

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana Technical College,
Charles B. Gorell Campus
Department of Education
Board of Elementary and
Secondary Education
State of Louisiana
Villie Platte, Louisiana

June 25, 1997

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LEGISLATIVE AUDITOR
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Financial and Compliance Audit Division

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

LOUISIANA TECHNICAL COLLEGE,
CHARLES B. COREIL CAMPUS
DEPARTMENT OF EDUCATION
BOARD OF ELEMENTARY AND
SECONDARY EDUCATION
STATE OF LOUISIANA
Vile Platte, Louisiana

Management Letter
Dated June 5, 1997

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 Evangeline Parish Clerk of Court.

June 25, 1997

LEGISLATIVE AUDITOR

LOUISIANA TECHNICAL COLLEGE,
CHARLES B. CORRELL CAMPUS
DEPARTMENT OF EDUCATION
BOARD OF ELEMENTARY AND
SECONDARY EDUCATION
STATE OF LOUISIANA
Management Letter, Dated June 5, 1997
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over payroll, the risk exists that state assets could be impaired, and errors and/or irregularities could occur or if not be detected in a timely manner.

Louisiana Technical College, Charles B. Correll Campus should establish and maintain good internal controls by having an employee who is independent of the payroll process review the On-Line Record System Audit Report. In addition, the bi-weekly payroll registers should be compared with previous registers and change documents. In a letter dated June 8, 1997, Mr. Darvey Lemaire, Director of the Louisiana Technical College, Charles B. Correll Campus, concurred with the finding and recommendation and stated that the technical college has taken corrective action that is reflective of the recommendation in the management letter.

The recommendation in this report represents, in our judgment, that most likely to bring about beneficial improvement to the operations of the technical college. The nature of the recommendation, its implementation cost, and its potential impact on the operations of the technical college should be considered in reaching decisions on courses of action.

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

JMA/DLH:dj

6/11/97



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June 5, 1997

**LOUISIANA TECHNICAL COLLEGE,
CHARLES B. COREIL CAMPUS
DEPARTMENT OF EDUCATION
BOARD OF ELEMENTARY AND
SECONDARY EDUCATION
STATE OF LOUISIANA,
Villie Platte, Louisiana**

As part of our audit of the State of Louisiana's financial statements for the year ending June 30, 1997, we conducted certain procedures at Louisiana Technical College, Charles B. Coreil Campus. Our procedures included (1) a review of the technical college's internal control structure; (2) tests of financial transactions for the years ending June 30, 1997, and June 30, 1996; and (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities for the years ending June 30, 1997, and June 30, 1996.

The Annual Fiscal Reports of Louisiana Technical College, Charles B. Coreil Campus are not within the scope of our work, and, accordingly, we offer no form of assurance on those reports. The technical college'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 management personnel and selected technical college personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies as we considered necessary. After analyzing the data, we developed a recommendation for improvement. We then discussed our finding and recommendation 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.

Inadequate Controls Over Payroll

Louisiana Technical College, Charles B. Coreil Campus has not provided adequate controls over its payroll function by having an employee who is independent of the payroll process review the On-Line Record System Audit Report and the bi-weekly payroll registers. Good internal controls require proper review of transactions and independent checks on performance of the payroll function. The technical college did not verify the accuracy of payroll transactions. As a result, one employee was overpaid and the error was not detected in a timely manner. Without adequate internal controls

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DIRECTOR OF FINANCIAL AND COMPLIANCE AUDIT

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