling Internal Controls<br>Follow-up on Internal and External Audit Reports<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Management Advisory Services and Special Projects  |
| Louisiana Tech University           | Aramark Food Service Contract<br>Barnes and Noble Bookstore Contract<br>Athletic Ticket Office and Finance Office Procedures<br>Test of Workday - Security and Access<br>Certify Football Attendance<br>Follow-up on Internal and External Audit Reports<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Management Advisory Services and Special Projects  |
| McNeese State University            | Inventory Audit<br>The Institute for Industry Collaboration Education Program<br>Quality Assessment Review (Required Every 5 Years for the Office of Internal Audit)<br>Teleworking Compliance<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects  |
| Nicholls State University           | CARES Act/HEERF Funding<br>Supplemental Income/Overload Pay for Faculty<br>Procurement and Travel Card/CBA Account<br>Student Technology Fee Review<br>Cybersecurity/Data Security<br>For Our Future Awards<br>Student Fees – Biology & Chemistry Lab Fees<br>Food Services Contract/Revenue Recognition<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects  |
| Northwestern State University       | Financial Aid Operations<br>Athletics<br>Compensatory Time Earned and Taken<br>Compliance with Graham Leach Billey Act<br>Facilities and Plant Operations<br>Cash Collection Sites<br>Cashier Vault Reconciliation<br>Quality Assurance and Improvement Program - Periodic Self-Assessment/review<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects   |
| Southeastern Louisiana University   | Workday Audit<br>Audit of Inventories<br>Athletic Ticket Reconciliation<br>Movable Property<br>Housing Audit<br>Student Technology Fee Review<br>Purchasing Audit<br>Cash/Credit Card/Debit Card Audit<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects  |
| University of Louisiana - Lafayette | Campus Safety<br>Family and Medical Leave Administration<br>Vault Reconciliation and Cashier Office Administration<br>Higher Education Act Compliance<br>Employee Hiring, Separation, & Termination Administration<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects  |
| University of Louisiana - Monroe    | Review of Internal Control & Compliance over ULM Athletic Scholarship Awards<br>Review of Internal Control & Compliance over ULM Professorship Expenditures<br>Review of Internal Control over IT Security Incident Detection, Response, and Recovery<br>Review of Compliance with Internal Revenue Code Section 170(l) Related to Benefits Provided to ULM Athletic Foundation (Warhawk Club) Donors<br>Cash Handling - Cash Collection Centers<br>Quality Assurance and Improvement Program<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects |
| University of New Orleans           | Procurement Cards<br>Travel Cards<br>College of Liberal Arts, Education and Human Development<br>Cash Collection Reviews<br>Follow-up on Legislative Auditor's Single Audit Findings<br>Follow-up on Internal and External Audit Reports<br>Management Advisory Services and Special Projects  |

**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FINANCE COMMITTEE**

**June 23, 2022**

**Item I.4.**      **University of Louisiana System's** report on internal and external audit activity for the period of April 18 to June 19, 2022.

**EXECUTIVE SUMMARY**

Attached is a list of internal and external reports completed by various auditors since the April Board meeting. The internal audit reports are prepared based upon independent review of university departments and functions. The internal audits are designed to ascertain compliance with established policies and procedures, to evaluate operational efficiencies of business and management practices, and to determine adequacy of internal controls. The internal audits are conducted to provide management with recommendations and comments designed to improve the operations of university departments and functions. External audits are generally conducted in accordance with laws, regulations, or contracts. Also included are internal audits that are currently in progress.

In addition, our Internal Audit Charter requires that we make certain assertions to the Board annually. Based on responses from the UL System and Campuses, the following is provided:

- The internal audit activity for the UL System and the Campuses appears to be in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and Code of Ethics.
- Internal Audit has maintained its organizational independence.
- Internal Audit has not experienced any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.
- Internal Audit has not experienced any significant risk exposures and control issues, including fraud risks, governance issues, and other matters that require the attention of or requested by the Board as well as any response to risk by management that may be unacceptable to the System or University.
- Internal Audit has implemented and maintains a quality assurance program that covers all aspects of the Office of Internal Audit and continuously monitors its effectiveness.

This is a report only and no action by the Board is necessary.



**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FINANCE COMMITTEE**

**June 23, 2022**

**Item I.5.**      **University of Louisiana System's** discussion of Fiscal Year 2021-22 third quarter financial reports and ongoing assurances.

**EXECUTIVE SUMMARY**

Presented is a summary of the financial activities for the quarter ended March 31, 2022. This information was obtained from third quarter financial reports submitted to the System by each university.

This is a report only and no action by the Board is necessary.