



Report Highlights

Road Home Corporation d/b/a Louisiana Land Trust

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Audit Control # 80210125
Financial Audit Services • May 2022

Why We Conducted This Audit

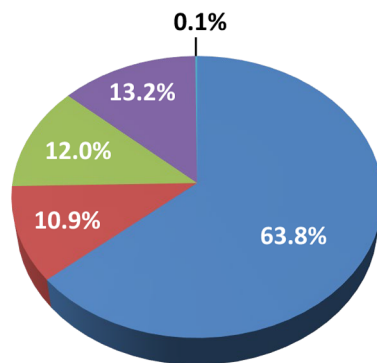
We conducted a financial statement audit at the request of the Louisiana Land Trust (LLT) and to provide accountability over public funds for the fiscal year ended June 30, 2021.

What We Found

- For the second consecutive year, LLT did not have adequate controls over financial reporting. LLT submitted an inaccurate Annual Fiscal Report to the Division of Administration, Office of Statewide Reporting and Accounting Policy that contained errors requiring adjustments. In addition, LLT’s financial statements and note disclosures contained other errors requiring adjustments.
- LLT failed to maintain vacation and sick leave balances for a part-time employee who was hired on February 16, 2016. As of June 30, 2021, the employee should have accrued 363 hours of both vacation and sick leave, which resulted in an understatement of compensated absences payable totaling \$21,766.
- LLT did not ensure consistent application of established internal controls over all expense transactions during the fiscal year. We identified a transaction in the amount of \$19,233 that did not receive the Executive Director’s signature of approval until after payment was made, which ultimately resulted in a duplicate payment on the invoice. We identified the amount recorded in the accounting records for an expense transaction was incorrect, resulting in an \$13,455 overstatement of the expense. Lastly, we identified two invoices totaling \$5,062 that did not get paid until 481 days after the invoice date.
- LLT’s financial statements, as adjusted, are fairly stated.
- The majority of expenses in fiscal year 2021 represent Restore Homeowners Solution 4 program property acquisition expenses. Also, in addition to the expenses identified in the chart below, LLT reported additions to the construction in progress account totaling \$12.7 million for the Pecan Acres and Isle de Jean Charles Resettlement projects.

Fiscal Year 2021 Expenses by Program, Total: \$2,652,859

Source: Fiscal Year 2021 Financial Statements and Note Disclosures



- Restore Homeowners Solution 4 (\$1,691,476)
- Isle de Jean Charles (\$288,981)
- Pecan Acres (\$317,558)
- Road Home (\$350,073)
- Other (\$4,771)

LLT is a nonprofit organization formed to manage the properties that have been purchased by the state of Louisiana under the current Road Home program and other land programs in accordance with the Louisiana Constitution, Art. VII, Section 21 (B)(1).

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