



Report Highlights

Louisiana Community and Technical College System

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Audit Control # 80200010
Financial Audit Services • December 2020

Why We Conducted This Audit

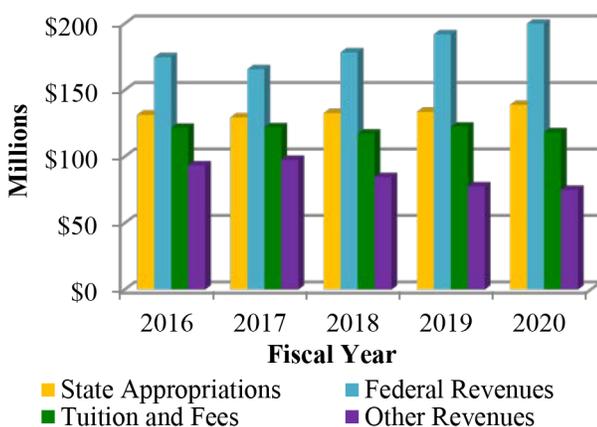
We conducted a financial statement audit of the Louisiana Community and Technical College System (System) for the year ended June 30, 2020, as part of the audit of the State of Louisiana’s Comprehensive Annual Financial Report and the Single Audit of the State of Louisiana, and to evaluate the System’s accountability over public funds.

What We Found

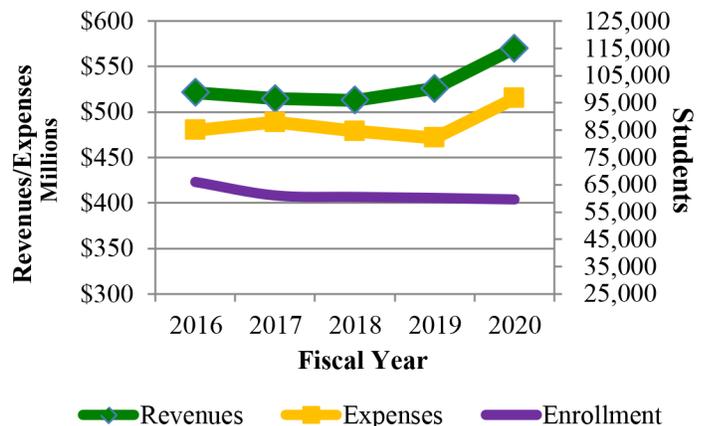
Our procedures disclosed the following:

- The System did not have adequate controls to ensure the annual financial report was accurately prepared. The LCTCS Facilities Corporation’s net position totaling \$88.7 million was misclassified as unrestricted rather than restricted - expendable and Delgado Community College’s direct lending receipts and disbursements of \$52.9 million were omitted on the Statement of Cash Flows.
- The System failed to notify the Louisiana Legislative Auditor and the parish district attorney of certain suspected misappropriations of assets as required by Louisiana Revised Statute 24:523. The System Director of Internal Audit had knowledge of suspected misappropriations as early as March 2020 that were not reported until December 2020, after specific inquiry by the auditors.
- The System’s financial statements, as adjusted, are fairly stated. College findings are included in separate reports for each college, as listed in Exhibit A.4 of the full report.
- Based on a five-year analysis, the System’s revenues have increased \$48.5 million (9%), while System expenses have increased \$35.0 million (7%). Federal Revenues increased \$63.1 million mainly due to the Coronavirus Aid, Relief, and Economic Security (CARES) Act revenues. Other Revenues decreased \$18.5 million as the colleges have experienced a decline in capital contributions and capital grants and gifts due to the completion of construction projects.

Five-Year Revenue Trends



Fiscal/Enrollment Trends



Source: System Annual Financial Reports (as adjusted)

View the full report, including management’s responses, at www.lla.la.gov.