



DARYL G. PURPERA,
CPA, CFE

Report Highlights

Recovery School District

Audit Control # 80120084
Financial Audit Services • March 2013

Why We Conducted This Audit

We conducted certain procedures at the Recovery School District (RSD) as part of the Single Audit of the State of Louisiana and to evaluate RSD's accountability over public funds for the fiscal year ended June 30, 2012.

What We Found

We tested controls, compliance with laws, and financial reporting relating to movable property, payroll expenditures, and school activity funds and tested compliance with requirements for the Disaster Grants - Public Assistance program. Our procedures disclosed the following:

- For the sixth consecutive year, RSD did not ensure that movable property was safeguarded against loss, including loss arising from unauthorized use and misappropriation. RSD's annual certification of property inventory identified 1,633 items with an acquisition cost of \$2,738,016 as unlocated during the past four-year period. Of the 1,633 unlocated items, 1,380 items were computers or computer-related equipment. The 2012 annual certification also identified 908 items with a total acquisition cost of \$1,482,060 as unlocated for the current period.
- RSD reported 97 movable property items with an acquisition cost of \$73,667 as missing/stolen to the legislative auditor and the local district attorney.
- RSD did not ensure that employee separation dates were recorded accurately and timely which could result in overpayments for terminated employees.
- The number of charter-operated schools has continued to increase since 2009 while the number of RSD direct-run schools has declined since 2010.

