



LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

December 11, 2017

Dr. E. Joseph Savoie, President  
University of Louisiana at Lafayette  
104 East University Avenue  
Lafayette, Louisiana 70506

Dear Dr. Savoie:

As an integral part of the Single Audit of Louisiana, we are requesting that you provide our office with an official response relating to the enclosed reportable audit finding for your college. This finding will be included in both the management letter for your college and in the Single Audit Report for the State of Louisiana. Although the same finding, it will appear in a different format in each report.

Please prepare one response that will be appropriate for both versions of this finding. If you would prefer to prepare a separate response for each version of the finding, please indicate "management letter" or "Single Audit Report" in the subject line of your response.

We have discussed this finding with management of the college. Please provide a response no later than December 22, 2017. Each official response should be on agency letterhead, addressed to Daryl G. Purpera, CPA, CFE, Legislative Auditor, signed by an appropriate agency official, and should contain the following:

- ◆ A response for each finding in a separate letter.
- ◆ A reference to the finding by title, but please do not repeat the entire finding in your response.
- ◆ A statement as to whether you concur, concur in part, or do not concur with the individual finding and recommendation, and the reasons you concur in part or do not concur.
- ◆ A corrective action plan, including the status of action taken or action planned to correct the internal control weakness and/or finding of noncompliance, or a statement why corrective action is not necessary. For findings to be included in the Single Audit Report, Uniform Guidance (2 CFR §200.511(c)) requires the corrective action plan to include at a minimum the following:
  - the name(s) of the contact person(s) responsible for corrective action

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- the corrective action planned, and
- the anticipated completion date.

If you do not agree with the audit finding or you believe corrective action is not required, then your corrective action plan should include an explanation and specific reasons.

Also, please do not fold or staple the response as your response will be included directly in the applicable reports.

Please note that the enclosed finding is considered a draft and will not become a matter of public record until the audit is complete. Likewise, your response to this finding is considered to be a part of our working papers and will not become a matter of public record until the audit is complete. We consider our draft findings and your response to be a confidential record comprising a part of our working papers, until the audit is complete, at which time both items of information will become a matter of public record in accordance with Louisiana Revised Statutes 44:4(6) and 44:6.

The purpose of this letter is solely to provide management with the attached finding as required by AU-C §265, *Communicating Internal Control Related Matters Identified in an Audit*, and obtain management's views to the attached finding as required by GAS 5.32-.38. This letter is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance. Accordingly, this letter is not suitable for any other purpose.

Thank you for your cooperation in this matter. If you have any questions, please contact me at (225)336-6089.

Sincerely,



Cheryl C. Rials, CPA  
Audit Manager

CR:RM

Enclosure

## **UNIVERSITY OF LOUISIANA AT LAFAYETTE**

### **Noncompliance over Return of Title IV Funds**

University of Louisiana at Lafayette (UL Lafayette) did not ensure compliance with federal regulations related to the return of Title IV funds.

Audit procedures disclosed the following:

- For three (7.5%) of 40 students tested, UL Lafayette did not perform return of funds procedures timely. For two students, UL Lafayette did not determine if the returns were needed within the required 45 days. The determination for one student was made 154 days late and the other student 5 days late. Although UL Lafayette performed the determination and calculation timely for the third student, the funds were not actually returned to U.S. Department of Education (USDOE) until almost 9 months after the calculation was performed.
- For two (5%) of 40 students tested, the return of funds calculations were not accurate. As a result, UL Lafayette erroneously removed \$1,880 in student loan funds from the students' accounts and erroneously returned those funds to the US Department of Education. This caused the outstanding balances to be overstated in the students' accounts.
- The reports used by UL Lafayette to identify potential students requiring a return of funds calculation mistakenly excluded two students. As a result, UL Lafayette did not determine the amount of Title IV funds that should have been returned to the USDOE for these two students.

Management should strengthen controls to ensure that all students requiring a return of funds calculation are identified and return of funds procedures are performed timely and accurately.