

1 LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
2 QUARTERLY BOARD MEETING
3 AND
4 ADJUDICATORY HEARINGS
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9 Louisiana State Board of Private Security Examiners
10 15703 Old Hammond Highway
11 Baton Rouge, Louisiana
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15 September 18, 2014
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20 Reported By
21 ANNETTE ROSS, CCR, RPR
22

23 COPY
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APPEARANCES

BOARD MEMBERS:

Louis S. Gurvich, Jr., Chairman, District 1

Thomas L. Baer, District 3

Donald O. Cotton, District 5

George Rojas, Member at Large

James H. "Chip" Romero, Member at Large

Christine Vinson, Vice Chairperson, Member at Large,

COUNSEL:

Adrienne Aucoin, Esq.

BOARD STAFF:

Mr. Wayne R. Rogillio

Ms. Jane Ryland

MS. Sharon Vallery

Reported by: ANNETTE ROSS, CCR NO. 93001,
Certified Court Reporter, in
and for the State of Louisiana

(Annette Ross officiated in administering the oath to the
witnesses.)

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1
2 MR. GURVICH: I'd ask everyone, welcome to the
3 quarterly meeting of the Louisiana State Board of Private
4 Security Examiners. I'd ask Chief Rogillio -- if we
5 would, everyone rise -- to please lead us in The Pledge,
6 followed by a brief moment of silence. Chief.

7 (Pledge of Allegiance and brief moment of silence.)

8 MR. GURVICH: Thank you. May we have roll call,
9 please.

10 (Roll call.)

11 MR. GURVICH: All right. We apparently have a
12 quorum present. Chief, what's your pleasure, or do we
13 have a motion to waive the reading of the minutes of the
14 previous meeting?

15 MR. ROMERO: So moved.

16 MR. GURVICH: Motion by Mr. Romero, second by --

17 MR. ROJAS: Second.

18 MR. GURVICH: -- okay, George there. Any
19 debate/discussion? All in favor of the motion say aye.

20 ALL BOARD MEMBERS: Aye.

21 MR. GURVICH: Any opposed? None? Chief, what's
22 your pleasure?

23 MR. ROGILLIO: I would take a moment to
24 introduce our new investigator. Captain Doug Cain
25 retired from the Baton Rouge PD. He has been with us

1 | now, what, Doug, a couple months? And he's been doing a
2 | bang-up job for us. And I just wanted to take a moment
3 | to let y'all know who he is. He worked for me before,
4 | so.

5 | MR. GURVICH: We're glad to have you. There's
6 | plenty of work to do.

7 | MR. ROGILLIO: Yes.

8 | MR. GURVICH: Okay, Chief. What's your
9 | pleasure?

10 | MR. ROGILLIO: I'd like to amend the agenda and
11 | go take up the budget matter so that Mr. McRight can
12 | leave.

13 | MR. GURVICH: All right. Is there any objection
14 | to waiving the agenda? Sir.

15 | **NEW BUSINESS, MISCELLANEOUS, AUDIT**

16 | MR. MCRIGHT: Good morning. It's good to be
17 | back again. And we are here for the -- several things.
18 | We've got the budget. The annual audit was completed
19 | also during the time there. So, actually, I don't know
20 | where we had planned to start with this, but we can start
21 | with the audit first. In y'all's packet, it will say
22 | Michael Glover on the top of it.

23 | MR. GURVICH: Where is that, Chief?

24 | MS. RYLAND: It's stapled in that first packet.

25 | MR. GURVICH: It's in this big?

1 MS. RYLAND: No. It's the one with the agenda
2 on it. It's about five or six pages over -- actually,
3 fourth page.

4 MR. GURVICH: After the financials?

5 MS. RYLAND: Yes.

6 MR. GURVICH: All right. This is, Michael K.
7 Glover is the individual that was hired by the state to
8 perform -- to conduct the audit?

9 MR. MCRIGHT: Right. It's really an agreed-upon
10 procedure. Y'all don't have to have a financial
11 statement audit per se anymore. What he does is, they
12 have a list of things that he needs to come out and
13 check, make sure that there are procedures in place to
14 ensure that the financial statements are done properly.

15 And, basically, this is what his report here says is
16 that he reviewed these individual items, found no
17 material differences. The only thing he's found is,
18 there are some places where we were not having management
19 approval of certain items. And these items were approved
20 and reviewed; they just were not initialed at the time
21 they were done. So we're putting procedures in place now
22 to ensure that everything is initialed as we go along.

23 MR. GURVICH: They were approved by staff, or
24 they were approved by the board for the motion?

25 MR. MCRIGHT: A combination of both of those.

1 The staff -- well, one of the things they had was the
2 bank reconciliations. The way that does is that Sharon
3 does the bank reconciliations. She sends them to me. I
4 will review them. I send them back, and she gives them
5 to Wayne or Jane for a final approval before they are
6 filed away. We were just negligent in not initialing
7 each one as being approved as we did this. The
8 procedures were in place. We just didn't have that
9 notation.

10 MR. GURVICH: In other words, someone reviewed
11 it, examined it, but we didn't initial in the initials
12 section or something, so?

13 MR. MCRIGHT: Right. Another thing they pointed
14 out was that our board minutes approvals were not --
15 whenever y'all approve it the following time, someone
16 needs to sign off saying that we approved the minutes of
17 the last session and actually have some type of document
18 initialing that off. And if that would be just the
19 minutes of the prior board meeting, if y'all would just
20 take that at the bottom of it, initial it, I assume it's
21 in your packet, the minutes from the prior board meeting
22 or as soon as y'all get them in. Somebody just needs to
23 initial off that they looked at them, that they are a
24 true, correct copy.

25 MS. RYLAND: I'll take care of that.

1 MR. GURVICH: We follow the traditional somebody
2 moves to waive the minutes just to speed things up. Now,
3 obviously, if anybody has an objection to anything in the
4 minutes -- I guess, we should we reading them -- of
5 course, that's available. You are saying we need to
6 manifest in some overt way that we are signing off on.
7 So maybe the thing to do is -- we typically get the
8 minutes when we get here to the meeting?

9 MS. RYLAND: No. I e-mail them to you. If I
10 e-mail them to him, can he e-mail me an approval back?
11 Would that be appropriate?

12 MR. MCRIGHT: Yes. Yes.

13 MR. GURVICH: I wouldn't presume to do that,
14 unless everybody signs off. Does everybody need to sign
15 off on it?

16 MR. MCRIGHT: No. Just one person. Either the
17 secretary or the chairman or his appointee can sign off
18 on it.

19 MR. GURVICH: So we get them a couple of
20 weeks --

21 MS. RYLAND: I e-mail them to you. No. You
22 should get them within 45 days. It's 30 days that they
23 have to be to us, and we give them to -- I send them to
24 you. So if you will just send me back an approval memo,
25 then I can just put a copy of the minutes with the

1 approval memo from the e-mail. And that's appropriate?

2 MR. MCRIGHT: That's appropriate.

3 MR. GURVICH: Okay. So I will e-mail you back
4 saying I find no problem with them.

5 MS. RYLAND: And they are approved.

6 MR. GURVICH: And, well, if anybody does, if
7 y'all would -- we should make it sort of a custom that,
8 you know, let me know within 72 hours if you have a
9 problem. And if I don't hear anything --

10 MS. RYLAND: I will remind you.

11 MR. GURVICH: I certainly don't want to do this
12 on my own. If you all read them, which I know you do,
13 then let me know within 72 hours. And if we have an
14 issue, then fine. And if I don't hear anything, then I
15 will sign off on it. But I won't presume to do this all
16 on my own if you all have an input. Is that how we want
17 to do it? Is that satisfactory to you, sir?

18 MR. MCRIGHT: Yes, sir. This is a best
19 procedures guideline, and this particular auditor is
20 really -- this is his big thing is having everything
21 signed. I mean, we sign every invoice. We sign every
22 time sheet.

23 I think you found one finding where our leave sheets
24 were not being filled out timely by everybody. We put
25 additional procedures in to make sure that those are done

1 and initialed off and signed off at the time that they
2 are requested.

3 So, overall, I mean, he didn't really find anything
4 as far as it would be real problems, just that he agreed
5 that everything was being done, it just wasn't a notation
6 made at the time it was approved. So I think we have
7 procedures now that initial everything.

8 MR. GURVICH: I mean, our accounting practices
9 are satisfactory; the money is satisfactorily accounted
10 for?

11 MR. MCRIGHT: No problem with the numbers. No
12 problem -- we are having the segregation of duties. We
13 segregate duties as much as we can in here. And I think,
14 you know, that's part of my job is to look over what
15 Sharon does so that we have separation of duties as far
16 as that goes. Within the office, y'all have some
17 separation between the mail coming in, the money being
18 deposited. All that is pretty well divided up as much as
19 we can with the size staff you have. So I don't know
20 that there's any recommendation being made to change any
21 of that. It would be able to do it -- it might cost more
22 than it would be to work to deal with that.

23 MR. GURVICH: I mean, it's a multi-page
24 document. But it looks like most of it's a form.

25 MR. MCRIGHT: That's exactly what it is. This

1 is a standard form that he gets from the legislative
2 auditor. This says this is what we want you to do. You
3 know, like, the first item on the first page: Determine
4 if there are adequate written policies and procedures.
5 We are developing those as we go along. We don't have
6 all of them, but we do have the majority of them in place
7 now.

8 So this is what -- he is hired by the legislative
9 auditor, with y'all paying him, naturally, to look at
10 these items. And then they say, if he looks at this and
11 he doesn't find any problems, then your accounting system
12 is in such a state that he should be -- we should
13 generate financial statements to tell them the board can
14 be relied upon.

15 The financial statements that we generate is that
16 big packet, the one you held up first. This is the
17 financial statement that we submit to the legislative
18 auditor and to the Division of Administration for the
19 year end June 30th, 2014.

20 MR. GURVICH: Questions? Okay. Moving on,
21 then, I think we need -- I certainly do entertain a
22 motion. I assume, though, that the board staff will move
23 to address the minor issues that have been uncovered.

24 MR. ROGILLIO: We have already done that.

25 MR. GURVICH: I don't know if that requires

1 board action, unless anybody feels differently.

2 MR. ROGILLIO: No, sir.

3 MR. GURVICH: Are you satisfied with that?

4 MR. MCRIGHT: Yes, sir.

5 MR. GURVICH: Whatever technical minor issues,
6 you will be addressed, and I'm sure you will let us know
7 if they --

8 MR. MCRIGHT: If there is anything major, I will
9 be happy to come before the board to let y'all know.
10 Y'all need a resolution to adopt his report as sent in,
11 that y'all are agreeable with that.

12 MR. GURVICH: All right. I make a motion, then,
13 to adopt the report of Michael K Glover, CPA, for the
14 year end June 30, 2014, audit of Louisiana State Board of
15 Private Security Examiners. This undated document is
16 Exhibit A, I believe, in this packet.

17 (Exhibit A identified.)

18 MR. GURVICH: Any comments, questions -- or do I
19 get a second?

20 MR. BAER: Second.

21 MS. VINSON: Second.

22 MR. GURVICH: Motion by Mr. Gurvich jointly
23 seconded by Mr. Baer and Ms. Vinson. Any
24 debate/discussion? All in favor of the motion as stated
25 say aye.

1 ALL BOARD MEMBERS: Aye.

2 MR. GURVICH: Any opposed? The motion carries
3 unanimately. Thank you.

4 **NEW BUSINESS, MISCELLANEOUS, FINANCIAL STATEMENTS**

5 MR. MCRIGHT: The next thing will be, there's a
6 big packet that says Annual Financial Statements. This
7 will be as of June 30th.

8 MS. RYLAND: This is this packet. If you look
9 on the side, it has 9/11/2014 on it, separate from your
10 stapled packet.

11 MR. GURVICH: Okay. This statement, instead of
12 the other statement, and this has our financials?

13 MR. MCRIGHT: This is the financials as of
14 June 30th as adjusted and corrected for year end.

15 MR. GURVICH: Right. So this is corrected
16 financials?

17 MR. MCRIGHT: Well, it's the financial statement
18 you end up with all adjustments for June 30th.

19 MR. GURVICH: This is it; there is nothing
20 further we have to do?

21 MR. MCRIGHT: This is the final. There won't be
22 any more adjustments done after this. This, again, is a
23 form that's filled out for the legislative auditor and
24 the Division of Administration. As you can see, it's
25 quite lengthy. Really, you skip over about ten pages is

1 | where we need to start. Everything else is just kind
2 | of -- says this is what we've done. This is summarizing
3 | it. The detail starts on page 1, which is really ten
4 | pages into the report there. And that will say the
5 | statement of net position.

6 | And as of June 30th, 2014, y'all had cash on hand of
7 | \$724,000. Y'all had -- other assets would be the
8 | building, the equipment, net appreciation, and everything
9 | is 366,000, giving you a net asset -- total asset total
10 | of \$1,090,000.

11 | Out of that, y'all have liabilities starting at the
12 | bottom of that page. Y'all have regular accounts payable
13 | of \$17,000, which is the current operating stuff that
14 | came in, but hadn't been paid by the June 30th.

15 | The big items on here would be compensated absences
16 | payable. That would be the vacation and leave that the
17 | staff has earned, not yet taken. The value of that is
18 | 57,000. And then you come down to the OPEB. That's the
19 | other post-retirement benefits that we suffer liability
20 | for to be paid sometime in the future. That's \$537,000.

21 | So those two numbers total up to \$612,000. The
22 | board owes out of that a million nine that they have,
23 | which leaves them roughly a net profit, retained earnings
24 | is, in the terms of a private business, the retained
25 | earnings will be \$478,000. Of that is the 366,000 is

1 offset by the fixed assets that are just broken out from
2 that, leaving a \$112,000 of the 109,000.

3 On the next page is the income statement or
4 statement of revenues and expenses for the year. Y'all
5 took in operating revenues of 860,000 for the year -- no.
6 I'm sorry. Took in operating revenues of 941,000, and
7 you've had operating expenses of 860,000 and operating
8 income then of \$80,000 for the year.

9 MR. GURVICH: Which shows up in what? Do we
10 have, like, a retained earnings?

11 MR. MCRIGHT: I'm sorry?

12 MR. GURVICH: This goes into, I guess, as it
13 were, retained earnings, so to speak?

14 MR. MCRIGHT: Yes.

15 MR. GURVICH: Whatever we call it with our kind
16 of agency?

17 MR. MCRIGHT: The 54,507 of income loss goes --
18 is added to beginning retained earnings or equity, and it
19 comes up with \$478,000 for the year.

20 As y'all are well aware of, the biggest expenditure
21 y'all have for the year are salaries and retirement
22 benefits and insurance for the staff. Once y'all get
23 past that, everything else is really just -- I don't want
24 to say immaterial, but it's not nearly as material as the
25 cost of the labor and stuff.

1 Truthfully, the rest of this is the footnotes that
2 are the same as we have every year and just explains how
3 y'all do business, with a little other breakdown of some
4 of the numbers as far as the assets between buildings,
5 trucks and all those. And equipment is broken down
6 further.

7 And then it tells you, the retirement system, that
8 if you need additional information, you can contact
9 LASERS, and they will give you a nice 350-page report if
10 you want to go into the fine points of what they are
11 doing.

12 Other than that, we have -- there was no findings or
13 anything. Nothing looked out of line. Everything was in
14 line for June 30th.

15 Basically, at the rate y'all are doing, last year,
16 y'all were in good position, ending up with a \$50,000
17 profit at that time, although that 50,000 at that time
18 should have been zero, because y'all had a fingerprint
19 machine that y'all were purchasing at that time. It was
20 a little over 50,000, and it was not able to be up and
21 serviceable at that time, so we postponed that. When it
22 went into service in July, we took the expense this year
23 and not last year. So if we had taken it last year,
24 y'all would have really been working at a break-even for
25 the year.

1 MR. GURVICH: We don't have any long-term debt
2 on the building anymore?

3 MR. MCRIGHT: No. It's paid off.

4 MR. ROMERO: Do we get accelerated depreciation
5 on the fingerprints; that's not a depreciable item?

6 MR. MCRIGHT: In your case, it doesn't make any
7 difference. Since you're a public office, you really
8 don't get depreciation, so there's no reason to
9 accelerate it for any reason. Normally, we just take
10 straight line.

11 MR. ROMERO: Good.

12 MR. MCRIGHT: It won't affect you, because, when
13 you budget, you don't really budget depreciation. You
14 budget the purchase of capital assets, and that is how
15 your budgeting is done. It's done on a cash basis, not
16 on an accrual basis to be bring in the depreciation
17 expense. This is a little different from private
18 companies. You have the taxes you worry about, and
19 that's the only advantage of having accelerated
20 depreciation is paying less taxes.

21 MR. ROMERO: Thank you.

22 MR. GURVICH: Any questions/comments? Now, do
23 we need to make a motion to adopt the final financial
24 statements as --

25 MR. MCRIGHT: I would approve this as the

1 approved final copies that were submitted to the
2 legislative auditor and Division of Administration.

3 MR. GURVICH: Then I'll make a motion to approve
4 the amended, corrected, whatever, financial statement as
5 presented by our CPA. Do I hear a second?

6 MS. VINSON: Second.

7 MR. ROMERO: Second.

8 MR. ROJAS: Second.

9 MR. GURVICH: Motion by Mr. Gurvich. Seconded
10 by Ms. Vinson and Mr. Romero and Mr. Rojas on the end.
11 Any debate/discussion? All in favor of the motion say
12 aye.

13 ALL BOARD MEMBERS: Aye.

14 MR. GURVICH: Any opposed? The motion passes
15 unanimously. Thank you. There is one more matter having
16 to do with the accountant.

17 **OLD BUSINESS, FINANCIAL REPORT**

18 MS. RYLAND: Wait. We have the amendment of the
19 budget.

20 MR. GURVICH: We have the budget was the other
21 thing I was thinking of.

22 MR. ROGILLIO: That's further down.

23 MR. MCRIGHT: You have the amended budget, plus
24 we have the current financials if you would like. I'll
25 do those right quick.

1 MR. GURVICH: All right. Yes, I think. Well,
2 current financials, obviously, they are going to be
3 amended.

4 MR. MCRIGHT: As of August 31st.

5 MR. GURVICH: Right. And they're going to be
6 amended, obviously, but that's part of the deal.

7 MR. MCRIGHT: But it gives you an idea of where
8 we stand as of right now.

9 MR. GURVICH: Right. Do you want to take a look
10 at that, then?

11 MR. MCRIGHT: Okay. Do they have it in their
12 packet?

13 MS. RYLAND: Yes, four pages in.

14 MR. MCRIGHT: Balance Sheet and Income Statement
15 for August 31st, 2014.

16 MS. RYLAND: It's right after the quarterly
17 report, the fourth page.

18 MR. GURVICH: Everything looks in order?

19 MR. MCRIGHT: Yes, sir.

20 MR. GURVICH: How are we tracking with, say,
21 last year, by way of comparison, month to month?

22 MR. MCRIGHT: We are in line as far as -- let me
23 make a statement first. Then we will explain why we're
24 in line. If you look at the income statement, it shows
25 for the two months ended that we have a \$60,904 loss for

1 two months. That amount, if you look at the computer
2 updates, the last item on that income statement is
3 50,295. That's that fingerprint machine that we paid for
4 in the first month of this fiscal year. So that throws
5 the net income figure off for a while until revenues
6 start coming in and we catch up somewhere near the middle
7 of the year or so.

8 And then we can expect -- if you look at total
9 expenses, we have so far \$230,000. We are budgeted on
10 the 865,000, so we would be still at \$634,000 worth of
11 expenses to come. We will amend the budget today to
12 change that \$1,000 of computer updates to \$50,000 or so
13 to put the budget back in line with what we expect the
14 actual to be.

15 So far this year, as far as revenues goes, y'all
16 have taken in \$169,000. Y'all expected -- the budget
17 amount y'all expect, \$870,000 for the year, so we've
18 still got 701,000. So we are looking at about \$70,000 a
19 month to still come in. We've got -- I think, right now,
20 we are averaging about a little under that. We've got
21 169 for the two months, so we're just a little under --
22 well, we're a little over, actually. I'm sorry. We're
23 actually about 72,000 or so.

24 MR. GURVICH: Are we in any wise cyclical, or
25 has it pretty much evened out that our monthly income is

1 | more or less within 5 percent, 10 percent, maybe, during
2 | the course of the year?

3 | MR. MCRIGHT: Y'all will be close. The only
4 | thing that happens is that when y'all have events going
5 | on where y'all have a bunch of guards being issued
6 | licenses, it may go up for that month.

7 | MR. GURVICH: That was my question really, that
8 | have we evened out over the years to where there is no
9 | particular month where we do, say, more business than
10 | anywhere else?

11 | MR. ROGILLIO: Generally at the beginning of
12 | football season when LSU and the Saints play, we have an
13 | increase at that time, but it's not a tremendous
14 | increase. But other than that, no; it's pretty much
15 | pretty much evened out.

16 | MS. VINSON: It's not bigger in April with all
17 | the events?

18 | MR. ROGILLIO: Not really. It's primarily the
19 | football season that brings the increase in personnel.
20 | And a lot of those are temporary people.

21 | MR. GURVICH: So you have no concerns about
22 | fallen revenues or anything like that just based on what
23 | you're seeing?

24 | MR. MCRIGHT: What I'm seeing, no. I think you
25 | are going to be working close to a break-even again.

1 That would be the only thing I would see right now. I
2 think, under the new budget, we are looking at maybe
3 projecting a thousand dollars or so profit for the year.

4 But that changes pretty much during the year. You
5 have to keep looking at the budget to see what's being
6 expended, if anything emergent comes up. When we get
7 into the budget, we'll be talking about we've got a big
8 increase in LASERS. Health insurance is going up. What
9 else?

10 MS. VALLERY: The LASERS is the main thing,
11 because that was a 7 percent increase on the ER portion.
12 The portion that our agency pays went up almost 7
13 percent. And, group benefits, we're not real sure about
14 yet. It's not supposed to go up, but.

15 MR. GURVICH: It's going up.

16 MS. VALLERY: The coverage, there's going to be
17 a drastic change in the coverage, not going to have the
18 coverage.

19 MR. GURVICH: Is the coverage going to change,
20 or --

21 MS. VALLERY: Yes.

22 MR. GURVICH: -- or the health care provider is
23 going to be more limited?

24 MS. VALLERY: All of it's changing. We're going
25 to have, for a family, whereas, before, if you had an HMO

1 policy, you still had a \$15 and a \$25 co-pay. Now it's a
2 \$1500 co-pay -- I mean, a \$1500 deductible, and you still
3 have your co-pays. A single policyholder is a \$500
4 deductible, and then still your co-pays. And they have
5 changed a lot of the coverage. A lot of stuff is not
6 being covered anymore. It's really, we are really going
7 to take a hit.

8 MR. GURVICH: I'm sorry to hear that, but we are
9 experiencing a lot of the same situation.

10 MS. VALLERY: It's not good.

11 MR. GURVICH: Oh, well. I don't know what can
12 be done about it, at any rate, except, moving on.

13 MS. RYLAND: Pay it, shut up, and go on.

14 MR. MCRIGHT: I think the only other thing that
15 I really wanted to point out was, as of August 31st,
16 y'all have roughly \$669,000 in savings and money market
17 accounts -- I mean, checking and money market accounts.
18 And so, if you remember, you had about a \$1,009,000 worth
19 of total assets at 6/30. Right now it's a million
20 thirty-five. So it's going up a little bit, but that's
21 you really can't say that's going to stay that way. It's
22 just a number. At that point in time, August 31st, at
23 the close, it just happened to be that number.

24 MR. GURVICH: Now, do we -- this is like
25 essentially a two-month statement of what's been going on

1 for this fiscal year. Is there anything we need to do by
2 way of approving it? Or I think we just really need to
3 be aware of it.

4 MR. MCRIGHT: I think this is just for
5 information purposes. It doesn't require any board
6 action, just to keep y'all informed of what's going on
7 within the agency.

8 MR. GURVICH: Right. Okay. Well, next matter,
9 then.

10 MR. ROGILLIO: Mr. Mack, we do need to talk
11 about amending the budget.

12 MR. MCRIGHT: Yes. That's the next item.

13 MR. ROGILLIO: Yes. They need to vote on that.

14 MS. RYLAND: Do we need to adopt this,
15 Mr. McRight, by motion like we did the other thing?

16 MR. GURVICH: No. This is just for information.

17 **NEW BUSINESS, MISCELLANEOUS, BUDGET**

18 MR. MCRIGHT: No. This is just for information
19 purposes only. Where does the budget amendment appear in
20 the packet?

21 MS. RYLAND: It's going to be after the Glover
22 information, after Glover's final letter. From the back
23 of your package, it will be the third page in.

24 MR. MCRIGHT: It should say Louisiana State
25 Board of Private Security at the top and Budget

1 Amendment, and it's two pages long.

2 MS. RYLAND: No. Wait a minute. What are you
3 talking about?

4 MS. VALLERY: The Amended Budget.

5 MR. MCRIGHT: Isn't that what we're looking for?

6 MS. RYLAND: No. You gave me this.

7 MS. VALLERY: That's the items that we are
8 amending.

9 MS. RYLAND: Then they don't have that.

10 MR. MCRIGHT: Oh, they don't have these two?

11 MS. RYLAND: No.

12 MR. GURVICH: That doesn't show up in our
13 packet?

14 MS. RYLAND: No.

15 MR. MCRIGHT: Do y'all have the page that
16 explains why we're changing things, but not the
17 individual items that will affect everything for the
18 year.

19 MR. GURVICH: The insurance, equipment. We
20 might take a look at what we do have. I guess it's
21 titled Amendments to Budget 2014-15. It looks like
22 there's a decrease in insurance and the group benefit
23 retirement, but an increase in everything else.

24 MR. MCRIGHT: Yes. The insurance, y'all had
25 fewer claims, so they are coming down on the rate a

1 little bit on that particular -- general liability, I
2 think, is the one that's coming down by that amount.

3 MR. GURVICH: A GL policy premium decrease,
4 general liability?

5 MR. ROGILLIO: Yes, sir. Yes, sir.

6 MR. GURVICH: What else do we carry, by the way?

7 MR. ROGILLIO: I'm sorry?

8 MR. GURVICH: What other kinds of policies do we
9 have?

10 MR. ROGILLIO: It's all self-insured through the
11 state.

12 MR. GURVICH: So the workers' comp, the GL, auto
13 is all through the state?

14 MR. ROGILLIO: All through the state. Yes, sir.
15 All through the state. We had an increase. You may
16 remember, not long after I came here, there was a suit
17 that was pending.

18 MR. GURVICH: The suit was a big increase.

19 MR. ROGILLIO: And it jumped from \$1500 a year
20 to, like, 7500. I went down and met with somebody at the
21 ORM and they explained that we have to defend this and we
22 have to pay the attorney general to defend it and all
23 that. And it stayed at that point for some time, and
24 then it gradually decreased.

25 MR. MCRIGHT: The information that y'all had on

1 the sheet was in your packet. It is repeated on the two
2 sheets that y'all were just handed.

3 Basically, on the revenues, the only thing we are
4 doing is, we had some corrections between categories that
5 amounted to \$2,150. We duplicated some numbers that we
6 moved back and changed them to the correct number, so
7 reducing revenues from 870 down to 868 for this coming
8 year.

9 Over on expenses, that deduct you show -- that I had
10 on the insurance you're showing as 3,667, it's going down
11 from a budgeted 8,000 to a budgeted 4,300. Equipment
12 rental is going up 8,800.

13 MS. VALLERY: We underestimated it.

14 MR. MCRIGHT: We just put the wrong number in
15 our original budget.

16 MS. VALLERY: Right, because we rent our postage
17 meter and our copier.

18 MR. MCRIGHT: Okay.

19 MR. GURVICH: Those are the two things that they
20 rent; the car, we just -- the van, we own it?

21 MS. VALLERY: We own the van.

22 MR. MCRIGHT: The next two items is the
23 insurance with group benefits and cost of group benefits
24 for retirees. We had done our estimate. We had included
25 3,000 in one category, and it should have been in the

1 other category, just moving it there.

2 The big deal now is LASERS is going from our
3 estimate of 115,000 up to 131,000, with this new rate of
4 31.5 up to 37 percent and remembering that this applies
5 basically to over half of your expenses is wages, so it
6 applies to those wages, so it's a big item. It will go
7 up accordingly so that you have a big increase in LASERS
8 for that particular amount.

9 MR. GURVICH: Is this likely to be the increase,
10 or is there more on the way?

11 MR. MCRIGHT: I think they're going to stick
12 with this for the rest of the year. But you should
13 expect another increase next year, unless something is
14 done to counter the retirement system as we have it in
15 effect right now. It's going to keep increasing.

16 See, right now, you're paying -- of every dollar you
17 pay somebody, you are paying roughly 40 percent of it
18 in -- is the benefits. So if you hire somebody for \$10,
19 then their true cost is \$14 an hour, so it's just a cost
20 of doing business. In your case, it's more prevalent,
21 because salaries make up such a big part of your
22 expenses.

23 And the one thing that we have to change down here
24 at the bottom -- we didn't put it on here. I'm sorry.
25 We need to put in the budget for \$50,000 on the

1 fingerprint machine. You have that expended already this
2 year.

3 MR. GURVICH: And we paid that, right; we paid
4 the 50?

5 MR. MCRIGHT: Y'all paid for it, right.

6 MS. VINSON: No. It's on there. Is that what
7 that last item is, Paid FP Machine?

8 MS. RYLAND: Yes. But it's not on here. It's
9 on here.

10 MS. VINSON: Oh, it's not on there.

11 MR. MCRIGHT: We didn't put it in the amendment
12 there. So we need to change this amendment to increase
13 Computer Update by \$50,000.

14 MR. GURVICH: Okay. I'll get that. 50,145.

15 MR. MCRIGHT. Right. Now, we will amend the
16 budget again later on toward the end of the year to take
17 into effect anything else that we mis-estimated on. It
18 will show up during the year as items start to come. We
19 just wanted to get these before the board now so we can
20 be comparing it as we go through the year.

21 MR. GURVICH: All right. So we need a motion to
22 approve the budget as amended which you have presented
23 here and to account for the \$50,145, which, I guess,
24 should go into Expenses.

25 MR. MCRIGHT: Yes, sir.

1 MR. GURVICH: Okay. So I will make a motion to
2 that effect. Do I hear a second?

3 MR. ROJAS: Second.

4 MR. GURVICH: Motion by Mr. Gurvich, second by
5 Mr. Rojas. Does everybody understand that we are adding
6 into our expenditure to account for the fingerprint
7 machine, which isn't in there now, so your total expense
8 is going to go up by \$50,145.

9 MR. MCRIGHT: Right.

10 MR. GURVICH: Any questions or comments? All in
11 favor of the motion as stated say aye.

12 ALL BOARD MEMBERS: Aye.

13 MR. GURVICH: Any opposed? The motion passes
14 unanimously.

15 MR. MCRIGHT: I have one more thing.

16 MR. GURVICH: I'm sorry. Go ahead.

17 MR. MCRIGHT: I'd like to re-introduce my wife,
18 Janette, who is also a partner in the firm, and she will
19 be starting to do more and more with y'all also during
20 the coming year.

21 MR. GURVICH: Senior partner of the firm, I
22 guess.

23 MR. MCRIGHT: Well, let's say I'm partner with
24 her.

25 MR. GURVICH: I'm not going to address that.

1 It's a rhetorical question.

2 MR. MCRIGHT: Right.

3 **NEW BUSINESS, MISCELLANEOUS, GENERATOR**

4 MR. GURVICH: So that, I think, covers the
5 financials. My question is that, somewhere today, we are
6 going to be addressing the purchase of a generator. And
7 I know that we are fairly close on the budget, but we
8 also have a pretty substantial -- am I using the correct
9 term to say that what we keep is "retained earnings"? I
10 mean, we are not a corporation, for profit.

11 MR. MCRIGHT: No. As far as governmental
12 agencies, it's called fund balance.

13 MR. GURVICH: Fund balance, okay. In other
14 words, does our fund balance, in your estimation, enable
15 us to make expenditure for a generator? I have
16 personally always been in favor of it, because we --
17 Baton Rouge is going to get -- the public utilities will
18 get taken out in anything more than a minor hurricane.

19 The board is obligated to do a whole bunch of things
20 during and immediately after a storm, and I don't think
21 we can take weeks and weeks off and be out. I think it's
22 an important element to have in our capabilities to be
23 able to function in a comfortable building after,
24 presumably, a storm. I guess it could be some other
25 disaster, but, in this area, it's going to be a

1 hurricane.

2 And so my question is, the revenues and expenses are
3 fairly close, but you've got your fund balance was pretty
4 solid. Do you feel that the expenditure that we
5 anticipate, and I know we've got to approve that, but
6 you're somewhere in the \$70,000 range?

7 MR. ROGILLIO: For the generator?

8 MR. GURVICH: For the generator.

9 MR. ROGILLIO: I have had two proposals. Both
10 are within a couple hundred dollars of each. The
11 generator itself is a 70kw.

12 MR. GURVICH: It's a big guy.

13 MR. ROGILLIO: It would run -- well, accommodate
14 this building, according to this.

15 MR. GURVICH: You could run this building and
16 live -- I mean, you can run your HVAC. 70kw for this
17 place, you wouldn't notice the difference if you lost the
18 power, in my estimation. Correct me if I'm wrong, but
19 you would have HVAC, you would have lights, you would
20 have everything you have.

21 MR. ROGILLIO: You could run the computers and
22 some of the air conditioning and the lights.

23 MR. GURVICH: Does that include your transfer
24 switches, your gas lines, the whole thing?

25 MR. ROGILLIO: It would. The two estimates that

1 I have now, understand that these proposals I have
2 received will still have to go out for bid.

3 MR. GURVICH: Sure.

4 MR. ROGILLIO: Both were within a couple hundred
5 dollars of each, and they were a little over \$49,000.
6 But to run a gas line to that, we have no way to get
7 behind the building which is what they recommend, we put
8 it back here, because that's where our main electrical
9 box is on the outside. And it would have to hook to
10 that. So I couldn't get a truck back there for fuel for
11 gas or diesel to refuel it.

12 MR. GURVICH: Gas is probably the way to go.

13 MR. ROGILLIO: So it would be running a gas
14 line. I had Denham Springs Gas Company. Imagine that,
15 and we're in Baton Rouge. But they are the ones that
16 have the control over the gas utilities here in this
17 area, and they gave me an estimate of almost \$10,000. So
18 you're looking at close to 60,000.

19 MR. GURVICH: Well, okay. Say you are in the
20 60- to 70,000 range. Say 70 just to account for whatever
21 might happen. And you've got your fund balance is 400
22 and --

23 MR. MCRIGHT: \$417,000 on August 31st.

24 MR. GURVICH: Unlike a for-profit corporation,
25 do you think it's really necessary for us to be worried

1 about, you know, debt equity ratios and things like that,
2 where retained earnings becomes a factor? I mean, we're
3 a public agency. I don't know that that's a factor when
4 the banks -- we don't really do business with banks.

5 MR. MCRIGHT: Don't do anything with banks or
6 anything like that. Y'all have roughly 100 and something
7 thousand dollars of unreserved fund balance. And that's
8 a misnomer, because it's unreserved, because you have
9 fixed assets they require -- the government requires you
10 to reserve part of your retained earnings to go against
11 the net book value of fixed assets. In this case, it's
12 \$375,000. So of that 417, 375 is paper-committed to
13 offset the assets, okay, but it's a paper entry, though.
14 That's all it is.

15 Now, the real thing to look at is, even though you
16 have this fund balance, that's not the controlling
17 factor. The controlling factor in my mind would be,
18 y'all do have the cash on hand. So y'all are able to pay
19 for it without incurring debt or anything like that. So
20 you would be able to put it in and pay for -- you would
21 have a paper entry that looks kind of bad, but that's --
22 but nobody's looking at that particular item as
23 determining what y'all need to be doing as long as you
24 don't get into a negative situation that you contribute
25 to it negatively ever year thereafter. I don't think you

1 | would have a problem.

2 | MR. ROMERO: Mr. Chairman.

3 | MR. GURVICH: Mr. Romero.

4 | MR. ROMERO: Since we've been in this building,
5 | what's the longest period of time that we have been
6 | without power?

7 | MR. ROGILLIO: I think, after Katrina hit, we
8 | were out about four or five days.

9 | MS. RYLAND: It was Gustav that we got hit bad,
10 | and it was five days.

11 | MR. ROGILLIO: Five days. But the thing about
12 | it is, we are capable of going to state police and using
13 | their facility and transferring phone calls from here to
14 | there. So they are going to be operable, no matter what.

15 | MR. GURVICH: You mean GOHSEP?

16 | MR. ROGILLIO: GOHSEP Office, yes, sir.

17 | MR. ROMERO: I guess that would be my question:
18 | If we have been without power once for five days since
19 | we've been in this building, is it really necessary for
20 | us to spend \$60,000?

21 | MS. RYLAND: Well, during Gustav, I had a laptop
22 | at home. I did everything, e-mail and made phone calls
23 | on my cell phone from home, and we didn't have a problem
24 | at all.

25 | MR. ROGILLIO: It's not that we've had a

1 | situation where we were that -- without power for that
2 | length of time, so.

3 | MR. GURVICH: Let me make a suggestion. I think
4 | this is a very good line of questioning. But for the
5 | purposes of this gentleman, we might want to wrap it up.
6 | In other words, you think, from a cash standpoint, this
7 | is a doable deal whether we want to do it or not?

8 | MR. MCRIGHT: It's something the board decides.
9 | Y'all can afford it.

10 | MR. GURVICH: Right. Is there any further
11 | questions for our account officer here? Is there
12 | anything further you require from us, or you feel we've
13 | covered it all?

14 | MR. MCRIGHT: No, sir. I think y'all have
15 | covered it all.

16 | MR. GURVICH: Well, thank you for being here
17 | today.

18 | MR. MCRIGHT: And I will be happy to stay around
19 | if y'all need to me answer any more questions.

20 | MR. GURVICH: Sure. By all means. We have kind
21 | of waived the agenda. Do you want to go into the
22 | generator issue since we are kind of there?

23 | MR. ROGILLIO: Well, yes, sir, we can.

24 | MR. GURVICH: Then we will take that matter up
25 | next, and the floor is open. Say something.

1 MR. ROMERO: I already have.

2 MR. ROJAS: I think we have been discussing the
3 generator for the last 10, 15 minutes here. I think Chip
4 made a good point about it.

5 MR. GURVICH: Okay. Staff.

6 MR. ROGILLIO: Well, it's kind of basically in
7 the board's hands as to whether or not you want to pursue
8 this. If you want it, as I say, I've got two proposals
9 from two different companies. Personally, I don't think
10 that we need to spend that kind of money for an incident
11 that happened one time in, what, five, six, seven years,
12 where we had five days out of power, especially when Jane
13 can use her laptop or we can go to state police. I just
14 think it's a lot of money wasted.

15 MR. ROJAS: I make a motion we table the motion
16 of the discussion of the generator until such time when
17 it may be necessary to have one. But I go along with
18 Mr. Romero.

19 MR. BAER: Second.

20 MR. GURVICH: Well, okay. A motion to table.
21 If y'all don't want to deal with it finally, we can table
22 it. I don't care. We can say no if you want.

23 MR. ROMERO: I think, essentially, we have said
24 no.

25 MR. GURVICH: Well, okay, but, I mean,

1 technically, it's on the table. So we have a motion to
2 table the generator discussion. Any debate/discussion?
3 All in favor say aye.

4 ALL BOARD MEMBERS: Aye.

5 MR. GURVICH: Any opposed? Okay. It's on the
6 table. If anyone wants to take it off the table, they
7 can, one day. All right. Next matter. What do you want
8 to do?

9 **NEW BUSINESS, MISCELLANEOUS, IASIR**

10 MR. ROGILLIO: I have requested in the agenda
11 for approval to go to the IASIR meeting in Louisville,
12 Kentucky, which I will drive to if the board so approves
13 me going.

14 MR. GURVICH: You want to drive to Louisville,
15 Kentucky?

16 MR. ROGILLIO: Yes. It's about 12 hours.
17 That's not a problem.

18 MR. GURVICH: You mean you're taking the
19 motorcycle?

20 MR. ROGILLIO: Oh, no. It might rain, and I
21 don't know if I can carry enough clothes.

22 MR. GURVICH: All right. I will make a motion
23 to approve the expenditure to send our -- what are you,
24 technically? You are our administrative secretary?

25 MR. ROGILLIO: Executive secretary.

1 MR. GURVICH: Executive secretary, whom you are
2 also a past president of this organization.

3 MR. ROGILLIO: Yes, sir.

4 MR. GURVICH: And you're still on the board,
5 aren't you?

6 MR. ROGILLIO: Yes, sir. As a past president.

7 MR. GURVICH: Do I hear a second?

8 SEVERAL BOARD MEMBERS: Second.

9 MR. GURVICH: Jointly seconded by Mr. Baer, was
10 it --

11 MR. BAER: Yep.

12 MR. GURVICH: -- and Ms. Vinson and Mr. Rojas
13 and Mr. Cotton. All right. All in favor of the motion
14 as stated say aye.

15 ALL BOARD MEMBERS: Aye.

16 MR. GURVICH: Any opposed? The motion passes, I
17 believe, unanimously. Have a nice trip.

18 MR. ROGILLIO: Well, in light of the fact that
19 Mr. Gurvich offered to have this in New Orleans next
20 year, I think it's necessary for me to go and get some
21 pointers.

22 MR. GURVICH: Yes. I made a suggestion. They
23 hadn't been to New Orleans in 15 years. If they wanted
24 to come to New Orleans, we could certainly work it out
25 for them, get a good set of hotel rates. I'm not

1 suggesting we have to spend any money. Maybe we could
2 host a party or something, but nothing major.

3 But I think it would be nice. I think it's a good
4 draw. It's a great organization, and if we are in New
5 Orleans, then I hope everything would attend. You'll be
6 meeting people who do the same thing we do in other
7 states. And it really is an eye-opener. I'm glad I was
8 there at the beginning of the organization. I have
9 learned a lot from it. I think you have too. And I'm
10 hoping somebody would be able to get there if we can hold
11 it in New Orleans. At any rate, next matter.

12 **NEW BUSINESS, MISCELLANEOUS, TRAINING**

13 MR. ROGILLIO: Okay. Item 5 is the -- you may
14 be aware, the law was changed back in -- actually, it
15 took effect August 1st of this year, which required
16 instructors to submit application -- I'm sorry, training
17 forms as opposed to the companies having to submit the
18 training forms. And you asked me to put it on the
19 agenda, which I've done, to discuss it, so.

20 MR. GURVICH: Well, I will explain as to how we
21 arrived at this point. I got a phone call from very
22 irritated Paul Graffeo asking how we could have done
23 this. And I said, I didn't happen to attend that
24 meeting. That was my excuse.

25 And he said this is going to commit the instructors

1 to a whole bunch of paperwork, blah-blah-blah.

2 So, I said, "Well, Paul, I will be happy to put it
3 on the agenda." And a month or two later, I said, the
4 next board meeting is such and such, today. And I said,
5 "You do plan on being here, right?"

6 What he told me was probably not something that we
7 want to put on the -- commit to the public thing, but he
8 does not plan on being here and I do not believe he is
9 here today.

10 Now, it's on the agenda. We can discuss it if
11 anybody wants. It's certainly not necessary, or we can
12 move on. I mean, are there any instructors here that
13 want to address the issue?

14 Chief, give them a very brief -- what the change in
15 the law, and this is a statutory change.

16 MR. ROGILLIO: Statutory.

17 MR. GURVICH: What does it do?

18 MR. ROGILLIO: Actually, I think the gist of it
19 was the fact that companies are getting fined for
20 instructors withholding the training forms for a period
21 of time until they either are paid for the services that
22 they perform, which causes the company, then, to have a
23 fine. And correct me if I'm wrong, Ms. Vinson, is that
24 not the gist of what this was about?

25 MS. VINSON: From what I remember, that's what

1 the input on that. Training companies were holding
2 training certificates and not releasing them.

3 MR. ROGILLIO: Right. We've had a number --
4 actually, the only complaint since this passed we've
5 received was from Mr. Graffeo. I haven't heard from any
6 other instructors about having a problem with this.

7 MR. BAER: What is his concern?

8 MR. ROGILLIO: It's requiring him to do more
9 paperwork, basically, because he has to make copies for
10 his file on the company, submit copies for the company to
11 keep and then submit the originals to us.

12 MR. BAER: Training verification sheet, right?

13 MR. ROGILLIO: Yes, sir.

14 MR. GURVICH: Well, does anyone oppose any
15 action one way or the other on this? I mean, without
16 Mr. Graffeo's input, it's difficult to know exactly what
17 he suggests to the board that we do.

18 MS. VINSON: I think, if no one is here to
19 address any concerns they have about it, I think we can
20 let it go.

21 MR. ROMERO: I will agree with Ms. Vinson.

22 MR. GURVICH: And I don't see any alternative.
23 So, okay, then. We can move on.

24 Sir, if you would, come on up and find a mic, an
25 open mic, and give us your name. And you may address the

1 board as you please.

2 COLONEL BROUSSARD: Colonel Robert Broussard,
3 with Excel, state instructor and qualifying agent. I
4 think I know along the lines of the other gentleman's
5 question, not so much the paperwork side of it, because
6 the instructor has to fill out the forms anyway.

7 We do outside training, and there have been times
8 where I deal with companies that are in Texas or
9 whatever. And they will send me a student that is one
10 day away from expiring. We do the forms. We send the
11 forms back to the client. They say, oh, well, it got to
12 us too late. I couldn't send it in.

13 If the instructor is required to submit the forms,
14 does that make us liable if they send us a student late?

15 MR. GURVICH: That's a good question.

16 MR. ROGILLIO: The instructor is held
17 accountable.

18 MS. RYLAND: No, not if the student is late.
19 The company is held responsible. If it's 29 days and
20 they have 30 days to train them, the company is
21 responsible for getting their student trained. The only
22 thing the instructor is responsible for is submitting
23 that piece of paper within 15 days of the date of
24 training. I mean, if he trains him one day and sends him
25 in that day, in the next two days, he is fine, because we

1 go by postmark days.

2 MR. GURVICH: You've got two deadlines. He's
3 got X-amount of time to turn it in. The company has
4 X-amount of time to get the training done.

5 MS. RYLAND: Right. But he is not responsible
6 for the company sending him to -- the guy to him on the
7 29th day. All he is responsible for is to get that
8 paperwork to us within 15 days of the date of training.

9 MR. GURVICH: Mr. Rojas had a comment or a
10 question?

11 MR. ROJAS: No, no. I agree with her. That's
12 right.

13 MS. VINSON: That's right.

14 MR. GURVICH: Well, I mean, you feel that you
15 can adequately distinguish who is culpable for some fine
16 versus the next guy, the company versus the instructor?

17 MR. ROGILLIO: Pretty much by the dates of the
18 application.

19 MS. RYLAND: Date of hire, date of training.

20 MR. ROGILLIO: Yes.

21 MS. RYLAND: And we have reports that are ran
22 for that anyway.

23 MR. GURVICH: When did this change in the
24 statute -- was in effect?

25 MR. ROGILLIO: It was in effect August 1st.

1 MR. GURVICH: Has it created any problems?

2 MR. ROGILLIO: No, not that we have heard. Just
3 Mr. Graffeo was the only one complaining about it.

4 MR. GURVICH: Well, has our discussion answered
5 your question? In other words, you have two different
6 date lines going on.

7 COLONEL BROUSSARD: When we got the notice in,
8 our biggest question was, does this take away our
9 arguments with the other companies? because, as the law
10 was before, if I had somebody that sent me a student, I
11 fill out the forms that day, I give them to the students,
12 they take this back to their company. They send it off.
13 It should be postmarked. if they're going back to the
14 company that day, it will be postmarked that day.
15 Everything is great.

16 Whenever the company would call me and say I got a
17 fine because my student didn't achieve his class in time,
18 I said, Well, it is your responsibility. It takes the
19 liability of the client off of me.

20 With the new law, a lot of the instructors that I
21 have spoken to have said, this may put the liability on
22 us. Do we lose our argument? And it seems as though,
23 between Jane and Mr. Rogillio, they will side with the
24 instructor as long as we can prove that the liable
25 company was late sending the paperwork.

1 MS. VINSON: Yes. The way I understand the law
2 is, as a company, it's my responsibility to get my
3 employee trained on time by the deadline, and it's your
4 responsibility as the instructor to get it in by 15 days.

5 Also, it's up to each company how they handle it.
6 I'm also not going to rely on that employee to bring me
7 that paperwork. You know, I'm going to pick it up or
8 send someone there to pick it up. That way, they are not
9 holding onto it for five days.

10 COLONEL BROUSSARD: We do a lot of training for
11 companies out of Texas and Lake Charles and things like
12 that. They are willing to drive to Breaux Bridge.

13 MR. GURVICH: So the company has 30 days, how
14 long to get it there?

15 MR. ROGILLIO: 30 days for the first eight, 60
16 days for the second eight.

17 MR. GURVICH: And the instructor has 15 days?

18 MR. ROGILLIO: 15 days to send it in.

19 MR. BAER: That's unarmed?

20 MR. ROGILLIO: Yes. If it's armed, it has to be
21 submitted before that person stands a post.

22 MR. BAER: How do you guys -- I mean, so, right
23 now, you send the originals to the state?

24 COLONEL BROUSSARD: It depends. Normally, if
25 they tell me -- if I get a company that says, look, my

1 | guy needs his classes in, like, five days. I say, send
2 | him in, and I will send it for you. And I will do it for
3 | you.

4 | A lot of companies won't do that. The law didn't
5 | affect Excel that much, because we've done this for
6 | years.

7 | MR. BAER: Well, now with the new law, you're
8 | required to send the original in to the state, correct?

9 | COLONEL BROUSSARD: Yes.

10 | MS. VINSON: Right. So now, I think, the thing
11 | is, it's costing some training companies more in terms
12 | of, you know, time for paperwork, making copies, and
13 | separate mailouts to the companies and things like that.
14 | We are also -- I mean, you are still requiring the
15 | companies to have a copy of it in their file should the
16 | state board come and do an audit. Now the burden is on
17 | the instructor to make all those copies, sort them, get
18 | them to their company that is the training company.

19 | MR. GURVICH: Do you accept faxes and scanned
20 | e-mails, documents?

21 | MR. ROGILLIO: For training?

22 | MR. GURVICH: For training.

23 | MR. ROGILLIO: No, sir.

24 | MR. GURVICH: It has to be an original?

25 | MR. ROGILLIO: Yes, sir.

1 MR. GURVICH: Is it possible, then, that this
2 change in the law might cause some problems between
3 companies and instructors as to who is responsible. In
4 other words, we do -- it used to be the company was just
5 flat-out responsible for the fine. Now we have a
6 situation where the instructor might be responsible for
7 the fine. It strikes me that the instructor should
8 certainly date-stamp everything he receives from the
9 company.

10 MR. ROMERO: Mr. Chairman.

11 MR. GURVICH: Mr. Romero.

12 MR. ROMERO: Isn't the instructor only
13 responsible for submitting the form within 15 days of the
14 training --

15 MS. RYLAND: Yes.

16 MR. ROMERO: -- being provided? There is no
17 other responsibility that the instructor has to deal with
18 the employee, correct?

19 MS. RYLAND: No. And I tell companies all the
20 time when they call me, if you can't get a copy, you know
21 that it has to be in our office within 15 days. Call me
22 on the 16th day. We will e-mail you a copy, or we will
23 send you a copy by mail. We can get you a copy if your
24 instructor don't want to do it. But we can get you a
25 copy. So you will have plenty of time to get a copy from

1 us.

2 MS VINSON: And I don't know why an instructor
3 shouldn't have to have some burden of responsibility in
4 getting the information to the state board on who they
5 trained.

6 MS. RYLAND: Because the problem was, some
7 instructors were holding --

8 MS. VINSON: I think it's clearly defined.
9 Right. I think now it's clearly defined on who has to do
10 what. I don't see a problem with any of it. I don't
11 know why we are even continuing to discuss it.

12 MR. GURVICH: Well, because you might have a
13 fight between a company and an instructor.

14 MS. RYLAND: Tell the board office. We'll be
15 glad to send you a copy.

16 MR. GURVICH: So you feel like this is a
17 workable situation.

18 COLONEL BROUSSARD: As long as the companies
19 with instructors know the board has our back as long as
20 we are in the right.

21 MR. GURVICH: Thank you. Any further
22 discussion? I don't think there is any action for the
23 board to make. Thank you for being here. Next matter.

24 **LEGAL UPDATE/LEGISLATION**

25 MR. ROGILLIO: We've got to move back up to

1 | Legal Update/Legislation.

2 | MR. GURVICH: Yes. We have massacred the
3 | agenda.

4 | MR. ROGILLIO: Yes, sir. Item 4, which is the
5 | Legal Update/Legislation, I don't know --

6 | MS. AUCOIN: Nothing.

7 | MR. ROGILLIO: Nothing to report. I would point
8 | out, called to our attention as of yesterday by a
9 | gentleman whose license as an instructor had expired, the
10 | law says he is to renew annually, within a year. Okay?
11 | There is a rule which I have marked in my book that says
12 | every two years, so we have a conflict in the rule, so
13 | what I would like --

14 | MS. VINSON: Doesn't the legislation supercede
15 | the rule book?

16 | MR. ROGILLIO: Well, basically, it does, but
17 | since he challenged us -- it would have been a fine -- we
18 | would forego the fine based on the fact that we have a
19 | conflict here. So what I would like to do is ask the
20 | board to consider us amending this rule either to strike
21 | this paragraph or amend it to where it says the same
22 | thing that the law says, so. It's not a big deal, but, I
23 | mean.

24 | MS. AUCOIN: I haven't looked at it enough to
25 | know what, which would be the more appropriate as long as

1 I have y'all's approval to fix it.

2 MS. VINSON: I make a motion that we fix it.

3 MR. ROMERO: I'll second.

4 MR. ROGILLIO: If you could be a little more
5 clear about, do you want to fix it as --

6 MS. VINSON: I'd like you to strike it.

7 MR. ROGILLIO: Strike it completely?

8 MS. VINSON: Yes. We could strike it from the
9 rules and go by what's in the law. I think that's
10 cleaner.

11 MR. ROGILLIO: Okay. I was going to suggest
12 either that or just change it to the year like the law
13 is, so, but either way is fine.

14 MR. GURVICH: So the intent of the motion is
15 that we are going to instruct the board staff and counsel
16 to make the appropriated adjustment and, what, present it
17 at the next meeting or?

18 MR. ROGILLIO: No. Once you vote on it, we'll
19 just -- submit it for a change.

20 MR. GURVICH: As far as the time line running in
21 terms of the legal notices and Register and everything
22 else?

23 MS. AUCOIN: I haven't done a lot of rules in my
24 life, but there are a lot of procedures that we have to
25 go through to get them to publish them and do a lot of

1 | things.

2 | MR. ROGILLIO: It has to be published in the
3 | Louisiana Register.

4 | MR. GURVICH: It has to go to the Register, and
5 | the whole process is, like, 120 days.

6 | MR. ROGILLIO: 120 days if there is no
7 | opposition, and it passes without a problem.

8 | MR. GURVICH: So that's the intent of the motion
9 | is to start this process. Okay. Mr. Romero.

10 | MR. ROMERO: Do you think maybe that it might
11 | be -- I know it's clean the way you are suggesting it.
12 | But what if people have rules that are already published
13 | and, for whatever reason, don't receive a new copy, if
14 | the rule would match the law just to eliminate any
15 | confusion going forward?

16 | MS. VINSON: Is the law and the rules on the web
17 | site? So you can print both a copy of the law and then a
18 | copy of the rules.

19 | MS. RYLAND: The most current, we have on there.
20 | However, I am in the process of trying to get the new
21 | laws to us with the stuff that went into effect on
22 | August 1st.

23 | MR. ROGILLIO: We normally, when something like
24 | that is affecting the industry, we normally make copies
25 | and send those out with an explanation to the industry.

1 | Maybe not everybody reads them or maybe they don't get
2 | them, but --

3 | MR. BAER: Question.

4 | MR. ROGILLIO: -- I'm inclined to agree with
5 | Mr. Romero that maybe we might want do the same thing
6 | that the law says as opposed to totally striking it.

7 | MR. GURVICH: Mr. Baer.

8 | MR. BAER: That was my question. I think it
9 | still should be in the rules, just make a correction,
10 | instead of two years, one year.

11 | MS. VINSON: Well, I amend the motion.

12 | MR. GURVICH: All right. So you want to amend
13 | the motion.

14 | MS. VINSON: To state that we will fix the rules
15 | to mirror what is in the law.

16 | MR. GURVICH: Okay. And I will second the
17 | motion as amended. Okay. Further debate or discussion?
18 | All in favor of the motion as stated say aye.

19 | ALL BOARD MEMBERS: Aye.

20 | MR. GURVICH: Any opposed? The motion passes
21 | unanimously. Okay. Now you have something to do.

22 | MR. ROGILLIO: We can go back up to Item 3,
23 | which is the adjudicatory hearings. And, at that point,
24 | we will have to go into executive session.

25 | MR. GURVICH: The folks for the hearing, what's

1 the name?

2 MS. VINSON: If I can --

3 MR. GURVICH: Go ahead.

4 **DETERMINATION OF DATE OF NEXT BOARD MEETING**

5 MS. VINSON: I understand that it's a Vinson
6 employee, a former Vinson employee, so I would recuse
7 myself from that. And being that the only other item
8 left on the agenda would be to determine the next board
9 meeting, can we do that, and I can just excuse myself?

10 MR. GURVICH: Lucky for you we still have a
11 quorum.

12 MR. ROGILLIO: Do you want to consider
13 December 11th?

14 MR. GURVICH: Is december 11th suitable, 9:30,
15 here in the board office?

16 MS. VINSON: Nine o'clock for you, Mr. Gurvich.

17 MR. GURVICH: 9:30 for everybody else. All
18 right. We have a motion the floor for the 11th.

19 MR. ROMERO: Second.

20 MR. GURVICH: Second by Mr. Romero. All in
21 favor of the motion as stated say aye.

22 ALL BOARD MEMBERS: Aye.

23 MR. GURVICH: Any opposed? The motion passes.
24 So December 11th. Thank you for being here today. And
25 so you are recused.

1 **ADJUDICATORY HEARING, PAUL PICKENS**

2 MR. GURVICH: Well, let's see now. Give me the
3 reason that we need to go into executive session.

4 MR. ROGILLIO: We were instructed, once the
5 federal government came in and did the audit of our
6 files, we were instructed that we would not discuss
7 somebody's criminal background if a hearing was requested
8 for that purpose on a denial without going into executive
9 session where only the individual involved and the board,
10 of course, will be there, and the attorneys.

11 MR. GURVICH: Okay. So, and this is the Paul
12 Pickens matter?

13 MR. ROGILLIO: Yes, sir.

14 MR. GURVICH: And Mr. Pickens is here today?
15 Okay. All right. On the grounds just stated by our
16 executive secretary, I will make a motion that we are
17 required to go into executive session. All in favor of
18 the motion to go into executive session for the purpose
19 of handling this hearing for Mr. Pickens say aye.

20 ALL BOARD MEMBERS: Aye.

21 MR. GURVICH: Any opposed? The motion passes
22 unanimously.

23 (Executive session.)

24 (Ms. Vinson is not present.)

25 **ADJUDICATORY HEARING, PAUL PICKENS (CONT'D)**

1 MR. GURVICH: Now I would like to reinsert
2 Mr. Romero's motion to state after we came out of
3 executive session that he made the motion and I seconded
4 it and we passed it. Is that acceptable to the board?
5 We are actually supposed to do that after we came -- my
6 bad, but we made that motion after we came out of
7 executive session. Okay. So any Old Business that we
8 haven't gotten around to?

9 MR. BAER: Question.

10 MR. GURVICH: Mr. Baer.

11 MR. BAER: Is the public invited back in?

12 MR. GURVICH: Yes. The public is invited back
13 in. Good point. If anyone is left standing.

14 MR. CAIN: No one else there.

15 MR. GURVICH: Miscellaneous?

16 MS. RYLAND: We are your public. How about
17 that?

18 **QUESTIONS FROM THE PUBLIC**

19 MR. GURVICH: Questions From the Public?

20 MR. ROGILLIO: That's it.

21 MR. BAER: I have one more question.

22 MR. GURVICH: Mr. Baer.

23 MR. BAER: You were talking about the rule, the
24 instructor, changing that. I think there's some other
25 stuff in there that needs to be changed also. I know the

1 fees are still listed, the old fees. Can that be swept
2 through all at the same time?

3 MS. AUCOIN: We can -- I mean, we can review.

4 MR. BAER: On the rules, it says still \$20
5 application fee and all the.

6 MS. RYLAND: Actually, I think that has been
7 changed and we haven't gotten the new rules from. I'm
8 not actually sure, but we need to get the new rules.

9 MR. BAER: Oh, okay. I know, right here, the
10 fees are all not accurate.

11 MS. AUCOIN: (Inaudible) them recently, new
12 rules?

13 MS. RYLAND: No. We haven't done -- I'm talking
14 about this was taken care of a while back, maybe. We
15 will have to look and see.

16 MS. AUCOIN: If y'all would like, when we go in
17 to change the rule that y'all have already passed, we can
18 do a -- you know, kind of go through all of them and make
19 sure everything matches up and, if there's some other
20 problem, bring it to y'all.

21 MR. BAER: That's fine.

22 MR. ROGILLIO: When you are talking about the
23 fees --

24 MR. BAER: If you look at the rules, the
25 application fee is 20.

1 MS. RYLAND: No. It's 20, and you have the \$10⁰
2 administrative fee. So the fee is correct, but it also
3 states in there that the last -- toward the last of the
4 rules, that an administrative fee will be --

5 MR. BAER: Right. But an application fee is 30,
6 right? And then you've got 10. That's 40.

7 MS. RYLAND: You're talking about an application
8 for an instructor, or are we on the guards?

9 MR. BAER: Security officer.

10 MS. RYLAND: Oh, I thought you were talking
11 about instructors, because that's what y'all cleaned up.

12 MR. GURVICH: I think you're wrong.

13 MR. ROGILLIO: Are you in the law or the rules?

14 MR. BAER: The law.

15 MR. ROGILLIO: That's been changed.

16 MR. BAER: It still lists on this copy right
17 here, it says, application fee, 20.

18 MS. RYLAND: Yes, it does, right.

19 MR. GURVICH: Yes. We need to conform that. I
20 mean, I don't think we need a board motion to do that.

21 MR. BAER: I'm saying it's not accurate.

22 MR. GURVICH: That's a good point.

23 MR. ROMERO: I'd say that's a good catch.

24 MR. GURVICH: Any further business? If not, I
25 will entertain a motion to adjourn "sine die."

1 MR. BAER: Second.

2 MR. GURVICH: All in favor of Mr. Baer's motion
3 to adjourn say aye.

4 ALL BOARD MEMBERS: Aye.

5 MR. GURVICH: Any opposed? This meeting is
6 closed. Thank you, folks.

7 (Proceedings are concluded at 11:20 a.m.)
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C E R T I F I C A T E

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I, Annette Ross, Certified Shorthand Reporter in and for the State of Louisiana, as the Officer before whom this testimony was taken, do hereby certify:

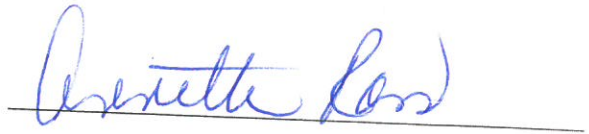
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ANNETTE ROSS,

CCR NO. 93001

18th day of October, 2014