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STATE OF LOUISIANA LEGISLATIVE AUDITOR

Department of Wildlife and Fisheries
State of Louisiana
Baton Rouge, Louisiana

July 3, 1996



Financial and Compliance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

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Albert J. Robinson, Jr., CPA

DEPARTMENT OF WILDLIFE AND FISHERIES
STATE OF LOUISIANA
Baton Rouge, Louisiana

Management Letter
Dated June 6, 1996

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.

July 3, 1996



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STATE OF LOUISIANA
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June 6, 1996

DEPARTMENT OF WILDLIFE AND FISHERIES
STATE OF LOUISIANA
Baton Rouge, Louisiana

As part of our audit of the State of Louisiana's financial statements for the year ending June 30, 1996, we conducted certain procedures at the Department of Wildlife and Fisheries. Our procedures included (1) a review of the department's internal control structure; (2) tests of financial transactions for the years ended June 30, 1996, and June 30, 1995; (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities for the years ended June 30, 1996, and June 30, 1995; and (4) a review of compliance with prior year report recommendations.

The Annual Financial Report of the Department of Wildlife and Fisheries was not within the scope of our work, and, accordingly, we offer no form of assurance on that report upon its issuance. The department's accounts 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 departmental personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies as we considered necessary. After analyzing the data, we developed recommendations for improvements. We then discussed our findings and recommendations with appropriate management personnel before submitting this written report.

In our prior report on the Department of Wildlife and Fisheries for the year ended June 30, 1993, we reported findings relating to the internal audit function, monitoring of subrecipients, and motorboat registration revenues. The findings relating to motorboat registration revenue and monitoring of subrecipients have been resolved by management. The finding relating to the internal audit function has not been resolved and 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.

Movable Property

The Department of Wildlife and Fisheries does not have adequate procedures to ensure that the movable property master listing is updated in a timely manner as required by Louisiana law. Louisiana Revised Statute 39:324(B) requires the master listing to be updated for state movable property within 45 days of the receipt of the movable property. In our test of 48 randomly selected movable property acquisitions

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totaling \$186,820, 31 acquisitions (65 percent), totaling \$67,378, were not added to the master file. In addition, 15 acquisitions totaling \$49,506, representing 27 percent of the \$181,139 of items received by June 30, 1995, were not reported in the department's Annual Financial Report for the year ended June 30, 1995. Also, in 6 of the 12 months tested, monthly updates to state property control master files were not submitted timely to the Commissioner of Administration. Failure to update movable property in a timely manner increases the risk of loss from unauthorized use of the property, subjects the department to noncompliance with state laws and regulations, and results in improper financial reporting of assets.

The Department of Wildlife and Fisheries should comply with laws and regulations regarding its movable property and accurately report movable property in the department's annual financial statements. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the finding and recommendation and that corrective action has been taken.

Internal Audit Function

For the third consecutive audit, the Department of Wildlife and Fisheries does 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 control system.

Considering the department's reported assets (approximately \$8 million), its operating revenues (approximately \$16 million), and collections of major state revenues (approximately \$25 million), we believe that an effective internal audit function is needed to ensure that the state's assets are safeguarded and that state policies and procedures are uniformly applied. The department has chosen to allocate its resources to functions other than the establishment of an internal audit function.

The Department of Wildlife and Fisheries should take the necessary steps to establish an effective internal audit function. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, concurred with the finding and recommendation and stated the possibility exists that an internal auditor position will be funded for the 1996-97 fiscal year. He further stated that the department continues to strive toward establishment of an effective internal audit function.

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Travel Regulations

The Department of Wildlife and Fisheries does not always comply with Division of Administration travel regulations [Policy and Procedures Memorandum (PPM) 49]. In our examination of 36 travel reimbursements, we noted the following exceptions:

1. There were 7 instances (19 percent), totaling \$74, where the department reimbursed mileage for employees traveling to and from their residence and their workplace. Travel regulations state that a traveler cannot receive reimbursement for travel to and from his/her residence.
2. Two travel reimbursements (6 percent) were not approved by the employee's supervisor. All claims for reimbursement must be signed by the person claiming the reimbursement and must be approved by his/her immediate supervisor.
3. We found one instance (3 percent) in which an employee did not request reimbursement within the month following the travel. Claims should be submitted within the month following the travel or until a reimbursement of at least \$10 is due.
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6. In one instance (3 percent), the department reimbursed \$96 more than the employee actually paid. A reimbursement cannot be made when no cost is incurred by the traveler.

The Department of Wildlife and Fisheries should comply with the Division of Administration travel regulations as outlined in PPM 49. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the finding and recommendation. He stated that the staff has been provided a training class for compliance with departmental and

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Division of Administration procedures, and an internal review will be done periodically to ensure employees comply with these procedures.

Inventory Control Procedures

The Department of Wildlife and Fisheries does not have adequate internal control procedures for the consumable inventory of materials and supplies. Good internal controls for inventory require an adequate system to account for the receipt, issuance, valuation, and disposition of inventory items. The department's Office of Management and Finance Services Division maintains an inventory of office supplies and other items, which was valued at approximately \$20,000 at June 30, 1995, for all offices in Baton Rouge. Seventy supply requisitions issued at various times since June 30, 1995, had not been posted as of February 22, 1996. In addition, the perpetual inventory system does not leave an adequate audit trail. The system shows only the remaining balance and does not report additions and deductions from inventory nor does it report the amount of supplies issued to each cost center for management purposes. Without adequate internal controls over inventory, the risk exists that the state's assets could be impaired and that errors and/or irregularities could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should establish adequate policies and procedures to ensure that the inventory of materials and supplies is updated on a timely basis and that the inventory system provides an adequate audit trail. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, concurred with the finding and recommendation and stated that policies and procedures will be developed and implemented to establish controls.

Purchases and Disbursements

The Department of Wildlife and Fisheries does not have adequate internal control procedures for purchases and disbursements. A good internal control structure incorporates policies and procedures that ensure purchasing procedures are adhered to, expenditures are properly recorded, assets are safeguarded, and the risk of errors and irregularities is reduced. In our test of 66 non-payroll disbursements, we noted the following:

1. Five disbursements (8 percent) were paid from a copy of the original invoice.
2. Four disbursements (6 percent) were made more than 90 days after the invoice date. Louisiana Revised Statute (LSA-R.S.) 39:1695-97 requires invoices to be paid within 90 days from the invoice date.

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3. Fourteen disbursements (21 percent) were supported by an invoice without a receiving report or documentation to verify that the department received the goods.
4. The date the goods were received was not documented for 22 of the disbursements (33 percent).
5. Twelve disbursements (18 percent) were not properly documented as to the purpose of the disbursement. Neither the purchase requisition nor check requisition (used for purchases under \$250) explained the purpose or necessity of an expenditure when it was not readily apparent.
6. On two disbursements (3 percent), the department did not use the fleet management statewide maintenance and repair contract or use an authorized dealer for repairs to vehicles. Executive Order EWE 92-53 requires agencies to use the fleet management statewide maintenance and repair contract if available, or if not available, use an authorized dealer or competitive bid.
7. One disbursement (2 percent) was made for \$2,835 which was greater than the awarded bid amount of \$2,700.
8. One disbursement (2 percent) was made for \$281 in which the department appeared to be splitting orders to avoid having to competitively bid the goods as required by the department's purchasing policy. A purchase for \$212 and one for \$69, for a total of \$281, was made from the same vendor on the same day. This amount exceeded the \$250 limit for competitively bidding goods.

The Department of Wildlife and Fisheries should establish and maintain adequate internal controls over purchases and disbursements to ensure that errors and irregularities do not occur and that the department is in compliance with state laws and regulations. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the findings and recommendation. The staff has been advised to follow regulations, and additional procedures are being developed to provide additional review of documents to ensure compliance with state and departmental regulations.

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**On-Line Data Entry System and Advance
Government Purchasing System**

The Department of Wildlife and Fisheries does not have adequate segregation of duties in the On-Line Data Entry System (ODES) and Advanced Government Purchasing System (AGPS) for the input and approval of transactions into the Financial Accountability and Control System (FACS) and the Integrated Statewide Information System (ISIS). Access to the ODES and ISIS is restricted through the use of passwords and user ID codes. A good internal control structure should provide for the adequate segregation of duties so that no one employee would be in a position to both initiate and conceal errors or irregularities.

Our review disclosed that 13 employees had both data entry and approval user ID codes (11 in ODES and 2 in AGPS). In addition, the supervisor who has access assignment for ODES also has approval capability. The ODES has transaction reports that show the data entry code and approval code for transactions to enable supervisors to search for improper access or entries. However, these reports were not reviewed by supervisors to ensure that the security of the system had been maintained. Our review of these reports disclosed a number of transactions were entered and approved by the same employee. The department does not obtain any reports from AGPS to determine if the same employee is entering and approving transactions. Without adequate segregation of duties, there is an increased risk that errors or irregularities could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should implement procedures to limit employee access to ODES and AGPS to either data entry or approval access by transaction code, and supervisors should review transaction reports to ensure that the security of the system has been maintained. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the finding and recommendation. Reports available through the two systems will be obtained and reviewed, and codes and accessibility will be corrected where necessary to properly segregate duties.

Internal Control Procedures Over Revenues

The Department of Wildlife and Fisheries does not have adequate internal control procedures for the collection of certain revenues. In our consideration of the internal control procedures employed by the department, we noted the following:

1. Alligator hunting licenses, tag fees, shipping label fees, and egg collection permits are prenumbered but are not accounted for numerically and agreed to the state's central accounting system, FACS,

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by an independent employee. This process is needed to ensure that all receipts are deposited intact and are recorded accurately. The process should include independent verification of the unsold licenses, shipping labels, permits, and tags. These collections totaled \$742,574 in the fiscal year ended June 30, 1995.

2. Boat registration fees, which totaled \$1,244,445 in the fiscal year ended June 30, 1995, are not reconciled to FACS. The fees are recorded and accounted for on the department's in-house computer system, deposited in the state treasury, and classified in FACS. However, these registration fees have not been reconciled with FACS.
3. The cash register currently used for the over-the-counter sale of merchandise in the department's circulation section does not provide a sequential control number and cumulative totals when closed out at the end of each day's business. This information is needed as part of a process to ensure that all receipts are deposited intact. Over-the-counter sales amounted to approximately \$15,000 from July 1995 to April 1996.
4. The department did not properly date-stamp monthly remittances from sheriffs for sporting licenses sold; therefore, it is not possible to determine if the remittances were received and/or deposited timely. Sheriffs are required by law to remit sporting licenses by the 10th of the month following the month in which sold. The department collected approximately \$9,562,600 in sporting licenses from sheriffs in the fiscal year ended June 30, 1995.
5. The commercial license section does not have adequate segregation of duties for billing, record keeping, and collecting of receipts for civil restitution fees. One employee performs the incompatible functions of billing, record-keeping, and collecting of receipts for civil restitution fees involving the collection of approximately \$50,000 annually.
6. The department's revenue processing system does not include a control ledger for civil restitution fees and returned checks. A control ledger should be used to account for and report the cumulative amount of charges, collections, and the uncollected balance remaining in a control account.

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The lack of adequate internal control procedures increases the risk that errors and/or irregularities could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should establish adequate internal control procedures over revenues to ensure that all licenses, fees, permits, and over-the-counter sales are accounted for properly. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated the department concurred with the findings and recommendation. Revised procedures are being implemented; a reconciliation with FACS is being done for boat registration fees; remittances from sheriffs are being date-stamped, and duties are being segregated where necessary. For item number 3, the department stated that the cash register does not give control numbers and cumulative totals; however, sales transactions are entered daily into a computer application to generate a voucher report that itemizes sales by type and method of payment. For item number 6, the department is in agreement as to the need for accounting for and reporting the cumulative assessments, collections, and outstanding balances. However, the information can be and is obtained from the system.

Additional Comments: A cash register that does not provide control numbers and cumulative totals is not an effective method of ensuring all receipts are accounted for at the end of each day when the register is closed and balanced to the days' receipts. Without a control ledger for civil restitution fees and returned checks, the current system does not include the benefits of checks and balances for the cumulative amounts of charges, collections, and uncollected balances.

Controls Over Cash and Imprest Bank Account

The Department of Wildlife and Fisheries does not have adequate internal control procedures for cash collections and disbursements for its travel and petty cash imprest bank account. In the fiscal year ended June 30, 1995, the department collected \$1,474,505 in cash receipts, which were deposited in its travel and petty cash bank account and subsequently transferred to the state treasury. The department also processed \$771,955 in expenditures through this account. In our consideration of internal control procedures, we noted the following weaknesses:

1. The department did not segregate the incompatible functions of recording requests for checks, printing of checks, custody of blank checks and signature stamp, signing of the checks, and reconciling the bank statement. The accounts payable supervisor performed all of these functions.

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2. Cash receipts averaging approximately \$6,000 per day and as high as \$14,000, were kept in an unlocked safe during working hours and not deposited until the next afternoon. These cash receipts totaled \$1,474,505 for the year ended June 30, 1995.
3. A supervisory employee does not approve all disbursement vouchers or check requests prepared by accounts payable employees.
4. The Enforcement Division has an excessive amount of petty cash. At February 26, 1996, the division has on hand \$8,900 from the travel and petty cash bank account and approximately \$6,000 generated from certain non-recurring undercover operations, for a total of \$14,900. During the 12 months ended February 29, 1996, the division expended and was reimbursed from the travel and petty cash bank account \$12,248, or approximately \$1,020 per month. The petty cash fund should be reduced to normal operating needs and excess funds remaining from non-recurring operations remitted to the state treasury.
5. The travel and petty cash bank account is not posted to a ledger to account for and report the cumulative amount of cash receipts and disbursements and the cash balance of the imprest bank account. Good business practices require a system to track deposits, disbursements, and ending balance on a daily basis.

The lack of adequate internal control procedures results in the risk that errors and/or irregularities relating to state assets could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should establish internal control procedures that provide reasonable assurance that the travel and petty cash imprest bank account is safeguarded and errors and/or irregularities are prevented or detected in a timely manner. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, concurred with the finding and recommendation and stated that the department has taken steps to improve its internal control procedures including the proper segregation of duties and the prompt securing and depositing of cash receipts.

The recommendations in this report represent, in our judgment, those most likely to bring about beneficial improvements to the operations of the department. The varying nature of the recommendations, their implementation costs, and their potential impact on operations of the department should be considered in reaching decisions on courses of action. Findings relating

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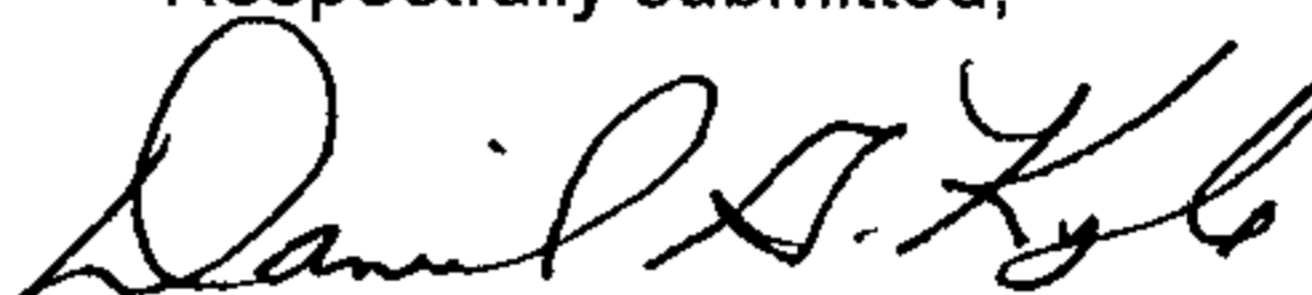
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to the department's compliance with laws and regulations should be addressed immediately by management.

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

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Daniel G. Kyle".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

FVP:WMB:dl

[WLF]

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3. Fourteen disbursements (21 percent) were supported by an invoice without a receiving report or documentation to verify that the department received the goods.
4. The date the goods were received was not documented for 22 of the disbursements (33 percent).
5. Twelve disbursements (18 percent) were not properly documented as to the purpose of the disbursement. Neither the purchase requisition nor check requisition (used for purchases under \$250) explained the purpose or necessity of an expenditure when it was not readily apparent.
6. On two disbursements (3 percent), the department did not use the fleet management statewide maintenance and repair contract or use an authorized dealer for repairs to vehicles. Executive Order EWE 92-53 requires agencies to use the fleet management statewide maintenance and repair contract if available, or if not available, use an authorized dealer or competitive bid.
7. One disbursement (2 percent) was made for \$2,835 which was greater than the awarded bid amount of \$2,700.
8. One disbursement (2 percent) was made for \$281 in which the department appeared to be splitting orders to avoid having to competitively bid the goods as required by the department's purchasing policy. A purchase for \$212 and one for \$69, for a total of \$281, was made from the same vendor on the same day. This amount exceeded the \$250 limit for competitively bidding goods.

The Department of Wildlife and Fisheries should establish and maintain adequate internal controls over purchases and disbursements to ensure that errors and irregularities do not occur and that the department is in compliance with state laws and regulations. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the findings and recommendation. The staff has been advised to follow regulations, and additional procedures are being developed to provide additional review of documents to ensure compliance with state and departmental regulations.

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**On-Line Data Entry System and Advance
Government Purchasing System**

The Department of Wildlife and Fisheries does not have adequate segregation of duties in the On-Line Data Entry System (ODES) and Advanced Government Purchasing System (AGPS) for the input and approval of transactions into the Financial Accountability and Control System (FACS) and the Integrated Statewide Information System (ISIS). Access to the ODES and ISIS is restricted through the use of passwords and user ID codes. A good internal control structure should provide for the adequate segregation of duties so that no one employee would be in a position to both initiate and conceal errors or irregularities.

Our review disclosed that 13 employees had both data entry and approval user ID codes (11 in ODES and 2 in AGPS). In addition, the supervisor who has access assignment for ODES also has approval capability. The ODES has transaction reports that show the data entry code and approval code for transactions to enable supervisors to search for improper access or entries. However, these reports were not reviewed by supervisors to ensure that the security of the system had been maintained. Our review of these reports disclosed a number of transactions were entered and approved by the same employee. The department does not obtain any reports from AGPS to determine if the same employee is entering and approving transactions. Without adequate segregation of duties, there is an increased risk that errors or irregularities could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should implement procedures to limit employee access to ODES and AGPS to either data entry or approval access by transaction code, and supervisors should review transaction reports to ensure that the security of the system has been maintained. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated that the department concurred with the finding and recommendation. Reports available through the two systems will be obtained and reviewed, and codes and accessibility will be corrected where necessary to properly segregate duties.

Internal Control Procedures Over Revenues

The Department of Wildlife and Fisheries does not have adequate internal control procedures for the collection of certain revenues. In our consideration of the internal control procedures employed by the department, we noted the following:

1. Alligator hunting licenses, tag fees, shipping label fees, and egg collection permits are prenumbered but are not accounted for numerically and agreed to the state's central accounting system, FACS,

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by an independent employee. This process is needed to ensure that all receipts are deposited intact and are recorded accurately. The process should include independent verification of the unsold licenses, shipping labels, permits, and tags. These collections totaled \$742,574 in the fiscal year ended June 30, 1995.

2. Boat registration fees, which totaled \$1,244,445 in the fiscal year ended June 30, 1995, are not reconciled to FACS. The fees are recorded and accounted for on the department's in-house computer system, deposited in the state treasury, and classified in FACS. However, these registration fees have not been reconciled with FACS.
3. The cash register currently used for the over-the-counter sale of merchandise in the department's circulation section does not provide a sequential control number and cumulative totals when closed out at the end of each day's business. This information is needed as part of a process to ensure that all receipts are deposited intact. Over-the-counter sales amounted to approximately \$15,000 from July 1995 to April 1996.
4. The department did not properly date-stamp monthly remittances from sheriffs for sporting licenses sold; therefore, it is not possible to determine if the remittances were received and/or deposited timely. Sheriffs are required by law to remit sporting licenses by the 10th of the month following the month in which sold. The department collected approximately \$9,562,600 in sporting licenses from sheriffs in the fiscal year ended June 30, 1995.
5. The commercial license section does not have adequate segregation of duties for billing, record keeping, and collecting of receipts for civil restitution fees. One employee performs the incompatible functions of billing, record-keeping, and collecting of receipts for civil restitution fees involving the collection of approximately \$50,000 annually.
6. The department's revenue processing system does not include a control ledger for civil restitution fees and returned checks. A control ledger should be used to account for and report the cumulative amount of charges, collections, and the uncollected balance remaining in a control account.

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The lack of adequate internal control procedures increases the risk that errors and/or irregularities could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should establish adequate internal control procedures over revenues to ensure that all licenses, fees, permits, and over-the-counter sales are accounted for properly. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, stated the department concurred with the findings and recommendation. Revised procedures are being implemented; a reconciliation with FACS is being done for boat registration fees; remittances from sheriffs are being date-stamped, and duties are being segregated where necessary. For item number 3, the department stated that the cash register does not give control numbers and cumulative totals; however, sales transactions are entered daily into a computer application to generate a voucher report that itemizes sales by type and method of payment. For item number 6, the department is in agreement as to the need for accounting for and reporting the cumulative assessments, collections, and outstanding balances. However, the information can be and is obtained from the system.

Additional Comments: A cash register that does not provide control numbers and cumulative totals is not an effective method of ensuring all receipts are accounted for at the end of each day when the register is closed and balanced to the days' receipts. Without a control ledger for civil restitution fees and returned checks, the current system does not include the benefits of checks and balances for the cumulative amounts of charges, collections, and uncollected balances.

Controls Over Cash and Imprest Bank Account

The Department of Wildlife and Fisheries does not have adequate internal control procedures for cash collections and disbursements for its travel and petty cash imprest bank account. In the fiscal year ended June 30, 1995, the department collected \$1,474,505 in cash receipts, which were deposited in its travel and petty cash bank account and subsequently transferred to the state treasury. The department also processed \$771,955 in expenditures through this account. In our consideration of internal control procedures, we noted the following weaknesses:

1. The department did not segregate the incompatible functions of recording requests for checks, printing of checks, custody of blank checks and signature stamp, signing of the checks, and reconciling the bank statement. The accounts payable supervisor performed all of these functions.

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2. Cash receipts averaging approximately \$6,000 per day and as high as \$14,000, were kept in an unlocked safe during working hours and not deposited until the next afternoon. These cash receipts totaled \$1,474,505 for the year ended June 30, 1995.
3. A supervisory employee does not approve all disbursement vouchers or check requests prepared by accounts payable employees.
4. The Enforcement Division has an excessive amount of petty cash. At February 26, 1996, the division has on hand \$8,900 from the travel and petty cash bank account and approximately \$6,000 generated from certain non-recurring undercover operations, for a total of \$14,900. During the 12 months ended February 29, 1996, the division expended and was reimbursed from the travel and petty cash bank account \$12,248, or approximately \$1,020 per month. The petty cash fund should be reduced to normal operating needs and excess funds remaining from non-recurring operations remitted to the state treasury.
5. The travel and petty cash bank account is not posted to a ledger to account for and report the cumulative amount of cash receipts and disbursements and the cash balance of the imprest bank account. Good business practices require a system to track deposits, disbursements, and ending balance on a daily basis.

The lack of adequate internal control procedures results in the risk that errors and/or irregularities relating to state assets could occur and not be detected in a timely manner.

The Department of Wildlife and Fisheries should establish internal control procedures that provide reasonable assurance that the travel and petty cash imprest bank account is safeguarded and errors and/or irregularities are prevented or detected in a timely manner. In a letter dated May 24, 1996, Mr. Fredrick J. Prejean, Sr., Undersecretary of the Office of Management and Finance, concurred with the finding and recommendation and stated that the department has taken steps to improve its internal control procedures including the proper segregation of duties and the prompt securing and depositing of cash receipts.

The recommendations in this report represent, in our judgment, those most likely to bring about beneficial improvements to the operations of the department. The varying nature of the recommendations, their implementation costs, and their potential impact on operations of the department should be considered in reaching decisions on courses of action. Findings relating