

Louisiana Community & Technical College System  
INTERNAL AUDIT DEPARTMENT

APPROVED  
8/14/19  
LCTCS BOARD OF SUPERVISORS Audit

Date: August 14, 2019

To: Mr. Joe Potts, Chair – LCTCS Audit Committee  
Members of the LCTCS Audit Committee of the LCTCS Board of Supervisors  
Dr. Monty Sullivan, LCTCS President

Re: Year End Report for Fiscal Year 2018-2019

We are pleased to submit the annual report of the LCTCS office of Internal Audit (IA) for the fiscal year ending June 30, 2019. This report is required annually by Louisiana law (HB 1, Section 8C) and by *The International Standards for the Professional Practice of Internal Auditing*, promulgated by the Institute of Internal Auditors. This report provides information on the assurance services, consulting services and other activities of the internal audit function.

LCTCS IA has received significant support and cooperation from the LCTCS Board of Supervisors, LCTCS Audit Committee, members of LCTCS senior management and the leadership and staff of LCTCS member colleges. We are grateful for this support.

We also affirm that LCTCS IA enjoys an organizational independence which allows it to fulfill its responsibilities with objectivity.

IA activity for the fiscal year can be summarized as follows:

- Seven of nine projects on the approved Audit plan for 2018-2019 completed or in-progress
  - Four projects completed
  - Three projects in-progress with completion anticipated before the end of the year.
- Seventeen reports issued.
- Researched and responded to numerous special requests regarding ethics regulations, accounting procedures, internal controls and allegations of fraud.
- Ethics Liaison activities:
  - Monitoring of LCTCS employees with regard to required annual training.
  - Monitoring of LCTCS Board of Supervisors with regard to required financial disclosures.

# Year End Report for Fiscal Year 2017-2018

## Status of Fiscal 2018-2019 Audit Plan

The chart below shows the approved Audit Plan for fiscal year 2018-2019 and the status of each of the proposed projects.

Louisiana Community and Technical College System  
Internal Audit

Revised Audit Plan- FY2018-2019

Proj.	Potential Audit Area	Risk Identified BY	Weighted Total	Status		
				Complete	In-Progress	Not Started
1	ADA website compliance	LCTCS Senior Staff	2.60	X		X
2	IT Controls Review	LCTCS IA	2.45	X		
3	Faculty Utilization	LCTCS Senior Staff	2.20		X	X
4	Elected Officials	LCTCS IA	1.90	X		
5	Contracts review	LCTCS IA	1.85	X		
6	OL2020 Goal 5	LCTCS Board Inquiries	1.80		X	D
7	Purchase/Travel Cards	Non-LCTCS Stakeholders	1.65	X		
8	Review of OER Savings	LCTCS Senior Staff			X	X
9	Followup on prior projects	LCTCS IA			X	X

### Completed Projects – Report Issued

- **IT Controls Review** – This report, issued November 27, 2018, focused on IT Governance.
- **Elected Officials** – This project reviewed leave usage by thirteen LCTCS employees who also serve as elected officials in some capacity. Eight reports were issued.

- **Third party Contracts** – This project reviewed contracts between our colleges and outside third parties responsible for the training of our students. Three reports were issued.
- **Purchase / Travel Card Reviews** – A review of the controls over the use of LaCarte cards by our colleges. Three reports were issued. The Office of State Procurement (OSP) requires that the use of these cards be included in the agency’s annual risk assessment. If deemed appropriate, a project can be initiated. OSP conducts these audits regularly and LCTCS IA did not consider this to be a high risk area. It will continue to be a part of our annual risk assessment.

### **Projects in Progress**

- **ADA Website Accessibility** – The efforts of our colleges to comply with the agreement between the LCTCS and the Department of Education (DOE) Office of Civil Rights (OCR) must be reported to the OCR by September 9, 2019. Internal Audit anticipates completing its review of these efforts on or before August 15, 2019.
- **Faculty Utilization** – This project uses data analytics to determine the extent to which faculty overload is used in relation to the number of students enrolled, the number of employees and other applicable factors.
- **Follow Up on Prior Projects** – This annual project reviews management efforts to address findings from prior reports. This year, Internal Audit is focusing on repeat findings from the Legislative Auditor.

### **Projects Not Started**

- **OL2020 Goal 5 Review** – The project may be considered at a later time.
- **OER Savings Review** – The project has been carried over to Audit Plan for fiscal year 2019-2020

### **Off-Plan Work**

- **WorkReady U Grant Sub-recipients** – Three reports issued
  - **Inventory Search** – At the request of one of our colleges, Internal Audit conducted an property search to give management assurance as to their property as reported to the LPAA
  - **Business Process Documentation** – At the request of one of our colleges, Internal Audit assisted the college in documenting the job duties of a resigning senior staff member.
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### *Conclusion*

Fiscal year 2018-2019 was a full year for LCTCS IA.

- We completed four (44%) of the projects on the approved Audit Plan with three others (33%) in progress.
- We conducted significant off-plan projects and issued three reports.
- All staff received substantial training
- Some staff attained additional certifications.

If you have any questions, comments or concerns regarding any of the information contained in this report, please feel free to contact me by phone (225-922-0793), email ([mredmond@lctcs.edu](mailto:mredmond@lctcs.edu)) or by simply dropping by the office.

It has been our pleasure to serve you this year.

Respectfully submitted,



Michael G. Redmond, CPA, CIA, CFE, CISA, CGEIT, MS  
Director of Internal Audit