Report Highlights

Louisiana Community and Technical College System

April 2003

Louisiana Legislative Auditor

The Louisiana Community and Technical College System (LCTCS) was created in 1998 by an amendment to the 1974 Louisiana Constitution, which reorganized higher education and created a structure with the Board of Regents and four management boards, including the LCTCS. The LCTCS consists of a board of supervisors, a system office staff, seven community colleges, and one technical college with 42 main campuses.

The LCTCS Board of Supervisors began operating in July 1999 and has 17 members. The governor appoints 15 members for six-year overlapping terms. Two student members are elected for one- year terms. According to the Fiscal Year 2002 Appropriations Act, the board had a staff of 39 full-time equivalent employees and total budget of over $243 million. In the 2001-2002 academic year, the LCTCS had approximately 47,000 students and offered over 200 degree, diploma, and certificate programs.

Audit Results

❖ Most community colleges and the LTC central office said that they are satisfied with the services provided by the LCTCS. However, 69.7% of the LTC campuses said that they are dissatisfied with those services.

❖ The LCTCS lacks controls over programmatic data that would help ensure their accuracy. As a result, funding, which is based on these data, may not be accurate either.

❖ The LCTCS spent over $7 million over three years on the PeopleSoft computer system, which has not functioned as planned and will take another $3.5 to $5 million more to upgrade and implement properly.

❖ Many of the programs offered at LCTCS campuses can lead to jobs that are considered in demand. However, less than half of LCTCS completers find jobs in their fields of study.

❖ The LCTCS Board of Supervisors and office staff cannot ensure that system office staff are compensated appropriately because they have no standard written criteria for setting salaries.

❖ The LCTCS granted several merit increases to employees who did not have completed performance evaluations on file as required. In addition, the LCTCS awarded stipends to employees for extra hours worked without sufficient documentation.

❖ The alternative financing arrangements used to build three community college campuses lack critical controls. They do not guarantee funding, may harm the state's credit rating if not funded, and may violate the state's ethics code.

❖ The LCTCS lacks centralized information on various campus activities, including economic development initiatives, coordination among campuses, and ways campuses share resources.

Grover C. Austin,
CPA

First Assistant
Legislative
Auditor

What are the mandated roles and functions of the LCTCS Board of Supervisors and office staff?

What We Found

➲ Provisions contained in LCTCS bylaws, policies, and job descriptions are consistent with most legally mandated functions. However, R.S. 17:3351 (B)(3) requiring the LCTCS to have a policy on teaching inmates has not been addressed.

Recommendation

✓ The LCTCS system office staff should develop a policy that addresses the requirements of R.S. 17:3351(B)(3).

How satisfied are the institutions with the services provided by the LCTCS Board of Supervisors and office staff?

What We Found

➲ Most community colleges (71.4%) and the LTC central office said that they are satisfied with the services provided by the board and system office staff, but most of the technical college campuses (69.7%) said that they are dissatisfied with those services. Some of the common problems noted include the following:

- Implementation of PeopleSoft
- Communication problems with LCTCS office staff
- Lack of consistent and relevant policies and procedures

Recommendations

✓ The LCTCS Board of Supervisors and office staff should review the service deficiencies cited, determine if problems with the provision of these services actually exist, and take corrective action where necessary.

✓ The Board of Supervisors and system office staff should conduct periodic customer satisfaction surveys of the institutions.

How do the LCTCS Board of Supervisors and office staff ensure that programmatic data from campuses are accurate?

What We Found

➲ The LCTCS office staff has not provided written or consistent guidance to help the LTC campuses define and collect programmatic data.

➲ The LCTCS does not ensure that student credit hour or completer data are accurate. We found that student credit hour data included hours that should not have been included. Because the data are not accurate, funding, which is based on the data, may not be accurate either.

➲ The LCTCS has spent three years and approximately $7 million on the PeopleSoft computer system, which has not operated as planned and will take approximately $3.5 to $5 million more to upgrade and implement properly. PeopleSoft problems include:

- Poor planning and coordination
- Lack of strong central control
- Insufficient number of personnel and inadequate infrastructure
- Lack of clear and timely status reports to LCTCS board members
- Lack of training

Recommendations

✓ The LCTCS office should require that the Internal Audit Division conduct periodic audits of data.

✓ The LCTCS office should standardize processes for registration, adding and dropping courses, issuing grades and refunds, and recording attendance for all LTC campuses.

✓ The LCTCS should issue formal, written guidance that defines noncredit and credit hours to ensure that all campuses collect and define credit and noncredit hours appropriately and consistently.

✓ The LCTCS office should assign a sufficient number of staff to the MIS function to ensure that PeopleSoft is completely implemented and maintained. In addition, the LCTCS should ensure that each campus has sufficient technology infrastructure to support PeopleSoft.

✓ The LCTCS office staff should implement controls that ensure that the Board of Supervisors receives complete and timely reports regarding the actual status and cost of the PeopleSoft implementation.

How do the LCTCS Board of Supervisors and office staff ensure that institutions within the system offer relevant programs that meet customer and stakeholder needs?

What We Found

- Many of the programs offered at LCTCS institutions can lead to jobs that are considered to be in demand by businesses.

- Approximately 50 programs at various community and technical college campuses have had eight or fewer completers over the last three years.

- Similar programs offered at different LTC campuses have wide variations in cost. For example, within District 8, industrial machine technology was $462 per full-time equivalent at the Tallulah campus but $5,377 per full-time equivalent at the Ruston campus.

- Some high-cost programs have low full-time equivalents and/or completers. For example, in Fiscal Year 2002, the Sidney Collier campus of the LTC spent $11,022 per full-time equivalent in computer electronics but had only 3.9 full-time equivalents and no completers.

- Less than half of community college completers in academic year 1999-2000 and technical college completers in academic year 2000-2001 appear to have found jobs in their fields of study.

- The LCTCS does not have centralized information on campus activities related to economic development and student outcomes. Therefore, the system office cannot document or assess the system's impact on economic development.

Recommendations

- ✓ The LCTCS should use state Department of Labor regional data to determine if its programs meet regional business needs.

- ✓ The LCTCS should evaluate programs with low enrollment and low completers to determine if it is cost effective to continue supporting those programs.

- ✓ The LCTCS should collect pertinent information from all community and technical college campuses that documents the impact of LCTCS programs on economic development.

Do the LCTCS Board of Supervisors and office staff ensure that system office and institutional administrative staff are compensated in accordance with established guidelines?

What We Found

- The board cannot ensure that LCTCS employees are compensated appropriately because it has no standard written criteria for establishing salaries at the system office.

- Most technical and community college administrators' salaries are below national and Southern Region Education Board standards. Only three community and technical college administrators are paid above these standards.

- The LCTCS Board of Supervisors approved merit increases for several employees who did not have completed performance evaluations on file as required by LCTCS policy.

- The system office awarded stipends to two staff members for extra hours worked without sufficient supporting documentation. These stipends may be a violation of the Article 7, Section 14(A) of the Louisiana Constitution. In addition, the LCTCS office awarded professional services contracts to seven people who were hired to begin full-time employment at later dates.

- The LCTCS office paid the LTC chancellor's full salary of $133,952 plus his car and housing allowances while he was on enforced administrative leave and not performing his job functions. The office also paid an interim chancellor during this time.

Recommendations

- ✓ The LCTCS should adopt clear and specific bylaws, policies, and procedures that establish criteria to use in setting and adjusting salaries for system office staff and campus personnel.

- ✓ The LCTCS should refrain from granting stipends to employees for extra work already performed until obtaining an Attorney General's opinion on whether stipends constitute bonuses in violation of Article 7, Section 14(A) of the Louisiana Constitution.

✓ The LCTCS should develop a policy requiring that the Board of Supervisors approve all professional services contracts that involve future employees.

✓ The LCTCS should ensure that all performance evaluations are on file before granting merit increases and that all evaluators use the appropriate evaluation instrument.

How do the LCTCS Board of Supervisors and office staff address the capital needs of the institutions within the system?

What We Found

➲ The LCTCS alternative financing arrangements lack critical controls. They do not guarantee funding for capital projects, may harm the state's credit rating if not funded, have limited state control to ensure quality, and may violate the state's ethics code.

➲ The LCTCS does not have a current master plan or needs assessment that identifies the needs of the system.

Recommendations

✓ The LCTCS Board of Supervisors should amend its alternative financing policy to give the Office of Facility Planning and Control more power.

✓ The LCTCS should request an opinion from the Board of Ethics as to whether its board members should be allowed to serve on the Boards of Directors of nonprofit corporations that provide alternative financing to campuses within the LCTCS.

Matter for Legislative Consideration

✓ The legislature may wish to consider adopting legislation that establishes specific controls over alternative financing arrangements.

How do the LCTCS Board of Supervisors and office staff ensure that the community colleges and technical college campuses share resources and coordinate activities?

What We Found

➲ The LCTCS has not assessed whether its institutions are coordinating and sharing resources. However, we identified many instances where campuses coordinate and share resources. For example:

• South Louisiana Community College shares administrative and classroom space with the University of Louisiana at Lafayette.

• Delgado Community College and the Young Memorial and L. E. Fletcher campuses of the LTC coordinate training in marine safety for various companies.

• The River Parishes and Ascension campuses of the LTC have agreements with River Parishes Community College to teach the general education requirements for the process technology program.

Recommendation

✓ The LCTCS Board of Supervisors and office staff should compile information from all campuses on how they coordinate and share resources.

Louisiana Legislative Auditor

1600 N. 3rd Street
P.O. Box 94397
Baton Rouge, LA
70804-9397

Need More Information?

For a copy of the complete performance audit report, visit our Web site at

www.lla.state.la.us.

Questions? Call David Greer at 225-339-3800.

STATE OF LOUISIANA
LEGISLATIVE AUDITOR

**Louisiana Community and
Technical College System**
Baton Rouge, Louisiana

April 2003

Performance Audit

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April 16, 2003

The Honorable John J. Hainkel, Jr.,
  President of the Senate
The Honorable Charles W. DeWitt, Jr.,
  Speaker of the House of Representatives

Dear Senator Hainkel and Representative DeWitt:

This report gives the results of our performance audit of the Louisiana Community and Technical College System. The audit was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

The report contains our findings, conclusions, and recommendations. We have also identified two matters for legislative consideration. Appendix G contains the Louisiana Community and Technical College System's response to the audit. I hope this report will benefit you in your legislative decision-making process.

Sincerely,

Grover C. Austin, CPA
First Assistant Legislative Auditor

GCA/dl

[LCTCS]

Office of Legislative Auditor

Performance Audit
Louisiana Community and
Technical College System
Executive Summary

This audit identifies the roles and functions of the Louisiana Community and Technical College System (LCTCS) Board of Supervisors and office staff. It also reviews the system's management of certain areas. The results of the audit are as follows:

Roles, Functions, and Staffing of LCTCS Board of Supervisors and Office Staff *(See pages 1 through 25 of the report.)*

- Provisions contained in LCTCS bylaws, policies, and job descriptions are consistent with most legally mandated functions.
- As of July 1, 2002, the LCTCS system office employed 39 employees at a cost of approximately $2 million.
- Most community colleges (71.4%) said that they are satisfied or very satisfied with the services provided by the LCTCS Board of Supervisors and office staff. The LTC central office also rated the LCTCS board and/or office as satisfactory. However, most of the technical college campuses (69.7%) said that they are dissatisfied or very dissatisfied with the services provided.

Accuracy of Programmatic Data *(See pages 27 through 37 of the report.)*

- The LCTCS does not verify that student credit hour or completer data are accurate. Some student credit hour data at some of the LTC campuses included students who should not have been included. Because the data are not verified, there is no assurance that funding based on the data is correct.
- The LCTCS has spent three years and approximately $7 million on the purchase and implementation of a computer system that does not report data reliably. A consultant estimates that it will cost an additional $3.5 million to $5 million to fix and upgrade the system.

Relevancy of Programs *(See pages 39 through 53 of the report.)*

- Many LCTCS programs can lead to jobs that are considered to be in demand by business. However, some LCTCS programs appear to be expensive and/or do not produce many graduates.
- Our evaluation shows that less than half of all community college completers in academic year 1999-2000 and LTC completers in academic year 2000-2001 found jobs in their fields of study.

Compensation Issues *(See pages 55 through 65 of the report.)*

- The Board of Supervisors and system office staff cannot ensure that system office staff are compensated appropriately because they have no standard written criteria for setting salaries.
- The LCTCS office granted merit increases to several employees who did not have completed performance evaluations on file as required.
- Some LCTCS employees received consulting contracts prior to beginning work.
- The LCTCS awarded stipends to two employees for additional hours worked. However, the system office did not have sufficient supporting documentation for these stipends, and the stipends may be in violation of the state constitution.

Capital Needs of Institutions *(See pages 67 through 74 of the report.)*

- The alternative financing arrangements that are being used to finance and build three community college campuses lack critical controls. They do not guarantee funding for capital projects, may harm the state's credit rating if not funded, have limited state control to ensure quality, and may violate the state's ethics code.

Coordination and Sharing of Resources *(See pages 75 through 80 of the report.)*

- The LCTCS lacks a centralized means of gathering information on how campuses coordinate and share resources.

Introduction

Audit Initiation and Objectives

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. Louisiana Revised Statute (R.S.) 24:522 establishes the Louisiana Performance Audit Program, which requires that a performance audit be conducted within each state department, including Higher Education, within a seven-year period. The Legislative Audit Advisory Council approved the scheduling of this audit in February 2002. We focused the audit on the services provided by the Louisiana Community and Technical College System (LCTCS).

Our audit objectives were to answer the following questions:

I.   What are the mandated roles and functions of the LCTCS Board of Supervisors and office staff, what resources are used to carry out those roles and functions, and how satisfied are the colleges with the services provided by the board and staff?

II.   Are the board and office staff as effective as they could be at performing certain core functions?

- How do the board and system office staff ensure that programmatic data from campuses are accurate?

- How do the board and system office staff ensure that institutions offer relevant programs that meet customer and stakeholder needs?

- Do the board and system office staff ensure that system office and institution staff are compensated appropriately?

- How do the board and system office staff address the capital needs of institutions?

- Do the board and system office staff ensure that community and technical colleges share resources and coordinate services?

Appendix A contains our audit scope and methodology. Appendix B contains a list of all matters for legislative consideration and recommendations. Appendix G contains the LCTCS response to this audit.

System Overview

A 1998 amendment to the 1974 Louisiana Constitution reorganized higher education by creating a structure with four management boards and the Board of Regents. The management boards are responsible for the day-to-day operations of campuses within their systems. The four systems are the University of Louisiana System, the Louisiana State University System, the Southern University System, and the Louisiana Community and

Technical College System. The Board of Regents is responsible for state coordination of all public colleges and universities. The constitution and state statutes outline the following duties of the Board of Regents and the management boards.

Board of Regents

- Formulates master plan and funding formula

- Approves, disapproves, and modifies proposed and existing degree programs

- Reviews operating and capital budget proposals and makes recommendations to legislature

- Studies the need for and feasibility of any new institution of postsecondary education

Management Boards

- Expend funds appropriated to boards

- Set tuition and attendance fees (subject to legislative approval)

- Purchase or lease land, buildings, and equipment

- Employ and fix employee salaries

- Review and approve curricula

- Ensure that the institutions within their systems comply with all policies and Board of Regents directives

The LCTCS Board of Supervisors began operating in July 1999 and is composed of 17 members. The governor appoints 15 members for six-year overlapping terms. Two student members are elected for one-year terms. The board has a staff that helps it carry out its functions. According to the Fiscal Year 2002 Appropriations Act, the Board of Supervisors and system office had 39 full-time equivalent employees and a total appropriation of over $243 million. Of this amount, $28 million was for board and system office staff. Approximately $25 million of the $28 million is federal Perkins funds that the LCTCS distributes to various secondary and postsecondary institutions. The remainder was divided among LCTCS institutions. Exhibit 1 shows the amount of actual audited expenditures for each higher education system for Fiscal Year 2002. Exhibit 2 shows LCTCS operating and non-operating expenses for Fiscal Year 2002.

Exhibit 1
Expenditures by the LCTCS Compared to Other
Systems and Board of Regents
Fiscal Year 2002
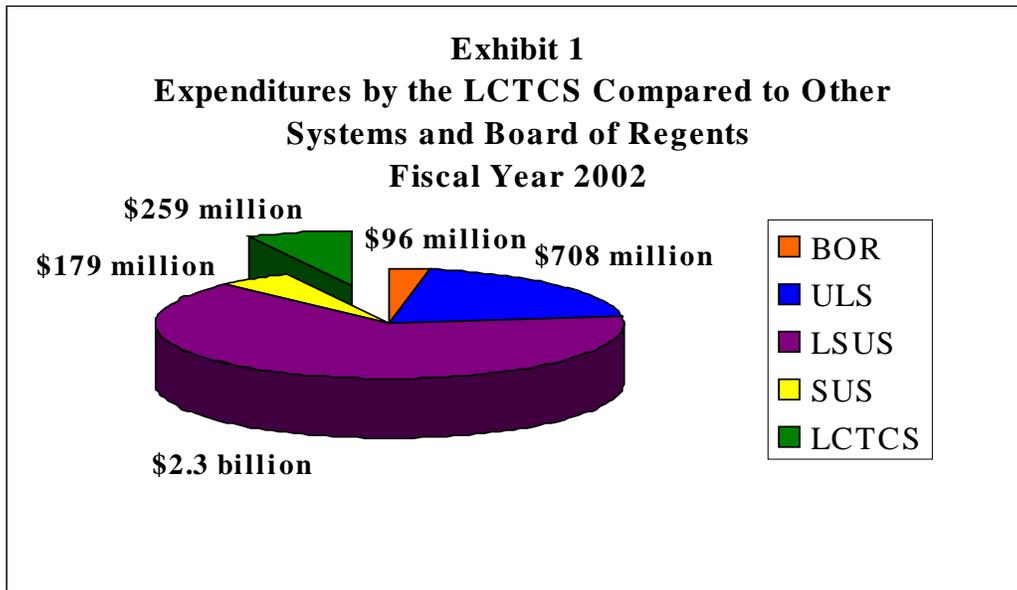
Source: Prepared by legislative auditor's staff using information from the Fiscal Year 2002 system financial audit reports.

Exhibit 2
LCTCS Operating and Non-Operating Expenses
Fiscal Year 2002

Operating Expenses	
Educational and General Expenses	
Instruction	$110,144,619
Public Service	1,779,454
Academic Support	23,771,533
Student Services	18,524,734
Institutional Support	46,603,090
Operations and Maintenance of Plant	18,523,291
Depreciation	7,476,436
Scholarships and Fellowships	25,608,090
Auxiliary Enterprises	3,857,144
Other Operating Expenses	1,732,929
Total Operating Expenses	**$258,021,320**
Non-Operating Expenses	
Interest Expense	$265,047
Other non-operating expense	1,155,859
Total Non-Operating Expenses	**1,420,906**
Total Expenses	**$259,442,226**

Source: Prepared by legislative auditor's staff using the Fiscal Year 2002 financial audit report on LCTCS.

The Board of Supervisors approves actions according to the following process.

> **Campuses submit items to the system office staff for board consideration.**

> ↓

> **System office staff reviews and analyzes items and makes recommendations to the appropriate committees* of the board.**

> ↓

> **Board committees meet to discuss items and make recommendations to the board.**

> ↓

> **Board hears committee recommendations and votes to approve or disapprove.**

*When committees do not meet, the staff makes recommendations to the board.

The Board of Supervisors is responsible for managing the eight institutions shown in Exhibit 3.

Exhibit 3
LCTCS Institutions and Full-Time Equivalents
Academic Year 2001-2002

LCTCS Institutions	Full-Time Equivalents
• Baton Rouge Community College (BRCC)	2,754
• Bossier Parish Community College (BPCC)	2,848
• Delgado Community College (Delgado)	9,446
• Nunez Community College (Nunez)	1,411
• River Parishes Community College (RPCC)	263
• South Louisiana Community College (SLCC)	553
• Louisiana Delta Community College (LDCC)	131
• Louisiana Technical College (LTC)	18,312

Source: Prepared by legislative auditor's staff using information from the Board of Regents.

The LTC is one college with eight districts and 42 campuses located throughout the state. Exhibit 4 shows the campuses within the eight districts.

Exhibit 4
LTC Districts and Campuses

District	Campuses
1	Jefferson, Sidney N. Collier, Slidell, and West Jefferson
2	Baton Rouge, Florida Parishes, Folkes, Hammond, Jumonville, Sullivan, and Westside
3	Ascension, River Parishes, L. E. Fletcher, and Lafourche
4	Evangeline, Gulf Area, Lafayette, T. H. Harris, Teche Area, and Young Memorial
5	Acadian, Charles Coreil, Morgan Smith, Oakdale, and SOWELA
6	Alexandria, Avoyelles, H. P. Long, Lamar Salter, and Shelby M. Jackson
7	Mansfield, Natchitoches, Northwest, Sabine Valley, and Shreveport/Bossier
8	Bastrop, Delta-Ouachita, North Central, Northeast, Ruston, and Tallulah

Source: Prepared by legislative auditor's staff using information from LCTCS.

LTC Reorganization

The LCTCS Board of Supervisors approved the reorganization of the LTC into eight districts at the June 2001 and July 2001 board meetings. The LCTCS then hired a consultant to evaluate the governance and human resources needs of the LTC and to develop an administrative organizational model. The consultant's report, published in February 2002, recommended that certain positions and functions be created within the district administration. For the most part, the LTC has adopted the consultant's recommendations that relate to district administration.

In accordance with the consultant's recommendations, each LTC district is comprised of an assistant chancellor and staff. Each assistant chancellor is responsible for supervising the operations of district campuses, including business and academic planning; leadership in community relations and economic development initiatives; and coordination of administrative, student services, and academic programs. In addition to the assistant chancellor, each district administrative staff consists of the following positions:

- Dean of Instruction
- Dean of Workforce Development
- Dean of Student Services
- Dean of Administration (includes fiscal, human resources, and facilities)

Performance Information

The overall mission of the LCTCS is to prepare Louisiana's residents for improved quality of life, workforce success, and continued learning. Priorities of the system relevant to our audit objectives include the following:

- Increase the number of qualified graduates entering the workforce

- Improve the transfer rate of associate degrees and courses to other colleges and universities

- Respond to industry needs by structuring relevant technical education and training curricula

- Achieve accountability by focusing on system output measures for enrollment, retention, program completion, and graduate success

In Fiscal Year 2002, the LCTCS educated approximately 47,000 students; employed about 2,800 campus employees; and offered over 200 degree, diploma, and certificate programs. Appendix C shows the number of full-time equivalent students (FTEs) and completers per institution for the 2001-2002 academic year, as well as the amount of state General Fund and total budget appropriation (including self-generated revenue) per institution for the 2002 fiscal year.

Exhibits 5 and 6 compare the number of FTEs and completers for the LTC districts and community colleges, respectively.
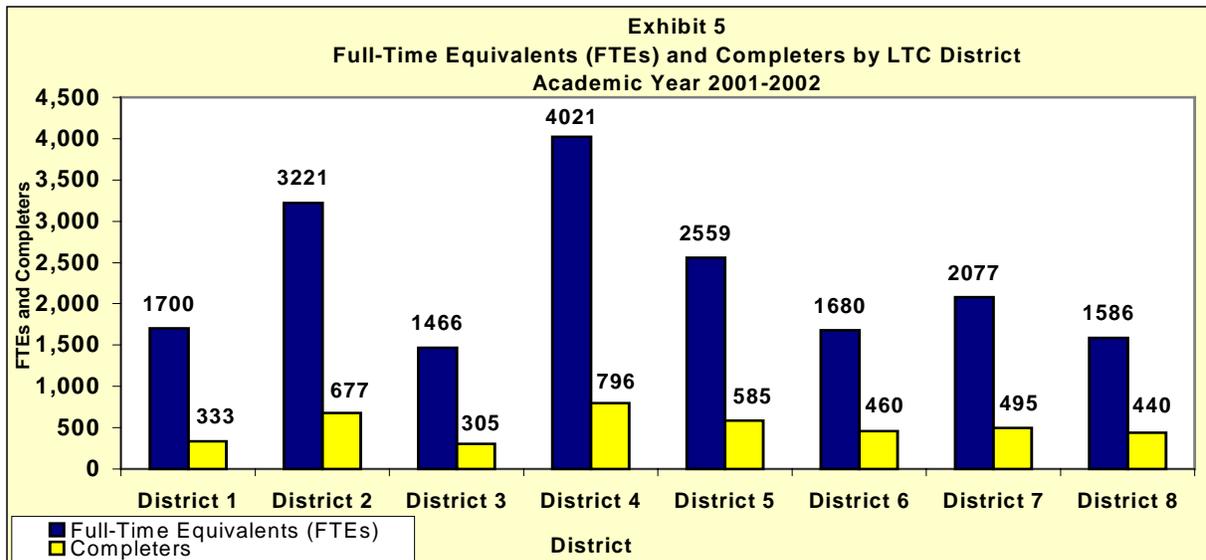
Exhibit 5
Full-Time Equivalents (FTEs) and Completers by LTC District
Academic Year 2001-2002

Source: Prepared by legislative auditor's staff using information from Appendix C.

Exhibit 6
Full-Time Equivalents (FTEs) and Completers by Community College
Academic Year 2001-2002
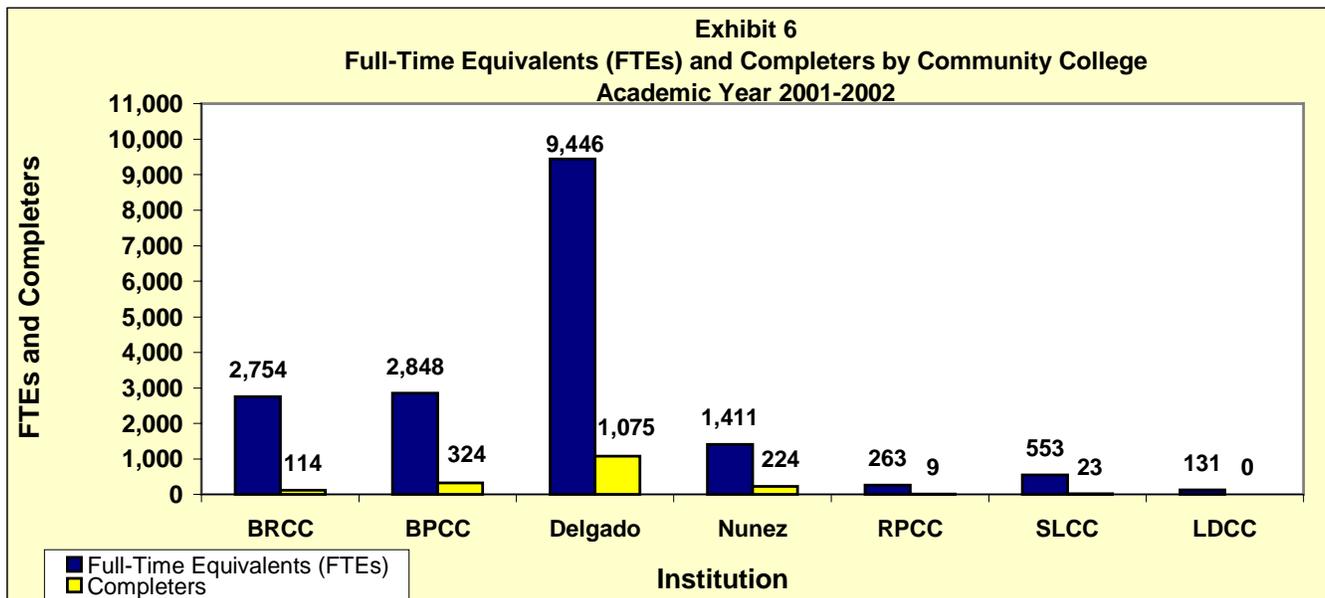
Source: Prepared by legislative auditor's office staff using information from Appendix C.

Future Challenges

The LCTCS will face many challenges in the near future. They include funding issues, dual enrollment of high school students, and remedial education requirements. These issues are discussed in more detail in the following three sections.

Funding for Growth, Facilities, and Noncredit Vocational Training

By 2005, with the implementation of the Board of Regents Master Plan for Public Postsecondary Education, the community and technical college campuses expect to see an influx of over 20,000 students who will no longer meet selective admissions requirements at certain universities. According to the LCTCS president, sufficient funding is the greatest challenge facing the system. LCTCS campus officials said that they need funding that is based on growth, they need funding to upgrade their facilities, and they need funding for noncredit vocational training.

The LCTCS has received some funding related to two of these areas. In Fiscal Year 2002, the Board of Regents allocated approximately $7 million in growth and equity funds to all two-year institutions. The funds were allocated based on enrollment and campus growth from one year to the next. The LCTCS also received a $12 million line of credit through the capital outlay process during the 2001 Regular Legislative Session. The LCTCS approved the use of $7.9 million of those funds for life, safety, and deferred maintenance repairs at 24 LTC campuses. Some campuses, like the Sidney Collier campus, were not included in this allocation. According to the Division of Administration, Sidney Collier has "exceeded its economic life."

The LCTCS has not received a state appropriation for noncredit vocational training. Noncredit vocational training is training outside of standard program offerings that is specifically designed by campuses to meet the needs of area business and industry. However, LCTCS campuses do receive state funds through the Department of Labor's Incumbent Worker Training Program for some of these students. According to an Education Commission of the States survey in 2002, 20 states fund noncredit vocational training through state appropriations or grants. Unlike Louisiana, four states allow this training to be included in the state funding formula. The LCTCS should work with the Board of Regents to determine how best to address these funding issues.

Dual Enrollment of High School Students

Louisiana offers high school students an opportunity to enroll in two-year institutions while finishing high school. These dual enrollment opportunities allow students to save time and money while pursuing a degree. Board of Regents officials told us that they do not include high school students in the funding formula because the Minimum Foundation Program funds secondary education, and funding these students at the postsecondary level would be "double dipping." However, the model the LTC uses to fund individual LTC campuses does include high school students. In academic year 2001, approximately 7% of LTC students were high school students.

A recent report by Paul Elsner stresses the importance of dual enrollment and recommends that the LCTCS increase its efforts to support dual enrollment. The report also recommends that the LCTCS develop guidelines for sharing enrollment revenue so that neither high schools nor colleges are penalized. According to LCTCS officials, some campus deans and assistant chancellors have developed agreements with local secondary school districts to reduce, but not eliminate, the financial strain through either minimal tuition charges or in-kind contributions such as transportation, materials, or faculty. The LCTCS and the Board of Regents should work with the Department of Education and local superintendents to discuss funding of high school students so that LTC campuses are not penalized for providing this service.

Remedial Education

According to the Board of Regents, about one-third of first-time freshmen at Louisiana universities need at least one remedial course. About 70% of first-time freshmen at Louisiana two-year institutions need at least one remedial course. When the universities move to selective admission requirements in 2005, the Board of Regents predicts that many students will take developmental and other courses at the community colleges and technical college campuses. This change will cause an influx of students at LCTCS institutions. Both the LCTCS and the Board of Regents need to ensure that the community and technical colleges are adequately equipped and prepared to educate these students.

Roles, Functions, and Staffing of Louisiana Community and Technical College (LCTCS) Board of Supervisors and Office Staff

What are the mandated roles and functions of the LCTCS Board of Supervisors and office staff?

The board and its staff are constitutionally and statutorily responsible for the supervision and management of the seven community colleges and the one technical college (with 42 campuses) within the Louisiana Community and Technical College System (LCTCS). Internal bylaws, policies, and job descriptions direct the board and its staff to provide direction, control, supervision, management, and assistance to the institutions within the system. Provisions contained in the bylaws, policies, and job descriptions are, for the most part, consistent with legal requirements. However, we did find three exceptions. Two of these exceptions have since been corrected by the LCTCS. One remains to be corrected.

Roles and Functions of Board and System Office Staff

Article 8, Section 7.1 of the Louisiana Constitution creates the LCTCS Board of Supervisors. This provision states that the board has supervision and management responsibilities of all programs of public postsecondary vocational-technical training and institutions of higher education that offer associate, but not baccalaureate, degrees. As previously stated, the LCTCS Board of Supervisors began operating on July 1, 1999.

R.S. 17:3351 contains powers and duties relative to all management boards. Some of these powers and duties are to:

- Purchase land and equipment and construct buildings necessary for system use

- Employ, fix salaries, and fix duties for board and institution staff

- Adopt, amend, and repeal rules and regulations necessary for the business of the board and the government of LCTCS institutions

R.S. 17:1871 refers specifically to the LCTCS and states that the Board of Supervisors shall supervise and manage the public institutions assigned to its jurisdiction and perform the following:

- Cooperate and work together with the Board of Regents in seeking to ensure that community and technical college programs are responsive to the needs of students for education and training and to businesses for educated and trained employees

- Maximize the use of facilities, faculties, and other resources already in place to provide for the education and training of students

- Adopt practices and guidelines to provide for minimizing the number of administrators employed in the LCTCS and the proportion of the system budget allocated for costs associated with administration

- Continue development of articulation agreements between institutions under the management of the board and institutions managed by other postsecondary management boards, both public and private

Internal LCTCS policies exist for both the system office staff and the institutions within the system. According to LCTCS officials, institutions must operate under their previous management entity's policies until the LCTCS approves new policies. Because the LCTCS is relatively new, the board continues to approve policies at its meetings.

In addition to the bylaws and policies, duties and responsibilities are also found in staff job descriptions. The system office staff's duties can be broken down into the following areas: President, Administrative and Finance, Academic Affairs, and Facilities Planning. Overall, based on our evaluation of policies, bylaws, and job descriptions and on interviews conducted with system office staff, the primary duties of the LCTCS are to:

- Develop policies and procedures for institutions

- Approve the hiring and salaries of various employees

- Receive and expend funds

- Analyze and research issues and make recommendations to the Board of Supervisors for action

- Approve the addition and termination of academic programs

For the most part, the duties and responsibilities contained in law are consistent with those presented in the LCTCS bylaws, policies, and job descriptions. However, we identified three statutes that were not addressed in bylaws, policies, or job descriptions. After we brought these issues to the staff's attention, the Board of Supervisors approved policies that address the requirements of two of these statutes. However, the remaining statute has not yet been addressed. The three statutes and their resolution are as follows:

1. **R.S. 17: 3351(C)(1)** requires the Board of Supervisors to adopt a policy requiring each institution to report monthly on the number and types of reported criminal offenses on property owned or under the control of the institution.

   We brought this statute to the LCTCS staff's attention on June 27, 2002. The board approved a policy that addresses the statute on September 11, 2002. The new policy requires that campuses submit this information to the LCTCS system office each month.

2. **R.S. 17:1871(B)** requires the Board of Supervisors to adopt practices and guidelines to provide for minimizing the number of administrators employed in the LCTCS and the proportion of the system budget allocated for costs associated with the administration.

We brought this statute to the LCTCS staff's attention on June 27, 2002. The board approved a policy that addresses the statute on September 11, 2002. The new policy encourages institutions to minimize administrative costs and use National Association of College and University Business Officers (NACUBO) percentages of expenditures for instruction and administration.

3. **R.S. 17:3351(B)(3)** requires the Board of Supervisors to adopt policies and rules authorizing state colleges and universities to develop and conduct courses of study and curricula for inmates and personnel at state correctional institutions.

   According to LCTCS staff, the system is working with the Department of Public Safety and Corrections on this issue. This issue is important because of the large number of prisoners who are students in the LTC. In academic year 2001-2002, prisoners comprised about 7% of the total LTC FTE students in the technical college. Currently, 13 LTC campuses provide instruction at correctional facilities.

NACUBO has reported expenditure percentages for community colleges but not for technical colleges. However, according to the LCTCS policy, all LCTCS institutions, including the technical college, are encouraged to strive toward meeting the NACUBO percentages. Despite the new policy, we found that some colleges do not meet the NACUBO expenditure percentages. In a study conducted in 1999, NACUBO found that at least 50% of community college expenditures were used for instruction, 16% was used for administration, and 10% was used for student services. Exhibit 7 shows how the LCTCS institutions compare to these NACUBO averages.

Exhibit 7
Percentages of Budget Allocated to Instruction and Administration
LCTCS Versus NACUBO Standards
Fiscal Year 2002

Campus	Instruction	Administration	Student Services
NACUBO	**50%**	**16%**	**10%**
BRCC	33%	28%	8%
BPCC	53%	13%	6%
Delgado CC	54%	12%	6%
LDCC	21%	46%	10%
Nunez CC	41%	18%	7%
RPCC	24%	32%	13%
SLCC	29%	28%	8%
LTC	62%	22%	9%
Source: Prepared by legislative auditor's staff using budget data presented at the July 2002 LCTCS Board of Supervisors meeting.			

According to the LCTCS policy, meeting the NACUBO averages is more difficult for the smaller, new, and emerging institutions. The emerging community colleges are SLCC, BRCC, RPCC, and LDCC. These institutions do not have the student and faculty population that the more established institutions have; therefore, their instructional costs do not meet the

50% standard. This fact may explain why these four schools do not have percentages that are similar to the NACUBO figures.

Recommendation 1: The LCTCS Board of Supervisors should adopt a policy that addresses the requirements of R.S. 17:3351(B)(3).

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working with the Department of Public Safety and Corrections on this issue.

What resources are used to carry out the roles and functions of the LCTCS Board of Supervisors and office staff?

The LCTCS Board of Supervisors and office employed 39 full-time and part-time staff members at an approximate cost of nearly $2 million in salary expenditures to carry out its roles and functions in Fiscal Year 2002. The salary expenditures and salaries for various staff members for Fiscal Year 2002 are shown in Exhibit 8. These expenditures are included in the total operating expenditures of $258 million discussed on page 3.

Exhibit 8
LCTCS Salary Expenditures and Salary Amounts
Fiscal Year 2002

Title	Salary Expenditures	Salary Amounts
President	$127,578	$170,000
Special Projects	112,044	152,000
Vice President for Finance, Facilities Planning, Management Information Systems and Administration	102,250	103,000
Internal Audit Director	81,800	82,400
Interim Vice President for Instruction and Learning	81,800	82,400
Management Information Systems Director	76,687	77,250
Budget Director	70,537	71,550
Facilities Planning Director	69,072	69,360
Secondary Programs Coordinator	66,462	66,950
Coordinator of Performance Monitoring	65,000	65,000
Human Resources Director	64,417	64,890
Postsecondary Programs	63,545	62,830
Executive Assistant to the President	28,615	62,000
Executive Assistant	31,638	61,800
Senior Internal Auditor	60,900	61,200
Finance Officer	56,237	56,650
Institutional Research Director	50,893	56,100

Exhibit 8 (Continued)
LCTCS Salary Expenditures and Salary Amounts
Fiscal Year 2002

Title	Salary Expenditures	Salary Amounts
Planning and Articulation Coordinator	$57,295	$55,650
Telecommunications Coordinator	54,192	54,590
Software Administrator	52,999	53,000
Local Area Network Manager	44,783	50,000
Workforce Development Coordinator	49,004	50,000
Financial Analyst	45,673	47,500
Compliance Officer	44,230	46,350
Compliance Officer	32,580	45,000
Human Resources Assistant Director	37,172	41,050
Assistant to the Board	39,503	40,678
Executive Secretary	30,449	39,320
Facilities Planning Coordinator	35,799	35,700
Executive Secretary	17,488	35,020
Executive Secretary	10,184	30,600
Executive Secretary	25,926	30,600
Policy Coordinator	30,230	30,000
Accounting Technician	24,016	27,175
Accounting Specialist 2	21,899	23,266
Secretary 2	4,800	16,640
Financial Analyst	7,392	N/A
Executive Assistant	30,003	N/A
Executive Secretary	34,764	N/A
Total	**$1,939,855**	**$2,117,519**

N/A: Employees are either students or are no longer with the system and their salary information is not available.
Highlighted rows: Salary expenditure is greater than the salary listed in ISIS for the employee. According to the LCTCS Human Resources Director, salary expenditures may be greater than approved salary because of retroactive payments.
Italicized: Salary is paid with federal Perkins funds.
Source: Prepared by legislative auditor's staff using information from LCTCS and the Integrated Statewide Information System (ISIS).

The bylaws of the Board of Supervisors provide for the payment of per diem reimbursements to the members of the board. Each board member is entitled to receive a per diem of $50 for each day of attendance at board meetings, meetings of committees on which the member serves, or while conducting duties assigned by the board. These per diem expenditures totaled $12,050 in Fiscal Year 2002. Board members are also entitled to 32 cents per mile for travel and the reimbursement of actual expenses for lodging and meals. Board members received $27,540 in travel reimbursement for attending board meetings, conferences, and workshops in Fiscal Year 2002.

In addition to the staff's salary expenditures and the board members' per diem and travel expenditures, the LCTCS entered into 124 contracts for professional services from July 1, 2000, to May 15, 2002. These contracts totaled $62,278 and were for a variety of services including the design

of programs, professional development and training, information system assistance, and facilities planning services. Some of these contracts were with individuals who had been hired as employees of the system office but who had not yet begun work. More information on those contracts can be found on pages 59 through 61 of this report.

The LCTCS Board of Supervisors and office staff are currently structured according to the organizational chart on the following page.

LCTCS Organizational Chart

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                    ┌─────────────────────────┐          ┌──────────────────────┐
                    │ LCTCS Board of Supervisors│         │ Secretary to the Board│
                    └─────────────────────────┘          └──────────────────────┘

┌──────────────────────────────┐   ┌──────────────────┐   ┌──────────────────────────────┐   ┌──────────────────────┐
│Administrative Assistant to the │   │ System President │   │Executive Assistant to the President│  │Director, Internal Audit│
│          President            │   └──────────────────┘   └──────────────────────────────┘   └──────────────────────┘
└──────────────────────────────┘
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| Senior Vice President, Finance and Administration | Senior Vice President, Academic and Student Affairs | 7 Community College Chancellors | 1 Technical College Chancellor |

| Finance/Budget | Human Resources |
| Facilities | Information Technology |

Administrative and Financial Affairs Council

Vice President, Community College Services	Vice President, Technical College Services
Instructional Strategies/ Learning Programs	Economic Development/ Incumbent Worker
Enrollment Management	TANF I, II, and III
Electronic College	Ford Grant
Perkins	Research
Academics/Student Affairs Council	Teacher Education

8 Assistant Chancellors

How satisfied are the institutions with the services provided by the LCTCS Board of Supervisors and office staff?

Overall, most of the community colleges within the LCTCS said that they are satisfied with the services provided by the Board of Supervisors and office staff. However, most of the technical college campuses said that they are dissatisfied with those services, although the LTC chancellor gave satisfactory ratings for all service areas. Overall, 71.4% of the community colleges said that they are satisfied with the LCTCS as a management entity, as compared to only 30.3% of the technical college campuses. However, the community colleges, technical college campuses, and the LTC chancellor view the system president as an effective leader for the system. Several of them expressed their confidence in his ability to manage and lead.

Officials at many of the technical college campuses indicated dissatisfaction with the lack of policies and procedures, poor communication, and the perceived inequity between their campuses and the community colleges. Many of these areas of dissatisfaction were common across multiple campuses. Also, both technical and community college officials expressed dissatisfaction with the conversion to the PeopleSoft computer system. Low customer satisfaction ratings in these areas may indicate that attention by the board and system office staff are needed to ensure that these services are provided in the most effective manner possible.

Community College Survey Results

Overall, the majority of community colleges (71.4%) said that they are either satisfied or very satisfied with the services they receive from the Board of Supervisors and/or system office staff. In addition, the president received a 100% satisfaction rating. All seven community colleges responded to our survey. Exhibit 9 shows the satisfaction ratings for the seven functional areas covered in the survey.

Exhibit 9
Community College Survey Results
Satisfaction Ratings
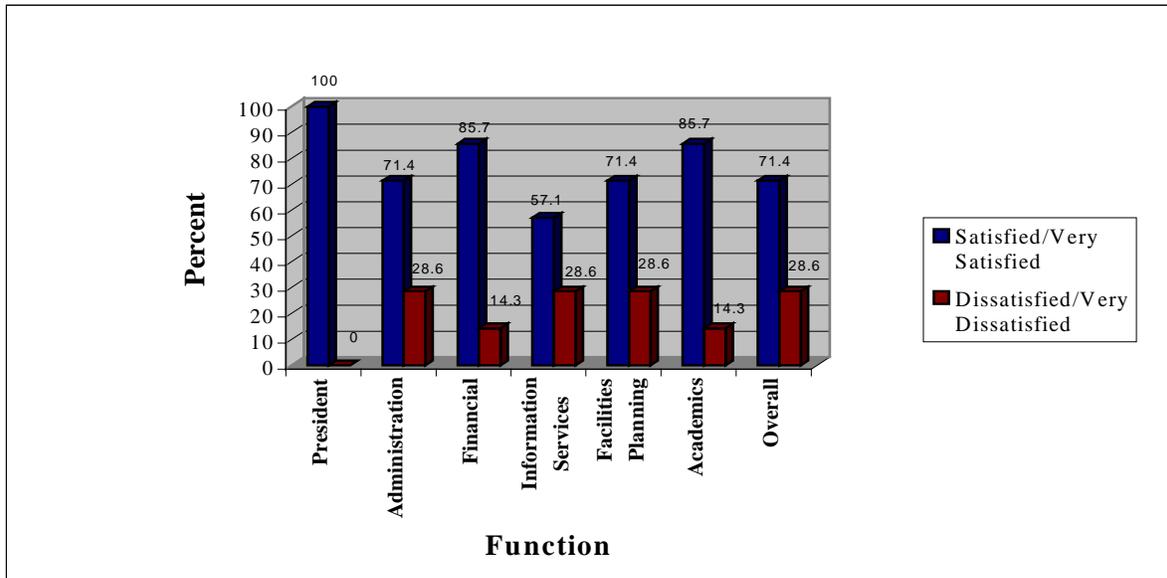
Source: Prepared by legislative auditor's staff using survey results.

As the exhibit indicates, most of the community colleges are satisfied with most of the services they receive in the seven functional areas. However, some deficiencies were noted in each functional area except for the president's. These deficiencies by functional area are summarized as follows:

Administrative Functions

Most of the campuses (71.4%) stated that they are satisfied or very satisfied with administrative services. The respondents gave the highest ratings for the provision of legal service. A contracted law firm provides these services. The survey results also indicate that improvement may be needed in the development of policies and procedures dealing with accounting, human resources, performance evaluations, information systems, purchasing, and the cost of instructional programs. Comments included in some survey responses indicate that the manner in which administrative staff communicate with campuses could be improved as well.

The survey results also indicate that improvement is needed in the quality of research services provided by the LCTCS. The majority of community colleges (57.1%) said that they were either dissatisfied with these services, that they were not familiar with these services, or that research services are not provided. These responses may indicate that the staff is either not providing this service as effectively as needed or is not providing it at all.

Financial Functions

Six of the seven community colleges (85.7%) stated that they are satisfied or very satisfied with the quality of services provided by the financial staff. The primary areas where improvement may be warranted are overseeing institutional funds and cost studies, assessing the financial status of institutions, approving performance measures, and serving as a liaison on budget matters to outside entities.

Information Services Functions

Most campuses (57.1%) said that they are satisfied or very satisfied with the services provided by the information services systems staff. However, three campuses (42.8%) stated that they are dissatisfied or very dissatisfied with MIS planning and direction and the implementation of software. The low ratings in these areas are likely due to the recent implementation of the new PeopleSoft software system. Problems with the PeopleSoft conversion and implementation are discussed on pages 32 through 37.

Facilities Planning Functions

The survey responses indicate that most of the community colleges are satisfied with the quality of services provided by the facilities planning staff. Five campuses (71.4%) said that they are satisfied or very satisfied with these services. However, the responses also indicate that some functions may need improvement. The primary function that may need improvement is conducting needs assessment surveys and surveys on the use and condition of facilities. None of the community colleges gave a satisfactory rating for this function. Other functions with low ratings include the following:

- Developing policies on shared resources
- Providing general oversight on existing facilities
- Providing assistance on Americans with Disabilities Act issues

Academic Affairs Functions

Most of the community colleges (85.7%) said that they are satisfied or very satisfied with the services provided by the academic affairs staff. All seven community colleges said that they are satisfied or very satisfied with the development of appropriate policies on instruction, student, and faculty affairs. However, the survey responses also indicate that improvement may be needed in other functions. These functions are assessing accreditation compliance, evaluating the impact of instructional programs, and recommending the establishing or termination of instructional programs. In these cases, most campuses said that they are either dissatisfied or very dissatisfied with the services, are not familiar with the services, or that the services are not provided to their campus. In addition, three campuses (42.9%) said that they are either dissatisfied, very dissatisfied, or not familiar with the service of promoting articulation in the system. These responses may indicate that the staff is either not providing these services as effectively as needed or is not providing them at all.

Comments Provided by Community College Officials

When asked if the board and system office staff are proactive, reactive, or a combination of both, most campuses (57.1%) responded that they are both proactive and reactive. That is, the board and staff actively try to identify issues before they become problems, but they also tend to resolve some problems only after the campuses bring them to their attention. Two campuses (28.5%) said that the board and staff are reactive, mainly because of their lack of experience and their inability to work with the campuses to solve problems.

In general, the campuses also suggested that more assistance is needed with policy development, hiring of qualified and competent staff, and working to forge articulation. Two campuses suggested that the board and/or system office staff adopt a more service-oriented attitude toward the campuses and not micromanage the institutions.   The colleges offered the following additional suggestions for the system:

- Implementing a help desk for certain functions (e.g., MIS - PeopleSoft, human resources, finance)
- Improving the internal audit function
- Conducting reviews at campuses to ensure consistency in operating procedures
- Developing best practices

Technical College Survey Results

In contrast to the community colleges, most of the technical college campuses (67.6%) that responded to our survey said that, overall, they are either dissatisfied or very dissatisfied with the services they receive from the Board of Supervisors and/or system office staff. Their responses may indicate that the LCTCS is not effectively providing certain services that impact the campuses. We received survey responses from 34 of the 42 (81.0%) campuses. We also received a response from the LTC central office on March 27, 2003, a month after the LCTCS received a copy of our preliminary report draft and after we had made several unsuccessful requests for the response during the audit. The LTC chancellor rated the services in all areas as satisfactory. Exhibit 10 on the following page shows the LTC central office's ratings and the LTC campuses' ratings of the services provided by the LCTCS board and office staff.

Exhibit 10
LTC Central Office and Campus Survey Results
Satisfaction Ratings
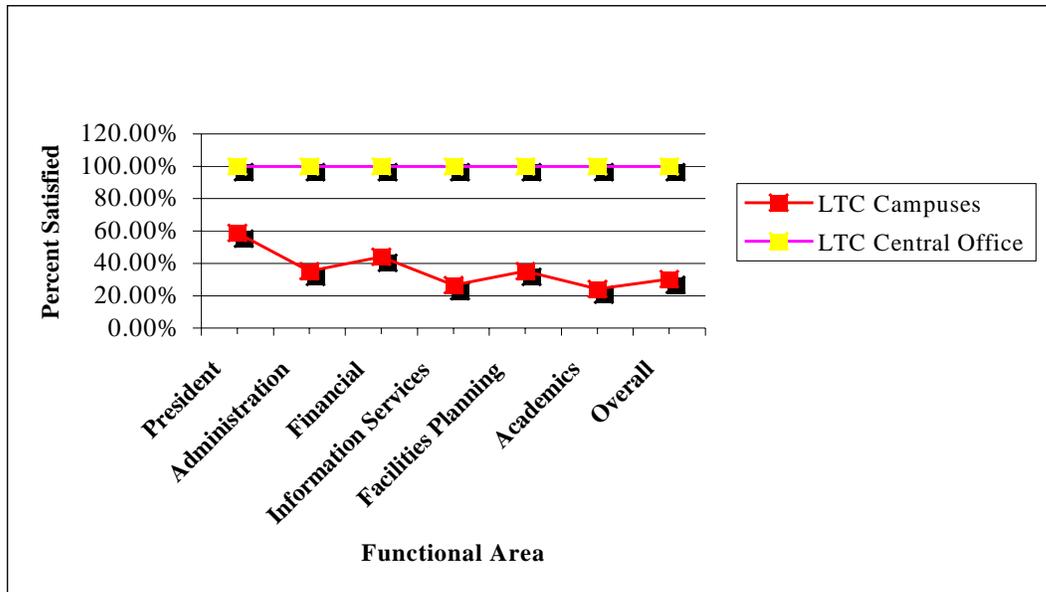
Source: Prepared by legislative auditor's staff using survey results.

As the exhibit shows, the LTC central office's responses vary significantly from the individual campus responses. Because of the varied responses provided by the LTC campuses, we present their responses in more detail in the following sections. Exhibit 11 shows the satisfaction ratings for the seven functional areas covered in the survey.

Exhibit 11
LTC Campus Survey Results
Satisfaction Ratings
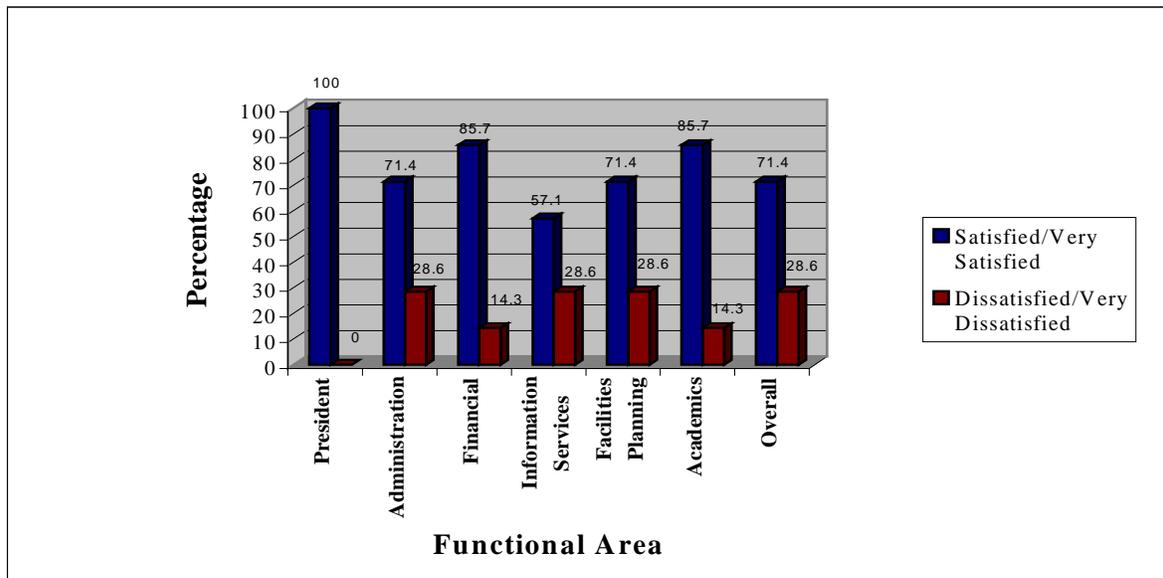
Source: Prepared by legislative auditor's staff using survey results.

As the exhibit shows, most of the technical college campuses stated that they are dissatisfied or very dissatisfied with most of the services that the LCTCS board and office staff provide. Some of the common problems cited by LTC campuses are communication problems, the lack of consistent and relevant policies and procedures, poor implementation and planning, and the conversion to PeopleSoft. However, most technical college campuses said that they are satisfied with the president's performance. Therefore, the president may want to consider evaluating the quality of certain services that his staff provides to the campuses. Specific findings related to each functional area are discussed in the following paragraphs.

Presidential Functions

For the most part, the technical college campuses view the system president as an effective leader for the system. Twenty (58.8%) of the 34 campuses that responded to our survey said that they were either satisfied or very satisfied with the services provided by the president. The campuses gave the highest ratings in the areas of representation to other entities, defining missions and functions of campuses, and handling personnel actions. Several campuses noted that they are confident that the system will move forward under the system president's leadership. Another campus said that the president exhibits leadership, integrity, trust, and organizational skills.

However, some campuses indicated a need for the president to improve his communication with the campuses. Nineteen (55.9%) campuses said that they were dissatisfied or very dissatisfied with his meeting with campuses, and 14 (41.2%) said that they were dissatisfied or very dissatisfied with the establishment of lines of communication with the campuses. One campus said that the president is not familiar with the technical college campuses and the population they serve.

Two other potential areas of improvement are policy development and coordination of campuses. Approximately half of the campuses that responded to the survey said that they were dissatisfied or very dissatisfied with the president's performance in these areas.

Administrative Functions

The survey results indicate that improvement may be needed in certain administrative functions. Most of technical college campuses (61.8%) said that they are dissatisfied with services provided by the administrative staff. The development of policies, especially in the areas of information services, program costs, purchasing, and human resources received the lowest rankings. One campus stated that policies are not streamlined or efficient and each district is implementing its own policies, which results in a lack of consistency among the campuses. Some campuses noted that policies are often not accompanied with guidance or procedures on how to implement them.

Financial and Budget Functions

More than half (52.9%) of the technical college campuses that responded to our survey said that they are dissatisfied or very dissatisfied with the services provided by the LCTCS financial and budget staff. The functions that received the lowest ratings were the oversight of institution's funds and costs studies (55.9%), ongoing assessment of the financial status of institutions (55.9%), preparation of budgets (52.9%), and training of financial officers (57.6%). One campus expressed concern about the validity of the LTC cost study that is used to calculate the LTC budget. The low rankings in this area may be partially because the LCTCS did not approve and develop LTC's Fiscal Year 2003 budget until October 2002.

Information Services Functions

Most campuses (67.6%) that responded to our survey said that they are dissatisfied or very dissatisfied with the services provided by the information services systems staff, with the exception of the management of telecommunications systems. Most campuses (76.5%) said that they are dissatisfied or very dissatisfied with management information system planning, and 82.4% said that they are dissatisfied or very dissatisfied with the implementation and deployment of software and hardware. The low ratings in these areas are likely due to the recent implementation of PeopleSoft. According to comments included in the survey responses, PeopleSoft was not cost effective, not well organized, and not planned or implemented properly. (For more information on problems with PeopleSoft, see pages 32 through 37.)

Facilities Planning Functions

The survey results show that 67.6% of the responding campuses are dissatisfied or very dissatisfied with the quality of services provided by the facilities planning staff. However, the campuses are generally satisfied with certain services such as the development of policies on facilities, conducting surveys on the use and condition of facilities, and ensuring compliance with various requirements. The low rankings in areas such as preparing capital outlay requests, developing policies on sharing of resources, and providing general oversight on the modification and maintenance of facilities indicate a need for improvement in these areas.

Academic Affairs Functions

The survey results show that most campuses (72.7%) are dissatisfied or very dissatisfied with most of the services that the academic affairs staff provides. The only service that received a satisfied or very satisfied rating was assessing accreditation compliance. The other services (i.e., evaluating the impact of programs, promoting articulation, establishing and terminating instructional programs, and developing policies on instruction) all received dissatisfied or very dissatisfied ratings. The low ratings may indicate a need for improvement in the provision of services in these areas.

Two campuses commented that the academic affairs staff does not have experience with either higher education or technical training. Also, two campuses noted that they have had problems with the approval of new programs. One of these campuses said that the process did not enable it to meet the needs of business and industry, and the other said that it has tried to develop a program fully supported by business for two years, but the academic affairs staff has not allowed it.

Comments Provided by LTC Campus Officials

The 34 campuses that responded to our survey expressed concerns in common areas. The most prevalent problem they cited was the development of policies and procedures. Many campuses stated that the lack of policies, guidance, and direction has had a negative impact on the campuses. One campus said that it is lacking so many policies and procedures for important processes that it is difficult to carry out day-to-day work. Some campuses also said that policies that have been implemented are not relevant, streamlined, or consistent. The campuses suggested that the system office should provide policies that:

- Include clear and concise directions
- Address the needs of the system
- Include procedures on how to implement them
- Do not change all the time
- Remain consistent

Many campuses also cited the conversion to PeopleSoft as having a negative impact on the campuses. They said that PeopleSoft was not well planned and was implemented without policies and procedures in place and with little training. They suggested that the LCTCS office establish a help desk for PeopleSoft questions.

In addition to the lack of policies and procedures and the conversion to PeopleSoft, the campuses cited several additional problems as well. These problems are as follows:

- Decisions are hurried, not well planned, and implemented with little regard for consequences.
- Communication with the campuses is poor.
- The LTC allocation model (i.e., the model that is supposed to equitably distribute funds to the LTC campuses) is flawed.
- The individual campuses are losing their identity.
- An additional layer of management has been created.

When asked if the board and/or system office staff are proactive, reactive, or a combination of both, 40.2% of the responding campuses said that they are both proactive and reactive. That is, the board and staff actively try to identify issues before they become problems, but they also tend to resolve some problems only after the campuses bring them to their attention. Nine campuses (26.5%) stated that the board and staff are reactive. One campus commented that the system is always putting out fires.

Campuses also offered a variety of suggestions for improving the services provided by the system office staff. Some of these suggestions are as follows:

- Improving communication between the system office and the LTC campuses, including more input into policymaking and other decisions
- Evaluating the system office staff's familiarity with the LTC and their qualifications for providing services to it
- Providing training and seminars for LTC employees
- Spending less money on centralized administration and/or decentralizing administration
- Visiting campuses to get a better understanding of what they do

Recommendation 2: The LCTCS Board of Supervisors and office staff should review the service deficiencies cited in this section of the report and determine if problems with the provision of these services actually exist. The board and staff should then formulate and implement steps for corrective action. Corrective action may need to involve the LTC central office.

Summary of LCTCS Response: LCTCS agrees with this recommendation and states that it is reviewing the structures and functions of the LTC and its relationship with the campuses.

Recommendation 3: The LCTCS Board of Supervisors and office staff should conduct periodic customer satisfaction surveys of the institutions to determine if they are providing essential and adequate services to them on a continuing and evolving basis. The system office staff should also periodically survey the members of the Board of Supervisors to gauge its effectiveness as a support unit in meeting the board's needs.

Summary of LCTCS Response: LCTCS partially agrees with this recommendation. LCTCS officials responded that they do not believe that we should have surveyed the LTC campuses.

Legislative Auditor's Additional Comments: We sent surveys to the LTC campuses in addition to the LTC central office because the LCTCS is ultimately responsible for all campuses in the system. In addition, most of the survey questions were related to areas where LCTCS has direct oversight, such as the establishment of system-wide policies and procedures and the implementation of PeopleSoft at the campus level. We feel that our survey of the LTC campuses was not only appropriate but also that it provided information that can be very useful to the LCTCS office and Board of Supervisors in its management duties.

New Management Initiatives

We identified several management initiatives that the system has undertaken. The president has initiated several projects that are designed to foster communication between the LCTCS office and the campuses and to increase the knowledge and skills of employees in the system. These initiatives should help improve the management of the system. These projects are summarized below.

Leadership Development Institute

According to an LCTCS official, the system president established the Leadership Development Institute in September 2000 in response to the board's request. The purpose of the institute is to build and reinforce the organizational and leadership skills that system employees (i.e., campus and board staff) need to foster student success in community and technical colleges. The first institute was held in calendar year 2002 and consisted of approximately 38 emerging leaders in the system. The second institute began this year with 26 participants. Many campuses have said that this professional development forum has had a positive impact on the system.

Week-End Memo

The president has started sending out via e-mail a "week-end" memo every Friday to various constituents, including board members, chancellors, system office staff, and other interested parties. The memo details all activities that the president has participated in that week. The memo includes highlights of what has been happening on campuses as well. The president also uses the memo to communicate upcoming items of interest and general information items.

President's Leadership Team

According to a system official, the president's leadership team consists of the LCTCS chancellors, LTC assistant chancellors, and system office executive staff. The group meets once a month before board meetings to discuss issues and initiatives relative to the system. This collaborative forum allows the president to receive input before pursuing initiatives or making decisions. It also gives campuses the opportunities to share ideas and best practices.

Accuracy of Programmatic Data

How do the LCTCS Board of Supervisors and office staff ensure that programmatic data received from campuses are accurate?

The LCTCS has not implemented certain controls that would help ensure that student credit hour and completer data are accurate.   Specifically, system office staff do not audit or verify the data and have not developed policies and procedures to ensure that LTC campuses define and collect the data appropriately. Student credit hour data are used to calculate Full Time Equivalents (FTEs), which are the basis for the Board of Regents' formula funding and the LTC allocation model. Completer data are used by the Board of Regents to assess the viability of programs and by the Department of Labor to determine whether programs are eligible for Workforce Investment Act funds. Therefore, it is imperative that these data be correct. However, because the LCTCS office does not verify the data, there is no assurance that it provide an accurate depiction of the performance of LCTCS institutions.

We found several instances of inaccurate data at LTC campuses. For example, some campuses incorrectly included in their reports to the Board of Regents credit hours of students who never attended class or who dropped prior to the 14th class day. It also appears that some campuses included noncredit hours in their credit hours. Consistent, written policies and procedures accompanied by audits of programmatic data would help ensure that the data are accurate.

In addition, the state may be funding some incumbent worker trainees twice. The legislature may wish to further review this situation.

The LCTCS conversion to the new PeopleSoft computer system was supposed to help standardize data collection and management. However, PeopleSoft is not working the way it was envisioned. It was supposed to allow real time access to campus records, which would be reported consistently across the state, and to perform the financial and human resource functions of the entire system. The LCTCS did not accomplish these objectives because the implementation was poorly managed. In addition, some members of the LCTCS Board of Supervisors may not have known the true status and cost of PeopleSoft. As a result, the system has spent three years and approximately $7 million on a computer system that does not report reliable data the way it was supposed to. In addition, consultants estimated that the project will require an additional $3.5 million to $5 million to upgrade and implement properly. These figures greatly exceed the original estimate of $4.5 million that was presented to the board when the first module of PeopleSoft was approved in December 1999.

No Verification of Programmatic Data

As stated, the LCTCS does not verify that student credit hour and completer data from the community and technical college campuses are accurate. These data are used to determine funding for LCTCS institutions and whether programs are viable. As a result, there is no assurance that funding is appropriate or that data provide a realistic depiction of campus performance. According to LCTCS officials, internal auditors will begin auditing the data this year.

Student Credit Hour Data

The Board of Regents collects data on student credit hours for all institutions each semester. The credit hours are used to calculate each institution's full-time equivalents (FTEs), which is the basis for determining the amount of formula funding each campus will receive. The LCTCS also uses FTEs as the basis for allocating funds to LTC campuses. The LCTCS and Board of Regents both have edit checks that check for reasonableness of the student credit hours reported and whether the data contain obvious errors and outliers. However, the edit checks do not verify the accuracy of the data. In addition, Board of Regents internal auditors audit student credit hour data at all community colleges each semester, but their procedures may not ensure that all errors are identified. Also, neither the LCTCS, the LTC, nor the Board of Regents ensures that student credit hour data are accurate at the technical college campuses. As a result, there is no assurance that funding amounts based on FTEs are accurate for each LCTCS campus.

Completer Data

In addition to student credit hour data, the Board of Regents collects data on completers from the community and technical college campuses each year. The Board of Regents uses this data to assess the viability of programs. If a program averages eight or fewer completers over five years, the Board of Regents evaluates whether to terminate the program. The Board of Regents has evaluated completer data at the community colleges. However, it has not yet evaluated the viability of any LTC programs because of problems with the accuracy of LTC data.

Because the LCTCS does not verify the accuracy of all student credit hour and completer data, there is no assurance that the data provide a realistic depiction of each institution's performance. Having reliable and accurate data would help show the effectiveness of LCTCS institutions. Although the LCTCS has not verified the data in the past, it has recently hired a new Director of Internal Audit and reorganized the internal audit function. According to the new director, one of their functions will be to visit campuses and verify data. The director also accompanied us on an audit of student credit hour data at one LTC campus.

Recommendation 4: The LCTCS office staff and Board of Supervisors should require the Internal Audit Division to conduct periodic audits of student credit hour and completer data to verify that they are accurate.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it has a plan for its Internal Audit Division to periodically audit student credit hour and completer data for accuracy.

LCTCS Lacks Policies on Data Definitions and Collection for LTC

The LCTCS does not have written, consistent policies and procedures for technical college campuses to use when defining and collecting student credit hour data. The lack of written policies and procedures has resulted in some LTC campuses reporting inaccurate student credit hour data. Written policies and procedures would help ensure that the data are defined and collected appropriately. Having accurate data is also important for making decisions on funding and program offerings. Because the

LCTCS has provided no written guidance to the technical college campuses, there is no assurance that data are consistently defined and collected among the various campuses.

As previously stated, Board of Regents auditors do audit some data at the community colleges, but not at the LTC campuses. Also, two recent reports cite problems with LTC data. A report on the reorganization of the LTC noted that LTC data represent a series of individual efforts and are not uniformly reported. The recent Elsner report says that data needs to be consistently defined, that data collection procedures need to be specified, and that collection strategies should be standardized. Therefore, we chose to do detailed verification work on LTC data.

According to the LTC interim chancellor, many of the data problems at the LTC are the result of a lack of guidance on how to define data. The Board of Regents provides some guidance on the submission of student credit hours on its Web site. However, this guidance is more tailored to universities and community colleges than to the technical college. According to the LCTCS, it held a workshop to help train LCTCS campuses on collecting and defining data. However, LCTCS staff said that many LTC employees did not attend the training.

When we discussed data definition and collection with LCTCS and campus officials, we were often told of different procedures and definitions used at different campuses. According to one campus dean, the definitions change each semester. The lack of clear policies and consistent procedures made it difficult for us to establish what the LTC campuses were supposed to be doing regarding data collection procedures.

Recommendation 5: The LCTCS office should work with the Board of Regents to develop and provide clear, written, and consistent guidelines for the technical college campuses regarding defining and collecting of all types of programmatic data.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working with the Board of Regents to develop clearly written and consistent guidelines.

Recommendation 6: The LCTCS office staff should require the LTC to provide training for campus personnel to help them understand data definition, collection, input, and reporting.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it has developed a series of workshops to train campus personnel.

Some Student Credit Hour Data Are Inaccurate

We audited the fall 2001 student credit hour data for nine programs at four LTC campuses by tracing the data back to source documents and determining whether they were correct. We identified the following problems:

- Student credit hour data submitted to the LTC central office by the LTC campuses did not always match the data submitted to the Board of Regents by the LTC central office.

- Seven students should not have been included in the data submitted to the LTC central office because they had dropped out of school. The hours for these students totaled 2,274 clock hours and 21 credit hours.

- One campus could not locate tuition receipts for 30.8% of the students in our sample.

- Three students were recorded as attending school during the fall 2001 semester, although they actually never attended.

- One campus coded a student as a regular student although he was actually a high school student.

Overall, we found it difficult to audit the student credit hour data because of the lack of standardized procedures and forms at each campus. Each campus had somewhat different procedures for registration, adding and dropping students, and generating grades. The use of standardized procedures and forms would make data verification more efficient. In addition, standardized procedures would help the LCTCS ensure that all campuses are following the same requirements.

Recommendation 7: The LCTCS office should require the LTC campuses to standardize policies and processes for registration, adding and dropping courses, issuing grades and refunds, and recording attendance.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working to develop standardized academic and student services policies and procedures for the LTC campuses.

Recommendation 8: The LCTCS office staff should require that all campuses keep sufficient and comprehensive student records.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working to develop comprehensive records management policies.

Some Noncredit Hours May Be Counted as Credit Hours

Student credit hour totals for academic year 2001 appear to include many noncredit hours. For example, many LTC campuses included in their credit hours courses such as customized training courses, GED courses, and apprenticeships that are typically not considered credit courses. As a result, the LTC campuses may have inflated their FTEs, which could affect their funding.

Specifically, we found the following:

- Of 2,860 Incumbent Worker trainees,
    - 2,617 took 39,926 hours that were counted as credit hours, and
    - 243 took 5,808 hours that were counted as noncredit hours.

- Of 2,195 GED students,
    - 180 took 584 hours that were counted as credit hours, and
    - 2,015 took 35,836 hours that were counted as noncredit hours.

- A total of 1,379 apprenticeship students took 412,917 clock hours that were counted as credit hours.

We were unable to definitely determine which of the above hours really should have been counted as credit hours because the data available for review were limited. As previously stated, the LCTCS did not provide the LTC campuses with written guidance on defining credit versus noncredit hours, which may be the reason why these hours were miscounted.

The LCTCS and Board of Regents staffs have begun to address the problems with defining credit and noncredit courses. They recently held meetings with LTC personnel from each district to discuss defining and collecting data. As part of these meetings, the LCTCS drafted some preliminary guidance for LTC campuses to use when inputting and defining student credit hours. The preliminary guidance defines **credit courses** as coursework within an approved degree program as identified in the Board of Regents *Inventory of Degree and Certificate Programs*. Although apprenticeships are not specifically addressed by the draft document, LCTCS officials said that programs such as apprenticeships and those discussed below will be counted as credit courses if they are part of the schools' approved curricula. The preliminary guidance defines **noncredit courses** as follows:

- Adult basic education/GED preparation courses

- Incumbent Worker and other customized or specialized training programs (unless the training is part of an existing credit course curriculum)

- Continuing education/personal enrichment/leisure courses (unless part of an existing credit course curriculum)

Recommendation 9: The LCTCS office staff and Board of Supervisors should issue formal written guidance that defines noncredit and credit hours to ensure that all campuses collect and define these hours appropriately and consistently.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working with system institutions to issue guidance that defines credit and noncredit hours.

Some Campuses May Be Funded Twice for Incumbent Worker Trainees

Another issue dealing with credit hours is that the credit hours of some Incumbent Worker Program trainees may be funded twice. The LCTCS allows the community colleges and LTC campuses to include credit hours taken by Incumbent Worker trainees who are trained in courses in campuses' existing curriculum in their credit hour totals. As previously explained, these credit hours are used to calculate FTE, which is used to determine how much funding the campuses will receive. The campuses also receive Incumbent Worker training grants from the state Department of Labor for these trainees. The grants are funded through the department's collection of unemployment insurance. The grants can include all costs of offering the training, including instruction costs, materials and supplies, facility costs, and others. Thus, the campuses may be receiving funding twice for the same trainees--once through either Board of Regents funding formula or the LTC allocation model and once through the Department of Labor Incumbent Worker grants.

We spoke with LCTCS, Board of Regents, and Department of Labor officials about the appropriateness of this situation, and they gave differing opinions. An LCTCS official said that she did not think this situation presented a problem. A Board of Regents official said that he thought if all costs were covered by an Incumbent Worker contract, those students should not be included in the FTE for funding purposes. However, he also said that they needed to check into this situation. A program manager over the Incumbent Worker Training Program at the Department of Labor expressed concern that the state was funding these trainees through the FTEs in addition to the Department of Labor grants. Thus, the issue remains unresolved.

Matter for Legislative Consideration 1: The legislature may wish to consider reviewing the funding for campuses with incumbent worker trainees to determine if they are being funded twice and if so, whether it is appropriate.

PeopleSoft Conversion Was Poorly Planned and Coordinated

The LCTCS recently converted to a new integrated computer system called PeopleSoft. One of the goals of the conversion was to standardize policies and procedures throughout the LCTCS. However, poor planning and a lack of coordination among the system office, the Management Information System (MIS) section, and the individual campuses slowed the PeopleSoft conversion. The poor coordination and planning were characterized by a lack of standard policies and procedures, personnel, infrastructure, central control, and funding. In addition, some members of the LCTCS Board of Supervisors may not have known the true status and cost of PeopleSoft. As a result, the PeopleSoft implementation did not meet its anticipated goals, and the Board of Supervisors found out too late to make timely corrections.

LCTCS campuses expressed the following concerns about the PeopleSoft project:

- The system office went forward with the implementation before developing standardized policies, procedures, and curricula.

- Training of the staff that will use PeopleSoft has not been adequate or well planned.

- Many security features were not implemented at the time of implementation.

- The software does not properly distribute Pell checks. Without Pell checks, students may not have enough money to pay necessary expenses while they are in school.

- Campuses were not loaded with the software by the go-live date.

The new consultant who was recently hired by the LCTCS to help fix PeopleSoft noted several similar issues. For instance, at the March 12, 2003, Board of Supervisors meeting, the consultant said that:

- With some manual processing, paychecks are now being issued correctly.

- Time and attendance are still being tracked on paper.

- They have not seen many signs of effective project planning and management.

- No LCTCS institution, except SLCC, is using the student administration module of PeopleSoft.

Lack of Standard Policies and Procedures Hindered Implementation

As previously stated, the LCTCS has not established comprehensive policies and procedures to ensure that programmatic and financial data are calculated consistently at each campus. The LCTCS MIS section established the development of such policies and procedures as a goal of the PeopleSoft implementation. However, the MIS section does not have the expertise, the power, or the number of personnel to induce such a change.

Both LCTCS officials and the PeopleSoft consultant said that one of the original goals of the LCTCS was for PeopleSoft to force all individual campuses to standardize policies and procedures. However, the consultant said that the software will accept any type of data that is input. Thus, the LCTCS may only capture inconsistent data once the software is up and running. The consultant agreed that the LCTCS central office needs to standardize policies and procedures first and then use PeopleSoft to collect data in a more efficient manner.

Recommendation 10: The LCTCS office should establish consistent policies and procedures throughout the system that will provide assurance that PeopleSoft captures accurate and consistent data.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that more work needs to be done on clarification and interpretation of data reporting elements.

Insufficient Number of Personnel Assigned to Implementation

The number of staff members that the LCTCS assigned to the PeopleSoft implementation was not sufficient to properly complete the implementation. The LCTCS began the system-wide implementation with only two employees assigned to the project. The PeopleSoft consultant questioned the number of employees assigned to the implementation and cited other school systems with similar numbers of students that had many more people devoted to the implementation. Thus, it appears that the LCTCS did not plan for a sufficient number of staff needed to successfully implement all aspects of PeopleSoft. According to an LCTCS official, the system is currently expanding its MIS section to help complete the implementation and handle normal MIS needs.

Recommendation 11: The LCTCS office should assign a sufficient number of staff to the MIS section to ensure that PeopleSoft is completely implemented and maintained and that normal technology needs are met. In addition, the LCTCS system office should ensure that it has full funding to staff future technology projects before they begin.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it is building an Information Technology staff to implement and maintain centralized information systems. However, the system has been limited by the availability of funding for additional staff.

Improved Technology Infrastructure Needed for Successful Implementation

In addition, the hardware infrastructure at some technical college campuses was insufficient to work properly. The PeopleSoft consultant warned the LCTCS of the lack of infrastructure. As a result of the lack of infrastructure, some campuses have had systems that do not fully operate or operate slowly.

Without adequate infrastructure, the PeopleSoft consultant could not complete all of the work it was contracted to do. In addition, the inadequate infrastructure caused poor transmission times for data, which then forced training and data transfers to be completed in Baton Rouge. Handling these issues in Baton Rouge may increase travel costs and time away from regular duties for employees at campuses.

Recommendation 12: The LCTCS office should ensure that each campus using PeopleSoft and the system office have a technology infrastructure that is sufficient enough to complete the implementation and future operation of PeopleSoft. The LCTCS system office should also ensure that in the future, it has full funding for all aspects of technology projects before they begin.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation. The LCTCS states that funding should be available to provide basic infrastructure but that it cannot ensure that funding will be available.

Lack of Strong Central Control by System Office Hampered Implementation

The LCTCS also lacked strong centralized control to coordinate the conversion to PeopleSoft. Instead of assigning a coordinator, the system office assigned one employee from the MIS area and one employee from the human resources area to handle the implementation. As a result, the system exceeded original cost projections and did not meet its initial goals.

In the early stages of the project, the LCTCS staff informed the Board of Supervisors that cost overruns and long implementation periods were common with the PeopleSoft software, but that this could be overcome with good planning. According to an LCTCS official, the MIS staff set up training for the campuses to attend, but it was not mandated. In addition, campus officials said that many of the training sessions were communicated through last-minute requests. The lack of a strong coordinating authority between the campuses and the MIS section contributed to the lack of training. Because the training was disorganized, not timely, and not mandatory, the campus personnel were not adequately trained on how to use PeopleSoft. In addition, campus officials complained about attending training in Baton Rouge while also trying to maintain their current positions at their campuses.

An additional problem is that in the fall of 2002, LCTCS could not process Pell checks timely. This problem caused many students to not receive their federal financial aid until October, nearly two months after the start of the semester. The MIS section did not know that the lack of student data would cause a delay in the Pell check processing. A strong central control could ensure sharing of vital information between system office sections and the campuses.

Recommendation 13: The LCTCS should use a strong coordinating authority or committee to oversee completion of the PeopleSoft implementation. This person or committee should have power as a change agent and serve as a link between normal campus operations and the Management Information Systems department.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation. It states that it is requesting that each college chancellor provide a plan of completion for the PeopleSoft implementation.

Some Members of Board of Supervisors May Not Have Known True Status and Cost of PeopleSoft

All members of the LCTCS Board of Supervisors did not appear to know the true status of the PeopleSoft project until recently. In addition, the current sources of funds for the PeopleSoft project vary significantly from the board-approved sources. Because of these issues, the board, as a management entity, may not have been as effective as it could have been in overseeing the implementation of the project.

The LCTCS Board of Supervisors approved the initial PeopleSoft module in December 1999 without identifying how it would pay for the entire project. An LCTCS official informed us that they began the project counting on the availability of the necessary capital outlay funds. The board approved the purchase and implementation of the final two modules based on the staff information that capital outlay funds would be available. However, because capital outlay funds were not appropriated as the

staff had hoped, the system office had to take money from the budgets of individual community colleges and LTC campus budgets to pay for the two modules. Because the majority of capital outlay funds have still not been appropriated, certain colleges have had to operate with fewer funds.

In May 2002, the LCTCS staff informed the board that the PeopleSoft implementation was experiencing delays, but that these delays could be fixed by extending the contract with the implementation consultant. However, the staff did not inform the full board during the monthly board meetings that the contract extension for the consultant could not be completed because of contract problems. The numerous problems discussed in this report existed during calendar year 2002. The first consultant sent weekly reports to the LCTCS regarding the status of their work, the problems that they were experiencing, and the potential future problems. These reports listed many of the problems discussed in this report. However, the staff did not completely inform the full board of the problems until the November 2002 board meeting when they had to request the board's approval for more money. The new PeopleSoft consultant recently reported to the board that significant issues continually reported by the first consultant were not addressed.

The board approved certain sources of funds (i.e., how much money would come from each college) for PeopleSoft because of the absence of the anticipated capital outlay funds. However, the current funding varies significantly from the board-approved sources. Exhibit 12 shows the sources of funds that were approved by the Board of Supervisors for each college for the PeopleSoft license and five years of support as compared to the current actual expenditures reported by the LCTCS staff.

Exhibit 12
Approved Versus Actual Cost for Each College
PeopleSoft License and Support

Entity/Institution	Cost Approved by Board	Current Actual Costs	Difference
LCTCS Board of Supervisors	$137,840	$778,047	$640,207
Nunez CC	83,685	7,850	(75,835)
Delgado CC	515,296	7,850	(507,446)
BPCC	156,799	7,850	(148,949)
SLCC	23,165	25,000	1,835
RPCC	13,696	361,329	347,633
BRCC	96,179	307,635	211,456
LTC	1,144,903	651,000	(493,903)
Total	$2,171,563	$2,146,561	($25,002)

Source: Prepared by legislative auditor's staff using data obtained from LCTCS.

During the approval process, the board allowed for funds to be initially obtained from other sources as long as the final actual cost matched the approved cost after five years. Nearly three years have passed since the amounts in Exhibit 12 were approved. In addition, the LCTCS has limited the number of campuses that will install PeopleSoft. Thus, the current expenditures still vary significantly from the board-approved amounts and may still not match after the board's five-year time limit.

The new PeopleSoft consultant developed an estimate to complete the PeopleSoft implementation and presented it to the Board of Supervisors at the March 2003 board meeting. The estimate ranged from $3.5 million to over $5 million. If this estimate is accurate, the final cost for the purchase and implementation of PeopleSoft will be at least $10.5 million. This amount is $6 million more than the original estimate that was presented to the board in December 1999, when the initial PeopleSoft module was approved by the board.

Recommendation 14: The LCTCS Board of Supervisors should adopt a policy requiring system personnel to inform the board when actual expenditures and sources of funds differ substantially from board-approved amounts and sources. A certain range of error should be allowed because of normal fluctuations in prices and the economic environment, with outliers being reported to the board through its finance committee.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation. The LCTCS response states that the board should be informed when expenditures differ from board-approved amounts and sources and that the staff informed the board that sources of funds could differ.

Recommendation 15: The LCTCS office staff should ensure that the Board of Supervisors has clear and timely reports regarding the actual status and cost of the PeopleSoft implementation so that the board will be able to make effective management decisions related to the implementation.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and cites board memos that outline anticipated costs of PeopleSoft.

Legislative Auditor's Additional Comments: The board memos referred to in the LCTCS response do not address the issue of the source of funds, as is discussed in the finding. In addition, the LCTCS did not respond to the fact that the board was not informed timely about the problems with PeopleSoft.

Relevancy of Programs

How do the LCTCS Board of Supervisors and office staff ensure that institutions within the system offer relevant programs that meet customer and stakeholder needs?

It is difficult to say with certainty whether the LCTCS Board of Supervisors and office staff have ensured that the institutions within the system offer relevant programs that meet customer and stakeholder needs. Many of the programs offered at LCTCS institutions can lead to jobs that are considered to be in demand by businesses. However, many programs appear to be expensive or do not produce many graduates. In addition, while many LCTCS completers obtain employment, our evaluation shows that less than half of those completers find jobs related to their field of study. Finally, because the LCTCS office lacks centralized information on campus initiatives and outcomes related to economic development, the system cannot document the impact its programs have had on the state.

Most LCTCS Programs Considered "In Demand"

Most programs offered at LCTCS institutions could lead to employment in statewide demand occupations as defined by the state Department of Labor. Gaining employment in demand occupations is important because R.S. 17:1871 requires the LCTCS Board of Supervisors to ensure that community and technical college programs are responsive to the needs of students for education and training and businesses for educated and trained employees. As a result, it appears that most LCTCS programs have the ability to meet the demand needs of businesses across the state. However, we did find some exceptions.

We compared the Board of Regents' curriculum inventory, which includes all LCTCS programs, to the Department of Labor's statewide list of occupations considered to be in demand. Although we found that most programs may lead to employment in these occupations, we also found that some non-specialized programs were in fields that were not on the demand list. Those programs and the number of campuses where they are offered are as follows:

- Communications Systems Installation and Repair (5)
- Criminal Justice (4)
- Graphic Design/Desktop Publishing (5)

We also identified several specialized programs, which are offered at only one or two campuses, that were not on the demand list. Those programs and the number of campuses at which they are offered are as follows:

- Civil Construction Technology (1)
- Commercial Diving (1)
- Forest Technology (1)
- Nondestructive Testing Technology (1)

- Interior Design (1)

- Jewelry Technology (1)

- Major Appliance Repair (2)

- Massage Therapy (1)

- Sign Language (1)

- Various medical programs including dental laboratory technology (1), occupational (1) and physical therapy assistant (1), nuclear medical technology (1), and phlebotomy (2)

Although these programs are not considered to be in demand occupations, the fact that they are specialized indicates that they may meet the needs of students wishing to pursue these specialized fields. For example, the Young Memorial campus of the LTC is the only campus that offers commercial diving. In academic year 2001-2002, the FTE for this program was fairly high (30). The campus dean told us that students come from all over the world to take courses in this program because it is so specialized. In addition, some of these programs were specifically designed with input from local businesses. For instance, the jewelry program at the Lafayette campus of the LTC began at the request of a large jewelry manufacturer.

Recommendation 16: The LCTCS should evaluate whether it is cost effective to continue supporting programs that are not on the Department of Labor's demand list. The evaluation should first identify which programs are not on the demand list. It should then take into consideration other factors such as the number and location of campuses at which those programs are offered, whether the programs are specialized to meet the needs of a certain group or groups of employees or businesses, and district and regional employment and student needs. The LCTCS may need to use regional data in addition to statewide data from the Department of Labor to conduct a thorough analysis.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that the Department of Labor's demand occupation study is only one criteria used to determine training needs. LCTCS stated that it will implement a process to conduct annual program reviews to align program offerings with demand occupations and training needs at the local level.

Some LCTCS Programs Appear to Have Few Completers Depending on Which Definition of Completer Is Used

The LTC uses three different definitions of completer. As a result, it is difficult for external users of completer data to understand exactly how many students completed LTC programs. In addition, some LCTCS programs do not appear to be producing many completers. Producing completers is important because one of the LCTCS' goals is to increase the number of qualified graduates entering the workforce. If few students are completing certain programs, it may mean that the programs are not relevant because they do not meet the needs of students or businesses. It may also mean that the LCTCS is incurring unnecessary costs.

Different Definitions of Completer

The LTC campuses use at least three different definitions of completer for annual reporting to the Board of Regents, the state Department of Labor, and the Council on Occupational Education (COE). A different entity or organization established each definition for a different purpose. Therefore, the LTC campuses must collect completer data in any of three different ways depending on where they submit data. Exhibit 13 summarizes the three definitions.

Exhibit 13
Three Definitions of Completer

Entity	Definition	Purpose
Board of Regents	A student who completes a program with a certificate, diploma, or associate's degree. *Note: The Board of Regents does not accept Technical Competency Area exit points*.*	To evaluate whether programs are low completer programs and to compile completer rates.
Department of Labor	A student who has demonstrated the competencies required for a program and has been awarded the appropriate certificate or diploma of completion. *Note: The Department of Labor accepts Technical Competency Area exit points*.*	To determine whether programs meet certain performance criteria to be eligible for Workforce Investment Act funds.
Council on Occupational Education (COE)	A student who has demonstrated the competencies required for a program and has been awarded the appropriate credentials *or* who has acquired sufficient competencies through a program to become employed in the field of education/training pursued or a related field as evidenced by such employment (i.e., student obtains either certificate or higher or a job in a related field).	To determine the performance of programs in relation to other states' programs.

* Technical Competency Areas are exit points where students complete an approved number of hours in a program but do not receive a certificate, diploma, or degree.

Source: Prepared by legislative auditor's staff using information obtained from the entities listed in the first column.

Having three different definitions of completer can result in confusion for external users of LCTCS reports, such as legislators. In addition, it requires that campuses collect and capture data three different ways. Furthermore, because no one verifies data on completers, it would be possible for campuses to inflate their completer figures. Exhibit 14 shows how the different definitions affect completer figures for certain LTC programs.

Exhibit 14
Completer Statistics Based on Three Different Definitions
Academic Years 1999-2000 and 2000-2001

Legend:
- Regents (00-01)
- Labor (99-00)
- COE (00-01)

Categories: Office Systems, Accounting, Welding, LPN, Auto Mechanics, Nursing Aide, Drafting, HVAC, EMT, Electrician, Carpentry
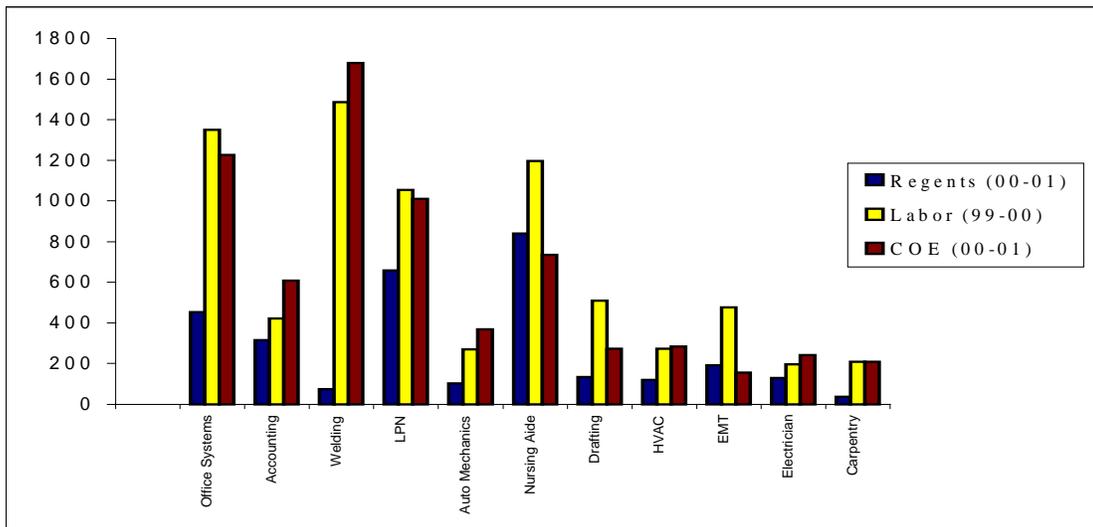
Source: Prepared by legislative auditor's staff using information from Board of Regents, COE, and the Department of Labor.

As the exhibit shows, the number of completers can differ significantly depending on which definition is used. In addition, the Board of Regents definition does not always provide a complete picture of students in the more technical programs because students may not complete these programs to the point of obtaining a certificate, diploma, or degree. This situation can cause confusion in the interpretation of LCTCS performance data.

Recommendation 17: The LCTCS Board of Supervisors should work with the Board of Regents to determine which definition of completer best suits its mission and use that definition consistently. If a common definition cannot be agreed upon, the LCTCS should require that the definition used is clearly stated when completer data are included in reports.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation. It states that it will work with the Board of Regents to determine a more representative definition for its completers.

Low Completer Programs

The Board of Regents defines a low completer program as one that has an average of eight or fewer completers over five years. If the Board of Regents determines that programs have low numbers of completers, those programs may be terminated. The Board of Regents has not conducted a low completer review of the LTC because the LTC only recently began submitting completer data and because of concern over the quality of LTC data. The LCTCS has also not evaluated any LTC programs to determine if any are low completers. Thus, reviews of completer data have only been conducted for the community colleges.

We conducted our own analysis of low completer programs for both the LTC and the seven community colleges. We used Board of Regents data to review completers at the campuses for the last three years. Although the Board of Regents prefers to use five years of data, we were only able to obtain data for three years for the LTC campuses and some community college campuses. For most programs, we defined a low completer program as any program having a total of eight or fewer completers over the entire three years. We used the Board of Regents definition of completer for most cases as well. However, we used the COE definition for the LTC automotive technology and welding programs since these programs tend to have more completers who obtain employment without receiving formal certificates. We were only able to obtain COE completer data for one year, so our analysis of those programs is based on only one year of data. Overall, we found that 47 programs at various campuses appear to be low completer programs.

LTC Low Completer Programs

In our analysis, we found that 22 LTC programs had eight or fewer completers over the last three years (except for auto mechanics and welding for which we had only one year of data). Four of these programs had no completers at certain campuses in the last three years. These four programs are as follows:

- Auto Mechanics (one year only)

- Electrical Repair

- Horticulture

- Office Systems

In addition, some of the low completer programs we identified are in the same district. For example, the accounting program has a low number of completers at three campuses in District 2 (Baton Rouge area). The drafting program has a low number of completers at three campuses in District 8 (Monroe area). Exhibit 15 summarizes the results of our review of low completer programs at the LTC. The programs highlighted in red are programs with no completers at certain campuses in the last three years.

Exhibit 15
Low Completer Programs: LTC
Academic Years 1999-2000 Through 2001-2002

Program	LTC Campus (District)	Number of Completers	LTC Campus (District)	Number of Completers
Accounting	Florida Parishes (2)	8	Oakdale (5)	6
	Folkes (2)	8	Shelby Jackson (6)	7
	Hammond (2)	6	Tallulah (8)	4
Auto Mechanics*	Collier (1)	6	Lamar Salter (6)	5
	Coreil (5)	4	Natchitoches (7)	2
	Delta-Ouachita (8)	5	River Parishes (3)	0
	Gulf Area (4)	7	Slidell (1)	3
	Huey P. Long (6)	8	T. H. Harris (4)	3
	Jefferson (1)	7	Acadian (4)	6
	Lafourche (3)	0		
Carpentry	Jefferson (1)	2	Sullivan (2)	4
	Lafourche (3)	5	Teche Area (4)	7
	Lamar Salter (6)	5	West Jefferson (1)	2
	Natchitoches (7)	5	Young Memorial (4)	3
	Shreveport (7)	4		
Childcare	Delta-Ouachita (8)	5		
Collision Repair	Alexandria (6)	8	SOWELA (5)	2
	Gulf Area (4)	3	West Jefferson (1)	5
	Sidney Collier (1)	8		
Communication Systems	Alexandria (6)	2	Sullivan (2)	1
	Sabine Valley (7)	3	Teche (4)	5
	Sidney Collier (1)	3		
Computer Applications	Mansfield (7)	8	Northwest (7)	7
	North Central (8)	4	Sullivan (2)	5
Computer Specialist Support	Sidney Collier (1)	5		
Computer Technology	Hammond (2)	5	Westside (2)	1
	Sullivan (2)	2		
Culinary Arts	Delta-Ouachita (8)	2	Jefferson (1)	8
Diesel Mechanics	Acadian (5)	5	L. E. Fletcher (3)	8
	Alexandria (6)	6	Shreveport Bossier (7)	7
	Delta-Ouachita (8)	1	SOWELA (5)	6
	Gulf Area (4)	8	Sullivan (2)	7
	Lamar Salter (6)	1	Tallulah (8)	1

Exhibit 15 (Continued)
Low Completer Programs: LTC
Academic Years 1999-2000 Through 2001-2002

Program	LTC Campus (District)	Number of Completers	LTC Campus (District)	Number of Completers
Drafting	Acadian (5)	4	Northeast (8)	3
	Bastrop (8)	6	Sullivan (2)	7
	Delta-Ouachita (8)	7		
Electrical Repair	Alexandria (6)	0	Slidell (1)	0
	Evangeline (4)	1	Sullivan (2)	8
	Shreveport (7)	3	Teche (4)	3
Horticulture	Folkes (2)	6	Jumonville (2)	0
HVAC	Collier (1)	3	Natchitoches (7)	6
	Evangeline (4)	1	Ruston (8)	5
	Gulf Area (4)	5		
Industrial Electronics	Avoyelles (6)	5	Natchitoches (7)	6
	Delta-Ouachita (8)	6	Teche (4)	2
	Lamar Salter (6)	5	West Jefferson (1)	3
Machinist	Acadian (5)	5	Shreveport-Bossier (7)	7
	Alexandria (5)	2	SOWELA (5)	4
	Baton Rouge (2)	1	Sullivan (2)	7
	Lafayette (4)	6	T. H. Harris (4)	5
	L. E. Fletcher (3)	3		
Network Specialist	Lafayette (4)	5	Teche (4)	5
Nursing Assistant	Jefferson (1)	8		
Office Systems	Shreveport-Bossier (7)	0		
Small Engine Repair	Alexandria (6)	4	Northwest (7)	5
	Shelby Jackson (6)	4	Westside (2)	2
Welding *	Folkes (2)	2	Shreveport-Bossier (7)	8
	Oakdale (5)	3	Teche Area (4)	5
	Ruston (8)	6		
	Shelby Jackson (6)	6		

*Includes only one year of COE data because we were not able to obtain three years.

Source: Prepared by legislative auditor's staff using completer data from the Board of Regents and COE. District numbers and campuses in each district are summarized in Exhibit 4 on page 5.

A districtwide evaluation of the number of completers for all programs would help determine which programs best meet student and business needs. The Elsner report recommends that the assistant chancellors in each district institute an annual review process whereby the courses with lower than 20% of enrollment be examined. The report also says that the review process should allow the assistant chancellors the option to close programs and the authority to reallocate funding for those programs to other programs in their districts.

Community College Low Completer Programs

Our evaluation found that 26 programs at various community colleges had eight or fewer completers over the last three years. If a program had one or no completers in the last three years, we also reviewed the three previous years to determine whether they had any completers over a six-year period. We found that seven of these programs had one or no completers over the last six years at certain community colleges. These seven programs are as follows:

- Carpentry
- Criminal Justice
- Dental Hygiene
- Dental Lab Technician
- Industrial Technology
- Postal Service Administration
- Welding

Exhibit 16 summarizes the results of our review for the community colleges. The programs highlighted in red are those that had one or no completers over the last six years.

Exhibit 16
Community College Low Completer Programs
Academic Years 1999-2000 Through 2001-2002

Program	Community College	Number of Completers
Accounting	Nunez	4
Aircraft Powerplant Maintenance	Delgado *	0
Animal Care Technology	Nunez	7
Bioremediation	Nunez *	1
Carpentry	Nunez *	1
Carpentry	Delgado	0
Commercial Residential Wiring	Nunez	6
Criminal Justice	Bossier Parish	0
Dental Hygiene	Delgado	0
Dental Lab Technician	Delgado	0
Diesel Mechanics	Nunez	3
Electrical Repair	Delgado	3
Electronics Engineering Technology	Nunez	3
EMT	Nunez	4
General Science	Baton Rouge	6
Home Health Aide	Nunez	8
Horticulture	Delgado	3
Industrial Technology Management	Nunez	5
Industrial Technology	Bossier Parish	0
Liberal Arts	Nunez	4
Machine Tool Technology	Delgado	4
Music	Delgado	7
Postal Service Administration	Delgado	0
Telecommunications	Bossier Parish	6
Theatre	Bossier Parish	8
Welding	Nunez	0
*This program at this campus did not have six years of data.		
Source: Prepared by legislative auditor's staff using information from the Board of Regents.		

        Some of the community college programs with few completers are in technical fields. For
example, only one student completed the welding program in the last six years at Nunez Community
College. Nunez is located near several technical college campuses in the Orleans area. All of the
nearby LTC campuses offer welding programs. The close proximity of Nunez to these other campuses
may explain why Nunez has such a low completer rate in the welding program. A systemwide
evaluation by district would determine whether these low completer programs are needed.

        Recommendation 18: The LCTCS office should evaluate programs with low enrollment
and low numbers of completers to determine if it is cost effective to continue supporting those programs.
This evaluation should include an assessment of the viability of the programs, the demand and
workforce potential of the programs, and the cost effectiveness of the programs.

        Summary of LCTCS Response: The LCTCS partially agrees with this recommendation
and states that it will continue to work with its institutions and the Board of Regents to assess low
completer programs.

Program Costs Vary Significantly Among LTC Campuses

        Programs at some LTC campuses are more costly when compared to the same programs at other
campuses. Also, some of the more costly programs appear to have few students or completers.   LTC
should offer programs that are in demand in a cost-effective manner. Costly programs with low
enrollment may not be relevant to the needs of students or businesses and may not be cost effective for
campuses to operate.

        We found that similar programs offered at different LTC campuses have wide variations in
program costs. For example, the cost for the industrial machine technology cluster of programs was
$462 per FTE in Fiscal Year 2002 at the Tallulah campus and $5,377 at the Ruston campus. The cost
for the mechanical and repair and automotive diesel cluster of programs was $1,666 per FTE in Fiscal
Year 2002 at the Lafourche campus and $30,260 at the Bastrop campus. According to LCTCS officials,
program costs may be higher at some campuses because of low enrollment or a large number of senior
staff who earn higher salaries. In addition, new programs may cost more because of start-up costs.
Appendix D shows costs per FTE by campus for all program clusters.

        We also found that some high cost programs have low FTE and/or few completers. For example,
the Sidney Collier campus spent $11,022 per FTE in computer electronics but had only 3.9 FTE and no
completers in Fiscal Year 2002. Appendix E summarizes the high, low, and average cost per program
per FTE for Fiscal Year 2002.

        In some cases, program costs vary significantly within the same district. These variations may
mean that some programs at certain campuses are not cost effective and could be eliminated or
consolidated. Exhibit 17 shows an example of cost variations for three LTC programs in the same
district for Fiscal Year 2002.

Exhibit 17
Cost Variations for Three LTC Programs
Fiscal Year 2002

Program	Campus/ (District)	Number of FTE	Cost/FTE	Number of Completers
Carpentry	Jefferson (1)	68.3	$1,695	7
	Slidell (1)	1.9	$8,919	0
Computer Support/Operations	Delta Ouachita (8)	85.9	$2,405	4
	Tallulah (8)	0.1	$5,855	0
Electrician	Lafayette (4)	39.6	$1,366	11
	Evangeline (4)	0.3	$4,066	0
Source: Prepared by legislative auditor's staff using information from LTC allocation model and Board of Regents completer data for Fiscal Year 2002.				

As previously stated, there is no assurance that the FTE data used to determine funding amounts for the LTC campuses are accurate because LCTCS does not have policies and procedures on data definition and collection and does not require that the data be verified. Therefore, this data should be viewed with this situation in mind.

Recommendation 19: Once the LCTCS has controls in place that help ensure that data are accurate, it should determine why program costs vary among campuses. The LCTCS should strive to keep program costs as low as possible at all campuses.

Summary of LCTCS Response: The LCTCS staff agrees with this recommendation and states that it will work with its institutions to align the cost of similar programs among campuses and strive to keep program costs at appropriate levels.

Difficult to Determine Student Outcomes

It is difficult to determine the outcomes of students attending LCTCS institutions. While some institutions have devised individual means of tracking completers, the LCTCS has not, as a management entity, developed a standardized methodology to enable all institutions to track completers in a consistent manner. Determining student outcomes is important because R.S. 17:1871 (B) states that LCTCS should seek to ensure that community and technical college programs are responsive to the needs of students for education and training and for businesses for educated and trained employees. The difficulty in determining outcomes exists because the LCTCS does not require its institutions to have a means of tracking completers to determine if completers transferred to other institutions or obtained employment in related fields. In addition, the system office does not centrally track student outcomes. As a result, neither the LCTCS nor the individual institutions can provide consistent data on completer outcomes.

LTC Outcomes

According to the Board of Regents, there were 4,091 completers from Louisiana's technical college campuses in academic year 2000-2001. Based on our analysis, between 32.8% and 41.0% of these completers appear to have obtained employment in their fields of study. We also attempted to compare our results to data from the COE and the Department of Labor, who both collect completer data. However, as previously discussed, because these entities define completer differently, the statistics were not comparable.

As previously explained, the COE defines a completer as a student who finds a job in a related field, even if the student did not complete a program. The COE requires that LTC campuses systematically and continuously collect data on completers each year. The campuses submit this data to the COE in an annual report. According to an LTC official, the campuses collect the data on student exit forms and follow-up surveys with employers.   The COE uses these reports to determine how programs in Louisiana perform in relation to other COE-accredited institutions. The COE may require campuses to implement corrective action if overall completion rates are lower than peer institutions. According to the COE annual reports, LTC had 8,588 completers in academic year 2000-2001, and 75.9% of those completers found employment in a related field.

As previously stated under the Department of Labor definition, a completer is a student who completes an LTC program and/or finds a job in a related field. The Department of Labor obtains the number of students who completed each program from the LTC central office and then uses the Department of Social Services new hires database to match those students with employment. According to Department of Labor data, there were 9,282 students who completed programs in academic year 1999-2000, and 37.2% of those students obtained jobs in related fields.

Because different methodologies are used to define and calculate completers, LTC completer outcomes vary depending on which entity is collecting the data. As can be seen, while the COE found that over 75.8% of LTC completers found jobs that were related to their fields of study, the Department of Labor and our own evaluation found this figure to be only 37.2%. Because there is no way to know which figure is most accurate, it is difficult to say with certainty what the true outcomes of LTC programs are.

Community College Outcomes

According to the Board of Regents, in academic year 1999-2000, there were 1,772 completers from LCTCS community colleges. Of those completers:

- 14.7% (260 completers) transferred to Louisiana four-year public institutions.

- 12.3% (217 completers) transferred to different Louisiana two-year institutions or remained at the same two-year institutions.

- 73.1% (1,295 completers) either obtained employment or transferred to out-of-state or private institutions.   We selected a random sample of these completers and found that between 36.3% and 47.7% of them appear to have obtained employment in their fields of study.

We attempted to obtain outcome information directly from the community colleges to compare to our evaluation of student outcomes. However, because the LCTCS does not require community colleges to track outcomes of completers, we could not make the comparison. Instead, we contacted three community colleges to determine if and how they track completers. Two of these community colleges said that they use surveys to determine completer outcomes but that using surveys is difficult because it is hard to find students once they leave school, and the survey return rate is low. One of these community colleges said that in addition to doing surveys, it also calls the universities to determine if students transferred. The third community college said that it does not track completers at all. Because the LCTCS does not require the community colleges to track completers, it is difficult to determine whether community college programs are successful in meeting the needs of students and businesses.

Recommendation 20: The LCTCS should decide on a definition of completer and job placement that best suits its mission and develop a methodology to track completers and job placement in accordance with that definition.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it will initiate steps to begin dialogue with the Board of Regents to better define, report, and track completers.

LCTCS Should Better Document Its Impact on Economic Development

The LCTCS office cannot provide complete information on the impact its institutions have on the state's economic development. Documenting the system's impact is necessary because state law requires that LCTCS institutions respond to business and industry needs. The system's inability to provide this type of information is primarily because it does not have centralized information on campus activities related to economic development and does not tract student outcomes. As a result, there is no way to tell whether the system as a whole is having a positive impact on the state's economic development.

Lack of Centralized Data

We found that many campuses have developed partnerships with business. We requested a list of all partnerships that campuses have with businesses from the LCTCS office. However, because they do not keep this information centrally, we had to survey the campuses to obtain it. Through our survey, we identified the following examples of partnerships:

- The Baton Rouge campus of the LTC contracted with the Department of Environmental Quality to provide training to 371 students in motor vehicle inspections.

- The Hammond campus of the LTC contracted with the American Heart Association to provide CPR training to 200 students.

- BPCC contracted with State Farm Insurance to provide notary exam training.

- Delgado Community College's Community Outreach Program has approximately $4 million worth of contracts with various businesses to provide skill and safety certification for maritime and industrial market sectors.

- The River Parishes campus of the LTC has provided process technology training to DOW, Honeywell, and other area plants.

- The Coreil campus of the LTC contracted with Hancock Bank to provide bank teller training.

- The Mansfield campus of the LTC contracted with International Paper Company, Inc., to provide computer training to employees.

The LCTCS does keep information on incumbent worker training contracts. According to its records, as of January 2003, LCTCS institutions had 105 incumbent worker contracts totaling over $36 million. These contracts are administered by the Department of Labor and provide funds for training providers to offer training to current employees in business and industry across the state. A list of these contracts by campus can be found in Appendix F.

We also learned that businesses have approached some campuses with training needs. For example, as previously mentioned, a large jewelry manufacturer in Lafayette helped establish a jewelry program at the Lafayette campus of the LTC. Also, John Deere established a construction technology program at the SOWELA campus of the LTC. However, since we were unable to obtain centralized information on all campuses that have established programs at the request of businesses, we could not determine how often these relationships have occurred.

In addition to forming partnerships with businesses, several campuses have pursued industry-based certifications. The Board of Regents requires that many programs be accredited by 2005. We learned that the LTC has been working to certify welding and automotive programs and, as a result, 86% of automotive instructors are now certified by the National Institute for Automotive Service Excellence (ASE). Also, 83% of welding instructors are certified by the American Welding Society (AWS). Both community and technical college campuses have independently sought accreditation for other programs as well. However, the LCTCS was not able to provide us with complete information showing all programs that are currently accredited or certified.

We also found that all LTC campuses are required to have business advisory groups that help programs remain up-to-date and relevant to industry needs. We attempted to obtain a list of these groups, but system office officials told us that this information is not available centrally. The COE requires that all accredited technical college campuses have these groups. The groups help ensure that desirable, relevant, and current occupational practices are being taught.

No Tracking of Student Outcomes

Another means of showing the system's impact on economic development is by tracking student outcomes. However, as previously discussed, the LCTCS has not developed a consistent methodology for tracking outcomes. If the LCTCS wants to provide evidence that its programs are successful and relevant to student and business needs, it needs to develop a consistent methodology for collecting and tracking data on student outcomes.

Overall, we found that the community colleges and technical college campuses have initiated many partnerships and other activities designed to promote economic development and ensure that relevant programs are offered. However, many of these initiatives are either unknown by or not

documented at the system office. As a result, many of the best practices and other initiatives at the campus level may go unrecognized by the system office. In addition, because the LCTCS does not track student outcomes, there is no system-level evidence that shows the impact and success of LCTCS programs.

Recommendation 21: The LCTCS should collect pertinent information from all community colleges and technical college campuses that documents the impact of LCTCS programs on the state's economic development. For example, the LCTCS should maintain a centralized list of certified programs, a list of all occupational advisory groups, and a list of partnerships with business and industry. If it is not cost prohibitive, the LCTCS should also publish an annual report listing system accomplishments and statistics related to economic development.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it will initiate dialogue with various agencies to determine how to better report the impact of the LCTCS.

Compensation Issues

Do the LCTCS Board of Supervisors and office staff ensure that system office and institutional administrative staff are compensated in accordance with established guidelines?

The Board of Supervisors and office staff cannot ensure that system office staff members are compensated appropriately because they have no standard written criteria for setting salaries. However, they do use established guidelines to set salaries for administrative staff at the institutions within the system. To determine these salaries, the board and system office use Southern Regional Education Board (SREB) and national College and University Professional Association for Human Resources (CUPA) standards as a guide. We found that most technical and community college administrators' salaries are below the SREB and CUPA standards. We found only three employees who are paid above these standards.

The LCTCS awarded short-term professional service contracts ranging from $8,333 to $19,500 to seven people who were hired to begin full-time employment in the near future. Several of the contracts did not specify measurable performance expectations. Also, the LCTCS could not provide written documentation showing how it determined the contract amounts. In addition, LCTCS policy does not require the Board of Supervisors to approve these types of contracts even though the board is charged in state law with overseeing compensation issues.

We also found that a possible violation of the state constitution is the system office's granting of stipends to two employees for additional hours worked. The system office also did not have sufficient supporting documentation for these stipends.

The LCTCS Board of Supervisors awarded merit increases to several employees who did not have completed performance evaluations on file as required.

Finally, the system president approved enforced administrative leave for the LTC chancellor and continued to pay his salary and housing and car allowances even though he was not performing the chancellor's duties. The LCTCS also paid an interim chancellor to fulfill these duties while the chancellor was away. The chancellor has returned but is still not performing the duties of the chancellor. However, he is still receiving his full pay and allowances, and the LCTCS continues to pay the interim chancellor as well.

Lack of Standards Results in Inability to Determine Appropriateness of System Office Staff and System President Salaries

We were unable to determine whether salaries for the system office staff and system president are appropriate because the LCTCS lacks formal written policies and procedures for determining the compensation of these employees. In addition, current practices for setting these salaries are not in line with the Board of Regents policy for establishing administrative staff salaries. R.S. 17:3351(A)(10) requires the LCTCS Board of Supervisors to employ and fix the salaries for the office staff. However, without written policies and procedures on how these salaries are determined, it is impossible to determine if they are appropriate.

R.S. 17:3351(A)(10) also requires that increases in salaries for the board's administrative staff comply with the Board of Regents Administrative Salary Policy Guidelines. The Administrative Salary Policy Guidelines say that each management board has the responsibility of establishing consistent guidelines for setting the state-funded portion of administrative salaries. According to the Board of Regents, these administrative salary levels shall be established based on the latest data available from the SREB and CUPA and are adjusted to the Higher Education Pricing Index for the current year.

CUPA is a national organization that collects data on salaries of higher education personnel through annual and special purpose surveys. CUPA uses the survey responses to establish salary ranges that are based on averages of schools with similar characteristics. CUPA conducted a special study for the Board of Regents in academic year 2001-2002 that included salaries for SREB institutions.

According to LCTCS officials, SREB and CUPA data are insufficient for determining salaries for a system like the LCTCS. Instead, the LCTCS uses the following means to establish system staff salaries:

- Review of other Louisiana higher education systems' staff salaries

- Negotiations with potential hires

- Review of system salary ranges from other states with similar governance structures

Because of the lack of criteria for establishing salaries, we compared the salaries as of July 1, 2002, of top LCTCS office administrative positions to salaries of similar positions in the three other Louisiana higher education systems and the Board of Regents. Exhibit 18 shows this comparison.

Exhibit 18
Comparison of LCTCS Office Administrative Salaries to Other Salaries
As of July 2002

Position	LCTCS	University of Louisiana System	Louisiana State University System	Southern University System	Board of Regents
Director, Facilities Planning and Administrative Services	**$72,134**	$79,276	$79,292	$66,783	$83,413
Director, Management Information Systems	**$83,430**	$73,000	N/A	$82,223	$80,371
VP, Finance and Administration*	**$109,180**	$119,783	$143,924	$125,000	$125,070 $111,446
Director, Institutional Research	**$59,466**	$65,342	$66,680**	$75,000	$68,186
Director, Budget and Financial Affairs	**$73,697**	$87,000	$86,882	$59,800	$66,310
Director, Internal Audit	**$97,500**	$65,000	$83,283	$ 59,000 Vacant	N/A
Director, Human Resources	**$70,081**	N/A	$69,517	$85,000	N/A
Assistant Director, Human Resources	**$44,334**	N/A	N/A	$47,450	N/A
Senior VP, Instruction and Learning	**$104,000**	$122,523	$130,000	$125,000	$112,890
VP, Instruction and Learning	**$87,344**	N/A	N/A	N/A	$79,684

*This position is two separate positions at the Board of Regents.

**An Assistant Director of Institutional Research fills this position. Currently, there is not a Director of Institutional Research at this system.

N/A - The system does not have a position or an employee filling this position at its institution.

Source: Prepared by legislative auditor's staff using data obtained from the LCTCS, Board of Regents, and other higher education systems.

As the exhibit shows, most of the LCTCS salaries are generally in line with those in other Louisiana higher education entities. The salary for the Director of Internal Audit, however, is considerably higher than the internal audit directors' salaries in the other systems. It is 50% higher than the University of Louisiana System salary, 17% higher than the Louisiana State University System salary, and 65% higher than the Southern University System salary. LCTCS officials said that it was necessary to pay this salary because the director oversees 49 campuses and is developing a model internal audit division.

The system president's current salary was established in August 2002 by consulting the Association of Community College Trustees, who provided current base compensation levels for institutions and systems similar to the LCTCS on a national level. The LCTCS also collected data from other Louisiana higher education systems in determining the system president's salary. However, the LCTCS was unable to provide us with a specific written methodology on how it calculated the president's salary. Exhibit 19 shows how the LCTCS president's base salary compares to those of other Louisiana higher education system presidents and the Louisiana Commissioner of Higher Education. We also included the salary of the Kentucky Community and Technical College System president because the LCTCS was modeled after that system.

Exhibit 19
Comparison of LCTCS President's Base Salary to Other Salaries
As of August 2002

Louisiana State University System President	Kentucky Community and Technical College System President	Southern University System President	LCTCS President	Board of Regents Commissioner	University of Louisiana System President
$292,250	$225,000	$190,000	**$189,000**	$181,220	$170,144
Source: Prepared by legislative auditor's staff using data obtained from LCTCS.					

Recommendation 22: The LCTCS Board of Supervisors should adopt clear and specific bylaws or policies and procedures that establish criteria for setting and adjusting salaries of system office staff and the system president. The new bylaws or policies and procedures should require the system to adhere to the Board of Regents Administrative Salary Policy Guidelines. Adopting bylaws or policies and procedures will help ensure that salaries continue to be competitive with those for similar positions in other systems, which, in turn, will help ensure that the system can retain qualified staff.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it is in the process of launching a compensation study for staff to ensure fairness and competitiveness of salaries.

Most Campus Administrators Compensated Using SREB and National Standards

The LCTCS uses appropriate standards to establish salaries for most administrators of the institutions within the system. However, it does not use these standards to determine LTC campus administrators' salaries. The Board of Regents Administrative Salary Policy requires higher education systems to use regional and national standards when compensating employees of the systems. However, the LCTCS has not provided the LTC with a revised policy for establishing the salaries of its campus administrators. As a result, the salaries of LTC campus administrators are not in compliance with the Board of Regents Administrative Salary Policy.

The LCTCS uses SREB and CUPA standards to establish salaries for community college and district technical college administrators. We found that all but three of these administrators are compensated at or below the standards. Specifically, only one community college chancellor, one LTC chancellor's office administrator, and one LTC district administrator are compensated above the standards. The average community college chancellor makes 13.3% below the mean salary listed in the standards. The average district LTC administrator makes 7.7% below the median salary.

In contrast, the LCTCS uses Board of Elementary and Secondary Education (BESE) guidelines to establish salaries for LTC campus administrators. The BESE served as the management board for the technical schools before the LTC and the LCTCS were formed. The LCTCS has continued to use some of the BESE's policies. By not using SREB or CUPA standards to set the salaries for these positions, the LCTCS is not in full compliance with the Board of Regents Administrative Salary Policy.

Recommendation 23: The LCTCS Board of Supervisors should adopt formal written bylaws and/or policies and procedures for compensating LTC campus administrators instead of using the previous BESE policy. The new bylaws and/or policies and procedures should include all elements required by the Board of Regents Administrative Salary Policy Guidelines.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it is developing a compensation study.

Some Individuals Given Consulting Contracts Before Beginning Employment

Since 1999, seven individuals received professional services contracts after the LCTCS Board of Supervisors approved their hiring but before they began work. According to the LCTCS president, the contracts included reimbursable expenses in addition to payment for consulting work. However, he was unable to provide written documentation on how the contract amounts were calculated. Most of the contracts also did not specify how much of the contract amounts were dedicated to expenses. Some of the contracts also did not specify clear, measurable deliverables. Without written rationale for the contract amounts and measurable deliverables, it is difficult to determine whether the contract amounts were appropriate or whether the LCTCS actually received all deliverables. In addition, because the board was not required to approve the contracts, it did not receive complete information on the total compensation of these individuals on a timely basis. Exhibit 20 shows the annual salaries, contract amounts, contract terms, and contract purposes for these seven individuals.

Exhibit 20
Salaries and Professional Services Contracts for Seven Individuals
1999 through 2002

Position	Annual Salary	Contract Amount	Term of Contract	Start Date of Employment	Purpose of Contract
LCTCS VP of Finance & Administration	$100,000	$8,333	5/26/99-6/30/99 (36 days)	7/1/99	To provide assistance on matters pertaining to interviewing applicants for subordinate staff positions. To expedite hiring of staff and effective transition of administration of school systems being transferred to LCTCS.
SLCC Chancellor	$110,000	$9,166	8/15/02-9/14/02 (31 days)	9/15/02	To provide direction for the system president and/or SLCC relative to services provided by this college and relative to the needs of the regional area.
LDCC Chancellor	$95,000	$17,000	3/15/01-4/30/01 (47 days)	5/1/01	To provide direction for the LDCC relative to the formation of a new community college.
BRCC Associate Vice Chancellor of Finance	$81,370	$19,000	11/15/01-1/12/02 (59 days)	1/14/02	To consult with BRCC employees and visit campus prior to employment date.
BRCC Chancellor*	$131,325	$19,500	6/14/02-9/8/02 (86 days)**	9/9/02	To consult and plan for transition to new chancellor position.
BRCC Vice Chancellor Academic Affairs	$85,000	$19,000	5/22/01-7/1/01 (41 days)	6/14/01	To work with chancellor and staff in preparation for assuming position of Vice Chancellor for Academic and Student Affairs at BRCC on 7/1/01.
BRCC Chancellor*	$128,200	$19,500	9/26/00-11/4/00 (40 days)	11/16/00 (Interviewed for position on 9/26/00)	To provide direction for the system president and/or BRCC relative to services provided by this college and relative to the needs of the regional area.

Note: All contracts include travel and other expenses.

* Contracts were awarded to two different BRCC chancellors.

** Contract was amended to lengthen the term from one month to four months in accordance with the instructions of the system president in September 2002.

Source: Prepared by legislative auditor's staff using data obtained from LCTCS and community colleges.

According to an LCTCS official, the contracts were awarded to get the employees started working and acquainted with their job functions immediately. All of the contracts were for job duties related to the positions the new employees were hired to fill. For example, the BRCC Associate Vice Chancellor of Finance was awarded a contract for consulting with BRCC employees and visiting the campus prior to her employment date. Both of the BRCC chancellors were contracted to consult and plan for transition to the position or to provide services relative to the needs of the community. Two of the chancellors were given contracts to provide assistance to the system president and/or the campuses on administrative and instructional matters prior to employment. However, many of the contracts do not specify measurable performance expectations. For example, one contract merely states that the contractor agrees to "work with staff in preparation for assuming the position." If contracts do not specify measurable deliverables, the LCTCS cannot be sure that the contractors achieved the intended results.

In addition, five of the seven contracts do not specify the amount dedicated to reimbursable expenses versus the amount dedicated to actual consulting work. The LCTCS president said that he could not provide written documentation showing how the contract amounts were derived, although he did say that they were based on the individuals' board-approved salaries.   Specifically, he said that the contract amounts should take into consideration the board-approved salaries of the employees as well as the distance the employees had to travel. However, without written documentation showing exactly how the contract amounts were derived, there is no way to know whether the amounts were appropriate.

LCTCS policy does not require board approval on contracts under $20,000. Since all of these contracts were for $19,500 and less, the board was not required to approve them. However, LCTCS policy does require that the LCTCS system office staff submit a comprehensive quarterly report of all contracts to the board. Two of the contracts were not included in this quarterly report. Awarding the contracts without the board's involvement deprives the board of the full knowledge it needs to appropriately manage compensation issues of the system.

Recommendation 24: The LCTCS Board of Supervisors should determine whether the system should continue to use this type of contract. If the board determines that the continued use of these contracts is appropriate, the board should adopt a policy that requires the board to approve all professional services contracts involving future employees of the system. The policy should require the board to approve the contract amounts and terms. It should also require the LCTCS office to maintain written documentation of the rationale for the contract amounts.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation and states that all professional services contracts are sent to the board for information.

Legislative Auditor's Additional Comments: All contracts were not reported to the board. Specifically, two of the seven contracts we reviewed were not included in the quarterly contract reports that the LCTCS staff sent to the board. In addition, R.S. 17:3351(A)(10) requires the LCTCS Board of Supervisors to employ and fix the salaries for staff. Although contract payments technically do not represent salaries, it is important for the board, as a management entity, to have opportunity to approve contracts that increase the overall compensation paid to individuals it employs.

Stipends Awarded to Two Employees Lack Supporting Documentation and May Be in Violation of State Constitution

The LCTCS awarded stipends to two salaried employees for extra hours of work they performed during Fiscal Year 2002. The payment of stipends to employees for work already performed may be a violation of Article 7, Section 14(A) of the Louisiana Constitution, which prohibits the payment of bonuses to employees. The system office staff could not provide us with supporting documentation detailing the number of extra hours worked by these employees or with information showing how they determined the stipend amounts. As a result, there is no way to tell whether these employees actually worked the additional hours or if the stipend amounts were reasonable.

The Board of Supervisors, at its August 14, 2002, meeting, approved a $7,500 stipend for the LCTCS Director of Human Resources and a $10,000 stipend for the LCTCS Director of Management Information Systems. The system president had recommended the stipends to the board. According to LCTCS officials, the stipends were for numerous extra hours these individuals worked on the conversion to and implementation of the PeopleSoft computer system.

We requested time sheets or other supporting documentation showing the actual hours of overtime these employees worked on the PeopleSoft project. However, according to a system office official, the employees are unclassified directors and do not record hours worked over the regular eight-hour day on time sheets or any other form of documentation. Therefore, no documentation exists for either employee that shows the additional hours worked. Also, LCTCS officials said that they had no methodology to determine the stipend amounts. Instead, they awarded the stipends based on what the system could afford. The payment of the stipends could be viewed as bonuses, which are prohibited by Article 7, Section 14(A) of the Louisiana Constitution. This provision prohibits state entities from loaning, pledging, or donating funds or things of value to any person.

Recommendation 25: The LCTCS office should refrain from awarding stipends to employees for extra work already performed until obtaining an opinion from the Attorney General on whether such payments constitute bonuses in violation of Article 7, Section 14(A) of the Louisiana Constitution. If the Attorney General opines that the stipends were unconstitutional, the LCTCS should take appropriate corrective action. If the Attorney General opines that stipends are acceptable, the LCTCS should require that employees receiving stipends in the future certify the additional hours they worked. The LCTCS should also use a specified methodology to calculate the amount of future stipends. The methodology should result in reasonable stipend amounts based on actual hours of overtime hours worked.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation. However, the LCTCS states that it has instituted a system requiring all employees to record actual hours worked.

Legislative Auditor's Additional Comments: The LCTCS should also seek an Attorney General's opinion to determine whether it is appropriate to continue using stipends. In addition, the LCTCS should be able to prove that any such amounts paid are reasonable.

Some Merit Increases Awarded Without Completed Performance Evaluations

The LCTCS Board of Supervisors approved merit increases for 25.3% of the sample employees who we reviewed even though they did not have completed performance evaluations on file. LCTCS policy requires that completed performance appraisals with ratings of satisfactory or above be on file before awarding merit increases. However, it appears that LCTCS officials did not follow this policy when they awarded the merit increases. As a result, these merit increases were awarded improperly. Not following the policy could result in awarding merit increases even though performance was not satisfactory.

We reviewed a total of 170 performance evaluations of LCTCS employees, including LCTCS office staff and campus staff. Of the 170 performance evaluations, we found that 43 (25.3%) were not complete in accordance with LCTCS policy at the time the board approved merit increases. In addition, we found a lack of consistency among the forms that were used to document the evaluations.

LCTCS Policy II.3.010 requires that a performance evaluation be conducted for each employee of the LCTCS on a yearly basis. The policy also requires that all employees who receive merit increases must have complete performance evaluations for the previous year on file and that the performance evaluations contain satisfactory or above ratings prior to a recommendation to the board for salary increases. According to the policy, a complete evaluation includes the signature and date of both the evaluator and the employee being evaluated. Our findings related to performance evaluations and merit increases for various staff members are described in Exhibit 21.

Exhibit 21 Summary of Performance Evaluation Review				
Staff Evaluated	**Number of Evaluations Reviewed**	**Number of Evaluations Incomplete**	**Percent Incomplete**	**Reason for Incompleteness**
LCTCS Office Staff	**26**	**6***	**23.1%**	• **6 signed after board approved merit increases** • **2 of the 6 not signed**
LTC Chancellor's Office Staff	**15**	**1**	**6.7%**	• **1 not signed or dated**
Community College and Technical College Chancellors	**8**	**8**	**100%**	• **None completed prior to board approval of merit increase (all on wrong form)**
LTC Assistant Chancellors	**8**	**0**	**0%**	**N/A**
Community College Campus Employees	**80**	**22****	**27.5%**	• **6 signed, not dated** • **9 not signed or dated** • **4 signed after board approved merit increases** • **1 not discussed with employee** • **2 on wrong form**

				Exhibit 21 (Cont.) Summary of Performance Evaluation Review				
Staff Evaluated	**Number of Evaluations Reviewed**	**Number of Evaluations Incomplete**	**Percent Incomplete**	**Reason for Incompleteness**
LTC Campus Employees	33	6**	18.2%	• **1 signed, not dated** • **1 not signed or dated** • **3 signed after board approved merit increases**
Total	**170**	**43**	**25.3%**	
* Two evaluations had two deficiencies.				
** One evaluation had two deficiencies.				
Source: Prepared by legislative auditor's staff using information from our review of performance evaluations in our sample.				

The LCTCS office relies on the community and technical college chancellors to report whether performance evaluations of their employees have been completed and are on file at each LCTCS campus. The chancellors indicate on merit increase request forms sent to the system office whether performance evaluations have been conducted for their employees who are eligible to receive merit increases. The LCTCS does not request copies of the performance evaluations or conduct audits or inspections of each institution's files.

Of the seven community colleges, four (57.1%) requested merit increases for employees who did not have completed evaluations on file. Three of these chancellors had indicated to the system office on their merit increase request forms that all of their employees had completed performance evaluations on file. Thus, these chancellors attested that completed performance appraisals were on file when they were not. The other community college chancellor and the LTC chancellor did not complete the form indicating whether performance evaluations were on file for their employees scheduled to receive merit increases. In these cases, the LCTCS office failed to review the forms ensuring that all performance evaluations were on file at the campuses.

Recommendation 26: The LCTCS office should require that each campus provide documentation showing that performance appraisals have been completed and are on file before it presents requests for merit raises to the Board of Supervisors. The system president should take appropriate disciplinary action, including penalties, for any chancellors who falsely attest that performance appraisals are on file when they are not. In addition, the Board of Supervisors should not approve merit increases until it has ensured that the performance appraisals are completed and on file and that the evaluation ratings were satisfactory or above.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that it will ask for a separate signed statement by each chancellor certifying that evaluations have been conducted. In addition, the LCTCS says that it will collect a random sample of evaluation instruments each year for audit purposes.

Recommendation 27: The LCTCS office should ensure that each evaluator, including the president, follows the established policies and procedures for performance evaluations and uses the appropriate evaluation instruments.

Summary of LCTCS Response: The LCTCS partially agrees with this recommendation and states that its policy recommends evaluation instruments but does not require them.

Legislative Auditor's Additional Comments: According to LCTCS policy, standard evaluation instruments "shall be used." The use of the word "shall" means that using standard forms is a requirement, not a recommendation.

LTC Chancellor on Paid Administrative Leave

The LCTCS office continued to pay the LTC chancellor his full salary and housing and car allowances while he was on administrative leave and not performing his job functions. According to LCTCS policy, administrative leave is defined as paid or unpaid leave enforced upon an employee for a specific or indefinite period of time when such action would be in the best interest of the system. The LCTCS paid an interim chancellor to fulfill the chancellor's job duties during his leave. Because two individuals were paid for the same job, the system may not have used its resources as efficiently as possible.

The system president initiated and approved the administrative leave for the chancellor in August 2002. According to the president, the leave was enforced so that the chancellor could attend courses at the University of Texas in Austin. The chancellor spent four months in Texas. During that time, the LCTCS continued to pay his $133,952 annual salary, his $20,000 annual housing allowance, and his $5,000 annual automobile allowance. In addition, the LCTCS hired an interim chancellor to handle the chancellor's job duties while he was away. The interim chancellor is a full-time permanent employee of the Board of Regents. The agreement calls for him to spend half of his time working as interim LTC chancellor and the rest of his time fulfilling his duties at the Board of Regents. Under this arrangement, the LTC agreed to reimburse the Board of Regents a maximum of $79,476, which is half of this employee's annual salary.

According to the system president, the chancellor returned to Louisiana in December 2002 and is now working on special projects for the president until his contract expires in October 2003. The president called these special projects an "internship" that is required as part of the chancellor's studies in Texas. The LCTCS is continuing to pay the chancellor his full salary during the internship, even though he is not performing the chancellor's duties. In addition, the LCTCS continues to pay the interim chancellor. The system president said that he is unsure whether the former chancellor will resume serving in the role of LTC chancellor in the future.

Capital Needs of Institutions

How do the LCTCS Board of Supervisors and office staff address the capital needs of the institutions within the system?

The LCTCS addresses the capital needs of its institutions through the state's capital outlay process and through a process referred to as alternative financing. The capital outlay process allows higher education management boards to prioritize capital needs and request funds for capital projects. Alternative financing arrangements use cooperative endeavor agreements between the LCTCS, private nonprofit corporations, and the Division of Administration to fund construction of projects outside of the capital outlay process. Alternative financing arrangements lack critical controls. They do not guarantee funding for the projects, may harm the state's credit rating if not funded, have limited state control to ensure quality, and may violate the state's ethics code.

The LCTCS has not completed a master plan or a needs assessment that identifies the needs of the system as a whole. An accurate master plan and needs assessment would allow the system to more accurately prioritize its needs.

Alternative Financing Arrangements Lack Critical Controls

Three campuses have alternative financing arrangements implemented by the LCTCS that lack critical controls. Controls would help ensure that state funds are used appropriately to build quality buildings. The alternative financing structure does not guarantee funding for the campus projects, has little state control to ensure quality, and may present an ethical violation. As a result, the use of this process could harm the state's credit rating and result in buildings that are too costly and not up to the state's quality standards.

An LCTCS official told us that they are using the alternative financing arrangements to build new campuses for BPCC, BRCC, and SLCC because of the speed with which they are able to obtain funds. The projects will count on anticipated state appropriations to pay the lease payments.

In the alternative financing arrangements, the LCTCS uses cooperative endeavor agreements between itself, a private nonprofit entity, and the Division of Administration to request funding from the legislature and to hire a team to design and build the campuses. Other state projects are typically funded through the capital outlay process. Those projects are built through the Office of Facility Planning and Control (OFPC). Approved capital outlay projects have a guaranteed line of credit before construction can begin, have OFPC controls, and are approved by the legislature through the capital outlay bill. In contrast, the alternative financing process enlists the help of the private nonprofit corporations to sell bonds and build projects outside of the state's capital outlay process. The projects are not considered state projects and are thus not subject to controls enforced by OFPC. Exhibit 22 describes the alternative financing process used by the LCTCS.

Exhibit 22
Alternative Financing Process

LCTCS expresses interest in building a project on a campus through a non-profit third party.	A nonprofit corporation is formed and approved by the LCTCS Board of Supervisors. A member of the Board of Supervisors is placed on the Board of Directors of the non-profit organization.	The Division of Administration in a cooperative endeavor agreement agrees with the nonprofit corporation and the LCTCS to request funding from the legislature for lease payments for the building built by the third party. The lease payments will pay the debt service on the construction bonds.
The nonprofit corporation leases the finished project to the campus. The campus pays the lease with appropriations, if legislature chooses to appropriate.	The nonprofit corporation builds the project with bond money secured by the projected lease payments provided for in the cooperative endeavor agreement.	The LCTCS leases the land on which the project will be built to the non-profit corporation for zero dollars.
After debt service on the bonds is paid in full, the non-profit corporation transfers the campus to the LCTCS.	Bonds will count against the annual amount that can be bonded by the state and could affect the state's credit rating if the state does not fund the projects annually.	

Source: Prepared by legislative auditor's staff using information obtained in interviews with LCTCS staff and the Louisiana Revised Statutes.

According to the cooperative endeavor agreements for the three institutions with alternative financing arrangements, the total amount of bonds that can be issued for these three projects is $145 million. Exhibit 23 shows maximum amount of debt that can be issued to build each campus.

Exhibit 23
LCTCS Alternative Financing Projects
Maximum Amount of Debt Allowed Per Project
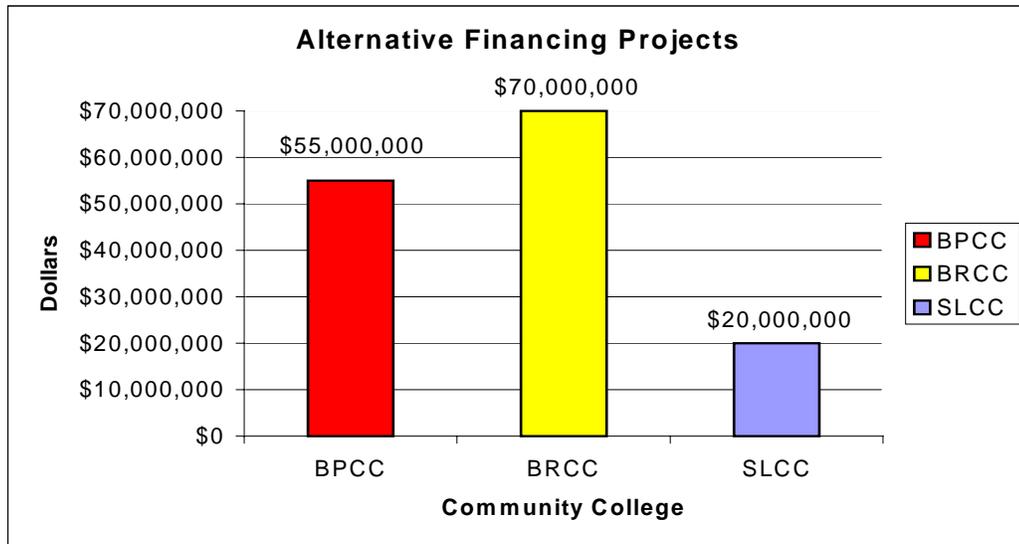
Source: Prepared by legislative auditor's staff using data from cooperative endeavor agreements.

Cooperative Endeavor Agreements Do Not Guarantee Funding

The cooperative endeavor agreements for these three campuses do not guarantee funding. The agreements provide only that the Division of Administration will request that the necessary funding be appropriated by the legislature. They contain no assurance that the legislature will appropriate those funds each year. If the state has a budget shortfall or other overriding interests in any given year, the lease payments could go unfunded. If the legislature does not appropriate the necessary funds, the community colleges could end up with commitments to pay yearly lease payments but no funds with which to pay them.

Cooperative Endeavor Agreements May Jeopardize State's Credit Rating

According to an LCTCS official, the projects in the cooperative endeavor agreements have bond insurance. However, a recent incident dealing with a state corrections facility in Tallulah indicates that if the state does not fund the projects, its credit rating may suffer. In May 2002, the legislature considered not appropriating funds for the state juvenile correctional facility in Tallulah, which was built and operated by a private entity, as a way of closing the facility because of questionable treatment of juveniles at the facility. The facility was built using bonds secured by state appropriations. After the legislature discussed not appropriating the money, several bond agencies contacted the state's financial advisors and said that not funding the appropriation would constitute default on the part of the state, which would adversely affect the state's credit rating.

The bond agencies made these statements even though the private corporation technically held the bonds. The nonprofit corporations will technically hold the bonds in the LCTCS projects as well. The Tallulah incident indicates that the state could be held as the responsible party in the event that the funds for the lease payments are not appropriated.

Exhibit 24 shows the existing lease payments of the three community colleges participating in alternative financing arrangements and the maximum lease payments for the new completed campuses. The $9,315,661 represents total new dollars that the legislature will be requested to appropriate annually to fund the new campuses.

Exhibit 24
Annual Appropriations Needed to
Fund Alternative Financing Projects

Community College	Existing Lease Payments	Maximum New State Appropriations Needed for Lease Payments	New Annual Appropriations Needed
BPCC	$1,403,175	$4,380,000	$2,976,825
BRCC	N/A	5,200,000*	5,200,000
SLCC	361,164	1,500,000	1,138,836
Total	$1,764,339	$11,080,000	**$9,315,661**

* This amount is the maximum for FY 2005 and after. The FY 2004 maximum is $3.5 million.

Source: Prepared by legislative auditor's staff using information from LCTCS.

According to a State Bond Commission official, the bond commission is concerned about the LCTCS agreements and is trying to determine whether they would be viewed in the same regard as the Tallulah situation. In addition, the state's appropriation counts against the maximum amount the state can bond in a given year. This amount is currently $259,600,000, according to the state's capital outlay coordinator. The alternative financing arrangements will result in fewer projects that can be bonded in a given year by the legislature through the capital outlay process.

Projects Financed Through Cooperative Endeavor Agreements Have Limited State Control

Alternative financing arrangements also do not have adequate controls to ensure that the quality of campus buildings will meet OFPC standards. Projects that go through the normal capital outlay process are controlled through the OFPC. In contrast, the alternative financing method uses an advisory committee to recommend plan changes to the nonprofit corporation's board of directors. The cooperative endeavor agreements provide for some review and approval by the advisory committee. However, the committee members are only required by the LCTCS policy to provide technical expertise and assistance during the design and construction or renovation of facilities and to make recommendations on developers and contractors. These conflicting provisions create confusion as to the true power and authority of the advisory committee.

For instance, an OFPC committee member we interviewed expressed concern about short review times that are dictated by the design-build team as well as lack of feedback on whether his suggestions have been implemented. Short review times and lack of feedback could result in committee members' recommendations not being implemented.

In addition, the participants in the process might not have the technical expertise to make sure the projects are built correctly. For instance, the nonprofit corporations may not have significant construction expertise. Of the three board of director members of the BPCC nonprofit corporation, only one has construction experience.

Another problem is the design-build process used to build campuses under the alternative financing arrangements. The state typically uses the design-bid-build process. The design-build process is similar to the design-bid-build process in some ways, but some details differ. The OFPC does not have standards or guidelines for design-build teams as it does for design-bid-build architects and contractors.

The LCTCS Board of Supervisors hired a "clerk of the works" to serve as construction manager on the BPCC project to help ensure that quality buildings are built. However, according to OFPC, the clerk of the works will serve as a construction manager and will not be able to fix potential design flaws. Therefore, the clerk will not be able to ensure overall building quality.

Recommendation 28: The LCTCS Board of Supervisors should amend its alternative financing policy to give the Office of Facility Planning and Control approval and enforcement power on the advisory committee to ensure that the state's best interest is represented.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation but states that it will consider amending its policy to require review by the Office of Facility Planning and Control experts to ensure the soundness and quality of the facilities that will be constructed using this process.

Recommendation 29: The LCTCS Board of Supervisors should amend its alternative financing policy and the standard cooperative endeavor agreement to require members of the advisory committee to attend all meetings and provide comments on all plans and specifications. The policy should also require input from each member of the advisory committee and ensure that the design-build team considers all comments and notifies the advisory committee of the reasons why any recommendations are not implemented.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation and states that the current attendance of the advisory committee members is 100%.

Legislative Auditor's Additional Comments: Although the current advisory committee attendance may be high, amending the policy and agreement to require members of advisory committees to attend all meetings and provide comments on all plans and specifications would serve as a management control that would help ensure standards for future projects.

Recommendation 30: The LCTCS Board of Supervisors should amend its alternative financing policy to ensure that members of the advisory committee have sufficient time to consider all plans and change orders.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation and states that if members need additional time, they can request it.

Legislative Auditor's Additional Comments: Since the LCTCS would allow committee members to request additional time if needed, it should not have a problem with including the provision in its formal, written policy. Including this provision in the written policy would provide an added control over the alternative financing process.

Cooperative Endeavor Agreements May Have Ethical Consequences

As previously explained, a member of the LCTCS Board of Supervisors serves on each non-profit corporation's board of directors. The former chairman of the LCTCS Board of Supervisors said that they placed members of the Board of Supervisors on the boards of directors to have a more direct line of communication with the nonprofit corporations and the design-build teams. However, serving in both roles may present an ethical concern. This concern is related to the fact that the arrangement could result in these individuals or members of their families being placed in a position to incur direct or indirect economic gains.

The Louisiana Board of Ethics told members of our staff that it would review this case upon the completion and distribution of this audit report. The Ethics Board also said that it could render an opinion if the Board of Supervisors requested it. To date, the Board of Supervisors has not requested an opinion.

Recommendation 31: The LCTCS Board of Supervisors should request an opinion from the Louisiana Board of Ethics as to whether members of the Board of Supervisors should be allowed to serve on boards of directors of nonprofit corporations formed to provide alternative financing to campuses within the LCTCS. The request should address the issue of direct and indirect economic gains. Until an opinion is received, the Board of Supervisors should obtain legal advice on whether the three members who are currently on boards of directors should continue to serve in these dual roles.

Summary of LCTCS Response: The LCTCS disagrees with this recommendation and states that its legal counsel has rendered an opinion on this issue.

Legislative Auditor's Additional Comments: We reviewed the legal counsel's opinion during the audit. It does not address the issue of indirect compensation of board members, which is one of the main concerns about these relationships. The LCTCS should seek an ethics opinion on this issue.

Bossier Parish Community College Case Example

The LCTCS is planning a new campus for BPCC because the current campus, which is leased from the Bossier Parish School Board, is at full capacity. The construction plans for the campus are based on the May 2001 campus master plan. The campus master plan calls for a campus that will house 4,500 full-time equivalent students. Because the campus is not projected to have 4,500 students for at least another 17 years, the plan calls for a phased-in approach to the campus. However, because of the influx of alternative financing dollars, the LCTCS plans to build the entire campus at once.

The campus master plan projects total campus costs to be around $39 million. The LCTCS and the nonprofit corporation formed for the alternative financing arrangement originally planned to sell $45 million in bonds to finance the new campus but later increased the amount to $55 million. This amount is $16 million more than the master plan estimate. The advisory committee members are still reviewing basic architectural designs, so further increases are possible.

The attorneys for the nonprofit corporation said that the campus master plan did not include all costs and that the new estimate that increased the bond sale amount is based on a current breakdown of actual material and labor costs. We do not know if other factors impacted the increase in the bond sale amount as well. However, without proper controls and state input, the influx of alternative financing dollars could allow campuses to build more projects than are needed and/or build projects at a higher cost than planned.

Matter for Legislative Consideration 2: The legislature may wish to consider adopting legislation that establishes specific controls over alternative financing arrangements. Suggested controls include the following:

- Providing a guarantee that funding will be available for the projects

- Ensuring that the alternative financing arrangements do not harm the state's credit rating

- Ensuring that projects meet Office of Facility Planning and Control standards

- Addressing ethics concerns dealing with members of state boards of supervisors who oversee the projects and also serve on the boards of directors of the nonprofit corporations formed to implement the alternative financing arrangements

LCTCS Has No Current Comprehensive Needs Assessment or Facilities Master Plan

The LCTCS has not conducted a comprehensive needs assessment for each of its facilities and does not have a facilities master plan. A needs assessment would help the LCTCS evaluate the capital needs of each individual institution and prioritize capital projects and improvements. A facilities master plan would include all of the community colleges and the technical college and would allow the system to understand the needs of institutions from a systemwide perspective. Because the LCTCS has not developed a comprehensive needs assessment and master plan, the capital outlay budget requests may not accurately represent the needs of the system as a whole.

The capital outlay process allows each higher education system in the state to identify and prioritize the needs of its institutions. It also allows the Board of Regents to prioritize all postsecondary projects on a statewide basis. LCTCS officials told us that they are working to develop a comprehensive facilities master plan to be completed in August 2003. The Board of Regents is also planning to conduct a needs assessment and master plan for all of higher education. Board of Regents officials said that they were aware that the LCTCS was planning to conduct a needs assessment for its own system. However, they said that the Board of Regents was going to evaluate higher education as a whole.

Recommendation 32: The LCTCS should continue its efforts to develop a facilities master plan so it can more effectively prioritize and plan for the capital needs of its institutions. The system also should work with the Board of Regents to coordinate efforts and avoid duplication.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it is working with the Division of Administration on this issue.

Coordination and Sharing of Resources

How do the LCTCS Board of Supervisors and office staff ensure that the community colleges and technical college campuses share resources and coordinate activities?

The Board of Supervisors has adopted goals and policies that encourage coordination and sharing of resources. State law requires that campuses encourage coordination through articulation agreements and share resources by maximizing the use of current resources. In addition, the governor charged the Board of Supervisors with promoting collaboration among institutions. Coordination and sharing are important because they allow campuses to collaborate, share ideas and resources, and potentially save the state money. However, the LCTCS does not have a centralized means of gathering information on how campuses coordinate and share resources. As a result, the system may not always know whether campuses are complying with the mandates.

Many campuses have developed articulation agreements, many coordinate to provide customized training for businesses, and some share faculty and physical resources. Having centralized information on these activities would allow the system office to assess whether its institutions are in compliance with policies and identify areas needing improvement. It would also help the LCTCS market and promote campus accomplishments.

LCTCS Has Not Evaluated Whether Institutions Coordinate and Share Resources

The LCTCS office has not assessed whether its institutions are coordinating and sharing resources. The Board of Supervisors has approved policies requiring that institutions coordinate and share resources. Centralized information would help the system office evaluate what resources could be coordinated and shared. However, the system office does not have a systematic method of compiling data from its institutions to determine how campuses coordinate and share resources. As a result, the system cannot determine whether campuses are in compliance with the policies.

In 1999, Governor Foster charged the LCTCS Board of Supervisors with implementing a new management approach for community and technical colleges. Part of this new management approach includes encouraging a cooperative view of service rather than an independent view. In response to the governor's directive, the LCTCS strategic plan cites collaboration as one of its core values.

State law also mandates collaboration. R.S. 17:1871(B)(4) requires LCTCS campuses to use existing facility and faculty resources whenever possible. R.S. 17:1871(B)(6) says that the LCTCS should continue developing articulation agreements between institutions under the management of all higher education institutions.   These mandates show the necessity of LCTCS institutions coordinating and sharing resources. Coordination allows campuses to share resources and offer a more comprehensive training program for business and industry. With coordination, campuses can share facilities, faculty, and expertise to provide programs that meet the labor needs of our state and are cost-effective at the same time.

Because LCTCS does not have centralized information, we had to conduct a survey to obtain information from individual campuses. We found that many institutions have initiated activities designed to promote coordination and the sharing of resources. These activities are summarized in the sections below.

Articulation of Course Credit

R.S. 17:1871(B)(6) requires the LCTCS to continue developing articulation agreements between institutions under the management of the LCTCS Board of Supervisors. The LCTCS adopted a policy that authorizes and encourages institutions to enter into transfer and articulation agreements with educational entities. Articulation is an important issue for the LCTCS because the Board of Regents Master Plan for Public Post-Secondary Education requires four-year institutions to have selective admission requirements by 2005.

The master plan predicts that selective admissions will result in more students attending community colleges and the technical college before attending four-year institutions. Therefore, articulation from the community colleges and the technical college to the four-year institutions will need to increase so that these students will receive credit for courses taken at LCTCS institutions. However, credit for many courses at the technical college do not transfer to two- or four-year institutions because of differences in accreditation standards.

The COE accredits all public technical campuses in Louisiana. The Southern Association of Colleges and Schools (SACS) accredits all public community colleges and universities in Louisiana. Currently, all technical college campuses and four community colleges (Delgado, Nunez, BRCC, and BPCC) are accredited. LDCC, RPCC, and SLCC are in various stages of accreditation.

Because COE and SACS have different accreditation standards, courses do not always articulate between the LTC and two- and four-year institutions.   For example, according to the Board of Regents and an LCTCS official, SACS requires that faculty members hold either a master's degree in the field in which they teach or a master's degree in any field plus 18 hours of credit in the field in which they teach. COE does not have this requirement for faculty credentials. According to LCTCS officials, credit may be transferred from the LTC to two- and four-year institutions on a case by case basis. For instance, courses may articulate if the LTC faculty meets the SACS faculty credential requirements. Acceptance of the courses is dependent on the receiving institution.

The Board of Regents requires that all LTC associate degrees include 15 hours of general education courses by 2004. In response to this mandate, the LCTCS adopted a policy that requires LTC faculty who teach general education courses to meet SACS credential requirements. This policy will enable LTC students to transfer their general education credits to community colleges and four-year universities. Another way to address differing accrediting requirements is for the technical college campuses to become dually accredited by both SACS and COE. In December 2002, the Board of Supervisors approved seeking dual accreditation for the SOWELA and L. E. Fletcher campuses of the LTC.

Currently, all general education courses that articulate are published in the Board of Regent's Statewide Student Transfer Guide and General Education Articulation Matrix. While, for the most part, all courses on the matrix will transfer for credit among Louisiana's institutions, some may or may not be applied to a particular degree program at all schools. In addition, the LTC is not included on the matrix because it is just beginning to offer general education courses that are transferable.

In September 2002, the LCTCS Board of Supervisors approved the development of a statewide articulation committee. The purpose of the committee is to serve as a catalyst for developing and maintaining articulation processes that will facilitate the movement of coursework from the LTC to the community colleges and vice versa. The committee is divided into district workgroups and hopes to have an articulation process developed by fall 2003. Exhibit 25 summarizes general articulation arrangements among postsecondary institutions in Louisiana.

Exhibit 25
Summary of General Articulation Arrangements

Institution	Receiving Institution	Do Credits Transfer?
LTC Campus	LTC Campus	**YES,** because all technical college campuses have same admission standards and accrediting body.
LTC	Community College and University (4-year)	**CASE BY CASE**, transfer courses must be taught by instructors who meet SACS credentials.
Community College	Community College	**YES**, these courses are outlined on the Board of Regents articulation matrix.
Community College	University (4-year)	**YES,** but mostly lower level undergraduate courses or general education courses outlined on Board of Regents articulation matrix.

Source: Prepared by legislative auditor's staff using information from LCTCS and individual institutions.

Coordination of Instructional Resources

Some campuses have coordinated instructional resources for certain programs. The coordination takes place with other LCTCS campuses in some cases and with institutions in other higher education systems in other cases. Examples obtained from our survey of the institutions include the following:

- The T. H. Harris and Teche Area campuses of the LTC work together to offer academic courses for the early childhood program.

- The Oakdale campus of the LTC coordinates with the Morgan Smith, Lamar Salter, Avoyelles, and Alexandria campuses of the LTC to provide academic courses for Oakdale's criminal justice program.

- The Ascension campus of the LTC has an agreement with Nicholls State University related to the Industrial Technology program whereby Nicholls provides the general education courses and the LTC campus provides the technical training. The L. E. Fletcher and Lafourche campuses of the LTC have similar agreements with Nicholls State University for the Surgical Technology program.

- Delgado Community College has agreements with the University of New Orleans and Nicholls State University to offer developmental courses, certain general education courses, and classes not in these universities' curricula to the university students.

- Louisiana Delta Community College teaches developmental math to Louisiana Tech University students.

- The River Parishes and Ascension campuses of the LTC have agreements with RPCC whereby the community college provides general education requirements for the process technology program and the technical college campuses provide the technical training.

Coordination of Workforce Training Programs

Some campuses have coordinated their efforts to provide workforce training for business and industry. These community colleges and technical college campuses provide workforce training through the incumbent worker training contracts discussed on page 52. The LCTCS does have centralized information on these contracts. Many of these contracts involve coordination between two or more campuses. For example:

- Delgado Community College and the Young Memorial and L. E. Fletcher campuses of the LTC have coordinated training in marine safety for various companies.

- The Bastrop, Mansfield, and Minden campuses of the LTC coordinated a $1.6 million contract with International Paper Company, Inc., to provide training in industrial maintenance technology.

- The Lafourche, SOWELA, West Jefferson, Young Memorial, L. E. Fletcher, and Sidney Collier campuses of the LTC have a $1.8 million contract to provide training in welding for Bollinger Shipyards.

In addition to incumbent worker training, some LCTCS institutions have worked together to provide other types of customized training. LCTCS officials told us that we would have to contact individual campuses to obtain this information; therefore, we surveyed all LCTCS institutions. We found numerous examples of campuses providing customized training. For example, Delgado Community College, Nunez Community College, and LTC campuses within Districts 1 and 3 have collaborated to develop the Northrup Grumman-Avondale Louisiana Initiative. The purpose of the initiative is to provide entry-level training in production, manufacturing, design, and information technology for the shipbuilding industry. In addition, a jewelry manufacturer in the Lafayette area requested that the Lafayette campus of the LTC provide jewelry manufacturing training so that the company could hire trained locals.

Sharing of Resources

Although R.S. 17:1871(B)(4) directs the LCTCS to maximize the use of facilities, faculties, and other resources already in place, the system office has not conducted an evaluation of the system's resources to determine where they could be consolidated or shared. The LCTCS has not conducted an evaluation because the system does not have centralized data to determine which campuses currently share resources. As a result, LCTCS does not know whether its institutions are complying with this statute.

Some colleges and campuses said that they do share resources. The most common resource they said they share is faculty. According to ISIS data, as of May 2002, 45 employees were employed by more than one institution within the LCTCS. In addition, campuses from seven of the eight LTC districts reported that they have shared some resources over the past two years. Some of the sharing of resources is between and among institutions within the LCTCS, while some is with institutions in other higher education systems. Examples of shared resources are as follows:

- SLCC shares administrative and classroom space with the University of Louisiana at Lafayette.

- The Lafourche campus of the LTC shares physical facilities with Nicholls State University to provide surgical and manufacturing technologies training.

The system office has also found ways to share more facility resources. For example, according to an LCTCS official, the system office required LDCC to share its administrative office with the Delta Ouachita campus of the LTC. It has also required that the new SLCC campus be built next to the Lafayette campus of the LTC to allow the two campuses to share facilities such as the library and cafeteria. In addition, the system office has implemented a district structure within the LTC that should foster sharing of physical and faculty resources. An assistant chancellor and his staff oversee each district. The new structure will allow assistant chancellors the flexibility and authority they need to consolidate and share faculty and resources.

Gathering centralized information on how campuses coordinate and share resources would enable the system to evaluate where resources could be shared, scaled back, or improved. Both Alabama and Minnesota cited centralization and access to data as an important tool for knowing what is happening on campuses. Having centralized access to data can help systems manage better. It promotes better assessment of current resources and evaluation of how resources can be shared and consolidated. In addition, centralized information would help the system document the accomplishments of its individual institutions.

As previously discussed, the LCTCS recently began implementing the PeopleSoft software system, which would centralize data management. Although the system's implementation has not been completely successful, the need for standardized data for management purposes is clear, and the LCTCS should continue its efforts in this direction.

Recommendation 33: The LCTCS Board of Supervisors and office staff should compile information from all campuses on how they coordinate and share resources. This information should include which campuses share physical and faculty resources, how campuses coordinate to respond to student and business needs, and which campuses have developed articulation agreements. Gathering this information will help the system assess where resources and coordination are most needed and have the most potential for cost savings.

Summary of LCTCS Response: The LCTCS agrees with this recommendation and states that it will request that institutions periodically review and update its inventory on shared space among campuses.

Appendix A

Audit Scope and Methodology

Appendix A: Audit Scope and Methodology

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. We followed the applicable generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Preliminary work on this audit began in April 2002.

Scope

This audit focused on the management activities of the LCTCS Board of Supervisors and office staff. The audit covers fiscal years 2001 and 2002. In some cases, we expanded our scope to show trends and to obtain information vital to evaluating certain activities. Specifically, we addressed the following questions:

I.   What are the mandated roles and functions of the LCTCS Board of Supervisors and office staff?

II.   How do the LCTCS Board of Supervisors and office staff ensure that programmatic data received from campuses are accurate?

III.   Do the LCTCS Board of Supervisors and office staff ensure that system office and institutional administrative staff are compensated in accordance with established guidelines?

IV.   How do the LCTCS Board of Supervisors and office staff address the capital needs of the institutions within the system?

V.   How do the LCTCS Board of Supervisors and office staff ensure that the community colleges and technical college campuses share resources and coordinate activities?

Methodology

I.   **What are the mandated roles and functions of the LCTCS Board of Supervisors and office staff?**

    A. To identify the mandated roles and functions of the board and system office staff, we completed the following procedures:

- Reviewed the state constitution and relevant statutes

- Reviewed LCTCS bylaws and policies and procedures

- Reviewed job descriptions of various staff members

- Compared board and staff policies and job descriptions to statutorily mandated roles and functions to determine if any inconsistencies exist

B. **To determine who carries out the mandated roles and functions of the board and system office staff, we performed the following procedures:**

- Reviewed the executive budgets to determine trends in the number of authorized and actual positions

- Searched the state contract database for professional services, personal services, social services, and consulting contracts and summarized the amounts from July 1, 2000, to May 15, 2002

C. **To determine what functions and duties the board and system office staff perform, we completed the following procedures:**

- Interviewed system staff regarding performed duties, functions, and roles

- Reviewed minutes from all board meetings from July 1, 2000, to May 15, 2002, and interviewed various board members to obtain views on the board's and staff's roles

- Attended all board meetings and several committee meetings from April 2002 to December 2002

D. **To determine how satisfied the institutions are with the services provided by the board and system office staff, we performed the following procedures:**

- Developed a survey instrument using both open-ended questions and questions with a rating scale based on staff job descriptions and sent the survey to administrators at the seven community colleges, the 42 LTC campuses, and the LTC central office. We included the 42 LTC campuses because many LCTCS functions directly impact the LTC central office and individual campuses. In addition, since the LCTCS Board of Supervisors has the constitutional and statutory responsibility of overseeing all campuses in the system, it was important to determine those entities' assessment of management functions and services provided by the board and its staff.

- Compiled and analyzed the survey results to determine what institutions say the board's and staffs' functions and roles are and how well they perform those roles and functions.

II. **How do the LCTCS Board of Supervisors and office staff ensure that programmatic data received from campuses are accurate?**

A. **To determine how the LCTCS office staff ensure that programmatic data from the campuses are accurate, we performed the following procedures:**

- Interviewed various higher education staff members and the Southern Association of Colleges and Schools (SACS) and Council on Occupational Education (COE) accrediting authorities to determine what data are collected and used for funding purposes

- Documented how each institution gathers data and identified the input and output controls on data transfer

- Determined whether data are verified by entities who submit and collect data and whether that verification is sufficient

- Accompanied Board of Regents internal auditors on audits of student credit hour data at River Parishes Community College and Delgado Community College

- Audited student credit hour data from fall 2001 for nine programs at four LTC campuses by tracing data back to source documents to determine if campuses calculated student credit hour data correctly

B. To determine how the board and system office staff ensure that relevant programs that meet customer/stakeholder needs are offered, we performed the following procedures:

- Interviewed state Department of Labor staff to identify what data exist regarding demand occupations, labor shortages, regional labor needs, and other data; determined whether the LCTCS uses this data by sending a survey to all campuses

- Compared demand occupation list to programs offered by LCTCS institutions

- Interviewed LCTCS staff and reviewed documents on how they ensure that customer and stakeholder needs are met

- Surveyed campuses to determine how they meet the needs of business and industry

- Compiled information regarding Incumbent Worker Training contracts and other contracts or partnerships with business

- Obtained programmatic data on completers for each LCTCS program from the Board of Regents, the Council on Occupational Education, and the state Department of Labor and identified programs with low numbers of completers using the Board of Regents definition of completer in most cases. We defined a low completer as a program that has a total of eight or fewer completers over three years. The Board of Regents defines a low completer as a program with an average of eight or less completers over five years.

- Obtained data on Fiscal Year 2002 program costs submitted by LTC campuses and summarized the average, high, and low costs per FTE per program

- Generated a statistically valid random sample of community college completers in academic year 1999-2000 and LTC completers in academic year 2000-2001 and used the state Department of Labor's wage database to determine whether the sample of completers obtained employment in their fields. We attempted to analyze the same time frame for both community and technical college campuses. However, LCTCS had data on transfers from the community colleges only for academic year 1999-2000, so we reviewed completers for that time frame for the community colleges.

- Determined how many community college completers in academic year 1999-2000 transferred to four-year institutions

III.   Do the LCTCS Board of Supervisors and office staff ensure that system office and institutional administrative staff are compensated in accordance with established guidelines?

A. To determine whether the board and system office staff ensure that system and institution staff are compensated appropriately, we completed the following procedures:

- Documented how the board and system office staff hire various levels of personnel such as the president, administrators, staff, and faculty

- Obtained salaries from the LCTCS office and individual campuses as of July 1, 2002

- Summarized guidelines for campus employee and system office staff salaries and compensation from the Board of Regents and College and University Professional Association and determined whether the LCTCS followed these guidelines

- Documented additional compensation for chancellors, directors, and LCTCS administrators awarded in August 2002

- Identified the system's policies and methodology for performance evaluations and merit increases

- Pulled a 10% random sample of campus administrative and faculty member performance evaluations from the smallest and largest LTC campuses in each district and determined whether merit increases were granted in accordance with LCTCS policy

- Pulled a 10% random sample of campus administrative and faculty member performance evaluations from all seven community colleges and determined whether merit increases were granted in accordance with LCTCS policy

- Determined whether LCTCS administrators and campus chancellors and administrators received professional services contracts before their effective dates of hire since the formation of the LCTCS

IV.   How do the LCTCS Board of Supervisors and office staff address the capital needs of the institutions within the system?

A. To determine the procedures that the board and system office staff use to ensure that the capital needs are met, we completed the following procedures:

- Obtained capital outlay requests from the LCTCS and the Board of Regents and the corresponding capital outlay bills to determine whether capital projects were funded through the capital outlay process

- Interviewed LCTCS, Board of Regents, Division of Administration, and legislative staff to determine what criteria are used to prioritize capital projects and how they meet the capital needs of institutions

- Determined how the LCTCS uses alternative financing to finance and build new community college campuses including the funding sources and construction process

- Obtained, reviewed, and analyzed all relevant documents on the Bossier Parish Community College alternative financing project

V.   **How do the LCTCS Board of Supervisors and office staff ensure that the community colleges and technical college campuses share resources and coordinate activities?**

    A. To determine whether the board and system office staff ensure that the community and technical colleges coordinate and share resources, we completed the following procedures:

- Researched best practices of other community and technical college systems

- Interviewed LCTCS staff to obtain information on campuses that share resources and coordinate certain activities

- Determined which community and technical college campuses coordinate services and share resources including articulation, instruction, sharing of faculty and facilities, and use of incumbent worker training contracts

Appendix B

Summary of Matters for Legislative Consideration and Recommendations

Appendix B: Summary of Matters for Legislative Consideration and Recommendations

Matters for Legislative Consideration

Matter for Legislative Consideration 1: The legislature may wish to consider reviewing the funding for campuses with incumbent worker trainees to determine if they are being funded twice and if so, whether it is appropriate.

Matter for Legislative Consideration 2: The legislature may wish to consider adopting legislation that establishes specific controls over alternative financing arrangements. Suggested controls include the following:

- Providing a guarantee that funding will be available for the projects

- Ensuring that the alternative financing arrangements do not harm the state's credit rating

- Ensuring that projects meet Office of Facility Planning and Control standards

- Addressing ethics concerns dealing with members of state boards of supervisors who oversee the projects and also serve on the boards of directors of the nonprofit corporations formed to implement the alternative financing arrangements

Recommendations

Recommendation 1: The LCTCS Board of Supervisors should adopt a policy that addresses the requirements of R.S. 17:3351(B)(3).

Recommendation 2: The LCTCS Board of Supervisors and office staff should review the service deficiencies cited in this section of the report and determine if problems with the provision of these services actually exist. The board and staff should then formulate and implement steps for corrective action. Corrective action may need to involve the LTC central office.

Recommendation 3: The LCTCS Board of Supervisors and office staff should conduct periodic customer satisfaction surveys of the institutions to determine if they are providing essential and adequate services to them on a continuing and evolving basis. The system office staff should also periodically survey the members of the Board of Supervisors to gauge its effectiveness as a support unit in meeting the board's needs.

Recommendation 4: The LCTCS office staff and Board of Supervisors should require the Internal Audit Division to conduct periodic audits of student credit hour and completer data to verify that they are accurate.

Recommendation 5: The LCTCS office should work with the Board of Regents to develop and provide clear, written, and consistent guidelines for the technical college campuses regarding defining and collecting of all types of programmatic data.

Recommendation 6: The LCTCS office staff should require the LTC to provide training for campus personnel to help them understand data definition, collection, input, and reporting.

Recommendation 7: The LCTCS office should require the LTC campuses to standardize policies and processes for registration, adding and dropping courses, issuing grades and refunds, and recording attendance.

Recommendation 8: The LCTCS office staff should require that all campuses keep sufficient and comprehensive student records.

Recommendation 9: The LCTCS office staff and Board of Supervisors should issue formal written guidance that defines noncredit and credit hours to ensure that all campuses collect and define these hours appropriately and consistently.

Recommendation 10: The LCTCS office should establish consistent policies and procedures throughout the system that will provide assurance that PeopleSoft captures accurate and consistent data.

Recommendation 11: The LCTCS office should assign a sufficient number of staff to the MIS section to ensure that PeopleSoft is completely implemented and maintained, and that normal technology needs are met. In addition, the LCTCS system office should ensure that it has full funding to staff future technology projects before they begin.

Recommendation 12: The LCTCS office should ensure that each campus using PeopleSoft and the system office have a technology infrastructure that is sufficient enough to complete the implementation and future operation of PeopleSoft. The LCTCS system office should also ensure that in the future, it has full funding for all aspects of technology projects before they begin.

Recommendation 13: The LCTCS should use a strong coordinating authority or committee to oversee completion of the PeopleSoft implementation. This person or committee should have power as a change agent and serve as a link between normal campus operations and the Management Information Systems department.

Recommendation 14: The LCTCS Board of Supervisors should adopt a policy requiring system personnel to inform the board when actual expenditures and sources of funds differ substantially from board-approved amounts and sources. A certain range of error should be allowed because of normal fluctuations in prices and the economic environment, with outliers being reported to the board through its finance committee.

Recommendation 15: The LCTCS office staff should ensure that the Board of Supervisors has clear and timely reports regarding the actual status and cost of the PeopleSoft implementation so that the board will be able to make effective management decisions related to the implementation.

Recommendation 16: The LCTCS should evaluate whether it is cost effective to continue supporting programs that are not on the Department of Labor's demand list. The evaluation should first identify which programs are not on the demand list. It should then take into consideration other factors such as the number and location of campuses at which those programs are offered, whether the programs are

specialized to meet the needs of a certain group or groups of employees or businesses, and district and regional employment and student needs. The LCTCS may need to use regional data in addition to statewide data from the Department of Labor to conduct a thorough analysis.

Recommendation 17: The LCTCS Board of Supervisors should work with the Board of Regents to determine which definition of completer best suits its mission and use that definition consistently. If a common definition cannot be agreed upon, the LCTCS should require that the definition used is clearly stated when completer data are included in reports.

Recommendation 18: The LCTCS office should evaluate programs with low enrollment and low numbers of completers to determine if it is cost effective to continue supporting those programs. This evaluation should include an assessment of the viability of the programs, the demand and workforce potential of the programs, and the cost effectiveness of the programs.

Recommendation 19: Once the LCTCS has controls in place that help ensure that data are accurate, it should determine why program costs vary among campuses. The LCTCS should strive to keep program costs as low as possible at all campuses.

Recommendation 20: The LCTCS should decide on a definition of completer and job placement that best suits its mission and develop a methodology to track completers and job placement in accordance with that definition.

Recommendation 21: The LCTCS should collect pertinent information from all community colleges and technical college campuses that documents the impact of LCTCS programs on the state's economic development. For example, the LCTCS should maintain a centralized list of certified programs, a list of all occupational advisory groups, and a list of partnerships with business and industry. If it is not cost prohibitive, the LCTCS should also publish an annual report listing system accomplishments and statistics related to economic development.

Recommendation 22: The LCTCS Board of Supervisors should adopt clear and specific bylaws or policies and procedures that establish criteria for setting and adjusting salaries of system office staff and the system president. The new bylaws or policies and procedures should require the system to adhere to the Board of Regents Administrative Salary Policy Guidelines. Adopting bylaws or policies and procedures will help ensure that salaries continue to be competitive with those for similar positions in other systems, which in turn, will help ensure that the system can retain qualified staff.

Recommendation 23: The LCTCS Board of Supervisors should adopt formal written bylaws and/or policies and procedures for compensating LTC campus administrators instead of using the previous BESE policy. The new bylaws and/or policies and procedures should include all elements required by the Board of Regents Administrative Salary Policy Guidelines.

Recommendation 24: The LCTCS Board of Supervisors should determine whether the system should continue to use this type of contract. If the board determines that the continued use of these contracts is appropriate, the board should adopt a policy that requires the board to approve all professional services contracts involving future employees of the system. The policy should require the board to approve the contract amounts and terms. It should also require the LCTCS office to maintain written documentation of the rationale for the contract amounts.

Recommendation 25: The LCTCS office should refrain from awarding stipends to employees for extra work already performed until obtaining an opinion from the Attorney General on whether such payments constitute bonuses in violation of Article 7, Section 14(A) of the Louisiana Constitution. If the Attorney General opines that the stipends were unconstitutional, the LCTCS should take appropriate corrective action. If the Attorney General opines that stipends are acceptable, the LCTCS should require that employees receiving stipends in the future certify the additional hours they worked. The LCTCS should also use a specified methodology to calculate the amount of future stipends. The methodology should result in reasonable stipend amounts based on actual hours of overtime hours worked.

Recommendation 26: The LCTCS office should require that each campus provide documentation showing that performance appraisals have been completed and are on file before it presents requests for merit raises to the Board of Supervisors. The system president should take appropriate disciplinary action, including penalties, for any chancellors who falsely attest that performance appraisals are on file when they are not. In addition, the Board of Supervisors should not approve merit increases until it has ensured that the performance appraisals are completed and on file and that the evaluation ratings were satisfactory or above.

Recommendation 27: The LCTCS office should ensure that each evaluator, including the president, follows the established policies and procedures for performance evaluations and uses the appropriate evaluation instruments.

Recommendation 28: The LCTCS Board of Supervisors should amend its alternative financing policy to give the Office of Facility Planning and Control approval and enforcement power on the advisory committee to ensure that the state's best interest is represented.

Recommendation 29: The LCTCS Board of Supervisors should amend its alternative financing policy and the standard cooperative endeavor agreement to require members of the advisory committee to attend all meetings and provide comments on all plans and specifications. The policy should also require input from each member of the advisory committee and ensure that the design-build team considers all comments and notifies the advisory committee of the reasons why any recommendations are not implemented.

Recommendation 30: The LCTCS Board of Supervisors should amend its alternative financing policy to ensure that members of the advisory committee have sufficient time to consider all plans and change orders.

Recommendation 31: The LCTCS Board of Supervisors should request an opinion from the Louisiana Board of Ethics as to whether members of the Board of Supervisors should be allowed to serve on boards of directors of nonprofit corporations formed to provide alternative financing to campuses within the LCTCS. The request should address the issue of direct and indirect economic gains. Until an opinion is received, the Board of Supervisors should obtain legal advice on whether the three members who are currently on boards of directors should continue to serve in these dual roles.

Recommendation 32: The LCTCS should continue its efforts to develop a facilities master plan so it can more effectively prioritize and plan for the capital needs of its institutions. The system also should work with the Board of Regents to coordinate efforts and avoid duplication.

Recommendation 33: The LCTCS Board of Supervisors and office staff should compile information from all campuses on how they coordinate and share resources. This information should include which campuses share physical and faculty resources, how campuses coordinate to respond to student and business needs, and which campuses have developed articulation agreements. Gathering this information will help the system assess where resources and coordination are most needed and have the most potential for cost savings.

Appendix C

FTE, Completers, and Appropriated Amounts by Institution

Appendix C: FTE, Completers, and Appropriated Amounts by Institution

Institution	Full-Time Equivalents (FTEs) Academic Year 2001-2002	Completers Academic Year 2001-2002	Appropriation - State General Fund Fiscal Year 2002	Appropriation - Total Budget Fiscal Year 2002
BRCC	2,754.0	114	$6,722,230.00	$10,007,833.00
BPCC	2,848.0	324	$9,973,069.00	$14,901,354.00
Delgado CC	9,446.0	1,075	$23,580,655.00	$43,621,159.00
Nunez CC	1,411.0	224	$3,984,155.00	$6,225,356.00
RPCC	263.0	9	$1,386,984.00	$1,728,164.00
SLCC	553.0	23	$1,714,891.00	$2,450,649.00
LDCC	131.0	0	$500,000.00	$500,000.00
Subtotal CC	**17,406.0**	**1,769**	**$47,861,984.00**	**$79,434,515.00**
LTC:				
Jefferson	436.2	60	$1,860,768.00	$1,953,468.00
Sidney N. Collier	605.2	88	$1,955,322.00	$2,009,227.00
Slidell	362.5	160	$1,431,530.00	$1,484,244.00
West Jefferson	296.7	25	$1,610,536.00	$1,656,219.00
Total District 1	**1,700.6**	**333**	**$6,858,156.00**	**$7,103,158.00**
Baton Rouge	983.9	270	$3,346,831.00	$3,474,672.00
Florida Parishes	196.4	72	$711,755.00	$737,052.00
Folkes	208.1	35	$1,030,941.00	$1,071,890.00
Hammond	217.5	54	$1,079,156.00	$1,127,961.00
Jumonville	351.0	75	$1,666,304.00	$1,761,528.00
Sullivan	641.1	123	$2,326,062.00	$2,441,575.00
Westside	623.1	48	$2,322,767.00	$2,354,889.00
Total District 2	**3,221.1**	**677**	**$12,483,816.00**	**$12,969,567.00**
Ascension	170.1	27	$858,222.00	$877,587.00
River Parishes	285.7	71	$1,123,164.00	$1,156,873.00
L. E. Fletcher	794.7	132	$2,106,199.00	$2,344,663.00
Lafourche	215.9	75	$1,000,865.00	$1,037,232.00
Total District 3	**1,466.4**	**305**	**$5,088,450.00**	**$5,416,355.00**
Evangeline	243.6	19	$1,058,780.00	$1,097,547.00
Gulf Area	407.2	160	$1,621,289.00	$1,693,867.00
Lafayette	979.1	189	$3,660,388.00	$3,838,356.00
T. H. Harris	686.4	120	$2,759,383.00	$2,871,925.00
Teche Area	463.2	120	$1,592,630.00	$1,673,902.00
Young Memorial	1,241.9	188	$2,356,390.00	$2,475,155.00
Total District 4	**4,021.4**	**796**	**$13,048,860.00**	**$13,650,752.00**
Acadian	259.0	155	$1,404,252.00	$1,486,112.00
Charles Coreil	189.6	58	$945,312.00	$981,562.00
Morgan Smith	163.9	70	$829,587.00	$844,934.00
Oakdale	287.5	107	$1,127,126.00	$1,169,337.00
SOWELA	1,659.1	195	$5,171,843.00	$5,552,321.00
Total District 5	**2,559.1**	**585**	**$9,478,120.00**	**$10,034,266.00**
Alexandria	473.0	106	$2,055,383.00	$2,146,702.00
Avoyelles	548.1	159	$1,928,947.00	$1,992,664.00
H. P. Long	209.8	108	$1,110,781.00	$1,157,902.00
Lamar Salter	268.7	33	$1,107,257.00	$1,154,870.00
Shelby M. Jackson	180.4	54	$784,647.00	$816,913.00
Total District 6	**1,680.0**	**460**	**$6,987,015.00**	**$7,269,051.00**

Institution	Full-Time Equivalents (FTEs) Academic Year 2001-2002	Completers Academic Year 2001-2002	Appropriation - State General Fund Fiscal Year 2002	Appropriation - Total Budget Fiscal Year 2002
LTC: (Continued)				
Mansfield	175.7	85	$828,274.00	$856,121.00
Natchitoches	304.5	70	$1,357,203.00	$1,441,486.00
Northwest	611.8	104	$2,414,914.00	$2,524,662.00
Sabine Valley	168.0	60	$789,319.00	$782,457.00
Shreveport/Bossier	817.5	176	$3,216,581.00	$3,312,215.00
Total District 7	**2,077.5**	**495**	**$8,606,291.00**	**$8,916,941.00**
Bastrop	223.5	80	$1,270,957.00	$1,314,919.00
Delta-Ouachita	494.6	136	$2,470,155.00	$2,563,816.00
North Central	130.1	26	$690,342.00	$706,638.00
Northeast	167.4	66	$1,036,126.00	$1,061,285.00
Ruston	175.3	48	$858,969.00	$892,549.00
Tallulah	395.3	84	$1,704,512.00	$1,769,498.00
Total District 8	**1,586.2**	**440**	**$8,031,061.00**	**$8,308,705.00**
Subtotal - LTC	**18,312.3**	**4,091**	**$70,581,769.00**	**$73,668,795.00**
Total - All Institutions	**35,718.3**	**5,860**	**$118,443,753.00**	**$153,103,310.00**

Source: Prepared by legislative auditor's staff using data from Board of Regents Web site, FY 2002 General Appropriations Act, and LTC Annual Financial Report.

Appendix D

LTC Program Costs Per FTE and Numbers of Completers

Appendix D: LTC Program Costs Per FTE and Numbers of Completers

	FTE	SGF Cost per FTE	01-02 Completers
Agriculture			
Oakdale	41.7	$1,343.00	7
Avoyelles	22.9	$1,548.00	N/A
Northwest	21.2	$1,814.00	N/A
Westside	44.7	$2,347.00	3
Jumonville	19.4	$2,952.00	N/A
Folkes	14.9	$3,939.00	2
Slidell	11.5	$5,049.00	5
Total	**176.3**		**17**
Business/Accounting			
Shreveport	16.3	$153.00	N/A
Delta	46.3	$1,237.00	15
Tallulah	127.5	$1,486.00	9
L. E. Fletcher	147.1	$1,910.00	32
Shelby Jackson	51.0	$1,920.00	6
Baton Rouge	119.2	$1,986.00	45
SOWELA	152.2	$1,987.00	31
Alexandria	100.3	$2,028.00	15
Evangeline	71.2	$2,173.00	3
Sabine Valley	52.1	$2,277.00	6
Bastrop	104.6	$2,280.00	20
Florida Parishes	48.5	$2,383.00	5
Natchitoches	66.2	$2,392.00	13
Hammond	45.8	$2,410.00	3
Westside	69.1	$2,428.00	1
Young Memorial	135.2	$2,440.00	24
Teche	82.0	$2,640.00	22
Lamar Salter	69.3	$2,739.00	15
Ascension	54.9	$2,783.00	14
T. H. Harris	101.8	$2,875.00	9
Lafayette	118.1	$2,915.00	16
Jumonville	43.4	$2,946.00	8
Oakdale	37.4	$3,017.00	3
River Parishes	32.7	$3,034.00	18
Mansfield	62.5	$3,045.00	15
North Central	22.8	$3,079.00	2
Lafourche	81.9	$3,203.00	10
Sullivan	63.1	$3,259.00	5
H. P. Long	47.4	$3,311.00	20
Northwest	93.9	$3,341.00	19
Slidell	29.5	$3,395.00	5
Avoyelles	46.0	$3,489.00	9
Folkes	31.1	$3,540.00	10
Ruston	47.6	$3,581.00	14
Coreil	73.7	$3,604.00	12
Morgan Smith	45.5	$3,640.00	16
Northeast	37.4	$3,680.00	12

	FTE	SGF Cost per FTE	01-02 Completers
Business/Accounting (Cont.)			
Jefferson	46.0	$3,784.00	13
Gulf Area	63.2	$4,139.00	18
Sidney Collier	37.9	$4,319.00	15
West Jefferson	21.1	$4,559.00	4
Acadian	60.3	$5,081.00	20
Total	**2803.1**		**552**
Business/Marketing			
Sidney Collier	0.7	$0.00	N/A
Florida Parishes	3.5	$0.00	N/A
Natchitoches	1.5	$0.00	N/A
Shreveport	7.9	$0.00	N/A
North Central	0.3	$1,809.00	N/A
Sullivan	19.1	$2,537.00	4
Northwest	12.6	$3,330.00	6
Lafayette	15.6	$3,579.00	N/A
Jefferson	12.7	$3,641.00	2
Slidell	2.8	$7,437.00	N/A
Total	**76.7**		**12**
Communication/Commercial Art			
SOWELA	**60.9**	**$2,345.00**	**5**
Communication/Graphic Design/Publishing			
Lafayette	35.4	$1,537.00	9
Shreveport	27.9	$1,876.00	4
Jumonville	26.6	$1,900.00	2
Baton Rouge	48.8	$2,276.00	14
Total	**138.7**		**29**
Computers/Networking			
Tallulah	2.0	$0.00	N/A
Hammond	4.6	$0.00	N/A
Morgan Smith	3.3	$339.00	N/A
Teche	65.9	$810.18	5
Shreveport	36.7	$822.00	N/A
Lafayette	77.5	$839.00	5
T. H. Harris	80.5	$1,964.00	16
Baton Rouge	74.5	$2,025.00	18
Sullivan	28.2	$3,790.00	N/A
Total	**373.2**		**44**
Computers/Programmer			
SOWELA	22.3	$1,814.00	4
Sullivan	12.8	$3,892.00	2
Total	**35.1**		**6**
Computers/Support/Operations			
Sidney Collier	18.8	$0.00	N/A
Jumonville	1.8	$0.00	N/A
Lafourche	0.2	$0.00	N/A
Morgan Smith	0.2	$0.00	N/A
Avoyelles	1.0	$0.00	N/A
Natchitoches	2.1	$0.00	N/A
Northeast	0.7	$0.00	N/A
Northwest	45.3	$368.00	3
Bastrop	1.5	$486.00	N/A

	FTE	SGF Cost per FTE	01-02 Completers
Computers/Support/Operations (Cont.)			
Sabine Valley	64.3	$923.00	3
River Parishes	0.4	$640.00	1
Gulf Area	36.1	$1,468.00	7
Mansfield	5.5	$1,592.00	4
Westside	22.7	$1,707.00	N/A
SOWELA	237.5	$1,822.00	25
North Central	18.8	$1,872.00	1
Shelby Jackson	25.5	$1,973.00	1
Shreveport	68.5	$2,026.00	10
Baton Rouge	27.0	$2,025.00	N/A
Sullivan	74.6	$2,095.00	10
Slidell	24.1	$2,218.00	4
Delta	85.9	$2,405.00	4
Lafayette	41.8	$3,811.00	4
Tallulah	0.1	$5,855.00	N/A
Total	**804.4**		**77**
Construction/Carpentry			
Alexandria	3.5	$0.00	N/A
Tallulah	19.9	$390.00	N/A
Delta	0.4	$398.00	N/A
Baton Rouge	12.2	$813.00	N/A
Teche	13.0	$909.00	N/A
Oakdale	54.5	$967.00	14
Sullivan	74.9	$1,511.00	1
Jefferson	68.3	$1,695.00	7
Jumonville	29.2	$1,697.00	3
Lamar Salter	24.0	$1,964.00	2
Northwest	21.3	$2,132.00	N/A
Lafourche	23.5	$2,194.00	1
SOWELA	2.0	$2,342.00	N/A
West Jefferson	35.8	$2,563.00	6
Natchitoches	12.8	$2,707.00	1
Gulf Area	19.9	$2,836.00	4
Westside	22.5	$2,293.00	N/A
H. P. Long	19.3	$3,072.00	4
Shreveport	24.7	$3,286.00	N/A
Sidney Collier	14.6	$3,312.00	7
Young	13.1	$4,120.00	1
Slidell	1.9	$8,919.00	N/A
Total	**511.3**		**51**
Construction/Electrician			
Jefferson	37.6	$0.00	N/A
Sidney Collier	0.1	$0.00	N/A
Sullivan	23.0	$0.00	N/A
L. E. Fletcher	40.6	$0.00	9
Lafourche	17.1	$165.00	1
Delta	40.1	$1,179.00	20
Baton Rouge	51.6	$1,311.00	2
Lafayette	39.6	$1,366.00	11
Shreveport	53.3	$1,480.00	11
T. H. Harris	27.2	$1,799.00	11

	FTE	SGF Cost per FTE	01-02 Completers
Construction/Electrician (Cont.)			
Alexandria	23.2	$2,121.00	4
Teche	20.5	$2,337.00	3
SOWELA	45.9	$2,374.00	8
Slidell	13.8	$2,454.00	5
Evangeline	0.3	$4,066.00	N/A
Young	14.9	$3,581.00	6
Morgan Smith	15.7	$3,587.00	4
West Jefferson	14.2	$4,683.00	N/A
Total	**478.7**		**95**
Construction/Masonry			
T. H. Harris	**10.7**	**$4,381.00**	**3**
Construction/Plumbing			
Shreveport	22.0	$433.14	N/A
River Parishes	0.1	$1,400.00	N/A
Baton Rouge	33.4	$861.00	N/A
Total	**55.5**		**0**
Electronics/Basic			
Sidney Collier	6.1	$0.00	N/A
River Parishes	49.6	$719.00	N/A
Ascension	53.7	$1,051.00	N/A
Westside	44.1	$1,150.00	N/A
Avoyelles	52.6	$1,213.00	1
L. E. Fletcher	33.1	$1,504.00	4
SOWELA	169.6	$1,658.00	13
Slidell	18.8	$1,993.00	N/A
Northwest	97.7	$2,087.00	N/A
Alexandria	42.0	$2,178.00	4
Folkes	25.1	$2,492.00	7
T. H. Harris	82.9	$2,618.00	14
Ruston	20.5	$2,625.00	4
Lafayette	60.4	$2,806.00	13
Natchitoches	24.3	$2,810.00	N/A
Jumonville	19.1	$2,812.00	4
Bastrop	18.7	$3,012.00	5
Young	30.4	$3,725.00	10
West Jefferson	13.7	$3,853.00	2
Shreveport	23.7	$3,978.00	3
Teche	17.1	$4,467.00	6
Evangeline	13.2	$4,802.00	1
Lamar Salter	22.6	$4,944.00	3
Delta	20.6	$4,988.00	2
Gulf Area	10.8	$5,134.00	2
Sullivan	23.5	$5,340.00	18
Total	**993.9**		**116**
Electronics/Computer			
Westside	7.0	$1,707.00	N/A
Slidell	33.0	$1,727.00	10
Hammond	26.4	$1,801.00	1
Baton Rouge	8.6	$2,025.00	N/A
Gulf Area	26.5	$2,160.00	8
Shreveport	42.8	$2,313.00	19

	FTE	SGF Cost per FTE	01-02 Completers
Electronics/Computer (Cont.)			
Acadian	40.2	$2,393.00	8
Jefferson	38.5	$2,555.00	N/A
Teche	3.3	$4,453.00	3
Evangeline	0.1	$3,264.00	N/A
Sidney Collier	3.9	$11,022.00	N/A
Sullivan	0	0	1
Total	**230.3**		**50**
Electronics/Industrial			
Florida	3.5	$0.00	N/A
Lafourche	0.4	$0.00	N/A
Natchitoches	0.1	$0.00	N/A
North Central	3.1	$0.00	N/A
Northwest	16.4	$789.00	25
SOWELA	26.2	$1,036.00	27
Shreveport	15.5	$2,745.00	7
River Parishes	2.7	$4,486.00	8
Ascension	5.0	$8,883.00	11
Total	**72.9**		**78**
General Education/Developmental Education			
Acadian	2.0	$0.00	N/A
H. P. Long	0.1	$0.00	N/A
Lamar Salter	2.8	$0.00	N/A
Morgan Smith	26.6	$0.00	N/A
North Central	10.9	$0.00	N/A
Shelby M. Jackson	30.5	$0.00	N/A
Charles Coreil	16.5	$2.00	N/A
T. H. Harris	3.6	$77.00	N/A
Baton Rouge	1.5	$123.00	N/A
Gulf Area	0.3	$347.00	N/A
Sidney N. Collier	97.6	$1,185.00	N/A
Teche Area	16.0	$1,335.00	N/A
Slidell	43.2	$1,398.00	N/A
SOWELA	151.0	$1,734.00	N/A
Ruston	3.5	$1,831.00	N/A
Florida Parishes	27.9	$1,871.00	N/A
Avoyelles	68.9	$2,032.00	N/A
Westside	116.8	$2,087.00	N/A
Natchitoches	19.7	$2,149.00	N/A
Mansfield	10.1	$2,441.00	N/A
Lafayette	18.3	$2,900.00	N/A
West Jefferson	17.5	$3,195.00	N/A
Folkes	39.7	$3,265.00	N/A
River Parishes	17.8	$3,431.00	N/A
Alexandria	24.9	$3,446.00	N/A
Sullivan	151.0	$3,652.00	N/A
Bastrop	29.4	$3,960.00	N/A
Jumonville	68.0	$4,045.00	N/A
Jefferson	11.6	$4,435.00	N/A
Northeast	18.6	$4,460.00	N/A
Sabine Valley	9.6	$5,706.00	N/A
Northwest	62.8	$5,727.00	N/A

	FTE	SGF Cost per FTE	01-02 Completers
General Education/Developmental Education (Cont.)			
Delta-Ouachita	15.6	$6,639.00	N/A
Ascension	6.7	$6,936.00	N/A
Young Memorial	7.3	$7,192.00	N/A
Tallulah	14.6	$7,433.00	N/A
L. E. Fletcher	12.5	$8,192.00	N/A
Shreveport/Bossier	0.1	$917,471.00	N/A
Total	**1175.5**		
General Education/Early Childhood			
Sidney Collier	3.3	$0.00	N/A
Jumonville	0.1	$0.00	N/A
L. E. Fletcher	0.1	$0.00	N/A
Shreveport	16.9	$0.00	N/A
Northeast	1.2	$0.00	N/A
Sullivan	34.2	$10.00	N/A
Teche	66.5	$357.00	37
Evangeline	2.1	$414.00	N/A
Sabine Valley	1.4	$764.00	N/A
Baton Rouge	124.2	$912.00	51
Avoyelles	18.5	$933.00	N/A
Lafayette	53.1	$935.00	12
Natchitoches	48.9	$1,023.00	26
Delta-Ouachita	32.3	$1,397.00	N/A
SOWELA	39.1	$1,441.00	1
Lamar Salter	20.7	$2,395.00	6
Total	**462.6**		**133**
Health Aides			
Baton Rouge	3.9	$0.00	N/A
Natchitoches	0.6	$0.00	N/A
Northwest	8.8	$0.00	N/A
Oakdale	0	0	6
Shreveport/Bossier	10.7	$0.00	N/A
Gulf Area	20.2	$22.00	51
Charles Coreil	7.2	$80.00	20
Tallulah	24.9	$287.00	57
Morgan Smith	10.6	$455.00	29
Sidney N. Collier	60.5	$530.00	N/A
Florida Parishes	26.7	$568.00	57
Northeast	10.8	$689.00	22
T. H. Harris	47.8	$1,017.00	3
River Parishes	16.7	$1,200.00	7
L. E. Fletcher	23.8	$1,363.00	50
Sullivan	17.6	$1,421.00	39
Evangeline	38.0	$1,603.00	N/A
Slidell	17.5	$1,820.00	70
Avoyelles	32.1	$2,031.00	26
Westside	10.3	$2,396.00	2
North Central	1.7	$2,589.00	5
Huey P. Long	18.8	$2,707.00	50
Acadian	23.9	$3,113.00	52
SOWELA	22.0	$3,273.00	N/A
Bastrop	8.5	$3,378.00	35

	FTE	SGF Cost per FTE	01-02 Completers
Health Aides (Cont.)			
Hammond	4.0	$3,691.00	N/A
Lafayette	17.4	$3,794.00	16
Young Memorial	25.8	$3,805.00	66
Shelby M. Jackson	11.5	$3,899.00	38
Mansfield	14.7	$4,123.00	37
Sabine Valley	13.0	$4,156.00	49
Lafourche	11.0	$5,424.00	23
Jumonville	19.4	$6,405.00	31
Jefferson	0.4	$36,697.00	1
Total	**580.8**		**842**
Health/Emergency Medical Technician			
Baton Rouge	13.7	$0.00	N/A
Hammond	10.5	$0.00	10
L. E. Fletcher	4.6	$0.00	N/A
Gulf Area	10.5	$0.00	N/A
Morgan Smith	27.1	$0.00	N/A
Alexandria	108.6	$0.00	12
Lamar Salter	41.2	$0.00	N/A
Shelby M. Jackson	20.8	$0.00	5
Delta-Ouachita	96.6	$11.00	31
Lafayette	6.7	$1.00	N/A
Northeast	3.2	$222.00	15
Natchitoches	36.1	$2,280.00	N/A
Lafourche	10.1	$299.00	40
Slidell	50.9	$402.00	26
Teche	5.4	$550.00	N/A
Sullivan	3.4	$876.00	N/A
Avoyelles	14.4	$976.00	9
Shreveport	4.8	$2,417.00	N/A
Ascension	0.1	$2,163.00	N/A
SOWELA	4.0	$3,304.00	N/A
Total	**472.7**		**148**
Health/Lab Technician			
Sidney Collier	3.1	$0.00	N/A
L. E. Fletcher	5.3	$0.00	N/A
Lafayette	27.2	$1,115.00	10
North Central	14.0	$2,730.00	18
Total	**49.6**		**28**
Health/Licensed Practical Nurse			
Gulf Area	74.3	$2,100.00	35
Acadian	43.3	$2,192.00	15
Westside	79.3	$2,404.00	12
Shreveport/Bossier	180.7	$2,536.00	62
Delta-Ouachita	96.6	$2,544.00	17
Northwest	82.0	$2,565.00	21
West Jefferson	60.2	$2,687.00	2
Mansfield	33.9	$2,752.00	19
Sullivan	67.7	$2,860.00	27
L. E. Fletcher	31.2	$2,927.00	18
Jefferson	94.5	$2,952.00	24
T. H. Harris	93.3	$3,050.00	19

	FTE	SGF Cost per FTE	01-02 Completers
Health/Licensed Practical Nurse (Cont.)			
North Central	36.2	$3,099.00	N/A
Avoyelles	86.0	$3,129.00	55
Sidney N. Collier	106.3	$3,138.00	27
H. P. Long	72.8	$3,290.00	27
SOWELA	152.2	$3,312.00	30
River Parishes	24.1	$3,397.00	16
Bastrop	30.0	$3,399.00	14
Alexandria	108.6	$3,408.00	41
Lamar Salter	41.2	$3,416.00	N/A
Teche Area	59.6	$3,558.00	22
Baton Rouge	139.7	$3,655.00	63
Ruston	27.8	$3,689.00	16
Lafayette	110.9	$3,709.00	28
Charles Coreil	30.0	$3,871.00	17
Hammond	49.9	$3,875.00	29
Morgan Smith	27.1	$4,015.00	18
Young Memorial	37.2	$4,071.00	21
Florida Parishes	22.8	$4,180.00	7
Evangeline	30.5	$4,247.00	12
Tallulah	66.8	$4,461.00	18
Northeast	26.5	$4,636.00	14
Slidell	21.2	$4,735.00	14
Natchitoches	36.1	$4,785.00	14
Jumonville	3.6	$5,359.00	9
Shelby M. Jackson	20.8	$5,436.00	N/A
Oakdale	25.6	$6,510.00	20
Lafourche	18.5	$6,875.00	N/A
Folkes	17.2	$6,894.00	10
Total	**2366.2**		**813**
Health/Respiratory and Surgical Technician			
Lafayette	46.1	$1,209.00	7
West Jefferson	39.6	$2,691.00	5
Lafourche	0.8	$10,500.00	N/A
Total	**86.5**		**12**
Industrial/Machine Technician			
Tallulah	9.3	$462.00	N/A
Natchitoches	33.2	$1,351.00	3
River Parishes	12.1	$4,125.00	1
Northwest	23.6	$4,153.00	10
Ruston	19.7	$5,377.00	8
Total	**97.9**		**22**
Industrial/Pipefitter			
Sidney Collier	0.2	$0.00	N/A
Lafourche	0.5	$717.00	N/A
West Jefferson	6.5	$1,023.00	N/A
Total	**7.2**		
Industrial/Welding/Fitter Fabricator			
Slidell	7.2	$0.00	N/A
Sidney N. Collier	71.3	$1,149.00	N/A
Florida Parishes	45.2	$1,422.00	1
Westside	102.8	$1,497.00	N/A

	FTE	SGF Cost per FTE	01-02 Completers
Industrial/Welding/Fitter Fabricator (Cont.)			
Alexandria	26.7	$1,802.00	N/A
Jefferson	40.4	$1,811.00	2
Shreveport/Bossier	32.5	$1,939.00	N/A
Lafourche	38.7	$2,069.00	N/A
Ruston	24.6	$2,100.00	2
Mansfield	33.5	$2,110.00	8
SOWELA	97.0	$2,125.00	1
Baton Rouge	69.8	$2,197.00	9
Gulf Area	27.7	$2,216.00	4
Tallulah	74.4	$2,240.00	N/A
Sullivan	54.2	$2,250.00	5
Jumonville	49.1	$2,252.00	3
Lamar Salter	25.0	$2,266.00	1
Morgan Smith	19.1	$2,311.00	1
Northwest	43.2	$2,570.00	6
T. H. Harris	47.1	$2,597.00	8
L. E. Fletcher	48.1	$2,632.00	N/A
Northeast	30.5	$2,727.00	N/A
Delta-Ouachita	22.4	$2,823.00	4
Teche Area	17.0	$2,903.00	1
River Parishes	24.1	$2,934.00	1
Sabine Valley	17.8	$3,033.00	2
Acadian	17.5	$3,125.00	3
Hammond	18.1	$3,161.00	N/A
H. P. Long	36.4	$3,166.00	7
West Jefferson	38.3	$3,355.00	N/A
Avoyelles	21.3	$3,436.00	2
Folkes	15.1	$3,662.00	N/A
Lafayette	15.5	$3,701.00	1
Shelby M. Jackson	15.2	$3,742.00	1
Evangeline	28.2	$3,854.00	2
Charles Coreil	31.0	$4,030.00	5
North Central	22.3	$4,292.00	N/A
Oakdale	13.4	$4,323.00	1
Young Memorial	46.6	$4,632.00	N/A
Bastrop	15.7	$5,123.00	3
Ascension	7.9	$7,373.00	N/A
Total	**1431.9**		**84**
Marine/Commercial Diving			
Young Memorial	**30**	**$3,495.00**	**43**
Marine/Operations			
Young Memorial	849.9	$325.00	N/A
L. E. Fletcher	271.0	$639.00	N/A
Total	**1120.9**		
Mechanical and Repair/Heating, Ventilation, and Air Conditioning			
Avoyelles	4.1	0	N/A
Sidney N. Collier	4.0	$701.00	N/A
Shreveport/Bossier	36.5	$1,636.00	7
Lafayette	34.5	$1,809.00	1
Westside	24.3	$2,093.00	5

	FTE	SGF Cost per FTE	01-02 Completers
Mechanical and Repair/Heating, Ventilation, and Air Conditioning (Cont.)			
Northwest	20.7	$2,110.00	N/A
Baton Rouge	27.6	$2,214.00	10
Hammond	20.3	$2,247.00	4
River Parishes	19.1	$2,509.00	5
SOWELA	19.6	$2,598.00	2
Jefferson	19.5	$2,924.00	1
Mansfield	15.4	$2,982.00	2
Lamar Salter	16.7	$3,054.00	4
L. E. Fletcher	15.6	$3,179.00	N/A
Sullivan	16.6	$3,225.00	2
Charles Coreil	15.4	$3,251.00	2
Alexandria	22.5	$3,525.00	14
Shelby M. Jackson	12.2	$3,540.00	2
Evangeline	17.0	$3,566.00	N/A
Natchitoches	12.4	$3,622.00	N/A
Slidell	15.0	$3,687.00	5
Gulf Area	16.1	$3,880.00	2
T. H. Harris	14.3	$4,059.00	1
Delta-Ouachita	12.4	$4,231.00	5
Ruston	12.2	$4,291.00	3
Teche Area	11.0	$4,549.00	2
Young Memorial	13.8	$4,797.00	5
Total	**468.8**		**84**
Mechanical and Repair/Automotive/ Diesel			
Lafourche	11.7	$1,666.00	N/A
Baton Rouge	58.7	$1,891.00	21
Lamar Salter	41.4	$2,048.00	2
Jumonville	33.3	$2,107.00	N/A
Avoyelles	78.7	$2,321.00	19
Shreveport/Bossier	61.4	$2,535.00	4
SOWELA	81.4	$2,611.00	N/A
Northeast	20.5	$2,626.00	N/A
Jefferson	26.5	$2,631.00	2
Florida Parishes	18.4	$2,863.00	2
Folkes	35.9	$2,883.00	2
Northwest	33.6	$2,920.00	4
T. H. Harris	31.8	$2,960.00	6
Teche Area	35.5	$3,041.00	6
Tallulah	48.9	$3,105.00	N/A
Delta-Ouachita	19.3	$3,236.00	2
Sullivan	52.0	$3,396.00	4
Morgan Smith	15.0	$3,498.00	2
Shelby M. Jackson	12.7	$3,634.00	1
Young Memorial	15.3	$3,659.00	N/A
Westside	24.3	$3,716.00	N/A
Charles Coreil	15.3	$3,754.00	2
Natchitoches	13.1	$3,777.00	N/A
Lafayette	50.4	$3,964.00	11
H. P. Long	15.0	$3,981.00	N/A
Ascension	12.8	$4,167.00	1

	FTE	SGF Cost per FTE	01-02 Completers
Mechanical and Repair/Automotive/ Diesel (Cont.)			
Hammond	14.4	$4,195.00	N/A
Slidell	24.8	$4,254.00	7
L. E. Fletcher	24.3	$4,322.00	2
Acadian	25.6	$4,367.00	N/A
Sidney N. Collier	9.8	$5,355.00	2
Alexandria	48.4	$5,505.00	5
Sabine Valley	9.8	$5,664.00	N/A
Gulf Area	20.5	$6,191.00	5
River Parishes	7.9	$6,365.00	N/A
Bastrop	1.0	$30,260.00	N/A
Total	**1049.4**		**112**
Mechanical and Repair/Aviation			
SOWELA	54.7	$3,184.00	3
Lafayette	54.3	$3,744.00	9
Total	**109.0**		**12**
Mechanical and Repair/Collision Repair			
Folkes	29.0	$1,531.00	4
Avoyelles	30.8	$1,767.00	9
Delta-Ouachita	15.2	$1,942.00	3
Alexandria	29.7	$2,063.00	4
West Jefferson	25.6	$2,167.00	1
SOWELA	30.2	$2,403.00	N/A
Shreveport/Bossier	21.8	$2,431.00	5
T. H. Harris	19.8	$2,618.00	4
Gulf Area	20.8	$2,811.00	N/A
Lafayette	19.5	$3,770.00	10
Sidney N. Collier	10.9	$4,362.00	N/A
Evangeline	14.1	$4,842.00	1
Total	**267.4**		**41**
Personal and Miscellaneous/Barber/Cosmetology			
Sidney N. Collier	101.3	$1,658.00	37
Hammond	23.5	$1,719.00	7
Delta-Ouachita	27.8	$1,757.00	12
Gulf Area	34.0	$1,842.00	11
Shreveport/Bossier	47.3	$2,124.00	29
T. H. Harris	19.1	$2,333.00	5
Natchitoches	18.5	$2,491.00	10
Baton Rouge	54.5	$2,707.00	14
Lafayette	37.1	$2,921.00	14
Total	**363.1**		**139**
Personal and Miscellaneous/Culinary/Meat Processing			
Oakdale	3.3	$0.00	N/A
T. H. Harris	3.3	$0.00	N/A
Tallulah	5.9	$0.00	N/A
Baton Rouge	38.2	$1,439.00	9
Avoyelles	54.4	$1,838.00	29
Jumonville	25.1	$1,869.00	1
SOWELA	38.1	$2,301.00	6
Westside	19.6	$2,551.00	2
Slidell	18.9	$2,974.00	6
Sidney N. Collier	20.2	$3,042.00	N/A

	FTE	SGF Cost per FTE	01-02 Completers
Personal and Miscellaneous/Culinary/Meat Processing (Cont.)			
Jefferson	16.4	$3,284.00	3
Shreveport/Bossier	22.7	$3,360.00	5
Lafayette	36.3	$3,381.00	4
Total	**302.4**		**65**
Personal and Miscellaneous/Jewelry			
Evangeline	28.8	$1,987.00	N/A
Lafayette	21.7	$4,528.00	5
Natchitoches	11.3	$4,836.00	3
Total	**61.8**		**8**
Personal and Miscellaneous/Sewing and Upholstery			
Sullivan	4.7	$0.00	N/A
Sidney N. Collier	34.6	$1,351.00	N/A
Westside	29.0	$1,711.00	11
Oakdale	54.2	$1,747.00	36
Lafayette	10.3	$5,152.00	N/A
Total	**132.8**		**47**
Precision Production/Drafting			
Lafourche	1.5	$0.00	N/A
L. E. Fletcher	115.1	$1,220.00	17
Baton Rouge	43.1	$1,569.00	13
Slidell	28.4	$1,745.00	3
Alexandria	24.0	$2,059.00	5
Teche Area	27.4	$2,130.00	11
River Parishes	24.1	$2,146.00	9
West Jefferson	24.1	$2,200.00	5
Ascension	24.4	$2,378.00	1
Sullivan	20.8	$2,420.00	2
Gulf Area	26.2	$2,457.00	13
Young Memorial	22.4	$2,473.00	12
Delta-Ouachita	22.5	$2,540.00	2
Lafayette	19.7	$2,554.00	2
T. H. Harris	18.9	$2,728.00	2
Acadian	19.3	$2,787.00	1
Northeast	17.9	$2,923.00	3
SOWELA	55.3	$3,300.00	6
Ruston	19.4	$3,400.00	1
Bastrop	14.1	$4,107.00	3
Shreveport/Bossier	21.5	$4,201.00	5
Jefferson	23.7	$4,627.00	5
Northwest	12.0	$4,766.00	5
Total	**625.8**		**126**
Precision Production/Industrial Machine Shop			
Baton Rouge	33.6	$1,753.00	1
L. E. Fletcher	22.3	$2,045.00	N/A
Teche Area	22.6	$2,130.00	2
Sullivan	21.5	$2,369.00	3
T. H. Harris	62.2	$2,449.00	4
Shreveport/Bossier	21.2	$2,490.00	5
Northwest	16.5	$2,526.00	5
SOWELA	17.3	$2,775.00	2
Alexandria	13.3	$3,706.00	2

	FTE	SGF Cost per FTE	01-02 Completers
Precision Production/Industrial Machine Shop (Cont.)			
Acadian	13.8	$3,696.00	4
Lafayette	11.9	$4,826.00	1
Jefferson	0.1	$65,330.00	
Total	**256.3**		**29**
Protective Services/Criminal Justice and Security Officer			
SOWELA	68.7	$1,765.00	13
Oakdale	57.5	$2,635.00	20
Ascension	0.8	$2,648.00	N/A
Total	**127.0**		**33**
Science and Industrial Technology/Non-Destructive Testing			
T. H. Harris	**24.7**	**$4,511.00**	**15**
Science and Industrial Technology/Process Technology			
River Parishes	54.5	$966.00	N/A
SOWELA	112.1	$1,311.00	N/A
Ascension	3.7	$4,396.00	N/A
Total	**170.3**		
Transportation/Commercial/Vehicle and Equipment			
Tallulah	0.9	$0.00	N/A
Avoyelles	16.3	$80.00	N/A
Westside	7.5	$3,074.00	12
Northwest	0.1	$3,433.00	N/A
Jumonville	13.0	$3,901.00	14
Delta-Ouachita	14.5	$7,051.00	19
Acadian	13.1	$9,554.00	52
Total	**65.4**		**97**

N/A = According to Board of Regents data, there were no completers for this program in academic year 2001-2002.

Source: Prepared by legislative auditor's staff using information from LCTCS and Board of Regents.

Appendix E

LTC Program Costs Per FTE
Fiscal Year 2002

Appendix E: LTC Program Costs Per FTE
Fiscal Year 2002

Program	Lowest Cost per FTE	Campus	Highest Cost per FTE	Campus	Average Cost per FTE
Agriculture	$1,343	Oakdale	$5,049	Slidell	$2,319
Business/Accounting	$153	Shreveport	$5,081	Acadian	$2,715
Business/Marketing	$1,809	North Central	$7,437	Slidell	$2,791
Communications/Graphic/Publishing	$1,537	Lafayette	$2,276	Baton Rouge	$1,935
Computers/Networking	$339	Morgan Smith	$3,790	Sullivan	$1,515
Computers/Programmer	$1,814	SOWELA	$3,892	Sullivan	$2,570
Computers/Support/Operations	$368	Northwest	$5,855	Tallulah	$1,821
Construction/Carpentry	$390	Tallulah	$8,919	Slidell	$1,963
Construction/Electrician	$165	Lafourche	$4,683	West Jefferson	$1,497
Construction/Plumbing	$433	Shreveport	$1,400	River Parishes	$693
Electronics/Basic	$719	River Parishes	$5,340	Sullivan	$2,362
Electronics/Computer	$1,707	Westside	$11,022	Sidney Collier	$2,356
Electronics/Industrial	$789	Northwest	$8,883	Ascension	$1,907
General Education/Developmental Education*	$2	Charles Coreil	$8,192	L. E. Fletcher	$2,733
General Education/Early Childhood	$10	Sullivan	$2,395	Lamar Salter	$881
Health/Aides	$22	Gulf Area	$36,697	Jefferson	$1,970
Health/Emergency Medical Technician	$1	Lafayette	$3,304	SOWELA	$470
Health/Lab Technician	$1,115	Lafayette	$2,730	North Central	$1,381
Health/Licensed Practical Nurse	$2,100	Gulf Area	$6,894	Folkes	$3,331
Health/Respiratory and Surgical Technician	$1,209	Lafayette	$10,500	Lafourche	$1,974
Industrial/Machine Technician	$462	Tallulah	$5,377	Ruston	$3,095
Industrial/Pipefitter	$717	Lafourche	$1,023	West Jefferson	$973
Industrial/Welding/Fitter Fabricator	$1,149	Sidney N. Collier	$7,373	Ascension	$2,534
Marine Maintenance/Operations	$325	Young Memorial	$639	L. E. Fletcher	$401
Mechanical and Repair/Heating, Ventilation, and Air Conditioning	$701	Sidney N. Collier	$4,797	Young Memorial	$2,894
Mechanical and Repair/Automotive/Diesel	$1,666	Lafourche	$30,260	Bastrop	$3,273
Mechanical and Repair/Aviation	$3,184	SOWELA	$3,744	Lafayette	$3,463
Mechanical and Repair/Collision Repair	$1,531	Folkes	$4,842	Evangeline	$2,507
Personal and Miscellaneous/Barber/Cosmetology	$1,658	Sidney Collier	$2,921	Lafayette	$2,112
Personal and Miscellaneous/Culinary/Meat Processing	$1,439	Baton Rouge	$3,381	Lafayette	$2,371
Personal and Miscellaneous/Jewelry	$1,987	Evangeline	$4,836	Natchitoches	$3,399
Personal and Miscellaneous/Sewing and Upholstery	$1,351	Sidney N. Collier	$5,168	Lafayette	$1,839

Program	Lowest Cost per FTE	Campus	Highest Cost per FTE	Campus	Average Cost per FTE
Precision Production/Drafting	$1,220	L. E. Fletcher	$4,766	Northwest	$2,437
Precision Production/Industrial Machine Shop	$1,753	Baton Rouge	$65,330	Jefferson	$2,585
Protective Services/Criminal Justice and Security Officer	$1,765	SOWELA	$2,648	Ascension	$2,165
Science and Industrial Technology/Process Technology	$966	River Parishes	$4,396	Ascension	$1,268
Transportation/Commercial/Vehicle and Equipment	$80	Avoyelles	$9,554	Acadian	$4,631

* Includes second highest and lowest costs because they were outliers.

Source: Prepared by legislative auditor's staff using information from LTC Allocation Model.

Appendix F

Incumbent Worker Training Contracts
as of January 2003

Appendix F: Incumbent Worker Training Contracts as of January 2003

Company Name	College and Campus	Contract Amount (State U.I. Funds Total)	Employer Contribution Total	Instruction Costs	Tuition Costs	Travel Costs	Materials and Supplies Costs	Non-Consumable Tangible Property Costs	Number of Trainees
NRG Louisiana Generating, LLC	BRCC	$365,612	$58,228	$233,756	$83,354	$10,204	$10,670	$27,628	270
Cajun Constructors	BRCC	131,414	21,882	12,289	109,000		1,525	8,600	80
Georgia Gulf	BRCC	361,240	44,260	47,313	66,640	4,200	208,258	30,629	100
Keans The Cleaner	BRCC	128,331	28,510	66,469	32,949			28,913	219
Honeywell	BRCC and RPCC	450,647	49,238	137,786	6,600	504	43,855	261,902	174
Sears Roebuck & Company	BPCC	201,565	65,568	107,386		27,862	22,048	43,069	70
Sonic Drive-In	BPCC	154,362	77,839	53,549		11,368	10,754	78,691	216
Highland Clinic	BPCC	393,893	59,597	292,002	41,330	3,801	8,475	45,585	211
Sheraton Shreveport	BPCC	186,665	24,675	99,888	40,315	927	7,975	36,660	144
Hibernia Bank	BPCC	1,077,322	160,761	199,145	830,221	3,256	19,325	25,000	5,488
Caddo Council on Aging	BPCC and LSU-Shreveport	132,560		41,772	11,905	202	18,420	41,965	68
Multi-Faith Retirement Services	BPCC and LTC - Shreveport-Bossier/Mansfield	105,919	3,053	66,901	24,416	1,088	10,059	695	157
Praeses Corporation	BPCC, LSU Shreveport, and Louisiana Tech University	266,414	78,373	92,744	128,096	1,534	34,175		76
SciPort Discovery Center	BPCC, LSU-Shreveport, LA Tech University	116,360	13,367	61,765	39,435	200	6,270	3,000	93
BASF - Shreveport	BPCC, RPCC, LTC - Ascension	1,994,522	465,900	1,180,287	314,021	4,400	165,263	258,901	1,232
Semco, LLC	Delgado CC	207,883	5,000	15,525	156,155		2,968	10,437	180
Montco, Inc.	Delgado CC	257,949	1,300	37,200	90,800	48,250	20,164	57,640	95
Reeled Tubing, LLC	Delgado CC	312,820	78,000	28,300	283,200				161
C. F. Bean, LLC	Delgado CC	298,453	30,000	56,425	106,545	51,950	30,438	45,530	280
Crosby Tugs, LLC	Delgado CC	605,649	81,500	113,275	233,490	81,500	115,964	55,500	304
Treasure Chest Casino	Delgado CC	151,739	1,800	23,150	51,825		19,292	55,672	60
Casino Rouge	Delgado CC	250,790	3,810	27,572	75,330	34,450	30,143	82,115	59
Argosy Casino	Delgado CC	94,689	2,925	6,150	61,565	22,300	3,674		50
Bisso Marine	Delgado CC	55,581	9,000	3,500	44,045		3,466	3,060	72
Kilgore Offshore, Inc.	Delgado CC	170,376	150	8,000	111,050	38,350	5,176	7,800	56
Westbank Riverboat Services, Inc.	Delgado CC	$111,954	$2,520	$7,800	$86,410	$7,300	$8,894		56

Company Name	College and Campus	Contract Amount (State U.I. Funds Total)	Employer Contribution Total	Instruction Costs	Tuition Costs	Travel Costs	Materials and Supplies Costs	Non-Consumable Tangible Property Costs	Number of Trainees
Gulf Fleet Offshore, LLC	Delgado CC	$159,436	$19,632	$6,250	$102,645	$40,700	$5,335	$3,080	46
Canal Barge	Delgado CC	273,968	114,164	25,000	186,845	37,650	18,438	4,250	509
E. N. Bisso	Delgado CC	244,140	10,000	14,550	145,270	57,050	7,313	16,640	107
Isle of Capri Consortium	Delgado CC	174,879	4,963	10,000	99,010	38,550	6,402	19,150	57
Harrah's Consortium	Delgado CC	238,905	5,898	10,000	133,885	66,322	11,181	15,900	77
Noble Drilling, Inc.	Delgado CC	2,234,390	525,404	1,012,406	1,025,000		82,070	79,574	1,968
L & L Oil and Gas Services	Delgado CC	403,128	117,904	25,000	335,095		11,898	7,624	149
Adams Land & Marine, Ltd	Delgado CC	46,845	1,000	4,000	25,900	10,650	1,315	4,540	22
Florida Marine Group (PBC Management, Inc.)	Delgado CC	474,103	77,733	58,530	261,075	65,835	15,336	68,327	358
B. W. Cooper	Delgado CC	225,284	2,500	15,000	195,614		14,670		95
Gray Line of New Orleans	Delgado CC	160,836	19,000	14,250	86,700		17,767	40,419	90
Hotard Coaches	Delgado CC	323,111	48,300	83,860	139,950		30,253	67,348	264
Dauphine Orleans Hotel	Delgado CC	122,082	9,600	11,250	54,764		13,477	41,316	67
Superior	Delgado CC and LTC - L. E. Fletcher	2,238,616	1,151,332	542,246	1,200,550	15,958	241,893	189,449	1,332
SeaMar, Inc.	Delgado CC and LTC - Young Memorial	542,795	224,700	31,250	459,875		38,390	9,000	350
UNIFAB Consortium	SLCC	260,043	111,262	156,039			10,354	93,650	252
Bruce Foods Corporation	SLCC	86,160	17,418	38,921			2,194	45,045	59
Dousay Custom Homes, Inc.	LTC - Alexandria	62,045	22,363	28,878	120	168	19,518	13,361	24
Med Express Ambulance Service, Inc.	LTC - Alexandria	376,642	81,828	299,614	500		24,154	52,374	100
Central Louisiana Collision Repair Consortium	LTC - Alexandria	265,910	10,336	86,216	345		11,359	166,640	69
Proctor and Gamble	LTC - Alexandria	398,154	157,415	311,566	765		14,359	71,464	153
D & J Tire	LTC - Alexandria	149,079	86,000	106,158	235	480	5,442	36,764	47
Centennial Communications Corp.	LTC - Alexandria	186,674	26,516	139,215	920		4,830	41,229	184
KLAX TV/Pollack Belz Communications	LTC - Alexandria	116,262	34,350	70,870	11,947		2,450	30,995	41
International Paper - LA Mill	LTC - Bastrop/Mansfield/Minden	1,654,151	219,240	859,381	6,905	24,246	289,008	434,111	1,381
Greater Baton Rouge Machinists Consortium	BRCC and LTC - Baton Rouge	111,013	9,203	48,682	14,130		19,604	28,597	71

Company Name	College and Campus	Contract Amount (State U.I. Funds Total)	Employer Contribution Total	Instruction Costs	Tuition Costs	Travel Costs	Materials and Supplies Costs	Non-Consumable Tangible Property Costs	Number of Trainees
N E LA Automotive Technology Consortium	LTC - Delta-Ouachita	$177,540		$80,135		$5,973	$14,207	$77,225	49
Monroe Plumbers Consortium	LTC - Delta-Ouachita	55,638	$9,450	28,419		230	23,850	3,139	34
Financial Institutions Services Corp.	LTC - Delta-Ouachita	99,069	190,800	98,889		180			53
LKI Enterprises-Metalforms Consortium	LTC - Delta-Ouachita	117,576	29,568	93,425	$460		730	22,961	92
Homeland Federal Saving Bank	LTC - Delta-Ouachita	54,418	13,500	50,842	160	1,993	1,423		32
PPM Consultants	LTC - Delta-Ouachita	120,477	23,250	71,624	280	205	4,898	43,470	81
Assoc. of Retarded Citizens/Ouachita (ARCO)	LDCC and LTC - Delta-Ouachita	65,298	17,007	42,590	17,560	158	4,990		38
Ouachita Independent Bank	Univ. of LA at Monroe and LTC - Delta-Ouachita	149,444	16,164	129,941	1,594	207	6,000	11,702	86
Standard Enterprises	LTC – Delta-Ouachita	239,589	30,513	213,143	185	1,277	19,304	5,680	147
Collision Auto Repair Service (CARS)	LTC - Hammond	304,275	42,438	115,557	505		12,435	175,778	101
Pop's Auto Body & Auto Consortium	LTC - Huey P. Long	83,258	3,570	70,376	290	252	1,900	9,960	58
Louisiana Coca-Cola Bottling Co.	LTC - Jefferson/Alexandria./L. Salter/ Shreveport-Bossier/Lafourche/Delta-Ouachita	643,155	79,200	77,567	436,519		40,710	85,979	525
Barriere Construction Co.	University of New Orleans and LTC - Jefferson	406,118	67,123	123,225	59,393		72,148	151,352	310
Comcar Industries	LTC - Jumonville	1,407,130	162,662	436,821	282,500	3,484	33,172	645,953	405
Gulf Island, LLC	LTC - L.E. Fletcher	184,466	75,913	98,724	6,650		21,847	57,245	250
AMT Marine	LTC - L.E. Fletcher	88,609	6,955	7,710	38,000		15,549	27,350	38
Houma Auto Dealers Consortium	LTC - L.E. Fletcher	298,303	100,000	111,723			11,871	174,709	105
Global Power Systems Consortium	LTC - L.E. Fletcher	210,518	111,896	33,519			24,225	152,774	84
Hutco, Inc.	LTC - L.E. Fletcher	139,843	5,070	12,930	58,300		58,394	10,219	60
Guidry Bros	LTC - L.E. Fletcher/Young Memorial	292,197	106,143	68,935	85,725	2,504	67,698	56,334	115
Lafayette Auto. Dealers Assoc.	LTC - Lafayette	269,825		102,834		1,848	15,110	146,533	36
Triple C Enterprises/Curtis Callais Welding	LTC - Lafourche	143,506	9,576	11,128	126,700	5,678			305
Phylway Construction	LTC - Lafourche	37,682	1,200	6,985	15,965	360	11,292	3,080	48
Abdon Callais Offshore	LTC - Lafourche/Young Memorial	174,621	19,842	58,445	98,650	3,744	5,470	8,312	219

Company Name	College and Campus	Contract Amount (State U.I. Funds Total)	Employer Contribution Total	Instruction Costs	Tuition Costs	Travel Costs	Materials and Supplies Costs	Non-Consumable Tangible Property Costs	Number of Trainees
Bollinger Shipyards Consortium	LTC - Lafourche/SOWELA/West Jefferson/Young Memorial/ L. E. Fletcher/Sidney Collier	$1,893,224	$434,368	$1,540,729	$29,895	$11,550	$47,005	$264,045	1,359
Jennings American Legion Hospital	LTC - Morgan Smith; LSU-E; McNeese State University	336,708	44,001	157,379	55,223	19,848	39,344	60,129	166
Wayne Farms	LTC - Natchitoches	407,493	85,447	214,431	1,475	3,780	45,866	141,015	295
Roy O. Martin Lumber Co.	LTC - Natchitoches	583,277	94,519	321,698	3,890	5,990	114,192	134,809	778
Northeast Louisiana Ambulance	LTC - Northeast	192,372	102,552	120,022	425		23,364	45,211	85
Trane Company	LTC - Northwest	223,967	78,728	72,802	5,375	4,851	24,430	115,709	240
Inland Paperboard and Packaging	LTC - Northwest	283,830	28,874	183,683		10,802	36,315	50,470	125
Minden New Car Dealers Association	LTC - Northwest	111,906	5,210	51,843			11,626	46,137	56
Cytec Industries	LTC - River Parishes	697,793	83,308	151,360			54,481	484,752	126
River Parishes Hospital	LTC - River Parishes	159,368	13,520	47,716	33,498		23,874	49,905	126
Cargill NAGOC	LTC - River Parishes	227,979	87,200	136,327	15,515		16,975	59,162	134
Occidental Chemical	LTC - River Parishes	576,824	78,414	155,585	130,655	2,160	238,999	16,600	253
Smurfit Stone Container Corp.	LTC - Ruston	237,366	31,376	113,853		300	86,232	36,981	544
Sabine Medical Center	LTC - Sabine Valley	154,710	12,312	54,203	17,015		8,040	74,242	91
Shreveport/Bossier Manufactures Consortium	LTC - Shreveport-Bossier	148,060	148,060	84,321	305	42,506	15,601	2,237	78
Shreveport/Bossier New Car Dealers Association	LTC - Shreveport-Bossier	268,432	118,436	120,000		5,600	14,596	128,236	49
Brock's Collision Center	LTC - Shreveport-Bossier	176,019	15,150	98,774			882	67,545	60
Caddo Bossier Heating, Ventilation, and Air Conditioning Consortium	LTC - Shreveport-Bossier	146,808	1,690	52,142	430		7,424	71,062	86
Stine Lumber	LTC - SOWELA	564,254	152,951	356,178	44,051	15,434	17,499	76,032	637
Southwest LA Auto Collision Consortium	LTC - SOWELA	362,116	36,298	218,458	770		3,080	139,808	154
W. R. Grace and Co.	LTC - SOWELA	652,040	91,687	409,242	77,050	1,388	127,438	30,422	311
Montgomery Electric	LTC - SOWELA	89,209	4,856	55,159	240		29,685	4,125	48
Goldman Consortium	LTC - Tallulah	179,025	13,920	108,200	450	4,356	10,963	53,660	90
Omega Natchiq	LTC - Teche Area	385,898	242,544	324,194	2,645	20,481	6,090	32,488	529
Technical Compression Services	LTC - West Jefferson	238,392	46,490	16,647		134	207,075	14,536	72

Company Name	College and Campus	Contract Amount (State U.I. Funds Total)	Employer Contribution Total	Instruction Costs	Tuition Costs	Travel Costs	Materials and Supplies Costs	Non-Consumable Tangible Property Costs	Number of Trainees
J. Ray McDermott, Inc.	LTC - Young Memorial	$421,467	$162,635	$42,136	$50,625	$75,460	$39,468	$211,978	200
North Bank Towing	LTC - Young Memorial	270,000	323,855	203,994	2,215	326	32,367	30,612	140
L & M Bo-Truc Rentals, Inc.	LTC - Young Memorial and Delgado CC	268,228	25,000	26,926	96,050	80,600	31,162	27,010	170
LaBorde Marine, LLC	LTC - Young Memorial and Delgado CC	154,420	113,951	15,392	65,850		28,534	41,404	130
Total Contracts	105								
TOTALS:		**$36,287,100**	**$8,274,509**	**$14,627,962**	**$9,379,825**	**$1,044,914**	**$3,536,091**	**$7,169,916**	**28,246**

Appendix G

Louisiana Community and
Technical College System's Response

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

822 Neosho Avenue
Baton Rouge, Louisiana 70802-4219
Telephone: 225/219-8700
Facsimile: 225/219-8710

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April 3, 2003

Mr. Grover D. Austin, CPA
First Assistant Legislative Auditor
1600 North Third Street
P.O. Box 9437
Baton Rouge, Louisiana 70804-9397

Dear Mr. Austin:

Please find enclosed the written responses and the completed checklist for the recommendations presented in the latest draft of the performance audit report on the Louisiana Community and Technical College System. We appreciate the opportunity to respond to the audit recommendations.

Sincerely,

Walter G. Bumphus, Ph.D.
System President

cc: Ms. Ann Knapp
        Chair, LCTCS Board of Supervisors

LCTCS MANAGEMENT RESPONSES TO PERFORMANCE AUDIT RECOMMENDATIONS

Recommendation 1: The LCTCS Board of Supervisors should adopt a policy that addresses the requirements of R.S. 17: 3351(B) (3).

Response: The LCTCS Board of Supervisors agrees that it should adopt a policy that addresses the requirements of R.S. 17:3351(B) (3) regarding the authorization of state colleges and universities to develop and conduct courses of study and curricula for inmates and personnel at state correctional facilities. Many of the LTC campuses offer courses at correctional facilities across the state and the System is currently working with the Department of Public Safety and Corrections on this matter.

Recommendation 2: The LCTCS Board of Supervisors and office staff should review the service deficiencies cited in this section of the report and determine if problems with the provision of these services actually exist. The board and staff should then formulate and implement steps for corrective action. Corrective action may need to involve the LTC central office.

Response: The LCTCS agrees with this recommendation. The Board and System Staff are currently reviewing the current and proposed structure and function of the Louisiana Technical College Central Staff and its relationship with the Districts and 42 campuses. The report suggests that LCTCS campuses should be allowed to maintain their separate identities, while recommending that the System Office provide detailed policies and operating procedures that apply to all colleges and campuses that would somewhat limit individuality. This has been a challenge for the LCTCS Board and System Office. The system currently consists of eight colleges of various stages of maturity, diverse organizational backgrounds and a wide range of institutional size.

Recommendation 3: The LCTCS Board of Supervisors and office staff should conduct periodic customer satisfaction surveys of the institutions to determine if they are providing essential and adequate services to them on a continuing and evolving basis. The system office staff should also periodically survey the members of the Board of Supervisors to gauge its effectiveness as a support unit in meeting the board's needs.

Response: The LCTCS partially agrees with this recommendation. The LCTCS recognizes the importance of assessing the programs and services of the System Office in its quest for continuous improvement as a System. However, in the opinion of staff the method used to assess the System office's effectiveness and efficiency is flawed. The survey was sent to eight college Chancellors' offices which was appropriate in the opinion of the System given that they are the primary points of contact for System comments and interactions. However, the methodology of assessing System level services from departments and campuses that do not interact on a daily basis, as do the offices of the Chancellors and Assistant Chancellors, makes the results rather biased and unreliable in the opinion of the System.

Recommendation 4: The LCTCS office staff and Board of Supervisors should require the Internal Audit Division to conduct periodic audits of student credit hour and completer data to verify that it is accurate.

Response: The LCTCS agrees with this recommendation. In the spring of 2002, the Board approved an independent, outside study recommending a new Internal Audit Program. This Program has been staffed and implemented and includes plans for periodic audits of student credit hour and completer data to verify accuracy.

Recommendation 5: The LCTC office should work with the Board of Regents to develop and provide clear, written, and consistent guidelines for the technical college campuses regarding defining and collecting of all types of programmatic data.

Response: The LCTCS agrees with this recommendation. The LCTCS system office staff is currently working with the Board of Regents staff to develop clearly written consistent guidelines for the technical college campuses regarding defining and collecting all types of programmatic data.

Recommendation 6: The LCTCS office staff should require the LTC to provide training for campus personnel to help them understand data definition, collection, input and reporting.

Response: The LCTCS agrees with this recommendation. The LCTCS staff in conjunction with the Board of Regents staff has developed a series of workshops to train the LTC central staff and campus personnel on data definitions, collection and input. LCTCS office staff has developed common job descriptions to assist the LTC district administrators in identifying the appropriate personnel to perform data collection and reporting duties and responsibilities.

Recommendation 7: The LCTCS office should require the LTC campuses to standardize policies and processes for registration, adding and dropping courses, issuing grades and refunds, and recording attendance.

Response: The LCTCS agrees with this recommendation. The LCTCS office staff is currently working with the LTC central office staff and campus administrators to develop standardized academic and student services policies and procedures (e.g. registration processes, drop and add, refund, grading, and recording keeping, etc.).

Recommendation 8: The LCTCS office staff should require that all campuses keep sufficient and comprehensive student records.

Response: The LCTCS agrees with this recommendation. The LCTCS staff is currently working with the LTC central office staff and campus administrators to develop comprehensive records management policies and procedures to utilize throughout the technical college.

Recommendation 9: The LCTCS office staff and Board of Supervisors should issue formal written guidance that defines non-credit and credit hours to ensure that all campuses collect and define these hours appropriately and consistently.

Response: The LCTCS agrees with this recommendation. The LCTCS staff is currently working with System institutions to develop a common definition of credit and non-credit courses.

Recommendation 10: The LCTCS office should establish consistent policies and procedures throughout the system that will provide assurance that PeopleSoft captures accurate and consistent data.

Response: The LCTCS agrees with this recommendation. Although the fit gap phase of implementation was designed to identify the need for consistent policies and procedures, more work needs to be performed on clarification and interpretation of data reporting elements among all of the approximate 50 campuses that are using PeopleSoft.

Recommendation 11: The LCTCS office should assign a sufficient number of staff to the MIS section to ensure that PeopleSoft is completely implemented and maintained and that normal technology needs are met. In addition, the LCTCS system office should ensure that it has full funding to staff future technology projects before they begin.

Response: The LCTCS partially agrees with this recommendation. The LCTCS agrees that full funding should be available to provide technology presence for colleges that have none, and to provide a centralized information system for its colleges to generate consistent and accurate management information. The LCTCS is building an IT staff to implement and maintain centralized information systems. Because of limited Table of Organization Positions in the System Office Budget and limited state funding, the System Office has struggled to meet this objective. The System will continue to request state funds and pursue state funds.

Recommendation 12: The LCTCS system office should ensure that each campus using PeopleSoft and the system office have a technology infrastructure that is sufficient enough to complete the implementation and future operation of PeopleSoft. The LCTCS office should also ensure that in the future, it has full funding for all aspects of technology projects before they begin.

Response: The LCTCS partially agrees with this recommendation and believes that funding should be available to provide basic technology infrastructure for its colleges and infrastructure sufficient to successfully complete the future operation of PeopleSoft. However, although the LCTCS will make every effort to help its colleges identify funding for technology infrastructure; it cannot ensure that the funding will be available.

Recommendation 13: The LCTCS should use a strong coordinating authority or committee to oversee completion of the PeopleSoft implementation. This person or committee should have power as a change agent and serve as a link between normal campus operations and the Management Information Systems department.

Response: The LCTCS partially agrees with this recommendation. The System President is asking that each college chancellor provide a plan for completion of PeopleSoft implementation at his or her college.

Recommendation 14: The LCTCS Board of Supervisors should adopt a policy requiring system personnel to inform the board when actual expenditures and sources of funds differ substantially from board-approved amounts and sources. A certain range of error should be allowed because of normal fluctuations in prices and the economic environment, with outliers being reported to the board through its finance committee.

Response: The LCTCS partially agrees with this recommendation. The LCTCS agrees that the Board should be informed when expenditures differ substantially from board-approved amounts and sources. In the case of PeopleSoft, the Board was informed in writing that sources of funds could differ and it was verbally informed that the System Office funded a greater than proportional share from budget savings to avoid expenditures by some of the colleges with limited resources.

Recommendation 15: The LCTCS office staff should ensure that the Board of Supervisors has clear and timely reports regarding the actual status and cost of the PeopleSoft implementation so that the board will be able to make effective management decisions related to the implementation.

Response: The LCTCS partially agrees with this recommendation. Board memos are on file that outlined anticipated costs of the PeopleSoft project as known by LCTCS staff at the time.
- In October 1999 staff provided the Board with a project estimate of $7.6 million, including infrastructure and hardware. **Costs to date are within that estimate.**
- In May 2000 staff provided the Board with an estimate of software costs of $2 million for all modules and an estimate of $1.5 million for computer hardware. At that time actual implementation costs were not certain.
- In September 2000 staff provided the Board with an estimate of $3.5 million for implementation by a consultant.
- In June 2002, the Board authorized staff to extend the contract for implementation services by $800,000 if funds were available. Because of the contractual review/RFP process, time limitations only permitted a $300,000, or 10 percent extension of the contract. The additional $500,000 in funds could not be identified in the budget.
- The recent estimates from an outside consultant of $2 million to $5 million included moving PeopleSoft from the current version to version 8.

Recommendation 16: The LCTCS should evaluate whether it is cost effective to continue supporting programs that are not on the Department of Labor's demand list. The evaluation should first identify which programs are not on the demand list. It should then take into consideration other factors such as the number and location of campuses at which those programs are offered, whether the programs are specialized to meet the needs of a certain group or groups of employees or businesses, and district and regional employment and student needs. The LCTCS may need to use regional data in addition to statewide data from the Department of Labor to conduct a thorough analysis.

Response: The LCTCS office staff partially agrees with this recommendation. Clearly, workforce training is central to the mission LCTCS, the preparation of students *for* transfer to a four year institutions. The Department of Labor's (DOL) Demand Occupation study is only one criteria used in determining training needs. Many times regional and local business and industry training needs require our institutions to offer programs that are not aligned with the demand occupations as reported by DOL. As a result, other factors must be considered such as the training needs of local small and emerging businesses to make sure our programs offering are meeting the education and training needs of business and industry, the LCTCS institutions will implement a process to conduct annual program reviews to align program offerings with demand occupations and overall training needs at the local and/ or regional level.

Recommendation 17: The LCTCS Board of Supervisors should work with the Board of Regents to determine which definition of completer best suits their mission and use that definition consistently. If a common definition cannot be agreed upon, the LCTCS should require that the definition is clearly stated when completer data is included in reports.

Response: The LCTCS office staff partially agrees with this recommendation. The Board of Regents is currently responsible for defining completers for all of higher education. The LCTCS institutions, because of the nature of our programs, many times have students who exit the program before earning an approved credential (e.g. certificate or associate degree). To more accurately determine the impact of the LCTCS institutions, the LCTCS office staff under the direction of the Board of Supervisors will work with the Board of Regents to determine a more representative definition for its completers.

Recommendation 18: The LCTCS office should evaluate programs with low enrollment and low numbers of completers to determine if it is cost effective to continue supporting those programs. This evaluation should include an assessment of the viability of the programs, the demand and workforce potential of the programs, and the cost effectiveness of the programs.

Response: The LCTCS office partially agrees with this recommendation. The LCTCS system office staff will continue to work with its institutions and the Board of Regents to assess low completer programs.

Recommendation 19: Once the LCTCS has controls in place that help ensure that data is accurate, it should determine why program costs vary among campuses. The LCTCS should strive to keep program costs as low as possible at all campuses.

Response: The LCTCS staff agrees with this recommendation. Once controls are in place, the LCTCS system staff will work with its institutions to align the cost of similar programs among campuses and strive to keep program costs at an appropriate level.

Recommendation 20: The LCTCS should decide on a definition of completer and job placement that best suits its mission and develop a methodology to track completers and job placement in accordance with that definition.

Response: The LCTCS office partially agrees with this recommendation. The Board of Regents has authority to decide on the definition of completer for all of higher education. While the LCTCS office staff as well as its' institutions recognize that the educational goal of many of its students is not to earn an associate degree or certificate, the Regents do not. Many of the LCTCS students enroll in our institutions for a refresher course, for skills upgrade for advancement on the job or preparation for a licensure exam. Unfortunately, the reporting of this data is not required by the Board of Regents. While the Workforce Commission, DOL and TANF rely on the LCTCS institutions to provide rapid response short term education and training a large percentage of this data is not reported to Regents for inclusions in our FTE count. Consequently, the accurate reporting of the Latch's role in fulfilling its mission can never be realized. The LCTCS office staff will initiate steps to begin dialogue with the Regents to better define, report and track our completers.

Recommendation 21: The LCTCS should collect pertinent information from all community colleges and technical college campuses that document the impact of LCTCS programs on the state's economic development. For example, the LCTCS should maintain a centralized list of certified programs, a list of all occupational advisory groups, and a list of partnerships with business and industry. If it is not cost prohibitive, the LCTCS should also publish an annual report listing system accomplishments and statistics related to economic development.

Response: The LCTCS office staff partially agrees with this recommendation. The LCTCS institutions provide nearly 48% of the incumbent worker training in the State. Further, we provide various types of customized rapid response short term training for business and industry as well as one and two year associate degrees, certificates and diplomas. The LCTCS has partnerships with the Workforce Commission, Department of Education, Department of Labor, Department of Economic Development, Department of Social Services and Department of Corrections. The LCTCS' role in these relationships is to provide education and training services and to provide monthly or quarterly performance data. Unfortunately, the LCTCS can not capture this performance data in its reports to the Board of Regents. The LCTCS staff will initiate dialogue with the various agencies to determine how we can better report the impact of the LCTCS overall performance its economic impact on the state.

Recommendation 22: The LCTCS Board of Supervisors should adopt clear and specific bylaws or policies and procedures that establish criteria for setting and adjusting salaries of system office staff and the system president. The new bylaws or policies and procedures should require the system to adhere to the Board of Regents Administrative Salary Policy Guidelines. Adopting bylaws or policies and procedures will help ensure that salaries continue to be competitive with those for similar positions in other systems, which in turn, will help ensure that the system can retain qualified staff.

Response: The LCTCS partially agrees with this recommendation. The Board of Supervisors adhered to the Board of Regents' Administrative Salary Policy Guidelines when setting the salary for the System President. The system is in the process of launching a compensation study for staff to ensure fairness and competitiveness for salaries to help recruit and retain qualified staff.

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Recommendation 23: The LCTCS Board of Supervisors should adopt formal written bylaws and/or policies and procedures for compensating LTC campus administrators instead of using the previous Board of Elementary and Secondary Education policy. The new bylaws and/or policies and procedures should include all elements required by the Board of Regents Administrative Salary Policy Guidelines.

Response: The LCTCS partially agrees with this recommendation. The system is developing a compensation study (see 23). System policies and procedures will remain in accordance with the Board of Regents Administrative Salary Policy Guidelines.

Recommendation 24: The LCTCS Board of Supervisors should determine whether the system should continue to use this type of contract. If the board determines that the continued use of these contracts is appropriate, the board should adopt a policy that requires the board to approve all professional service contracts involving future employees of the System. The policy should require the board to approve the contract amounts and terms. It should also require the LCTCS office to maintain written documentation of the rationale for contract amounts.

Response: The LCTC system office disagrees with this recommendation. All professional service contracts of this nature are sent to the Board for information and are in accordance with Board and State policy. The practice of issuing contracts for transition of future senior executives is a common practice in higher education across the country. As evidenced by a survey by the President of the American Association of Community Colleges, who himself received transition contracts for his current job and for previous leadership positions, this is a practice in every state that was inquired about in his survey. Moreover, work was performed commensurate with contracted amounts.

Recommendation 25: The LCTCS system office should refrain from awarding stipends to employees for extra work already performed until obtaining an opinion from the Attorney General on whether such payments constitute bonuses in violation of Article 7, Section 14(A) of the Louisiana Constitution. If the Attorney General opines that the stipends were unconstitutional, the LCTCS should take appropriate corrective action. If the Attorney General opines that stipends are acceptable, the LCTCS should require that employees receiving stipends in the future certify the additional hours they worked. The LCTCS should also use a specified methodology to calculate the amount of future stipends. The methodology should result in reasonable stipend amounts based on actual hours of overtime hours worked.

Response: The LCTCS disagrees with this recommendation. The LCTCS has instituted a system of requiring all employees (including exempt employees) to record all actual hours worked. LCTCS policy does not currently allow earning of compensatory leave to director level and above. Proposed changes to leave policy would allow such for "extraordinary circumstances" as approved by the appointing authority. Stipends based on actual hours of overtime worked by employees not generally eligible for compensatory leave under LCTCS policy will continue to be an issue of budget dollars not being available for total hours worked.

Recommendation 26: The LCTCS system office should require that each campus provide documentation showing that performance appraisals have been completed and are on file before

it presents requests for merit raises to the Board of Supervisors. The system president should take appropriate disciplinary action, including penalties for any chancellors who falsely attest that performance appraisals are on file when they are not. In addition, the Board of Supervisors should not approve merit increases until it has ensured that the performance appraisals are completed and on file and that the evaluation ratings were satisfactory and above.

Response: The LCTCS partially agrees with this recommendation. Each chancellor is required to review all personnel actions submitted. These forms now contain a column to be marked stating the Chancellor certifies that evaluations are completed and on file. System staff will ask for a separate signed statement by each Chancellor which will be included in the personnel action items submitted to the Board. A random sample of evaluation instruments will be collected by the system office for audit purposes annually. The Internal Audit program can also incorporate a random check of evaluations and merit increases awarded.

Recommendation 27: The LCTCS office should ensure that each evaluator, including the president, follows the established policies and procedures for performance evaluations and uses the appropriate evaluation instruments.

Response: The LCTCS partially agrees with this recommendation. The LCTCS policy on salary increases requires only certain summary elements be a part of the evaluation instrument. Recommended evaluation instruments are available. The policy does not require that all use the same evaluation instrument, as long as the instruments can be rolled into the summary evaluation elements and categories as recommended. Training on performance evaluation was conducted by the system office at Nunez Community College, Baton Rouge Community College, The Louisiana Technical College(regionally), Louisiana Delta Community College and Bossier Parish Community College. All received the training materials. The remainder of the colleges will receive such system-office conducted training in calendar year 2003. The mandatory satisfactory evaluation policy requirement for merit increases was new in the FY 2002 evaluation process. The process will be perfected as it evolves. The system appears to be a leader among other higher education systems across the country with this requirement.

Recommendation 28: The LCTCS Board of Supervisors should amend its alternative financing policy to give the Office of Facility Planning and Control approval and enforcement power on the advisory committee to ensure that the state's best interest is represented.

Response: The LCTCS disagrees with this recommendation. In section IV of the Policy on Managing Alternative Financing Project, the policy specifies that the level of experience the design build team has with the building standard requirements of the State of Louisiana and the Board of Regents will be examined during the selection process. More importantly, the policy requires that the general contract for the design/build team mandate that all design work will be in accordance with the building standard requirements of the State of Louisiana and the Board of Regents. The current policy requires that one of the members of the advisory committee must be a representative from the Office of Facility Planning and Control to monitor this process in accordance with state requirements. A resident expert from Facility Planning and Control such as Mechanical and Structural Civil engineers, review the plans for each project. If these experts identify a deficiency in the design in any of the specific disciplines or facets of design, this

deficiency is noted and recommended to the Advisory Committee to advise the design/build team to change or review the deficiency. The LCTCS will consider amending the policy to require the review by the Office of Facility Planning and Control experts to ensure the soundness and quality of the facilities that will be constructed using this process.

Recommendation 29: The LCTCS Board of Supervisors should amend its alternative financing policy and the standard cooperative endeavor agreement to require members of the advisory committee to attend all meetings and provide comments on all plans and specifications. The policy should also require input from each member of the advisory committee and ensure that the design-build team considers all comments and notifies the advisory committee of the reasons why any recommendations are not implemented.

Response: The LCTCS disagrees with this recommendation. Because advisory committee members are volunteer members from other agencies, mandatory attendance would be difficult. Attendance has been almost 100 percent for advisory committee members attending meetings for current projects. Meetings are normally scheduled at the convenience of the advisory committee members to ensure maximum attendance. The cooperative endeavor agreement and the design-build contract specify timeframes for review of the plans to prevent the delay of the project and prevent cost overruns. Settlement of disputes between the design build team, for not implementing recommendations, and the non-profit board are specified in each contract.

Recommendation 30: The LCTCS Board of Supervisors should amend its alternative financing policy to ensure that members of the advisory committee have sufficient time to consider all plans and change orders.

Response: The LCTCS disagrees with this recommendation. Each advisory committee member is provided an opportunity to comment during each design phase of current projects. As mentioned in the response to recommendation 30, the cooperative endeavor agreement and the design build contract specify timeframes for review of the plans to prevent the delay of the project and prevent cost overruns. A schedule for review time is agreed upon by the advisory committee and the design build team prior to beginning any design work on the projects Each member is required to respond by a predetermined agreed upon due date to ensure that the project remains on schedule. If any advisory committee members need additional time for review information, all that must be done to formally request the additional time that is needed to provide an anticipated review completion date. If a critical path issue is involved, a minimum amount of time should be requested by the advisory committee member to keep the project on schedule.

Recommendation 31: The LCTCS Board of Supervisors should request an opinion from the Louisiana Board of Ethics as to whether members of the Board of Supervisors should be allowed to serve on boards of directors of non-profit corporations formed to provide alternative financing to campuses within the LCTCS. This issue should address the issue of indirect economic gains. Until an opinion is received, the Board of Supervisors should obtain legal advice on whether the three members who are currently on boards of directors should continue to serve in these dual roles. The LCTCS will consider requesting an opinion from the Louisiana Board of Ethics to determine if it is ethically correct for LCTCS Board of Supervisors can serve in a dual role.

Response: The LCTCS disagrees with this recommendation. Legal counsel for the Louisiana Community and Technical College System researched this issue and rendered an opinion supporting the appointment of LCTCS Board of Supervisors members to the board of directors of the non-profit corporations.

Recommendation 32: The LCTCS should continue its efforts to develop a facilities master plan so it can more effectively prioritize and plan for the capital needs of its institutions. The system also should work with the Board of Regents to coordinate efforts and avoid duplication.

Response: The LCTCS agrees that the development of master plan for facilities is vital in its efforts to effectively prioritize and plan its capital needs. At the request of the Board of Supervisors and the LCTCS staff, the Division of administration agreed in the summer of 2002 to issue an RFP for a System Facilities Assessment by fall of 2002 as a precedent to an LCTCS system Master Plan. This assessment is approximately six months behind schedule because of a backlog of work at the Division of Administration. The Board of Supervisors has requested of the Division that this project be moved forward. The current programmatic needs as well as future programmatic trends that are identified through a System Master Plan will determine the use of the facilities.

Recommendation 33: The LCTCS Board of Supervisors and system office staff should compile information from all campuses on how they coordinate and share resources. This information should include which campuses share physical and faculty resources, how campuses coordinate to respond to student and business needs, and which campuses have developed articulation agreements. Gathering this information will help the system assess where resources and coordination are most needed and have the most potential for cost savings.

Response: The LCTCS agrees with this recommendation. On August 8, 2000 the LCTCS Board of Supervisors adopted a policy on Shared use of Facilities. This policy stipulates that wherever possible, facilities used for classrooms and general laboratory purposes shall be designated as potentially shared facilities by any LTC campus or any community college for which services in the area near the facility would be considered appropriate. The LCTCS maintains list of facilities that are currently used as shared space. The LCTCS plans to periodically request that institutions review and update this inventory.