

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

LCTCS BOARD OF SUPERVISORS AUDIT COMMITTEE MEETING

MINUTES

Wednesday, December 14, 2016
11:30 a.m.

The Louisiana Building
Baton Rouge Community College
201 Community College Drive, Baton Rouge, Louisiana 70806

*** The Board of Supervisors of the Louisiana Community and Technical College System reserves the right to enter into Executive Session in accordance with R.S. 42.16-17.*

A. Call to Order by Committee Chair

Committee Chair Deni Grissette called the December 14, 2016 LCTCS Board of Supervisors Audit Committee meeting to order at 11:40 a.m.

B. Pledge of Allegiance

Supervisor Strong led the assembly in reciting the Pledge of Allegiance.

C. Roll Call

Board Coordinator, Sara Kleinpeter conducted the roll call with the following results:

Members Present

Absent

Staff Present

Deni Grissette
Joe Potts
Helen Carter
Paul Price, Jr.

Willie Mount
Craig Spohn

Monty Sullivan
Mike Redmond
Sara Kleinpeter
Paul Carlsen
David Helveston
Trish Felder
Joe Marin

Tim Hardy
Sommer Brown
Michael Murphy
Woody Ogé
Vinney St. Blanc
Charles Strong

D. Approval of Meeting Agenda for December 14, 2016

On motion by Supervisor Strong, seconded by Supervisor St. Blanc, the Committee voted to approve the December 14, 2016, meeting agenda. The motion carried.



*Changing Lives,
Creating Futures*

Monty Sullivan
System President

Officers:

Timothy W. Hardy
Chair

Deni Grissette
First Vice Chair

Stephen Toups
Second Vice Chair

Members:

Helen Bridges Carter
Erika McConduit
Willie Mount
Michael J. Murphy
N. J. "Woody" Ogé
Joe Potts
Paul Price, Jr.
Stephen C. Smith
Mark D. Spears, Jr.
Craig Spohn
Vincent St. Blanc, III
Charles Strong

Student Members:

Sommer Brown
Jennifer Burgess

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College System

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E. Approval of Minutes of September 14, 2016 Meeting

On motion by Supervisor Ogé, seconded by Supervisor St. Blanc, the Committee voted to approve the September 14, 2016, meeting minutes as presented. The motion carried.

F. Update of Reports Issued and Work in Progress

Michael Redmond reviewed the reports issued and work in progress. The summary of reports issued was sent to the Board via email. There were three reports issued by the Louisiana Legislative Auditor (LLA) and seven issued by the LCTCS Internal Audit department between August 1 – November 30, 2016.

LLA findings include:

Bossier Parish Community College (BPCC) received a finding for an inaccurate AFR (annual financial report). Adjustments were made to the AFR and the corrections were submitted to LLA.

Louisiana Delta Community College (LDCC) received a finding for a delay in the collection of unpaid fees by students. Chancellor Epps explained that LDCC, prior to the audit, began a thorough review of collection of funds from students. The finding was related to mailing out notices to students; Chancellor Epps noted that LDCC and LCTCS does not regularly mail notices of fees owed since the billing system is electronic based.

South Central Louisiana Technical College (SCL) had a finding related to bank reconciliations not being done in a timely matter and with the collection of student receivables. CFO, Joey Borne indicated the bank reconciliation was done daily, but the formal bank reconciliation at the end of the month was not being done. That is being corrected.

LCTCS Internal Audit issued seven reports over the time period. Four of the seven reports were related to purchase cards and travel card transaction audits. Northshore Technical Community College (NTCC) and River Parishes Community College (RPCC) had no findings. Bossier Parish Community College (BPCC) and South Louisiana Community College (SLCC) received audit findings related procedural issues but no improper purchases.

Internal Audit issued three Perkins monitoring reports – Central Louisiana Technical Community College (CLTCC), Nunez Community College, and Southern University Shreveport. Each had a finding related to time and effort reporting. Time and effort was being reimbursed based on the budgeted amounts, but this was not being reconciled to actual time at the end of each quarter, as required.

Mr. Redmond reported that Fletcher Technical Community College had a finding regarding payments to the local school board. These payments were used by the school board to pay for services received from Career Compass. The college was not a party to the contract with Career Compass and was not obligated to pay this amount. As such, these payments amount to gifts, in possible violation of Article 7, Section 14 of the La Constitution. This was a similar scenario to what was previously reported regarding Central Louisiana Technical Community

College. The college and the school board modified their agreement to make sure that all appropriate parties were identified.

Currently, the LCTCS Internal Audit team is doing quarterly reporting for travel at various colleges. They are also working on an audit at SCLCC related to moveable property and reviewing adult education programs at the Jefferson Parish School System.

Additionally, he reported that Dana Dumas left the system office to be a staff accountant at Northshore Technical Community College. A new staff auditor will start at LCTCS on January 9, 2017.

LLA will be issuing a finding on the System office in the area of internal auditing, related to the perceived amount of risk based auditing done compared to what was laid out in the audit plan. Mr. Redmond disagrees with the finding, but understands that it is based on the specific wording of the audit plan. He believes that every audit done is risk based, but too few self-identified risk based audits are done.

G. Questions and Other Business

1. Annual ethics training reminder

Michael Redmond reminded members that each should complete the 2016 ethics training no later than December 31, 2016.

H. Adjournment

On motion of Supervisor Potts, seconded by Supervisor Price, the Audit Committee adjourned at 12:22 p.m.