



Report Highlights

New Orleans Center for Creative Arts *Special Schools & Commissions*

MICHAEL J. "MIKE"
WAGUESPACK, CPA

Audit Control # 80210002
Financial Audit Services • October 2021

Why We Conducted This Work

We conducted procedures at the New Orleans Center for Creative Arts (NOCCA) to evaluate certain controls NOCCA uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds for the period July 1, 2019, through June 30, 2021.

What We Found

- NOCCA’s awarding and recording of leave was not consistent with state laws and regulations, which resulted in leave recorded as sick in the LaGov payroll system, but counted as annual leave by NOCCA, to be paid out to 12 employees: two classified retirees, two unclassified retirees, and eight terminating teachers. These payments, classified as sick leave in LaGov, totaled \$54,540 from July 1, 2019, through April 20, 2021.
- We evaluated controls and transactions relating to payroll and personnel, purchasing card expenditures, the LaGov information system, student information system, and the student activity fund. Except as noted above, we found these controls provided reasonable assurance of accountability over public funds and compliance with applicable laws and regulations for the period examined.
- We compared the most current and prior-year financial activity using the NOCCA’s Annual Fiscal Reports and/or system generated reports to identify trends and obtained explanations from management for any significant variances.
- In analyzing financial trends over the past five fiscal years, expenditures increased 8% from fiscal year 2018 to fiscal year 2020. The increase in expenditures is largely due to increases in salary and related benefits, driven by newly created positions at NOCCA, as well as cost-of-living adjustments granted to both classified and unclassified employees.

Five-Year Trend - Revenues and Expenditures



Source: Fiscal Year 2016-2020 Annual Fiscal Reports and system-generated reports

View the full report , including management’s response, at www.la.gov.