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# STATE OF LOUISIANA LEGISLATIVE AUDITOR

Regional Management Center 5, Lake Charles  
Louisiana Technical College System  
Department of Education  
State of Louisiana  
Lake Charles, Louisiana

August 28, 1995



*Financial and Compliance Audit Division*

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*Daniel G. Kyle, Ph.D., CPA, CFE*  
*Legislative Auditor*

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**REGIONAL MANAGEMENT CENTER 5, LAKE CHARLES  
LOUISIANA TECHNICAL COLLEGE SYSTEM  
DEPARTMENT OF EDUCATION  
STATE OF LOUISIANA  
Lake Charles, Louisiana**

**Management Letter  
Dated July 18, 1999**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

August 25, 1999



HAROLD G. KYLE, FISCAL OFFICER  
LEGISLATIVE AUDITOR

OFFICE OF  
**LEGISLATIVE AUDITOR**  
STATE OF LOUISIANA  
BATON ROUGE, LOUISIANA 70804-9300

2400 NORTH W. BEAUX BOULEVARD  
SUITE 1000  
BATON ROUGE, LOUISIANA 70805  
TELEPHONE: (504) 389-6800  
FACSIMILE: (504) 389-6870

July 16, 1995

**REGIONAL MANAGEMENT CENTER 5, LAKE CHARLES  
LOUISIANA TECHNICAL COLLEGE SYSTEM  
DEPARTMENT OF EDUCATION  
STATE OF LOUISIANA  
Lake Charles, Louisiana**

As part of our audit of the State of Louisiana's financial statements for the year ended June 30, 1996, we conducted certain procedures at Regional Management Center 5, Lake Charles, Louisiana Technical College System, Department of Education. Our procedures included (1) a review of the management center's internal control structure; (2) tests of financial transactions for the years ended June 30, 1994, and June 30, 1995; and (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities transactions for the years ended June 30, 1995, and June 30, 1995.

The June 30, 1995, and June 30, 1995, Annual Fiscal Reports of Regional Management Center 5, Lake Charles were not audited or reviewed by us, and, accordingly, we do not express an opinion or any other form of assurance on these reports. The management center's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Our procedures included interviews with selected management personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies as we considered necessary. After analyzing the data, we developed recommendations for improvements. We then discussed our findings and recommendations with appropriate management personnel before submitting this written report.

Based upon the application of the procedures referred to previously, all significant findings are included in this report for management's consideration.

**Time and Attendance Records**

Regional Management Center 5, Lake Charles System Office and the Southwest Technical Institute do not have adequate accounting controls over time and attendance records. The Department of State Civil Service rules and regulations for classified employees and Board of Elementary and Secondary Education (BESD) policies for all technical institute employees require that employees account for the use of leave in at least 30 minute increments and account for 40 hours in each work week.

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Management Letter, Dated July 10, 1998  
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Our review of time and attendance records and interviews with timekeepers at the system office and Sowell Technical Institute revealed the following practices:

- If an employee is absent from work for 45 minutes or more per day, he/she is charged for one hour's leave.
- If an employee is absent from work for 44 or less minutes per day, he/she is not charged leave for that day.

These practices have resulted in some employees accounting for less than 40 hours of work and leave each week.

Regional Management Center 5 and Sowell Technical Institute should revise its time and attendance policies to ensure compliance with the Department of State Civil Service and BESE rules and regulations. In a letter dated July 1, 1998, Mr. Earl L. Hammett, Regional Director, stated that management concurred with the findings and has taken action to implement the auditor's recommendations.

### **Memberships in Civic Organizations**

Technical institutes in Regional Management Center 5, Lake Charles System Office have violated Article 7, Section 14 of the Louisiana Constitution of 1974 by using public funds to purchase memberships in civic organizations. The Louisiana Attorney General has ruled in several opinions that the constitution prohibits the use of public funds to purchase membership in civic organizations.

Our test of the center's accounting records for the two years ended June 30, 1998, disclosed the following:

- During the 1995 fiscal year, Sowell and Oakdale technical institutes expended \$335 and \$75, respectively, to purchase membership in civic organizations.
- During the 1996 fiscal year, Sowell, Acadian, and Oakdale technical institutes expended \$200, \$150, and \$75, respectively, to purchase membership in civic organizations.

Management of Regional Management Center 5 should comply with the Louisiana Constitution of 1974 and prohibit the use of public funds for purchases of membership in civic organizations. In a letter dated July 1, 1998, Mr. Earl L. Hammett, Regional

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The recommendations in this report represent, in our judgment, those most likely to bring about beneficial improvements to the operations of the management center. The varying nature of the recommendations, their implementation costs, and their potential impact on operations of the management center should be considered in reaching decisions on courses of action. The findings relating to the management center's compliance with applicable laws and regulations should be addressed immediately by management.

By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE  
Legislative Auditor

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**REGIONAL MANAGEMENT CENTER 5, LAKE CHARLES  
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2400 NORTH W. BROAD STREET  
POST OFFICE BOX 9500, BUREAU  
70117-0950 (504) 389-6800  
FACSIMILE: (504) 389-6870

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04/19/96