

APPROVED MINUTES

AUDIT COMMITTEE MEETING

Louisiana Community and Technical College System
Board of Supervisors – Audit Committee Meeting

Wednesday, December 10, 2003
The Louisiana Building – Room 318
Baton Rouge Community College
5310 Florida Blvd., Baton Rouge, LA 70806

The Audit Committee of the Board of Supervisors of the Louisiana Community and Technical College System convened, with other members present at 8:03 a.m., on Wednesday, December 10, 2003, in Room 318 of The Louisiana Building at the Baton Rouge Community College.

Committee Members Present

Steve Smith, Chair
Gibson Chigbu
Nicholas Trist, Vice Chair

Members Absent

Ava Dejoie
Mike Stone, Vice Chair

Other Board Members Present

Ann Knapp
Kathy Sellers Johnson
Carl Franklin

LCTCS Staff Present

Allen Brown
Michael LaCour
Howard Karlton

Committee Chair Smith called the Audit Committee meeting to order at 8:02 a.m.

Mr. Allen Brown, Director, Internal Audit, LCTCS, provided an update on audit work currently being conducted within the LCTCS. He reported that an audit on student data is currently being conducted on all the LTC campuses.

Mr. Brown stated that a report and a management letter would be issued to Chancellor Montgomery-Richard and to the Board showing areas that need to be addressed.

Supervisor Chigbu asked if the LTC campuses had been provided guidelines to assist them in their efforts to meet auditing guidelines.

Mr. Brown responded that campuses are being notified ahead of time of what reports/documents are needed. He indicated that the audit should be completed in the next couple of months.

Committee Chair Smith indicated that it is a legislative mandate to compile this audit report and he questioned whether a deadline had been provided.

Mr. Brown responded that no deadline was given – only that the report be provided annually and he hoped to be able to provide the report by May, 2004.

Committee members discussed the need to determine who at each campus is responsible for submitting the data/report to the central office.

Mr. Brown reported on a meeting held with Senator Dardenne. He stated that currently, the law states that each campus be audited each year. With current internal audit staff, this process takes 3-4 months. Mr. Brown stated that he and Dr. Bumphus met with Senator Dardenne to discuss changing the audit clause. The proposal will ask that a change be made to state that 1/3 of the campuses be audited each year to include 100% of the campuses in a four year period. Mr. Brown indicated that a four year timeline is being proposed so that campuses would not be certain of a specific time that they may be audited. In addition, items 1-10 of the list of required items, will be revised/reworded to reflect changes that have been made regarding reporting of credit hours. Mr. Brown concluded that they will be working with Chancellor Montgomery-Richard and Dr. Bumphus to make changes to the current law and present these proposed changes to Senator Dardenne for his consideration.

Chair Smith asked Mr. Brown to review the other items that were listed in the annual audit plan but that are not being addressed at this time, due to the time it is taking to complete the LTC audit.

Mr. Brown stated that in addition to the LTC audit, they will be looking at TANF, Perkins and PELL grants. He indicated that they will begin with TANF and Perkins in March, 2004.

Supervisor Chigbu asked who is responsible for defining what items will be included in the annual audit plan.

Mr. Brown responded that all Chancellors are invited to provide suggestions, questionnaires are distributed to Dr. Bumphus and the Audit Committee for input. These information/requests is compiled and provided to the Audit Committee for their determination in what should be addressed during a given fiscal year. The final plan is presented to the LCTCS Board for final approval.

Supervisor Chigbu requested that compliance issues on the law regarding small businesses be addressed in the next audit plan.

Mr. Brown stated that a new questionnaire/request will be sent out to the Chancellors in May, 2004, to receive their input for issues to be addressed in the next fiscal year. He stated that he would add this to the list of items to be included for consideration in the next audit plan.

Mr. Brown stated that he would provide a draft of some of the campus findings to the Audit Committee at the next meeting that will be held in March, 2004.

Mr. Brown reported that copies of the Ethics Law have been presented to LCTCS staff to remind them of prohibitions regarding receiving gifts. He stated that this law applies to all LCTCS employees and Board members, but does not pertain to foundation board members.

Supervisor Chigbu questioned whether PeopleSoft may be an issue that can be addressed by the Audit Committee to determine how much money has been spent, to date, on PeopleSoft, and how much more money is needed to complete the project.

Supervisor Knapp stated that she did not think this was an Audit Committee issue, but something that should be presented to the full Board to request an update/report.

Supervisor Trist suggested requesting a report on PeopleSoft at the Board meeting.

Mr. Brown reported that Dr. Bumphus has made a request to the Internal Auditors to include in their annual plan, the auditing of time and attendance for members of the legislator who are also employed by LCTCS. Audit committee members stated that they would like this audit to include all elected officials. He indicated that this audit will begin in the summer of 2004.

Mr. Brown reported on an employee's resume' who had come into question. He stated that the employee had since resigned.

The next meeting of the Audit Committee will be held March 10, 2004.

The Audit Committee adjourned at 8:50 a.m.