

ST. TAMMANY PARISH SCHOOL BOARD



ADVISORY SERVICES
PROCEDURAL REPORT
ISSUED DECEMBER 5, 2018

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Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



St. Tammany Parish School Board

December 2018

Audit Control # 70180065

Introduction

The Louisiana Legislative Auditor performed certain procedures at the St. Tammany Parish School Board (Board) to address the requirements of Act 774 of the 2014 Regular Legislative Session, as amended. The primary purpose of our procedures at the Board was to assist the Board in evaluating certain controls the Board uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds. Our procedures were more limited than an audit; therefore, we are not issuing an opinion on the Board's financial statements nor the effectiveness of the Board's internal control over financial reporting and compliance.

Results of Our Procedures

Follow-up on Prior-year Exceptions

We assessed the status of all exceptions reported in the prior-year Procedural Report dated January 3, 2018. The prior-year exceptions related to the Board's written policies and procedures, board oversight, and collections have been resolved by management and are not included in this report. The prior-year exceptions relating to credit cards have been resolved, but we noted an additional exception during our follow-up below.

Current-year Results

1. Credit Cards (Follow-up)

We selected five Board credit cards, one monthly statement for each card, and up to five transactions per each card. We then observed whether each transaction included: (1) an original itemized receipt that identified precisely what was purchased; (2) written documentation of the business purpose; (3) documentation of the individuals participating in meals; and (4) adherence to written purchasing and disbursement policies.

Exception: We noted that supporting documentation for one credit card charge for \$81.05 did not include an original itemized receipt. However, management identified the

missing receipt during its review of credit card transactions and noted that the transaction was reasonable.

Recommendation: We recommend that management continue to enforce its requirement for documenting credit card transactions with receipts. In cases where an itemized receipt has been lost, we recommend that the responsible employee or Board staff contact the vendor to request a duplicate copy of the itemized receipt, if available.

2. **Employee Reimbursements**

We selected those five employees who were subject to a reimbursement installment plan from a listing obtained from the Board office. We reviewed supporting documentation to evaluate whether the reimbursement was related to an improper employee action that should have been reported to the LLA as a misappropriation.

Results: We did not identify any exceptions.

3. **Independent Contract Personnel**

We obtained a listing of those payees who were issued an IRS form 1099-Misc. during the fiscal year to evaluate the appropriateness of Board's classification of the payee as a contractor rather than an employee. We selected two individual payees and reviewed supporting documentation to evaluate the reasonableness of the Board's classification.

Results: We did not identify any exceptions.

4. **Disaster Recovery/Business Continuity**

We obtained the Board's written disaster recovery/business continuity plan and related supporting documentation. We observed that the Board maintained documentation that its plan is tested annually and that it backs up computer files daily and stores those files off-site.

Results: We did not identify any exceptions.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Thomas H. Cole, CPA
First Assistant Legislative Auditor

THC/aa

APPENDIX A: MANAGEMENT'S RESPONSE



W. L. "Trey" Folse, III
Superintendent

Pefe Jabbia
Associate Superintendent

Michael Cossé
Assistant Superintendent

Regina Sanford, Ph.D.
Assistant Superintendent

District	Board Members
13	Robin P. Mullett, President
3	Michael J. Dirmann, Vice President
1	Neal M. Hennegan
2	Elizabeth B. Heintz
4	Stephen J. "Jack" Loup, III
5	Charles T. Harrell
6	Michael C. Nation
7	Willie B. Jeter
8	Peggy H. Seeley
9	Sharon Lo Drucker
10	Ronald "Ron" Bettencourt
11	Robert R. "Bob" Womack
12	Richard "Rickey" Hursey, Jr.
14	Dennis S. Cousin
15	Mary K. Bellisario

St. Tammany Parish School Board Management Response

Credit Card Finding:

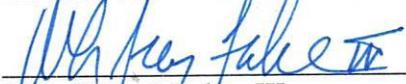
The credit card finding noted in the report related to one individual school. As mentioned in the Procedural Report, St. Tammany Parish School Board Central Office management identified the missing receipt during its internal review of credit card transactions and investigated the transaction. Central Office personnel will meet with the individual school Principal, bookkeeper, and other school personnel involved. The finding will be analyzed and discussed at this meeting. The school personnel involved may be required to reimburse the school and/or face disciplinary action depending on the results of the findings. At a minimum, the school personnel involved will be required to have individual training on the policies and procedures related to credit card purchases.

The School Board will continue to enforce its requirement for documenting credit card transactions with receipts. The School Board will also add to the School Finance Handbook the following statement:

In cases where an itemized receipt has been lost, the responsible employee or designee should contact the vendor to request a duplicate copy of the itemized receipt. If an itemized receipt is not obtained, the responsible employee may be required to reimburse the school.



Terri Prevost, CPA
Director of Business Affairs



W.L. "Trey" Folse, III
Superintendent

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