



Report Highlights

Board of Elementary and Secondary Education

DARYL G. PURPERA,
CPA, CFE

Audit Control # 80170021
Financial Audit Services • April 2017

Why We Conducted This Work

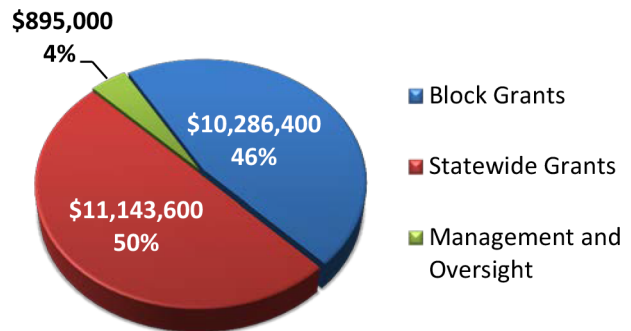
We conducted procedures at the Board of Elementary and Secondary Education (BESE) to evaluate certain internal controls that BESE uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds for the period July 1, 2015, through April 4, 2017.

What We Found

We evaluated internal controls and transactions relating to the Louisiana Education Quality Trust Fund (LEQTF) [8(g) program] monitoring and professional services contracts; LaCarte, travel, and fuel expenditures; and the process for returning schools from the Recovery School District to the local school board. We found these controls provided reasonable assurance of accountability over public funds for the period examined.

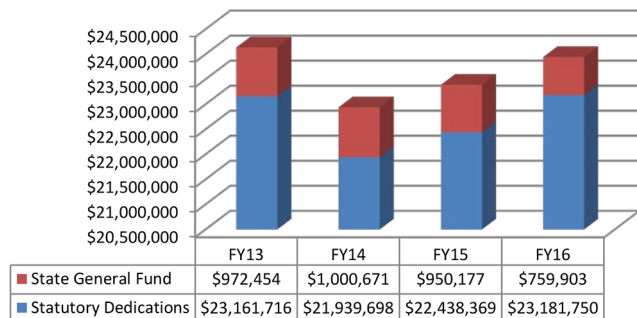
- BESE and the Board of Regents are beneficiaries of the revenue earned by the 8(g) program through its investment income, capital gains and losses, and royalty income, which varies depending on market conditions. BESE approves the allocation of its share of the revenues among block and statewide grants, and management and oversight (see Exhibit 1). Each year, program monitors evaluate a percentage of the funded projects for program effectiveness.
- BESE’s primary source of revenue is statutory dedications for the 8(g) program. As shown in Exhibit 2, the amount of 8(g) revenue, which is based on actual collections in the LEQTF, varies from year to year.

Exhibit 1
Allocation of 8(g) Program Funds
Fiscal Year 2017



Source: FY17 8(g) Annual Program and Budget

Exhibit 2
Revenue - Fiscal Years 2013 through 2016



Source: ISIS Reports