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LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
FOR THE YEAR ENDED JUNE 30, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/18/04

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Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA

Dr. Margaret Montgomery-Richard
Chanellor
Louisiana Technical College
150 Third Street - Suite 200
Baton Rouge, Louisiana 70801

At your request, we have performed the agreed-upon procedures, as enumerated below, which were agreed to by management of the Louisiana Technical College, to the Student Financial Aid Program for the academic year ended June 30, 2003, solely to assist the College in evaluating the program. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings were as follows:

1. We obtained a listing of all campuses under the Louisiana Technical College System.
2. We interviewed key personnel within the college system to discuss the student financial aid program and its operations.
3. We reviewed the following policies and procedures, and noted the following conditions with respect to their compliance with Title IV of the Federal Regulations:

- o Policy of Awarding, Receipt and Disbursement of funds;

No exceptions noted.

- o Policy of Satisfactory Academic Progress;

The policy does not address the manner in which repeated classes will be evaluated for the qualitative standard.

Dr. Margaret Montgomery-Richard
Chancellor
Louisiana Technical College

- o Policy of Title IV Funds.

No exceptions noted.

4. See procedures and conditions noted at Step 3 above for compliance with Title IV of the Federal Regulations.
5. We tested the application of the policies and procedures by performing the following:
 - o Selected two (2) campuses from each of the seven (7) districts for testing (one small campus and one large campus);
 - o Obtained a listing of all students receiving financial aid for the June 30, 2003 academic year at the selected campuses;
 - o Obtained the student financial aid folder and documentation needed (i.e. copies of PELL checks, academic transcripts, ISIRs, etc.) to determine eligibility and compliance with federal regulations;
 - o Obtained a detail of all students that withdrew from the selected campuses and tested for compliance with the College's Return of Title IV Funds Policy: and
 - o Obtained a schedule of PELL draw-downs and test for compliance with Federal cash management requirements.

We noted the following conditions regarding the above procedures performed:

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-01 Satisfactory Academic Progress

Criteria

Title IV regulations, 34 CFR Section 668.32(f) stipulates that students participating in the Title IV Federal Financial Aid programs must be maintaining satisfactory academic progress (SAP) in the course of study he or she is pursuing, according to the standards and practices of that institution to receive student financial aid.

OMB Circular A-133 Compliance Supplement, Part 5 Appendix A, Student Financial Assistance - Student Eligibility Compliance Requirement Number (6) stipulates that a student must maintain good standing, or satisfactory progress. Title IV regulation 34 CFR 668.16(e) stipulates that an institute must establish, publish and apply reasonable standards for measuring SAP.

Condition and Perspective

We noted the following conditions pertaining to SAP during our performance of agreed upon procedures at the campuses selected for testing:

Alexandria Campus

- o SAP was evaluated by the instructors or department heads of the various departments instead of by financial aid administrators.

Baton Rouge Campus

- o Four (4) out of twenty-five (25) students tested did not meet the requirements for SAP;
- o Two (2) out of twenty-five (25) students received transfer credits however, there was no indication that the credits were evaluated in the calculation of SAP;
- o There was no documentation on file indicating that SAP was evaluated at the end of each semester; and
- o Five (5) out of twenty-five (25) students tested transcripts did not indicate those classes that were withdrawn from during the semester. The classes were omitted from the student's transcript.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-01 Satisfactory Academic Progress

Evangeline Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester; and
- o There was one (1) out of ten (10) students tested who received PELL in a previous year at a LTC Campus, but there was no indication that the hours were transferred to the Evangeline Campus and evaluated for SAP.

Jumonville Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester.

Lafayette Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester;
- o One (1) student's transcript out of thirty (30) students tested did not indicate classes that were withdrawn from during the semester;
- o One (1) out of thirty (30) students tested had a term report that differed from the transcript for certain classes; and
- o One (1) out of thirty (30) students tested did not meet the requirements for SAP.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-01 Satisfactory Academic Progress

Lafourche Campus

- o No exceptions noted.

Lamar Salter Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester; and
- o Nine (9) out of ten (10) student tested transcripts were not maintained on a semester basis and one (1) out of ten (10) student tested transcript was maintained on a clock hour basis instead of a semester hour basis.

Mansfield Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester.

Ruston Campus

- o No exceptions noted.

Shreveport Campus

- o There was no documentation on file indicating that SAP was evaluated at the end of each semester.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-01 Satisfactory Academic Progress

Sidney Collier Campus

- o The college evaluated SAP by taking an average of the courses attended. The quality points and quality hours were not considered in the calculation;
- o One (1) student out of twenty (20) tested did not have an academic transcript on file;
- o There was no documentation on file indicating that SAP was evaluated at the end of each semester; and
- o Two (2) out of twenty (20) students tested received PELL in a previous year at a LTC campus, but there was no indication that the hours were transferred to the Sidney N. Collier Campus and evaluated for SAP. SAP is not evaluated on a cumulative basis, as required by federal regulations.

Slidell Campus

- o One (1) student out of fifteen (15) tested did not meet the requirements for SAP;
- o SAP was not evaluated on a cumulative basis as prescribed by federal regulations; and
- o One (1) out of fifteen (15) students tested received PELL in a previous year at a LTC Campus but there was no indication that the hours were transferred to the Slidell Campus and evaluated for SAP.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
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Reference Number, Continued

2003-01 Satisfactory Academic Progress

Tallulah Campus

- o Fifteen (15) out of fifteen (15) students tested SAP evaluation forms were not documented for the Fall 2002 semester and three (3) out of fifteen (15) students tested SAP evaluation forms for the Spring 2003 semester were not properly documented in the files; and
- o One (1) out of fifteen (15) students tested transcript did not indicate classes that were withdrawn from during the semester.

Westside Campus

- o There was no documentation on file indicating SAP was evaluated at the end of each semester;
- o SAP was not evaluated on a cumulative basis as prescribed by federal regulations; and
- o One (1) out of ten (10) students tested transcript did not include classes that were withdrawn from during the semester.

Young Memorial Campus

- o There was no documentation on file indicating SAP was evaluated at the end of each semester.

Cause

It appears that the College inadvertently disbursed aid to many academically ineligible students.

**LOUISIANA TECHNICAL COLLEGE
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AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-01 Satisfactory Academic Progress

Effect

It appears that the College disbursed financial aid to many students that did not maintain SAP.

Recommendation

We recommend that the College adhere to established policies and procedures as documented in the revised SAP policy and monitor the academic standing of all students prior to awarding student financial aid. We also recommend that all financial aid administrators be properly trained in the evaluation of SAP.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-02 Federal Financial Reports

Criteria

OMB Circular A-133 Compliance Supplement Part 3, Section L stipulates that reports for federal awards shall include all activity of the reporting period, be supported by applicable accounting records, and be fairly presented in accordance with program requirements. Also, OMB Circular A-133 Compliance Supplement Part 4, Section L stipulates that cumulative drawdown amounts in the Grant Administration and Payment System (GAPS) should accurately reflect the grantee's actual disbursement of funds by award.

Conditions and Perspective

We noted during our fieldwork that certain grant drawdowns reflected in GAPS did not agree in total to the disbursement records of the Department of Education (DOE) for the year ended June 30, 2003 as follows:

<u>LTC Campus</u>	<u>Total Per GAPS Reports</u>	<u>Total Per DOE Records</u>	<u>Difference Over (Under)</u>
Alexandria Campus	\$ 576,404	\$ 574,462	\$ 1,942
Baton Rouge Campus*	1,255,917	1,306,080	(50,163)
Evangeline Campus	368,919	373,723	(4,804)
Jumonville Campus*	135,483	139,442	(3,959)
Lafayette Campus	1,260,491	1,281,602	(21,111)
Lafourche Campus	236,684	237,955	(1,271)
Lamar Salter Campus	305,090	305,220	(130)
Mansfield Campus	289,506	298,430	(8,924)
Ruston Campus	195,226	199,118	(3,892)
Shreveport Campus	1,004,762	1,004,302	460
Sidney Collier*	694,047	703,632	(9,585)

*- Campus was unable to provide Department of Education PELL disbursement detail, as such the Campus' disbursement record was utilized for the analysis.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
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Reference Number, Continued
2003-02 Federal Financial Reports

<u>LTC Campus</u>	<u>Amount Per GAPS Reports</u>	<u>Total Per DOE Records</u>	<u>Difference Over (Under)</u>
Slidell Campus	\$ 331,787	\$ 329,841	\$ 1,946
Tallulah Campus	442,962	442,517	445
Westside Campus**	-0-	-0-	-0-
Young Memorial Campus	503,267	503,267	-0-

** - The Westside campus' drawdowns are included in Baton Rouge's GAPS report, as such amounts have been combined with the Baton Rouge Campus.

PELL Disbursements:

We also noted during our testing that PELL disbursements per the College's records did not agree with amounts per the Department of Education (DOE):

<u>LTC Campus</u>	<u>Total Per LTC</u>	<u>Total Per DOE Records</u>	<u>Difference Over (Under)</u>
Alexandria Campus	\$ 578,826	\$ 574,462	\$ 4,364
Baton Rouge Campus*	-0-	-0-	-0-
Evangeline Campus	372,811	373,723	(912)
Jumonville Campus*	-0-	-0-	-0-
Lafayette Campus	1,287,489	1,281,602	5,887
Lafourche Campus	260,713	237,955	22,758
Lamar Salter Campus	308,873	305,220	3,653
Mansfield Campus	266,706	298,430	(31,724)
Ruston Campus	209,473	199,118	10,355
Shreveport Campus	914,451	1,004,302	(89,851)

**LOUISIANA TECHNICAL COLLEGE
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FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-02 Federal Financial Reports

<u>LTC Campus</u>	<u>Total Per LTC</u>	<u>Total Per DOE Records</u>	<u>Difference Over (Under)</u>
Sidney Collier*	\$ 690,749	\$ -0-	\$ 690,749
Slidell Campus	340,676	329,841	10,835
Tallulah Campus	232,423	442,517	(210,094)
Westside Campus	214,565	210,385	4,180
Young Memorial Campus	472,566	503,267	(30,701)

*- Campus was unable to provide the Department of Education's PELL processed disbursement detail.

Cause

The College failed to reconcile amounts per the financial records to the amounts drawn down during the year.

Effect

It appears that certain federal financial reports contained inaccurate financial information.

Recommendation

We recommend that management of the College continue in its efforts to correct the noted conditions and to ensure that accurate financial information is submitted to the federal government in the future. We also recommend that amounts per the College records be reconciled to amounts reported to the Department of Education on a regular basis.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-03 Verification

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section III (N)(2) specifies that an institution shall require each applicant, whose application is selected by the central processor, to verify specified items.

Condition and Perspective

We noted the following Verification conditions during our performance of agreed upon procedures at the Louisiana Technical College Campuses:

Alexandria Campus

- o No exceptions noted.

Baton Rouge Campus

- o Three (3) out of seventeen (17) students tested who were selected for verification had either no information or conflicting information on the Institutional Student Information Report (ISIR) and the tax return and/or verification documentation.

Evangeline Campus

- o Two (2) out of four (4) students tested who were selected for verification had either no information or conflicting information on the ISIR and the tax return and/or verification documentation.

Jumonville Memorial Campus

- o No exceptions noted.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-03 Verification

Lafayette Campus

- o No exceptions noted.

Lafourche Campus

- o No exceptions noted.

Lamar Salter Campus

- o No exceptions noted.

Mansfield Campus

- o No exceptions noted.

Ruston Campus

- o Three (3) out of ten (10) students tested who were selected for verification had either no information or conflicting information on the ISIR and the tax return and/or verification documentation.

Shreveport Campus

- o Seven (7) out of nineteen (19) students tested who were selected for verification had either no information or conflicting information on the ISIR and the tax return and/or verification documentation.

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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-03 Verification

Sidney N. Collier Campus

- o Eight (8) out of eight (8) students tested who were selected for verification and had either no information of conflicting information between the ISIR and the tax return and/or verification documentation.

Slidell Campus

- o One (1) out of eleven (11) students tested who were selected for verification had either no information or conflicting information between the ISIR and the tax return and/or verification documentation.

Tallulah Campus

- o One (1) out of five (5) students tested who were selected for verification had either no information or conflicting information between the ISIR and the tax return and/or verification documentation.

Westside Campus

- o Two (2) out of ten (10) students tested who were selected for verification had either no information or conflicting information between the ISIR and the tax return and/or verification documentation.

Young Memorial Campus

- o No exceptions noted.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-03 Verification

Cause

The College failed to adhere to established procedures in many instances.

Effect

The College has disbursed Title IV funds to students whose financial aid information was not verified.

Recommendation

We recommend that the College adhere to established procedures.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-04 PELL Computations

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section III (N)(2) specifies that an institution shall award and disburse PELL in accordance with federal regulations.

Condition and Perspective

We noted the following conditions during our performance of agreed upon procedures at the Louisiana Technical College Campuses:

Alexandria Campus

- o No exceptions noted.

Baton Rouge Campus

- o Seven (7) out of twenty-five (25) students tested received Pell amounts that did not calculate properly;
- o One (1) out of twenty-five (25) students tested enrolled in excess of three (3) development courses and received full time PELL instead of three quarter time PELL; and
- o One (1) out of twenty-five (25) students tested had Pell disbursement that did not agree with financial records.

Evangeline Campus

- o One (1) out of ten (10) students tested had PELL amounts that did not calculate properly.

Jumonville Memorial Campus

- o No exceptions noted.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-04 PELL Computations

Lafayette Campus

- o One (1) out of thirty (30) students tested had Pell amounts that did not calculate properly.

Lafourche Campus

- o One (1) out of fifteen (15) students tested had Pell amounts that did not calculate properly; and
- o One (1) out of fifteen (15) students tested had Pell disbursement that did not agree with financial records.

Lamar Salter Campus

- o One (1) out of ten (10) students tested had Pell disbursement that did not agree with financial records.

Mansfield Campus

- o One (1) out of fifteen (15) students tested had Pell amount did not calculate properly; and
- o One (1) out of fifteen (15) students tested had Pell disbursement that did not agree with financial records.

Ruston Campus

- o One (1) out of ten (10) students tested Pell amount did not calculate properly.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-04 PELL Computations

Shreveport Campus

- o Seven (7) out of twenty-five (25) students tested had grade reports and class schedules that had conflicting information. As a result, Pell may have been over-awarded; and
- o Two (2) out of twenty-five (25) students tested had Pell disbursement that did not agree with financial records.

Sidney N. Collier Campus

- o Three (3) out of twenty (20) students tested had PELL amounts that did not calculate properly;
- o One (1) out of twenty (20) students tested received PELL but was deemed ineligible; and
- o Three (3) out of twenty (20) students tested had Pell disbursement that did not agree with financial records.

Slidell Campus

- o Two (2) students out of two (2) tested did not have any documentation on file that indicated how the Summer 03 PELL amount was calculated. As such, we were unable to verify the accuracy of the disbursement; and
- o One (1) out of fifteen (15) students tested had Pell disbursement that did not agree with financial records.

Tallulah Campus

- o One (1) out of fifteen (15) students tested had Pell amounts that did not calculate properly.

**LOUISIANA TECHNICAL COLLEGE
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AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-04 PELL Computations

Westside Campus

- o No exceptions noted.

Young Memorial Campus

- o Two (2) out of fifteen (15) students tested had Pell amount that did not calculate properly;
- o Two (2) out of fifteen (15) students tested had Pell disbursement that did not agree with financial records; and
- o The campus evaluated the student enrollment status by using six (6) hours as half time and seven (7) through eleven (11) hours as three-fourth time, instead of six (6) through eight (8) hours as half time. Therefore, student Pell amounts have been over awarded for those students within the seven (7) and eight (8) hour range.

Cause

The College failed to adhere to established procedures.

Effect

The College has failed to accurately disbursed Title IV funds to students.

Recommendation

We recommend that the College adhere to established procedures.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-05 - Disbursements to Students

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Student Financial Assistance Programs Section III Part N-Special Tests and Provisions stipulate that disbursements to students must be made within a specified time frame. Title IV regulations 34 CFR 668.164E specifies that whenever a school credits student financial aid (SFA) program funds to a student's account, and those funds exceed the student's allowable charges, a SFA credit balance occurs. The school must pay the credit balance to the student as soon as possible, but not later than 14 days after the later of the date the balance occurred on the student's account or the first day of classes of the payment period.

Condition and Perspective

We noted during our testing of PELL Disbursements that refund checks were not disbursed to students in a timely manner to all campuses.

Cause

It appears as if the College experienced software problems, which caused the delay in checks being issued to students.

Effect

The College has not adhered to Title IV regulations.

Recommendation

We recommend that management of College take immediate steps to ensure that student refund checks are disbursed timely.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-06 - Return of Title IV Funds

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section N (4) specifics that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amount earned that is less than the amount disbursed must be returned to the Title IV program in accordance with the prescribed time frame.

Conditions and Perspective

We noted the following conditions pertaining to Return of Title IV Funds during our performance of agreed upon procedures at the campuses selected for testing:

Alexandria Campus

- o No exceptions noted.

Baton Rouge Campus

- o Four (4) out of four (4) students tested whose return of Title IV funds was not returned by the college within 30 days of the date of the college's determination that the student withdrew;
- o Four (4) out of four (4) students tested whose return of Title IV funds was not returned by the student within 75 days of the date of the college's determination that the student withdrew;
- o Four (4) out of four (4) students tested whose notification to the student of the PELL grant overpayment was not done within 30 days of the date of the college's determination that the student withdrew;

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-06 - Return of Title IV Funds

Baton Rouge Campus, Continued

- o Three (3) out of four (4) students tested whose return of Title IV funds calculation was done incorrectly; and
- o Four (4) students who withdrew on or before the 60% point of enrollment and did not have a return of Title IV funds calculation on file.

Evangeline Campus

- o Two (2) students withdrew on or before the 60% point of enrollment for the Spring 03 semester and received PELL; but a return of Title IV funds calculation was not done.

Jumonville Memorial Campus

- o One (1) out of one (1) student tested whose return of Title IV funds was not returned by the student within 75 days of the date of the college's determination that the student withdrew;
- o One (1) out of one (1) students tested whose notification to the student of the PELL grant overpayment was not done within 30 days of the date of the college's determination that the student withdrew;
- o One (1) out of one (1) student tested whose return of Title IV funds calculation was done incorrectly;
- o One (1) out of one (1) student tested whose return of Title IV funds was not returned by the school within 30 days of the date of the college's determination that the student withdrew; and
- o The college did not include weekends in the total number of days in the semester in the return of Title IV funds calculation.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-06 - Return of Title IV Funds

Lafayette Campus

- o One (1) out of five (5) students tested whose post-withdrawal disbursement was not disbursed to the student within 30 days of the date of the college's determination that the student withdrew;
- o Three (3) out of five (5) students tested whose return of Title IV funds was not returned by the school within 30 days of the date of the college's determination that the student withdrew; and
- o Two (2) students who withdrew on or before the 60% point of enrollment and did not have a return of Title IV funds calculation on file.

Lafourche Campus

- o Three (3) out of three (3) students tested whose post-withdrawal disbursement was done incorrectly;
- o Two (2) out of three (3) students tested whose post-withdrawal disbursement was not disbursed to the student within 30 days of the date of the college's determination that the student withdrew; and
- o One (1) student who withdrew before the 60% point of enrollment and the college elected to return the entire portion of the PELL instead of calculating a return of Title IV funds. The college voided the check but the main office indicated that the student did receive the funds.

Lamar Salter Campus

- o One (1) student who withdrew on or before the 60% point of enrollment and did not have a return of Title IV funds calculation on file; and
- o One (1) out of three (3) students tested whose post-withdrawal disbursement was not disbursed to the student within 30 days of the date of the college's determination that the student withdrew.

**LOUISIANA TECHNICAL COLLEGE
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SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-06 - Return of Title IV Funds

Mansfield Campus

- o Three (3) out of three (3) students tested whose post-withdrawal disbursement was done incorrectly.

Ruston Campus

- o Four (4) out of four (4) students tested whose post-withdrawal disbursement was done incorrectly; and
- o Two (2) out of four (4) students tested whose post-withdrawal disbursement was not disbursed to the student within 30 days of the date of the college's determination that the student withdrew.

Shreveport-Bossier City Campus

- o Five (5) out of five (5) students tested whose post-withdrawal disbursement was not disbursed to the student within 30 days of the date of the college's determination that the student withdrew;
- o Four (4) out of five (5) students tested whose post-withdrawal disbursement was done incorrectly;
- o Three (3) students who withdrew on or before the 60% point of enrollment and did not have a return of Title IV funds calculation on file; and
- o The college did not include weekends in the total number of days in the semester in the return of Title IV funds calculation.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-06 - Return of Title IV Funds

Slidell Campus

- o Notification to the student of the post-withdrawal disbursement was not done within 30 days of the date of the college's determination that the student withdrew for one (1) out of one (1) tested;
- o There was no return of Title IV funds calculation on file for two (2) students; and
- o The post-withdrawal disbursement calculation was done incorrectly for one (1) out of one (1) student tested.

Sidney N. Collier Campus

- o An exit list for the Fall 02 and Spring 03 semester was requested by not provided. As such, we were unable to determine if any return of Title IV funds calculations were required.

Tallulah Campus

- o Four (4) students out of four (4) tested whose refund was not returned by the school within 30 days of the date of the college's determination that the student withdrew;
- o Two (2) out of four (4) students tested whose notification to the student of the PELL grant overpayment was not done within 30 days of the date of the college's determination that the student withdrew;
- o Four (4) out of four (4) students tested whose return of Title IV funds calculation was done incorrectly; and
- o Two (2) students who withdrew on or before the 60% point of enrollment and did not have a return of Title IV funds calculation on file.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued

2003-06 - Return of Title IV Funds

Westside Campus

- o The Westside campus may have had students who unofficially withdrew during the Fall 02 and Spring 03 semesters. The campus' practice allows for a student to withdraw from the college unofficially. As a result, it may be possible that those same students may have received Title IV PELL funds and withdrew before the 60% point of enrollment but because the college was not aware of the withdrawal, a return of Title IV funds calculation may not have been done.

Young Memorial

- o No exceptions noted.

Cause

It appears that the College did not adhere to federal guidelines in processing certain refunds.

Effect

The College has not complied with Title IV regulations that specify if a student withdraws from school within a certain time frame a refund must be processed, calculated properly and remitted to the Title IV program in accordance with established time frames.

Recommendation

We recommend that management of the College ensure Title IV refunds are calculated in accordance with Title IV regulations.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number

2003-07 Record Maintenance

Criteria

The Blue Book reference 34CFR 668.24 and 34 CFR 690.82 states that for Federal PELL Grant Programs, school must maintain records of the eligibility of each enrolled student for whom the school has an ISIR, each school's cost of attendance, records of each student's enrollment period, how each student's full-time or part-time enrollment status was determined, and each student's cost of attendance.

Condition and Perspective

We noted the following conditions during our performance of agreed upon procedures at the Louisiana Technical College Campuses:

Alexandria Campus

- o No exceptions noted.

Baton Rouge Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Evangeline Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-07 - Record Maintenance

Jumonville Memorial Campus

- o The college awarded students a childcare allowance in the cost of attendance budget without documentation of the student having any child care cost.

Lafayette Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Lafourche Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Lamar Salter Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Mansfield Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Ruston Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-07 - Record Maintenance

Shreveport Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Sidney N. Collier Campus

- o The college awarded students a childcare allowance in the cost of attendance budget without documentation of the student having any child care costs.

Slidell Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Tallulah Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Westside Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

Young Memorial Campus

- o The cost of attendance budget for each individual student tested was not documented in the student's folder.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

Reference Number, Continued
2003-07 - Record Maintenance

Cause

The College did not have a procedure in place to require administrators to document a students' cost of attendance budget.

Effect

The College is not in compliance with Title IV regulations.

Recommendation

We recommend that the College establish procedures to require that a students' cost of attendance budget is documented in the student's file.

**LOUISIANA TECHNICAL COLLEGE
STUDENT FINANCIAL AID
AGREED UPON PROCEDURES
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2003**

EXIT CONFERENCE

During the course of the engagement and at an exit conference held at the Office of the Louisiana Technical College, the contents of this report was discussed with the following individuals:

LOUISIANA TECHNICAL COLLEGE

Dr. Margaret Montgomery-Richard	--	Chancellor
Ms. Janice Bolden	--	Vice-Chancellor of Student Services, Enrollment Manager and College Registrar
Ms. Mary Deville	--	Assistant to the Vice-Chancellor of Student Services, Enrollment Manager and College Registrar
Ms. Pam Diez	--	Comptroller
Mr. Allen Brown	--	Director of Internal Audit

BRUNO & TERVALON LLP, CERTIFIED PUBLIC ACCOUNTANTS

Mr. Michael B. Bruno, CPA	--	Managing Partner
Mr. Sean M. Bruno, CPA	--	Manager
Mr. Eric Griffin	--	Senior

Dr. Margaret Montgomery-Richard
Chancellor
Louisiana Technical College

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chancellor, her designees and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

June 7, 2004



LOUISIANA TECHNICAL COLLEGE

Office of the Chancellor

Margaret Montgomery-Richard, Ph.D., Chancellor

150 Third Street – Suite 200

Baton Rouge, Louisiana 70801

Telephone: 225/219-9532

Facsimile: 225/219-9497

CAMPUSES:

Acadian Campus
Alexandria Campus
Ascension Campus
Avoyelles Campus
Bastrop Campus
Baton Rouge Campus
Charles B. Coreil Campus
Delta Ouachita Campus
Evangeline Campus
Florida Parishes Campus
Folkes Campus
Gulf Area Campus
Hammond Area Campus
Huey P. Long Campus
Jefferson Campus
Jumonville Memorial Campus
Lafayette Campus
Lafourche Campus
Lamar Salter Campus
Mansfield Campus
Morgan Smith Campus
Natchitoches Campus
North Central Campus
Northeast LA Campus
Northwest LA Campus
Oakdale Campus
River Parishes Campus
Ruston Campus
Sabine Valley Campus
Shelby M. Jackson Campus
Shreveport Bossier Campus
Sidney N. Collier Campus
Slidell Campus
Sullivan Campus
T. H. Harris Campus
Tallulah Campus
Teche Area Campus
West Jefferson Campus
Westside Campus
Young Memorial Campus

An Equal Opportunity
College

July 20, 2004

Sean M. Bruno, CPA
Bruno & Tervalon, LLP
4298 Elysian Fields Avenue
New Orleans, LA 70122

Dear Mr. Bruno,

Below are the corrective actions in which Louisiana Technical College will take in response to the Student Financial Aid program evaluation conducted by Bruno and Tervalon, LLP.

Satisfactory Academic Progress

- Louisiana Technical College (LTC) has a Satisfactory Academic Progress policy that was distributed to all campuses. In order for campuses to uniformly apply the policy, we will develop written procedures and conduct workshops to train the financial aid officers in this area. The college is also developing one LTC official transcript that all campuses will use when determining Satisfactory Academic Progress. In addition, the SCEAS (Student Course Enrollment Access System) database used by the college will be able to calculate cumulative grade point averages and produce transcripts for students who began in the Fall 2003 semester.

Federal Financial Reports

- The accounting department, in conjunction with the financial aid department, at the Office of the Chancellor will request a copy of the campuses' EDEXpress Year-to-Date file. The Comptroller and Director of Financial Aid will then compare this file to the records at the Office of the Chancellor in order to assist the campuses in balancing the accounts. The Comptroller and Director of Financial Aid will conduct a workshop in order to train the campus financial aid officers and accountants to ensure the balancing of pell grant accounts.

Verification

- Procedures along with a common verification documentation check sheet will be developed for all campuses to follow for verification of a student's ISIR information. Training will be conducted in order to ensure that the financial aid officers understand the procedures and that they are applied uniformly throughout the college.

Pell Computations

- Procedures will be developed and workshops will be held in order to train financial aid officers in calculating the pell grant awards.

Disbursements to Students

- During the 2002-2003 Academic year, Louisiana Technical College began using the PeopleSoft software accounting, HR, and the financial aid portion of the student administration modules. The new software was not ready at the beginning of the fall semester, which caused delays in the disbursement of pell grant awards. Student accounts were not credited until the software was ready for the printing of checks; therefore, funds were disbursed to the students within 72 hours of crediting the accounts. Although the disbursements to the students were late in the semester, disbursements were considered timely since the students' accounts were not credited until the software was ready. In order to ensure timeliness of the disbursements of awards, our office will monitor the timeliness of the request for payments from the campuses in order to ensure students receive their awards immediately after the 14th class day of the Fall and Spring semesters or 7th day of the Summer session.

Return of Title IV

- Louisiana Technical College has a Return of Title IV policy and form that was distributed to all campuses. In order for campuses to uniformly apply the policy, we will develop procedures and conduct workshops to train the financial aid officers in this area. Campus Accountants will be held responsible for ensuring that any voided checks or refunds needed to be returned to the federal Title IV program are sent to the LTC finance department in a timely manner as stated on the Return to Title IV policy.

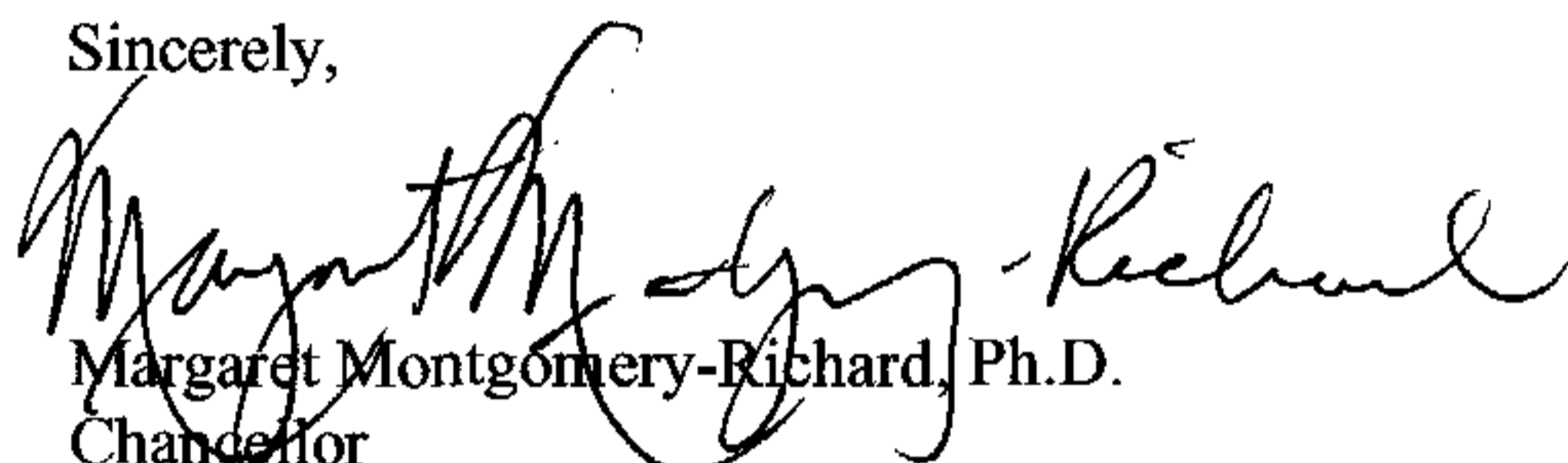
Record Maintenance

- Procedures along with a common documentation check sheet will be developed for all campuses to follow to ensure proper documentation is kept on all students. Training will be conducted in order to ensure that the financial aid officers understand the procedures and that they are applied uniformly throughout the college.

The Vice Chancellor for Student Affairs, the Assistant to the Vice Chancellor for Student Affairs, the LTC Director of Financial Aid, and the District Financial Aid Directors will be responsible for developing and updating the policies and procedures, conducting the training for the campuses, and ensuring that the campuses follow these policies and procedures correctly. Campus Financial Aid Officers will be responsible for checking, updating, and correcting the files of all Pell Grant recipients using the new policies and procedures that they will receive in training. Campus Accountants will be responsible for ensuring that all monies that need to be returned to Title IV are sent to the LTC finance department in a timely manner as stated on the Return to Title IV policy.

Should you have any questions or require additional information, please do not hesitate to call. We would also welcome comments and suggestions relative to this plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Margaret Montgomery-Richard". The signature is fluid and cursive, with a large initial "M" and "R".

Margaret Montgomery-Richard, Ph.D.
Chancellor

CC: Janice Bolden, Vice Chancellor for Student Affairs
Allen Brown, LCTCS Director of Internal Audits