



## Report Highlights

### Drinking Water Revolving Loan Fund

*Louisiana Department of Health – Office of Public Health*

MICHAEL J. "MIKE"  
WAGUESPACK, CPA

Audit Control # 80230120  
Financial Audit Services • August 2024

### Why We Conducted This Audit

We conducted a financial statement audit of the Drinking Water Revolving Loan Fund (DWRLF) as of and for the year ended June 30, 2023, to determine whether the financial statements are fairly stated. We also conducted an audit of the DWRLF's compliance with requirements of its Capitalization Grants for Drinking Water State Revolving Fund program as required by the federal grantor, the United States Environmental Protection Agency.

### What We Found

- DWRLF's financial statements, as adjusted, are fairly stated for the year ended June 30, 2023.
- The Louisiana Department of Health, Office of Public Health (OPH) did not have adequate controls over the preparation of the DWRLF financial statements and related note disclosures (Financial Report) for fiscal year 2023. Failure to perform an adequate review over the DWRLF's Financial Report caused the financial statements and related note disclosures to have numerous errors requiring adjustment, some of which were material.
- OPH did not have adequate controls to monitor the federal grant funds remaining and to ensure funds were not overdrawn on federal awards within the DWRLF program. During Fiscal Year 2023, OPH drew \$855,606 in excess federal funds above the allowed budget for the DWRLF's base loan allocation for the applicable award year.
- OPH did not ensure payroll expenditures were approved for the DWRLF program (AL 66.468). State policy requires supervisors to approve time statements for accuracy.

View the full report, including management's responses, at [www.lla.la.gov](http://www.lla.la.gov).