



Louisiana State Employees' Retirement System

8401 United Plaza Blvd., Baton Rouge, LA 70809 | Mail: P.O. Box 44213, Baton Rouge, LA 70804-4213
Toll-free 1.800.256.3000 | Local 225.922.0600 | www.lasersonline.org

Assurance Report

2011 McNeese State University

January 7, 2020

Dr. Daryl Burckel, President
Cindy Rougeou, LASERS Executive Director
The LASERS Audit Committee

EXECUTIVE SUMMARY

During the review of McNeese, the following observations were noted and detailed below:

1. Incorrect amount of unused leave certified for one retiree.
2. Leave without pay (LWOP) dates not consistently reported to LASERS .

BACKGROUND

This was a planned engagement in the fiscal year end (FYE) 2020 Audit Plan. The fieldwork for this engagement was completed on December 23, 2019. McNeese employs approximately 147 LASERS members.

SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of this engagement included a review of records for McNeese employees.

The primary objectives of this engagement were to determine if McNeese:

- Accurately reports payroll, earnings, and contributions information to LASERS.
- Accurately and timely enrolls eligible individuals into LASERS.
- Performs retirement and post retirement processing in an accurate and timely manner.

Procedures used to complete this engagement included:

- Interviewing LASERS and McNeese staff.
- Reviewing relevant personnel and payroll records.
- Analyzing LASERS member records using Audit Command Language (ACL).

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- Reviewing data obtained from LaGov Human Capital Management (HCM).
- Conducting other inquiries considered necessary to achieve engagement objectives.

This engagement was conducted in accordance with the policies and procedures of the Audit Services Division.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. INCORRECT AMOUNT OF UNUSED LEAVE CERTIFIED FOR ONE RETIREE

OBSERVATION

During this review, it was determined that an incorrect amount of unused leave was certified for one retiree which caused an error in the payment issued to the member upon retirement. For this individual, the unused leave amount was understated approximately 96 hours. According to the agency, leave balances are certified after the final payroll has been processed and termination pay has been reduced from the leave balance. Before the certification is sent to LASERS, Human Resources at the agency reviews Banner Document Management, the agency's payroll system, to verify the remaining leave balance. It should be noted that during this review the agency has provided the corrected leave form to LASERS for this retiree.

RECOMMENDATION #1 (CLOSED)

The agency should work with LASERS staff, as necessary, to properly resolve the retiree cited in this observation. Target completion date is February 28, 2020.

AGENCY RESPONSE

The agency agrees with this recommendation. A corrected Leave Certification Form was submitted to LASERS on December 16, 2019.

RECOMMENDATION #2 (CLOSED)

The agency should review their procedures and process currently in place and make any necessary updates to ensure the unused leave balances are certified to LASERS in an accurate and timely manner. Target completion date is March 31, 2020.

AGENCY RESPONSE

The agency agrees with this recommendation.

For Timely Reporting:

We created a Workflow process to trigger an email reminder to complete Leave Certification Form within 30 days of retirement for LASERS members. This Workflow email triggers when a retirement date is entered into Banner and provides both Human Resources and Payroll a method of tracking compliance with submission of form in a timely manner. The email reminder provides the employee name and retirement date and provides a "checklist" within Workflow where HR and Payroll have to complete and submit their checklist or Workflow will continue to remind until deadline date which is 30 days following retirement.

For Accurate Reporting:

Our current internal processing procedure requires the Payroll Supervisor to screen print final leave balance and provide copy to Director of Human Resources. This was done in the case of the retiree that was certified incorrectly, but through human error, the Director of Human Resources failed to submit proper leave balance for Annual leave. An additional check point was added to current procedures whereby the Director of Human Resources will provide a copy of the completed Leave Certification Form to the Payroll Supervisor to check balances being reported.

2. LEAVE WITHOUT PAY (LWOP) DATES NOT CONSISTENTLY REPORTED TO LASERS

OBSERVATION

During this review, it was determined that LWOP dates were not consistently reported to LASERS. According to LASERS Liaison Memo 13-24 Reporting, it is necessary for non-LaGov reporting agencies to report LWOP to LASERS. LWOP dates can be reported to LASERS in two primary ways, Employer Self-Service (ESS) or on the monthly contribution file. The agency noted that there is not a set process to report LWOP to LASERS. Incorrect or missing LWOP information can cause errors in producing retirement estimates for members and can also impact the proper calculation of service credit.

RECOMMENDATION (CLOSED)

The agency should create LWOP reporting procedures and processes to ensure this information is reported to LASERS accurately and timely. Target completion date is March 31, 2020.

AGENCY RESPONSE

The agency agrees with this recommendation. We created a Workflow process to trigger an email to Director of Human Resources with any docked pay entered into the Banner system for LASERS members. Director of Human Resources will enter the docked pay in accordance with guidance from LASERS on Solaris reporting of docked pay.

FOLLOW-UP

A follow-up to this engagement will not be scheduled at this time. Audit Services will maintain this information on a tracking report. These items will be tracked until they are closed.



Laura Sena, CPA
Auditor



Ryan Babin, CIA, CISA, CPA
Audit Services Director

Cc: Dr. Daryl Burckel
Eddie Meche
Charlene Abbott
Rita Powell
Victoria Roach
Maris LeBlanc

Trey Boudreaux
Tricia Gibbons
Artie Fillastre
Jonathan Drago
Wretha Drinnon