



LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

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## DESOTO PARISH SCHOOL SYSTEM

Former DeSoto Parish Schools Superintendent Walter C. Lee, who has served on the state Board of Elementary and Secondary Education since 1991, approved his own pay raises while head of the parish school system, received more than \$13,000 in expense reimbursements from BESE for expenses that were paid by the parish school system, and purchased a vehicle that had been leased for him by the parish school system at less than market value, according to an investigative audit released Monday by Legislative Auditor Daryl Purpera.

The audit found that Lee increased his salary from \$70,822 in the 1998-99 school year to \$240,912 when he retired 14 years later.

The report said that the auditors were unable to determine if Lee's pay raises given between 1999 and 2012 complied with the terms of his contract because the contract language authorizing the raises was vague and documentation supporting the increases "if any, is not retained within DPSS' records."

Lee's contract with the DeSoto Parish schools called for him to get a raise when "certified professional personnel of the school system received state and/or local pay raises," but the contract did not spell out how the raises were to be calculated or who was covered by the certified professional personnel label triggering Lee's increase.

In the 2003-04 school year, Lee's pay dropped \$400; during the 2008-09 year, his salary jumped \$50,000, according to the report.

The report said that Steven Stanfield, director of the parish school system's business services, claimed that he calculated Lee's pay raises based on his understanding of Lee's contract with the board, but Lee "would always change the amount of the raise but would not provide" Stanfield with documentation supporting the revised calculations.

The raises were not presented to the school board for approval and some board members said they were unaware of the amount Lee was paid, according to the report.

The investigative audit also said that Lee received \$13,073 in expense reimbursement for hotels and mileage from BESE that were paid by the DeSoto Parish School System.

Lee served as superintendent of DeSoto Parish Schools from July 1, 1999, until his retirement on November 2, 2012. During that time, he also served on the Board of Elementary and Secondary



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Education. His contract with the parish school board said his work on BESE would be considered a “legitimate part of his work as Superintendent of Schools in DeSoto Parish.”

The report states that between September 2009 and October 2012, Lee submitted 11 travel reimbursement requests to BESE seeking reimbursement of expenses that he paid with a DeSoto Parish School System-issued credit card. Although Lee did not incur any personal expense, BESE reimbursed him for \$1,578 in hotel expenses based on the documentation he submitted.

In the same period, according to the report, Lee was also reimbursed \$11,495 by BESE for mileage for attending BESE board meetings in Baton Rouge. During this same time, Mr. Lee used his parish school board credit card to make 71 fuel purchases totaling almost \$3,700 to attend those meetings.

The audit said Lee submitted expense reimbursements to BESE exceeding \$13,000 which “he did not personally incur” and, in doing so, may have violated state the law. Lee never repaid the DeSoto Parish School System any of the monies that he charged on the parish school board’s card even after BESE reimbursed him for those expenses.

The audit report also said that on Nov. 21, 2011, Lee turned in his 2010 Chevrolet Traverse, leased for him for 36 months by the DeSoto Parish School System, after only 22 months, causing the parish school system to pay \$10,653 for an early termination of the lease, the value of the remaining monthly lease payments.

“Eleven days later, Mr. Lee personally purchased this same vehicle from the dealership at significantly less than market value.” Lee purchased the 2010 Traverse on Dec. 2, 2011, for \$11,966. At that time, the vehicle had 61,700 miles on it and, according to the Kelley Blue Book, was worth \$20,300 to \$29,300, depending on vehicle options.

Management of the car dealership handling the lease and sale said Lee “had personally purchased other vehicles that DPSS had leased in the past,” according to the report. Stanfield, the director of the parish school system’s business services, said Lee handled arrangements for the vehicles and did not consult with him.

Auditors could find no benefit to the parish school board in the early termination of the lease, and concluded that the loss of the use of the vehicle for 14 months “may constitute a donation and may violate the state constitution.”

The audit also said that Lee signed a two-year lease in the school system’s name for a newer, more expensive vehicle - a 2012 Buick Enclave - to replace the 2010 Chevrolet Traverse; the monthly lease payments increased from \$819 for the Chevy to \$1,066 for the Buick.



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Lee referred auditors' questions to his lawyer, who refused to let Lee meet with Purpera's staff.

The report recommended that BESE seek recovery of the \$13,073 in expenses reimbursed to Lee. It also called on the DeSoto Parish School Board to approve vehicle leases, "require board approval for all superintendent pay raises," and clarify how the pay raises are to be calculated.

The state auditor's report has been turned over to the district attorney for the 42<sup>nd</sup> Judicial District, the U.S. Attorney's office for the Western District of Louisiana and the state Board of Ethics for possible action.

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**On Twitter:** Former DeSoto school superintendent approved own raises, received extra reimbursement from BESE.