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Report Highlights

Delgado Community College

Louisiana Community and Technical College System

Audit Control # 80200077

Financial Audit Services • May 2021

Why We Conducted This Audit

We performed certain procedures at Delgado Community College (Delgado) as a part of the Louisiana Community and Technical College System audit, the Single Audit of the State of Louisiana, and to evaluate Delgado's accountability over public funds for the period July 1, 2019, through June 30, 2020.

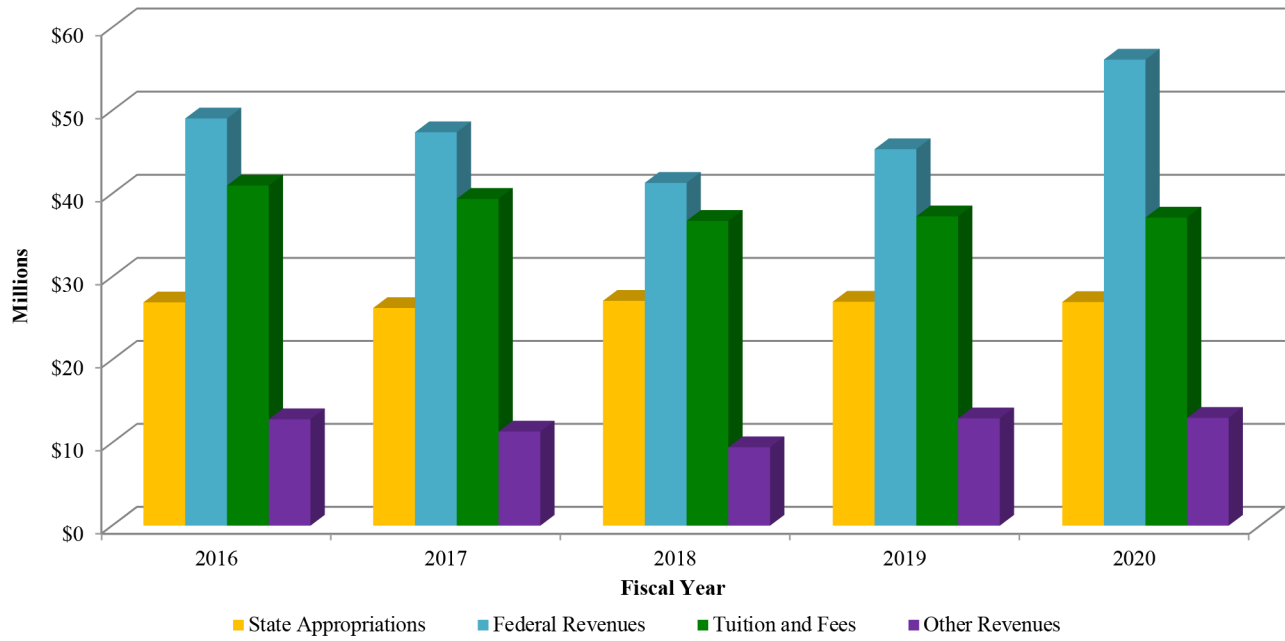
What We Found

- Delgado submitted an inaccurate Annual Fiscal Report to the Louisiana Community and Technical College System.
- Delgado failed to notify the Louisiana Legislative Auditor and parish district attorney of certain suspected misappropriations of assets as required by Louisiana Revised Statute 24:523.
- Delgado disbursed funds totaling \$57,284 from the Higher Education Emergency Relief Fund - Student Aid Portion to 79 ineligible students who were officially withdrawn from all courses prior to the COVID-19 pandemic emergency declaration.
- During our review of the Student Financial Assistance Program, we noted the following issues:
 - Inadequate controls to ensure Title IV funds were calculated correctly and timely returned to the U.S. Department of Education.
 - Inadequate controls to ensure class attendance was properly recorded for students enrolled in online (distance education) courses and identify the students who withdrew (officially or unofficially).
 - Delgado did not ensure changes in enrollment status for students who received Federal Pell Grants and Federal Direct Student Loans were accurately and timely reported to the National Student Loan Data System.
 - Delgado did not properly perform monthly reconciliations of the School Account Statement data files to the institution's financial records.
- Financial information relating to the following accounts was materially correct, as adjusted: cash and cash equivalents, receivables resulting from tuition and fees, due from federal government, capital assets, accounts payable and accruals, unearned revenue resulting from tuition and fees, net position, student tuition and fees net of scholarship allowances, federal grants and contracts, federal nonoperating revenues, and educational and general expenses. Based on the results of these procedures, we did not report any findings, other than those noted above.
- In analyzing financial trends over the past five fiscal years, enrollment at the college has decreased 14% since fiscal year 2016. Corresponding declines in tuition and fees, federal nonoperating revenues, and operating expenses were noted until fiscal year 2020 when the college received emergency federal funding due to the COVID-19 pandemic. During the same period there were significant increases in state and local grants and contracts revenue driven primarily by increases in Rapid Response, Louisiana Economic Development, and other worker training grants and contracts.

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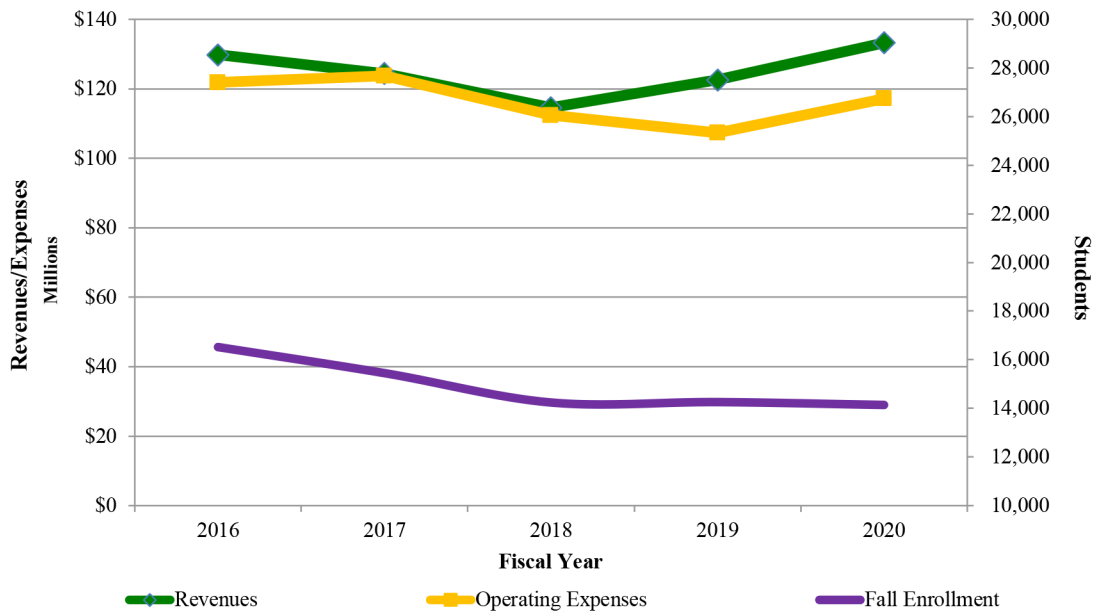
What We Found (Cont.)

Five-Year Revenue Trend



Source: Fiscal Years 2016-2020 Delgado Annual Fiscal Reports, as adjusted

Fiscal/Enrollment Trends



Source: Fiscal Years 2016-2020 Delgado Annual Fiscal Reports, as adjusted, and Board of Regents website