

LOUISIANA DELTA COMMUNITY COLLEGE  
LOUISIANA COMMUNITY AND  
TECHNICAL COLLEGE SYSTEM  
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES  
MANAGEMENT LETTER  
ISSUED NOVEMBER 12, 2014

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LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

November 12, 2014

The Honorable John A. Alario, Jr.,  
President of the Senate  
The Honorable Charles E. "Chuck" Kleckley,  
Speaker of the House of Representatives  
Dr. Monty Sullivan, President  
Louisiana Community and Technical College System  
Dr. Barbara Hanson, Chancellor  
Louisiana Delta Community College

Dear Senator Alario, Representative Kleckley, Dr. Sullivan, and Dr. Hanson:

This report includes the results of the procedures we performed at Louisiana Delta Community College (LDCC) for the period from July 1, 2013 through June 30, 2014 to evaluate its accountability over public funds. The procedures are a part of our audit of the Louisiana Community and Technical College System's financial statements for the year ended June 30, 2014. I hope the information in this report will assist you in your legislative and operational decision-making processes.

We would like to express our appreciation to the management and staff of LDCC for their assistance during our work.

Sincerely,

Daryl G. Purpera, CPA, CFE  
Legislative Auditor

KVL:BAC:BDC:THC:aa

LDCC 2014



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# Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



Audit Control # 80140047

## Louisiana Delta Community College

November 2014

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### Introduction

As a part of our audit of the Louisiana Community and Technical College System's (System) financial statements for the year ended June 30, 2014, we performed procedures at Louisiana Delta Community College (LDCC) to provide assurances on financial information that is significant to the System's financial statements; to evaluate the effectiveness of LDCC's internal controls over financial reporting and compliance; and to determine whether LDCC complied with applicable laws and regulations.

LDCC is a part of the System and reported an enrollment of approximately 3,800 students for the fall 2013 semester. The college's mission is to provide the citizens of northeast Louisiana with affordable and accessible high-quality educational programs, services, and modern workforce training.

### Results of Our Procedures

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#### Financial Statements – Louisiana Community and Technical College System

As a part of our audit of the System for the year ended June 30, 2014, we considered LDCC's internal controls over financial reporting and examined evidence supporting certain account balances and classes of transactions as follows:

##### **Statement of Net Position**

**Liabilities** - Accounts payable and accrued liabilities

**Net Position** - Investment in capital assets, restricted-expendable, restricted-nonexpendable, and unrestricted

##### **Statement of Revenues, Expenses, and Changes in Net Position**

**Revenues** - Federal non-operating revenues

**Expenses** - Education and general

Our audit included tests of LDCC's compliance with laws and regulations that could have a direct and material effect on the System's financial statements, as required by *Government Auditing Standards*.

Based on the results of our procedures on the financial statements, we did not report any internal control deficiencies or non-compliance with laws or regulations. In addition, the account balances and classes of transactions tested are materially correct.

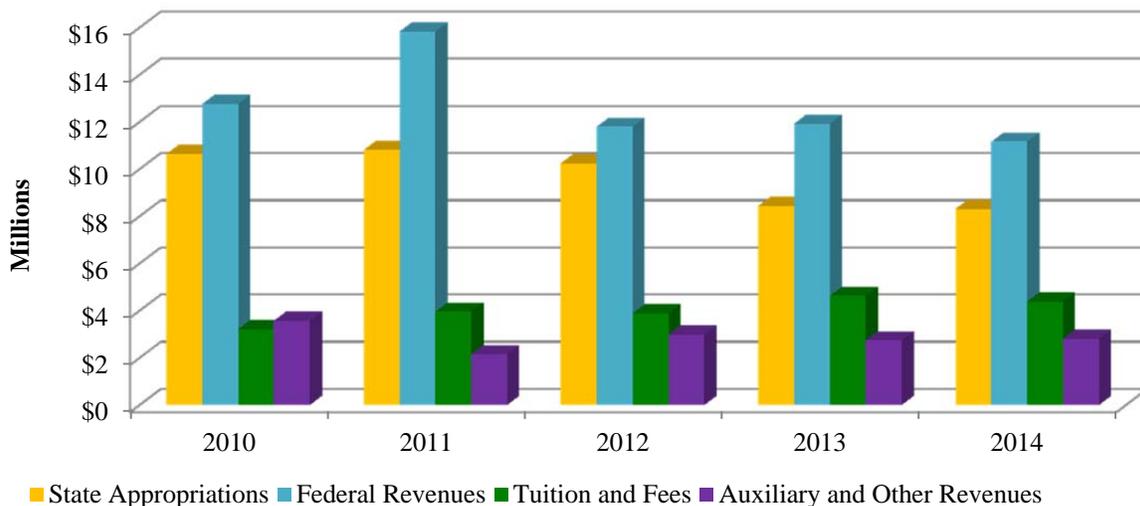
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## Trend Analysis

We compared the most current- and prior-year financial activity using LDCC's annual fiscal reports and/or system-generated reports and obtained explanations from LDCC management for any significant variances. We also prepared an analysis of revenues, expenses, and enrollment over the last five years.

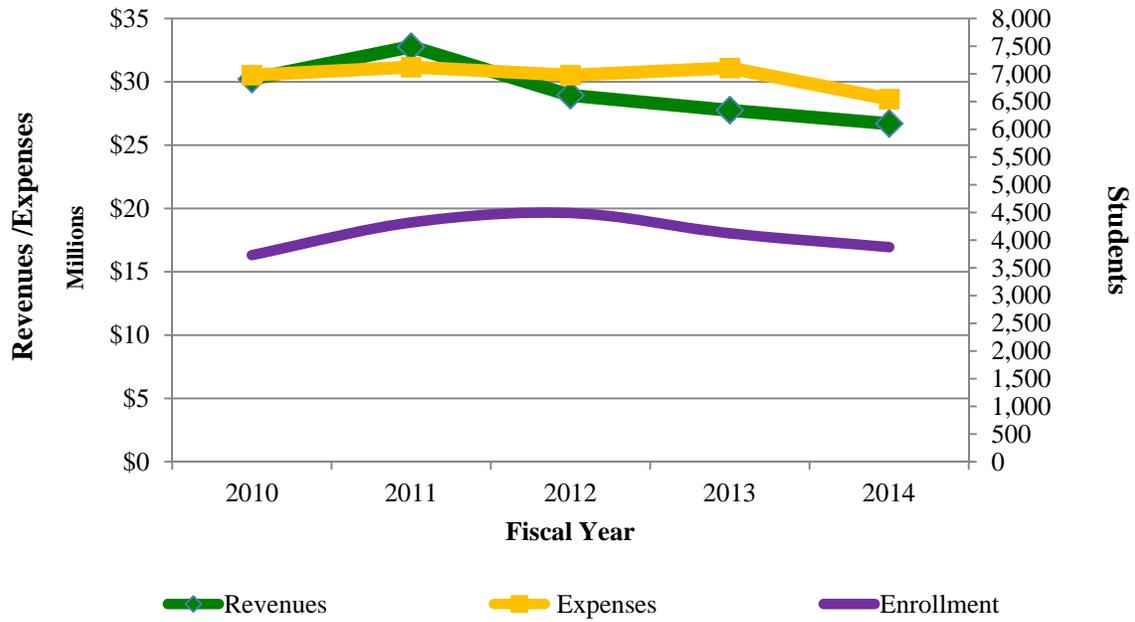
In analyzing financial trends of LDCC over the past five years, total revenues and expenses have gradually decreased. Since 2010, federal revenues decreased by 12%, due to temporary federal stimulus funds discontinued after 2011, and state appropriations decreased by 22%; however, tuition and fees have increased by 36%. As external revenues decrease, LDCC's operations become more dependent on tuition and fees and other revenues collected by the college, which are directly related to enrollment.

**Exhibit 1**  
**Five-Year Revenue Trend**



**Source:** Fiscal year 2010–2014 LDCC Annual Fiscal Reports, as adjusted

**Exhibit 2  
Fall Enrollment Trend Analysis**



**Source:** Fiscal year 2010–2014 LDCC Annual Fiscal Reports, as adjusted, and Board of Regents Website Data/Publication

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



## APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at Louisiana Delta Community College (LDCC) for the period from July 1, 2013 through June 30, 2014 to provide assurances on financial information significant to the Louisiana Community and Technical College System (System) and to evaluate relevant systems of internal control in accordance with *Government Auditing Standards*. The procedures included inquiry, observation, and review of policies and procedures, and a review of relevant laws and regulations. Our procedures, summarized below, are a part of the audit of the System financial statements for the year ended June 30, 2014.

- We evaluated LDCC's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to LDCC.
- Based on the documentation of LDCC's controls and our understanding of related laws and regulations, we performed procedures to provide assurances on certain LDCC account balances and classes of transactions to support the opinion on the System financial statements.
- We compared the most current- and prior-year financial activity using LDCC's annual fiscal reports and/or system-generated reports to identify trends and obtained explanations from LDCC management for significant variances.

The purpose of this report is solely to describe the scope of our work at LDCC and not to provide an opinion on the effectiveness of LDCC's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purposes.

We did not audit or review LDCC's Annual Fiscal Report and, accordingly, we do not express an opinion on that report. LDCC's accounts are an integral part of the System's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.