



FISCAL REVIEW COMMITTEE

MINUTES

May 19, 2011

Upon the Adjournment of the State Bond Commission
Third Floor Conference Room - State Capitol Building

The items listed on the Agenda are incorporated and considered to be a part of the minutes herein.

MEMBERS PRESENT:

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor (LLA)

Mr. Ron Henson, First Assistant State Treasurer
Representing the State Treasurer

Mr. Rick McGimsey, Assistant Attorney General
Representing the Attorney General

Mr. Purpera called the meeting to order at 9:25 a.m. with all members represented. A motion by Mr. McGimsey to approve the minutes of the April 7, 2011, meeting passed with no objection.

Mr. Purpera provided the back ground on St. Helena School System's (System) situation, including the letter from the State Department of Education on behalf of BESE asking for a review of the System's financial situation and to consider the need for a fiscal administrator over the System.

On February 18, 2011, the Fiscal Review Committee acknowledged the System's search for a new superintendent, and requested the submission of a written plan of fiscal strategy by May 31, 2011.

On May 6, 2011, St. Helena School Board President, Edward Galmon sent a letter of request for a 30 day extension on providing the written plan of fiscal strategy to the Fiscal Review Committee. The System announced the hiring of a new St. Helena School Board Superintendent, Ms. Kelly Joseph, but she will not officially begin work in that capacity until July 1, 2011.

Mr. Purpera said that his auditors determined that the System will have a fund balance of approximately \$1.5 million at the end of June 30, 2011, but their expenses exceed their revenue. He mentioned an unconfirmed newspaper article stating that the U.S. Department of Education has guaranteed St. Helena School Board \$1.8 million to use for building repairs and academic enhancements.

Mr. McGimsey stated that since the new superintendent does not begin employment until the new fiscal year on July 1, 2011, and would need at least 30 days after being hired. He suggested extending the deadline on the written fiscal strategy until August 15, 2011.

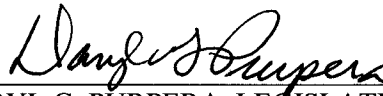
Mr. Purpera stated that Joy Irwin, Director of Advisory Services, has spoken with Ms. Joseph on several occasions and has offered his office's assistance in the preparation of the written plan. Ms. Irwin stated that Ms. Joseph is already working in an unofficial capacity with the financial advisor and the current

superintendent, as well as the school board to gain an understanding of the financial situation. Ms. Irwin said that six weeks was a reasonable amount of time.

Mr. McGimsey moved to grant the extension for the written fiscal strategy until August 15, 2011, which was seconded by Mr. Henson, and with no objections the motion passed.

Mr. McGimsey made the motion to adjourn at 9:32 a.m. and with no objections, the meeting was adjourned.

APPROVED BY:



DARYL G. PURPERA, LEGISLATIVE AUDITOR
CHAIRMAN

3/26/12

DATE