

SENATE BILL NO. 460

BY SENATOR ADLEY

1 AN ACT

2 To amend and reenact R.S. 17:4022(3) and R.S. 24:513(A)(1)(b)(iv), relative to the  
3 legislative auditor; to provide relative to public funds received by schools as tuition  
4 payments under the Student Scholarships for Educational Excellence Program; to  
5 provide authority to the legislative auditor; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:4022(3) is hereby amended and reenacted to read as follows:

8 §4022. Participating schools; requirements

9 Each participating school shall:

10 \* \* \*

11 (3) Submit to the department an independent financial audit of the school  
12 conducted by a certified public accountant who has been approved by the legislative  
13 auditor. Such audit shall be accompanied by the auditor's statement that the report  
14 is free of material misstatements and fairly presents the participating school's  
15 maximum tuition or actual cost of educating a student pursuant to R.S. 17:4016. The  
16 audit shall be limited in scope to those records necessary for the department to make  
17 scholarship payments to the participating school and shall be submitted to the  
18 legislative auditor for review and investigation of any irregularities or audit findings.

19 **The participating school shall account for all scholarship funds separately from**  
20 **other funds by maintaining funds in a separate account or by using accounting**  
21 **procedures that allow the legislative auditor to identify the separate funds**  
22 **pursuant to the authority of this Section. Such accounting shall allow for**  
23 **thorough auditing of the receipt and expenditure of state scholarship funds**  
24 **allocated through the Louisiana Department of Education.** The participating

25 school shall return to the state any funds that the legislative auditor determines were  
26 expended in a manner inconsistent with state law or program regulations. The cost

1 of such audit shall be paid by the department from funds appropriated by the  
2 legislature to implement the provisions of this Chapter.

3 \* \* \*

4 Section 2. R.S. 24:513(A)(1)(b)(iv) is hereby amended and reenacted to read as  
5 follows:

6 §513. Powers and duties of legislative auditor; audit reports as public records;  
7 assistance and opinions of attorney general; frequency of audits;  
8 subpoena power

9 A.(1) \* \* \*

10 (b) For the sole purpose of this Subsection, a quasi public agency or body is  
11 defined as:

12 \* \* \*

13 (iv) Any not-for-profit organization that receives or expends any local or state  
14 assistance in any fiscal year. Assistance shall include grants, loans, transfers of  
15 property, awards, and direct appropriations of state or local public funds. Assistance  
16 shall not include guarantees, membership dues, vendor contracts for goods and  
17 services related to administrative support for a local or state assistance program,  
18 assistance to private or parochial schools **except as provided in R.S. 17:4022,**  
19 assistance to private colleges and universities, or benefits to individuals.

20 \* \* \*

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_