



# LOUISIANA DEPARTMENT OF EDUCATION

**Date:** July 27, 2021

**To:** School System Business Managers  
Type 2, Type 3B, and Type 5 Charter School Business Managers

**From:** Beth Scioneaux  
School System Financial Services

**Subject:** FY2020-2021 Fiscal Risk Assessment

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By law, each city, parish or other local public school board shall be notified on a regular basis by the State Department of Education of its financial status per the annual Fiscal Risk Assessment. The FY2020-2021 Fiscal Risk Assessment has been updated and populated for each school system to include the latest data available for each factor. The following resource documents are available:

- [School System Response Form](#) - to be completed and submitted to the Department of Education by close of business on Monday, August 2, 2021.
- [Description of Factors](#) - contains details regarding each factor included in the financial risk assessment
- [Purpose of Financial Risk Assessment](#)

Each school system's preliminary data will be available on their "edfin" FTP site by July 27, 2021. Please review each of the factors carefully, complete the [School System Response Form](#), and return it to [SchoolFinanceHelpDesk@la.gov](mailto:SchoolFinanceHelpDesk@la.gov). Responses received by Monday, August 2 will be reviewed and used to make updates (if necessary) to the data for the school system. The response form includes the following items:

- **Additional Information/Comments**  
Should you find that the data for your school system or school is in error for any given factor, provide updated information accompanied by documentation to substantiate the update. Also provide any additional comments or information that you feel should be considered during the review process.
- **Factor R (General Fund Deficit Spending)**  
If your school system or school experienced general fund deficit spending, provide details to justify why the situation occurred, and/or outline plans that have been or will be put in place to address any deficiencies.
- **Factor S (General Fund Balance as a Percentage of General Fund Revenue)**  
If your fund balance is near or below the recommended percentage of general fund revenues, or has decreased significantly from the prior year, provide details regarding the status of your general fund balance and/or outline any plans that have been or will be put in place to address any deficiencies.

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An action summary will be prepared in which the issues for each school system are listed. The action summaries will be provided to the State Board of Elementary and Secondary Education (BESE) along with the Department's recommendation for further follow-up categorized as follows:

- No Action Necessary
- Monitor
- In Corrective Action

The Fiscal Risk Assessment process includes the evaluation of certain data as it becomes available throughout the fiscal year and includes the following two factors:

- Evaluation of the next year's General Fund Budget, which is due to the LDOE each year on September 30.
- Consideration of the receipt of information or an occurrence during the fiscal year that creates a critical situation.

Please contact [SchoolFinanceHelpDesk@la.gov](mailto:SchoolFinanceHelpDesk@la.gov) with questions.

BS/db

Attachments

- c: School System Superintendents  
Type 2, Type 3B, and Type 5 Charter School Board Presidents

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