

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS –
CORRECTIONS SERVICES

STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
MANAGEMENT LETTER
ISSUED JUNE 22, 2022

**LOUISIANA LEGISLATIVE AUDITOR
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Louisiana Legislative Auditor

Michael J. “Mike” Waguespack, CPA

Department of Public Safety and Corrections –
Corrections Services



June 2022

Audit Control # 80210135

Introduction

As a part of our work related to the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2021, we performed procedures at the Louisiana State Penitentiary (LSP), Adult Probation and Parole (P&P), and Local Housing of Adult Offenders within the Department of Public Safety and Corrections – Corrections Services (Department) to evaluate the effectiveness of the Department’s internal control over compliance and determine whether the Department complied with applicable laws and regulations. In addition, we determined whether management has taken actions to correct the finding reported in the prior year.

Results of Our Procedures

Follow-up on Prior-year Finding

Our auditors reviewed the status of the prior-year finding reported in the Department’s management letter dated June 30, 2021. We determined that management has resolved the prior-year finding related to Noncompliance with Coronavirus Relief Fund Requirements.

Federal Compliance - Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2021, we performed internal control and compliance testing as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) on the Department’s major federal program, Coronavirus Relief Fund (CRF) (Assistance Listing 21.019).

Those tests included evaluating the effectiveness of the Department’s internal control designed to prevent or detect material noncompliance with program requirements and tests to determine whether the Department complied with applicable program requirements. Based on the results of these procedures, we did not report any findings.

In addition, we performed procedures on information submitted by the Department to the Division of Administration’s Office of Statewide Reporting and Accounting Policy on the status of the prior-year finding for the preparation of the state’s Summary Schedule of Prior Audit Findings, as

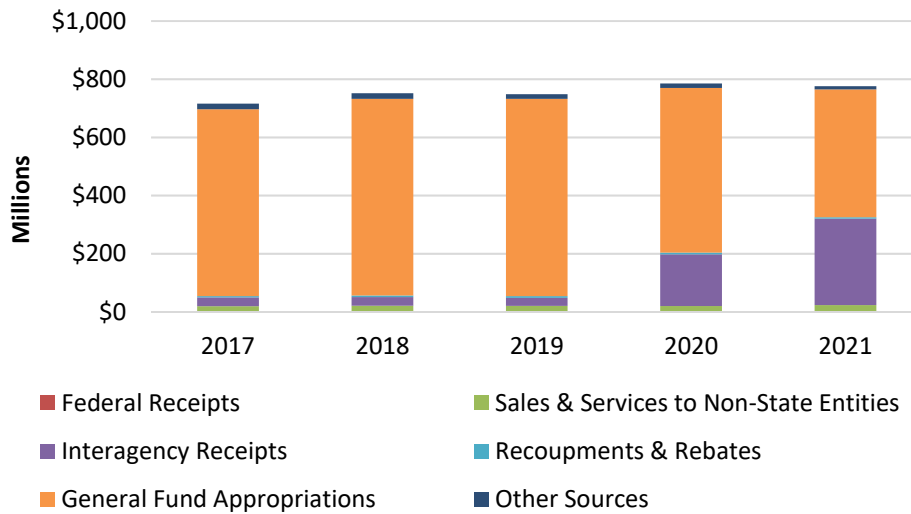
required by Uniform Guidance. The Department’s information submitted for the preparation of the state’s Summary Schedule of Prior Audit Findings, as adjusted, is materially correct.

Trend Analysis

We compared the most current and prior-year financial activity using the Department’s Annual Fiscal Reports and/or system-generated reports and obtained explanations from the Department’s management for any significant variances. We also prepared an analysis of the Department’s revenues by type (Exhibit 1) and CRF program funds received by facility (Exhibit 2).

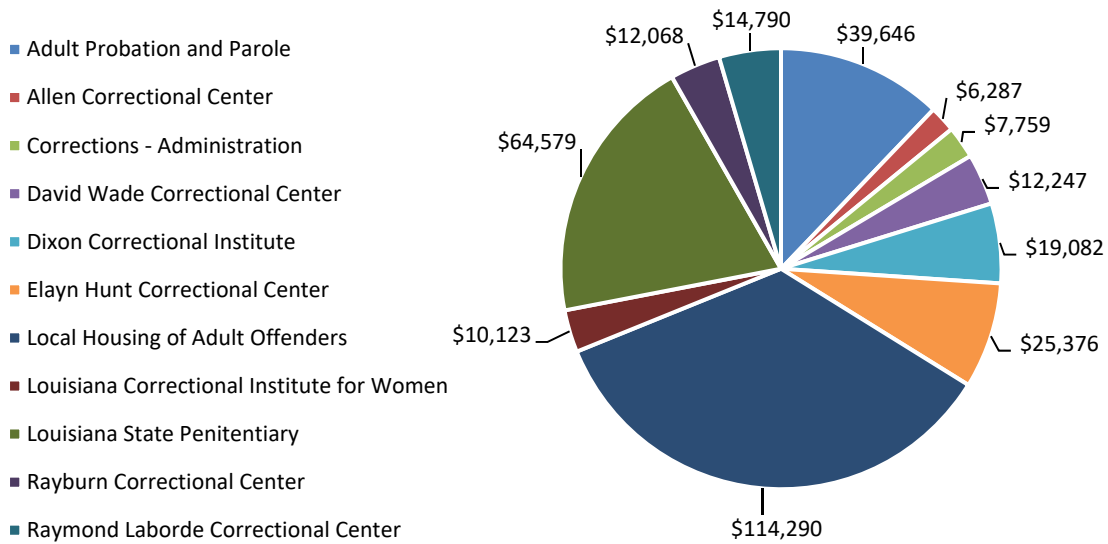
In analyzing revenue trends over the past five fiscal years, we noted that revenue was fairly consistent from fiscal year 2017 to 2019, but interagency receipts increased by \$149 million, or 544%, in fiscal year 2020 and increased by \$119 million, or 67%, in fiscal year 2021, as shown in Exhibit 1, mainly due to CARES Act Funds received through the Governor’s Office of Homeland Security and Emergency Preparedness, for multiple facilities within the Department. Funds totaling \$326 million were submitted to the Division of Administration as federal program expenditures, for the period ending June 30, 2021, as shown in Exhibit 2. The Department did not receive any CRF program funds for fiscal year 2022.

Exhibit 1
Revenues, by Fiscal Year



Source: System-generated Business Objects reports

**Exhibit 2
Total FY 2021 Reimbursement by Facility (in thousands)**



Source: Department federal reimbursement reports submitted to the DOA

Under Louisiana Revised Statute 24:513, this letter is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

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APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Department of Public Safety and Corrections – Corrections Services for the period from July 1, 2020, through June 30, 2021, to evaluate relevant systems of internal control in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures, summarized below, are related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2021.

- We evaluated the Department’s operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to the Department.
- We performed procedures on the Coronavirus Relief Fund (Assistance Listing 21.019) for the year ended June 30, 2021, as a part of the 2021 Single Audit.
- We performed procedures on the status of the prior-year finding for the preparation of the state’s Summary Schedule of Prior Audit Findings for the year ended June 30, 2021, as a part of the 2021 Single Audit.
- We compared the most current and prior-year financial activity using the Department’s Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from the Department’s management for significant variances.

The purpose of this report is solely to describe the scope of our work at the Department and not to provide an opinion on the effectiveness of the Department’s internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purposes.

We did not audit or review the Department’s Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. The Department’s accounts are an integral part of the State of Louisiana’s Annual Comprehensive Financial Report, upon which the Louisiana Legislative Auditor expresses opinions.