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**OFFICE OF TELECOMMUNICATIONS MANAGEMENT
EXECUTIVE DEPARTMENT
STATE OF LOUISIANA
Baton Rouge, Louisiana**

**Management Letter
Dated September 26, 1988**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor.

October 23, 1988



THOMAS G. EVERT, PRES., CPA, FRC
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September 20, 1990

**OFFICE OF TELECOMMUNICATIONS MANAGEMENT
EXECUTIVE DEPARTMENT
STATE OF LOUISIANA
Baton Rouge, Louisiana**

As part of our audit of the State of Louisiana's financial statements for the year-ended June 30, 1989, we conducted certain procedures at the Office of Telecommunications Management. Our procedures included (1) a review of the office's internal control structure; (2) tests of financial transactions; (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities; and (4) a review of compliance with prior year report recommendations.

The Annual Fiscal Report of the Office of Telecommunications Management was not audited or reviewed by us, and, accordingly, we do not express an opinion or any other form of assurance on that report. The office's accounts, included within the Executive Department, are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Our procedures included interviews with management personnel and selected office personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies as we considered necessary. After analyzing the data, we developed recommendations for improvement. We then discussed our findings and recommendations with appropriate management personnel before submitting this written report.

In our prior report on the Office of Telecommunications Management for the year ended June 30, 1989, we reported an internal control finding relating to the internal audit function, which is addressed again in this report.

Based upon the application of the procedures referred to previously, all significant findings are included in this report for management's consideration.

Internal Audit Function

For the third consecutive year, the Office of Telecommunications Management, a section within the Division of Administration, did not have an effective internal audit function to examine, evaluate, and report on its internal control structure, including data processing, and to evaluate its compliance with the policies and procedures of the

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OFFICE OF TELECOMMUNICATIONS MANAGEMENT
EXECUTIVE DEPARTMENT
STATE OF LOUISIANA

Management Letter, Dated September 26, 1999

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control system. An effective internal audit function is necessary to ensure that the agency's assets are safeguarded and that state policies and procedures are uniformly applied. Total agency assets of \$9,107,982 and revenues of \$27,585,250 demonstrate the need for an effective internal audit function.

The Office of Telecommunications Management should develop and implement an effective internal audit function. In a letter dated August 9, 1999, Mr. Nino Salvaggio, Director of Management and Finance, concurred with the finding and responded that the Division of Administration is requesting funding for internal audit positions to serve all division agencies, including the Office of Telecommunications Management.

The recommendation in this report represents, in our judgment, that which is most likely to bring about beneficial improvements to the operations of the office. The nature of the recommendation, its implementation costs, and the potential impact on the operations of the office should be considered in reaching decisions on courses of action.

By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

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STATE OF LOUISIANA LEGISLATIVE AUDITOR

Office of Telecommunications Management
Executive Department
State of Louisiana
Baton Rouge, Louisiana

Management Letter
Dated September 25, 1998



Financial and Compliance Audit Division

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