

SOUTHERN UNIVERSITY LABORATORY SCHOOL



COMPLIANCE AUDIT
ISSUED APRIL 20, 2011

**LEGISLATIVE AUDITOR
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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

April 20, 2011

DR. RONNIE HARRISON, DIRECTOR
SOUTHERN UNIVERSITY LABORATORY SCHOOL
Baton Rouge, Louisiana

We have audited certain transactions of Southern University Laboratory School (SULS). Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions.

Our audit consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

The accompanying report presents our findings and recommendations as well as management's response. This is a public report. Copies of this report have been delivered to the District Attorney for the Nineteenth Judicial District of Louisiana and others as required by law.

Respectfully submitted,

A handwritten signature in blue ink that reads "Daryl G. Purpera".

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP:DD:dl

SULABSCH 2011

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Executive Summary

- During the period from August 2006 through September 2009, Southern University Laboratory School (SULS) Director, Dr. Derek Morgan, made 86 disbursements from the SULS school fund account totaling \$60,619 that may be personal in nature and therefore may violate Louisiana law and federal law. Questionable expenses included transfer of funds by phone, costs relating to the sale of Dr. Morgan's personal residence, reimbursements to Dr. Morgan, and other miscellaneous checks.
- SULS employees identified three student activities where \$5,678 was collected and given to Dr. Morgan; however, school and bank records show deposits of \$1,059. The remaining \$4,619 was not documented in the school's accounting records nor was it deposited into the school's bank account.
- The school fund account had deposits totaling \$386,145 from August 2006 through October 2009; however, SULS did not have adequate internal control to safeguard these funds nor did they perform reconciliations and reviews as required by Louisiana law.

Background and Methodology

SULS is a public school operated by Southern University. The school teaches grades K-12 and is committed to the primary goal that all students will experience academic success in a school environment established and supported by the College of Education at Southern University and A&M College. The SULS funding sources are student's tuition and fees, state budgeted appropriations, and funds generated through school activities conducted by the student body.

Louisiana Revised Statute 17:414.3 requires every public school principal to maintain a school fund for the management of any money which accrues to benefit the school. Each club, organization, association, class, athletic team, or other organizational unit within the school which generates money through dues, fundraisers, admissions, or other activity is required to deposit the funds into the school's bank account. The school principal has administrative control over the funds and is required to maintain records for each of the sources of deposits into the account and to keep records of the monthly reconciliations of activity to the bank statements. Attorney General Opinion 00-101 states that the statute limits the principal's discretion to expenditures which benefit the educational purposes of the school, and La. Const. Art. VII, §14 (1974) prohibits any gratuitous expenditure of school funds for non-educational purposes, which are either legally unauthorized or non-mandated.

On April 26, 2010, the Legislative Auditor was contacted by Southern University regarding an internal investigation of the SULS school fund account. Southern University's internal investigation revealed several discrepancies and questioned expenses by Dr. Morgan, SULS former principal. Dr. Morgan reimbursed SULS by cashier's check on June 10, 2010, in the amount of \$61,088.77.

The procedures performed during this audit consisted of:

- (1) interviewing employees of SULS;
- (2) interviewing other persons as appropriate;
- (3) examining selected documents and records of SULS;
- (4) gathering documents from external parties;
- (5) reviewing SULS policies; and
- (6) reviewing applicable state and federal laws and regulations.

Expenses Appearing Personal in Nature

During the period from August 2006 through September 2009, SULS Director, Dr. Derek Morgan, made 86 disbursements from the SULS school fund account totaling \$60,619 that may be personal in nature and may violate Louisiana law¹ and federal law.² Since there was no supporting documentation, we were unable to determine the necessity or reasonableness of the expenses or if the expenses were related to the purpose for which the money was generated. Louisiana law³ requires that money deposited into the school fund shall be used according to the purpose for which it was generated or for the purpose selected by the depositing entities.

Questionable expenses included the transfer of funds by phone, costs relating to the sale of Dr. Morgan's personal residence, reimbursements to Dr. Morgan, and other miscellaneous checks.

Expense Category	Number of Transactions	Total
Wire Transfer (Chase by Phone)	14	\$12,487
Home Sale	5	7,301
Reimbursed Expenses	32	23,884
Miscellaneous	35	16,947
Total	86	\$60,619

SULS did not have a written policy in place regarding the school's fund account. However, the SULS practice was to have faculty members submit a purchase requisition to Dr. Morgan for approval for purchases under \$1,000. Any purchase over \$1,000 was to be approved and paid through Southern University Comptroller's Office, and depending on the type of expense, these funds were taken from the SULS athletic or general fund account. After approving the purchase requisition, Dr. Morgan attached a signed check to the approved request form and gave them both to his administrative assistant, Devora Sulcer. Ms. Sulcer completed the check information and maintained copies of the approved purchase requisition, check, and supporting documentation in a binder. She then posted the transaction to the SULS accounting system, Quicken. According to Ms. Sulcer, blank checks were maintained by Dr. Morgan in his office.

¹ Louisiana Revised Statute (R.S.) 14:67 provides, in part, "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."

² 18 U.S.C. §1343, "Wire fraud" provides, in part, "Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communications in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined not more than \$1,000 or imprisoned not more than five years, or both."

³ R.S. 17:414.3(B)(3)(e)(i) provides, in part, "Money deposited in the school fund pursuant to R.S. 17:414.3(B)(2)(a), (b), (d), and (e) shall be used according to the purpose for which it was generated or for the purposes selected by the depositing entities, provided such expenditures are approved by the principal as indicated by his signature on checks for withdrawals."

A review of bank records indicated that both Dr. Morgan and Ms. Sulcer had signature authority on the account during the period of review. In addition, Ms. Sulcer stated that monthly reconciliation of the account was not performed, and she was unaware that Dr. Morgan had written checks until Southern University began its internal audit. The SULS co-directors, Dr. Judith Williams and Ms. Josie Williams, both stated that Dr. Morgan managed the school's finances, while their primary responsibility involved instruction of the students.

Wire Transfer by Phone

During the period from August 2006 through May 2008, Chase Bank confirmed that 14 transfers by phone were made to Dr. Morgan's personal Chase bank account from the SULS Chase bank account. According to Chase Bank, phone transfers can only be initiated by signors of the account. During this period, there were only two employees authorized to sign checks: Dr. Morgan and Ms. Sulcer. Dr. Morgan stated that he does have personal accounts with Chase Bank; however, he does not recall making any transfers from the SULS bank account to his account. When asked if she transferred funds from the school's account, Ms. Sulcer stated that she did not. Neither Dr. Morgan nor SULS was able to provide documentation indicating that funds electronically transferred to his account were used to benefit the school.

Home Sale Expenses

Based on e-mails obtained from Dr. Morgan's work computer; invoices obtained from vendors; statements made by contractors; and a review of bank records, it appears Dr. Morgan wrote five checks from the SULS school fund account totaling \$7,301 relating to the sale of his personal residence. Since these expenses were paid directly through the school fund, they were not approved and paid through the Southern University Comptroller's Office as required for all purchases greater than \$1,000. These expenses are discussed as follows:

Termites

Check number 9212 was made payable to Armor Pest Control on October 6, 2008, in the amount of \$1,294. The memo section of the check includes "treatment" and an address. Armor Pest Control provided a copy of the contract for treatment of subterranean termites and powder post beetles at the address listed on the check. Dr. Morgan's e-mail with his real estate agent and clerk of court records indicate the address on the check and contract with Armor Pest Control was the personal residence being sold by Dr. Morgan.

When originally questioned, Dr. Morgan stated that the home was a family home and he did not own it. Dr. Morgan later changed his statement and admitted he did own the home and sold it while employed at SULS, but that Armor Pest Control must have went to the wrong location because he did not recall having the home treated for termites. However, Dr. Morgan's e-mail files included correspondence with his real estate agent where the buyers of his home asked for repairs because of previous wood-destroying insects.

Air Conditioning Units

On September 18, 2008, Dr. Morgan wrote a check to Stanton's Ace Appliances in the amount of \$1,799.98 for the purchase of two air conditioning units. The memo section of the check stated "Gymnasium Stage HVAC." The packing slip is addressed to the Southern University Comptroller's Office, but also stated the air conditioners were to be picked up by the customer "Willie Jr." Stanton's Office Manager Sharon Melancon stated that the type of air conditioning units purchased were wall units often used by hotels.

The SULS bank records include a check dated November 26, 2008, to Willie Williams, Jr., in the amount of \$875. The memo section of the check stated "Project Work." According to Mr. Williams, he has known Dr. Morgan and his family since childhood. He stated that he has done various home improvement projects for Dr. Morgan; therefore, he was not sure what project the check was payment for. Mr. Williams further stated that he picked up air conditioning units from Stanton's for Dr. Morgan and installed them at a home Dr. Morgan sold. He stated that the units were the type used in hotels and cost around \$900 each. Dr. Morgan stated that he does not know Willie Williams, Jr., and the air conditioners were purchased for the school's gymnasium. The school's gymnasium does have some window air conditioning units, but it does not have hotel-type air conditioning units like the two purchased from Stanton's.

Carpet Installation

The SULS bank records include two checks Dr. Morgan signed to Home Depot totaling \$3,332. Check number 9257's memo section stated "Carpet Installation" and was dated October 23, 2008, in the amount of \$1,769. Check number 9284's memo section stated "Home Economics Materials" and was dated November 10, 2008, in the amount of \$1,563. Dr. Morgan's e-mails included a letter addressed to Home Depot on November 14, 2008, on SULS letter head discussing the carpet installation at his home. Dr. Morgan stated that he does not recall writing the letter, but that he did have some issues with Home Depot. According to Ms. Sulcer, new carpet had been installed in the band room; however, SULS records indicate that the carpet was installed by Total Management Group and paid by Southern University, not the SULS school fund account. Neither Dr. Morgan nor Ms. Sulcer could produce documentation showing carpet installed at SULS by Home Depot.

Expense Reimbursements to Dr. Morgan

From April 2007 through September 2009, Dr. Morgan authorized 32 checks to himself totaling \$23,884. The memo section of these checks included explanations such as sports banquets; girls' basketball; senior award dinner; summer camp; and Baton Rouge football fever.

The cancelled checks were all authorized and endorsed by Dr. Morgan. Since documentation could not be provided, we could not determine whether the expenses were actually incurred by Dr. Morgan or if the expenses were for the stated purpose noted in the memo section of the check. When asked, Dr. Morgan stated that on occasions vendors would not accept checks from SULS. When this occurred, he used his personal cash to pay for the school expense. Dr. Morgan was unable to provide us with documentation showing payment for school expenses using personal funds.

Miscellaneous Expenses

Additional undocumented checks totaling \$16,947 were identified and may be personal in nature. The checks are listed and explained below.

Expense Category	Number of Transactions	Total
Debt Service	3	\$2,667
Fraternity	4	1,736
Hotel	5	1,790
Retail	10	4,021
Unknown	13	6,733
Total	35	\$16,947

We reviewed these expenses with the administrative assistant, Ms. Sulcer, and co-directors, Dr. Judith Williams and Ms. Josie Williams, and they could not recall or provide us with documentation on how these expenses supported SULS activities.

The Debt Service category includes two checks to Chase Card Service totaling \$1,306 and a payment to Ford Motor Credit totaling \$1,361. According to Dr. Morgan, SULS did not have a debit or credit card and he was unsure what the checks were for. Regarding the payment to Ford Motor Credit, he stated that as director of SULS, he believed he was entitled to a travel allowance and that the payment was part of that travel allowance. He further stated that a travel allowance was not part of his employment contract, but that it was verbally told to him. However, he could not recall who informed him that he had a travel allowance.

Fraternity expenses relate to Dr. Morgan attending his fraternity's ninth annual district meeting. When asked, Dr. Morgan stated that he did write school checks to attend the district meeting; however, he did so because students attended the district meeting as winners of a talent contest and he acted as a chaperone. He further stated that the meeting was not held during the school year; therefore, SULS would not have documentation of which students attended the meeting. A review of Dr. Morgan's e-mail revealed that his fraternity's ninth annual district meeting was held April 9-12, 2009. Dr. Morgan was unable to provide documentation of which students attended his fraternity's district meeting.

Additional undocumented expenses were for lodging at the Embassy Suites and Sheraton Hotel, retail purchases at stores such as Walmart, Sam's Club, Choctaw Provisions Company, and AAA Rent-All, as well as other checks written to cash and individuals. Since there were no records to support these checks, we could not determine if they were related to SULLS.

Purchases with no valid business purpose, that are not necessary to the operations of SULLS or that are made at an unreasonable price may be a violation of the Louisiana Constitution,⁴ which prohibits the donation of public funds. The attorney general provides guidance with regard to the Louisiana Constitution in Opinion 09-0018, which states that "the public entity must have the legal authority to make the expenditure" and outlines a three-prong test for the expenditure of public funds as follows:

1. There must be a public purpose that comports with the governmental purpose of the public entity.
2. When taken as a whole, the expenditure does not appear to be gratuitous.
3. There must be evidence demonstrating that the public entity has a reasonable expectation of receiving a benefit or value at least equivalent to the amount expended or transferred.

Missing Funds From School Activities

SULLS employees identified three student activities where \$5,678 was collected and given to Dr. Morgan. These activities included fundraisers by the school's band, baseball team, and a play performed by the school's choir. Based on available school and bank records, checks totaling \$1,059 collected from these activities were deposited, but the remaining \$4,619 was not documented in the school's accounting records nor was it deposited into the school's bank account, which may violate Louisiana law.¹ Discussed below are the circumstances that surround each activity.

Band Fundraiser

According to SULLS Band Director James Charles, in 2009 the band raised \$2,305 from the sale of T-shirts. He stated that he took the money to Nedina Flowers, administrative assistant for SULLS co-directors, who documented the amount collected on an SULLS money collection form. The money collection form is dated September 11, 2009, and list checks, money orders, and cash.

After leaving Ms. Flowers office, Mr. Charles stated that he spoke with Dr. Morgan in his office to discuss what would be purchased with the money raised. During the conversation, Dr. Morgan asked that he bring the money to him. Mr. Charles stated that he returned to Ms. Flowers and retrieved the money; however, he could not recall whether he gave the money

⁴ **Article 7, Section 14 of the Louisiana Constitution** provides, in part, "Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private."

directly to Dr. Morgan once returning to the front office. He believes that he gave the money to the SULS front office receptionist, Ms. Thompson.

According to Ms. Thompson, Mr. Charles did bring her an envelope of money; however, she knew that a cash count had been performed by Ms. Flowers. Therefore, instead of accepting the money, she escorted Mr. Charles to Dr. Morgan's office. Ms. Thompson stated that while in Dr. Morgan's office, Mr. Charles gave the envelope of money to him. After Mr. Charles left the office, Dr. Morgan proceeded to explain the school's cash verification procedures to her. He escorted her to the front office vault, with the envelope of money in his hand, to show her where to place the money. According to Ms. Thompson, Dr. Morgan did not leave the money in the vault; instead he walked back into his office with it. Ms. Thompson informed Dr. Morgan's administrative assistant, Ms. Sulcer, of the incident upon her return to work. Ms. Thompson further stated that Dr. Morgan gave checks and money orders to Ms. Sulcer for deposit; however, it was later discovered, by speaking with Ms. Flowers and Mr. Charles, that the envelope also contained cash.

A review of the SULS bank statements does not show a deposit for the total money raised of \$2,305; however, it does show a deposit for \$814 made on October 5, 2009, consisting of checks and money orders. In addition, the band's ledger account also reflects a deposit of the \$814. Available bank and school records did not show a deposit for the remaining cash amount of \$1,491. When asked about the band fundraiser, Dr. Morgan stated that he does not remember collecting money from the band to be deposited.

Baseball Fundraiser

According to the baseball coach, Ulysses Jones, in 2009 Dr. Morgan approached him about raffling off a television to raise money for the baseball team. Mr. Jones stated that the funds were to be used to purchase a new backstop for the team. According to Mr. Jones, he purchased the raffle tickets and the baseball team sold the tickets and collected the money. Mr. Jones maintained a ledger to track the number of tickets sold and monies collected. According to the ledger, the total funds to be deposited were \$1,587; of this amount, \$245 was personal checks. Mr. Jones stated that on April 8, 2009, the day before the winning ticket was drawn, he went to the school's front office and gave the money to Dr. Morgan for deposit. When he asked Ms. Sulcer a few days later for a receipt for his records, Ms. Sulcer told him she had not received the funds from Dr. Morgan. A review of bank statements shows a deposit made on April 14, 2009, for \$245. The bank statements did not reflect a deposit for the remaining cash of \$1,342. When asked, Dr. Morgan stated that he does not remember the baseball team having a television raffle or receiving money from the raffle.

Choir's Production of Dreamgirls

In April 2008, the SULS Choir Department performed a production titled *Dreamgirls*. The play was a two-night event. Ms. Flowers sold all tickets before and at the event. School records show that the play generated \$1,786. According to Ms. Flowers, Dr. Morgan approached her at the end of the event and picked up the money.

Ms. Battiste, former SULS choir director, stated that she noticed the following year that the funds were not recorded in the choir's account and discussed it with Dr. Morgan. According to Ms. Battiste, Dr. Morgan informed her that the money had been turned in and he would ensure Ms. Sulcer would update the choir's account. According to Ms. Sulcer, she never received money for the *Dreamgirls* production, nor had she been provided with the deposit slip reflecting the money had been deposited. Since she was not provided with any records showing the funds were deposited, she did not post the money to the choir's account.

The choir's ledger and the SULS bank records do not reflect a deposit of \$1,786. In addition, both SULS and Dr. Morgan were unable to produce any records documenting the deposit of \$1,786 from the *Dreamgirls* production. Dr. Morgan stated he does recall attending the play, but he does not recall collecting the money from the play.

Control Weaknesses

The school fund account had deposits totaling \$386,145 from August 2006 through October 2009; however, SULS did not have adequate internal control to safeguard these funds. The following issues were identified during the audit:

1. SULS could not provide documentation indicating that a monthly reconciliation of the school's fund account and an annual review was performed as required by Louisiana law.⁵
2. SULS did not have a written policy to address the use of the school's fund account.
3. SULS did not have a written policy to address the collection of cash and subsequent deposit for school activities. In some cases, a form was used to document the amount of funds collected, but the form was not used consistently or reconciled to deposits.
4. SULS did not post transactions timely to the school's accounting system.
5. SULS overdraw its account 19 times and incurred \$1,330 of bank fees.

Recommendations

Documentation was provided showing the SULS fund account maintained at Chase Bank has been closed. At the time of the closure, the account balance was negative. Southern University issued a check from the SULS athletic account to cover the negative balance before the account was closed by Chase. According to Ms. Sulcer, all monies currently collected and all expenses paid go through the Southern University Comptroller's Office.

⁵ R.S. 17:414.3(B)(6) provides, in part, "The records of the school fund shall be reconciled monthly with the school fund account statement of the bank regarding activity in the school fund account. Bank statements shall be signed by the principal, once reconciled with the records, and retained with the school fund record. The school fund records shall be reviewed annually by the principal and one other member of his administrative staff. Such review shall be reflected in the record by the signature of both reviewers."

We recommend SULLS adopt changes to its policies and practices regarding its school fund account and require proper separation of duties with regard to fundraising activities. SULLS should:

- (1) require monthly reconciliations and annual reviews of the school fund account as required by law;
- (2) ensure funds are used for the purpose for which it was generated;
- (3) maintain records and supporting documentation for all expenses;
- (4) require all fundraisers to be approved in advance by school administration and use school-approved tickets or receipts;
- (5) assign separate employees responsibility for:
 - a. custody of tickets and receipts;
 - b. record-keeping of ticket sales and receipts;
 - c. custody of cash, to include the deposit;
- (6) require all employees collecting funds to complete a reconciliation form when turning in cash and tickets; and
- (7) make timely deposits and reconcile all cash deposits to the collection form.

Management's Response



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2 March 2011

Mr. Daryl G. Purpera, Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Mr. Purpera:

After reviewing the audit findings related to the Southern University Laboratory School, University and Lab School officials will implement the following:

1. Reconcile monthly and review annually the school fund account as required by law;
2. Establish procedures to ensure funds are used for the purpose/s for which they are generated;
3. Maintain accurate records and supporting documentation for all expenses;
4. Require all fund raisers to be approved in advance by the school administration;
5. Use school-approved tickets and receipts;
6. Employ separation of duties for the following responsibilities:
 - a. custody of tickets
 - b. record-keeping of ticket sales and receipts
 - c. custody of cash, to include the deposits
7. Require all employees collecting funds to complete a reconciliation form when turning in cash and tickets;
8. Make timely deposits and reconcile all cash deposits to the collection form.

If you need further information, please contact me.

Sincerely,

Dr. Ronnie Harrison, Director

HAND DELIVERED

March 1, 2011

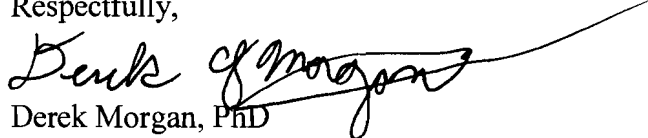
Kunta Osberry
Senior Compliance Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

Dear Mr. Osberry:

I read with interest your draft compliance audit report on the Southern University Laboratory School (SULS). This report comes nearly a year and a half after my employment has ended with SULS. I have cooperated with Southern University and the Louisiana's Auditor as best I could. To that end, I do not have access to SULS records, documents, personnel, policies or external parties involved at this junction and have not since my departure on October 26, 2009. Therefore, my responses are significantly limited due to said aforementioned and time constraints. Nonetheless, I have provided information to the best of my limited resource ability at this stage.

Thank you for the opportunity to respond.

Respectfully,


Derek Morgan, PhD

Enclosure

Executive Summary

- I reimbursed the Southern University Laboratory School by cashiers check on June 8, 2010 the amount of \$61,088.77. This is \$469.77 more than the \$60,619 which was questionable in your report.
- There was no audit done when I reported to work at SULS in August 2006, or was there any written policy regarding the school's fund account. It was never made clear to me the legal prohibitions of this account during my tenure at SULS.
- On my last day of employment, October 26, 2009 the account balance for the SULS's fund account maintained at Chase was positive.

Background

My last day of employment with Southern University Laboratory School (SULS) was October 26, 2009. On May 30, 2010, I was contacted by Southern University officials, regarding an internal investigation of the SULS school fund account. I reimbursed SULS by cashiers check on June 8, 2010 the amount of \$61,088.77.

I was later contacted by the Legislative Auditor on my personal cell phone in October of 2010. I met with Mr. Kunta Osberry and his assistant in the last week of October of 2010.

These responses below are based on available records and information to me at this time.

Expense Reimbursements to Dr. Morgan

PAGE 6: Second Sentence 6th Paragraph – Since documentation could not be provided, we could not determine whether the expenses were actually incurred by Dr. Morgan, or if the expenses were for the stated purpose noted in the memo section of the check

Incorrect: Transaction # 68 to Account ending in 9697 on 08/12/2009 11:02 to CHASE BANK on Harding a Plank shows a deposit of \$400 by Derek Morgan. This was my personal cash deposited to the school's account. I later signed a typed reimbursement check dated 9/25/09 number 9643 (See Enclosure 1)

PAGE 7: Third Sentence 1st Paragraph – Dr. Morgan was unable to provide us with documentation showing payment for school expenses using personal funds.

Incorrect: I presented a McDonalds receipt; (See Enclosure 2) dated September 2008. The receipt is in the amount of \$287.00 and was for the volleyball team as best I can recall. Since it has been a year and I don't have access to SULS records, its personnel, or kept any of my own I can not provide any other documentation.

Miscellaneous Expenses

PAGE 7: Third Sentence 5th Paragraph – **He further stated that the meeting was not held during the school year, therefore, SULS would not have documentation of which students attended the meeting.**

Incorrect: I said, “the fraternity’s ninth district meeting was held during the Spring Break period of the school year and that SULS was closed during this time period.”
FACT- April 9 -12, 2009, SULS was on spring break. The name of the student who attended was [REDACTED]

Other Receipts never asked to be shown where I used my personal funds but also can be provided are the following...

Description	Amount	Date	Reason
Chase Deposit of my personal funds: Enclosure 3	228.00	2/25/2009	Unsure
Sams Club: Enclosure 4	8.00	7/10/09	Unsure
True Value: Enclosure 5	10.11	9/29/2009	SULS Physical Plant Repair
Office Depot: Enclosure 6	16.23	9/2/2009	Coaches Video Tape
Home Depot: Enclosure 7	4.40	9/17/2009	SULS Physical Plant Repair
Choctaw Provisions: Enclosure 8	183.92	10/12/2009	Post game meals for SULS student athletes
Choctaw Provisions Enclosure 9	179.64	10/19/2008	Post game meals for SULS student athletes
TOTAL	630.30		

As all of these receipts had Southern University labeled on them and were related to the operation of SULS.

Expenses included which are not personal in nature

Since there is no supporting documentation to show for all expenses, I’m unable to prove the reasonableness of each expense. However below are some highlighted expenses that I render explanation(s). Particularly, the expenses related to Mr. Gregory Cornell are for his instructing services while working at SULS. Mr. Cornell taught high school physics at SULS during the day. This period was between Oct 2006 – May 2008, as best I can remember. Also the \$850 made to cash was for an athletic event (i.e., SULS football game), it was start up cash.

Date	Number	Description	Check Memo
09/25/09	9643	400.00	Reimbursement/Start-

			up 8-12-09
10/23/08	9256	Gregory Cornell 316.14	Physicas Material Reimbursement
06/15/09	9551	Gregory Cornell 350.00	Physics Stipend: Spring Curriculum
09/01/09	9606 Gregory Cornell	362.00	Adjunct Professor
10/20/08	10724	CASH 850.00	No memo attached: this money was for start-up for an athletic event
08/26/08	9175	SU Athletic Dept: 150	Club Sponsorship
10/13/08	9234	SU Athletic Dept: 150	Club Sponsorship
11/17/08	9292	Southern University 180	Club Sponsorship
12/05/08	9234	Walmart 700.00	School Supplies

SEXTON ~ HEBERT
ATTORNEYS AT LAW

10715 N. OAK HILLS PARKWAY
BATON ROUGE, LOUISIANA 70810
TELEPHONE (225) 767-2020
FACSIMILE (225) 767-0845

JODI BAUER
jodibauer@sextonlaw.net
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aprilbroussard@sextonlaw.net

TODD HEBERT
toddhebert@sextonlaw.net
R. GRAY SEXTON
graysexton@sextonlaw.net


JENNIFER L. JACKSON*
jennyjackson@sextonlaw.net
* Also licensed in Arkansas
EDYTHE KOONCE
edykoonce@cox.net


RECEIPT OF CASHIER'S CHECK

I hereby acknowledge that Dr. Derek Morgan or his representative delivered to me on June 10, 2010, and I received, in my capacity as an employee of Southern University Laboratory School, Chase Bank's Cashier's Check numbered 9107203264 dated June 8, 2010 in the amount of \$61,088.77 and payable to Southern University Laboratory School.


Printed Name: DEVORA W. SULLCER

WITNESSES:


Printed Name: THEODORE J. MORGAN


Printed Name: Monica Thomas

Enclosure 1

CHECKING
SAVINGS
R/T 500001020

400.00

CASH
CHECK
TOTAL FROM
OTHER SIDE
SUBTOTAL
LESS CASH

400.00

TOTAL \$

ber here

290.00

1020

CHASE

Open a Home Equity Line of Credit
Consolidate your debt
Remodel your home, Pay for college
Talk to a Personal Banker today or
Call 1.800.800.LOM

Transaction Summary

CHASE

Transaction Fee 9557
Account Opening Fee 200.00
Checking Deposit 3900.00
Cash Amount

CHASE

JPMorgan Chase Bank, N.A.
Harding and Plank, branch 210438
1-800-935-9935
Member FDIC, Equal Housing Lender
Please keep your receipt
08/12/2005 11:02

RAISED
MORE

Enclosure 2




CHASE


CHASE


CHASE


CHASE

Open a Home Equity Line of Credit
Consolidate your debt
Remodel your home, Pay for college
Talk to a Personal Banker today or
Call 1.800.800.LOAN

My Transaction Summary

Transaction #126
Account Number Ending In: 9697
Checking Deposit \$228.00
Cash Amount \$228.00

JPMorgan Chase Bank, N.A.
Harding and Plank, Branch 000158
1-800-935-9935
Member FDIC, Equal Housing Lender
Please keep your receipt
02/25/2009 17:26

Business Date 02/25/2009
Session #51

Thank you - Latoria
Cashbox #09

Enclosure 4



CLUB MANAGER KENNETH HECKARD
(225) 929 - 9892
Fax and Pull # (225)926-3020
BATON ROUGE, LA
10/09 11:53 7774 8204 060 1539

EMBER 101-*****8045

THANK YOU,
SOUTHERN LAB SCHOOL

561667 3 COMP HLC	8.88
SUBTOTAL	8.88
TOTAL	8.88
CASH TEND	20.00
CHANGE DUE	11.12

ITEMS SOLD 1

TC# 6957 5030 9026 3151 5117



WE VALUE YOUR OPINION
WE WANT TO KNOW ABOUT YOUR SHOPPING
EXPERIENCE TODAY AT SAM'S CLUB

Please complete a survey about today's club visit at
<http://www.survey.samsclub.com>

OFFER VALID FROM 10/01/09 TO 10/31/09
OFFER CODE: 90000000000000000000000000000000

See store for details. Good thru 10/31/09.
To view details, visit www.samsclub.com

Sweepstakes printed on this receipt is subject to the
official rules. Survey must be taken within 14 days of receipt
of today.

Esta encuesta también se encuentra en nuestra página de Internet.

THANK YOU

Member's Mark premium quack

Enclosure 5

Acadian
True Value
START RIGHT. START HERE.



730 Scenic Hwy
Baton Rouge, LA 70807
(225) 395 8270

transaction#: AB3018
location: Employee
date: 09/29/2009 Time: 10:00:30 AM

*** SALE ***

to: 16:
customer # 115
SOUTHERN UNIVERSITY
Baton Rouge, LA 70813

2" White Chip Brush		
640466		
5.00 EACH @ \$0.75 N		\$3.75
2-1/2" White Chip Brush		
640474		
4.00 EACH @ \$1.50 N		\$6.00
	Subtotal:	\$10.11
	LA EXLMP1	
	TOTAL:	\$10.11
	CASH:	\$10.11
	CHANGE:	\$0.00

Thank you!



Enclosure 6

Office DEPOT

Office DEPOT

Coupler
Tape
Film

Office DEPOT

Office DEPOT

Fix Copier

Office DEPOT

Office DEPOT

Enclosure 7

THE HOME DEPOT
6600 MAIN STREET
ZACHARY, LA 70791 (225)658-2592

SALE 0380 00007 64985 09/17/09
11 JJJ7K0 09.17 AM



...A CARGBLT1/4X1 <A>		
40@0.11		4.
	SALT TAX	0
X EXEMPT		
	TOTAL	44
	CASH	5
	CHANGE DUE	0



0380 07 64985 09/17/2009 6910

RETURN POLICY DEFINITION
POLICY ID DAYS POLICY EXPIRES ON
A 1 90 12/16/2009

THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORES FOR
DETAILS.

GUARANTEED TO SATISFY

Enclosure 8

PHONE 344-8583
 FAX 344-8586

Chew Provision Company, Inc.
 Packing House and Poultry Products

800 CHOCTAW DR.
 BATON ROUGE, LA 70805

P.O. BOX 4703
 BATON ROUGE, LA 70821-4703

No. 001252

SOLD TO Southern Lab School DATE 10/12/09
 ADDRESS _____ TERMS _____

ERRORS AND OMISSIONS SUBJECT TO CORRECTION

✓	QUANTITY	CONTENTS	WEIGHT		PRICE	AMOUNT
			LBS.	OZ.		
		1. I. P. FRYERS WHOLE 8 PC. CUT				
✓	4	2. LEG QUARTERS BAGGED LOOSE	160	0	49	78.40
		3. CHICKEN WINGS LARGE SMALL				
		4. CHICKEN DRUMSTICKS LARGE SMALL				
		5. HAM DELI DELICIOUS SMO. OVAL				
		6. BACON 12 OZ. PKS. SMITHFIELD BRANDING IRON				
		7. LUNCHEON MEAT DUBUQUE HORMEL				
		8. SALAMI				
✓	2	9. SMOKED SAUSAGE B.R. LOOSE D.D.	24		221	53.04
		10. HOT SAUSAGE MANDA D.D.				
		11. FRANKS 12 oz. PKS. MORRELL BAB'S				
		12. PORK LOINS				
		13. HOG HEAD CHEESE BAUDIN MANDA				
		14. NECK BONES HORMEL FARMLAND				
		15. PIG TAILS HORMEL FARMLAND				
		16. TURKEY WINGS WHOLE 2 JT.				
		17. TURKEY NECKS				
		18. 5# AMERICAN CHEESE SLICED LOAF				
		19. CHOPPED HAM 10# FARMLAND 8# HORMEL				
		20.				
✓	1/10	21. Ground meat	10	0	1598	1598
✓	1cs 6/410	23. Bush's Bake Beans	1		3650	3650
		24.				
		25.				
		26.				
		27.				

Enclosure 8

No claim will be entertained unless reported promptly upon receipt of goods. Goods received in damaged condition must be so receipted. A clear receipt is considered evidence that merchandise has been delivered in good condition.

SUB TOTAL 183.92
 9% TAX 7.36
 TOTAL 191.28

INVOICE

A SERVICE CHARGE OF \$25.00 WILL BE LEVIED ON EACH RETURNED CHECK.

Enclosure 9

PHONE 344-8583
FAX 344-8586

Choctaw Provision Company, Inc.
Packing House and Poultry Products

P.O. BOX 4703

800 CHOCTAW RD.

BATON ROUGE, LA. 70821-4703

No. 28285

SOLD TO

Southern Lab

DATE *12/14/08*

ADDRESS

TERMS

ERRORS AND OMISSIONS SUBJECT TO CORRECTION

	✓	QUANTITY	CONTENTS	WEIGHT		PRICE	AMOUNT
				LBS.	OZ.		
1.			I. P. FRYERS WHOLE 8 PC. CUT				
2.		<i>3</i>	LEG QUARTERS BAGGED LOOSE	<i>120</i>		<i>68</i>	<i>8160</i>
3.			CHICKEN WINGS				
4.			CHICKEN DRUMSTICKS				
5.			HAM DELI DELICIOUS SMO. OVAL				
6.			BACON 12 OZ. PKS. BRANDING IRON				
7.			LUNCHEON MEAT DUBUQUE HORMEL				
8.			SALAMI BRYAN				
9.		<i>3</i>	SMOKED SAUSAGE B.R. LOOSE D.D.	<i>36</i>		<i>234</i>	<i>8424</i>
10.			HOT SAUSAGE MANDA D.D.				
11.			FRANKS 12 oz. PKS. MORRELL BAR-S				
12.			PORK LOINS				
13.			HOG HEAD CHEESE BAUDIN MANDA				
14.			NECK BONES				
15.			PIG TAILS				
16.			TURKEY WINGS WHOLE 2 JT.				
17.		<i>1</i>	TURKEY NECKS	<i>30</i>		<i>46</i>	<i>1380</i>
18.			5# AMERICAN CHEESE SLICED LOAF				
19.			CHOPPED HAM 10# FARMLAND 8# HORMEL				
20.							
21.							
22.							
23.							
24.							
25.							
26.							
27.							

Enclosure
9

pd cash
18683

No claim will be entertained unless reported promptly upon receipt of goods. Goods received in damaged condition must be so receipted. A clear receipt is considered evidence that merchandise has been delivered in good condition.

SUB TOTAL	<i>17964</i>
4% TAX	<i>719</i>
TOTAL	<i>178683</i>

INVOICE
A SERVICE CHARGE OF \$25.00 WILL BE LEVIED ON EACH RETURNED CHECK.

CHECK-OUT FORM

Persons Separating Employment with Southern University – Baton Rouge
Retirees, Resignations, etc., Leave of Absence for One Semester or more

THIS FORM MUST BE COMPLETED AND RETURNED TO THIS OFFICE OF HUMAN RESOURCES PRIOR TO RELEASE OF THE EMPLOYEES FINAL PAYCHECK & ALSO LEAST THREE (3) DAYS PRIOR TO FINAL DATE OF EMPLOYMENT.

Date: October 27, 2009

Reason for Check-Out: Job Advancement

Name of Employee: Derek Jerone Morgan SSN: [REDACTED]

Home Address: [REDACTED]

Mailing Address: [REDACTED]

Home Phone Number: [REDACTED]

Forwarding Address: [REDACTED]

Signatures of the persons below certify to the Chancellor that all responsibilities of the employee to the units headed by this person have been completed.

Employees Signature:	<u>Derek J Morgan</u>	<u>28 Oct 09</u>
		DATE
For Faculty: GRADES TURNED IN:	<u>N/A</u>	<u>10/28/09</u>
		DATE
College/School or Other Unit:	<u>REGISTRAR - T. H. Harris Hall, 1st Floor</u>	<u>28 Oct 09</u>
		DATE
	<u>DEAN OF UNIT HEAD</u>	<u>10/28/09</u>
		DATE
Department Obligations and Inventory:	<u>Derek J Morgan</u>	<u>10/28/09</u>
		DATE
Keys Turned In:	<u>[Signature]</u>	<u>29 Oct 09</u>
		DATE
	<u>PHYSICAL PLANT-Benjamin Kraft Building</u>	
Credit Cards: Telephone, Air Travel:	<u>[Signature]</u>	<u>10/29/09</u>
Auto Rental, American Express:		DATE
Inventory Certification:	<u>[Signature]</u>	<u>10/29/09</u>
		DATE
Library Obligations:	<u>John B. Cade Library</u>	<u>10/29/09</u>
		DATE
Traffic/Parking Obligations:	<u>[Signature]</u>	<u>10-29-09</u>
		DATE
Grants and Special Projects:	<u>[Signature]</u>	
	<u>OFFICE OF SPONSORED PROGRAM/GRANTS-750 Harding Blvd</u>	<u>DATE</u>
Financial Obligations/Other: ** (Have been cleared except as noted below)	<u>**COMPTROLLER'S OFFICE-J. S. Clark Administration Bldg. 2nd Floor</u>	<u>DATE</u>

DIRECTIONS/PROCEDURES

TRAFFIC AND PARKING: Hang Tag must be turned in and all fines or tickets must be paid before clearance is granted.

CREDIT CARD: American Express Corporate Card will have to be turned in.

INVENTORY CERTIFICATIONS: This only applies to Budget Unit Head and other individuals responsible for property at the University which would include Grants/Special Projects Directors and Investigators.

FINANCIAL OBLIGATIONS/OTHER:

1) An employee having any of the following outstanding obligations must be paid before clearance is granted: Petty Cash Advances, Travel Advances, Executed Responsibility Forms, Payroll Deductions, NSF Checks, Account Receivables, etc.

2) Employees performing research or other work on Grants and Special Projects must clear with the appropriate Grants/Special Project Director and/or Dean.

MEMORANDUM COMPTROLLER'S OFFICE

FROM: Celeste Wilkerson, Interim Associate Comptroller
DATE: July 16, 2003
SUBJECT: Employee Check-Out Procedures

In order to improve the employee check-out process and to ensure that no employee is inappropriately approved for final check-out, we have revised our check-out procedures. Therefore, all employees are required to leave their check-out forms with the Comptroller's Office Receptionist and pick-up completed form the following day.

Please disseminate this memorandum throughout Southern University at Baton Rouge campus.

Thank you for your cooperation

CW/JMJ

Cc: Mr. Flandus McClinton, Jr.
Mrs. Gwendolyn Bennett

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WWW.SU.EDU