

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana Technical College,
Charles B. Coreil Campus
Ville Platte, Louisiana

September 29, 1999



Investigative Audit

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

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**Louisiana Technical College,
Charles B. Coreil Campus**

September 29, 1999



**Investigative Audit
Office of the Legislative Auditor
State of Louisiana**

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

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September 29, 1999

MR. RAYMOND LALONDE
ACTING DIRECTOR
LOUISIANA TECHNICAL COLLEGE,
CHARLES B. COREIL CAMPUS
Ville Platte, Louisiana

Transmitted herewith is our investigative report on the Louisiana Technical College, Charles B. Coreil Campus. Our examination was conducted in accordance with Title 24 of the Louisiana Revised Statutes and was performed to determine the propriety of certain allegations received by this office.

This report presents our finding and recommendation as well as management's response. Copies of this report have been delivered to the Honorable C. Brent Coreil, District Attorney for the Thirteenth Judicial District of Louisiana, the Board of Supervisors of the Louisiana Community and Technical College System, and others as required by state law.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel G. Kyle", is written over a large, stylized circular flourish.

Daniel G. Kyle, CPA, CFE
Legislative Auditor

SED:EKL:AFB:dl

[CBC]

Executive Summary

Investigative Audit Report

The following summarizes the finding and recommendation as well as management's response that resulted from this investigation. Detailed information relating to the finding and recommendation may be found at the page number indicated. Management's response may be found at Attachment I.

School Receipts Taken for Personal Use by Employee

(Page 1)

Finding

Ms. Elsie Lorraine Perrodin, former employee of Louisiana Technical College, Charles B. Coreil Campus (School) admitted taking at least \$7,000 in cash receipts during the period December 20, 1995, through May 6, 1999. School records indicate that during the period February 1, 1997, through May 6, 1999, the School collected \$482,454 in tuition, fees, grants, scholarships, and reimbursements. However, bank records for this period indicate that only \$474,593 was deposited into the School's bank account resulting in \$7,861 that was not deposited. Furthermore, Ms. Perrodin provided additional receipt documents amounting to \$2,790 that she stated she had taken during 1995 and 1996 for a total of \$10,651 in missing funds.

Recommendation:

We recommend that management for the Louisiana Technical College, Charles B. Coreil Campus implement policies and procedures to ensure that all funds collected are deposited into the School's bank account. The District Attorney for the Thirteenth Judicial District of Louisiana is aware of this matter and intends to take appropriate legal action.

Management's Response:

Management concurs with the finding and recommendation and states that proper internal controls for centralized collection and deposit have been implemented.

Background and Methodology

The Louisiana Technical College, Charles B. Coreil Campus (School) is located in Ville Platte and provides preparatory and extension-training programs for interested students of Evangeline Parish and neighboring parishes.

As a result of an audit performed by the Financial and Compliance Division of the Office of Legislative Auditor, information came to our attention indicating that all funds were not accounted for. An investigation was conducted to determine the amount not accounted for.

Our procedures consisted of (1) interviewing employees and officials of the School; (2) interviewing other persons as appropriate; (3) examining selected documents and records of the School; (4) making inquiries and performing tests to the extent we considered necessary to achieve our purpose; and (5) reviewing applicable state and federal laws.

The result of our investigative audit is the finding and recommendation herein.

Finding and Recommendation

SCHOOL RECEIPTS TAKEN FOR PERSONAL USE BY EMPLOYEE

Ms. Elsie Lorraine Perrodin, former employee of Louisiana Technical College, Charles B. Coreil Campus (School) admitted taking at least \$7,000 in cash receipts during the period December 20, 1995, through May 6, 1999. School records indicate that during the period February 1, 1997, through May 6, 1999, the School collected \$482,454 in tuition, fees, grants, scholarships, and reimbursements. However, bank records for this period indicate that only \$474,593 was deposited into the School's bank account resulting in \$7,861 that was not deposited. Furthermore, Ms. Perrodin provided additional receipt documents amounting to \$2,790 that she stated she had taken during 1995 and 1996 for a total of \$10,651 in missing funds.

The School collects certain fees from students and some of the fees are paid with currency. The School's accounting procedure requires that a receipt be issued from a pre-numbered receipt book each time fees are collected. The receipt consists of three parts: the original white copy that is given to the student, a yellow copy that is attached to the deposit, and a pink copy that remains in the receipt book. The employee collecting the fee initials the receipt. Ms. Perrodin informed us that the established procedure was to submit the daily collections to the accountant along with the accompanying yellow receipts. From this receipt, the accountant prepared and made the deposit.

Ms. Perrodin stated that she was aware that no one reconciled the daily collection with the pink receipts located in the receipt books. She stated that she removed the yellow receipts thereby removing the record of the cash received and then took a corresponding amount of cash from the daily collection for her personal use.

Even though Ms. Perrodin stated that she started taking funds in 1996, we were unable to examine records before February 1997. During 1996, the School did not always use the manual three-part collection receipt. The School implemented a computer system that generated a single invoice instead of the three-part collection receipt. Subsequently, the computer software failed and the School is unable to reproduce records that document the collection process. However, Ms. Perrodin voluntarily provided \$2,790 in receipt documents from 1995 and 1996, which she claimed represented School cash receipts she had taken. She explained that these were some receipt documents she had kept in her desk drawer that she originally thought she had thrown away.

The initials "LP" (Lorraine Perrodin) appear on 98 of the numbered collection receipts corresponding to the \$10,651 in missing funds. These 98 receipts total \$6,743. However, Ms. Perrodin stated that she had access to and also took cash collected by other employees.

On June 4, 1999, Ms. Perrodin reimbursed \$2,500 to the School.

These actions indicate Ms. Perrodin may have violated one or more of the following laws:

- R.S. 14:67, "Theft"
- R.S. 14:134, "Malfeasance in Office"
- R.S. 42:1461(A), "Obligation Not to Misuse Public Funds"

We recommend that management for the Louisiana Technical College, Charles B. Coreil Campus implement policies and procedures to ensure that all funds collected are deposited into the School's bank account. The District Attorney for the Thirteenth Judicial District of Louisiana is aware of this matter and intends to take appropriate legal action.

Attachment I

Management's Response



DANIEL LEMOINE
Director

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Accredited by the
Accrediting Commission
of the Council on
Occupational Education

September 24, 1999

Daniel G. Kyle, Ph. D., CPA, CFE
Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

We concur with the finding and recommendation contained in the Investigative Report on Louisiana Technical College, Charles B. Coreil Campus, discussed with me and other Louisiana Community and Technical College staff on September 24, 1999.

The employee mentioned in the report is no longer employed at LTC-Coreil.

We have instituted proper internal controls for centralized collection and deposit of all funds.

Should you have need of additional information or have questions, please do not hesitate to get in touch with me at the LTC-Coreil Campus or at LTC-T. H. Harris Campus at (318) 948-0239.

Sincerely,

Raymond LaLonde
Acting Director

RL:cc

"An Equal Opportunity Employer"

Attachment II
Legal Provisions

Legal Provisions

The following legal citations are referred to in the Finding and Recommendation section of this report:

R.S. 14:67 provides that theft is the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations.

R.S. 14:134 provides, in part, that malfeasance in office is committed when any public officer or public employee shall (1) intentionally refuse or fail to perform any duty lawfully required of him, as such officer or employee; (2) intentionally perform any such duty in an unlawful manner; or (3) knowingly permit any other public officer or public employee, under his authority, to intentionally refuse or fail to perform any duty lawfully required of him or to perform any such duty in an unlawful manner.

R.S. 42:1461(A) provides that officials, whether elected or appointed, by the act of accepting such office assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property or other thing of value belonging to the public entity in which they hold office.

