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Agenda Audit

Wednesday, August 20, 2025
10:30 AM

Claiborne Building, 1st Floor ▪ Iowa Room 1–153
1201 N. Third St. ▪ Baton Rouge, LA 70802

- I. Call to Order
- II. Roll Call
- III. EisnerAmper Internal Audit Presentation
 - A. Internal Audit Charter Renewal
 - B. Internal Audit Independence Review
 - C. Internal Audit Quality Assurance and Improvement Program Update
 - D. Internal Audit Risk Assessment Update and FY26 Proposed Plan for Approval
- IV. Board of Regents Formula, Admissions, and Scholarships Audit Plan for FY26
- V. Other Business
- VI. Adjournment

Committee Members: Judy Williams-Brown, Chair; Christian C. Creed, Vice Chair; Blake R. David; Stephanie A. Finley; Dallas L. Hixson; Samer Shamieh
Staff: Kim Hunter-Reed, Commissioner of Higher Education

AGENDA ITEM III

Executive Summary

III. EisnerAmper Internal Audit Presentation

A. Internal Audit Charter Renewal

The Audit Committee is required to review and approve the Internal Audit Charter annually. The Internal Audit Charter provides the purpose, authority, responsibility, and position within the organization. Since the Charter was last updated, there were no changes to the Institute of Internal Auditing Standards that would necessitate a change. EisnerAmper has reviewed the most recently updated charter (see Board of Regents – Internal Audit Charter), approved at the September 2024 Board Meeting. Based on EisnerAmper’s review, no changes are recommended to the charter at this time.

RECOMMENDATION

The Audit Committee Chair recommends reapproval of the Internal Audit Charter.

B. Internal Audit Independence Review

The Global Internal Audit Standards states that internal auditing is most effective when the internal audit function is independent, and internal auditors are free from undue influence and committed to making objective assessments (Domain I). The Standards require that the chief audit executive confirm to the board the organizational independence of the internal audit function at least annually (Standard 7.1 Organizational Independence). EisnerAmper will provide their assessment of their independence, in alignment with the Global Internal Audit Standards.

This item is for informational purposes only; no action is required.

C. Internal Audit Quality Assurance and Improvement Program Update

The chief audit executive must develop and conduct internal assessments of the internal audit function’s conformance with the Global Internal Audit Standards and progress toward performance objectives.

The chief audit executive must establish a methodology for internal assessments, as described in Standard 8.3 Quality, that includes:

- Ongoing monitoring of the internal audit function’s conformance with the Standards and progress toward performance objectives.
- Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices to evaluate conformance with the Standards.
- Communication with the board and senior management about the results of internal assessments.

Based on the results of periodic self-assessments, the chief audit executive must develop action plans to address instances of nonconformance with the Standards and opportunities for improvement, including a proposed timeline for actions. The chief audit executive must communicate the results of periodic self-assessments and action plans to the board and senior management. (See also Standards 8.1 Board Interaction, 8.3 Quality, and 9.3 Methodologies.)

Internal assessments must be documented and included in the evaluation conducted by an independent third party as part of the organization's external quality assessment. (See also Standard 8.4 External Quality Assessment.)

If nonconformance with the Standards affects the overall scope or operation of the internal audit function, the chief audit executive must disclose to the board and senior management the nonconformance and its impact.

EisnerAmper will provide an overview of its Quality Assurance and Improvement Program, in alignment with the Global Internal Audit Standards.

This item is for informational purposes only; no action is required.

D. Internal Audit Risk Assessment Update and FY26 Proposed Plan for Approval

The Audit Committee is required to review and approve the Internal Audit Plan annually. The annual risk assessment process and resulting Internal Audit Plan provides for the allocation of internal audit resources to higher-risk activities within the Board of Regents' programs for the upcoming fiscal year. EisnerAmper developed this audit plan using a risk-based approach in compliance with the Institute of Internal Auditors' standards and Louisiana Revised Statute 17:3138.6.

RECOMMENDATION

The Audit Committee Chair recommends approval of EisnerAmper's Internal Audit Plan for FY 2026.

AGENDA ITEM IV

IV. Board of Regents Formula, Admissions, and Scholarships Audit Plan for FY26

The Finance Audit and Compliance program (Audit Team) continuously evaluates and reassesses the approach to reviewing the data used to calculate the Board of Regents' Outcomes-Based Funding Formula (Formula). Through this evaluation process, the Finance Audit and Compliance program determined that efficiency and effectiveness could be increased by focusing on specific data elements for higher-risk areas and institutions rather than the broad review previously utilized. Staff recognizes that using a risk-based approach is the most efficient method to ensure resources are directed to the areas that require the most

attention. The methodology and plan will be reassessed annually and are subject to revision. (See Formula & Admission Audit Plan.)

In accordance with Louisiana Administrative Code (LAC) 28, Part IV, Section 107, the Board of Regents (BOR) conducts audits of institutions participating in LOSFA-administered student financial aid programs to evaluate compliance with state laws and BOR/LOSFA regulations. The Finance Audit and Compliance program (Audit Team) uses an annual risk assessment to guide the selection of institutions for review, ensuring resources are focused on areas with the highest potential for noncompliance. The targeted compliance rate for these reviews is 90%. (See LOSFA Programs & High School Audit Plan.)

RECOMMENDATION

The Audit Committee Chair recommends approval of the Board of Regents' Formula, Admissions, and LOSFA Programs Audit Plans for FY 2026.

Louisiana Board of Regents – Internal Audit Charter

Purpose

The purpose of the internal audit function is to strengthen Board of Regents' ability to create, protect, and sustain value by providing the Audit Committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances Board of Regents':

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Board of Regents' internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Audit Committee.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global Internal Audit Standards

The Board of Regents' internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The chief audit executive will report annually to the Audit Committee and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

Mandate

Authority

The Board of Regents' internal audit function mandate is found in Louisiana Revised Statute (R.S.) 17:3138.6, which states, "the board shall establish an internal audit function and shall establish an office of the chief audit executive who shall be responsible for ensuring that the internal audit function adheres to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing. The chief audit executive shall maintain organizational independence in accordance with these standards and shall have direct and unrestricted access to the board. The chief audit executive shall annually certify to the board that the internal audit function conforms to the Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing."

The internal audit function's authority is created by its direct reporting relationship to the Audit Committee. Such authority allows for unrestricted access to the Audit Committee.

The Audit Committee authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Communicate to necessary personnel of Board of Regents if assistance and/or other specialized services from within or outside Board of Regents is needed to complete specific internal audit engagements.

Independence, Organizational Position, and Reporting Relationships

The chief audit executive will be the contract manager for the outsourced internal audit provider and will be responsible for ensuring internal audits and other agreed activities are conducted in compliance with this Charter and the Professional Services Contract.

The chief audit executive will report functionally to the Audit Committee and administratively to the Commissioner of Higher Education. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Audit Committee, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The chief audit executive will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function. If the governance structure does not support organizational independence, the chief audit executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The chief audit executive will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the chief audit executive, Audit Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganization within the organization.
- Significant changes in the chief audit executive, Audit Committee, and/or senior management.

- Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

Audit Committee Oversight

To establish, maintain, and ensure that Board of Regents' internal audit function has sufficient authority to fulfill its duties, the Audit Committee will:

- Discuss with the chief audit executive and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the chief audit executive has unrestricted access to and communicates and interacts directly with the Audit Committee, including in private meetings without senior management present.
- Discuss with the chief audit executive and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with the chief audit executive and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter annually with the chief audit executive to consider changes affecting the organization, such as the changes in the type, severity, and interdependencies of risks to the organization; and approve the internal audit charter annually.
- Approve the risk-based internal audit plan.
- Review and approve the internal audit budget and resource plan.
- Provide input to senior management on the appointment and removal of the outsourced internal audit provider, ensuring adequate competencies and qualifications and conformance with the Global Internal Audit Standards.
- Review and provide input to senior management on the outsourced internal audit provider's performance.
- Receive communications from the outsourced internal audit provider about the internal audit function including its performance relative to its plan.
- Ensure a quality assurance and improvement program has been established and review the results annually.
- Make appropriate inquiries of senior management and the chief audit executive to determine whether scope or resource limitations are inappropriate.

- Receive communications on any complaints reported through the Louisiana Legislative Auditor (LLA) Hotline or other reporting mechanisms as designed and implemented by the Board of Regents and coordinate with Board of Regents external audit staff on any matters reported where incorrect, inaccurate or misleading data may have been submitted to the Board of Regents or the Institution Management Boards.

Chief Audit Executive Roles and Responsibilities

Ethics and Professionalism

The chief audit executive will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations in carrying out its work.
- Encourage and promote an ethics-based culture in the organization in carrying out its work.
- Report organizational behavior that is inconsistent with the organization's ethical expectations, as described in applicable policies and procedures.

Objectivity

While the internal audit activity will remain free from interference in the Board of Regents and will provide recommendations related to matters of audit selection, scope, procedures, frequency, timing, or report content and best practices; the Audit Committee of Board of Regents and Commissioner of Higher Education will make a final decision related to audit plan, scope and budget as detailed in the Professional Services Contract with the outsourced internal audit provider. If the chief audit executive determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the chief audit executive, Audit Committee, management, or others.

- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Managing the Internal Audit Function

The chief audit executive has the responsibility to:

- Facilitate an annual risk assessment process to evaluate risk related to specific auditable areas of the Board of Regents, Louisiana Office of Student Financial Assistance (LOSFA), and Louisiana Universities Marine Consortium (LUMCON), including any agency or program focused audit and compliance areas. The primary purpose of this process is to assess and prioritize focus on the organization's high-risk areas in developing the internal audit plan. Development of the risk-based internal audit plan will consider the input of the Audit Committee and senior management. Discuss the plan with the Audit Committee and senior management and submit the plan to the Audit Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in Board of Regents' business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards and laws and/or regulations.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and senior management annually and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact Board of Regents and communicate to the Audit Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to Board of Regents' relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and senior management.

- Understand activities performed by other internal and external providers of assurance and advisory services, coordinate activities as necessary related to engagement scope, and consider relying upon their work as applicable related to engagement scope. If the chief audit executive cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Audit Committee.

Communication with the Audit Committee and Senior Management

The chief audit executive will report annually to the Audit Committee and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- The internal audit budget and any budget constraints impacting the ability to fulfil the internal audit plan.
- Significant revisions to the internal audit plan.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee that could interfere with the achievement of Board of Regents' strategic objectives.
- Results of assurance and advisory services.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond Board of Regents' risk appetite.

Quality Assurance and Improvement Program

The chief audit executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the chief audit executive will communicate with the Audit Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once

every five years by a qualified, independent assessor or assessment team from outside Board of Regents; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential.

Scope and Types of Internal Audit Services

The scope of internal audit services covers the entire breadth of the organization, including all of Board of Regents' activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Board of Regents.

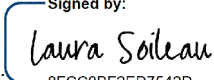
The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

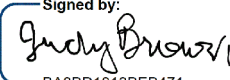
- Risks relating to the achievement of Board of Regents' strategic objectives are appropriately identified and managed.
- The actions of Board of Regents' officers, directors, management, employees, and contractors or other relevant parties comply with Board of Regents' policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively, efficiently, ethically, and equitably.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Board of Regents.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

Approved by the Audit Committee at its meeting on September 25, 2024.

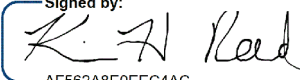
Acknowledgments/Signatures

Signed by:

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Chief Audit Executive

11/15/2024
Date

Signed by:

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Audit Committee Chair

1/17/2025
Date

Signed by:

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Commissioner of Higher Education

11/15/2024
Date



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Finance Audit and Compliance Division Formula & Admission Audit Plan for Fiscal Year 2025–2026

The Finance Audit and Compliance program (Audit Team) continuously evaluates and reassesses the approach to reviewing the data used to calculate the Board of Regents' Outcomes-Based Funding Formula (Formula). Through this evaluation process, the Finance Audit and Compliance program determined that efficiency and effectiveness could be increased by focusing on specific data elements for higher-risk areas and institutions rather than the broad review previously utilized. Staff recognizes that using a risk-based approach is the most efficient method to ensure resources are directed to the areas that require the most attention. The methodology and plan will be reassessed annually and are subject to revision.

In recognizing the need to transition to a risk-based method for Formula audits, a multi-layered approach was developed to assess the risk of potential inadvertent or intentional errors that can materially impact the components that comprise the Formula calculation. Any material manipulation in the data could result in a negative or positive impact on the institution, which would be reported inaccurately. Risk assessments were performed on both metrics (the data inputs to the Formula) and institutions.

Metric Selection

The Finance Audit and Compliance Team corresponded with key staff responsible for the Formula calculations, inclusive of both Finance and Administration and Academic Affairs and Innovation Divisions, to discuss areas of concern and potential noncompliance. Through this correspondence and areas of concern previously identified in the audits performed, four key areas were identified for which auditing would be most effective:

1. **Adult Pell Completers** – Inaccuracies in students reported as receiving a Pell Grant award as an adult student would be the most advantageous data metric when a student is reported as completing a degree or program.
2. **Student Progression** – Inaccuracies in reporting students' classification can affect the weights of student credit hours and outcome factors that reward student progression at four-year institutions.
3. **100% Online Students** – 100% online students must live in Louisiana for the institution to receive credit in the Formula calculation. Inaccuracies in reporting of students living in Louisiana can create an advantage for institutions with large online enrollment.

Institution Selection for Adult Pell Completers and Student Progression Reviews

The Finance Audit and Compliance Team used information readily available and quantifiable to establish institution risk classifications. Institutions were ranked into two categories based on levels: 4-year and 2-year institutions.

1. **Total Estimated 2024–2025 Formula Calculation** – Institutions receiving more funding through the Formula were weighted as higher risk.
2. **Legislative Auditor Findings**– Legislative Auditor findings within the most recent two years related to Formula data were given a higher weight. For example, financial aid findings were considered higher risk because deficiencies in internal controls in Financial Aid offices may potentially affect Pell awards, etc.
3. **Findings in Most Recent BOR Audit** – Findings in the prior BOR audit were considered to evaluate risk. This includes findings issued in Admissions for incorrect SSPS reporting.
4. **Date of Last BOR Formula Audit** – In implementing a risk-based approach to institution selection, it is important to ensure that all institutions receive appropriate coverage on rotation when other risk factors are not present.

Based on the factors described above, the following institutions were selected to receive an audit of Adult Pell Completers and Student Progression (at four-year institutions):

<i>Four-Year Institutions</i>	<i>Two-Year Institutions</i>
Grambling State University	Bossier Parish Community College
LSU and A&M College	Eliane P. Nunez Community College
LSU Shreveport	Fletcher Technical Community College
Louisiana Tech University	Louisiana Delta Community College
McNeese State University	Northwest Louisiana Technical Community College
University of Louisiana at Monroe	River Parishes Community College
University of New Orleans	Southern University Shreveport

Institution Selection for 100% Online Student Review

The selection for audit of institutions reporting 100% online students will be determined based on the selected institutions identified above, using the auditor’s professional judgment.

Admissions Exceptions Audit Plan

In addition to the audits conducted on Formula funding data elements, the Finance Audit and Compliance Division will conduct admissions exceptions audits for selected institutions. These institutions will be drawn from the same pool identified as higher risk through the Formula audit risk assessment process. This approach allows for strategic alignment of audit activities while ensuring a more comprehensive evaluation of institutional data reporting and compliance.

The admissions exceptions audit will focus on institutional submissions to the Statewide Student Profile System (SSPS) for the most recent academic year. The objective of this review is to assess whether institutions complied with the Board of Regents' *Minimum Admissions Standards for First-Time Freshmen*, including the *Supplement to the Minimum Admission Standards for 4-Year Universities*. The evaluation will be based on SSPS data used to support admissions decisions and the proper application of exception codes.

Institutions selected for this review will undergo a detailed assessment, during which auditors will:

- Select a random sample of 30 students from the SSPS admissions exception listings;
- Conduct entrance and exit conferences with appropriate institutional personnel; and
- Test institutional compliance with established admissions criteria and exception coding requirements.

Upon completion of fieldwork, the Audit Team will compile and document the results of testing and issue a formal audit report outlining the procedures performed, any identified exceptions, and corresponding recommendations. In cases where significant issues are identified, a follow-up review may be scheduled. The overall timeline for the engagement will vary depending on the complexity of institutional data and the nature of any findings.

Note: The selection of institutions for audit is based on the most current data available at the time of the risk assessment. However, institutional assignments are subject to change based on emerging risks, updated information, or changes in resource availability. The Finance Audit and Compliance program reserves the right to modify the audit schedule as necessary to ensure the effective and timely execution of its responsibilities.



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Finance Audit and Compliance Division LOSFA Programs & High School Audit Plan Fiscal Year 2025–2026

In accordance with Louisiana Administrative Code (LAC) 28, Part IV, Section 107, the Board of Regents (BOR) conducts audits of institutions participating in LOSFA-administered student financial aid programs to evaluate compliance with state laws and BOR/LOSFA regulations. The Finance Audit and Compliance program (Audit Team) uses an annual risk assessment to guide the selection of institutions for review, ensuring resources are focused on areas with the highest potential for noncompliance. The targeted compliance rate for these reviews is 90%.

Postsecondary Institutions

For FY 2025–26, 17 postsecondary institutions have been selected for audit. This includes a mix of four-year universities, two-year colleges, and proprietary schools. The selection is based on a structured risk assessment that evaluates the following factors:

- **Award Funding Volume:** Institutions with larger funding volumes are considered higher risk due to the increased financial exposure, greater complexity in fund management, and the potential for larger-scale misstatements or noncompliance.
- **Time Since Last Audit:** Institutions that have not been reviewed within the standard four- to five-year audit cycle are evaluated as higher risk due to the potential accumulation of unaddressed compliance issues, outdated internal controls, or changes in personnel and systems that may affect program administration.
- **Prior Audit Findings:** Institutions with a history of significant findings, such as award calculation errors, misreporting, or failure to adhere to program eligibility requirements, are deemed higher risk and subject to more frequent oversight.

This structured cycle allows for regular monitoring and adjustments based on risk. The list of postsecondary institutions selected for audit is as follows:

<i>Four-Year Institutions</i>	<i>Two-Year & Proprietary Institutions</i>
LSU Alexandria	Bossier Parish Community College
LSU Shreveport	LSU Eunice
Louisiana Tech University	River Parishes Community College
McNeese State University	Aveda Institute Baton Rouge
NO Baptist Theological Seminary	Aveda Institute Covington
Franciscan Missionaries of Our Lady Univ.	Aveda Institute Lafayette
Southern University and A&M College	Aveda Institute Hammond
Southern University at New Orleans	Aveda Institute New Orleans
Xavier University of Louisiana	

Secondary Institutions

An additional 13 reviews will be conducted at the secondary level, with the primary objective of verifying the accuracy of TOPS eligibility data reported to the Louisiana Department of Education's Student Transcript System (STS). These audits confirm that coursework and grade reporting align with the eligibility criteria established for TOPS awards.

The selection of high schools is also determined through an annual risk assessment, which evaluates:

- **Number of Graduates:** A higher number of graduates increases the likelihood of reporting errors, particularly in the areas of coursework, grade accuracy, and program eligibility, and therefore elevates the institution's risk profile for audit selection.
- **Number of TOPS-Eligible Graduates:** Institutions with a higher number of eligible students carry a greater risk for data inaccuracies or omissions that may impact student award determinations, thereby increasing the likelihood of selection for audit.
- **Time Since Last Review:** A longer period between reviews may result in outdated processes, insufficient oversight, or undetected compliance issues. As such, institutions with extended intervals since their last audit are assessed as having a higher risk of noncompliance and are prioritized for audit selection.

This targeted approach reinforces the integrity of the TOPS program by promoting accurate, consistent reporting across all participating high schools. The list of high schools selected for FY 2025–26 is as follows:

<i>Public</i>	<i>Non-Public</i>
Denham Springs High School	E.D. White Catholic High School
Franklin Parish High School	John Curtis Christian School
H.L. Bourgeois High School	St. Thomas Aquinas Diocesan High School
L.B. Landry High School	St. Thomas More Catholic High School
Liberty Magnet High School	
Neville High School	
Ponchatoula High School	
Southside High School	
Woodlawn High School	

Note: The selection of institutions for audit is based on the most current data available at the time of the risk assessment. However, institutional assignments are subject to change based on emerging risks, updated information, or changes in resource availability. The Finance Audit and Compliance program reserves the right to modify the audit schedule as necessary to ensure the effective and timely execution of its responsibilities.