



Report Highlights

Executive Department

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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, 2022, through June 30, 2023.

What We Found

- The Division of Administration (DOA), Louisiana Office of Community Development (LOCD) identified five Small Rental Property Program (SRPP) loans totaling \$471,293 for 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, LOCD identified \$22,435,810 of outstanding SRPP loans for 131 loans assigned to loan recovery status in previous years, which included increases in loan balances totaling \$9,083,940 during the fiscal year. An additional 678 noncompliant loans identified in previous years totaling \$60.6 million remain outstanding.
- The DOA, LOCD identified \$56,116 in noncompliant Restore Louisiana Homeowner Assistance Program awards for 10 homeowners through established program implementation and monitoring procedures for the CDBG program. In addition, 37 noncompliant files totaling \$618,085 identified in the previous years are still outstanding.
- For the third consecutive year, the DOA, LOCD did not comply with Federal Funding Accountability and Transparency Act reporting requirements for the CDBG program. We identified five subawards that were not reported within the required time frame.
- The Executive Office did not adhere to DOA policies designed to establish adequate internal controls over payroll expenditures and leave requests.
- We determined that management has resolved the prior-year finding related to Inadequate Controls over Financial Reporting.

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