

SOUTHERN UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE



INVESTIGATIVE AUDIT
ISSUED JULY 3, 2013

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

ASSISTANT LEGISLATIVE AUDITOR
FOR LOCAL GOVERNMENT AUDIT SERVICES
ALLEN F. BROWN, CPA, CFE

DIRECTOR OF INVESTIGATIVE AUDIT
AND ADVISORY SERVICES
ERIC SLOAN, CPA

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report is available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. One copy of this public document was produced at an approximate cost of \$4.27. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's website at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 8833 or Report ID No. 50130010 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Kerry Fitzgerald, Chief Administrative Officer, at 225-339-3800.



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

July 3, 2013

DR. JAMES LLORENS, CHANCELLOR
SOUTHERN UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE
Baton Rouge, Louisiana

We have audited certain transactions of Southern University. 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 finding and recommendation as well as management's response. This is a public report.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/ch

SOUTHERN YEARBOOK 2013

TABLE OF CONTENTS

	Page
Executive Summary	2
Background and Methodology.....	3
Finding and Recommendation:	
Hardcopy and CD-ROM Publications of the Jaguar Yearbook	4
Management's Response	Appendix A

EXECUTIVE SUMMARY

Hardcopy and CD-ROM Publications of the Jaguar Yearbook

The last Jaguar Yearbook issued was for the 2007-2008 academic year and was not issued until the spring semester of 2011. Between July 2008 and June 2012, the university collected \$816,903 in revenues and charged a total of \$233,699 in expenses to the yearbook account. In addition, students have not received a CD-ROM version of the Jaguar Yearbook as required by a student referendum that became effective in the fall semester of 2003.

BACKGROUND AND METHODOLOGY

The Southern Office of Student Media's goal is to guide and service its student journalist and campus community with quality publications for the purpose of enhancing the student experience. The Office of Student Media services the entire university through the production of a student newspaper, a student magazine, and the student yearbook. The Jaguar Yearbook is financed through a student activity fee. During our period of review, students were assessed a self-imposed fee of \$15 during fall and spring semesters and \$7.50 during summer semesters. Expenses related to the production of the yearbook are charged to the yearbook account.

During the spring 2012 semester, the students passed a referendum to combine the student publication (yearbook) fee, student newspaper fee, and student magazine fee into one student media fee. According to the referendum, the funds and prior year funds generated in the old accounts would remain in the new student media account. This new fee became effective during the fall 2012 semester. This fee is \$25 for fall and spring semesters and \$12.50 for summer semesters.

We were made aware that the university has not published the Jaguar Yearbook since the 2007-2008 edition. This edition was not issued until the spring of 2011. We reviewed the process of preparing the yearbook which included these procedures:

- Interviewing university employees
- Examining selected university documents and records
- Interviewing other persons as appropriate

FINDING AND RECOMMENDATION

Hardcopy and CD-ROM Publications of the Jaguar Yearbook

The last Jaguar Yearbook issued was for the 2007-2008 academic year and was not issued until the spring semester of 2011. Between July 2008 and June 2012, the university collected \$816,903 in revenues and charged a total of \$233,699 in expenses to the yearbook account. In addition, students have not received a CD-ROM version of the Jaguar Yearbook as required by a student referendum that became effective in the fall semester of 2003.

As of June 30, 2008, the Jaguar Yearbook account had a balance of \$402,512. Between July 1, 2008 and June 30, 2012, the university collected \$816,903 in revenues and charged expenses of \$233,699 to the Jaguar Yearbook account. As of June 30, 2012, the account had a balance of \$985,716.

In 2003, as a result of a student referendum, the Jaguar Yearbook fee increased from \$10 to \$15 for fall and spring semesters and from \$5 to \$7.50 for the summer semester. As a result of this fee increase, students were to receive more color pages in the yearbook and a CD-ROM version included with each hardcopy. According to information provided by the university's staff, a CD-ROM version of the Jaguar Yearbook has never been provided to the students.

Jaguar Yearbook revenues collected and expenses charged by year are reported in the chart below.

Yearbook Account Summary by Fiscal Year				
	FY 2009	FY 2010	FY 2011	FY 2012
Beginning Balance	\$402,512	\$538,802	\$723,435	\$820,239
Revenues	207,118	196,576	200,622	212,587
Expenses	70,828	11,943	103,818	47,110
Ending Balance	\$538,802	\$723,435	\$820,239	\$985,716
Source: Prepared by legislative auditor's staff using information provided by Southern University.				

The detail of expenses charged to the yearbook account is reported in the following chart.

Yearbook Account Expense Categories by Fiscal Year					
	FY 2009	FY 2010	FY 2011	FY 2012	Category Total
Cameras and accessories	\$1,000		\$5,982	\$4,669	\$11,651
Computers, software, and accessories	1,000		13,823	1,847	16,670
Dues and memberships	100		100	1,319	1,519
Office supplies			4,274	5,277	9,551
Operating services			1,866	4,557	6,423
Payroll	64,926	\$6,462	4,872		76,260
Professional development conferences/conventions	1,938	5,481	4,519	20,195	32,133
Sporting event travel	1,864		190	1,282	3,336
Student payroll/stipend			9,629	7,964	17,593
Yearbook publishing			58,563		58,563
Total	\$70,828	\$11,943	\$103,818	\$47,110	\$233,699
Source: Prepared by legislative auditor's staff using information provided by Southern University.					

Students are being charged a fee every semester for a yearbook. Students voted to increase the fee so as to receive a CD-ROM version and more color pages with every hardcopy of the Jaguar Yearbook. However, no yearbook has been produced in five years.

According to Fred Batiste, publications assistant/magazine advisor at Southern, the yearbook is a student publication that faced delays because of the loss of a professional staff employee who encouraged the students to timely produce the yearbook. In addition, he stated the yearbook faced delays because of the resignation of two editors-in-chief.

In the spring of 2012, the students passed a new referendum regarding the Jaguar Yearbook. This referendum combines the student publication fee (yearbook fee), student newspaper fee, and student magazine fee into one fee which is called the student media fee. There is no mention of a CD-ROM in this referendum.

We spoke with Ms. Heather Freeman, director of Student Media since August 2012 and she stated that there are plans to issue the Jaguar Yearbook in the fall of 2013. This yearbook will cover the five academic years of 2008-2009 through 2012-2013.

Recommendation

We recommend that Southern University and A & M College, apply the resources necessary to produce the Jaguar Yearbook in a timely manner.

APPENDIX A

Management's Response

Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

June 14, 2013

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Response to Investigative Audit on the Jaguar Yearbook

Dear Mr. Purpera:

Submitted herewith is the University's response to the investigative audit of the Southern University and A&M College Jaguar Yearbook.

The management and staff of Southern University and A&M College would like to take this opportunity to acknowledge your support and thank your investigative audit team for the professional manner in which they conducted the audit.

Southern University and A&M College is committed to the production and delivery of a comprehensive state-of-the-art yearbook for its students. The University has made substantial progress towards this commitment. The following corrective actions have or will be implemented to ensure successful and timely resolution of this finding.

A new Director of Student Media was appointed in August 2012 and has been tasked with, among other duties, addressing the yearbook printing delays. Since this appointment, the office has recently implemented controls to facilitate the timely production of the Jaguar Yearbook going forward.

These implementation controls include:

1. Setting and monitoring deadlines for the Editor-in-chief (EIC) of the yearbook to complete assigned tasks in agreement with the publisher.
2. Scheduling regular meetings with the publisher's project manager and the EIC of the yearbook to gauge progress and make necessary suggestions to ensure timely completion.

3. Scheduling regular training with the student yearbook staff and the publisher to continue student learning and development, which will also eliminate skill issues impeding production.
4. Maintaining strong lines of communication between professional staff, EIC, and yearbook publishing company in order to address any complications that may arise during production.
5. Submitting stipend payments for the EIC in correlation with deadline and work completion in accordance with the staff operations manual.


Additionally, since the approval of the Spring 2012 student referendum, all fees have been combined into one account for all Student Media publications, which eliminates the requirement of expensing by publication. All expenses and resources will be utilized across platforms to create efficiency and effectiveness for all publications falling under the Office of Student Media.

As a final note, the Jaguar Yearbook is a student publication that is completed in its entirety by Southern University students. The professional staff has been charged with doing everything within their span of control to ensure the timely production of the yearbook, including following the above implementation controls; however, it should be noted that the responsibility lies ultimately in the commitment of our students.

The corrective actions outlined above will be monitored to ensure the Jaguar Yearbook production milestones are met in a timely manner.

Please contact **Dr. Brandon Dumas, Vice Chancellor for Student Affairs at (225)771-3922** if you have questions or need additional information regarding the ongoing status of corrective actions.

Sincerely,



James L. Llorens
Chancellor

Copy: Flandus McClinton, Vice Chancellor for Finance
Brandon Dumas, PhD, Vice Chancellor for Student Affairs