



Report Highlights

Executive Department

MICHAEL J. "MIKE"
WAGUESPACK, CPA

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Why We Conducted This Audit

We performed certain procedures at the Executive Department as a part of the Annual Comprehensive Financial Report of the State of Louisiana, the Single Audit of the State of Louisiana, and to evaluate the department's accountability over public funds for the period July 1, 2020, through June 30, 2021.

What We Found

- The Division of Administration (DOA), Louisiana Office of Community Development (LOCD) identified \$4,335,784 in Small Rental Property Program (SRPP) loans for 42 property owners under the Community Development Block Grant/State's Program (CDBG) who failed to comply with one or more of their loan agreement requirements and were assigned to loan recovery status. In addition, 1,194 noncompliant loans identified in previous years totaling \$110.4 million remain outstanding.
- The DOA, LOCD identified \$901,739 in noncompliant Restore Louisiana Homeowner Assistance Program awards for 58 homeowners through established program implementation and monitoring procedures for the CDBG program.
- The DOA, OCD – Local Government Assistance (OCD-LGA) and LOCD did not comply with Federal Funding Accountability and Transparency Act reporting requirements for the CDBG program. None of the nine OCD-LGA subawards tested were reported within the required time frame. Five of the 14 LOCD subawards tested were not reported. An inaccurate obligation date was reported for two of the 14 LOCD subawards tested. None of the nine LOCD obligations reported were reported within the required time frame.
- For the second consecutive year, the DOA, Office of Technology Services (OTS) did not have adequate controls over certain information technology security functions. Although OTS has made progress in designing, testing, implementing, and supporting enterprise-wide technology platforms and standards, OTS has not completely deployed consolidated and centrally managed platforms for certain technical areas.
- We determined that management has resolved the prior-year findings related to Inaccurate Annual Fiscal Reports, Inadequate Controls over Certain Coronavirus Relief Fund Transactions, Inadequate Controls over Vendor Record Changes, and Lack of Written Policies and Procedures. The prior-year finding related to Inadequate Grant Recovery of Homeowner Assistance Program Awards is not repeated in the current year because the DOA, LOCD did not identify any new noncompliant HAP awards for the CDBG program during fiscal year 2021. However, as of June 30, 2021, 27,468 noncompliant files totaling \$907.2 million identified in previous years are still outstanding.

View the full report, including management's responses, at www.lla.la.gov.