

MONROE CITY SCHOOL BOARD

INVESTIGATIVE AUDIT SERVICES

Issued March 20, 2024

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

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March 20, 2024

**INTERIM CO-SUPERINTENDENTS SAM MOORE AND SERENA WHITE
AND MEMBERS OF THE MONROE CITY SCHOOL BOARD**

Monroe, Louisiana

We are providing this report for your information and use. This investigative audit was performed in accordance with Louisiana Revised Statutes 24:513, *et seq.* to determine the validity of complaints we received.

The procedures we performed primarily consisted of making inquiries and examining selected financial records and other documents and do not constitute an examination or review in accordance with generally accepted auditing or attestation standards. Consequently, we provide no opinion, attestation or other form of assurance with respect to the information upon which our work was based.

The accompanying report presents our findings and recommendations as well as management's response. This is a public report. Copies of this report have been delivered to the District Attorney for the 4th Judicial District of Louisiana and others as required by law.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

MJW/aa

CITYOFMONROESCHOOLBOARD



TABLE OF CONTENTS

	Page
Executive Summary	2
Background and Methodology	3
Finding and Recommendations:	
False Records Submitted to MCSB for Purchase of Retirement Service	4
Improper Reimbursement to Dr. Vidrine.....	7
Attachments.....	10
Legal Provisions.....	15
Management’s Response.....	Appendix A
Dr. Brent Vidrine’s Response	Appendix B

EXECUTIVE SUMMARY

False Records Submitted to MCSB for Purchase of Retirement Service

Monroe City School Board (MCSB) Superintendent Dr. Brent Vidrine submitted false documentation to the MCSB regarding the purchase of creditable service from the Teachers' Retirement System of Louisiana (TRSL). This documentation included a false receipt purportedly from TRSL showing Dr. Vidrine made a required payment of \$48,184.92 to TRSL and a false estimate of the cost of purchasing a year of creditable service from TRSL that resulted in a \$20,000 overpayment he was not entitled to receive. Since Dr. Vidrine submitted false documentation to the MCSB and received funds he was not entitled to, he may have violated state and federal law.

Improper Reimbursement to Dr. Vidrine

The MCSB reimbursed Dr. Vidrine \$141,717.66 for amounts withheld from his payroll check for his retirement contributions from June 2014 to October 2023 that was not included in his employment contract. MCSB payroll records show Dr. Vidrine signed a document to approve the payments, but none of his employment contracts authorized these payments. Since Dr. Vidrine received payments that he was not entitled to receive, Dr. Vidrine may have violated state and federal law.

BACKGROUND AND METHODOLOGY

Louisiana school boards are authorized by Louisiana Revised Statute (La. R.S.) 17:81(C) to establish policies and regulations for their own government consistent with law and the regulations of the Louisiana Board of Elementary and Secondary Education. The Monroe City School Board (MCSB) is operated under the authority of the City of Monroe Charter of 1900, as amended by the Mayor-Council Home Rule Charter for the City of Monroe, adopted in August 1979. MCSB is comprised of seven members who are elected for terms of four years. The School Board operates 19 schools and two support facilities with a total enrollment of about 8,200 students.

We initiated this audit to determine the validity of complaints we received regarding the purchase of creditable service in the Teacher's Retirement System of Louisiana for Superintendent Brent Vidrine. The procedures performed during this audit included:

- (1) interviewing MCSB employees and others, as appropriate;
- (2) examining selected MCSB documents and records;
- (3) gathering and examining third parties' documents and records; and
- (4) reviewing applicable state and federal laws and regulations.

FINDINGS AND RECOMMENDATIONS

False Records Submitted to MCSB for Purchase of Retirement Service

Monroe City School Board (MCSB) Superintendent Dr. Brent Vidrine submitted false documentation to the MCSB regarding the purchase of creditable service from the Teachers' Retirement System of Louisiana (TRSL). This documentation included a false receipt purportedly from TRSL showing Dr. Vidrine made a required payment of \$48,184.92 to TRSL and a false estimate of the cost of purchasing a year of creditable service from TRSL that resulted in a \$20,000 overpayment he was not entitled to receive. Since Dr. Vidrine submitted false documentation to the MCSB and received funds he was not entitled to, he may have violated state and federal law.^{1,2,3,4,5}

The MCSB employed Dr. Brent Vidrine as the Superintendent of Schools from June 2013 to February 2024 through a series of seven contracts^A that described his responsibilities and compensation and benefits. The MCSB placed Dr. Vidrine on paid administrative leave on October 24, 2023,^B and entered into a retirement settlement with Dr. Vidrine on October 30, 2023. Dr. Vidrine retired on February 8, 2024.

Two of the seven employment contracts^C contained a clause that read, "As additional consideration owed to the Superintendent, the Board agrees to purchase annually for the Superintendent one additional year of creditable service toward retirement for each year that the Superintendent remains employed under contract.... The Superintendent shall immediately furnish to the Board President a true copy of all annuity, retirement, fund or plan documents in which the contributions are deposited or invested, along with updates and supplements that are issued and, by mutual agreement, the Board President shall cause the documents to be placed in the Superintendent's personnel file."

TRSL requires an actuarial valuation to determine the cost of any purchase of creditable service and issues a letter with the cost to the TRSL member with a due date for the payment. After TRSL receives payment, it issues a letter to acknowledge the receipt and amount of the payment to the TRSL member.

Dr. Vidrine made three requests to the MCSB to purchase a total of four years of creditable service from TRSL; each request included the cost estimate letter from TRSL. The MCSB Chief Financial Officer (CFO) told us that Dr. Vidrine

^A The 2018 contract (June 1, 2018 to December 31, 2020) was not approved by the MCSB.

^B MCSB paid \$55,483 of regular wages and car allowance to Dr. Vidrine from October 2023 to February 2024 while he was on administrative leave.

^C The June 1, 2018 to December 31, 2020 employment contract and the January 1, 2021 to December 31, 2021 employment contract provided for the MCSB to purchase creditable service from TRSL for Dr. Vidrine.

hand delivered each of the three requests to the CFO or another employee in the purchasing department.

Each payment request to the MCSB from Dr. Vidrine included a letter stating that he was requesting payment to satisfy the requirements of his contract. The letter further stated that the MCSB should make the check payable to Dr. Vidrine, and he would present a personal check made payable to TRSL to purchase creditable service from TRSL.

Finally, the letter stated that Dr. Vidrine would provide the documented receipt from TRSL to the MCSB once the payment was made. The MCSB issued three checks payable to Dr. Vidrine totaling \$325,017.83 to purchase four years of creditable service toward his retirement.

First Payment to Dr. Vidrine

Dr. Vidrine submitted a payment request to the MCSB Accounts Payable and Purchasing Manager dated February 12, 2021, that included a letter from TRSL dated January 29, 2021, which showed the cost of \$209,410.20 to purchase two years of creditable service. The MCSB issued a \$209,410.20 check to Dr. Vidrine on February 22, 2021. TRSL records show Dr. Vidrine paid \$209,410.20 to TRSL on March 23, 2021, with a check from his bank account to purchase two years of creditable service. Dr. Vidrine also provided the MCSB with a letter from TRSL, dated March 26, 2021 (four days after MCSB issued the check to Dr. Vidrine), that shows TRSL received payment from Dr. Vidrine for \$209,410.20 on March 23, 2021, and credited Dr. Vidrine's retirement account with two years of creditable service. This letter submitted by Dr. Vidrine matches TRSL records.

Second Payment to Dr. Vidrine

Dr. Vidrine submitted the second payment request to purchase retirement service to the MCSB CFO dated June 30, 2021, that included a letter from TRSL dated April 22, 2021, which showed a cost of \$48,184.92 to purchase one year of creditable service. The MCSB issued a check for \$48,184.92 to Dr. Vidrine on July 8, 2021, for him to use to purchase a year of creditable service from TRSL.

Nearly six months after MCSB issued the second payment to Dr. Vidrine, MCSB still had not received a letter from Dr. Vidrine showing TRSL received the \$48,184.92 payment. On Monday, January 10, 2022, the MCSB CFO emailed Dr. Vidrine, requesting the letter from TRSL confirming it received the \$48,184.92 from Dr. Vidrine. Dr. Vidrine replied to the CFO on January 10, 2022, that he was headed to Baton Rouge for a conference and would be back on Wednesday evening, and he would send the letter to her on Thursday.

Dr. Vidrine provided the MCSB with a letter purportedly from TRSL^D, dated July 15, 2021, indicating TRSL received payment from Dr. Vidrine for \$48,184.92

^D The letter purportedly from TRSL is included in this report as Attachment A.

on July 13, 2021, and credited Dr. Vidrine's retirement account with one year of creditable service. However, TRSL records do not show it received a \$48,184.92 payment from Dr. Vidrine to purchase a year of creditable service. In addition, TRSL representatives told us the July 15, 2021, letter that Dr. Vidrine provided to the MCSB to evidence the purchase of one year of creditable service was not prepared by TRSL.

We conducted a forensic analysis of the MCSB-owned desktop computer assigned to Dr. Vidrine and found a Microsoft Word file in the "Recycle Bin"^E that appears to be a July 15, 2021, letter from TRSL^F to Dr. Vidrine. The letter indicates TRSL received a payment from Dr. Vidrine for \$48,184.92 on July 13, 2021. The file was created on Wednesday, January 12, 2022, the same day he told the MCSB CFO he would provide a copy of receipt of the purchase of the one year of retirement service. This file was deleted (moved to Recycle Bin) on June 19, 2023.

Third Payment to Dr. Vidrine

Dr. Vidrine submitted a third payment request dated February 22, 2022, to the MCSB CFO to purchase retirement service with another letter purportedly from TRSL, dated January 28, 2022, showing it cost \$99,818.93 to purchase two years of creditable service; and \$67,422.71 to purchase one year of creditable service. In response, the MCSB issued Dr. Vidrine a March 4, 2022 check^G in the amount of \$67,422.71 for him to purchase one year of creditable service. Pursuant to the terms of his employment contract, Dr. Vidrine should have used the payment from the MCSB to purchase a year of creditable service from TRSL.

The MCSB records did not include evidence that Dr. Vidrine purchased a one-year service credit from TRSL after receiving the \$67,422.71 payment. TRSL records indicate Dr. Vidrine did not purchase a year of creditable service with the \$67,422.71 he received from the MCSB. Additionally, TRSL records show it sent a letter to Dr. Vidrine dated January 28, 2022, that stated the cost to purchase one year of creditable service was \$47,422.71,^H not the \$67,422.71 on the purported TRSL letter^I Dr. Vidrine provided to the MCSB.

Dr. Vidrine's MCSB email account shows he sent an MCSB Information Technology employee a non-editable file^J on January 31, 2022, and received an editable file^K five minutes later. The file was a copy of the legitimate TRSL letter dated January 28, 2022, that shows a cost of \$47,422.71^H to purchase one year of creditable service.

^E Files located in the Recycle Bin usually means the file was deleted by the user.

^F This file is included in Attachment B and appears to use identical language to the letter Dr. Vidrine submitted to the MCSB included in Attachment A.

^G This check was deposited to Dr. Vidrine's checking account on March 28, 2022.

^H The letter from TRSL is included in Attachment C.

^I The letter purportedly from TRSL is included in this report as Attachment D.

^J Acrobat Adobe (pdf)

^K Microsoft Word (.doc)

Dr. Vidrine's bank records show the second payment of \$48,184.92 from the MCSB was deposited on August 9, 2021, and the third payment of \$67,422.71 was deposited on March 28, 2022. There were no corresponding payments to TRSL from his bank account after these deposits; however, there was a \$108,250 payment to the U.S. Treasury on April 22, 2022. His bank balance was greater than \$48,184.92 from the time of the deposit of the second payment until he paid the U.S. Treasury and greater than \$115,607.63^L from the time of the third deposit until he paid the U.S. Treasury. This means he used the funds to pay the U.S. Treasury, not purchase retirement credit from TRSL.

We contacted Dr. Vidrine's attorney and requested an interview of Dr. Vidrine to discuss the records described above, but Dr. Vidrine's attorney declined the interview.

Since Dr. Vidrine submitted false documentation to the MCSB to obtain \$20,000 that he did not earn, submitted a manufactured receipt as documentation of a payment to TRSL, and did not purchase creditable service from TRSL, he appears to have violated the terms of his employment contract with the MCSB and state and federal law.^{1,2,3,4,5}

Improper Reimbursement to Dr. Vidrine

The MCSB reimbursed Dr. Vidrine \$141,717.66 for amounts withheld from his payroll check for his retirement contributions from June 2014 to October 2023 that was not included in his employment contract. MCSB payroll records show Dr. Vidrine signed a document to approve the payments, but none of his employment contracts authorized these payments. Since Dr. Vidrine received payments that he was not entitled to receive, Dr. Vidrine may have violated state and federal law.^{3,4,5}

Dr. Vidrine was employed as superintendent by the MCSB through a series of seven contracts from June 2013 to February 2024. The MCSB President and Dr. Vidrine both signed all seven contracts.^M Each of the seven contracts established Dr. Vidrine's salary and benefit payments due to him from the MCSB and included the clause, "the Board shall pay the employer's portion of retirement contributions for the Superintendent as mandated by the State to the State retirement system."

TRSL retirement benefits are funded by both employee and employer contributions. The employee portion is withheld from each employee's pay and submitted to TRSL. The school board is also required to contribute a percentage of employee pay. State law^N fixes the percentage of wages paid by the employee and

^L The sum of the second and third retirement payments is \$48,184.92 + \$67,422.71 = \$115,607.63.

^M MCSB minutes show six of the seven contracts were approved. The MCSB minutes do not include approval by vote of the board of the contract with Dr. Vidrine for the period June 1, 2018 to December 31, 2020.

^N La. R.S. 11:62 and 11:102.

specifies how the TRSL determines the percentage of wages paid by the school board. These payments are captured from each payroll check by the MSCB and remitted to TRSL.

Dr. Vidrine's payroll records show he began receiving a monthly "TRSL Allowance" in June 2014, one year after his employment as superintendent started, and that the payment increased each time he received a pay raise. The payments continued until October 2023 and totaled \$141,717.66. MCSB payroll records show Dr. Vidrine signed a handwritten calculation^o of his salary, which included the TRSL allowance, on May 14, 2014. The handwritten document appears to calculate and authorize reimbursement to Dr. Vidrine of funds deducted from his payroll check for his portion of retirement contributions to TRSL. Several MCSB employees reviewed the handwritten document and told us the handwriting was from a now-deceased former employee.

MCSB records show the contract for a previous superintendent included the clause "In addition to any other consideration payable hereunder, the Board agrees to pay the Superintendent, as salary, an amount equal to his contribution to the Louisiana Teachers Retirement Fund (not less than 8% of the base salary)." This clause authorized a Superintendent prior to Dr. Vidrine to receive reimbursement for his retirement contributions, but none of Dr. Vidrine's seven employment contracts with the MCSB authorized this benefit to be paid to him, and MCSB minutes from 2014 to 2023 do not indicate discussion or approval of these payments.

We contacted Dr. Vidrine's attorney and requested an interview of Dr. Vidrine to discuss the records described above, but Dr. Vidrine's attorney declined the interview.

Because Dr. Vidrine received "TRSL allowance" payments from the MCSB that he was not entitled to receive, he may have violated state and federal law.^{3,4,5}

^o This document is located in Attachment E.

Recommendations

We recommend the MCSB consult with legal counsel to determine the appropriate actions to take, including recovery of improper payments made to Dr. Vidrine. In addition, the MCSB should:

- (1) Ensure the superintendent's employment contract is approved by majority vote of the MCSB and documented in the board minutes;
- (2) Establish a policy requiring notification of the board prior to any changes to the superintendent's salary and benefits; and
- (3) Ensure the salary and benefits paid to the superintendent do not exceed amounts approved by the MCSB at the time of the superintendent's annual evaluation.

ATTACHMENTS

Attachment A - July 15, 2021 Letter Purportedly From TRSL Submitted To The MCSB By Dr. Vidrine



o www.trsl.org
t 225.925.6446
f 225.925.4779
e web.master@trsl.org
Post Office Box 94123
Baton Rouge LA 70804-9123

13 - 99

July 15, 2021

VIDRINE BRENT A



Re: Out of state purchase



Your check in the amount of 48,184.92 was received on 07/13/2021. Your account has been credited with 1.00 year of service credit during the 1994/1995 fiscal year (s).

The amount of this payment is considered a cost of your pension and will be recovered for tax purposes in the tax-free portion of your retirement benefit when you retire.

If you have any questions, please contact Lisa Leblanc at (225) 925-6422 or toll-free (outside the Baton Rouge calling area at 1-877-ASK-TRSL (1-877-225-8775

Sincerely,

Accounting Department
Teachers' Retirement System of Louisiana

Attachment B - File Found In Recycle Bin On MCSB Computer Assigned To Dr. Vidrine

July 15, 2021

VIDRINE BRENT A

[REDACTED]

Re: Out of state purchase

ID No. [REDACTED]

Your check in the amount of 48,184.92 was received on 07/13/2021. Your account has been credited with 1.00 year of service credit during the 1994/1995 fiscal year (s).

The amount of this payment is considered a cost of your pension and will be recovered for tax purposes in the tax-free portion of your retirement benefit when you retire.

If you have any questions, please contact Lisa Leblanc at (225) 925-6422 or toll-free (outside the Baton Rouge calling area at 1-877-ASK-TRSL (1-877-225-8775

Sincerely,

Accounting Department
Teachers' Retirement System of Louisiana

Attachment C - January 28, 2022 Cost Estimate Letter From TRSL To Dr. Vidrine To Purchase One Or Two Years Of Creditable Service



www.TRSL.org
 225-925-6446
 225-925-6366
 web.master@trsl.org
 Post Office Box 94123
 Baton Rouge LA 70804-9123

January 28, 2022

03 - 99

VIDRINE BRENT A



ID No.: [Redacted]

Dear Member:

Thank you for your interest in purchasing service credit with TRSL. The cost to purchase service credit based upon your Out of State service is below. This cost will use the following information: (1) your 25.90 year(s) of service credit as of June 30, 2021; (2) your age; and (3) your current annual salary.

Purchase Options	Year	Service Credit	Cost
Option 1:	08/1988-06/1997	2.00	\$93,818.93
Option 2:	08/1988-06/1997	1.00	\$47,422.71
<i>IMPORTANT: Years and cost amounts cannot be combined.</i>			

Please decide which purchase option you would like to make and submit the total amount to TRSL no later than February 28, 2022. Acceptable payment options are personal checks, certified checks, cashier's checks, money orders, or certain "rollover" funds made payable to Teachers' Retirement System of Louisiana. Payments received after the date specified in this letter cannot be accepted and will be returned to you. Please check the date carefully.

NOTE: If you intend to use rollover funds, you should immediately contact the plan provider who currently holds those funds to ensure TRSL receives the funds by the specified date. Questions regarding rollovers should be directed to TRSL's Accounting Department at extension 225-925-6446, ext. 6422.

All checks provided as payment for this purchase will be processed as a one-time electronic funds transfer (EFT). An EFT transaction drafts funds from your account the same day that payment is received. An \$18.00 insufficient funds fee will be charged for each returned check.

Expiration of this invoice and/or any additional requests for calculation of an actuarial cost to purchase service credit will require a minimum \$150 fee made payable to Teachers' Retirement System of Louisiana.

If you have any questions, please contact us at 225-925-6446 or toll-free (outside the Baton Rouge calling area) at 1-877-ASK-TRSL (1-877-275-8775).

Sincerely,

Retirement Department

Toll free (outside the Baton Rouge area): 1.877.ASK.TRSL (1.877.275.8775)
 Teachers' Retirement System of Louisiana is an equal opportunity employer and complies with Americans with Disabilities Act.

Attachment D - January 28, 2022 Letter Purportedly From TRSL Submitted To The MCSB By Dr. Vidrine



www.TRSL.org
 225-925-6446
 225-925-6366
 web.master@trsl.org
 Post Office Box 94123
 Baton Rouge LA 70804-911

January 28, 2022

03 - 99

VIDRINE BRENT A



ID No.: [REDACTED]

Dear Member:



Thank you for your interest in purchasing service credit with TRSL. The cost to purchase service credit based upon your Out of State service is below. This cost will use the following information: (1) your 25.90 year(s) of service credit as of June 30, 2021; (2) your age; and (3) your current annual salary.

Purchase Options	Year	Service Credit	Cost
Option 1:	08/1988-06/1997	2.00	\$99,818.93
Option 2:	08/1988-06/1997	1.00	\$67,422.71

IMPORTANT: Years and cost amounts cannot be combined.

Please decide which purchase option you would like to make and submit the total amount to TRSL no later than February 28, 2022. Acceptable payment options are personal checks, certified checks, cashier's checks, money orders, or certain "rollover" funds made payable to Teachers' Retirement System of Louisiana. Payments received after the date specified in this letter cannot be accepted and will be returned to you. Please check the date carefully.

NOTE: If you intend to use rollover funds, you should immediately contact the plan provider who currently holds those funds to ensure TRSL receives the funds by the specified date. Questions regarding rollovers should be directed to TRSL's Accounting Department at extension 225-925-6446, ext. 6422.

ACCOUNTS PAYABLE
 MAR 03 2022

All checks provided as payment for this purchase will be processed as a one-time electronic funds transfer (EFT). An EFT transaction drafts funds from your account the same day that payment is received. An \$18.00 insufficient funds fee will be charged for each returned check.

RECEIVED

Expiration of this invoice and/or any additional requests for calculation of an actuarial cost to purchase service credit will require a minimum \$150 fee made payable to Teachers' Retirement System of Louisiana.

If you have any questions, please contact us at 225-925-6446 or toll-free (outside the Baton Rouge calling area) at 1-877-ASK-TRSL (1-877-275-8775).

Sincerely,

Retirement Department

Toll free (outside the Baton Rouge area): 1.877.ASK.TRSL (1.877.275.8775)
 Teachers' Retirement System of Louisiana is an equal opportunity employer and complies with Americans with Disabilities Act.

Attachment E - Handwritten TRSL Allowance Calculation

Brent Vidrine 4939

#1 Contract = June 1, 2013 - May 31, 2013

#2 Contract = June 1, 2014 - December 31, 2014

2013 - 2014	21/233	15,451.99
2014 - 2015	233	171,443.48
2015 - 2016	233	171,443.48
2016 - 2017	1/233	

$$150,000 \div .92 = 163,043.48$$

$$- 150,000.00$$

13,043.48 Retirement

2014-2015

150,000.00

Base

13,043.48

Retirement

8,400.00

Car Allowance

(No Ret)

$$171,443.48 / 12 = 14,286.96$$

LEGAL PROVISIONS

¹ **Louisiana Revised Statute (La. R.S.) 14:67(A)** states, "Theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. An intent to deprive the other permanently of whatever may be the subject of the misappropriation or taking is essential."

² **La. R.S. 14:133(A)** states, "Filing false public records is the filing or depositing for record in any public office or with any public official, or the maintaining as required by law, regulation, or rule, with knowledge of its falsity, of any of the following: (1) Any forged document. (2) Any wrongfully altered document. (3) Any document containing a false statement or false representation of a material fact."

³ **La. R.S. 42:1461(A)** states, in part, "Officials, whether elected or appointed and whether compensated or not, and employees of any "public entity"... by the act of accepting such office or employment assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property, or other thing of value belonging to or under the custody or control of the public entity in which they hold office or are employed."

⁴ **La. R.S. 14:134(A)** states, "Malfeasance in office is committed when any public officer or public employee shall: (1) Intentionally refuse or fail to perform any duty lawfully required of him, as such officer or employee; or (2) Intentionally perform any such duty in an unlawful manner..."

⁵ **18 United States Code (U.S.C.) §666** states, in part, "Whoever, if the circumstance described in subsection (b) of this section exists – (1) being an agent of an organization, or of a State, local, or Indian tribal government, or any agency thereof – (A) embezzles, steals, obtains by fraud, or otherwise without authority knowingly converts to the use of any person other than the rightful owner or intentionally misapplies, property that – (i) is valued at \$5,000 or more, and (ii) is owned by, or is under the care, custody, or control of such organization, government, or agency; or... shall be fined under this title, imprisoned not more than 10 years, or both. (b) The circumstances referred to in subsection (a) of this section is that the organization, government, or agency receives, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, or other form of Federal assistance...."

APPENDIX A

Management's Response



2006 Tower Drive * Monroe, LA 71201
Phone: (318) 325-0601 Fax: (318) 812-3604

Dear Mr. Waguespack:

On behalf of the Monroe City School Board, we acknowledge receiving a copy of the Louisiana Legislative Auditor's Preliminary Draft Report of Findings and Recommendations presented in March 2024. Thank you for the opportunity to meet with your staff regarding the report and to offer this official response.

We agree with the findings contained in the Preliminary Draft Report. We are unaware of any misstatements or needed modifications.

We concur with the Recommendations listed on page 13 of the Preliminary Draft Report.

The Board has already acted to implement procedures to ensure that the Superintendent's contract is approved by a majority vote of the Board's membership and documented in the board minutes. These requirements will also be reflected in updated policies that are currently under development.

Board policies are being updated to require notification to the Board prior to any changes to the Superintendent's salary and benefits.

Board policies are being updated to ensure that salary and benefits paid to the Superintendent do not exceed amounts approved by the Board. Updated policies will require a review of the superintendent's salary and benefits at the time of the Superintendent's annual evaluation.

The Board will make additional changes recommended by the Legislative Auditor to ensure Board oversight of the Superintendent and compliance with laws and regulations governing the superintendent's employment and compensation.

We appreciate the work done by your audit team and the guidance that your office has provided to our school district to correct the questionable conduct and irregularities identified in your Report. You will have the full cooperation of the Monroe City School Board as we go forward.

Do not hesitate to contact us if you have any follow-up concerns or requests.

Sincerely,

Jennifer Haneline,
Board President

A handwritten signature in blue ink, appearing to read 'Jennifer Haneline', is written over the typed name and title.

APPENDIX B

Dr. Brent Vidrine's Response



BREITHAUPT • DUBOS • WOLLESON

ATTORNEYS AT LAW

P. Scott Wolleson*
Michael L. DuBos*
R. Alan Breithaupt*
K. Lamar Walters, III*

A Louisiana Limited Liability Company
† Licensed in Texas
* A Professional Law Corporation

† James R. Close
Adam R. Karamanis
* Walter C. Dunn, Of Counsel
Sadye K. Bernheim, Of Counsel

March 19, 2024

VIA E-MAIL

Michael J. “Mike” Waguespack, CPA
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804

RE: Dr. Brent Vidrine

Dear Mr. Waguespack:

As you know, I represent Dr. Brent Vidrine in connection with a dispute arising out of his 2018 Employment Contract with the Monroe City School Board (“MCSB”). Thank you for the opportunity to respond to the draft of your investigative audit report on the MCSB. As authorized by your letter dated March 5, 2024, I am providing this response on behalf of Dr. Vidrine which we request that you include as an attachment to the audit report when published.

First, the statements in the audit report that Dr. Vidrine “may have violated state and federal law”¹ constitute improper legal conclusions which exceed the authority granted to the legislative auditor. The office of the legislative auditor is not a court but is a creation of the legislative branch of government authorized to examine the “financial accountability, legal compliance and evaluations of the economy, efficiency, and effectiveness of the *auditee's programs*.”² The legislative auditor has no statutory or constitutional power or other authority to report legal conclusions.³ The legislative auditor’s grant of statutory authority is to examine legal

¹ See pp. 2, 10, 12, 14.

² See LSA-R.S. 513(A)(1)(a).

³ See *City of Kenner v. Kyle*, 02-1262 (La. App. 5 Cir. 4/8/03)l, 846 So.2d 34; *Priola v. Calcasieu Parish Police Jury*, 97-161 (La. App. 3 Cir. 6/4/97), 696 So.2d 183, 186, writ denied, 97-1693 (La.10/13/97), 703 So.2d 613.).

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compliance of the “auditee’s programs.” The legislative auditor has no authority to report legal opinions about the alleged acts or omissions of an individual. When cloaked with imprimatur of the legislative auditor, legal conclusions about an individual, as opposed to “the auditee’s programs,” are entirely inappropriate and unduly prejudicial. Therefore, we respectfully request that these statements and corresponding footnote citations to state and federal statutes be deleted from the audit report prior to publication by your office.

Second, the factual findings of the audit report omit material facts and relevant context, all of which would typically be considered in a judicial determination of whether any violation of law occurred. To the extent these factual findings purport to support improper legal conclusions, we are unwilling to respond point-by-point. To be clear, Dr. Vidrine does not concede the validity of any purported factual findings in the audit report by refraining from a point-by-point debate in this letter response. Rather, Dr. Vidrine expressly reserves each of his constitutional rights and will defend against any findings and/or recommendations of this report in a court of competent jurisdiction, if necessary.

Finally, the audit report improperly recommends that “MCSB consult with legal counsel to determine appropriate actions to take, including recovery of improper payments made to Dr. Vidrine.”⁴ For the report to imply that MCSB should consult legal counsel on a clearly extinguished cause of action is misleading to the public. In making this misplaced recommendation, the audit report completely ignores the following material facts:

- On June 22, 2023, and then again on August 24, 2023, legal counsel for Dr. Vidrine sent letters to MCSB legal counsel (Lawrence) threatening legal action due to MCSB’s breach of Dr. Vidrine’s 2018 Employment Contract. These letters resulted in several meetings and negotiations between Dr. Vidrine and MCSB legal counsel (Lawrence and Blackwell), none of which are even mentioned in the audit report.
- Dr. Vidrine and MCSB resolved this dispute through a written document entitled “Tentative Settlement Agreement” in October 2023. This settlement agreement mutually extinguished any claims or actions of any kind by either party arising out of Dr. Vidrine’s employment with MCSB, including claims by either party related to any overpayment or underpayment of amounts due under Dr. Vidrine’s 2018 employment contract with MCSB.⁵ Again, neither the legal demands by Dr. Vidrine, the negotiations between the parties, nor the settlement agreement are mentioned in the audit report.
- Approval of the Tentative Settlement Agreement was listed as agenda item 4A to be considered by MCSB at its special meeting held October 30, 2023, which, again, is not mentioned in the audit report.

⁴ See p. 13.

⁵ See Attachment 1, Tentative Settlement Agreement.

- Approval of the Tentative Settlement Agreement was discussed by MCSB in executive session with MCSB legal counsel (Blackwell and Lawrence) during special meetings (including item 3A on October 30, 2023, referred to as “threatened prospective litigation”), which the audit report again fails to mention.⁶
- As evidenced by its publicly available minutes for the meeting held on October 30, 2023, MCSB voted 6-1 to approve/ratify the Tentative Settlement Agreement, which the audit report again fails to mention.⁷
- The Tentative Settlement Agreement, the existence of which is entirely omitted from the audit report, constitutes a valid and enforceable contract defined under Louisiana law as a “compromise.” *See* LSA-C.C. art. 3071 (“A compromise is a contract whereby the parties, through concessions made by one or more of them, settle a dispute or an uncertainty concerning an obligation or other legal relationship.”)⁸
 - The Tentative Settlement Agreement required concessions to be made by MCSB and Dr. Vidrine to settle a long-standing contract dispute which began in December 2018 when MCSB failed to purchase creditable years of service as obligated under Dr. Vidrine’s 2018 employment contract, which, again, is not mentioned in the audit report. Nor does the audit report mention the following concessions made by the parties to reach the Tentative Settlement Agreement:
 - Vidrine concessions: Waived claims against MCSB for penalties/attorney fees for unpaid wages; waived certain claims for accrued leave; waived damage claims related to excessive tax liability resulting from MCSB mischaracterizing Payment 1 as salary on his W-2; waived claims for injunctive relief, mandamus, and declaratory judgment to require MCSB to amend his W-2 to recharacterize payments from salary to retirement benefits; waived claim for employer’s retirement contributions on Payment 1 where MCSB had designated these payments as salary on his W-2’s, waived indemnity rights for attorney’s fees in excess of \$10,000 arising out of his contract dispute.
 - MCSB concessions: waived any claims for recovery of any alleged overpayment.
- Dr. Vidrine has fully performed his obligations undertaken in the Tentative Settlement Agreement with MCSB, which the audit report again fails to mention.

⁶ *See* Attachment 2, MCSB Minutes, October 30, 2023.

⁷ *See* Attachment 2, MCSB Minutes, October 30, 2023.

⁸ *See also* LSA-C.C. art. 3074 Lawful Object, which states in part, “The civil consequences of an unlawful act giving rise to a criminal action may be the object of a compromise...”

Waguespack
March 18, 2024

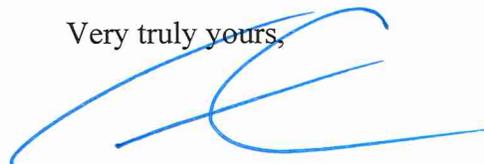
Based on the foregoing, the recommendation that MCSB should seek legal counsel to recover allegedly “improper payments” made to Dr. Vidrine misleads the public. The audit report completely ignores the validity of the Tentative Settlement Agreement and omits material facts, including: (1) MCSB’s misclassification of Payment 1 on Dr. Vidrine’s W-2 as salary instead of retirement benefits, as well as the financial implications thereof; (2) the affirmative obligations undertaken by MCSB in the Tentative Settlement Agreement to correct mistaken W-2’s in connection with Payments 2 and 3; and (3) the good faith intent of MCSB to acknowledge and provide recompense for the prior mischaracterization of Payment 1 through MCSB’s concessions made in the Tentative Settlement Agreement.

Accordingly, the recommendation that “MCSB consult with legal counsel to determine appropriate actions to take, including recovery of improper payments made to Dr. Vidrine” should be deleted from the audit report as it is misleading to the public and unduly prejudicial to the parties to the Tentative Settlement Agreement. To the extent that either MCSB or Dr. Vidrine ever had any valid claim or action for redress, recompense, or compensation against each other arising out of Dr. Vidrine’s 2018 Employment Contract, any such claim or action has been mutually extinguished by MCSB’s ratification of the Tentative Settlement Agreement. As a matter of law, “[a] compromise precludes the parties from bringing a subsequent action based upon the matter that was compromised.” *See* LSA-C.C. art. 3080. For the report to imply otherwise is simply wrong. The legislative auditor cannot simply ignore the long-standing legal dispute and resulting compromise agreement between the parties.

Thank you for the opportunity to respond on behalf of Dr. Vidrine. If the audit report is revised to address any matters raised by this response, we respectfully request the opportunity to review and respond to any such revisions prior to publication of the audit report.

With best regards, I am

Very truly yours,



P. Scott Wolleson

PSW/mjr (10.62008)

ATTACHMENT 1

TENTATIVE SETTLEMENT AGREEMENT REGARDING
RETIREMENT OF DR. BRENT A. VIDRINE
FROM THE MONROE CITY SCHOOL BOARD

1. The Monroe City School Board (hereinafter "the Board") shall ratify at its next Regular Meeting the *Superintendent Employment Contract* between the Board and Dr. Brent A. Vidrine (hereinafter "Dr. Vidrine") effective June 1, 2018.
2. The Board shall contribute \$52,771.37 (representing 25.2% of the \$209,410.20 purchase of service credit) on behalf of Dr. Vidrine directly to the Teachers' Retirement System of Louisiana (hereinafter "TRSL") within ten (10) days of the Board's approval of this Tentative Settlement Agreement (hereinafter "this Agreement"). Dr. Vidrine shall contribute \$16,752.82 (representing 8.0% of the \$209,410.20 purchase of service credit) directly to TRSL within ten (10) days of the Board's approval of this Agreement.
3. Not more than 72 hours after this Agreement is approved by the Board, Dr. Vidrine shall remit to the Board the sum of \$48,184.92 via certified check.
 - a. The Board shall issue an amended W-2 form to Dr. Vidrine for the period covered by the return of the funds not more than ten (10) days after the funds have been received. The amended W-2 form shall reflect the earnings of Dr. Vidrine during the applicable tax year(s) without the inclusion of the \$48,184.92.
 - b. Not more than 48 hours after this Agreement is approved by the Board, Dr. Vidrine shall request an actuarial calculation from TRSL for the purchase of one (1) year of service credit (TRSL Form 9A) for the school year 1994-1995. Dr. Vidrine shall remit any fees charged by TRSL for making this calculation directly to TRSL.
 - c. Dr. Vidrine shall ask that the actuarial calculation be sent directly to the Board.
 - d. Not more than 48 hours after its receipt of the actuarial calculation from TRSL, the Board shall issue a check for the full amount of the actuarial calculation to TRSL and forward that check directly to TRSL on Dr. Vidrine's behalf.
 - e. Dr. Vidrine may, if he so chooses, file an amended tax return for the tax year(s) in question.

THIS TENTATIVE SETTLEMENT AGREEMENT IS SUBJECT TO APPROVAL OF THE
MONROE CITY SCHOOL BOARD

4. Not more than 72 hours after this Agreement is approved by the Board, Dr. Vidrine shall remit to the Monroe City School Board the sum of \$67,422.71 via certified check.
 - a. The Board shall issue an amended W-2 form to Dr. Vidrine for the period covered by the return of the funds not more than ten (10) days after the funds have been received. The amended W-2 form shall reflect the earnings of Dr. Vidrine during the applicable tax year(s) without the inclusion of the \$67,422.71.
 - b. Not more than 48 hours after this Agreement is approved by the Board, Dr. Brent A. Vidrine shall request an actuarial calculation from TRSL for the purchase of one (1) year of service credit (TRSL Form 9A) for the school year 1993-1994. Dr. Vidrine shall remit any fees charged by TRSL for making this calculation directly to TRSL.
 - c. Dr. Vidrine shall ask that the actuarial calculation be sent directly to the Board.
 - d. Not more than 48 hours after its receipt of the actuarial calculation from TRSL, the Board shall issue a check for the full amount of the actuarial calculation to TRSL and forward that check directly to TRSL on Dr. Vidrine's behalf.
 - e. Dr. Vidrine may, if he so chooses, file an amended tax return for the tax year(s) in question.

5. Upon his retirement, the Board will pay Dr. Vidrine for 25 days of sick leave at his daily rate of pay (\$880.49) in the total amount of \$22,012.25. If he chooses, the balance of Dr. Vidrine's sick leave (253.50 days) may be used by Dr. Vidrine to purchase additional service credit with TRSL.

6. Upon his retirement, the Board will pay Dr. Vidrine for 69 days of annual leave (45 current and 24 based upon a prior agreement with the Board) at his daily rate of pay (\$880.49) in the total amount of \$60,753.81.

7. Upon his retirement, the Board shall pay a portion of Dr. Vidrine's health care coverage pursuant to Policy EGA.

8. Upon his retirement, the Board will make a pro-rata contribution to the annuity described in Dr. Vidrine's contract. This payment will be made by the Board directly to Wells Fargo in accordance with previous practice. The pro-rata amount of the payment will be calculated as follows:

THIS TENTATIVE SETTLEMENT AGREEMENT IS SUBJECT TO APPROVAL OF THE
MONROE CITY SCHOOL BOARD

Minus 365
 the number of Days Between July 1, 2023
 the date of Dr. Vidrine's retirement
 Equals X.
 Divide X by 365 to obtain the pro-rata percentage.
 Multiply the pro-rata percentage by \$18,000 to obtain amount due.

9. Upon his retirement, the Board will make a pro-rata payment to Dr. Vidrine of the sales tax check (i.e. the 14th check) normally received by employees of the Board in June. The pro-rata amount of the payment will be calculated as follows:

Minus 365
 the number of Days Between July 1, 2023
 the date of Dr. Vidrine's retirement
 Equals X.
 Divide X by 365 to obtain the pro-rata percentage.
 Multiply the pro-rata percentage by the amount received by Dr. Vidrine for the
 14th check issued to him in June of 2023 to obtain amount due.

10. The Board will continue to pay the term life insurance premiums and individual disability insurance premiums on behalf of Dr. Vidrine until the date of his retirement.

11. Upon his retirement, the Board shall pay Dr. Vidrine the documented attorney's fees that he has incurred in an amount not to exceed \$10,000.00.

12. Until such time as the purchase of the additional years of service credit set forth in Items 2 and 3 is accomplished, Dr. Vidrine agrees to stay on administrative leave with pay under the same terms and conditions set forth in the Resolution adopted by the Board on October 24, 2023.

13. Immediately upon confirmation from TRSL that the purchase of the additional years of service credit set forth in Items 2 and 3 is accomplished, Dr. Vidrine shall retire from his employment with the Board.

14. The Board and Dr. Vidrine shall each release the other, in the broadest terms possible, of and from any and all additional liability to the other for any claim or cause of action arising out of Dr. Vidrine's employment with the Board.

15. **Dr. Vidrine acknowledges and understands that this tentative settlement agreement is subject to the approval of the Board.**

THIS TENTATIVE SETTLEMENT AGREEMENT IS SUBJECT TO APPROVAL OF THE
 MONROE CITY SCHOOL BOARD

16. If the Board fails to approve this tentative settlement agreement, the terms and conditions set forth herein shall be null, void, and without any legal effect whatsoever.

MONROE CITY SCHOOL BOARD

By: _____
It's President



Dr. Brent A. Vidrine



P. Scott Wolleson
Counsel for Dr. Brent A. Vidrine

THIS TENTATIVE SETTLEMENT AGREEMENT IS SUBJECT TO APPROVAL OF THE
MONROE CITY SCHOOL BOARD

Page 4 of 4

ATTACHMENT 2

Monroe City School Board of Education
2006 Tower Drive
Monroe, Louisiana 71201

MINUTES

The Monroe City School Board met in special session, Tuesday, October 30, 2023 at Monroe City School District Central Office, 2006 Tower Drive, Monroe, Louisiana 71201. The meeting was called to order at 6:00 p.m. by Board President Bill Willson. Prayer was offered by Pastor Vance Price and Pledge was led by Board Member, Mrs. Brenda Shelling.

Agenda Item 1C – Roll Call

Present: Mr. Sampognaro, Ms. Jennifer Haneline, Mr. Willson, Mr. Daryll Berry, Mrs. Betty Ward Cooper, Mr. Johnson, and Mrs. Brenda Shelling

Agenda Item 1D – Adoption of the Agenda

Board President Willson noted that agenda item 2B (The board will take such additional action to authorize, to the extent needed the school districts appointment of an Interim Chief Academic Officer) should be deleted.

On a motion by Mrs. Shelling and seconded by Ms. Haneline the board approved the agenda with the deletion of agenda item 2B. The motion carried on a unanimous vote.

Agenda Item 2A New Business – The Board will take action to appoint an Interim Superintendent of Schols for the Monroe City School District

It was moved by Ms. Haneline and seconded by Mrs. Shelling to appoint the role of acting Co-Superintendents Mr. Sam Moore and Serena White to carry out the duties of the superintendent's position.

Mr. Johnson voiced his concerns about the President and Vice President appointing roles for the Co Superintendents. One or the other must have authority when making a final decision.

Mrs. Cooper commented on the notes that were received regarding the state law governing this, saying it dilutes the position of Superintendent.

Mr. Willson noted this is on a short-term basis not to exceed six months.

Ms. Haneline noted there are a lot of different opinions near and far. This is a way to come together to represent different strengths within employees who know our system and can hit the ground running so we won't miss a beat. There will be some potential hiccups, but she also believes that our system deserves the best that we have. This decision was made quickly and do not have all the answers. Ms. Haneline biggest interest is to keep the district healthy.

In Favor: Mr. Sampognaro
Ms. Haneline
Mrs. Shelling
Mr. Willson

Against: Mrs. Cooper
Mr. Johnson
Mr. Berry

Mrs. Shelling voiced her concerns about the Leadership of the Co Superintendents.

Agenda Item 3A Executive Session – the board will convene in executive session to discuss prospective litigation based on receipt of a formal written demand {Ref. LRS-42:17 (A) (2)}.

On a motion by Ms. Haneline and seconded by Mr. Sampognaro the board approved to convene in executive session at 6:14pm for 1 hour. The motion carried unanimously.

Agenda Item 4A Open Session – The Board will consider action to approve the potential settlement of a matter that is the subject of threatened prospective litigation.

On a motion by Mr. Johnson and seconded by Ms. Haneline the board reconvened in open session at 7:21pm. The motion carried unanimously.

On a motion by Ms. Haneline and seconded by Mr. Berry the Board approved to accept the legal council's recommendation of a tentative settlement agreement regarding the retirement of Dr. Brent A. Vidrine from the Monroe City School Board.

Public Comment: Mrs. Bryant noted wrong was done and we don't need another wrong to try to make something right. Mrs. Bryant hopes the Board stands its ground and expects the right thing to be done.

Public Comment: Mrs. Krutzer spoke on behalf of the Monroe City School Stakeholders, the taxpayers. She asked that the Board consider any kind of negotiated settlement for the reported misuse or mismanagement of school board funds that any such settlement include at least the very minimum is a return to the Monroe City School Board. All funds deemed to have been misused, misdirected, or otherwise wrongfully disbursed, she hopes and sincerely wishes that the Board Members that the public elected to represent them will do the right thing.

In Favor:
Mr. Sampognaro
Ms. Haneline
Mrs. Cooper
Mr. Johnson
Mr. Berry
Mr. Willson

Opposed:
Mrs. Shelling

Agenda Item 5 – Recess/Adjourn

There being no further business to come before the board, on a motion by Ms. Haneline and seconded by Mr. Sampognaro, the meeting adjourned at 7:28p.m. The motion carried unanimously.

William Willson/
William “Bill” Willson
Board President

Brent Vidrine/
Dr. Brent Vidrine
Superintendent

Note: These minutes summarize the final decisions made by the Board at the referenced meeting. This meeting was also audio recorded and that recording is available for review by contacting the Board clerk at tonya.robinson@mcschools.net.