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Louisiana

**Single Audit Report
for the Year Ended
June 30, 2001**

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

State of Louisiana

Single Audit Report
For the Year Ended June 30, 2001



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STATE OF LOUISIANA
Independent Auditor's Reports on
Compliance With State and Federal Laws
and Regulations, Internal Control, and
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

The Auditor's Report on the State of Louisiana's General Purpose Financial Statements dated November 16, 2001, has been issued under separate cover.

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, New Orleans, and Shreveport offices of the Legislative Auditor. Copies of this report are also being submitted to the federal clearinghouse. The clearinghouse will retain an archival copy of the report and also distribute a copy of the report to each federal awarding agency that provided federal financial assistance to the State of Louisiana for which audit findings were disclosed in the schedules of findings and questioned costs or the summary schedule of prior federal audit findings. The report will be distributed to any pass-through entities that provided federal financial assistance to the state for which audit findings were disclosed in the schedules of findings and questioned costs or the summary schedule of prior federal audit findings. The report is also being transmitted to the Office of Inspector General of the United States Department of Health and Human Services, which is the cognizant federal agency for the Single Audit of the State of Louisiana.

March 28, 2002



To the Governor, the Members of the Legislature, and the Taxpayers of Louisiana

As Legislative Auditor, I audit the activities of state departments, agencies, universities, and other organizational units to ensure accountability and to review compliance with certain laws and regulations relating to financial matters. The State of Louisiana Single Audit Report, along with the June 30, 2001, *Comprehensive Annual Financial Report*, provides an overview of the financial operations of Louisiana state government.

This year, I issued an unqualified opinion on the state's June 30, 2001, general purpose financial statements on November 16, 2001, which was the earliest date that the auditor's opinion has ever been issued in this state. That accomplishment was achieved through the united efforts of my staff and staff from the Division of Administration.

The 2001 Single Audit Report includes my report on the Schedule of Expenditures of Federal Awards, along with reports on compliance with laws and regulations and internal control over financial reporting and federal programs for the State of Louisiana. I am pleased to note that the state resolved 73% of its findings included in the prior Single Audit Report. This year's report contains 87 matters that require the attention of state government, including questioned costs in federal programs totaling in excess of \$7 million. The respective federal grantors will determine the resolution of the questioned costs.

The Executive Summary highlights the statewide issues that are major concerns as well as issues that are material to the state's financial operations. The report continues to cite the State of Louisiana for not implementing an effective internal audit function and for not maintaining adequate internal accounting control over movable property. The Summary also identifies numerous control deficiencies and compliance matters that exist within the financial operations of the Department of Social Services.

Louisiana's governmental leadership continues to face many challenges and many difficult decisions including changes in law, resources, and technology. In the fiscal year that will end on June 30, 2002, Louisiana government must implement major changes in financial reporting that are required by Statements 34 and 35 of the Governmental Accounting Standards Board. These changes represent challenges that we must face with integrity, intelligence, and foresight. As Legislative Auditor, I am committed to providing accurate, timely, and relevant information to the legislature and taxpayers of Louisiana to assist them in addressing the current problems facing our state.

Sincerely,

Daniel G. Kyle, CPA, CFE
Legislative Auditor

STATE OF LOUISIANA
SINGLE AUDIT REPORT
For the Fiscal Year Ended June 30, 2001

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Executive Summary



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Introduction

The Single Audit Report for the fiscal year ended June 30, 2001, contains the Schedule of Expenditures of Federal Awards along with the auditor's report thereon. Also included are the auditor's reports on internal control and compliance related to the financial statements and internal control and compliance related to major federal award programs. These audit reports are supported by the schedules of findings and questioned costs in the accompanying report.

The single audit, as performed by the Louisiana Legislative Auditor and other auditors, meets the requirements of the Single Audit Act as amended in 1996, and the associated U.S. Office of Management and Budget (OMB) Circular A-133.

The single audit includes various departments, agencies, universities, and other organizational units included in the *Comprehensive Annual Financial Report* of the State of Louisiana using the criteria established by Governmental Accounting Standards Board Statement 14, "The Financial Reporting Entity."

Findings and Questioned Costs

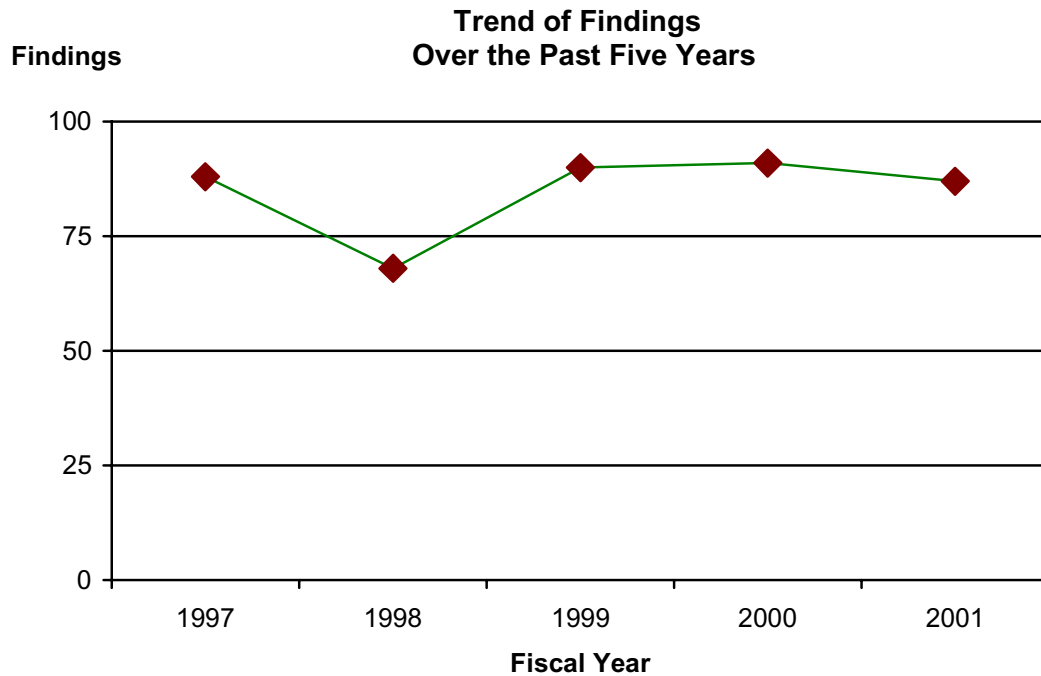
As a result of auditing Louisiana's general purpose financial statements and Schedule of Expenditures of Federal Awards, we noted certain deficiencies concerning internal control and compliance with laws and regulations. These deficiencies are presented in the schedules of findings and questioned costs as described in the Table of Contents of the accompanying report.

Our audit for fiscal year ended June 30, 2001, indicated that approximately 73% of the findings reported in prior audits were resolved. A total of 87 findings were reported within this year's Single Audit Report. This total includes 22 findings (25%) that were repeat findings from a prior audit.

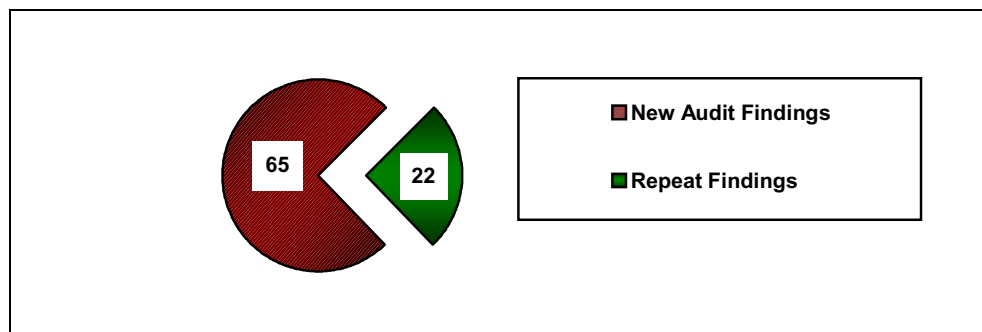
The 2001 Single Audit Report discloses questioned costs of \$7,168,603, which are detailed within the findings that are presented in the Schedule of Federal Award Findings and Questioned Costs (Schedule C) of the accompanying report. The resolution of these questioned costs will be determined by the respective grantors.

On the following pages are graphical descriptions of the trend of total findings over the past five years, the number of repeat findings as compared to new findings for this fiscal year, and the state's reported questioned costs over the past five years.

EXECUTIVE SUMMARY
For the Fiscal Year Ended June 30, 2001



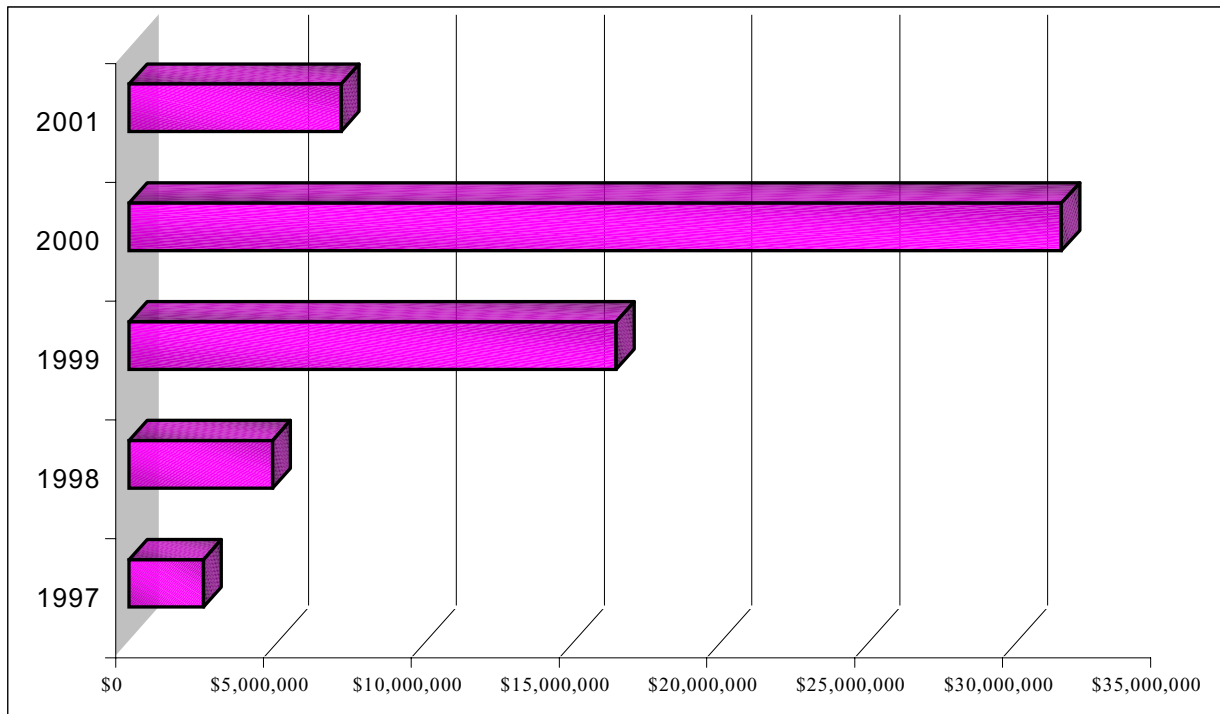
**Fiscal Year 2001
Comparison of Repeat Findings
to New Findings**



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

**Trend of Questioned Costs
Over the Past Five Years**



Statewide Areas of Concern

Three findings were reported in the 2001 Single Audit Report that warrant statewide concern. One of those three findings, "Ineffective Internal Audit Function," represents a material weakness in internal control over financial reporting. For a finding to be considered a statewide concern, it has one or more of the following characteristics:

1. It exists at numerous departments throughout the state.
2. It arises from current statewide policies that do not satisfactorily address the state's needs.
3. It could have a significant fiscal impact on either the state as a whole or on a segment of the state.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Material Weakness

FS-01-SW-EXEC-1 - Ineffective Internal Audit Function

For the nineteenth consecutive year, the State of Louisiana did not have an effective internal audit function for state government to examine, evaluate, and report on its internal control, including data processing, and to evaluate its compliance with the policies and procedures of the control system.

Although internal audit resources exist within some agencies, a study and evaluation of the state's internal control found that an effective internal audit function did not exist at seven state agencies. See Schedule B, page 23.

Other Statewide Findings

F-01-HHS-CAFR-1 - Inconsistent Billing of Insurance Premiums

For the fourth consecutive year, the State of Louisiana may have charged federal programs an inequitable share of insurance costs. The Office of Risk Management, under the direction of the Office of Planning and Budget, may have billed offices and departments of state government for the cost of insurance, some of which were funded by federal programs, in an inequitable manner. In addition, premiums for Road and Bridge Hazard coverage were not charged to the appropriate state agency and payments for other lines of coverage have been used to pay some of these claims. OMB Circular A-87 establishes cost principles designed to ensure that federal awards bear only their fair share of central service costs. Furthermore, these costs must be accorded consistent treatment.

During fiscal year 2000, the state engaged an independent contractor to determine the amount of overcharges, if any, to federal programs resulting from prior years' allocations. The contractor's report was submitted to the U.S. Department of Health and Human Services on February 22, 2000, and identified \$19,485,220 of potential overcharges to federal programs. On September 6, 2000, federal representatives issued a determination letter citing the state for \$19,485,220 in disallowed costs. This decision was appealed by the Division of Administration on September 29, 2000, and is currently in the discovery phase. See Schedule C, page 107.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

***FS-01-SW-EXEC-2 - Noncompliance With State's
Movable Property Regulations***

The audit of movable property records throughout the state disclosed that one state agency, one college system office, two community colleges, two state hospitals, one technical college, and one state board did not maintain an adequate movable property control system. Several of these agencies have had movable property audit findings for more than one year. See Schedule B, page 24.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Material Weaknesses in Internal Control Over Compliance With Federal Program Requirements

During the 2001 Single Audit, eight findings were considered material weaknesses in internal control over compliance with federal program requirements.

DEPARTMENT OF EDUCATION

F-01-CC-EDUC-2 - Ineffective Controls Over Subrecipient Monitoring

The state Department of Education (SDE) does not have adequate internal control to monitor subrecipients for compliance with the Title I Grants to Local Educational Agencies, Special Education Cluster, Class Size Reduction, and Child Care and Development Block Grant program requirements. OMB Circular A-133 requires the SDE, as a pass-through entity, to monitor subrecipients for compliance with applicable federal laws and regulations.

The SDE lacks a centralized monitoring function to organize and supervise monitoring activities and to ensure subrecipient compliance with federal laws and regulations. In addition, the SDE does not have written policies and procedures outlining the subrecipient monitoring function, including procedures for issuing management decisions and resolving audit findings. Total questioned costs are \$12,862. See Schedule C, page 57.

DEPARTMENT OF ENVIRONMENTAL QUALITY

F-01-EPA-DEQ-1 - Subrecipient Audit Reports Not Monitored

The Department of Environmental Quality did not adequately monitor subrecipient audit coverage to ensure compliance with federal regulations. The department did not have a master listing of all subrecipients for the Capitalization Grants for State Revolving Funds that were required to receive audits under the provisions of OMB Circular A-133. Furthermore, an internal document titled "Annual Financial Review" that requires review of audited financial statements of subrecipients had not been completed for any subrecipients for the year under audit. Total questioned costs are \$1,573,134. See Schedule C, page 76.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

DEPARTMENT OF SOCIAL SERVICES

F-01-HHS-DSS-6 - Foster Care - Title IV-E Program: Insufficient Controls Over Program Administration

The Office of Community Services does not have adequate internal control procedures to ensure compliance with grant regulations in the administration of the Foster Care - Title IV-E program. Results of auditor testing noted accounting errors and overpayments, improper eligibility determination, and incorrect matching and federal reporting. These conditions exist because the office did not place sufficient emphasis on the review of invoices and financial reports for completeness, accuracy, and compliance with program regulations. Questioned costs are \$301,250. See Schedule C, page 119.

GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

These findings, as described in the "Compliance Applicable to Each Major Program" section below, are also considered to be material weaknesses in internal control over compliance with federal program requirements.

F-01-HHS-ELDAFF-1 - Aging Cluster Program: Unsupported Allocation of Payroll Expenditures to the Program

F-01-HHS-ELDAFF-2 - Federal Cash Management Control Weaknesses

F-01-HHS-ELDAFF-3 - Inaccurate Federal Financial Reporting

F-01-HHS-ELDAFF-4 - Ineffective Monitoring of Subrecipient Audit Reports

F-01-HHS-ELDAFF-5 - Insufficient On-Site Monitoring Procedures for Aging Cluster Subrecipients

Compliance Applicable to Each Major Program

Aging Cluster

As described in Schedule C, items F-01-HHS-ELDAFF-1 (page 98), F-01-HHS-ELDAFF-2 (page 100), F-01-HHS-ELDAFF-3 (page 101), F-01-HHS-ELDAFF-4 (page 103), and F-01-HHS-ELDAFF-5 (page 104), the State of Louisiana did not comply with the requirements regarding allowable costs/cost principles, cash management, reporting, and subrecipient monitoring that are applicable to the Aging Cluster of programs. Compliance with such requirements is necessary for the State of Louisiana to comply with the requirements applicable to that cluster of programs. These findings are also considered to be material weaknesses in internal control over compliance with federal program requirements.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Department of Social Services

In addition to the material weakness reported previously, several other significant audit findings are reported that relate to the Department of Social Services (the department). Following is a summary of the department's other findings included in the accompanying report. The department administers several major federal programs within the State of Louisiana.

FS-01-DSS-1 - Access to Electronic Data Processing Applications Not Properly Restricted

The department does not have sufficient user access controls for the Advantage Financial System, the Advanced Governmental Purchasing System, and the Contract Financial Management System. These systems are components of the Integrated Statewide Information System. Access to these systems is restricted by passwords and user identification codes; however, this access was not properly restricted to ensure that the integrity of the data was maintained. See Schedule B, page 43.

F-01-CC-DSS-1 - Subrecipient Monitoring: Noncompliance With Federal and State Regulations

The department did not comply with certain federal and state regulations applicable to the monitoring of federal subrecipients and state contractors. For the fourth consecutive year, the department did not ensure that the federal award information and applicable compliance requirements were provided in subrecipient contracts. For the second consecutive year, the department did not file final reports with the Office of Contractual Review within 60 days of completion of a professional, consulting, or social service contract. Failure to include required federal program information in the subrecipient contract increases the risk that the subrecipient may not comply with applicable program regulations. In addition, failure to file final reports with the Office of Contractual Review denies the office timely information on contract performance. See Schedule C, page 62.

F-01-HHS-DSS-2 - Child Care Cluster: Noncompliance With Federal and State Requirements

The Office of Family Support (OFS) did not comply with certain federal and state requirements for administering the federal child care cluster. OFS could not provide documentation to support the total obligation of \$24,440,750 for the federal fiscal year 2000 grant award as shown in the Child Care Development Fund Financial Report (ACF-696) for the quarter ended September 30, 2000. In a review of the ACF-696 report for that same quarter, OFS had not expended the

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

required amount on direct program assistance. Also, a review of 30 client case files disclosed noncompliance with federal program requirements for one case. Noncompliance with federal program requirements may subject OFS to reduced federal funding for assistance programs, penalties, and disallowed costs that must be funded with state funds. Total questioned costs are \$12,110. See Schedule C, page 114.

F-01-HHS-DSS-3 - Child Support Escrow Fund Not Reconciled

For the second consecutive year, the department is not reconciling the Child Support (Title IV-D) Escrow Fund to the client accounts on a periodic basis. Total additions and deletions of the escrow fund for the fiscal year were \$252 million or approximately \$21 million monthly. Failure to reconcile the escrow fund to subsidiary client accounts could lead to a misuse of funds and increases the risk that fraud and/or computer programming or operating errors could occur and not be detected in a timely manner. See Schedule C, page 116.

F-01-HHS-DSS-4 - Control Weaknesses in the LaCarte Purchasing Card Program

The department did not consistently follow state or departmental control procedures for the LaCarte Purchasing Card Program. This program enables agency personnel to make small purchases on a state "VISA" credit card with the Bank of America. Management of the department has not enforced the use of established control procedures to ensure the proper issuance and monitoring of issued cards. In addition, management has not established adequate procedures to cancel accounts of terminated employees. Failure to follow established procedures increases the risk that LaCarte accounts are being used by unauthorized personnel for unauthorized purchases. See Schedule C, page 117.

F-01-HHS-DSS-5 - Foster Care: Insufficient Reimbursements From Child Support Collections

The Office of Community Services (OCS) did not distribute all child support payments received on behalf of foster care children in accordance with federal regulations. OCS did not have procedures to identify unreimbursed foster care maintenance expenditures from prior months and to properly use the child support collections to reimburse the state and federal government programs for those expenditures. As a result, OCS allowed \$131,321 and \$110,295 of child support collections to revert to the state General Fund for fiscal years ended June 30, 2001, and June 30, 2000, respectively. Based on the audit procedures performed, these funds should have been used to reimburse federal programs for expenditures that support the foster care program. Total questioned costs are \$241,616. See Schedule C, page 118.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

***F-01-HHS-DSS-7 - Temporary Assistance for Needy Families Program:
Noncompliance With Certain Federal and State Requirements***

The OFS did not comply with certain federal and state requirements for administering the Temporary Assistance for Needy Families Program. The auditor's test results cited several erroneous or insufficiently supported payments that could be disallowed by the federal funding agency, thereby possibly requiring the state to refund \$22,838 to the federal government. In addition, errors in federal financial and performance reporting could result in the assessment of penalties by the federal funding agency. Questioned costs are \$22,838. See Schedule C, page 122.

***F-01-SSA-DSS-8 - Social Security Administration - Disability Insurance:
Insufficient Level of Effort***

The OFS did not provide a sufficient level of effort for administering the Social Security Administration - Disability Insurance Program. Because the department did not provide an adequate level of manpower and administrative support to the Disability Determination Services Unit, a transfer of 3,000 Louisiana disability claims and reviews to other states and other federal components occurred. In addition, Louisiana residents with disabilities experienced unnecessary delays in receiving decisions regarding their disability claims. See Schedule C, page 126.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Expenditures of Federal Awards

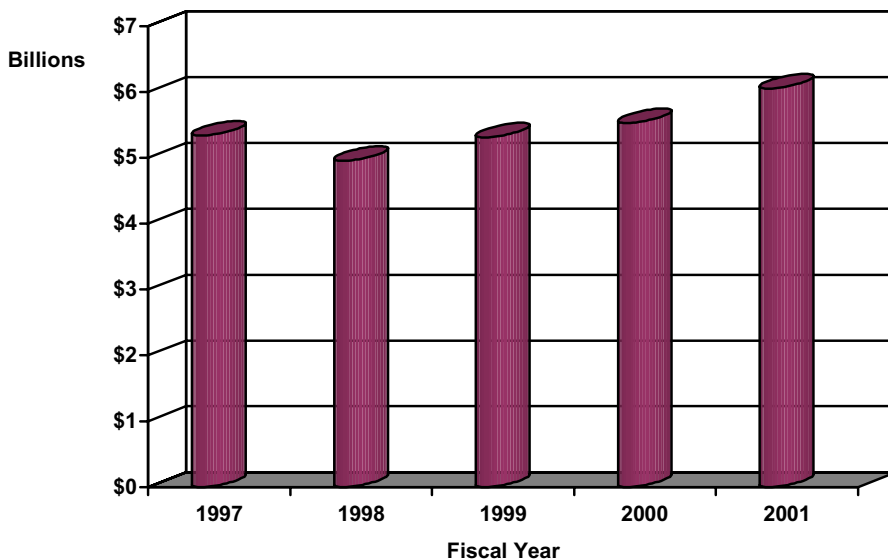
In addition to auditing the state's general purpose financial statements, we examined expenditures of major federal award programs administered by the State of Louisiana reporting entity. For the fiscal year ended June 30, 2001, the State of Louisiana reported approximately \$7.7 billion in monetary and non-monetary activity (including loan programs) for the federal award programs administered by the state.

Major federal award programs within the State of Louisiana were identified on a statewide basis in accordance with the criteria established by OMB Circular A-133 and the Single Audit Act as amended in 1996. Major federal award programs for the year ended June 30, 2001, as defined by the criteria mentioned above, accounted for approximately 84% of the state's expenditures (activity) of federal award programs for the year ended June 30, 2001.

The following graphs illustrate total expenditures of federal awards disbursed by the state. Illustrations include the trend of expenditures (excluding loan programs) over the past five years, total major versus other programs, major versus other programs by federal agency, and the percentage of total federal awards by federal agency.

Trend of Expenditures of Federal Awards Over the Past Five Years

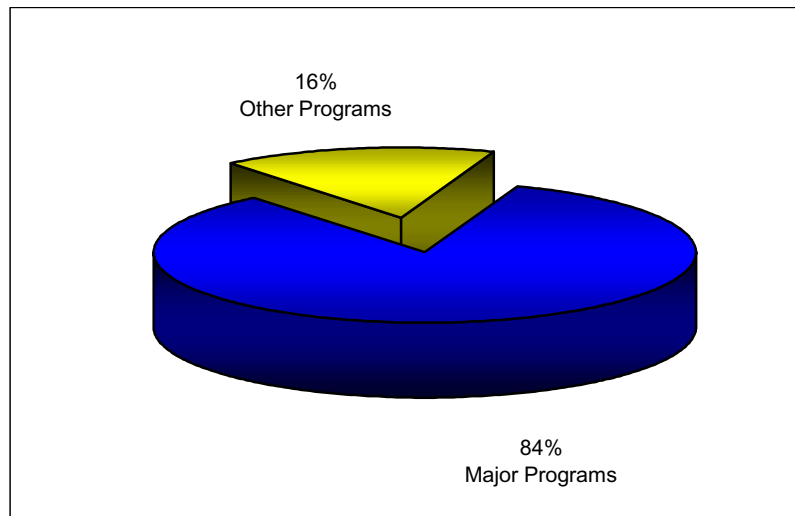
Fiscal Year 2001 Total Expenditures of Federal Awards
\$6,049,902,166
(excluding loan programs)



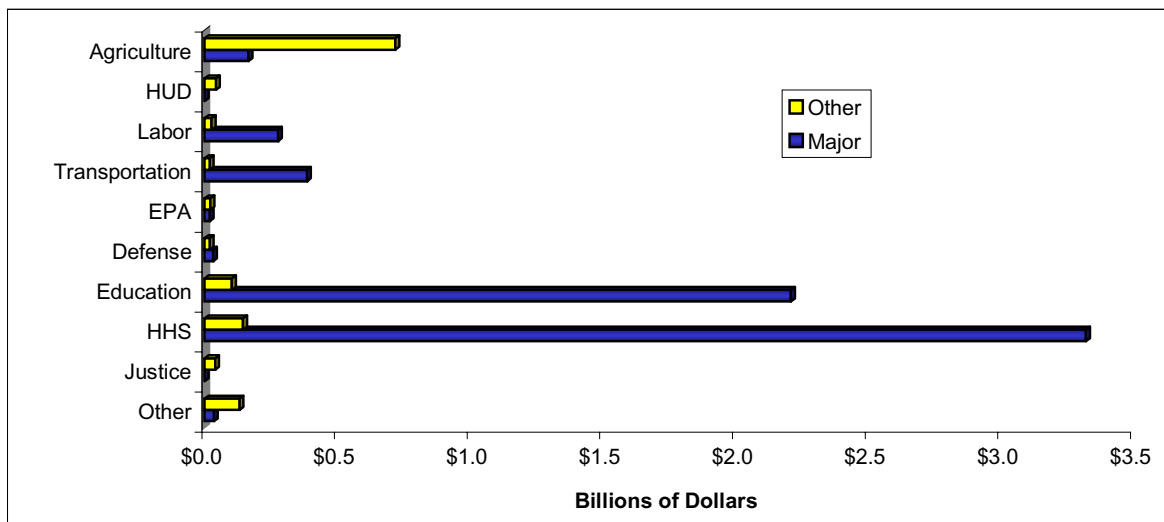
EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Fiscal Year 2001 Activity of Major vs. Other Programs (including loan programs)



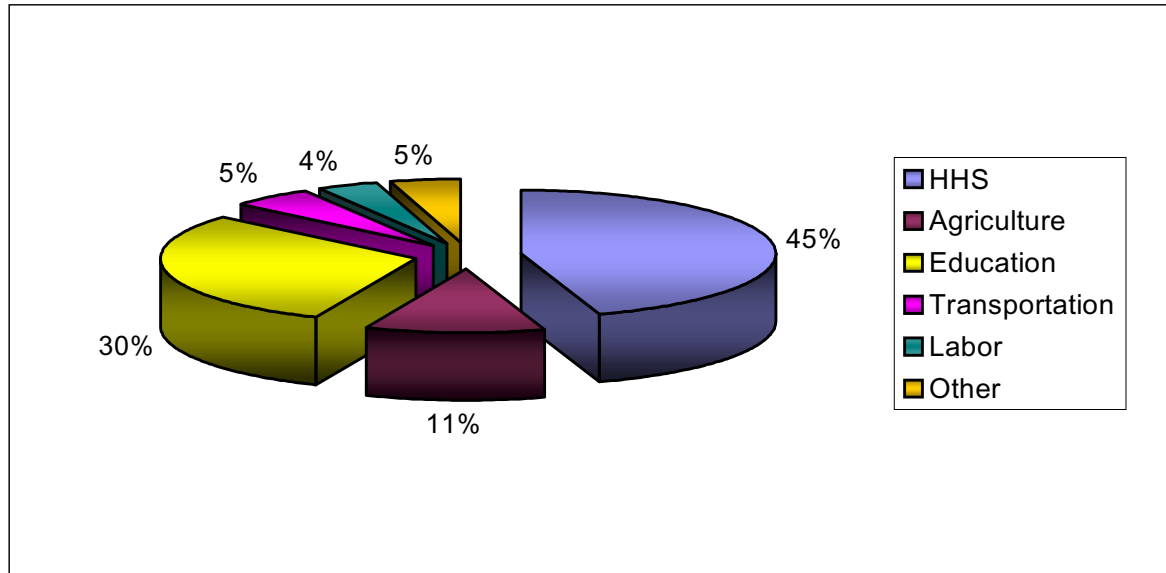
Fiscal Year 2001 Activity of Major vs. Other Programs by Federal Agency \$7,714,602,281 (including loan programs)



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2001

Percentage of Total Federal Awards by Federal Agency



Audit Reports





DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

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February 11, 2002

Report on Compliance and on Internal Control Over Financial
Reporting Based on an Audit of Financial Statements Performed
in Accordance With Government Auditing Standards

HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the State of Louisiana as of and for the year ended June 30, 2001, and have issued our report thereon dated November 16, 2001. We did not audit the financial statements of certain component units of the State of Louisiana. Those financial statements were audited by other auditors whose reports have been furnished to us. This report, insofar as it relates to those component units, is based solely on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the State of Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance described in Schedule B (pages 13 through 53) and Schedule C (pages 55 through 127) that, although not material to the financial statements, are required to be reported herein under *Government Auditing Standards*. We also noted certain insignificant instances of noncompliance, which we have reported in separate letters to management, that are not required to be reported herein under *Government Auditing Standards*.

LEGISLATIVE AUDITOR

HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA

February 11, 2002

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Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the State of Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in Schedule B (pages 13 through 53) and Schedule C (pages 55 through 127) of the accompanying schedules of findings and questioned costs.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described previously, we consider item FS-01-SW-EXEC-1 (page 23) to be a material weakness. We also noted certain insignificant matters involving the internal control over financial reporting that we have reported in separate letters to management and that are not required to be reported herein under *Government Auditing Standards*.

In connection with our audit, we reviewed the prior audit findings on compliance and internal control to determine whether management had implemented appropriate action to correct the conditions giving rise to those findings. The results of our review indicate that management had taken appropriate corrective action with respect to the prior audit findings, except for the matters described in the Schedule of Unresolved Prior Audit Findings (Schedule D, page 129), which have been addressed in our current report.

LEGISLATIVE AUDITOR

HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
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HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
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STATE OF LOUISIANA

February 11, 2002

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This report is intended solely for the information and use of the Governor and certain other statewide elected officials of the State of Louisiana and their appointees (management) as well as federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel G. Kyle". The signature is fluid and cursive, with the first name "Daniel" being the most prominent.

Daniel G. Kyle, CPA, CFE
Legislative Auditor

MVG:THC:PEP:dl

[OPINION01]

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DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

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**February 11, 2002, except for the
Schedule of Expenditures of Federal Awards,
dated November 16, 2001**

Report on Compliance With Requirements Applicable to Each
Major Program and on Internal Control Over Compliance in
Accordance With OMB Circular A-133

**HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
Baton Rouge, Louisiana**

Compliance

We have audited the compliance of the State of Louisiana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The State of Louisiana's major federal programs are identified in the Summary of Auditor's Results section (Schedule A, page 12) of the accompanying schedules of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Governor and other statewide elected officials of the State of Louisiana and their appointees (management). Our responsibility is to express an opinion on the State of Louisiana's compliance based on our audit. We did not audit compliance with those requirements by the Southern University System. Compliance with the requirements by that university was tested by other auditors whose report has been furnished to us. Our report, insofar as it relates to compliance with the requirements referred to previously by the Southern University System, is based solely on the report of the other auditors.

As described in note Q of Appendix A (page A-165), the State of Louisiana's general purpose financial statements include the operations of certain entities that were audited by other external auditors. During the year ended June 30, 2001, five of these entities expended a total of \$27,609,831 in federal awards, which is not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit did not include the operations of these five entities because these component units engaged other auditors to perform an audit in accordance with OMB Circular A-133.

LEGISLATIVE AUDITOR

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STATE OF LOUISIANA**

February 11, 2002, except for the Schedule of
Expenditures of Federal Awards, dated
November 16, 2001
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We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the State of Louisiana's compliance with those requirements.

As described in Schedule C, items F-01-HHS-ELDAFF-1 (page 98), F-01-HHS-ELDAFF-2 (page 100), F-01-HHS-ELDAFF-3 (page 101), F-01-HHS-ELDAFF-4 (page 103), and F-01-HHS-ELDAFF-5 (page 104), the State of Louisiana did not comply with the requirements regarding allowable costs/cost principles, cash management, reporting, and subrecipient monitoring that are applicable to the Aging Cluster of programs. Compliance with such requirements is necessary, in our opinion, for the State of Louisiana to comply with the requirements applicable to that cluster of programs.

In our opinion, based on our audit and the report of the other auditors, except for the non-compliance described in the preceding paragraph, the State of Louisiana complied, in all material respects, with the requirements referred to previously that are applicable to each of its other major federal programs for the year ended June 30, 2001. The results of our auditing procedures and the report of the other auditors also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in Schedule C (pages 55 through 127) of the accompanying schedules of findings and questioned costs.

LEGISLATIVE AUDITOR

**HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA**

February 11, 2002, except for the Schedule of
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Internal Control Over Compliance

The Governor and other statewide elected officials of the State of Louisiana and their appointees (management) are responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133. We did not consider the internal control over compliance with the requirements of the federal award programs administered by the Southern University System. The Southern University System's internal control over federal program requirements was considered by other auditors whose report has been furnished to us. Our report, insofar as it relates to the internal control used in administering federal award programs of this university system, is based solely on the report of the other auditors.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the State of Louisiana's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in Schedule C (pages 55 through 127) of the accompanying schedules of findings and questioned costs.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described previously, we consider the items F-01-CC-EDUC-2 (page 57), F-01-EPA-DEQ-1 (page 76), F-01-HHS-ELDAFF-1 (page 98), F-01-HHS-ELDAFF-2 (page 100), F-01-HHS-ELDAFF-3 (page 101), F-01-HHS-ELDAFF-4 (page 103), F-01-HHS-ELDAFF-5 (page 104), and F-01-HHS-DSS-6 (page 119) to be material weaknesses.

LEGISLATIVE AUDITOR

**HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA**

February 11, 2002, except for the Schedule of
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Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the State of Louisiana as of and for the year ended June 30, 2001, and have issued our report thereon dated November 16, 2001.

Certain portions of the Schedule of Expenditures of Federal Awards (Appendix A) accompanying this report were not audited by us but were audited by other auditors whose audit report has been furnished to us, including federal award programs administered by the Southern University System. The federal award programs for this university reflect total activity and the federal government's risk in outstanding loan balances of \$95,147,344, which comprise approximately 1.23% of total activity and the federal government's risk in outstanding loan balances for the state as of and for the year ended June 30, 2001. Our assurance, insofar as it relates to the amounts included for the Southern University System, is based solely on the report of the other auditors.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, based on our audit and the report of the other auditors, is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole.

In connection with our audit, we reviewed the prior audit findings on compliance and internal control to determine whether management had implemented appropriate action to correct the conditions giving rise to those findings. The results of our review indicate that management had taken appropriate corrective action with respect to the prior audit findings, except for the matters described in the Schedule of Unresolved Prior Audit Findings (Schedule D, page 129), which have been addressed in our current report.

LEGISLATIVE AUDITOR

**HONORABLE MURPHY J. "MIKE" FOSTER, JR., GOVERNOR
HONORABLE JOHN J. HAINKEL, JR., PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE CHARLES W. DEWITT, JR., SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA**

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This report is intended solely for the information and use of the Governor and certain other statewide elected officials of the State of Louisiana and their appointees (management) as well as federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel G. Kyle". The signature is fluid and cursive, with the first name "Daniel" being the most prominent.

Daniel G. Kyle, CPA, CFE
Legislative Auditor

MVG:THC:PEP:dl

[OPINION01]

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Schedule A

Summary of Auditor's Results For the Year Ended June 30, 2001



**STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Summary of Auditor's Results
For the Year Ended June 30, 2001

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Reportable condition(s) identified not considered
to be material weaknesses? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Type of auditor's report issued on compliance for major programs:

Unqualified for all major programs except for
the Aging Cluster, which was qualified.

Internal control over major programs:

Material weakness(es) identified? X yes no

Reportable condition(s) identified not considered
to be material weaknesses? X yes none reported

Any audit findings disclosed that are required to be
reported in accordance with Circular A-133, Section .510(a)? X yes no

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Summary of Auditor's Results (Concluded)

Federal Awards (Cont.)

Identification of major programs:

CFDA Number - Name of Federal Program or Cluster

10.550 - Food Distribution
 10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children
 10.558 - Child and Adult Care Food Program
 10.565 - Commodity Supplemental Food Program
 17.225 - Unemployment Insurance
 17.255 - Workforce Investment Act
 66.458 - Capitalization Grants for State Revolving Funds
 84.010 - Title I Grants to Local Educational Agencies
 84.032 - Federal Family Education Loans
 84.048 - Vocational Education - Basic Grants to States
 84.126 - Rehabilitation Services - Vocational Rehabilitation Grants to States
 84.340 - Class Size Reduction
 93.558 - Temporary Assistance for Needy Families
 93.563 - Child Support Enforcement
 93.569 - Community Services Block Grant
 93.658 - Foster Care - Title IV-E
 93.767 - State Children's Insurance Program
 93.959 - Block Grants for Prevention and Treatment of Substance Abuse
 Highway Planning and Construction Cluster
 Student Financial Assistance Cluster
 Special Education Cluster
 TRIO Cluster
 Aging Cluster
 Child Care Cluster
 Medicaid Cluster
 Research and Development Cluster

Dollar threshold used to distinguish between
 Type A and Type B programs:

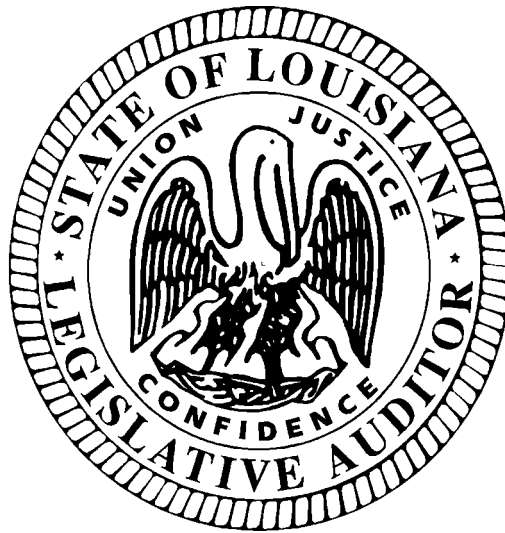
\$19,374,248

Auditee qualified as low-risk auditee?

 yes X no

Schedule B

Financial Statement Findings For the Year Ended June 30, 2001



**STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Financial Statement Findings
For the Year Ended June 30, 2001

AGRICULTURE AND FORESTRY, DEPARTMENT OF**FS-01-AGRIC-1 - Unallowable Expenditure of
Statutorily Dedicated Funds**

The Department of Agriculture and Forestry has improperly transferred Feed Fund, Fertilizer Fund, and Pesticide Fund resources to the Louisiana Agricultural Finance Authority (LAFA). LAFA used the funds to finance debt service for revenue bonds that were issued to fund agricultural construction projects throughout Louisiana. Louisiana Revised Statute (R.S.) 3:1317(3), R.S. 3:1907C, and R.S. 3:3210C(4) state that these statutorily dedicated funds could be pledged for revenue bonds to renovate and/or construct a building on the Baton Rouge campus of the Louisiana State University and Agricultural and Mechanical College and a building and connected facilities for the purpose of housing administration and management of the Department of Agriculture. However, there is no authority for the statutorily dedicated funds to be used to finance the debt service for the revenue bonds that were issued to fund agricultural construction projects throughout the state.

On December 1, 1998, LAFA sold \$4,000,000 of revenue bonds to construct, furnish, and equip office buildings at seven sites throughout the state. The bonds are secured by a pledge of pesticide registration fees, Feed Fund revenues, Fertilizer Fund revenues, and by future lease rental payments from the State of Louisiana as lessee of the properties. The department transferred Feed, Fertilizer, and Pesticide funds to LAFA to finance bond interest and principal payments totaling \$936,536 for the fiscal year ended June 30, 2001, and \$820,400 for the fiscal year ended June 30, 2000.

The pledge of these statutorily dedicated monies for debt service payments makes these funds unavailable for expenditure for allowable, program-specific purposes. Furthermore, the fees may be eligible for reduction if their use were limited to funding expenditures of the programs as required by the revised statutes.

The Department of Agriculture and Forestry should authorize and require LAFA to reimburse the Feed, Fertilizer, and Pesticide funds a total of \$1,756,936 for unallowable use of the statutorily dedicated funds for bond principal and interest payments. Furthermore, the department should ensure that all future payments from these funds are for legally allowable purposes. Management did not concur with the finding and recommendation. See management's response at B-3.

Additional Comments: Management responded that this finding was originally discussed as part of the LAFA audit and that a similar response had been provided to this office for this finding. Management also states that the Department of Agriculture and Forestry "is not now nor ever has been the subject of this audit." Management is correct regarding the origination of the finding; however, the finding was not included in the LAFA audit report but is included in this audit because (1) the Feed, Fertilizer, and Pesticide funds are collected by the department, not

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

LAFAs, and (2) the Department of Agriculture and Forestry inappropriately allowed LAFAs to pledge those funds for debt service payments. The department continues to transfer these statutorily dedicated funds to LAFAs for that purpose.

Management also states that the Legislative Auditor has moved into the “field of lexicology.” This may be true since this office complies with Louisiana Revised Statutes, Title 1, Chapter 1, *Interpretation of Revised Statutes* and specifically with R.S. 1:3, which states, in part, “words and phrases shall be read with their context and shall be construed according to the common and approved usage of the language.” In this case, the statutes state that the revenue bonds will be used “for the purpose of acquiring, constructing, renovating, and equipping an office building and connected related facilities . . .” (emphasis added). The legislature’s use of both words “connected” and “related” are significant to the interpretation of the statute. If the legislature had used only the word “related,” then use of the statutorily dedicated monies may have been allowable for the projects. However, use of the word “connected” indicates that there should be a *physical* connection of the project(s) to the building identified in the statutes. Obviously, construction projects located throughout the state are not physically connected to the building, making the use of the statutorily dedicated funds inappropriate.

BATON ROUGE COMMUNITY COLLEGE

FS-01-BRCC-1 - Inaccurate Annual Fiscal Report

The Baton Rouge Community College did not submit an accurate Annual Fiscal Report (AFR) to the Louisiana Community and Technical College System (LCTCS). R.S. 39:79 authorizes the commissioner of administration to establish the format of each agency’s AFR and requires a signed affidavit that the financial statements present fairly the financial position of the agency, in this case, the LCTCS. The Baton Rouge Community College’s AFR is used by the LCTCS to prepare the systemwide financial statements and disclosures that are submitted to the Division of Administration, Office of Statewide Reporting and Accounting Policy in accordance with R.S. 39:79. The college’s AFR submitted on August 30, 2001, included the following errors, omissions, or inconsistencies.

Financial Statements

1. General Fund

- Assets were understated by \$56,439, liabilities were overstated by \$56,018, and expenditures were overstated by \$112,457 for summer 2001 faculty salaries and related benefits that should have been deferred to the succeeding fiscal year.
- Assets and revenue were overstated by \$106,203 when the college recorded the collection of accounts receivable as additional revenue (\$57,043) and incorrectly posted entries to defer summer 2001 revenues (\$49,160).

**STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Financial Statement Findings (Continued)

- Liabilities and expenditures were overstated by \$52,592 when the college included accounts payable in the General Fund that were already being properly recorded in the Restricted Fund.
 - Liabilities, expenditures, and beginning fund balance were overstated by \$17,788, \$101,216, and \$83,428, respectively, for errors in the calculation of compensated absences.
 - Revenues and expenditures were overstated by \$51,473 when the college incorrectly posted entries related to the awarding of scholarships.
 - Assets and revenues were overstated by \$7,044 after the college erroneously included bankcard deposits that were not college funds.
2. Restricted Fund
- Revenues and expenditures were understated by \$31,730 for payments made on-behalf of the college by the Baton Rouge Community College Foundation.
 - Assets and revenues were understated by \$36,302 when the college incorrectly posted entries to defer summer 2001 revenues.
3. Unexpended Plant Fund
- Assets, revenues, and expenditures were understated by \$7,464, \$48,095, and \$40,631, respectively. The errors related to the omission of purchases of plant assets (\$40,631) and for the underreporting of revenues from tuition and fees (\$7,464).
4. Investment in Plant Fund
- The restated beginning fund balance at July 1, 2000, was overstated by \$644,215 while additions to plant facilities and disposal of plant facilities were understated by \$826,244 and \$76,530, respectively. These differences are due to a variety of errors including the omission of certain purchases of library holdings, netting of disposals against additions, and the reduction of additions instead of restating the beginning fund balance.
 - The restated beginning fund balance, additions to plant assets, and ending balance of plant assets reported in the financial statements did not agree to the amounts reported in the note disclosure for plant assets by \$705,084, \$713,803, and \$8,719, respectively. The college provided revised financial statements to correct these inconsistencies subsequent to August 30, 2001.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

Notes to the Financial Statements

1. Budgetary Comparison

- Actual Program Expenditures reported in the note disclosure did not agree to the Statement of Changes in Fund Balances by the amount of the compensated absences expenditures (\$151,314).
- The budget amount reported in the note disclosure was understated by \$1,162,482. The college submitted a revised note that included the correct budget amount subsequent to August 30, 2001.

2. Deposits With Financial Institutions

- The amount reported in the note disclosure as Deposits in Bank Accounts per Balance Sheet did not agree to the amount reported on the Balance Sheet as Cash and Cash Equivalents by \$2,793.
- The amount reported in the note disclosure as Bank Balances did not agree with the actual bank balance by \$1,884,282. The college submitted a revised note including the correct bank balance subsequent to August 30, 2001.

3. Auxiliary Enterprises - Net Assets per the note disclosure did not agree to the fund equity reported on the Balance Sheet by \$33,123.

Management of the college has not placed sufficient emphasis on ensuring that the AFR is reviewed for errors or omissions. Inaccurate financial reporting by the college could cause material misstatements in the LCTCS financial statements.

Management should develop procedures to include the performance of analytical procedures and high-level supervisory review of financial information and note disclosures to detect and correct errors before submitting that information to the LCTCS. Management of the college concurred with the finding and recommendation and outlined a plan of corrective action (B-6).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

**CRESCENT CITY CONNECTION DIVISION,
TRANSPORTATION AND DEVELOPMENT,
DEPARTMENT OF**

FS-01-CCCD-1 - Inaccurate and Incomplete Financial Statements

The Crescent City Connection Division (CCCD) did not prepare and submit accurate and complete financial statements for the fiscal year ended October 31, 2000, because of weaknesses in its controls over financial reporting. An adequate control system includes the review of the financial statements to ensure the accurate reporting of all assets and liabilities at year-end and the results of operations for the fiscal year. Errors detected during audit tests included the following:

- General Fund expenditures totaling \$256,000 were recorded and reported twice in the financial statements.
- General Fund accounts payable totaling \$329,995 were not recorded or reported in the financial statements.
- Total investments reported on Statement A of the financial statements did not equal investments disclosed in the notes to the financial statements because the investment note classified certain investments as cash equivalents and contained a \$91,000 addition error. Investments per the general ledger at October 31, 2000, were \$80,060,702, as reported on Statement A of the financial statements. However, the notes to the financial statements reported investments of \$2,962,815 and cash equivalents of \$77,188,887. In addition, the amount reported as cash equivalents contained a \$91,000 addition error.
- Debt Service Fund investments were reported in Statement A at cost instead of fair value as required by governmental accounting standards resulting in an overstatement of \$17,815.
- Debt Service Fund interest income receivable of \$7,343 from investments was not recorded or reported.
- Capital Projects Fund cash in the state treasury totaling \$63,586 was not recorded or reported.
- The Capital Projects Fund reported a \$33,996 liability titled "Unearned State of Louisiana Grant" on Statement A. The account represents unexpended cash balances held in the state treasury. The \$33,996 error in cash in state treasury and designated fund balance is part of the \$63,586 error noted in the previous bullet.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

- Expenditures in the Capital Projects Fund totaling \$287,277 were paid by the Department of Transportation and Development (DOTD) before November 1, 2000; however, the accounts payable schedule reflected the amount as being owed to vendors.
- Capital Projects Fund expenditures totaling \$8,910 paid from CCCD cash in the state treasury were not recorded or reported.
- Capital Projects Fund accounts payable totaling \$14,671 were not recorded or reported in the financial statements.
- Capital Projects Fund expenditures totaling \$561,374 that were reimbursed by the federal government were not recorded or reported within CCCD's records and financial statements. These expenditures were recorded and reported by DOTD.
- Capital Projects Fund balance was not classified on Statement A as either reserved for construction or designated for projects.
- The General Fixed Asset Account Group asset and corresponding equity account were understated on Statement A by (1) a prior year audit adjustment to capitalize General Fund expenditures totaling \$259,715 for work on the headquarters building; (2) unrecorded Capital Projects Fund expenditures/payables totaling \$23,581 that should be capitalized; (3) unreported federally funded expenditures totaling \$561,374 that should be capitalized; and (4) federally funded expenditures in previous years totaling \$24,612,506 that should have been capitalized, but were recorded only within DOTD's financial records.

The financial statements were not adequately reviewed before they were submitted to the Division of Administration's Office of Statewide Reporting and Accounting Policy. Failure to adequately review the financial statements increases the risk that errors and omissions may occur and not be detected or corrected in a timely manner. It also increases the risk that fraud may occur and not be detected in a timely manner. CCCD accepted certain adjusting entries to correct most of the errors noted previously and reissued the financial statements and related notes.

CCCD should establish controls that include an effective supervisory review of the financial statements to ensure that its financial statements and records are accurate and complete. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-9).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

EDUCATION, DEPARTMENT OF

**FS-01-EDUC-1 - Weaknesses in Controls Over
Student Count Audits**

The state Department of Education (SDE) did not adequately assess the risk of errors in Minimum Foundation Program (MFP) audit planning and did not adequately react to problems in student count data when detected by its MFP auditors. Adequate risk assessments would include identifying activities with the highest risk of error and, when numerous errors are detected, expanding audit procedures to determine the extent of the problem. The SDE's audit procedures for MFP require the auditor to examine and resolve any unusual circumstances involving the eligibility of students included in the student counts.

School systems submit data to the SDE that are used in the allocation formula for MFP funding. R.S. 17:7 requires the SDE to audit these data. In part, MFP funds are allocated to school systems based on student counts as of October 1 of each year. School districts are responsible for maintaining the documentation necessary to verify that students included in the counts are actually enrolled and attending school on that date.

- In a review of documentation supporting eight SDE-MFP audits, it did not appear that testing was expanded in every instance by SDE when its auditors found errors in the count data in three school districts. Because of the significant error rates detected (9% to 48%), MFP funds could be over-allocated by as much as \$1.2 million to these districts.
- While reviewing the SDE tests of student eligibility for six school districts on the October 2000 student count data, the legislative auditors found inconsistencies in enrollment dates, enrollment status, and dual enrollments. When these matters were brought to SDE management's attention, its MFP auditors performed additional procedures resulting in an SDE decision to deny certain districts a total of approximately \$36,000 in MFP funds.

Failure to consider the effect of high error rates and inconsistent documentation during student count audits increases the risk that school districts may receive more MFP funds than are due to them.

The SDE should consider and document high-risk areas when planning and performing MFP student count audits and should expand its audit procedures when erroneous and/or fraudulent data are detected. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-15).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

EXECUTIVE DEPARTMENT

**FS-01-EXEC-1 - Inadequate Fund Balance -
Patients' Compensation Fund**

For the tenth consecutive year, the Executive Department, Patients' Compensation Fund Oversight Board, did not maintain an adequate surplus in the Patients' Compensation Fund as required by Louisiana law. R.S. 40:1299.44(A)(6)(a) requires that a surplus of 50% of the annual surcharge premiums, reserves established for individual claims, reserves established for incurred but not reported claims, and expenses be maintained in the fund.

For the fiscal year ended June 30, 2001, the accumulated balance of surcharges, reserves, and expenses is estimated to be \$477,952,221, which under Louisiana law would require a fund balance of \$238,976,111. As of June 30, 2001, the actual fund balance was \$103,748,128, resulting in a shortfall of \$135,227,983. This shortfall resulted from practices in effect before the Patients' Compensation Fund Oversight Board was created, whereby rates for medical malpractice premiums were not set based on experience ratings, including historical losses, interest payments, and future medical amounts.

The Patients' Compensation Fund Oversight Board should establish an adequate rate level to achieve the 50% surplus requirement over a reasonable period of time. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-30).

**EXECUTIVE DEPARTMENT AND
DEPARTMENT OF THE STATE TREASURY**

**FS-01-CAFR-1 - Internal Control Weakness
Over Seed Appropriation**

The Office of Planning and Budget and the Department of the State Treasury did not adequately estimate the petty cash, travel imprest, and "seeding" of appropriations included in the Ancillary Appropriations Act. The Department of the State Treasury provided monies to establish petty cash, travel imprest funds, and "seeding" of appropriations, as authorized and approved by the commissioner of administration, of over \$200,000,000 for fiscal year 2001. Act 2 of the 2000 Second Extraordinary Session of the Louisiana Legislature describes the funding level for the aforementioned purposes as "State General Funds be it more or less estimated at \$1,000,000." The legislature and the public may, therefore, not be aware of the magnitude of the temporary loan of monies that is made by the Department of the State Treasury, as approved and authorized by the commissioner of administration.

For several years the language in the Ancillary Appropriations Act has provided the same estimated amount of "more or less" \$1,000,000 for petty cash, travel imprest funds, and seed advances, although actual monies provided by the Department of the State Treasury, as

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

authorized and approved by the commissioner of administration, have steadily increased. For example, petty cash, travel imprest funds, and seed advances in fiscal year 1996 were approximately \$41,000,000. The advances increased to approximately \$200,000,000 by fiscal year 2001; however, the Ancillary Appropriations Act still says "more or less estimated at \$1,000,000."

In developing the Ancillary Appropriations Act, the commissioner of administration through the Office of Planning and Budget and the Department of the State Treasury should provide the legislature with a realistic estimate of petty cash, travel imprest, and seed advances each year so that the legislature and the public will have full knowledge of the amounts authorized. Management of both the Division of Administration and the Department of the State Treasury did not concur with this finding. The Division contends that this is a long established practice within the state financial program with a justifiable need and purpose which has received legislative approval. In addition, the Division asserts that cash management is a function that it shares with the Department of the State Treasury, not the Legislative Auditor. The Department of the State Treasury contends that it is not a participant in the development of the Ancillary Appropriations Bill but does provide adequate notification to the participants in the development of this appropriation. See management's response at B-32.

Additional Comments: While the disbursement of seed funds may be a long established practice, the questions of justifiable need, efficient cash management, and legislative approval still exist, particularly in light of the increase in seed funds disbursed over the past 5 years. Furthermore, the Legislative Auditor does not seek to assume any part of the state's cash management function but reports this finding to inform those legislators and the general public who may not be aware of the recent growth in actual seed amounts.

EXECUTIVE DEPARTMENT

FS-01-CAFR-2 - Weaknesses in Information System Controls

During fiscal year 2001, the Division of Administration, Office of Information Systems (OIS), implemented the Integrated Statewide Information Systems Human Resources system (ISIS/HR) to process payroll and personnel data. During and after implementation, several control weaknesses were noted as follows:

- OIS did not create a viable test environment separate from the actual production environment, which could cause inaccurate payroll and related benefit payments.
- Because part of the ISIS/HR system was inoperable during the last pay period in June 2001, the banks' receipt of the Electronic File Transfer payroll files and postings to employees' accounts were delayed.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

- Excessive downtime existed resulting in periods that ISIS/HR was unavailable and agency users could not perform job functions timely or obtain necessary information.
- Interfaces between ISIS/HR and other systems were not operating properly, which could cause payroll and personnel data to be incomplete and inaccurate.
- No policies or procedures existed that required a periodic reconciliation between ISIS/HR amounts and Advanced Financial System (AFS) amounts to ensure completeness of data.
- Reports necessary for financial reporting and agency monitoring, such as the Employee Costing Detail Report and leave reports, were unavailable at various times or contained incorrect information.
- Proper segregation of duties related to access was not maintained for users associated with at least 63 user IDs.

In addition, for ISIS systems collectively, OIS has formalized a disaster recovery plan. However, the plan has not been fully tested for all key application systems, which could result in delays in processing or loss of critical data.

Good internal control should allow for system changes to be reviewed, tested, and approved in a test environment before placing the changes in production; ensure system downtime is minimized; produce timely and accurate payroll and personnel information; ensure completeness of data; provide for accurate financial reporting and proper monitoring; and ensure system access is assigned based on business need providing for the proper segregation of duties. Furthermore, there should be an overall processing contingency or disaster recovery plan for all systems that will allow for continued operations of critical data processing services.

The Division of Administration placed a high priority on developing and implementing the ISIS/HR system. However, the control structure surrounding that system has some weaknesses that were not addressed in development. The lack of adequate controls may result in system failure or inaccuracies in data and reports.

The Division of Administration should implement policies and procedures for ISIS/HR to ensure that the integrity of the production environment is maintained, system delays are minimized, and data are accurate and timely and are reconciled to AFS. Reports should be accurate and accessible to users. Users' access should be assigned based on business need and should provide for proper segregation of duties. Finally, the disaster recovery plan should be fully tested for all applications. Management of the Division concurred with the majority of the finding (B-35).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

FS-01-SW-EXEC-1 - Ineffective Internal Audit Function

For the nineteenth consecutive year, the State of Louisiana did not have an effective internal audit function for state government to examine, evaluate, and report on its internal control, including data processing, and to evaluate its compliance with the policies and procedures of the control system.

Currently in Louisiana, over 100 internal auditors provide coverage to state agencies, state hospitals, state colleges/universities, and various component units. The governor also established the Office of the State Inspector General (IG) in fiscal year 1988 to provide an internal audit function for state agencies and to provide other valuable services to the state through investigative auditing. However, because of funding limitations, the IG does not have adequate staffing to perform an effective internal audit function. Currently, there are 12 auditors in the IG's office.

Although internal audit resources exist within the agencies noted previously, our study and evaluation of the state's internal control for the year ended June 30, 2001, found that an effective internal audit function did not exist in the following agencies. While the following should not be considered an all-inclusive list, their collective assets and revenues demonstrate the need for an effective internal audit function within Louisiana state government.

	Assets	General Appropriations/ Revenues
Department of Agriculture and Forestry	\$14,587,616	\$78,374,418
Executive Department	418,141,921	442,356,581
Department of Health and Hospitals	244,565,442	5,160,157,601
Department of Public Safety and Corrections - Corrections Services	80,822,861	636,798,204
Department of Public Safety and Corrections - Public Safety Services	44,707,871	1,080,119,803
Office of Risk Management	132,955,018	121,537,551
Office of Telecommunications Management	8,632,194	48,862,263
Total	<u>\$944,412,923</u>	<u>\$7,568,206,421</u>

Act 11 of the 2000 Second Extraordinary Session of the Louisiana Legislature requires agencies with an appropriation level in excess of \$30 million to use existing program resources and table of organization for the purpose of establishing an internal auditor position. Considering the state's reported assets (approximately \$47 billion) and its operating revenues (approximately \$18 billion) and the number of control and compliance findings contained in this report, 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.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

The State of Louisiana should take the necessary steps to establish an effective internal audit function by either reallocating or increasing available internal audit resources or by pursuing other alternatives to accomplish this objective. Management concurred in part with the finding and mentioned the lack of financial resources (B-43).

FS-01-SW-EXEC-2 - Noncompliance With State's
Movable Property Regulations

The State of Louisiana did not ensure that all state agencies, community colleges, hospitals, technical colleges, and component units maintain adequate internal control over movable property as prescribed by the commissioner of administration and Louisiana law. Considering the amount of movable property additions (\$121,223,000), deletions (\$86,520,000), and ending balance (\$855,288,000) for the General Fixed Asset Account Group, and ending balances for enterprise funds (\$23,880,000), internal service funds (\$8,414,000), trust funds (\$11,761,000), and component units (\$1,580,047,000), as reported by the Division of Administration, Office of Statewide Reporting and Accounting Policy for the year ended June 30, 2001, the state's policies and procedures should be uniformly applied to ensure that movable property is adequately safeguarded and accurately reported in the financial statements.

Good internal control requires that adequate control procedures be in place to ensure that (1) the acquisition, valuation, and disposition of movable property is accurately reflected in the accounting records; (2) the locations of all movable items are monitored and updated frequently; and (3) the amounts recorded in the financial statements are materially correct. In addition, good internal control should ensure that movable property is properly safeguarded against loss arising from unauthorized use, that movement of items from one location to another is recorded, and that errors in processing transactions are recognized and corrected. Furthermore, R.S. 39:323-325 and 24:515(B)(1) and the Louisiana Administrative Code (LAC) Title 34 Part VII Sections 309(A), 313(A), and 313(F.8, F.10, F.11) require the following:

1. Property managers are responsible for the maintenance of property identification marks as prescribed by the commissioner.
2. The property manager is required to update the master inventory listing on a monthly basis by submitting all property transactions to the commissioner.
3. Equipment records must be maintained and include the date of purchase, initial cost, and disposition information, if any.
4. Each property manager is required to take a complete physical inventory of all property at least once each fiscal year and record the true and actual results of the physical inventory.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

5. Upon completion of the annual inventory, each property manager is required to submit a certified report to the commissioner containing all exceptions or discrepancies found when comparing the results of the physical inventory to the perpetual inventory records.
6. Efforts must be made to locate all movable property for which there are no explanations for their disappearance.

The Louisiana Property Assistance Agency (LPAA) has been designated by the commissioner as the agency that will collect, account for, and maintain the transactions and reports that are required by state law; however, not all state entities are required to report to LPAA. LAC Title 34 Part VII Section 307(A) requires that acquisitions are tagged and information is forwarded to LPAA within 45 days after receipt of these items. In addition, R.S. 39:326(D) provides the commissioner with the authority to invoke sanctions upon an agency that is in noncompliance with movable property regulations, including the restriction of property acquisitions by that agency.

The audit of movable property records throughout the state disclosed collective amounts of \$13,422,295 in additions; \$9,448,596 in deletions; and \$197,189,241 in ending balances of movable property for one state agency, one college system office, two community colleges, two state hospitals, one technical college, and one state board that did not maintain adequate internal control over movable property as follows:

1. For the fourth consecutive year, the Medical Center of Louisiana at New Orleans did not maintain adequate internal control over movable property. The following deficiencies were observed:
 - In its Certification of Annual Property Inventory, the medical center reported that it was unable to locate movable property valued at \$3.7 million, with \$1.7 million (46%) of that amount consisting of electronic data processing equipment. In addition, movable property valued at \$6.8 million was unlocated from the previous three years.
 - A review of 469 acquisitions revealed that 131 items (28%) totaling \$252,377 were not reported to LPAA within 45 days of receipt. The items were reported between 50 and 110 days after receipt.
 - In an effort to physically inspect 30 movable property items, eight items (27%) were not found. Two of these items valued at \$7,080 were traced to the unlocated property listing. The locations of the remaining six items (20%, valued at \$47,337) are still unknown.
 - Four items out of a separate 18 items sampled (22%) did not have the correct location code.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

2. For the second consecutive year, the Louisiana Community and Technical College System Board of Supervisors did not have adequate procedures in place to ensure that movable property transactions were recorded in an accurate and timely manner. In a test of 59 movable property records, nine router bundles (computer equipment) were originally placed on the movable property listing at the State Purchasing contract price of \$9,925 rather than the invoice price of \$7,564. The costs of three of the router bundles were subsequently reduced to \$1,495 each and the costs of the other six bundles were reduced to \$1,295 each. No documentation existed to support the reduction in price. In addition, the equipment was given new property control numbers and placed on the movable property listing at the revised costs without removing the items as originally entered. This equipment remained on the inventory at two different costs, neither of which agreed with the amount paid, for a period of five months. At that time, a decision was made to unbundle the router equipment into separate components. Since each component was now valued at less than \$1,000, the equipment was removed from the property listing.
3. For the third consecutive audit, Louisiana Technical College, Delta-Ouachita campus did not have adequate internal control to ensure that movable property is properly and accurately reported to the LPAA in compliance with state movable property regulations. During the examination of movable property, the following deficiencies were noted:
 - A test of 27 property items revealed that six acquisitions (22%) totaling \$42,404 were not tagged and entered into the LPAA system within 45 days of receipt. Four of these items were acquired during July 1999 to November 1999, but remained untagged and unreported as of January 2001.
 - The campus reported \$215,687 of current year discrepancies in its Certification of Annual Property Inventory submitted on November 3, 2000.

In addition, an audit performed by the LPAA during April 2000 revealed the following:

- Thirty property items purchased in 1997, 26 items purchased in 1998, and 21 items purchased in 1999 were not tagged nor was the information entered into the Property Management System within 45 days of receipt.
- Sixty of 241 (25%) items tested totaling \$249,999 could not be located, and four property items did not have property tags.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

4. For the second consecutive year, the State Licensing Board for Contractors did not update the state property master inventory listing and/or notify the LPAA of acquisitions in a timely manner. In addition, the board's property manager did not report discrepancies found during the annual physical inventory. Tests of 34 movable property transactions totaling \$160,782 disclosed the following:
 - Fifteen items totaling \$67,582 were not reported to LPAA within 45 days of receipt.
 - One item valued at \$25,055 was not tagged.
 - One item valued at \$1,700 could not be located.
5. Baton Rouge Community College did not maintain adequate internal control over movable property as prescribed by state law. The following deficiencies were noted:
 - Seven of 60 (12%) movable property items tested could not be located. These items consist of five laptop computers and two tower computers with recorded acquisition costs totaling \$17,587.
 - Eight of 50 (16%) acquisitions sampled were not reported to LPAA within 45 days of receipt. These items were reported to LPAA between 67 and 229 days after receipt by the college.
6. Delgado Community College did not maintain adequate internal control over movable property as prescribed by state law. Of a sample of 15 acquisitions, nine items (60%) totaling \$25,144 were not reported to the LPAA within 45 days of receipt. These items were reported between 54 and 317 days after receipt by the college. The college also did not reconcile additions in its movable property records to acquisitions recorded in the college's general ledger.
7. Earl K. Long Medical Center did not conduct an adequate physical inventory of movable property. The medical center reported that it could not locate 190 items totaling \$366,416. Analysis of the unlocated property indicates that 98 items (52%) totaling \$224,206 are computers or computer related equipment. Furthermore, 95 of the 98 pieces of missing computer and computer related equipment were added to the unlocated property listing within the past two years.
8. The Department of Natural Resources did not perform routine reconciliations of capital outlay expenditures to fixed asset additions. Tests of movable property records revealed errors that would have been detected and corrected timely if routine reconciliations had been performed. The errors included the following:

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

- Twenty-seven acquisitions totaling \$185,999 were improperly recorded as computer supplies or maintenance.
- Eight professional service expenditures totaling \$203,136 were recorded as acquisitions.
- Twelve acquisitions were not recorded at the historical cost. Nine items were overstated by \$3,719 and three items were understated by \$574.
- Four (5%) of 81 acquisitions tested were tagged from 77 to 83 days after the items were received. Those four items were valued at \$8,566.

The State of Louisiana should take the necessary measures to ensure that all state agencies, community colleges, hospitals, technical colleges, and component units maintain adequate internal accounting control over movable property to comply with state movable property regulations as prescribed by the commissioner of administration and Louisiana Law. Management concurred with the finding and outlined a plan of corrective action (B-45).

GROUP BENEFITS, OFFICE OF

FS-01-OGB-1 - Deficiencies in Provider Contract Administration

The Office of Group Benefits (OGB) does not have effective control procedures for processing health care provider contracts and setting up the contract provisions in RIMS, the claims processing system. Adequate control procedures include the verification of the completeness of contracts, review of contract terms for reasonableness, timely execution of contracts, comparison of contract terms to provider setup in RIMS, and a method of safeguarding existing contracts.

In a test of 40 Preferred Provider Organization (PPO) and 40 Exclusive Provider Organization (EPO) health claim payments, the following deficiencies in the related provider contracts were noted:

- Fifteen contracts were not signed and/or dated by all parties to the contract.
- Ten contracts did not specify defaults although OGB used a defaulted method of payment.
- Two contracts could not be located for the date of the claim.
- Six contracts did not agree to the provider setup in RIMS, in that the fee schedule being used for payment was incorrect.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

- Five contracts were signed and/or dated after the effective date of the contract.
- Two contracts did not specify a fee schedule or method of payment.
- One contract specified two different fee schedules for the same time period.

At the beginning of the 1999-2000 fiscal year, OGB implemented the EPO program and renegotiated the existing PPO contracts to facilitate a conversion to a new base fee schedule. These administrative changes in the office did not allow for sufficient time or staff resources to properly review all contracts and the related provider setup in RIMS before implementation. During fiscal year 2000-2001, management's procedures to identify and correct the problems proved ineffective. Failure to properly negotiate and execute contracts as well as the failure to properly input the provider setup in RIMS increases the risk of inaccurate payments of claims and subjects the office to potential litigation with providers.

Management should design and implement procedures for contract management that include the review of new and existing contracts to prevent future deficiencies and correct noted deficiencies. In addition, management should review all new and existing provider contracts to ensure that the proper contract terms are reflected in the provider setup in RIMS. Management concurred with the finding and recommendation and implemented a plan of corrective action (B-47).

FS-01-OGB-2 - Noncompliance With Claims Payment Law

OGB failed to comply with the state's claims payment law. An analysis of OGB's claims processing system (RIMS) identified \$245,174,833 in claims that were paid more than 30 days after receipt, which is 62.84% of the total claims processed during the fiscal year. A random test of 100 of the previously mentioned claims revealed that 100% were paid late without adequate justification.

R.S. 22:657(A) states that "all claims arising under the terms of health and accident contracts issued in this state . . . shall be paid not more than thirty days from the date upon which written notice and proof of claim . . . are furnished to the insurer unless just and reasonable grounds . . . exist." In addition, the statute provides that a penalty, together with lawyer's fees, may be assessed by a court when the insurer fails to comply with the law.

The claims payment process is made up of two separate steps: (1) claims processing and (2) claims payment. Although most claims were processed timely, the claims were put on hold until there was enough cash to pay those claims. OGB experienced cash shortages throughout the majority of the fiscal year because of inadequate revenue from health insurance premiums.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

OGB should implement policies and procedures to ensure that claims are paid within the statutorily required period. Management concurred with the finding and recommendation and implemented a plan of corrective action (B-48).

JUSTICE, DEPARTMENT OF

FS-01-DOJ-1 - Inaccurate Annual Fiscal Report

The Department of Justice did not submit an accurate and/or complete annual fiscal report (AFR) to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP) for the year ended June 30, 2001. R.S. 39:79 requires that a sworn statement be prepared in the format devised and approved by the commissioner of administration, and the affidavit attached to the AFR states that the financial statements present fairly the financial position of the department. In addition, good internal control requires adequate supervision and review of the compilation of financial statements so that any preparation errors can be detected and corrected in a timely manner.

The AFR that was submitted contained the following errors:

1. The cash account book balance was overstated by \$4,072 in the Balance Sheet (Statement A).
2. The Deposits with Financial Institutions note (note C-1) incorrectly reported book balances of \$440,123 instead of bank balances of \$513,286 at June 30, 2001, in the bank balances section.
3. The Schedule of Changes in Balances, All Agency Funds (Schedule 6-1) overstated additions by \$1,363,118 and overstated deductions by \$1,401,376 for the Collections of Delinquent Student Loans escrow account. These funds are no longer processed through the department's escrow account.
4. The Schedule of Expenditures of Federal Awards (Schedule 8) was improperly prepared because the department reported federal award receipts of \$1,247,482 instead of federal award expenditures of \$1,351,696, resulting in a difference of \$104,214.
5. The Compensatory Leave note did not include \$48,863 for straight-time compensatory leave that will be paid upon the employees' terminations with the department.
6. The Lease and Rental Commitments note reported \$114,670 for future payments for capital leases although the department has only operating leases. For

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

operating leases, the future lease payments for the next five fiscal years were understated by \$250,654.

7. The Fund Deficits note amount of \$205,962 did not agree to the Statement of Revenues, Expenditures and Changes in Fund Balances (Statement B) amount of \$260,773, resulting in a difference of \$54,811.
8. The Cooperative Endeavors note did not include the agreement with the Office of Student Financial Assistance regarding the collection of delinquent student loans.
9. Various standardized notes did not indicate whether or not the disclosure was applicable to the department. These notes included disclosures for related party transactions, encumbrances, on-behalf payments for salaries and fringe benefits, pass-through grants, in-kind contributions, consultant fees for feasibility studies and other special reports, and government-mandated nonexchange transactions (grants).

The AFR was not adequately prepared or reviewed before it was submitted to OSRAP. This review process should include a comparison of AFR amounts to the supporting accounting system reports, adjusting entries, and other support to ensure the completeness and accuracy of the AFR. Inaccurate financial reporting by the department could cause material misstatements in the State of Louisiana's *Comprehensive Annual Financial Report*.

Management should ensure that AFRs are accurately prepared and reviewed by supervisors before submission to OSRAP. Management concurred with the finding and outlined a plan of corrective action (B-56).

LABOR, DEPARTMENT OF

FS-01-LABR-1 - Information System User Access
Not Effectively Monitored

For the second consecutive year, the Department of Labor did not effectively monitor access capabilities of users for the input and approval of transactions into the Advantage Financial System (AFS) and the Advanced Government Purchasing System (AGPS). Effective internal control provides that individuals should be permitted access to only those data files and functions necessary to perform their normal duties.

During a review of the department's 96 active user IDs for AFS and 135 active user IDs for AGPS as of May 1, 2001, the following conditions were noted:

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

- Four active AFS IDs and four active AGPS IDs were assigned to users who did not need to have access to the systems to complete their job duties.
- Twelve active AFS IDs and three active AGPS IDs were granted access in excess of that necessary to complete assigned job duties, including the ability to process invoices and approve payments.
- Two active AFS IDs and two active AGPS IDs were granted the ability to approve documents that do not appear appropriate for assigned job duties.

Management of the department had not fully implemented the revised procedures for assigning and monitoring access given to users that would ensure that the integrity of departmental data was maintained. Failure to establish effective controls in an on-line data entry environment could result in the loss of data and the failure to prevent or detect errors or fraud in processing transactions.

The department should take the necessary measures to ensure that access granted to employees is limited to only those data files and functions necessary to perform their normal assigned duties. Management partially concurred with the finding and outlined a plan of corrective action (B-59).

FS-01-LABR-2 - Unidentified Federal/State Cash Balances

The Department of Labor has maintained a \$1,145,549 cash balance since August 1999 that cannot be liquidated because the appropriate federal and state funding sources are unknown. Before August 1999, the department did not maintain adequate accounting records to identify receipts and disbursements made through the department's previous accounting system, the Financial Accounting and Reporting System (FARS), and did not perform periodic reconciliations of the cash balance on hand to federal and state funding sources. Good internal control includes periodic reconciliations of cash accounts to subsidiary records. A proper reconciliation provides management with a basis to ensure that errors and/or fraud are detected in a timely manner and that accounting data are both accurate and reliable.

On July 1, 1999, the Department of Labor converted from its old accounting system, FARS, to the State of Louisiana's statewide accounting system, Integrated Statewide Information System. After all activity had been completed in the FARS, a balance of \$1,145,549 remained in the FARS bank account. This balance was later transferred into an escrow account in the State Treasury. Because the department did not maintain adequate accounting records to identify receipts and disbursements and perform periodic reconciliations, the department did not know how to distribute these funds.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

During the period August 1999 to May 2001, the department made attempts to determine how to distribute the funds but was unsuccessful. On June 1, 2001, the department hired its former fiscal officer to work with two other employees to determine the proper accounting for the FARS escrow account balance. On August 13, 2001, a report containing the results of their work was issued and showed that the FARS accounting system had receivables from various sources of \$2,273,263 and payables of \$2,559,833. In addition, the report showed an unidentified difference of \$858,979. The department was able to show that the payable and receivable transactions had occurred and been recorded in ISIS. Therefore, this report did little to determine how to distribute the funds in the FARS escrow account.

Since the report was issued on August 13, 2001, the department has continued to work on determining the proper distribution of the funds in the FARS escrow account. However, as of October 24, 2001, the department still does not know how to distribute these funds. Failure to close this FARS escrow account timely could cost the department interest and/or penalties due to the federal government.

We recommend that the department meet with representatives of the U.S. Department of Labor, U.S. Department of Health and Human Services, and the Louisiana Division of Administration to determine an equitable method to distribute the \$1,145,549 balance in the FARS escrow account in the State Treasury. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-66).

**LOUISIANA COMMUNITY AND TECHNICAL
COLLEGE SYSTEM**

FS-01-LCTCS-1 - Funds Not Deposited Into the State Treasury

Five of the six community colleges in the Louisiana Community and Technical College System (LCTCS) are not depositing their self-generated revenues into the State Treasury, as required by the Louisiana Constitution and Revised Statutes. Article VII Section 9(A) of the Louisiana Constitution and R.S. 49:308 require that all monies received by any state board, agency, or commission be deposited immediately upon receipt into the State Treasury. Section (E)(2)(d) of this statute exempts the management boards of other colleges and universities from the requirement to deposit into the State Treasury by placing them outside the definition of state board, agency, or commission. However, the LCTCS Board of Supervisors is not included in the list of exempt management boards.

Before being placed under the management of the LCTCS Board of Supervisors, most of the community colleges were managed by exempt post-secondary education management boards. When the community colleges came under the management of the LCTCS Board of Supervisors, they lost this exemption. However, the community colleges did not change their collection and deposit procedures accordingly.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

Article VII Section 9(B) requires that all monies deposited in the State Treasury shall first be credited to the Bond Security and Redemption Fund to ensure that obligations of the state associated with bonded debt are met before any other use of state monies is considered. Failure to deposit state monies into the State Treasury means that these monies are not available for this purpose, as required by the Louisiana Constitution.

The LCTCS Board of Supervisors should instruct the community colleges to change their revenue collection and deposit procedures to ensure that all monies required by statute are deposited into the State Treasury. Management concurred with the finding and outlined a plan of corrective action (B-67).

FS-01-LCTCS-2 - Inaccurate Annual Fiscal Report

The LCTCS Board of Supervisors did not submit an accurate Annual Fiscal Report (AFR) to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP), by the prescribed due date. R.S. 39:79 authorizes the commissioner of administration to establish the format of each agency's AFR. LCTCS original AFR was submitted to OSRAP by the due date of September 4, 2001, but significant errors in this AFR led to two subsequent revisions. The final revision was submitted more than two weeks after the AFR was due. A review of the original and first revision of the AFR disclosed the following:

- In the original AFR, the Combined Statement of Changes in Fund Balance (Statement B) contained errors in the calculation of net increase (decrease) for the year in the general, auxiliary, restricted, and retirement of indebtedness funds and the Combined Statement of Revenues, Expenditures, and Other Changes - Current Funds (Statement C) contained errors in the calculation of net increase (decrease) in fund balance for the general, auxiliary, and restricted funds. These errors ranged from \$1,158 to \$3,019,152. Three of the funds in Statement B and all of the funds in Statement C still contained errors in the first revision of the AFR.
- In the original AFR, the net increase (decrease) in fund balance in Statement C did not equal net increase (decrease) in Statement B for the general, auxiliary, and restricted funds. The imbalance in these funds ranged from \$334,786 to \$1,449,875. All of these funds remained unbalanced in the first revision of the AFR.
- In the original AFR, fund balance at the end of the year per Statement B did not agree with total equity in the Combined Balance Sheet (Statement A) for the general, auxiliary, restricted, retirement of indebtedness, and investment in plant funds. The imbalance in these funds ranged from \$7,018 to \$5,250,403. Two of these funds were still unbalanced in the first revision of the AFR.

**STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Financial Statement Findings (Continued)

- Errors in schedules relating to federal expenditures and in the notes to the financial statements, particularly those notes relating to the budgetary comparison, leases, and state appropriations, remained uncorrected in the final revision of the AFR and required extensive audit adjustments.

In addition, portions of the LCTCS AFR pertaining to the LCTCS administrative appropriation and the Louisiana Technical College appropriation were not reconciled to the state's computerized accounting system (ISIS), which serves as the book of original entry for these two appropriations. Subsequent analysis of the balances in ISIS and the balances reported by LCTCS resulted in audit adjustments of \$604,314 to assets and liabilities reported in the financial statements for the LCTCS administrative appropriation. These errors were the result of an inadequate supervisory review of the AFR before its submission to the Division of Administration.

LCTCS should establish procedures to ensure that an accurate AFR is submitted to the Division of Administration within the time frame prescribed. These procedures should include an adequate supervisory review to ensure that the financial statements are mathematically correct, that totals agree between statements, that footnotes are properly prepared and adequately support the financial statement amounts, and that financial statement amounts reconcile to the books of original entry. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-68).

**FS-01-LCTCS-3 - Inadequate User Controls in Electronic
Data Processing Systems**

The LCTCS did not establish adequate internal control for the assignment and monitoring of access given to agency users of the Advantage Financial System (AFS), the Advanced Government Purchasing System (AGPS), and the ISIS/HR (Payroll/Personnel) System. Good internal control requires that (1) users are assigned business-need-only access to Electronic Data Processing (EDP) systems; (2) duties are segregated so that no one user is in a position to both initiate and approve transactions and therefore potentially conceal errors or fraud; and (3) access to EDP systems is disabled in a timely manner when users terminate employment. Good internal control should also include procedures for the review and reconciliation of system reports in order to detect and correct errors that may have occurred.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

The following deficiencies in controls were noted:

1. AFS
 - Two former employees of Louisiana Technical College (LTC), Westside campus still had access to AFS.
2. AGPS
 - One former LCTCS central office employee still had access to AGPS.
 - Two former LTC central office employees still had access to AGPS.
 - At the LTC, Jumonville; L. E. Fletcher; and Sullivan campuses, the accountants may enter documents and approve documents.
 - At the LTC, Young Memorial campus, the security administrator is not reviewing employee access periodically to determine whether assigned access is necessary to job duties.
 - At the LTC, Westside campus, two former employees still had access to AGPS.
3. ISIS/HR
 - All employees in the LCTCS and LTC central offices with ISIS/HR access can enter a new hire, create a new position, and enter time sheet data on an agency employee. Although supervisors do approve time sheets, there appear to be no other compensating controls.
 - Neither the LCTCS nor the LTC central office is performing a reconciliation of payroll expenditures between the ISIS/HR and AFS systems.
 - The LTC central office could not produce evidence that the ZP 45 and ZP 97 reports, which identify errors for correction by the agency, are reviewed every pay period.
 - The LTC central office could not produce evidence that it is monitoring accumulation of employee compensatory time through review of the ZP 107 report.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

- The LTC central office has not implemented procedures to review termination payments at the campuses to ensure that they are appropriate and valid.

These deficiencies occurred because LCTCS management did not establish adequate procedures for assigning and monitoring access given to EDP system users and did not establish procedures for the review and reconciliation of system reports. Failure to establish adequate internal control in an on-line data entry environment could result in fraud or errors in the processing of transactions.

LCTCS management should develop EDP access policies and procedures to ensure that (1) users are assigned business-need-only access to EDP systems; (2) duties are segregated so that no one user is in a position to both initiate and approve transactions and, therefore, potentially conceal errors or fraud; and (3) access to EDP systems is disabled in a timely manner when users terminate employment. These procedures should also include the review and reconciliation of system reports in order to detect and correct errors that may have occurred. Management concurred in part with this finding and outlined a plan of corrective action (B-69).

LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER
(HEALTH CARE SERVICES DIVISION)

FS-01-HCSD-1 - Inventory System Not Fully Functional

The Louisiana State University Health Sciences Center - Health Care Services Division (HCSD) did not ensure that the inventory component of the PeopleSoft system was fully functional before it was implemented during the fiscal year ended June 30, 2001. A proper system of internal control over inventory should include procedures to ensure that assets are safeguarded and that inventory losses, should they occur, are detected in a short period of time by normal business procedures. A perpetual inventory system is generally regarded as an acceptable method of controlling inventory and safeguarding assets. Use of a perpetual inventory system allows an entity to record receipt of goods at the time of purchase and the issuance of goods as they are withdrawn for use. At any point in time, a count of goods on hand should agree to the balance in the inventory system. Discrepancies should be investigated to determine if losses are due to theft or fraud.

The perpetual inventory component of the PeopleSoft system installed by HCSD was not functioning properly in that the system did not always accept entries to record receipt of goods. In addition, issues could not be recorded because the system did not accurately reflect whether or not there was stock on hand. As a result, perpetual inventory balances were inaccurate and actual physical counts did not agree with these balances. The problems with the inventory system were caused by mismatches between inventory numbers assigned to inventory at the

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

hospitals and numbers assigned to the purchase contracts in the purchasing system. Failure to provide adequate controls over inventory increases the risk that losses of inventory will occur and remain undetected.

Considering the magnitude of assets at risk (\$10,357,851 at June 30, 2001), management should review the problems with the new system and provide a functioning inventory system to the hospitals as soon as possible. Management concurred with the finding, but offered additional comments. A corrective action plan was provided. See management's response at B-72.

FS-01-HCSD-2 - Noncompliance With General Appropriations Act

The Louisiana State University Health Sciences Center - HCSD did not comply with all provisions of the General Appropriations Act (Act 11 of the 2000 Second Extraordinary Session of the Louisiana Legislature). Section 2 of Act 11 states that all money from federal, interagency, statutory dedication, or self-generated revenue shall be available for expenditure in the amounts appropriated. However, in the event that revenues should be less than the amount appropriated, the appropriation shall be reduced accordingly.

For fiscal year 2001, budgeted revenues for HCSD were \$789,959,811, actual available revenues were \$756,902,988, and actual expenditures were \$770,076,640. As a result, HCSD and seven of its nine hospitals incurred deficits, based on internal budgetary documentation, for the fiscal year ending June 30, 2001, totaling \$13,173,652 as follows:

	Favorable (Unfavorable) Variance
HCSD	(\$1,350,472)
E. A. Conway Medical Center	4,141,246
Earl K. Long Medical Center	(3,193,782)
Huey P. Long Medical Center	(2,770,721)
University Medical Center	(3,312,969)
W. O. Moss Regional Medical Center	(1,230,826)
Lallie Kemp Regional Medical Center	(529,930)
Leonard Chaubert Medical Center	1,790,025
Washington-St. Tammany Regional Medical Center	(551,324)
Medical Center of Louisiana at New Orleans	(6,164,899)
Total	<u>(\$13,173,652)</u>

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This deficit occurred because the Office of Statewide Reporting and Accounting Policy withheld \$17,238,551 intended to finance HCSD operations to repay the General Fund for a portion of the debt due to the state General Fund from HCSD. HCSD was not able to sufficiently reduce expenditures to compensate for this unexpected loss of income.

HCSD should monitor its budget and that of the hospitals and take immediate corrective action to avoid any over-expenditure of appropriated funds. HCSD should address the elimination of this deficit by reducing future expenditures and/or increasing future revenue or appropriations. Management did not concur with this finding. Management stated, in part, that actual cash revenues of \$774,141,539 exceeded expenditures by over \$4 million. See management's response at B-74.

Additional Comments: While HCSD did collect \$774,141,539, which is in excess of expenditures for the year, only \$756,902,988 of this amount was available to finance expenditures because of the actions of the Office of Statewide Reporting and Accounting Policy, as described above.

FS-01-HCSD-3 - Unsecured Bank Deposits

W. O. Moss Regional Medical Center and Lallie Kemp Regional Medical Center, hospitals under the supervision of the Louisiana State University Health Sciences Center - HCSD, did not ensure that adequate securities were pledged for all deposits in their respective bank accounts. R.S. 49:321 requires the amount of security pledged to be equal to one hundred percent of the amount of collected funds on deposit to the credit of each depositing authority, except that portion of the deposits insured by a governmental agency such as FDIC.

During the fiscal year ended June 30, 2001, eight hospitals under the supervision of HCSD withdrew from the state's central accounting system, which required daily deposits into the State Treasury. HCSD implemented the PeopleSoft accounting system and established a central depository bank. Two of the eight hospitals, W. O. Moss Regional Medical Center and Lallie Kemp Regional Medical Center, opened separate checking accounts at banks other than the central depository bank because no branches of the central bank were located near these two hospitals. Employees of these two hospitals were to sweep the non-central bank accounts on a daily basis and transfer the deposits to the HCSD's central bank account. However, these procedures were not performed and the omission was not detected in a timely manner. As a result, W. O. Moss Regional Medical Center had unsecured deposits ranging from \$77,100 to \$652,099 over a 4-month period and Lallie Kemp Regional Medical Center had unsecured deposits ranging from \$48,456 to \$514,122 over a 3-month period. Failure to ensure that deposits are adequately collateralized increases the risk that state funds could be lost.

STATE OF LOUISIANA
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Financial Statement Findings (Continued)

Management should comply with R.S. 49:321 and ensure that adequate securities are pledged for all deposits in its bank accounts. Management concurred with the finding and pointed out that the error was discovered by its own personnel. Management described the corrective action that has been implemented. See management's response at B-76.

**LOUISIANA TECHNICAL COLLEGE,
BATON ROUGE CAMPUS**

FS-01-LTCBTR-1 - Missing Cash Receipts

During fiscal year 2000-2001, the Louisiana Technical College, Baton Rouge campus had cash receipts totaling \$6,670 that were reported missing. Following an investigation of the missing receipts by the Louisiana Technical College, Central Office, an employee suspected in the theft of the missing funds was terminated, and the matter was reported to the Baton Rouge City Police Department. In addition, the suspected employee has agreed to make restitution to the campus.

R.S. 14:67 defines theft as the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. Lack of management oversight in providing adequate internal control, including the adequate segregation of duties and the proper supervision of the employee, provided the opportunity for theft of the cash receipts.

The Louisiana Technical College, Baton Rouge campus should develop written policies and procedures that provide for the proper segregation of duties for those employees involved in depositing cash receipts and preparing deposit documents. In addition, another employee should verify that the daily deposit agrees to the deposit document. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-78).

NATURAL RESOURCES, DEPARTMENT OF

FS-01-DNR-1 - Unauthorized Fees Collected

The Department of Natural Resources, Office of Mineral Resources, is charging and collecting fees without the proper legal authority. During the past three years, the department has collected nearly \$8 million in unauthorized fees. The state constitution was amended in 1995 (Article 7, Section 2.1) to require a two-thirds vote of both houses for new or increased fees. According to Attorney General Opinion No. 98-283, fees that are designed to defray the costs of providing a service are considered "fees" for the purpose of Article 7, Section 2.1. Furthermore, R.S. 36:354, which delineates the powers of the secretary of the Department of Natural Resources, contains no language that would give the secretary general authority to impose fees. In the absence of specific legal authority, the department may not legally impose fees.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

During a review of the statutes that give the department authority to collect certain revenues, no legal authority was found for the Office of Mineral Resources to collect the following fees.

<u>Type of Fee</u>	<u>Total Collections of Past Three Years</u>	<u>Year Fee Began</u>
New mineral lease fees (10% of bonuses)	\$7,314,712	1989
Operating agreement fees (25% of revenues)	343,221	2001
Assignment fees	222,820	1988
Advertised item fees	111,600	1988
Total	<u>\$7,992,353</u>	

The department imposed the fees based on its belief that fees could be imposed if they were promulgated in accordance with the Administrative Procedures Act. However, the Administrative Procedures Act does not authorize the imposition of fees. Rather, it details the procedures that must be followed to impose fees that are otherwise authorized by law. The department's ability to finance normal operating expenditures with self-generated revenues, as currently budgeted, may be affected.

The department should obtain specific legal authority for those fees currently lacking proper authority. Also, the department should consult with the Louisiana Attorney General to determine the appropriate course of action regarding the unauthorized fees that have been collected. Management partially concurred with the finding and noted statutory cites to support its belief that the fees were properly authorized and not affected by the repeal of R.S. 39:55.2. See management's response at B-80.

Additional Comments: R.S. 39:55.2, which was enacted by Act 13 of the First Extraordinary Session of 1988, was repealed by Act 836 of 1989. Therefore, the legal authority to charge the fees was also repealed. In addition, the Administrative Procedures Act does not give authority to assess fees; the Act merely delineates the process whereby statutorily authorized fees are set, levied, and enforced.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

PUBLIC SAFETY AND CORRECTIONS -
PUBLIC SAFETY SERVICES, DEPARTMENT OF

FS-01-DPS-1 - Missing Funds

The Department of Public Safety and Corrections, Public Safety Services, had \$9,810 of cash receipts and \$28,111 of investigative expense funds that were stolen or reported as missing.

- Cash receipts of \$4,160 were taken from the Office of Motor Vehicles - Reinstatement Office in Lake Charles. The department is still investigating the missing receipts and a suspect has been identified.
- Cash receipts of \$5,650 were taken from the Office of Motor Vehicles - Reinstatement Office in Baton Rouge. The person who allegedly took the cash from the office has been terminated and was arrested by the Baton Rouge Police Department. In addition, the department was able to recoup \$4,854 of the cash that was taken.
- The department has turned over the results of its investigation of missing investigative expense funds of \$28,111 to the East Baton Rouge District Attorney's Office. An employee suspected of taking the funds has been placed on administrative leave.

R.S. 14:67 defines theft as the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations.

In all three cases, the department's internal controls over cash receipts and accountability for investigative expense funds detected that the missing funds were stolen or missing.

REVENUE, DEPARTMENT OF

FS-01-DOR-1 - Tax Refunds Payable Not Estimated Properly

The Department of Revenue did not have adequate procedures to ensure that the estimation of Tax Refunds Payable included in the notes of the Annual Fiscal Report (AFR) for fiscal year ended June 30, 2001, was materially correct. The Division of Administration uses this note information during the compilation of the state's financial statements. Good internal control includes establishing formal written procedures for compiling information included in the AFR and developing an adequate review process. The lack of adequate control procedures increases the risk that errors can occur and not be detected in a timely manner, resulting in inaccurate financial reports and inaccurate revenue forecasting for the state.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

A review of the Tax Refunds Payable balance for the fiscal year ended June 30, 2001, revealed overstatements totaling \$10,412,560. A summary of the overstatements is as follows:

- The Tax Refunds Payable balance at June 30, 2001, erroneously includes 16 taxpayer accounts totaling \$9,903,675. This amount consists of accounts that were held in escrow, accounts that were not properly updated in the computer system, and accounts that were not offset against other taxpayer liabilities.
- The in-house computer report, *Refunds Payable Estimated to be Denied*, did not include write-offs totaling \$508,885. The error resulted from misclassifications of short-term and long-term refunds payable and the incorrect inclusion of taxpayer refunds that were paid by the department before June 30, 2001.

Management has not developed formal written procedures for the compilation of the Tax Refunds Payable balance and has not developed an adequate review process. As a result, the total Tax Refunds Payable balance in the notes of the AFR was materially misstated, which undetected could have caused the state's financial statements to be materially misstated.

Management should develop formal written procedures relating to the calculation of Tax Refunds Payable. In addition, management should develop a review process that involves not only a high-level review, but also a detailed review of supporting data and schedules at various stages throughout the estimation process to ensure that compilation and estimation errors are detected timely. Management concurred with the finding and outlined a plan of corrective action (B-83).

SOCIAL SERVICES, DEPARTMENT OF

**FS-01-DSS-1 - Access to Electronic Data Processing
Applications Not Properly Restricted**

The Department of Social Services (DSS) does not have sufficient user access controls for the Advantage Financial System (AFS), the Advanced Governmental Purchasing System (AGPS), and the Contract Financial Management System (CFMS). These systems are components of ISIS. Access to these systems is restricted through the use of passwords and user identification (ID) codes; however, this access was not properly restricted to ensure that the integrity of data was maintained. The DSS ISIS USERID Program Policy (Policy 1-13) provides that employees are permitted business-need-only access to data files and functions necessary to perform their duties. The policy also includes written procedures for the issuance and timely deletion of user ID codes.

DSS Bureau of Audit Services issued an audit report dated October 23, 2000. This audit identified the following weaknesses:

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

1. User IDs were not disabled when employees transferred or terminated from the department.
2. The security administrator issued duplicate user IDs because the existence of pre-existing user IDs was not determined.
3. No controls are in place to ensure that access to ISIS is “disabled” when the individual no longer requires ISIS access to perform job responsibilities.
4. Departmental policy regarding ISIS user IDs is not clear.

Audit procedures performed during the financial audit supported the findings of the DSS Bureau of Audit Services and disclosed the following for the Office of Family Support:

1. Thirty-six (10.4%) of 345 AFS user IDs were assigned to individuals who had not been employed by the department for periods up to 40 months. As of July 2001, no action had been taken to delete the IDs from AFS, although 16 of the 36 user IDs had been listed as exceptions in the internal auditor’s report.
2. Fifty-five (11.5%) of 478 AGPS/CFMS user IDs were assigned to individuals who had not been employed by the department for periods up to 15 months. As of July 2001, no action had been taken to delete the IDs from AFS, although 21 of the 55 user IDs had been listed as exceptions in the internal auditor’s report.
3. A new AFS security administrator was named in December 2000; however, the former security administrator’s access was not changed until July 2001.
4. In July 2001, only several days after the 55 AGPS/CFMS user IDs were deactivated, a DSS ISIS contact person requested that the DSS security administrator reactivate 10 user IDs of former employees. All were reactivated.
5. Ten employees had the access ability to add vendors. After discussions with the security administrator, access was reduced to three employees.

The employees responsible for the issuance and deletion of user IDs did not comply with departmental policy that requires their review of User ID and Separation reports, deletion of duplicate user ID codes, and deletion of user IDs for terminated employees in a timely manner. Failing to comply with management’s policy for on-line data processing system controls could result in the loss of data and the failure to prevent or detect errors or fraud in processing transactions.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

Management should ensure employees comply with existing policy so that access to on-line data systems is restricted to employees with a business-need-only basis and user ID codes are deleted immediately upon the termination and/or transfer of employees. Management concurred with the finding and recommendations and outlined plans of corrective action (B-84).

SOUTHEASTERN LOUISIANA UNIVERSITY

**FS-01-SLU-1 - Unallowable Use of University
Supplies and Equipment**

Southeastern Louisiana University reported that a university employee confessed to using university supplies and equipment to complete print jobs for his personal benefit over a three-year period. This resulted from a lack of internal control, to include supervisory review, over the Print Shop supplies and equipment. R.S. 14:67 defines theft as the misappropriation or taking of anything of value that belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. The employee confessed to using university supplies and equipment with an estimated cost of \$6,400 to perform the print jobs and to accepting funds in payment for the jobs for his personal benefit. The university terminated the employee and reported this matter to the district attorney.

Management of the university should implement procedures to strengthen internal control over the Print Shop to prevent and or timely detect unallowable use of university supplies and equipment. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-110).

**SOUTHERN UNIVERSITY AND A&M COLLEGE
(BATON ROUGE)**

FS-01-SUBR-1 - Lack of Effective Contract Monitoring

Southern University and A&M College - Baton Rouge campus did not adequately monitor two university contracts that allowed Wallace's Bookstore, Incorporated, to operate on the campus. Good internal control and prudent business practices require that the university monitor compliance with contract terms and conditions and take prompt action when amounts owed to the university are not received on a timely basis. The fiscal year 2000 and 2001 bookstore operating contracts required the contractor to pay a guaranteed (base) amount or a commission based on a percentage of sales, whichever was greater, to the university in 12 equal monthly payments within 30 days after the end of each calendar month. Both contracts provided that if the contractor defaulted on any obligations the university would notify the contractor by certified mail. If not corrected within 10 calendar days of receipt of notice, the university had the right to terminate the contract with 30 days' written notice.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

A review of bookstore contracts and payments received from the contractor during the 2001 fiscal year disclosed the following:

- Commissions totaling \$126,230 for fiscal year 2000 were never received from the contractor.
- Although the fiscal year 2001 contract was effective July 1, 2000, the university did not receive any payments from the contractor until January 2001, seven months after the effective date of the contract. As of the January payment date, the university was owed a base amount of \$87,500, but the contractor had only paid \$72,917. Additional amounts were owed after January 2001, but on February 28, 2001, the university learned that the contractor filed for bankruptcy and no further payments were received.
- There was no evidence that the university billed the contractor for amounts due or notified the contractor by certified mail when monthly payments were not received within 30 days after the end of each calendar month.

This condition occurred because management did not promptly enforce payment terms specified in the contract.

Failure to monitor contracts and receive timely payment increases the risk that the university will not collect amounts due to it. The university has determined that the contractor filed bankruptcy while owing approximately \$199,000 to the university.

The university should closely monitor compliance with contract terms and conditions and take prompt action to ensure amounts due from contractors are collected timely. Management did not concur with the finding. Management stated, in part, that the total commission payments due were \$198,666 and the value of capital investment was \$161,850, resulting in a net economic loss of \$36,816. See management's response at B-114.

Additional Comments: Management's response indicates that the value of the capital investment should be deducted from the \$198,666 of commissions due. In the Wallace's Bookstore, Incorporated, agreement, the \$200,000 capital investment was a contract consideration that was to be made in addition to the commission payments. Therefore, the amount should not be netted. In addition, we understand that the new bookstore contractor has paid \$129,400 to the bankruptcy court for the leasehold improvements. Therefore, nothing should be offset against the commissions due. Also, it should be noted that as of November 20, 2001, no funds have been recovered under the performance bond.

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Financial Statement Findings (Continued)

SOUTHERN UNIVERSITY AT NEW ORLEANS

**FS-01-SUNO-1 - Inadequate Controls Over Student
Accounts Receivable**

For the second consecutive year, Southern University at New Orleans (SUNO) did not have adequate controls over student accounts receivable and did not comply with established policies for collecting outstanding balances owed by students. An adequate system of internal control should ensure that student charges are valid, that account balances are accurate, and that refunds of student charges are made timely and properly. In addition, university policy requires that students pay any outstanding balances owed the university before being allowed to register for classes in subsequent semesters.

Beginning in July 1999, SUNO implemented a separate student information system to maintain student account data including student receivable amounts. Before that date, student account data were maintained in the student information system at the Baton Rouge campus. In March 2001, SUNO converted the student account data maintained by the Baton Rouge campus into its own student information system. During a review of student accounts maintained on the two systems before and after conversion, the following deficiencies were noted:

1. SUNO did not consistently apply its policy relating to payment of outstanding balances owed by students as follows:
 - In a test of 26 students taken from the SUNO system, seven (27%) were allowed to register for classes while still owing a balance from prior semesters. One registered for the summer 2000 semester owing amounts to the university as of June 30, 2000; two registered for the summer 2000, fall 2000, and spring 2001 semesters owing amounts to the university as of June 30, 2000; three registered for the fall 2000 and spring 2001 semesters owing amounts as of June 30, 2000; and one registered for the spring 2001 semester owing a balance for the fall 2000 semester.
 - In a test of 30 SUNO students taken from the Baton Rouge system, seven (23%) were allowed to register for classes while still owing a balance from prior semesters. Four registered for the summer 2000, fall 2000, and spring 2001 semesters owing amounts to the university as of June 30, 2000; two registered for the fall 2000 and spring 2001 semesters owing amounts as of June 30, 2000; and one registered for the spring 2001 semester owing a balance as of June 30, 2000.
 - A comparison of student accounts on the two systems revealed that approximately 1,584 (27%) of 5,968 students registering for classes during fiscal year 2001 had outstanding balances owed to the university

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

on the Baton Rouge system. These balances totaling \$233,617 were converted to the SUNO system in March 2001 and were written off in May 2001.

2. SUNO did not maintain adequate controls over student accounts with credit balances. Credit balances usually signify amounts that the university owes to a student. The credit balance generally occurs when funds credited to a student's account exceed student charges debited to a student's account. As of April 30, 2001, 467 student accounts on the SUNO system had credit balances totaling \$216,777. Audit tests of 20 student accounts with credit balances exceeding \$1,100 revealed the following deficiencies:
 - One student was given a refund in June 2001, four months after it was due in February 2001.
 - As of May 2001, four months after two students were removed from university rolls, the university had neither calculated nor made refunds for unearned tuition fees and other student charges. The two students were awarded financial aid for the spring 2001 semester but did not attend the university and were purged from the university's student rolls in January 2001. At that time, repayments of unearned tuition fees and other student charges were due to the providers of the financial aid. When we brought this situation to management's attention, the university made refunds of \$6,119 to the two students instead of repaying the providers of the financial aid. The university subsequently voided these checks. Since the students did not attend the university, a portion of the remaining \$1,721 is also due to the providers of the financial aid.
 - Two (10%) student accounts tested had incorrect balances. For one student, a credit entry of \$1,089 was posted to the student's account for financial aid received by the student; however, no debit entries were posted for tuition charges totaling \$1,089. For another student, a credit entry of \$11,000 was posted to the student's account for monies the university was holding for that student. These monies should be accounted for as a deposit held in trust. As a result of these errors, student accounts receivables were understated by \$12,089.
3. No evidence existed that accounts with credit balances on the Baton Rouge system had been analyzed to determine the validity of the credit balances before their conversion to the SUNO system. As reported in the prior year audit, 60 student accounts on the Baton Rouge system had credit balances totaling \$203,272, an indication that the account balances may not be accurate and that all charges may not be posted. These accounts were subsequently written off in their entirety by the university.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

4. In fiscal year 2001, SUNO wrote off student accounts receivable totaling \$100,507 as uncollectible. This amount represented 10% of the campus' \$994,353 in accounts receivable. Of the 4,827 student accounts written off, 1,501 (31%) student accounts were for current students with active accounts. The \$100,507 represents the net write-off by SUNO, including \$233,617 transferred from the Baton Rouge receivable accounting system, as well as other accounts with debit and credit balances maintained on the SUNO receivable accounting system.

Management's failure to follow established procedures concerning collection of outstanding balances and failure to adequately analyze student account data before making refunds or writing off account balances increases the risk that student receivable amounts will be inaccurate and will not be collected.

The university should enforce its policy on collecting outstanding balances. Management should also analyze each student's account, verify that the account balance includes only valid charges, and make refunds or collect balances timely and properly. In addition, management should not write off student accounts until it can be established that the balance is not owed to/or by the university. Management generally concurred with the finding and recommendations and outlined a plan of corrective action. Management noted in response to item #3 that while it did review 25% of the students' records, management recognized the problems with processing data on multiple systems that were not fully integrated. See management's response at B-121.

FS-01-SUNO-2 - Tuition and Fees and Refunds
Not Properly Recorded

SUNO did not have adequate controls over the recording of tuition and fees and refunds. Good internal control should ensure that tuition and fees are valid and properly recorded in the accounting records, account balances are accurate, and refunds of tuition and fees are made properly.

The following deficiencies in controls over tuition and fees and refunds were noted:

1. Tuition and fees charged to 249 students were invalid. These students started but did not complete registration for the summer 2000, fall 2000, and spring 2001 semesters. When the students failed to complete the registration process, the university did not remove from the accounting records the tuition and fee charges assessed to the students. As a result, tuition and fees revenues are overstated by approximately \$197,000 and student accounts receivable are overstated by approximately \$191,000 at June 30, 2001. When this matter was brought to management's attention, the university made corrections to the accounting records. Also, because charges were not removed from the student accounts,

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Financial Statement Findings (Continued)

13 of the 249 students who registered for subsequent semesters overpaid approximately \$6,000 in tuition and fees and are due refunds.

2. In a test of 49 students receiving refunds of tuition and fees as of April 30, 2001, 20 (41%) students were issued refunds totaling \$34,564 in error. The refunds ranged in amounts from \$45 to \$4,349. The refunds occurred when financial aid awards were incorrectly credited to the student accounts. Subsequently, the university corrected the student accounts and established student accounts receivable for the amount of the refunds.
3. The university does not timely reconcile student tuition and fees assessed and recorded in registration records to amounts recorded in the general ledger and the student accounts. As a result, management was unaware of an unreconciled difference of \$211,517 between the \$2,962,308 in general tuition and fees recorded in the registration records for the fall 2000 semester and the \$2,750,791 in general tuition and fees collected and recorded in the general ledger for the fall 2000 semester.

Failure to properly record tuition and fees and refunds increases the risk of a loss of revenue to the university and may result in inaccurate financial reporting. Failure to reconcile tuition and fees assessed and recorded in the registration records to amounts recorded in the general ledger and in the student accounts increases the risk that all revenue may not be properly accounted for and recorded.

Management should establish procedures to ensure that only valid student charges are recorded in the accounting records and refunds are made properly. Also, management should timely reconcile tuition and fees each semester to ensure revenue is properly accounted for and recorded. Management concurred in part with the finding and recommendations and outlined a plan of corrective action (B-125).

TELECOMMUNICATIONS MANAGEMENT, OFFICE OF

FS-01-OTM-1 - Inaccurate Financial Statements

The Office of Telecommunications Management (OTM) did not submit accurate and/or complete AFRs to the Division of Administration in accordance with prescribed law. R.S. 39:79 requires that a sworn statement be prepared in the format devised and approved by the commissioner of administration and the affidavit attached to the AFR states that the financial statements present fairly the financial position of OTM. The AFR that was submitted to OSRAP for the year ended June 30, 2001, contained the following material misstatements:

- Statement A (Balance Sheet) did not include receivables or payables related to telecommunication usage that was incurred in June 2001.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

- Statement C (Statement of Cash Flows) omitted net cash provided (used) by operating activities, included cash provided from transfers even though no transfers occurred, and included other misstatements to balance Statement C to Statement A.

The AFR was not adequately reviewed before it was submitted to OSRAP. Inaccurate financial reporting by OTM could cause material misstatements in the State of Louisiana's *Comprehensive Annual Financial Report*.

OTM should prepare an accurate AFR to be submitted to OSRAP in accordance with state law. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-145).

**TRANSPORTATION AND DEVELOPMENT,
DEPARTMENT OF**

FS-01-DOTD-1 - Theft of Payroll Funds

DOTD did not implement sufficient controls over payroll processing and as a result, payroll funds totaling \$20,370 were stolen by a departmental employee during the period January 10, 1999, to January 7, 2001. R.S. 14:67 defines theft as the misappropriation or taking of anything of value that belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations.

The employee's job duties included inputting payroll data into the computer system, including her own. However, an independent verification by DOTD of the amounts approved for payment was not traced to the amounts input into the computer system. The department's subsequent comparison of payroll records located at the McManus Unit in Clinton, Louisiana, to those located at the district office revealed that the employee had changed her payroll records after they were approved by a supervisor and that she was paid for overtime she did not work. Lack of management oversight provided the opportunity for the theft of funds. The department improved internal control and took disciplinary action against the employee. The investigation of this matter resulted in the termination of the employee, court-ordered restitution, 60 days of public service, and four years of supervised probation. While management acknowledged that the theft occurred, management stated that oversight was appropriate since the fraud was detected internally. More frequent oversight checks will be implemented. See management's response at B-155.

Additional Comment: The theft occurred over a two-year period demonstrating a weakness in internal control over payroll.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

FS-01-DOTD-2 - Unrecorded Commitments

At June 30, 2001, contractual commitments of \$42 million, which includes \$5 million of accounts payable, were not recorded in DOTD's project tracking system and were not reported in the department's annual fiscal report. A good system of internal control would include procedures to ensure that all contractual commitments are recorded and obligations associated with those commitments are appropriately reported at year-end. The department established the Project Management Financing System (PMFS) to provide this function. This system is intended to track all financial activity on capital outlay projects from the time they are authorized by the legislature until they are closed. PMFS is used, in part, to prepare the department's annual fiscal report.

An examination of all flood control projects disclosed that 55 flood control projects totaling \$42 million were not recorded in PMFS. Included in the \$42 million were liabilities of \$5 million for work that was completed. The department did not pay these liabilities because, while the projects had been authorized by the legislature, funds had not been appropriated to pay for them. Although Louisiana Revised Statute 48:251 allows the department to enter into contracts before funds are actually available, the existence of these obligations should, nevertheless, be disclosed in the annual fiscal report.

These conditions occurred because the section responsible for entering into the contracts did not forward the appropriate information to the section responsible for recording the commitments in PMFS. Failure to record and report all commitments and liabilities leaves the department without the information needed to properly manage its funds and could cause material misstatements in the State of Louisiana's *Comprehensive Annual Financial Report*.

DOTD should re-emphasize the importance of recording and reporting all commitments and liabilities. Management concurred with the finding and recommendation (B-156).

UNIVERSITY OF LOUISIANA AT MONROE

FS-01-ULM-1 - Financial Statements Not Properly Prepared

For the third consecutive audit, the University of Louisiana at Monroe submitted annual financial reports that were not properly prepared and contained numerous errors. The Division of Administration, Office of Statewide Reporting and Accounting Policy, requires financial statements that are prepared in accordance with the instructions of that office, which is also in accordance with generally accepted accounting principles. Good internal controls would provide the university with procedures to record, process, and summarize financial data needed to prepare accurate financial statements. These procedures should require that accounts be periodically analyzed and reconciled to subsidiary ledgers or detailed information to determine the validity of the account balances. Also, good internal control procedures should require that

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Concluded)

upper management review the financial statements so that any preparation errors can be detected and corrected in a timely manner.

Auditors proposed 15 adjustments to the financial statements (Statements A, B, and C) with dollar impacts ranging from \$29,443 to \$3,295,765. There were 11 adjustments required to correct the notes to the financial statements. Furthermore, much of the supporting documentation to the financial statements and notes to the financial statements was developed after the financial statements were issued.

Management has not trained staff nor developed detailed instructions for the compilation of the financial statements. Adequate training and instructions would ensure that the statements are prepared in accordance with the requirements of the Division of Administration and generally accepted accounting principles and contain accurate information that can be reconciled to supporting financial records. Management's lack of emphasis on financial reporting can result in the preparation of financial statements that are misleading to the reader and not fairly presented in accordance with generally accepted accounting principles.

Management should develop a formal written compilation process that requires periodic reconciliation of all general ledger accounts to subsidiary or supporting records. The compilation process should include the performance of analytical procedures and a high-level supervisory review of financial information and note disclosures to detect and correct errors in a timely manner before submitting that information to the Division of Administration and to the auditors. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-166).

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Schedule C

Federal Award Findings and Questioned Costs For the Year Ended June 30, 2001



**STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Federal Award Findings and Questioned Costs
For the Year Ended June 30, 2001

FINDINGS COVERING MORE THAN ONE FEDERAL AGENCY

EDUCATION, DEPARTMENT OF

**F-01-CC-EDUC-1 - Improper Charging of Administrative
Expenditures to Federal Awards**

	Questioned Costs
10.558 - Child and Adult Care Food Program (2000)	\$39,920
17.255 - Workforce Investment Act (2001)	1,563
84.010 - Title I Grants to Local Educational Agencies (2001)	36,440
84.048 - Vocational Education - Basic Grants to States (2001)	1,990
<u>Special Education Cluster:</u>	37,291
84.027 - Special Education - Grants to States (00/01)	
84.173 - Special Education - Preschool Grants (00/01)	
	\$117,204

The state Department of Education (SDE) does not have adequate procedures to ensure that direct costs charged to federal programs comply with federal regulations when administering the Title 1 Grants to Local Educational Agencies (Title 1) (CFDA 84.010), Special Education Cluster (SEC) (CFDA 84.027/84.173), Child and Adult Care Food Program (CACFP) (CFDA 10.558), Vocational Education - Basic Grants to States (CFDA 84.048), and Workforce Investment Act (WIA) (CFDA 17.225) programs. Office of Management and Budget (OMB) Circular A-87 states that costs are allowable if they are reasonable and necessary for the proper and efficient performance and administration of the program, are allocated to a particular program to the extent of the relative benefits received, and are appropriately documented. Travel costs are allowable for expenses incurred by employees traveling on official business. Also, in accordance with A-102 Common Rule, expenditures must be obligated during the period of availability applicable to the federal award charged.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Based on audit tests, administrative expenditures totaling \$117,204 were not properly charged to federal programs and these amounts are questioned costs as follows:

1. Expenditures totaling \$56,651 were charged to programs other than the actual program affected.
 - Salaries totaling \$39,080 for two employees were charged to CACFP; however, the employees certified that 100% of their time was spent working on another federal program.
 - A professional service contract totaling \$9,000 for a state mandated program was charged to Title 1.
 - Furniture and computers totaling \$8,571 charged to Title I, SEC, and WIA were purchased for and used by employees who work on other federal programs or state activities.
2. Expenditures totaling \$41,774 lacked the detailed documentation necessary to make a determination of allowability for the costs charged to Title 1, SEC, and Vocational Education.
 - Four correcting journal vouchers totaling \$22,660 had no explanation of why the entries were being made and did not reference the original transaction being corrected.
 - Supplies and operating services totaling \$17,124 were paid based solely on a request form from an SDE area office.
 - Food purchases totaling \$1,990 were paid without supporting invoices.
3. There was no evidence that non-employee international travel costs totaling \$17,939 charged to SEC over a two-year period were ordinary and necessary for the performance and administration of the program or how the travel benefited the program.
4. Supplies totaling \$840 charged to CACFP were ordered on November 21, 2000, approximately 2 months after the period of obligation ended September 30, 2000.

SDE procedures do not require that program personnel approve costs charged to their programs. This increases the risk that expenditures could be improperly charged to federal programs. Also, without proper supporting documentation, the department cannot ensure compliance with allowable cost requirements.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

The SDE should implement procedures to ensure that all costs charged to a program are reviewed and approved by program personnel who are aware of program functions and that all transactions are properly documented before payments are processed. The SDE should also consult with the U.S. Department of Education regarding the resolution of the questioned costs noted in this finding as well as the allowability of any related indirect costs claimed. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-10).

**F-01-CC-EDUC-2 - Ineffective Controls Over
 Subrecipient Monitoring**

	Questioned Costs
84.010 - Title I Grants to Local Educational Agencies (99/00/01)	\$11,006
84.340 - Class Size Reduction (99/00/01)	
<u>Special Education Cluster:</u>	
84.027 - Special Education - Grants to States (99/00/01)	
84.173 - Special Education - Preschool Grants (99/00/01)	
<u>Child Care Cluster:</u>	
93.575 - Child Care and Development Block Grant (99/00/01)	1,856
	<u>\$12,862</u>

The SDE does not have adequate internal control to monitor subrecipients for compliance with the Title 1 Grants to Local Educational Agencies (LEA) (CFDA 84.010), Special Education Cluster (SEC) (CFDA 84.027/84.173), Class Size Reduction (CSR) (CFDA 84.340), and Child Care and Development Block Grant (CCDBG) (CFDA 93.575) program requirements. OMB Circular A-133 requires the pass-through entity to monitor subrecipients for compliance with applicable federal laws and regulations. OMB A-133 also requires the pass-through entity to issue a management decision on subrecipient audit report findings, ensure that the subrecipient takes corrective action, and consider any effects the audit may have on the entity's own records. The management decision should be issued within six months of the receipt of the subrecipient's external certified public accountant (CPA) audit report and should clearly state whether the finding is sustained, the reasons for the decision, and the expected actions including repayment of related disallowed costs, as well as financial adjustments needed, if any.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

In a review of the SDE's subrecipient monitoring function, audit tests disclosed the following deficiencies:

1. No written management decisions were issued by the SDE on audit findings included in the external CPA audit reports of five subrecipients. Management decisions were due in fiscal year 2001 on the following noncompliance findings: three subrecipients either inaccurately calculated or had inadequate documentation related to Title 1 comparability requirements; two requested reimbursement in advance from the SDE before payment of their invoices; and one paid its Title 1 clerk more than its other clerks, inflating the reimbursement. Also, no evidence existed that the SDE followed up on the external audit findings to ensure that the subrecipients took corrective action. No evidence was available to document that the SDE determined whether any costs related to the noncompliance should be recovered from the subrecipients or if any financial adjustments were needed.
2. SDE management did not review on-site reports prepared by SDE program personnel timely and did not resolve certain findings that were likely to result in disallowed costs. A review of 27 SDE on-site monitoring reports disclosed the following noncompliance findings that indicated questionable costs:
 - a. In five school districts, payroll charges were improperly charged to Title 1. The reviewer specifically identified \$235,919 in one district as the amount improperly charged.
 - b. In two school districts, Title 1 buildings were used for non-program purposes.
 - c. In one school district, numerous instances of questionable expenditures of CSR funds were noted by the SDE monitors. These included summer school teacher salaries (\$554,913 subsequently identified by the district), food purchases totaling \$4,602, a \$4,200 rental fee, \$340 for gifts, and payments to teachers despite inconsistencies in the number of teachers and their certification status. This report also noted "significant concerns regarding the implementation and the use of funds available through the Class Size Reduction program."

These on-site monitoring visits were conducted between January and May 2001. As of August 2001, no follow-up work had been done on the report findings.

Considering the findings noted previously, timely follow-up is essential to evaluate and resolve report findings. As the pass-through entity, the SDE is ultimately responsible for repaying any disallowed costs to the federal grantors.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

3. SDE's Division of Education and Finance (DEF) "fiscal reviews" of subrecipients for allowed/unallowed activities or costs are limited in number and are not performed in a timely manner. During the 2001 fiscal year, DEF reviewed one (1.5%) of 66 Title 1 subrecipients and opened fiscal reviews on 20 (10%) of 205 SEC subrecipients, but completed only seven (3%) reviews. The reviews were done only after the federal grants were closed, up to 27 months after the funds were expended. In addition, DEF did not perform any fiscal reviews of CCDBG subrecipients.
4. The review for allowability of costs performed by the Division of Appropriation Control is not always effective. The division makes payments to subrecipients based on reimbursement requests and expenditure listings submitted by the subrecipients. The division's accountants are responsible for reviewing the expenditures included in these requests to determine whether those costs submitted for reimbursement are allowable under federal guidelines. OMB Circular A-87 states that for a cost to be allowable it must be reasonable and necessary for the proper and efficient performance and administration of the related grant.

In a review of 100 reimbursement requests for Title 1, SEC, and CCDBG funds, audit tests disclosed that 100%, 93%, and 28% of the requests, respectively, lacked the detailed documentation necessary to make a determination of allowability for all of the costs included in the requests. Also, no evidence existed that additional supporting documentation was obtained by SDE before paying the subrecipient. In a test of 10 transactions included in seven reimbursement requests, we obtained detailed support from seven subrecipients that resulted in questioned costs of \$11,006 for landscaping, entertainment, and clothing charged to the Title 1 program and \$1,856 for unsubstantiated expenditures, entertainment, and clothing charged to the CCDBG.

The SDE lacks a centralized monitoring function to organize and supervise monitoring activities and to ensure subrecipient compliance with federal laws and regulations. Also, the SDE does not have written policies and procedures outlining the subrecipient monitoring function, including procedures for issuing management decisions and resolving audit findings.

The SDE's failure to adequately monitor subrecipients impairs the department's ability to evaluate the impact of subrecipient activities on overall compliance with laws and regulations. Costs incurred by a subrecipient that have not been appropriately monitored by the department may ultimately be treated as disallowed costs by the federal grantors, which subjects the department to the risk that federal funds passed through to subrecipients could be questioned. During the 2001 fiscal year, the SDE passed through a total of \$281,005,157 in federal funds through Title 1 (\$177,562,210), SEC (\$70,246,070), CSR (\$28,719,633), and CCDBG (\$4,477,244) programs.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

The SDE should develop a centralized monitoring function to organize and supervise subrecipient monitoring activities. The SDE should develop and implement comprehensive written policies and procedures that outline monitoring responsibilities, including the process for issuing SDE management decisions and following up and resolving external audit findings. The SDE should consult with the U.S. Department of Education regarding the resolution of the questioned costs noted in this finding. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-13).

LABOR, DEPARTMENT OF

**F-01-CC-LABR-1 - Inaccurate Schedule of Expenditures
 of Federal Awards**

	Questioned Costs
17.253 - Welfare-to-Work Grants to States and Localities (00/01)	\$0
17.255 - Workforce Investment Act (00/01)	
17.E.9454621 - State Occupational Information Coordinating Council Awards - Community Food and Nutrition (00/01)	
93.569 - Community Services Block Grant (00/01)	
93.571 - Community Services Block Grant Discretionary Awards - Community Food and Nutrition (00/01)	

The Department of Labor did not reconcile total federal expenditures in the *Schedule of Expenditures of Federal Awards* (SEFA) to the related federal revenue amounts included in its financial statements (AFR Schedule 1). In addition, the department did not submit an accurate and/or complete SEFA (AFR Schedule 8) with the financial statements submitted to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP) for the year ended June 30, 2001. OMB Circular A-133 requires auditees to prepare a schedule of expenditures of federal awards for the period covered by the financial statements to report the total expenditures for each federal program. In addition, the auditee must also be able to reconcile amounts presented in the financial statements to related amounts in the SEFA.

The department did not prepare the required *Reconciliation of Schedule 1 and Schedule 8* (i.e., Reconciliation of General Operating Revenues and the SEFA). Instead, the department included a note on the reconciliation form that stated a complete and accurate reconciliation could not be completed.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

In addition, a review of the SEFA submitted to OSRAP disclosed the following:

1. The federal expenditures of \$34,656,448 reported for the Workforce Investment Act program incorrectly included \$6,070,619 for the Welfare-to-Work Grants to States and Localities (CFDA 17.253) program. The Welfare-to-Work Grants to States and Localities program was not included in the SEFA.
2. The Community Services Block Grant (CFDA 93.569) program federal expenditures of \$12,405,706 incorrectly included \$77,232 for the Community Services Block Grant Discretionary Awards - Community Food and Nutrition (CFDA 93.571) program.

These conditions existed because the department has not fully developed and implemented procedures for using its accounting system information to prepare the required reports and reconciliations. Because the department did not prepare the *Reconciliation of Schedule 1 and Schedule 8*, we cannot determine whether total and individual programs expenditure amounts reported in the SEFA are accurate. In addition, the accuracy and completeness of the amounts of federal revenues, federal receivables, and deferred revenues reported in the department's financial statements cannot be determined.

The department should fully develop and implement procedures for preparing an accurate and complete SEFA as required by federal regulations and OSRAP and for reconciling the SEFA to the financial statements. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-58).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SOCIAL SERVICES, DEPARTMENT OF

**F-01-CC-DSS-1 - Subrecipient Monitoring: Noncompliance With
 Federal and State Regulations**

	Questioned Costs
84.177 - Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind	\$0
93.558 - Temporary Assistance for Needy Families	
93.563 - Child Support Enforcement	
93.566 - Refugee and Entrant Assistance - State Administered Programs	
93.568 - Low-Income Home Energy Assistance	
93.645 - Child Welfare Services - State Grants	
93.667 - Social Services Block Grant	
93.674 - Independent Living	
<u>Child Care Cluster:</u>	
93.575 - Child Care and Development Block Grant	
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	

The Department of Social Services did not comply with certain federal and state regulations applicable to the monitoring of federal subrecipients and state contractors. OMB Circular A-133, Section 400(d) requires that the pass-through entity identify for subrecipients the CFDA title and number, the award name and number, and the award year of federal program funds. The circular also requires that the pass-through entity advise the subrecipient of requirements imposed on them by federal laws, regulations, and the provisions of contract or grant agreements. In addition, Louisiana Revised Statute (R.S.) 39:1500 requires a state agency to file a final report with the Office of Contractual Review within 60 days of the completion of a professional, consulting, or social service contract. The final report is used to evaluate contract performance and the utility of the final product.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Audit procedures performed on compliance with subrecipient monitoring requirements disclosed the following:

- For the fourth consecutive year, the department did not ensure that the federal award information and applicable compliance requirements were provided to the subrecipient. A test of 45 contracts disclosed that 25 contracts (56%) did not include the CFDA program name; 19 contracts (42%) did not include the CFDA program number; and 41 contracts (91%) did not advise the subrecipients of the requirements imposed by laws, regulations, and the provisions of contract or grant agreements.
- For the second consecutive year, the department did not comply with R.S. 39:1500. A review of 27 monitoring reports disclosed that 17 were submitted 74 to 355 days after the completion of the contract.

Failure to include required federal program information in the subrecipient contract increases the risk that the subrecipient may not comply with applicable program regulations. In addition, failure to comply with the revised statute denies the Office of Contractual Review timely information on contract performance.

The department should ensure subrecipient contracts comply with OMB Circular A-133 and that final reports are filed with the Office of Contractual Review pursuant to R.S. 39:1500. Management concurred with the finding and recommendation and outlined plans of corrective action (B-104).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2001

SOUTHERN UNIVERSITY AND A&M COLLEGE
(BATON ROUGE)

Independent auditors performed an audit of the Southern University and A&M College (Baton Rouge) federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following finding was presented in their report.

F-01-CC-SUBR-1 - Allowable Activities and Allowable Costs

	Questioned Costs
16.710 - Public Safety Partnership and Community Policing Grants (2001)	\$0
93.671 - Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes (2001) (Through: Central State University)	

The legislative auditor is presently performing an investigation of the Family Violence Prevention and Services (CFDA 93.671) program, and the internal auditor of the Southern University System is performing an audit of the Public Safety Partnership and Community Policing Grant (CFDA 16.710) (Violence Against Women) with regard to unallowable activities and costs. At the time of the audit, the investigations had not been completed and the auditors were unable to determine the amount of questioned costs.

OMB Circular A-133 Compliance Supplement Section 3 (A) (Activities Allowed and Unallowed) and (B) (Allowable Costs) specify that federal awards can only be expended for allowable activities and costs must be reasonable and necessary for the performance and administration of the grant.

The auditors recommended that management of the university report the related results of the investigation and proposed corrective action to federal officials. They also recommended that management take immediate steps to implement the necessary corrective action. See management's response at B-117.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SOUTHERN UNIVERSITY AT NEW ORLEANS

Independent auditors performed an audit of the Southern University at New Orleans federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following finding was presented in their report.

F-01-CC-SUNO-1 - Internal Auditor

	Questioned Costs
All Programs	<u>\$0</u>

The auditors noted that before the end of the fiscal year and the completion of their fieldwork that Southern University at New Orleans had not hired a replacement for the individual responsible for the internal audit function. An effective internal audit function is essential in providing an independent assessment of an effective internal control system, verifying compliance with established policies and procedures and federal, state, and local laws and regulations.

An internal audit function is especially needed in evaluating the university's processing of student financial aid, including William Ford Direct Loans (CFDA 84.268) and Federal Family Education Loans (CFDA 84.032). The function is also needed to determine compliance with Title IV regulations, including verifying satisfactory academic progress, calculating Title IV refunds, and assisting in overall assessments of the fiscal office as it relates to financial aid. Also, an internal audit function is especially required for the period subsequent to July 1, 2001, since all federal program processes have been transferred to the New Orleans campus.

The auditors recommended that immediate steps be taken to re-establish an internal audit function and that once re-established, an internal audit plan is immediately developed to address the previously noted conditions. See management's response at B-131.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF AGRICULTURE

PUBLIC SAFETY AND CORRECTIONS -
CORRECTIONS SERVICES, DEPARTMENT OF

F-01-USDA-CORR-1 - Noncompliance With Food Distribution
Program Agreement

	Questioned Costs
10.550 - Food Distribution (2001)	\$0

Jetson Correctional Center for Youths (JCCY) does not have adequate perpetual inventory records to control the commodities inventory received under the Food Distribution Program (CFDA 10.550) and did not submit accurate monthly inventory reports to the Louisiana Department of Agriculture and Forestry (LDAF). The Agreement for Distribution and Use of Donated Food Commodities between the Department of Corrections and the LDAF requires JCCY to maintain a perpetual inventory of all commodities and to submit an accurate inventory report to LDAF by the tenth of the each month. In addition, the agreement requires JCCY to maintain accurate records pertaining to all transactions relating to the receipt and disposal of food commodities.

A review of the Commodities Inventory Reports submitted to LDAF and a physical inventory revealed the following discrepancies:

- Beginning balances on the monthly Commodity Inventory Reports for 9 of the 12 months during the year did not agree to the previous month's ending balance.
- Eighteen of 20 (90%) items counted in a physical inventory at August 31, 2001, could not be reconciled with the perpetual inventory records and the inventory report.
- Mathematical errors occurred on six of 12 Commodity Inventory Reports reviewed. Five of 12 (42%) Daily Issue/Withdrawal reports reviewed did not contain a signature of the employee issuing the commodities.

Because insufficient emphasis was placed on recordkeeping and reporting, errors could result in the misuse or misreporting of commodities.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

JCCY should implement procedures to ensure that monthly inventories are reconciled, that required reports are submitted to LDAF within the required time frame, and that perpetual inventory records pertaining to all transactions relating to the receipt and disposal of food commodities are accurate. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-82).

U.S. DEPARTMENT OF LABOR

LABOR, DEPARTMENT OF

**F-01-USDOL-LABR-2 - Insufficient Monitoring of
 JTPA Subrecipient Audits**

Questioned Costs
\$0

JTPA Cluster:

**17.246 - Employment and Training Assistance -
 Dislocated Workers**

17.250 - Job Training Partnership Act

For the third consecutive year, the Department of Labor, Office of Workforce Development technical assistance (TA) section, did not have adequate procedures to obtain and review audit reports of subrecipients and to resolve findings and questioned costs identified in audits of subrecipients of the Job Training Partnership Act (JTPA) (CFDA 17.250) and the Employment and Training Assistance-Dislocated Workers (CFDA 17.246) programs. OMB Circular A-133 requires the department, as the pass-through entity, to ensure that subrecipients expending \$300,000 or more in federal awards have met the audit requirements of the circular; to monitor subrecipient activities for compliance with federal requirements; to evaluate audit findings and determine that an acceptable corrective action plan has been prepared and implemented; and to inform each subrecipient of the *Catalog of Federal Domestic Assistance* (CFDA) title and number for federal awards received.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

The TA section uses an audit control log to monitor the receipt of audit reports and the resolution of any findings. A review of the audit control log disclosed the following:

- As of May 3, 2001, the department had not obtained audit reports for all of its subrecipients. Of the 28 subrecipients that required an audit, the department did not obtain four audit reports.
- A review of the six recipients that had not submitted an audit report for the prior fiscal year disclosed that the department still had not received one audit report.
- In seven instances, the log did not contain information regarding receipt of audit reports or identification and disposition of findings and questioned costs.

A review of the TA section's audit review and resolution procedures for 11 of 28 JTPA and Dislocated Workers program subrecipients disclosed the following:

- For one audit report, the TA section did not have an initial or a final determination letter on findings and/or questioned costs.
- Four of the 11 audits reviewed contained errors in CFDA titles or numbers on the schedule of expenditures of federal awards.

These conditions existed because the TA section did not actively ensure that the required information on subrecipient audits was properly received, reviewed, and resolved. Failure to promptly obtain and follow up on report findings and questioned costs increases the risk that program funds will not be expended in accordance with applicable state and federal laws and regulations.

The Department of Labor, Office of Workforce Development TA section, should ensure that its procedures to identify and resolve audit findings and questioned costs related to JTPA and Dislocated Workers funds disbursed to subrecipients are adequate. Management partially concurred with the finding and outlined a plan of corrective action (B-60).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-USDOL-LABR-3 - On-Site Monitoring of WIA
Subrecipients Not Sufficient

	Questioned Costs
17.255 - Workforce Investment Act	\$0

For the fourth consecutive year, the Department of Labor, Office of Workforce Development (OWD), did not adequately monitor subrecipients for compliance with the Workforce Investment Act (WIA) Program (CFDA 17.255), formerly the Employment and Training Assistance - Dislocated Workers and Job Training Partnership Act programs. OMB Circular A-133 requires the pass-through entity to monitor subrecipient compliance with applicable federal laws and regulations. OWD policy requires the monitoring staff to review the subrecipients' accounting records that support its monthly expenditure reports. In addition, OWD policy has established a 30-day time frame for issuing monitoring reports.

In a test of 10 sets of OWD working papers and related reports, audit procedures disclosed the following:

- In nine instances, the monitor did not reconcile the subrecipients' expenditure reports with the subrecipients' accounting records. The expenditure reports are submitted to the OWD on a monthly basis.
- In six instances, the issuance of the monitors' reports exceeded the 30-day requirement by eight to 65 days.

OWD had not implemented its policies and procedures for monitoring WIA subrecipient compliance with applicable laws and regulations, and supervisors did not ensure that existing policies and procedures were followed.

While OWD has made significant progress in addressing monitoring issues noted in previous findings, failure to adequately monitor WIA subrecipients impairs the department's ability to monitor its own compliance with laws and regulations applicable to the WIA program. Failure to document on-site reviews can result in procedures that do not ensure that federal awards are used for authorized purposes.

OWD should perform and document monitoring procedures on subrecipients to ensure compliance with the WIA program requirements. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-63).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-USDOL-LABR-4 - Unemployment Insurance Costs
Charged Outside of Funding Period

	Questioned Costs
17.225 - Unemployment Insurance	<u>\$808,857</u>

For the second consecutive year, the Department of Labor Fiscal Division improperly charged approximately \$800,000 in costs to the Unemployment Insurance (UI) (CFDA 17.225) grant for the federal fiscal year ended September 30, 1999, after the funding period had expired. U.S. Department of Labor (USDOL) guidelines establish an initial UI funding period as a 15-month period ending on December 31. The guidelines allow another 21 months after the initial funding period during which "automation acquisitions," such as computer systems and document imaging system, may be charged to the program.

A review of the expenditure reports for the quarters ended June 30 and September 30, 2000, disclosed that expenditures amounting to \$808,857 were charged to the 1999 UI grant. The supporting documentation showed that these expenditures were incurred after the expiration of the grant's initial funding period and were not expended for automation acquisitions. The Fiscal Division did not have procedures to ensure that amounts charged to UI grant after the expiration of the initial funding period were allowable. As a result, it could not support the allowability of these charges for federal funding, and these costs totaling \$808,857 are questioned.

The Fiscal Division should ensure that only allowable costs are charged to UI grants in the proper funding period. Management should resolve the questioned costs with USDOL. Management partially concurred with the finding, stating that this finding will be resolved when the FARS system is closed. However, some corrective action has been taken. See management's response at B-65.

Additional Comments: The department converted to the statewide accounting system (ISIS) on July 1, 1999. Consequently, the department should have had controls in place by September 30, 2000, to properly control the expenditure of federal funds carried over from the federal fiscal year ended September 30, 1999. For further information regarding the FARS accounting system closeout, see the finding titled "Unidentified Federal/State Cash Balances."

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 Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF TRANSPORTATION

**TRANSPORTATION AND DEVELOPMENT,
 DEPARTMENT OF**

F-01-DOT-DOTD-1 - Construction Materials Not Sampled

	Questioned Costs
<u>Highway Planning and Construction Cluster:</u>	<u>\$0</u>
20.205 - Highway Planning and Construction	

The Department of Transportation and Development (DOTD) did not ensure that all materials used on construction projects were sampled and tested prior to acceptance of the materials and payment to the contractor. Federal regulations (23 CFR 637.205) require the department to prepare and follow a sampling plan for testing materials used in construction. A good system of internal control should also include steps to ensure that materials are in conformity with approved plans and specifications prior to acceptance and payments to the contractor. The department's *Materials Sampling Manual* establishes and standardizes construction and maintenance sampling and material acceptance requirements and requires the results of tests to be recorded on a Summary of Test Results Form. The department did prepare a sampling plan for each project; however, the sampling plan was not always followed.

Eight of 45 Summary of Test Results Forms (18%) tested revealed that some samples required by the plans had not been taken. DOTD management informed us that Summary of Tests Results Forms are not prepared until the final phase of the project. Consequently, it is possible the department would not know that a materials sample was not taken until the end of the project. It cannot be readily determined how much money, if any, was paid to contractors for materials that may have been substandard because, in many instances, it is not possible to sample the materials or workmanship after the materials are used. The department has not sufficiently emphasized the importance of compliance with sampling plans. Failure to sample materials increases the risk of fraud and payments for substandard materials.

In January 2001, a settlement of \$30 million was reached with two corporations after certain former corporation employees pleaded guilty to charges of concealing the use of substandard pipe in the construction of Louisiana roadways from February 28, 1992, through October 31, 1997. The settlement was paid to the United States of America. Louisiana's portion of the \$30 million settlement was \$12 million. The \$12 million was divided into cash and credits. From a total of \$6.6 million cash, DOTD received \$5.28 million and the remainder of \$1.32 million was paid to two whistleblowers who had knowledge of the fraud. For the remainder of the \$12 million, DOTD received \$5.4 million in credits from the Federal Highway Administration for

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 Federal Award Findings and Questioned Costs (Continued)

Louisiana's unobligated balances. The whistleblowers also received \$4.68 million from the United States portion of the settlement for a total paid to whistleblowers of \$6 million.

DOTD should ensure that all materials used on construction projects are sampled and tested prior to acceptance of the materials and payment to the contractor to ensure that materials are in conformity with approved plans and specifications and to reduce the risk of fraud and payments for substandard materials. Management concurred in part with this finding. Management expressed that it does have policies and procedures in place to ensure material testing is conducted and will continue to insist on the highest quality material and workmanship in its construction projects. See management's response at B-146.

F-01-DOT-DOTD-2 - Equipment Rental Rates Not Current

	Questioned Costs
<u>Highway Planning and Construction Cluster:</u>	<u>\$0</u>
20.205 - Highway Planning and Construction	

The equipment rental rates charged by the DOTD to the Federal Highway Administration (FHWA) have not been updated since June 30, 1994. These rates are used, in part, to bill the FHWA for the cost of operating equipment on federally financed construction projects. As a result, the Highway Planning and Construction Program (CFDA 20.205) may have borne an inequitable share of costs associated with rental of equipment. OMB Circular A-87 provides that, to be allowable, costs must be reasonable and arrived at through sound business practices. However, the department has not placed sufficient emphasis on updating its rental rates. Failure to update the rates charged results in the possible overcharging or undercharging of the FHWA for the current cost of operating equipment. An estimate of potential questioned costs (overcharging), if any, cannot be determined at this time.

DOTD should immediately begin the process of updating the equipment rental rates charged to FHWA. Any identified overcharges should be reimbursed to the federal government. The department should seek reimbursement from FHWA for any identified undercharges. In the future, the department should update the equipment rental rates each fiscal year to ensure that rates are reasonable as required by OMB Circular A-87. Management concurred with the finding and stated that corrective action has already begun (B-147).

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**F-01-DOT-DOTD-3 - Failure to Monitor Preliminary
 Engineering Projects**

	Questioned Costs
<u>Highway Planning and Construction Cluster:</u>	
20.205 - Highway Planning and Construction	\$140,488

DOTD did not adequately monitor Highway Planning and Construction (CFDA 20.205) projects in the preliminary engineering phase to ensure that they advanced to another phase within 10 years, as required by the Code of Federal Regulations (23 CFR 630.307). Projects that do not advance to the right-of-way or construction phase within the 10-year time frame must be withdrawn from available federal funding and any federally funded expenditures of the projects should be refunded to the FHWA. An extension of the 10-year limitation can be approved by FHWA if the delay was caused by events beyond DOTD's control such as court action or environmental considerations.

FHWA informs DOTD at the beginning of each federal fiscal year of projects that have not advanced to the right-of-way or construction phase and will reach the prescribed time period by the end of that fiscal year. This notification gives DOTD a year to advance the projects to another phase or request an extension. After the tenth year, DOTD should close the projects and return any federally funded expenditures to FHWA.

While DOTD has a system to track the progress of projects, it did not adequately monitor certain projects in its system. As of September 30, 2000, the end of the federal fiscal year, the FHWA had authorized federal financing totaling \$190,358 for three projects that did not advance from the preliminary engineering phase within 10 years. The three projects had federally funded expenditures of \$140,488, which are questioned costs. The remaining \$49,870 of federal funds authorized for these projects is not available for other projects until these projects are closed. Furthermore, as of June 30, 2001, or 21 months after having been notified by FHWA of the outstanding projects, DOTD still had not advanced the projects, requested an extension, or returned the funds to FHWA.

DOTD should monitor project progress and either advance projects from the preliminary engineering phase to the right-of-way or construction phase within 10 years or request an extension, if appropriate. After the tenth year, DOTD should close the projects and return the federally funded expenditures to FHWA as required by federal regulations. Questioned costs should be resolved with FHWA. Management concurred with the finding and recommendation (B-151).

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F-01-DOT-DOTD-4 - Inadequate Monitoring of Davis-Bacon Act

	Questioned Costs
<u>Highway Planning and Construction Cluster:</u>	
20.205 - Highway Planning and Construction (2001)	\$0

DOTD did not adequately monitor the wages paid by contractors and subcontractors to ensure compliance with the requirements of the Davis-Bacon Act applicable to Highway Planning and Construction (CFDA 20.205). The Davis-Bacon Act [40 USC 276(a)] requires that mechanics and/or laborers on any construction project receiving at least \$2,000 in federal financing, be paid wages not less than the minimum prevailing wage of corresponding classes of employees engaged on similar projects in the locality. The minimum prevailing wage rate is determined by the U.S. Department of Labor (USDOL).

To ensure compliance with the Davis-Bacon Act, contractors and subcontractors submit copies of their payroll records to the DOTD district responsible for the project. A district employee is required to review the records to determine whether the contractor or subcontractor complied with the Davis-Bacon Act before forwarding these records to headquarters. Selected contractor and subcontractor payroll records for 45 separate projects were reviewed and the following discrepancies were noted:

- No evidence existed that a district employee had reviewed the payroll records for two of the pay periods in the sample. In one of these pay periods, two employees were paid below the minimum wage allowable.
- District personnel did test the payroll records for five additional employees who were paid below the minimum wage allowable; however, they did not detect the exceptions.
- DOTD did not have evidence of requesting the USDOL wage rate information for nine classifications of employees who were paid during one pay period. Consequently, DOTD could not have determined if 44 employees in these classifications were paid at least the minimum wage allowable.

After the initial district review, the DOTD *Labor Compliance Procedures Manual* requires an engineering technician at DOTD headquarters to re-review a minimum of 25% of the districts' payroll records at headquarters. While the engineering technician did have a schedule of the payroll records received, he did not have a schedule of payroll records examined. Consequently, the department did not have evidence that at least 25% of the payroll records were subjected to this second level of review.

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 Federal Award Findings and Questioned Costs (Continued)

These errors occurred because DOTD has not placed sufficient emphasis on compliance with departmental procedures. Failure to follow departmental procedures and to properly enforce the provisions of the Davis-Bacon Act increases the risk that mechanics and/or laborers will not be paid the prevailing wage for the locality and subjects the department to possible sanctions from the federal government.

DOTD should follow its established procedures to ensure compliance with the requirements of the Davis-Bacon Act. Management concurred in part with the finding. Management expressed that its procedures are adequate but outlined additional procedures that it will implement. See management's response at B-152.

F-01-DOT-DOTD-5 - Untimely Closing of Projects

	Questioned Costs
<u>Highway Planning and Construction Cluster:</u>	<u>\$0</u>
20.205 - Highway Planning and Construction (2001)	

For the fourth consecutive year, DOTD did not close completed construction projects within six months and did not file final vouchers with FHWA to close completed projects financed in part with federal funds within one year after final acceptance. The department participates in the FHWA Highway Planning and Construction Program (CFDA 20.205). The federal regulations for this program are codified in Title 23 of the Code of Federal Regulations (23 CFR). While 23 CFR does not specifically require final voucher submission within one year of final acceptance of the projects, that has been the time frame and methodology traditionally used by FHWA and DOTD in evaluating the status of projects. A DOTD *Engineering Directives and Standards Manual* directive dated June 9, 1999, requires that all construction and associated projects (engineering, utilities, and right-of-way) be closed within six months after the final acceptance date. Final acceptance is defined as a project being ready and available for public use. A good system of internal control would include procedures to close projects in accordance with FHWA guidelines and the departmental directive. However, DOTD did not submit the necessary documents to FHWA to close 161 completed projects funded in part by FHWA within one year of the final acceptance of the project.

At June 30, 2001, DOTD has not closed 371 construction projects that were completed before January 1, 2001, or within six months as required by the directive. The Estimates Section and Project Control Section either did not receive adequate information to close the projects or did not process the information they did receive in a timely manner. The state committed funds totaling \$76,979,944 and incurred state-funded expenditures of \$68,042,553 on these 371 construction projects. The remaining \$8,937,391 of state funds committed on these projects are not available for other projects until these projects are closed.

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 Federal Award Findings and Questioned Costs (Continued)

The 371 construction projects include 199 projects funded in part by FHWA. FHWA authorized \$142,660,506 and federally funded expenditures totaled \$129,495,094 for the 199 projects. The remaining \$13,165,412 of federal funds authorized are not available for other projects until these projects are closed.

DOTD should close completed construction projects within six months and should file final vouchers with the FHWA to close completed projects financed in part with federal funds within one year after final acceptance. Management concurred with the finding recommendation and outlined a plan of corrective action (B-157).

ENVIRONMENTAL PROTECTION AGENCY

ENVIRONMENTAL QUALITY, DEPARTMENT OF

F-01-EPA-DEQ-1 - Subrecipient Audit Reports Not Monitored

	Questioned Costs
66.458 - Capitalization Grants for State Revolving Funds	\$1,573,134

The Department of Environmental Quality (DEQ) did not adequately monitor subrecipient audit coverage to ensure compliance with federal regulations. OMB Circular A-133 requires pass-through entities, such as DEQ, to ensure that subrecipients expending \$300,000 or more in federal awards have met the audit requirements of the circular. Interviews with DEQ management disclosed that DEQ did not have a master listing of all subrecipients for the Capitalization Grants for State Revolving Funds (CFDA 66.358) that were required to receive audits under the provisions of OMB Circular A-133. Furthermore, an internal document titled "Annual Financial Review" that requires review of audited financial statements of subrecipients had not been completed for any subrecipients for the year under audit. DEQ could not supply any of the four audit reports selected for review. When obtained from an alternative source, legislative auditors noted that one of the subrecipients had expended federal funds in excess of \$300,000, but the independent audit performed did not comply with the provisions of OMB Circular A-133. The subrecipient that did not obtain a single audit expended \$1,573,134 passed through from DEQ. The federal participation in this amount is \$1,310,893.

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These conditions occurred because insufficient emphasis was placed on monitoring of subrecipients. Failure to determine whether subrecipients have received appropriate audit coverage increases the risk that program funds will not be expended in accordance with applicable state and federal laws and regulations.

Management should develop procedures to ensure that all applicable subrecipients obtain proper audit coverage as required by OMB Circular A-133. Management concurred with the finding but disagrees with the classification of loan disbursements as questioned costs (B-28).

U.S. DEPARTMENT OF EDUCATION

BOARD OF ELEMENTARY AND SECONDARY EDUCATION

**F-01-ED-BESE-1 - Lack of Internal Controls Over Public
 Charter Schools Program**

84.282 - Charter Schools

Questioned Costs
\$871,482

The Board of Elementary and Secondary Education (BESE) does not monitor its subrecipients of the Public Charter Schools Program (CFDA 84.282) to ensure compliance with federal requirements. Also, BESE does not ensure the existence of supporting documentation for subrecipient expenditures before reimbursement. Section 400 (d) of OMB Circular A-133 states that the responsibilities of a pass-through entity include (1) advising subrecipients of requirements imposed on them by federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity; (2) monitoring the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved; and (3) requiring each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part.

For 42 grant awards, totaling \$871,482, made to 27 separate subrecipients for the period July 1, 1999, through November 30, 2000, there was no evidence of subrecipient monitoring or verification of subrecipient expenditures before reimbursement. Of eight subrecipients selected for testing, five (63%) subrecipients failed to or were unable to provide any supporting documentation of expenditures reimbursed with program funds. An initial request and two subsequent requests for supporting documentation made over a period of four weeks resulted in

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 Federal Award Findings and Questioned Costs (Continued)

only three of the eight subrecipients submitting the requested information. The three subrecipients that did submit information were unable to supply sufficient documentation to support all reimbursed amounts. In addition, one subrecipient received reimbursement with program funds for expenditures relating to construction and real property acquisition activities, which are unallowed by program requirements. This results in questioned costs of \$871,482.

Because BESE has not implemented the necessary controls to monitor subrecipients and to review supporting documentation for requests for reimbursement, there is increased risk that subrecipients will incur unallowable program costs or that assets may be misappropriated.

Management should implement the necessary controls to ensure that subrecipients are monitored in compliance with federal laws and regulations and that supporting documentation for subrecipient expenditures is obtained before reimbursement. Management of BESE concurred with the finding and recommendation and outlined a plan of corrective action (B-7).

**LOUISIANA TECHNICAL COLLEGE,
 WESTSIDE CAMPUS**

**F-01-ED-LTCWSTSD-1 - Insufficient Controls Over Vocational Education -
 Basic Grants to States**

	Questioned Costs
84.048 - Vocational Education - Basic Grants to States (2001)	\$0

The Louisiana Technical College, Westside campus does not have adequate controls to ensure that the campus complied with applicable laws, regulations, and compliance requirements related to the major federal program, Vocational Education - Basic Grants to States (CFDA 84.048). OMB Circular A-133 states that internal controls should be designed to demonstrate compliance with laws, regulations, and other compliance requirements. In addition, OMB Circular A-110 requires that the campus' financial management system accurately reflect obligations and unobligated balances. Executive Order MJF 98-20 ("Small Purchases Executive Order") requires that purchases between \$500 and \$2,000 be awarded on the basis of the lowest responsive price quotation of at least three bona fide, qualified bidders.

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 Federal Award Findings and Questioned Costs (Continued)

Specific control deficiencies and noncompliance with laws and regulations include the following:

- The campus did not have complete official grant documentation to support grant activity or costs for the grant. Subsequently, the campus obtained the grant documentation from the Louisiana Community Technical College System office. However, good internal control requires that the campus maintain complete grant documentation for its own use and reference.
- The campus did not adequately monitor the grant to determine equipment purchases made-to-date or to determine the unobligated balance of grant funds.
- The campus did not obtain prior approval from the campus director for an equipment purchase totaling \$1,216. For this same purchase, the campus also violated the Small Purchases Executive Order by not obtaining the proper number of telephone/fax quotes to ensure that the lowest bidder was used.

These conditions exist because management has not placed sufficient emphasis on establishing internal controls over the grant. Failure to maintain complete official grant documentation and monitor the balance of grant funds increases the risk that funds will not be expended in compliance with grant requirements.

The campus should develop and implement internal controls that will provide reasonable assurance that grant funds are expended in accordance with applicable laws, regulations, and compliance requirements. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-79).

SOUTHEASTERN LOUISIANA UNIVERSITY

F-01-ED-SLU-1 - Overpayments Resulting From Unofficial Drops

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.007 - Federal Supplemental Educational Opportunity Grants (2001)	
84.032 - Federal Family Education Loans (2001)	
84.063 - Federal Pell Grant Program (2001)	

Southeastern Louisiana University did not have controls in place to identify Title IV students who unofficially withdrew from the university. Title 34 CFR Part 668.22 states that if a student who received Title IV program assistance withdraws, drops out, is expelled from the institution or otherwise fails to complete the program on or after the first day of class of a period of

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enrollment, an institution must return a portion of a refund (unearned tuition and fees) owed a student to the Title IV program. Title 34 CFR Part 668.22 also provides that if a student ceases attendance without providing official notification to the institution of his or her withdrawal, the student's withdrawal date is the mid-point of the payment period for purposes of determining the amount of refund.

The university's Financial Aid Office was not fully aware of the requirement to return Title IV funds for students who unofficially withdrew before June 2000, when it began to develop policies and procedures regarding unofficial withdrawals. In January 2001, the university began to identify students who possibly unofficially withdrew during the 2000 fiscal year. Based upon this effort to identify the overpayments resulting from unofficial drops, the university has estimated that students who unofficially withdrew during the 2000-2001 academic year received approximately \$184,000 of unearned aid. The university is in the process of determining the actual amounts that should be returned to the federal government or reported to the lenders.

The university should continue in its efforts to identify and determine overpayments for students who unofficially withdrew from the university to ensure that overpayments of Title IV funds are timely returned to the Student Financial Assistance account and Federal Family Education Loan lenders are notified timely. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-108).

F-01-ED-SLU-2 - Untimely Grant and Loan Refunds

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.032 - Federal Family Education Loans (2001)	
84.063 - Federal Pell Grant Program (2001)	

Southeastern Louisiana University did not timely submit student financial assistance refunds for students who officially withdrew from the university. Title 34 CFR Part 668.22 requires that the Student Financial Aid portion of a refund to the Pell Grant Program be made within 30 calendar days after a student withdraws from the institution. For Federal Family Education Loan (FFEL) borrowers, Title 34 CFR Part 682.607 requires an institution to return to the lender any portion of a refund allocated to the loan program within 60 calendar days from the date the student withdraws or notifies the institution of his or her withdrawal.

For the fall 2000 semester, 214 students received FFEL and 51 students received Federal Pell Grants, who resigned during the semester. The university did not return the unearned loan funds for any of the 214 FFEL loans (100%) to the FFEL lenders within 60 days of the students' determined withdrawal dates. These loan funds were returned between 130 and 252 days late. The university also did not notify the U.S. Department of Education nor issue refunds for any of

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 Federal Award Findings and Questioned Costs (Continued)

the 51 Federal Pell Grants (100%) within 30 days of the students' determined withdrawal dates. These untimely refunds ranged between 171 and 280 days late.

For the spring 2001 semester, 50 students received Federal Pell Grants and resigned during the semester. In a test of eight of these students, the university did not notify the U.S. Department of Education nor issue refunds within 30 days of the students' determined withdrawal dates for any of the eight tested (100%). These untimely refunds ranged between 3 and 90 days late.

Noncompliance with federal regulations occurred because of a lack of procedures to complete Title IV Worksheets for refunds on a timely basis during the 2000-2001 academic year. Failure to comply with federal regulations could result in the federal programs and lenders not receiving their share of program refunds.

The university should provide adequate management oversight to ensure adherence to the federal regulations relating to Title IV funds. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-111).

UNIVERSITY OF LOUISIANA AT LAFAYETTE

**F-01-ED-ULL-1 - Failure to Perform Due Diligence
 Collection Procedures**

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.038 - Federal Perkins Loan Program - Federal Capital Contributions	\$1,493,677

For the second consecutive year, the University of Louisiana at Lafayette did not perform due diligence collection procedures over all of its defaulted loans for the Perkins Loan Program (CFDA 84.038). The Code of Federal Regulations, 34 CFR Part 674.45(c)(1), requires an institution to refer the loan account of a defaulted borrower to a collection firm after it pursues collection activity for up to 12 months and is unsuccessful in converting the loan account to regular payment status. The university did not refer 704 of the 1,058 (67%) defaulted loans to a collection firm. Therefore, receivables totaling \$1,493,677 at June 30, 2001, for the 704 defaulted loans are questioned costs.

As in the prior year, this condition occurred because agency personnel attempted to collect from those borrowers with defaulted loans rather than turning the accounts over to a collection firm. Failure to refer accounts to a collection firm to pursue collection of all defaulted loans diminishes the chances of collection and reduces the funds available for additional loans to students.

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 Federal Award Findings and Questioned Costs (Continued)

Management should ensure that loan accounts in default are turned over to collection firms as required in order to comply with due diligence collection requirements imposed by federal regulations. Management concurred with the finding and prepared a plan of corrective action (B-158).

**F-01-ED-ULL-2 - Weaknesses in Administration of
 Federal TRIO Cluster Program**

	Questioned Costs
<u>TRIO Cluster:</u>	
84.044 - TRIO - Talent Search	\$999
84.047 - TRIO - Upward Bound	36
84.217 - McNair Post-Baccalaureate Achievement	183,981
	<u>\$185,016</u>

The University of Louisiana at Lafayette did not maintain adequate internal control to ensure compliance with state and federal regulations in the administration of the Federal TRIO Cluster. Noncompliance and control weaknesses in the Trio Cluster, which consists of the Upward Bound (CFDA 84.047), Student Support Services (CFDA 84.042), Talent Search (CFDA 84.044), and McNair Post-Baccalaureate Achievement (McNair) (CFDA 84.217) programs, were detected in testing as follows:

- The McNair program performance report submitted for the period August 20, 1999, to August 6, 2000, to the U.S. Department of Education contained erroneous information. According to the report, the program served 30 participants, including 20 low-income first-generation college students. In a test of participant eligibility, we found that two (10%) of these 20 participants did not meet the qualifications of low-income and first-generation college students. This reduces the number of students in this category to 18 (60%), or three-fifths of the 30 participants reported as served by the program. As a result, the university cannot provide assurances that at least two-thirds of the students served by the program are low-income individuals who are first-generation college students as required by 34 CFR 647.10(c)(1). Because the university did not meet the basic requirements of the program, costs totaling \$183,944 are questioned.
- The Talent Search program was charged \$944 for salaries and travel expenses that do not appear to be reasonable and necessary costs of the program as required by general criteria affecting allowability of costs under OMB Circular A-133. A review of payroll records indicated that 25 peer tutors were paid salaries totaling \$399 for tutorial services performed on July 27, 2000. On that

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Federal Award Findings and Questioned Costs (Continued)

same date, the peer tutors participated in a field trip to Moody Gardens and the program paid an additional \$545 for meals and tickets for the tutors. According to the program director, the peer tutors did not provide tutorial services and acted as counselors on the trip. A further review of documentation for the field trip disclosed that there were 37 counselors, including the 25 peer tutors and 12 site counselors, to chaperon 114 participants. A ratio of 3:1 (114 participants to 37 counselors) does not seem reasonable and necessary for students in the 6th through 8th grades. Had these peer tutors not been in attendance the ratio of participants to counselors would have been 8:1 (114 participants to 12 counselors), a more reasonable ratio. Therefore, the need for the peer tutors to participate in the field trip is questionable and we question those costs of \$944.

- The Talent Search program performance report submitted for the period September 1, 1999, through August 31, 2000, to the U.S. Department of Education did not contain accurate information. Fifty-five (48%) of the 114 students who participated in the Moody Gardens field trip on July 27, 2000, were not included in the number of participants assisted by the program. These students were eligible to participate in the project and received project services during the period covered by the report. Not including these students in the report misstates the number and categories of participants assisted by the program. As a result, the university cannot provide assurances that at least two-thirds of the individuals served by the program are low-income individuals who are potential first-generation college students as required by 34 CFR 643.10(a).
- Travel costs totaling \$128 did not comply with state travel regulations. Policy and Procedural Memorandum 49 (PPM 49) states that no claim for reimbursement shall be made for any lodging and/or meals furnished at a state institution or other agency, or furnished by any other party at no cost to the traveler. It also states that lunch may be reimbursed for those days where travel begins at/or before 10 a.m. on the first day of travel, or extends beyond 2 p.m. on the last day of travel, and for any intervening days. In a test of 10 travel reimbursement requests, five individuals were reimbursed a total of \$110 for meals that were included in conference costs. Also, two individuals were reimbursed a total of \$18 for lunch although their travel began after 10 a.m. Travel costs charged to the Upward Bound program (\$36), McNair program (\$37), and Talent Search program (\$55) did not comply with state law and are questioned costs.

The university failed to establish and implement necessary internal controls over the administration of the TRIO Cluster program. As a result, travelers were reimbursed erroneously and unnecessary costs were incurred. Also, inaccurate performance reports provided erroneous information to the grantor on the university's progress in meeting the goals and objectives of each grant award. Noncompliance with program requirements resulted in questioned costs as noted previously.

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The university should establish and implement internal controls to ensure compliance with state and federal regulations in administering the TRIO Cluster program. Also, the university should consult with the U.S. Department of Education regarding the resolution of the questioned costs noted in this finding. Management concurred in part with the finding and recommendation and outlined a plan of corrective action. Management did not concur with certain elements of the finding relating to salaries and travel costs and the calculation of questioned costs. See management's response at B-159.

UNIVERSITY OF NEW ORLEANS

F-01-ED-UNO-1 - Inappropriate Charges to Federal Program

	Questioned Costs
84.126 - Rehabilitation Services - Vocational Rehabilitation Grants to States	\$0

The University of New Orleans (UNO) did not ensure that all expenditures of the Rehabilitation Services - Vocational Rehabilitation Grants to States Program (CFDA 84.126) were charged to the appropriate grant period. The grant agreement with the Louisiana Department of Social Services - Louisiana Rehabilitation Services requires UNO to request reimbursement for expenditures incurred during the program period. In April 2001, UNO requested and received reimbursement for charges totaling \$34,696 that had been encumbered, but not incurred, during the grant period ended March 31, 2001.

Requesting reimbursement for charges that were not incurred during the grant period could result in inappropriate program costs and does not comply with the terms of the grant agreement. UNO subsequently refunded the amount to the program and has amended the budget for the period April 1, 2001, through March 31, 2002, to include those charges that had been encumbered at March 31, 2001.

Management of UNO should ensure that program charges are allowable and charged to the appropriate grant period. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-167).

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F-01-ED-UNO-2 - Untimely Grant and Loan Refunds

Questioned
Costs
\$0

Student Financial Assistance Cluster:

84.032 - Federal Family Education Loans

84.063 - Federal Pell Grant Program

UNO did not timely submit student financial assistance refunds for students who officially withdrew from the university. Title 34 CFR Part 668.22 requires that the Student Financial Aid portion of a refund to the Pell Grant Program be made within 30 calendar days after a student withdraws from the institution. For FFEL borrowers, Title 34 CFR Part 682.607 requires an institution to return to the lender any portion of a refund allocated to the loan program within 60 calendar days from the date the student withdraws or notifies the institution of his or her withdrawal.

For the 2001 academic year, 311 students received Federal Pell Grants and resigned during the academic year. In a test of nine of these resignations, the refund determination was not completed within 30 days for six students (67%). Two of those resignations (22%) had refunds due, and these untimely refunds were 12 and 75 days late.

Also, for the 2001 academic year, 421 students received FFEL and resigned during the academic year. In a test of nine of these resignations, the university did not return the unearned loan funds within 60 days of the students' determined withdrawal dates for four of the students tested (44%). These loan funds were returned between 39 and 108 days late.

The university submitted student financial assistance refunds late because of a lack of personnel to timely complete Title IV Worksheets for refunds during the 2000-2001 academic year. Failure to comply with federal regulations could result in the federal programs and lenders not receiving their share of program refunds.

The university should provide adequate management oversight and resources to ensure adherence to federal regulations relating to Title IV funds. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-169).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2001

SOUTHERN UNIVERSITY AND A&M COLLEGE
(BATON ROUGE)

Independent auditors performed an audit of the Southern University and A&M College (Baton Rouge) federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following findings were presented in their report.

F-01-ED-SUBR-2 - Student Loan Disbursements

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.032 - Federal Family Education Loans (2001)	\$787

The auditors noted that one FFEL (CFDA 84.032) student out of 60 tested received financial aid in excess of the student's documented need. In addition, the university allowed another FFEL student to continue borrowing funds in excess of allowable amounts for the student's grade level.

Title IV regulations, 34 CFR Section(s) 673.5, 682.603, and 685.301, state that an institution may not award financial aid to a student if the aid, when combined with other resources, exceeds the student's financial need. Title 34 CFR 682.204 and 685.203 and OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs - Section E limit amounts allowable for borrowing.

As a result, the auditors questioned costs of \$787.

The auditors recommended that the university adhere to established procedures and ensure that the total financial aid received by students does not exceed their documented need and FFEL loan proceeds are properly disbursed. See management's response at B-120.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUBR-3 - Return of Title IV Funds

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.032 - Federal Family Education Loans (2001)	\$673
84.063 - Federal Pell Grant Program (2001)	2,019
	<u>\$2,692</u>

The university did not adhere to federal regulations in processing Title IV refunds. OMB Circular A-133 Compliance Supplement, Part 5, Section N(4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amount earned that is less than the amount disbursed must be returned to the Title IV program in accordance with the prescribed time frame.

The auditors noted the following:

- Return of Title IV Funds calculations were not done within 30 days of the student's withdrawal date for eight students out of 14 tested.
- Return of Title IV Funds calculations were done incorrectly for 10 students out of 14 tested. This resulted in an underpayment of \$1,786 by the university and an underpayment of \$906 by the student. The university has subsequently made the appropriate adjustments to properly correct the Return of Title IV Funds calculations.
- The university did not properly notify students of overpayments within 30 days for five students out of 14 tested that had a grant overpayment due.
- The university did not perform a Return of Title IV Funds calculation for two students that withdrew before the 60% point in enrollment.

As a result, the auditors questioned costs totaling \$2,692.

The auditors recommended that management of the university ensure that Title IV refunds are calculated in accordance with Title IV regulations. See management's response at B-119.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SOUTHERN UNIVERSITY AT NEW ORLEANS

Independent auditors performed an audit of the Southern University at New Orleans federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following findings were presented in their report.

**F-01-ED-SUNO-2 - Loan Disbursements to Students
 and Repayments to Lenders**

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.032 - Federal Family Education Loans	
84.268 - Federal Direct Loan	

The Office of the Legislative Auditor provided the auditors with a listing of 46 outstanding checks totaling \$125,471. These checks averaged over \$2,000 per check and represented federal loan refunds to students and repayments of canceled loans to lenders. The results of the auditors' review of a sample of 19 of these outstanding checks totaling \$61,887 disclosed the following conditions:

- Twelve checks totaling \$34,888 were issued to students and remain outstanding. There is no apparent reason why the checks still remain outstanding. They were neither voided nor submitted as unclaimed property to the State of Louisiana. Also, the auditors were unable to determine whether any replacement checks were issued.
- Two checks totaling \$5,451 should not have been issued because two other checks had already been issued and negotiated by the students. One of the outstanding checks in question was actually voided but remained in the system as outstanding.
- One check for \$1,041 was reviewed and presented as an outstanding refund check even though the student did not receive any Title IV aid.
- Four checks totaling \$20,507 required further investigation. One check for \$1,086 was inconsistent with financial aid information. Incorrect credits were given to a student in a check issued for \$5,092, while another check for \$10,085 issued to Sallie Mae had been outstanding for two years. In addition, a refund check for \$4,244 was issued to a student who had a receivable balance totaling \$5,027 and, as such, a refund check should not have been processed.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

The auditors recommended that immediate steps be taken to investigate the noted conditions. See management's response at B-132.

F-01-ED-SUNO-3 - Federal Family Education Loan Limits

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.032 - Federal Family Education Loans (2001)	\$7,575

The university allowed certain students to continue borrowing funds in excess of allowable amounts for the students' grade level. Title 34 CFR 682.204 and 685.203 and OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs - Section E state that the aggregate unpaid principal amount of all Federal Family Education Loans and loans received under the Federal Direct Loan Program may not exceed \$23,000 in the case of any student who has not successfully completed a program of study at the undergraduate level. Title 34 CFR 682.204(a) and OMB Circular A-133 Compliance Supplement, Part 5 state that the annual loan limits for the first year of a program of undergraduate education may not exceed \$2,625, for the second year may not exceed \$3,500, and for the year thereafter may not exceed \$5,000.

The auditors noted that in three instances out of 19 tested, students exceeded the aggregate loan limit resulting in questioned costs of \$7,575. The questioned costs were repaid to the lender before completion of the auditors' fieldwork. This is the second consecutive year a finding of this nature has been reported.

The auditors recommended that the university adhere to established procedures regarding the disbursement of FFEL loan proceeds. See management's response at B-133.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUNO-4 - Satisfactory Academic Progress

	<u>Questioned Costs</u>
<u>Student Financial Assistance Cluster:</u>	
84.007 - Federal Supplemental Educational Opportunity Grants (2001)	\$7,857
84.032 - Federal Family Education Loans (2001)	1,208
84.063 - Federal Pell Grant Program (2001)	<u>10,850</u>
	<u><u>\$19,915</u></u>

The auditors noted that the university disbursed financial aid to students that did not maintain satisfactory academic progress (SAP) and did not have an adequate SAP policy implemented during the audit period. Title IV Regulation, 34 CFR Section 668.32(f), stipulates that students participating in the Title IV Federal Financial Aid programs must maintain satisfactory progress in the course of study he or she is pursuing, according to the standards and practices of that institution to receive student financial aid. OMB Circular A-133 Compliance Supplement, Part 5, Appendix A, Student Financial Assistance - Student Eligibility Compliance Requirement Number (6) stipulates that a student must maintain good standing or satisfactory progress. Title IV Regulation, 34 CFR 668.16(e), stipulates that an institute must establish, publish, and apply reasonable standards for measuring SAP.

The auditors noted that six students out of 60 tested were awarded and received financial aid, although the students did not meet the university's standards for achieving SAP. The university developed and published a revised SAP policy during the year ended June 30, 2001; however, the policy was not used until after June 30, 2001. This is the second consecutive year a finding of this nature has been reported. The test resulted in questioned costs of \$19,915.

The auditors recommended that the university adhere to established policies and procedures as documented in the revised SAP policy and monitor the academic standing of all students before awarding student financial aid. See management's response at B-134.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUNO-5 - Refund of Title IV Funds

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.032 - Federal Family Education Loans (2001)	
84.063 - Federal Pell Grant Program (2001)	
84.268 - Federal Direct Loan (2001)	

The auditors noted that the university did not comply with Title IV regulations for processing certain refunds. OMB Circular A-133 Compliance Supplement, Part 5, Section N(4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amount earned that is less than the amount disbursed must be returned to the Title IV program in accordance with the prescribed time frame.

The auditors noted the following:

- The university did not perform a Return of Title IV Funds calculation for two students that withdrew before the 60% point in enrollment.
- The Return of Title IV Funds calculations were done incorrectly for 15 of 15 students tested. This resulted in an overpayment by the university of \$1,583, of which \$1,285 related to the FFEL (CFDA 84.032) program and \$298 related to the Pell Grant (CFDA 84.063) program.
- The university did not properly notify students of overpayments within 30 days for five of 15 students tested that had grant overpayments due. As a result, those students are ineligible to receive Title IV funds until documented repayment arrangements are made.
- A written refund policy had not been developed that provided for students who withdrew on or before the 60% point in time of the period of enrollment.

The auditors also noted that they were unable to determine the amount of questioned costs resulting from these conditions.

The auditors recommended that management of the university develop written procedures for Title IV refunds and ensure that subsequent Title IV refund calculations are performed accurately and timely. See management's response at B-135.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUNO-6 - Aid Exceeded Documented Need

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.032 - Federal Family Education Loans (2001)	\$1,000

The auditors noted that the university did not properly monitor the awarding and disbursing of financial aid to certain students. Two students out of 60 tested received financial aid in excess of their documented need, resulting in questioned costs of \$1,000. A portion of the total questioned costs was repaid to the lender (\$555), but \$455 still remained unpaid.

OMB Circular A-133 Compliance Supplement, Part 5, Section E (Eligibility) specifies that the annual award should be calculated based upon certain factors and coordinated among all programs to ensure that the total aid is not awarded in excess of the student's financial need. Title IV regulations, Sections 673.5, 682.603, and 685.301, state that an institution may not award financial aid to a student if the aid, when combined with other resources, exceeds the student's financial need.

The auditors recommended that the university adhere to established procedures and ensure that the total financial aid received by students does not exceed their documented need. See management's response at B-136.

F-01-ED-SUNO-7 - Separation of Functions

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.032 - Federal Family Education Loans (2001)	
84.033 - Federal Work-Study Program (2001)	
84.268 - Federal Direct Loan (2001)	\$0

The auditors noted that the university did not maintain an adequate checks-and-balances system and did not have established procedures to perform loan origination and disbursement reconciliations. OMB Circular A-133 Compliance Supplement, Part 5, Section N(8) specifies that the university is required to reconcile Direct Loan School Account Statement data files to the institution records. Title IV regulations specify that for an institution to participate in federally funded student financial aid programs, it must be able to demonstrate that adequate checks and balances are in place in its internal control system. This includes separating the functions of authorizing and awarding Title IV aid and disbursing Title IV program funds.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

Federal Direct and Federal Family Education Loans

The overall internal control objective with regard to Federal Direct (CFDA 84.268) and Federal Family Education Loans (CFDA 84.032) is that such loans be properly processed and either disbursed to students or returned to either the loan origination center or lenders. The auditors noted the following conditions:

- Loan rosters and loans to be returned to the lenders are provided by the Student Financial Aid Department to the Comptroller's Office for transfer of funds to students and lenders. However, the Comptroller's Office adjusts such information without re-verification by the Student Financial Aid Department.
- Bank statements for direct lending and electronic funds transfer activities are received directly by the Comptroller's Office. However, copies of the related bank statements are not provided to the Student Financial Aid Department. The Student Financial Aid Department should use the information to perform loan origination reconciliations and independent verifications of loan activities performed by the Comptroller's Office. As evidence of the importance of this matter, the following amounts and related differences for the Federal Direct Loan program were noted:

	Per Accounting Records	Per Grant Administration and Payment System (GAPS)	Per Disbursement Acknowledgment Import Edit Report
Federal Direct Loans	<u>\$1,733,355</u>	<u>\$2,117,521</u>	<u>\$1,757,480</u>

Federal Work-Study

The overall internal control objective for the Federal Work-Study Program is that federal work-study funds be properly disbursed to eligible students by ensuring that appropriate eligibility determinations are made, required reviews are made, and required approvals and documents are obtained. The auditors noted that an adequate separation of functions did not exist with regard to the processing of Federal Work-Study students. Specifically, the same individual who processed financial aid awards and issued student eligibility letters also processed student related college work-study employment information such as position numbers and time sheets.

The auditors recommended that management of the university take immediate steps to correct these conditions and also to resolve the differences noted per the Federal Direct and Federal Family Education Loans programs. See management's response at B-137.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUNO-8 - Special Reporting

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.033 - Federal Work-Study Program (2001)	
84.038 - Federal Perkins Loan Program - Federal Capital Contributions (2001)	

The auditors noted that certain financial information reported on the Fiscal Operations Report and Application to Participate (FISAP) did not agree to the university's accounting and programmatic records. Discrepancies were noted as follows:

<u>Part Number</u>	<u>Description</u>		
II - Section F	<u>Information on Eligible Aid Applicants</u>		
	The majority of the Independent Student data by individual taxable and untaxable income line items did not agree to the program records. However, the total amounts did not significantly differ.		
		<u>FISAP Amount</u>	<u>Amount Per University's Records</u>
V -	Federal Work-Study (CFDA 84.063) Federal Funds Spent	<u>\$371,862</u>	<u>\$389,390</u>

OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs, Section III, Part L-3(a) specifies that certain information per the FISAP must agree to certain accounting and programmatic records. These discrepancies resulted in the university's failure to properly report certain information to the U.S. Department of Education.

The auditors recommended that management of the university adhere to established procedures and ensure that information reported on the FISAP is accurate. See management's response at B-138.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

**SOUTHERN UNIVERSITY AT
 SHREVEPORT-BOSSIER CITY**

Independent auditors performed an audit of the Southern University at Shreveport-Bossier City federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following findings were presented in their report.

F-01-ED-SUSH-1 - Student Credit Balances

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.007 - Federal Supplemental Educational Opportunity Grants (2001)	
84.032 - Federal Family Education Loans (2001)	
84.033 - Federal Work-Study Program (2001)	
84.063 - Federal Pell Grant Program (2001)	
84.268 - Federal Direct Loan (2001)	

The auditors noted that the university did not ensure that students received their refund checks within the prescribed time frame. Forty-four out of 60 students tested had Student Financial Aid (SFA) credit balances, but the university did not refund the credit balances to the students within the 14-day requirement. This is the third consecutive year a finding of this nature has been reported.

OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs, Section III, Part N - Special Tests and Provisions stipulates that disbursements to students must be made in accordance with required time frames. Title IV regulations, Title 34 CFR 668.164E, specify that whenever a school credits SFA program funds to a student's account and those funds exceed the student's allowable charges, an SFA credit balance occurs. The school must pay the credit balance to the student as soon as possible, but no later than 14 days after the later of the date the balance occurred on the student's account or the first day of classes of the payment period.

The auditors recommended that management of the university take immediate steps to ensure that students receive their credit balance refund checks as required by Title IV regulations. See management's response at B-140.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUSH-2 - Title IV Refunds

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.063 - Federal Pell Grant Program (2001)	
84.268 - Federal Direct Loan (2001)	

The auditors noted that the university has not complied with Title IV regulations for processing refunds. OMB Circular A-133 Compliance Supplement, Part 5, Section N (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amount earned that is less than the amount disbursed must be returned to the Title IV program in accordance with the prescribed time frame.

The university failed to develop a refund policy that included a provision for students who withdrew on or before the 60% point in time of the period of enrollment. In addition, the auditors noted the following:

- The return of Title IV funds was not done within 30 days of the withdrawal date for two students out of five tested.
- The university did not notify students of the requirement to repay a grant overpayment within 30 days of the withdrawal date for five students out of five tested that had a Pell refund (i.e., grant overpayment). As a result, those students are ineligible to receive Title IV funds until documented repayment arrangements are made.
- The university did not perform a Return of Title IV Funds calculation for 10 students who withdrew before the 60% point in enrollment.
- The Return of Title IV Funds calculations were incorrect for five students out of five tested resulting in an overpayment by the university of \$349 and a payment due from the students of \$1,623.

This is the second consecutive year a finding of this nature has been reported.

The auditors recommended that management of the university establish procedures to ensure refunds are properly calculated, students are informed of their responsibility to repay the federal government, and the refund policy includes the 60% point requirement. See management's response at B-141.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-ED-SUSH-3 - Federal Pell Grant Calculations

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	<u>\$0</u>
84.063 - Federal Pell Grant Program (2001)	

The auditors noted that the university failed to properly calculate Pell Grant amounts for two students out of 60 tested which resulted in questioned costs of \$356. The university did not properly consider the student enrollment status and expected family contribution.

OMB Circular A-133 Compliance Supplement, Part 5, Section E (1) specifies that the Federal Pell Grant must be calculated in accordance with payment and disbursement schedules.

The auditors recommended that management of the university adhere to established procedures. See management's response at B-143.

F-01-ED-SUSH-4 - Satisfactory Academic Progress

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
84.063 - Federal Pell Grant Program (2000)	\$11,100
84.268 - Federal Direct Loan (2000)	1,312
	<u>\$12,412</u>

The university disbursed financial aid to students that did not maintain satisfactory academic progress (SAP), and the university's SAP policy was not in compliance with federal regulations. Title IV regulations, Title 34 CFR Section 668.32(f), stipulate that students participating in the Title IV Federal Financial Aid programs must be maintaining satisfactory progress in the course of study he or she is pursuing according to the standards and practices of that institution to receive student financial aid. OMB Circular A-133 Compliance Supplement, Part 5, Appendix A, Student Financial Assistance - Student Eligibility Compliance Requirement Number (6) stipulates that a student must maintain good standing or satisfactory progress. Title IV Regulation, 34 CFR 668.16(e), stipulates that an institution must establish, publish, and apply reasonable standards for measuring SAP.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

The auditors noted that four students of 60 tested were awarded and received financial aid even though the students did not meet the university's standards for achieving SAP. As a result, the auditors cited \$12,412 in questioned costs. They also noted that the university's SAP policy excludes a required provision regarding the related hours attempted by students that subsequently represent class withdrawals. This is the third consecutive year a finding of this nature has been reported.

The auditors recommended that the university adhere to established policies and procedures and monitor the academic standing of all students before awarding student financial aid and ensure the SAP policy is in compliance with Title IV regulations. See management's response at B-144.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ELDERLY AFFAIRS, GOVERNOR'S OFFICE OF

**F-01-HHS-ELDAFF-1 - Aging Cluster Program: Unsupported Allocation
 of Payroll Expenditures to the Program**

	Questioned Costs
<u>Aging Cluster:</u>	<u>\$648,756</u>
93.044 - Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	
93.045 - Special Programs for the Aging - Title III, Part C - Nutrition Services	

The Governor's Office of Elderly Affairs (GOEA) allocates payroll and related benefits expenditures to the Aging Cluster Program without accumulating or maintaining the documentation necessary to support the allocation rates. Tests of administrative expenditures disclosed that direct personnel charges were not based on the actual time worked or on an approved cost allocation plan or rate for administering the Aging Cluster Program, which consists of the Grants for Supportive Services and Senior Centers (CFDA 93.044) and Nutrition Services (CFDA 93.045). OMB Circular A-87 states that time and attendance records should document actual time spent on grant activities to support salaries and related benefits for employees working on multiple activities. In addition, according to OMB Circular A-133, the general criterion affecting allowability of costs under federal awards includes costs being reasonable and necessary for the performance and administration of federal programs.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Audit procedures revealed that personnel charges of \$648,756 were allocated to the Aging Cluster Program, but agency records did not include documentation to support this allocation. A review of 50 time sheets for the period July 1, 1999, through December 31, 2000, disclosed that employees do not document and/or certify the actual time spent on grant activities. Furthermore, management could not provide historical data or other information to support the allocation rate of 29.5% that is currently being used to charge personnel expenditures to the Aging Cluster Program.

Management has not established a method for employees to report variances in their activities that may affect the established 29.5% rate. Consequently, the federal program may be inappropriately charged for personnel expenditures that are not related to program activities. The \$648,756 that has been charged to the Aging Cluster Program is considered questioned costs, which may be disallowed by the federal government.

The chief fiscal officer should ensure that direct personnel charges to the Aging Cluster Program reflect actual time/costs incurred for the program or should base those charges on an approved cost allocation plan or rate. Management did not concur with the finding. See management's response at B-16.

Additional Comments: The Department of Health and Humans Services, Administration on Aging policy letters that GOEA management sent to the auditors are dated August 22, 1984, and March 31, 1987. The guidance provided by these letters is outdated because the OMB circulars, which provide the rules and regulations for federal program costs, have been re-issued and/or revised since 1987.

Management responded that "the 29.5% referred to in the finding does not, as stated by the auditor, refer to the percentage of time spent on the program. It refers to the ratio of available federal funds for personnel costs to total personnel costs." However, federal cost principles require that personnel costs be charged to federal programs based on the amount of time spent working on a program. There is no provision in the federal regulations that allows personnel costs to be charged based on budgets or ratios of funding sources (i.e., state funds versus federal funds).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

**F-01-HHS-ELDAFF-2 - Federal Cash Management
 Control Weaknesses**

Questioned Costs
\$0

Aging Cluster:

- 93.044 - Special Programs for the Aging - Title III, Part B -
 Grants for Supportive Services and Senior Centers**
- 93.045 - Special Programs for the Aging - Title III, Part C -
 Nutrition Services**

GOEA did not have effective control procedures in place for the Aging Cluster Program to ensure that the agency complied with federal cash management requirements. The Code of Federal Regulations (45 CFR 92.21) requires grantees and subgrantees to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement whenever advance payment procedures are used. In addition, good internal control requires detailed, written policies and procedures to be developed, implemented, and monitored to ensure that federal draw downs have complete and accurate documentation; that federal funds are used when available; and that transactions are approved, processed, and reported in an accurate, consistent, and timely manner.

A review of 20 requests for federal funds (draw downs) for the Aging Cluster Program were reviewed and revealed the following:

- For six of 20 draw downs, the chief fiscal officer failed to disburse a total of \$5.1 million of federal funds within three working days. These payments ranged from one to four days in excess of three working days, which is the time frame that is considered "reasonable" by the federal government.
- For four of 20 draw downs, the chief fiscal officer used a total of \$5.3 million of state funds although federal funds were available. GOEA paid subrecipients one to 25 days in advance of its federal draw downs and before the required subrecipients' monthly financial reports were approved and posted in the accounting records.
- For 10 of 20 draw downs, a total of \$9.4 million was requested without being properly authorized, approved, or reviewed for accuracy. There is no approval process requiring the audit manager to review, approve, and authorize the draw down of federal funds. An accountant technician, who has no knowledge of the process, is responsible for reviewing and approving the supervisor's draw down of federal funds.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

The executive director has failed to ensure that there are comprehensive, written procedures for drawing down federal funds; that adequate procedures exist for documenting the amount of federal funds drawn and disbursed; and that these procedures are monitored to ensure compliance. Failure to comply with federal laws and regulations could result in interest liabilities, sanctions, or penalties against the State of Louisiana. In addition, assuming a simple interest rate of 5%, the state could have earned \$18,150 on the state funds that were disbursed in place of federal funds because draw downs had not been processed timely.

The executive director should ensure that written procedures for drawing down federal funds are established, implemented, and monitored to ensure compliance with federal cash management requirements. Management concurred with the first and third bullets. Management did not concur with the second bullet and stated that there was no requirement to use federal and state funds proportionally when disbursed. Management further stated that the commissioner of administration, in writing, has stated that “the timing of the disbursement of state funds is within the agency’s discretion.” See management’s response at B-18.

Additional Comment: Management is correct that there is no state or federal law or regulation that *requires* the use of federal and state funds proportionally when disbursed. However, the state’s best interests are served when federal funds are drawn to the extent earned whenever possible. State funds should be disbursed in place of federal funds only when the federal funds are not available and state services will be negatively impacted; this was the case when the commissioner of administration wrote the letter that is referenced by the GOEA management in its response to this finding.

F-01-HHS-ELDAFF-3 - Inaccurate Federal Financial Reporting

	Questioned Costs
<u>Aging Cluster:</u>	<u>\$0</u>
93.044 - Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	
93.045 - Special Programs for the Aging - Title III, Part C - Nutrition Services	

GOEA submitted federal financial reports that did not include all disbursements or outlays for the Aging Cluster Program for the federal fiscal year ended September 30, 2000. OMB Circular A-133 Compliance Supplement, Part 3, Section L states that federal awards reports will include all activity of the reporting period. In addition, the *Financial Status Report’s* general instructions state that “total program outlays” include the amount of cash advance payments to subrecipients. Furthermore, good internal control includes procedures to ensure that all federal financial data are accurately recorded, summarized, and reported.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

A review of the *Financial Status Report* (SF-269) and the *Federal Cash Transactions Report* (SF-272) for the federal fiscal year ended September 30, 2000, disclosed the following:

- The chief fiscal officer included October 2000 expenditures in the reports for the period ending September 30, 2000, but did not include total cash advance payments that had been made to subrecipients. These errors resulted in a net understatement of \$21,731 for program outlays on the SF-269 and a net understatement of \$46,759 for program disbursements on the SF-272.
- The chief fiscal officer uses two accounting system expenditure reports to prepare the federal financial reports. These expenditure reports agree in total, but the expenditure detail does not agree and is not reconciled. At April 4, 2001, the chief fiscal officer could not identify the reconciling items that were required to agree the expenditure reports to the SF-269 and SF 272 for September 30, 2000.
- The chief fiscal officer prepares and submits the federal financial reports to the Department of Health and Human Services without a supervisory review.
- The agency does not have written policies and procedures for preparing, reviewing, and submitting federal financial reports.

These conditions existed because the chief fiscal officer did not ensure that federal financial reports agreed to reconciled accounting records and were accurately completed and properly reviewed before submission. Failure to prepare and submit accurate financial reports increases the risk that future grant payments and/or awards to the agency will be based on erroneous information.

The executive director and chief fiscal officer should establish and implement written policies and procedures to ensure that federal financial reports are prepared in accordance with the instructions provided with the reports. Reports should also be properly reviewed and reconciled to accounting records before submission to the federal funding agency. Management concurred in part with the audit finding and recommendation and outlined a plan of corrective action (B-20).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

**F-01-HHS-ELDAFF-4 - Ineffective Monitoring of
 Subrecipient Audit Reports**

Questioned Costs
\$600,532

Aging Cluster:

- 93.044 - Special Programs for the Aging - Title III, Part B -
 Grants for Supportive Services and Senior Centers**
- 93.045 - Special Programs for the Aging - Title III, Part C -
 Nutrition Services**

GOEA is not effectively performing the procedures required by the federal government for monitoring the activities of subrecipients. OMB Circular A-133 requires a pass-through entity, such as GOEA, to ensure that subrecipients expending \$300,000 or more in federal awards have met the audit requirements of the circular. Furthermore, the pass-through entity is required to issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and to ensure that the subrecipient takes appropriate and timely corrective action. As part of the corrective action, the pass-through entity may disallow expenditures that have been identified as "questioned costs" in an auditor's report.

Interviews with GOEA management disclosed that GOEA does not have procedures in place for determining whether subrecipients are receiving audits as required by OMB Circular A-133. At least two subrecipients did not meet the audit requirements of the circular for fiscal year ended June 30, 2000. This resulted in questioned costs of \$600,532.

In addition, a review of 37 audit reports for fiscal year ended June 30, 1999, disclosed the following:

- Fifteen of the audit reports were not reviewed and closed within six months of the receipt of the reports. Ten reports were closed 6 1/2 to 11 months after receipt and five reports were not closed as of March 31, 2001.
- For four subrecipients, GOEA relied on the subrecipients' written corrective action plans for the resolution of the audit findings. GOEA did not seek or provide evidence to verify that the subrecipients' corrective action plans were implemented.

These conditions existed because GOEA management did not develop and implement procedures to ensure that subrecipients are receiving audits in accordance with OMB Circular A-133 and that the audit reports are received, reviewed, and resolved in a timely manner. Failure to determine whether subrecipients have received the appropriate audits and to follow

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

up on report findings and questioned costs increases the risk that program funds will not be expended in accordance with applicable state and federal laws and regulations.

GOEA should ensure that subrecipients are receiving audits in accordance with OMB Circular A-133 and should review subrecipient audit reports to timely identify and resolve audit findings and questioned costs. Management partially concurred with the finding and recommendation and has outlined a corrective action plan. See management's response at B-22.

Additional Comment: Management states that GOEA auditors use the *GOEA Audit Guide* to review subrecipient audit reports for compliance with auditing requirements. However, GOEA auditors actually rely on desk review checklists to review audit reports. The checklists do not include the criteria for determining whether subrecipients are receiving audits as required by OMB Circular A-133.

**F-01-HHS-ELDAFF-5 - Insufficient On-Site Monitoring Procedures for
 Aging Cluster Subrecipients**

	Questioned Costs
<u>Aging Cluster:</u>	<u>\$0</u>
93.044 - Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	
93.045 - Special Programs for the Aging - Title III, Part C - Nutrition Services	

GOEA, Finance and Accounting Unit (F&A) and Home and Community Based Services Unit (HCBS) program monitors did not adequately plan, document, and report the results of on-site reviews to ensure that the Aging Cluster subrecipients complied with applicable laws and regulations. Furthermore, the units did not consistently follow up on the subrecipients' corrective action plans or require timely reimbursement of disallowed costs. Subrecipients are usually Area Agencies on Aging or parish Councils on Aging. The OMB Circular A-133 *Compliance Supplement* states that a pass-through entity (such as GOEA) is responsible for monitoring a subrecipient's activities to provide reasonable assurance that the subrecipient administers federal awards in compliance with federal requirements. In its preamble, OMB Circular A-133 also states that pass-through entities should consider various risk factors in developing monitoring procedures.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F&A Unit Monitoring

A review of the GOEA internal auditor's report dated December 28, 2000, and interviews with GOEA management and staff disclosed the following:

1. The F&A monitors' plans, programs, reports, and working papers were inconsistent in content, approach, and documentation from monitor to monitor because management has not developed written policies and procedures for monitoring subrecipients.
2. The F&A unit does not schedule audits based on risk factors nor do working papers contain documentation of the consideration of risk factors when planning audit procedures for specific subrecipients. Risk factors include the size of grant awards, time elapsed since the last monitoring review, the nature of findings and/or disallowed costs identified in the prior review or in the audits of other similar subrecipients, scope and results of annual financial audits performed by independent auditors, results of reviews performed by other GOEA units, and complexity of compliance requirements.
3. The F&A unit does not maintain a log of the audits performed or a schedule of planned audits. Management could not determine how often the subrecipients have been or will be reviewed for compliance.
4. The F&A monitors and their supervisors were not consistent in formally reporting noncompliance that was identified in the audits' working papers or in documenting their decision process for allowing or disallowing questioned costs that were identified during the audits.
5. The F&A unit did not require the timely reimbursement of disallowed costs and/or pursue appropriate, timely corrective action when findings of noncompliance were reported by monitors. For instance, monitors disallowed \$11,906 for the Morehouse Council on Aging because of lack of adequate supporting documentation for the expenditures. One year after the costs were disallowed, Morehouse had remitted only \$4,362 to the GOEA. As of May 2001, three months after the remittance was received, the GOEA still had not deposited the check.

HCBS Unit Monitoring

The HCBS unit does not maintain a log of the audits performed or a schedule of planned audits. Management could not determine how often the subrecipients have been or will be reviewed for compliance. Since October 2000 when management issued written monitoring procedures, the HCBS unit has audited eight of the agency's 37 subrecipients.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

A review of the working papers and related correspondence for the eight HCBS audits disclosed the following:

1. For all eight audits, the working papers did not contain documentation of the consideration of risk factors when planning audit procedures.
2. For all eight audits, the working papers identified instances of noncompliance that the program monitors did not properly address or resolve with the subrecipients.
3. For all eight audits, the working papers did not address one or more of the OMB Circular A-133 *Compliance Supplement* requirements (such as program income or period of availability).

Neither the HCBS unit nor the GOEA Public Health Nutritionist monitored any of the subrecipient and/or contractor kitchens that provided meals for the elderly during fiscal year ended June 30, 2000, to ensure compliance with food safety regulations and the Louisiana Sanitary Code. Federal regulations [45 CFR 1321.17(f)(4)] and the *Louisiana State Plan on Aging* require assurances that services provided under this federal program (Title III) “meet any existing State and local licensing, health and safety requirements for the provision of those services . . .”

GOEA management has not emphasized the importance of subrecipient monitoring by establishing policies and procedures for program monitors nor has management communicated the importance of compliance with applicable laws and regulations to GOEA subrecipients. GOEA's failure to adequately address the responsibilities of a pass-through entity increases the risk that federal program awards will be adversely affected or that the federal awarding agencies will disallow certain program costs, requiring a reimbursement of funds to the federal government.

Management should establish and implement formal policies and procedures for planning and performing subrecipient monitoring procedures, for reporting audit results and disallowing costs, for following up timely on the reimbursement of disallowed costs, and for implementing corrective action plans. Management partially concurred with the finding and recommendation and has outlined a corrective action plan. See management's response at B-24.

Additional Comment: Management responded that audits are logged and scheduled. However, management provided only lists of auditor assignments; no schedule of planned or past audits by subrecipient was available for our review.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

Subrecipient monitoring includes fiscal, programmatic, and administrative matters. When there is adequate monitoring of subrecipients, unallowable policies and/or practices that give rise to disallowed costs are identified timely and can be stopped before the disallowed costs can create an undue hardship for the subrecipient.

EXECUTIVE DEPARTMENT

F-01-HHS-CAFR-1 - Inconsistent Billing of Insurance Premiums

	Questioned Costs
<u>Medicaid Cluster:</u>	
93.778 - Medical Assistance Program (and all major programs)	\$0

For the fourth consecutive year, the State of Louisiana may have charged federal programs an inequitable share of insurance costs. The Office of Risk Management (ORM), under the direction of the Office of Planning and Budget (OPB), billed offices and departments of state government for the cost of insurance, some of which were funded by federal programs. OMB Circular A-87 establishes cost principles designed to ensure that federal programs bear only their fair share of central service costs. Included in this circular are regulations governing the preparation and application of cost allocation plans to distribute the costs of certain central state governmental services among the various federal programs. OMB Circular A-87, Attachment A, Section C(1) provides a list of criteria that a cost must meet to be an allowable cost chargeable to federal programs. Among these criteria are requirements that the cost be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the governmental unit. Furthermore, these costs must be accorded consistent treatment.

Annually, ORM bills each state agency for various types of insurance. ORM calculates the premiums by line of insurance for each agency based on experience and exposure, but because of budget constraints, OPB did not include the full amount of calculated premiums in the state's budget for fiscal year 2001. To implement these reductions, OPB reduced premiums for all agencies through three means of financing: state general funds, federal funds, and interagency federal funds. However, because not all agencies' premiums are budgeted entirely through these means of financing, certain agencies received larger percentage reductions than other agencies. During fiscal year 2001, these reductions to entities with federal funds ranged from 6% to 36% and, therefore, the reduction between various federal programs may not have been equitable, as required by federal regulations. Furthermore, reducing the federal means of finance for premiums does not ensure that subsequent payments by federal programs are equitably reduced.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Premiums for Road and Bridge Hazard coverage are not being charged to the appropriate state agency. DOTD is the primary agency to whom it is appropriate to bill Road and Bridge Hazard premiums. However, DOTD is funded through the Transportation Trust Fund (TTF) and is statutorily prohibited by R.S. 48:78 from paying these insurance costs. R.S. 48:78 prohibits the use of TTF funds, directly or indirectly, for the payment of judgments or settlements by any state agency in matters arising from tort or road hazard insurance. Based on representations from ORM management, payments for Road and Bridge Hazard claims have totaled approximately \$343.6 million from July 1992 through June 30, 2001. During this same period, legislative appropriations to pay these claims, directly or through ORM, have totaled approximately \$103.2 million, based on management's analysis. Because DOTD has paid no premium costs for Road and Bridge Hazard coverage, payments by other state and federal agencies for other lines of coverage have necessarily been used by ORM to pay approximately \$240 million of these claims.

Because the cost of insurance charged to federal programs does not meet the criteria described in OMB Circular A-87, these costs may be considered unallowable by the federal grantor agencies. As a result, federal disallowances could be issued against the state and the costs may have to be repaid.

During fiscal year 2000, the state engaged an independent contractor to determine the amount of overcharges, if any, to federal programs resulting from prior years' allocations. This report was submitted to the U.S. Department of Health and Human Services on February 22, 2000, and identified \$19,485,220 of potential overcharges to federal programs. On September 6, 2000, federal representatives issued a determination letter citing the state for \$19,485,220 in disallowed costs. This decision was appealed by the Division of Administration on September 29, 2000, and is currently in the discovery phase.

The state should continue its efforts to resolve this matter with the federal government. The state should also amend its insurance billing practices to eliminate the risk that federal programs will bear an inequitable share of insurance costs. Furthermore, the costs of Road and Bridge Hazard coverage should be borne by the appropriate state agency. Management of the Division of Administration did not concur with this finding. The Division contends that the issue relating to inconsistent billings of insurance premiums should be directed to specific agencies that may have failed to maintain required equity between premium amounts paid from state and federal sources and therefore did not follow the Division's instructions. Furthermore, the Division contends that the issue relating to the failure to bill for Road and Bridge Hazard Coverage Lines is not supported since these requirements have been separately maintained and reported and have had no effect on amounts billed for other lines of insurance. See management's response at B-40.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

Additional Comments: In discussions with four state agencies, the premium payment instructions from the Division did not appear to be adequate or understood, and the agencies paid the premiums based on available funding sources and not per the Division's instructions. As a result, the reduction of premium charges to a federal program at one state agency may have been more or less than the reduction to that program or other programs at another state agency depending upon the means of finance for that agency, which may result in an inequitable reduction between programs. Furthermore, while Road and Bridge Hazard Coverage Lines may have been separately maintained and may have had no effect on amounts billed to state agencies for other lines of insurance, the payment for Road and Bridge Hazard coverage has not been made by the appropriate state agency, namely DOTD. This supplementation by other lines, and, consequently, by other state and federal agencies, is evident because ORM reported a negative cash balance of approximately \$240 million for the Road and Bridge Hazard Coverage Line at June 30, 2001.

HEALTH AND HOSPITALS, DEPARTMENT OF

**F-01-HHS-DHH-1 - Improper Claims by Case
 Management Providers**

	Questioned Costs
<u>Medicaid Cluster:</u>	
93.778 - Medical Assistance Program	\$14,168

Providers of case management services billed the Medical Assistance Program (CFDA 93.778) during calendar year 2000 for services that were not in accordance with policies established by the Department of Health and Hospital (DHH), Medicaid Waiver Services. Case management services are provided to qualified recipients participating in DHH waiver services programs. Regulations and requirements for the delivery of services and payment of claims for waiver services and case management are established through administrative rules and policy manuals developed by DHH Waiver Services. Generally, case managers are required to (1) develop a plan of care, (2) assist the waiver recipient in accessing needed services, and (3) monitor the providers of the waiver services to determine that the plan of care is followed. The requirements for monitoring include quarterly monitoring of the providers and quarterly face-to-face visits with the recipient that must be documented by the case manager.

In a review of claims filed by two of three case managers for 10 of 30 recipients, claims were filed and payments of \$14,168 were made for 126 claims where the services delivered failed to meet department requirements for quarterly monitoring. The errors noted included the following:

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

- For six recipients, the case manager's documentation of the quarterly monitoring of providers and the face-to-face visit with the recipient was incomplete.
- For two recipients, the case manager's documentation of the quarterly monitoring of providers was incomplete.
- For two recipients, the quarterly face-to-face visits with the recipient was not conducted.

DHH failed to establish and implement necessary internal controls over the payments for case management services. As a result, case managers were paid for claims when the required monitoring services may not have been performed. Accordingly, questioned costs were \$14,168.

DHH should establish adequate controls to ensure that only appropriate claims for case management services are paid to providers and that required monitoring of providers and face-to-face visits with recipients are performed and documented. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-49).

**F-01-HHS-DHH-2 - Improper Claims by Waiver
 Services Providers**

	Questioned Costs
<u>Medicaid Cluster:</u>	
93.778 - Medical Assistance Program	\$77,876

For the second consecutive year, providers of waiver services billed the Medical Assistance Program (CFDA 93.778) for services that were not in accordance with policies established by DHH, Medicaid Waiver Services. Waiver services are provided to qualified recipients under the Mentally Retarded/Developmentally Disabled (MR/DD) Waiver Program, the Patient Care Attendant (PCA) Waiver Program, and the Elderly and Disabled Adult (EDAW) Waiver Program. These services include PCA services, respite care services, supervised independent living (SIL) services, and companion services. Regulations and requirements for the delivery of services and payment of claims for these waiver programs are established through administrative rules and policy manuals developed by DHH Waiver Services.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

We reviewed claims filed by three providers for 30 recipients during calendar year 2000. For 22 of the 30 recipients, DHH made payments of \$77,876 for 475 services where the services delivered failed to meet department policies. Specific deficiencies noted in the review of waiver services include the following:

- For 12 recipients, the waiver services were not delivered according to the plan of care established by the case manager and approved by DHH regional office staff. Deviations from the plan of care included services not following the schedule designed to meet the needs of the recipient and the recipient's family and inconsistent services that did not meet the amount or type of services approved. By not following the plan of care, the provider may not be meeting the medical needs of the recipient and may be providing services based on its own scheduling convenience.
- For 11 recipients, hours of service were billed that exceeded the approved hours noted in the plan of care. Most of the excess hours billed were either PCA or respite care services.
- For 14 recipients, two providers did not maintain adequate documentation to distinguish between PCA and respite care services. According to policies established for waiver programs, PCA and respite care services are separate services, with separate hours approved and scheduled in the plan of care. Our review of recipient files revealed that the providers made no distinction between these services, supporting both with the same general progress note and giving no consideration as to whether or not the primary caregiver was available.
- For three recipients, one provider did not maintain adequate documentation to support claims for SIL skills training or to distinguish between SIL skills training and other services, either PCA or companion services. Waiver program policies require specific documentation to support SIL skills training. The skills training services should provide specific training in tasks and skills that would help the recipient develop a more independent life. Our review of recipient files revealed that the providers gave only general progress notes, with no documentation to support the hours charged for skills training.
- For one recipient, no progress notes were written for over six months. The provider's employee giving the care was the grandmother of the recipient, who could not read or write. Without an adequate progress note, the quality and sufficiency of the care cannot be determined.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

- For one recipient, care was provided for two waiver recipients in the same household by one provider employee. For the hours of service provided by the one employee, the provider billed the hours as if providing separate services to each recipient, resulting in being paid for two hours for every hour worked.
- For four recipients, the hours of service billed were not supported by the employee's time sheet, resulting in excess hours paid to the provider.

These conditions occurred because waiver services providers failed to follow established agency regulations for providing services according to the plan of care and adequately documenting those services. In addition, control procedures noted in the department's November 27, 2000, corrective action plan, which included implementing prior authorizations for provider billings, providing orientations for new providers, and providing additional education on provider documentation, had not been fully implemented as of the date of tested claims. As a result of the exceptions noted above, providers were paid for erroneous claims and waiver recipients may not have received needed services. Accordingly, questioned costs are \$77,876.

DHH should (1) increase monitoring by department personnel and case managers to ensure that plans of care are followed and needed services are provided; (2) educate providers on how to distinguish between services and maintain adequate documentation through improved progress notes; and (3) establish adequate control to ensure that only appropriate claims for waiver services are paid to providers. Management concurred with the finding and recommendation and outlined plans of corrective action (B-52).

LABOR, DEPARTMENT OF

**F-01-HHS-LABR-5 - Noncompliance With Federal Cash
 Management Requirements**

	Questioned Costs
93.569 - Community Services Block Grant (00/01)	\$0

The Department of Labor Fiscal Division did not have adequate internal control procedures in place to ensure that the department complied with federal cash management requirements for the Community Services Block Grant Program (CFDA 93.569). OMB Circular A-133, Subpart C and the Code of Federal Regulations (45 CFR 92.21) require grantees and subgrantees to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement whenever advance payment procedures are used.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

During fiscal year ended June 30, 2001, the department processed 145 requests for federal funds (draw downs) from the U.S. Treasury totaling approximately \$12 million. Our review of 45 draw downs for payments to subrecipients disclosed that 30 (67%) draw downs totaling \$624,854 were not disbursed timely as follows:

<u>Number of Days Between Deposit and Check Dates</u>	<u>Number of Occurrences</u>	<u>Total Amount Drawn</u>
5	7	\$139,114
6	9	222,460
7	5	111,410
8	5	71,634
10	2	50,000
12	1	10,236
13	1	20,000

These conditions occurred because the Fiscal Division did not have adequate procedures to minimize the time between the receipt and disbursement of federal funds. Failure to comply with federal laws and regulations could result in interest liabilities, sanctions, or penalties against the State of Louisiana.

The Fiscal Division should develop and implement procedures to comply with federal cash management requirements. Management concurred with the finding and recommendation and outlined the corrective action taken (B-62).

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SOCIAL SERVICES, DEPARTMENT OF

**F-01-HHS-DSS-2 - Child Care Cluster: Noncompliance With
 Federal and State Requirements**

	Questioned Costs
<u>Child Care Cluster:</u>	<u>\$12,110</u>
93.575 - Child Care and Development Block Grant	
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	

The Department of Social Services (DSS), Office of Family Support (OFS), did not comply with certain federal and state requirements for administering the federal child care cluster. The child care cluster is comprised of the Child Care and Development Block Grant (CFDA 93.575) and the Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CFDA 93.596) programs. The child care cluster provides funds to increase the availability, affordability, and quality of child care services for low-income families when the parents are working or attending training or educational programs.

Federal Financial Reporting

A review of federal financial reports that are required for the child care cluster disclosed the following:

1. OFS could not provide documentation to support the total obligation of \$24,440,750 (\$10,333,504 of mandatory funds and \$14,107,246 of matching funds) for the federal fiscal year 2000 grant award as shown in the Child Care Development Fund Financial Report (ACF-696) for the quarter ended September 30, 2000. The Code of Federal Regulations (45 CFR 98.60) provides that the mandatory and matching amounts awarded have to be obligated in the year granted and any funds not obligated will revert to the federal government.
2. In a review of the ACF-696 report for the quarter ended September 30, 2000, for the federal fiscal year 1999 grant award, OFS had not expended the required amount on direct program assistance. The Code of Federal Regulations [45 CFR 98.50(e)] provides that not less than 70% of mandatory and matching funds be used for direct program assistance. The ACF-696 reports a total of \$23,238,623 (64%) or \$1,989,955 less than the required amount of \$25,228,578 was expended for direct program assistance.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Child Care Case Management

A review of 30 client case files disclosed noncompliance with federal program requirements for one case. The client case file disclosed that the in-home provider of child care, the parent's mother, resided with her daughter. Child Care Assistance Program Policy F-123 provides that an in-home provider may not live at the same residence as the child. The client case file included a caseworker's note that the in-home provider had lived with her daughter because of health problems. In addition, the mother and daughter, both of whom are food stamp recipients, have the same address listed in the food stamp database. The in-home provider received a total of \$12,110 for child care for the period June 1999 to September 2001. Accordingly, questioned costs are \$12,110.

Noncompliance with federal program requirements may subject OFS to reduced federal funding for assistance programs, penalties, and disallowed costs that must be funded with state funds.

DSS, OFS should notify the federal grantor that unobligated grant funds exist to determine whether those amounts must revert to the federal government. In addition, management should ensure that employees follow established control procedures to ensure adherence to federal regulations and program policies in the administration of the child care cluster. Management responded that the ACF 696 report had been prepared incorrectly and concurred with the case management issue. Corrective action plans were provided for each of these findings. Concerning the obligation of federal fiscal year 2000 grant funds at September 30, 2000, management stated that "the funds in question were obligated by child care assistance certificates for FIND Work child care." See management's response at B-86.

Additional Comments: Management states that "during fiscal year 2000, child care assistance was provided . . . at a cost of \$17,609,448." However, child care certificates are issued on an ongoing basis, so the cost incurred during fiscal year 2000 would include payments for certificates issued before *and* after September 30, 2000. Auditors were not provided with documentation to support management's position that the total cost during fiscal year 2000 relates *solely* to child care certificates that had been issued before September 30, 2000.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

F-01-HHS-DSS-3 - Child Support Escrow Fund Not Reconciled

	Questioned Costs
93.563 - Child Support Enforcement (2001)	<u>\$0</u>

For the second consecutive year, DSS is not reconciling the Child Support (Title IV-D) Escrow Fund to the client accounts on a periodic basis. Good internal control includes periodic reconciliations of cash accounts (such as the Title IV-D Escrow Fund) to subsidiary records (such as the client accounts). A proper reconciliation provides management with a basis to ensure that errors and/or fraud are detected in a timely manner and that accounting data are both accurate and reliable.

The Title IV-D Escrow Fund is the clearing account that is used to process child support receipts and payments. Child support receipts from non-custodial parents are deposited into the fund and credited to the accounts of custodial parents. Distributions are then made to the custodial parents and/or to the state General Fund, depending on the status of each parent's account. During fiscal year ended June 30, 2001, total additions and deletions of the escrow fund were \$252 million or approximately \$21 million monthly. The balance in the account at June 30, 2001, is approximately \$2.2 million.

Failure to reconcile the Title IV-D Escrow Fund cash to subsidiary client accounts could lead to the misuse of funds and increases the risk that fraud and/or computer programming or operating errors could occur and not be detected in a timely manner. A reconciliation would detect errors such as undistributed amounts payable to custodial parents, undistributed amounts payable to the state General Fund, and failure to post a receipt to a client account.

Management should require monthly reconciliations of the Title IV-D Escrow Fund to the client accounts to ensure that the accounting records are both accurate and reliable and that child support receipts and related distributions to both the state and custodial parents have been appropriately recorded. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-88).

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

**F-01-HHS-DSS-4 - Control Weaknesses in the LaCarte
 Purchasing Card Program**

	Questioned Costs
93.658 - Foster Care - Title IV-E (2001)	<u>\$0</u>

DSS did not consistently follow state or departmental control procedures for the LaCarte Purchasing Card Program (LaCarte). LaCarte is intended to reduce the paperwork and processing time for small purchase transactions by establishing a state "VISA" credit card account with the Bank of America. DSS began participating in LaCarte in December 2000 and as of July 19, 2001, had opened 1,648 accounts for its employees. A majority of these accounts involve purchases for foster care children under the Foster Care - Title IV-E program (CFDA 93.658). The state and department have established control procedures designed to ensure that cards are only issued to authorized employees and cards are safeguarded from unauthorized use. However, a review of the controls disclosed the following weaknesses:

- Eighty-seven employees use 186 accounts (99 replacement accounts/cards). As of August 2001, 26 employees have more than one active account; 22 employees have two active accounts; three employees have three active accounts; and one employee has four active accounts. Research into the reason for so many accounts per employee revealed that the department was not consistently using the Cardholder Update Form. This form should be used when updating account information such as name or address change, deleting the cardholder, closing an account, or noting that a card was lost/stolen. Failure to require use of the Cardholder Update Form limits management's ability to identify and resolve problems related to the issuance of the LaCarte cards.
- A sample of 34 terminated employees who had LaCarte cards disclosed that 19 accounts (56%) had not been closed as of the date of the audit test, August 14, 2001. The number of days between termination day and test date ranged from 38 to 150 days. In addition, 13 accounts (38%) had been closed, but the time between the termination of the employee and closing of the account ranged from 4 to 137 days. However, no purchases were charged to those accounts after the termination dates.
- Of the 57 Cardholder Agreement Forms tested, four (7%) could not be located. This form is required by state and departmental procedures and verifies that the cardholder has read and understands the policies and procedures of the state and department and agrees to comply with them.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

- Of the 60 Cardholder Enrollment Forms tested, four (6.7%) were not properly approved. This form is required by state and departmental procedures and contains pertinent information on the cardholder necessary for statement and mailing purposes, contact information, spending limits, and budget controls.

DSS management has not enforced the use of established control procedures to ensure the proper issuance of cards and the monitoring of issued cards. Furthermore, management has not established adequate procedures to cancel accounts of terminated employees. Failure to follow established procedures increases the risk that LaCarte accounts are being used by unauthorized personnel for unauthorized purchases.

Management should ensure that all state and departmental LaCarte control procedures are followed including completing all required forms, issuing cards and opening accounts on a business need only basis, and canceling the accounts of terminated employees in a timely manner. Management concurred with the finding and recommendation and outlined plans of corrective action (B-90).

F-01-HHS-DSS-5 - Foster Care: Insufficient Reimbursements
From Child Support Collections

Questioned
Costs
\$241,616

93.645 - Child Welfare Services - State Grants (00/01)

93.658 - Foster Care - Title IV-E (00/01)

93.667 - Social Services Block Grant (00/01)

DSS, Office of Community Services (OCS), did not distribute all child support payments received on behalf of foster care children in accordance with federal regulations. The Office of Family Support, Support Enforcement Services, transfers to OCS any collections of child support for children that are/were in foster care. U.S. Code, Title 42, Section 657 requires a state to retain, after specified distributions, child support collections received on behalf of a child for whom the state made foster care maintenance payments. The collections can be used to reimburse the state and federal governments for their share of maintenance expenditures made on behalf of the foster child. Maintenance expenditures represent a variety of expenditures relating to the care of a foster child including, but not limited to, payments to foster parents, clothes, doctor visits, et cetera.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

Audit procedures included a review of the child support collections for June 2001 for children in foster care. Child support payments of \$33,654 were received for 243 children currently or formerly in foster care. Maintenance expenditures incurred in June 2001 for 190 of the children were identified and, accordingly, \$26,401 (78.5%) was allocated/reimbursed to the state and federal government programs that funded their foster care expenditures. The remaining 53 children with \$7,253 (21.5%) in collections had no maintenance expenditures in June or collections exceeded June maintenance expenditures. In these instances, no allocation was made to state or federal programs on their behalf. However, audit procedures performed for 20 of the 53 children showed that unreimbursed foster care maintenance expenditures existed from prior months.

OCS had no procedures to identify unreimbursed foster care maintenance expenditures from prior months and to properly use the child support collections to reimburse the state and federal government programs for those expenditures. As a result, OCS allowed \$131,321 and \$110,295 of child support collections to revert to the state General Fund for fiscal years ended June 30, 2001, and June 30, 2000, respectively. Based on the audit procedures performed, these funds should have been used to reimburse federal programs for expenditures that support the foster care program. Federal programs affected may include the Foster Care IV-E (CFDA 93.658) program, Child Welfare Services - State Grants (CFDA 93.645), and Social Services Block Grant (CFDA 93.667). Total questioned costs for these programs are \$241,616.

Management should establish procedures to ensure that child support collections received on behalf of foster care children are used to fully reimburse the federal programs that participated in financing the maintenance expenditures for those children. Management concurred with the finding and outlined a plan of corrective action (B-94).

**F-01-HHS-DSS-6 - Foster Care - Title IV-E Program: Insufficient
 Controls Over Program Administration**

	Questioned Costs
93.658 - Foster Care - Title IV-E (2001)	\$301,250

DSS, OCS does not have adequate internal control procedures to ensure compliance with grant regulations in the administration of the Foster Care - Title IV-E (CFDA 93.658) program. OMB Circular A-133, Subpart C, Section 300(b) requires states to establish internal control over federally funded programs to provide reasonable assurance that the state is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Accounting Errors/Overpayments

Children in foster care that are emotionally disturbed and at risk of hurting themselves or others require child specific placements. Child specific placements incur greater social service costs than other placements, usually because the children require one-on-one services or constant supervision. Accounting records indicate that during state fiscal year 2000-2001, OCS paid \$217,930 for 21 foster children requiring specific placements; during state fiscal year 1999-2000, OCS paid \$529,449 for 17 children.

Audit tests included a review of 24 transactions for children requiring child specific placements during fiscal years 1999-2000 and 2000-2001. This review disclosed the following accounting errors, resulting in overpayments and questioned costs:

1. OCS paid for counseling and therapy ("social service" costs) provided to foster children that required child specific placements. Social service costs have been determined unallowable by Section 475(4) of the Social Security Act. Although OCS developed a methodology to eliminate social service costs from the total cost of placement for other foster children, no methodology had been established for children requiring specific placement.

Since specific placements incur greater social service costs than other placements and OCS is using 19.97% to adjust total costs for placements other than specific placements, unallowable social service costs for specific placements during fiscal years 2000-2001 and 1999-2000 were, at a minimum, \$43,521 and \$105,731, respectively. Therefore, questioned costs are \$149,252.

2. OCS paid two locations of the same facility for providing a foster child board and/or one-on-one services during December 2000 and January 2001. Brown School-San Marcos (Texas) was paid \$21,554 for services never rendered. Although OCS recognized the error, documents were prepared to recoup only \$1,550, leaving an overpayment balance of \$20,004. In addition, the Austin (Texas) location that actually provided the services was paid \$20,700 for January one-on-one services, although its contract entitled it to only \$6,750. Therefore, total questioned costs are \$33,954.
3. An invoice totaling \$19,200 for \$5,250 of one-on-one services and \$13,950 for board was input for payment in the Transactions, Information, and Payment System (TIPS) as \$13,950 and \$19,200 for one-on-one services and board, respectively. Furthermore, the caseworker's notes indicate that one-on-one services were not provided to the foster child during the period billed. As a result, questioned costs relating to the overpayment are \$19,200.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

4. An invoice for one-on-one services totaling \$1,556, but erroneously shown as \$1,002, was input for payment in TIPS at \$10,002. Furthermore, charges totaling \$187 for two days the child was absent from the facility were not deducted from the total payment. As a result, questioned costs relating to the overpayment are \$8,633.
5. OCS paid \$5,813 for 904.5 hours (\$6.43 average) of one-on-one services provided to a foster child during August 2000. However, August has only 744 available billing hours. In addition, the caseworker's notes indicate the foster child was moved from the residential facility on August 22, 2000. Based on this information, questioned costs relating to the overpayment are \$2,534.
6. Invoice charges for one-on-one services totaling \$10,324 were input for payment in TIPS at the maximum amount allowed by OCS policy, \$10,880. However, OCS should have paid \$9,008 because the invoice contained hourly rates above the one-on-one intervention rate and \$150 of one-on-one services was billed *after* the child was moved from the residential facility. These errors result in questioned costs relating to the overpayment of \$1,872.

Eligibility

A review of 30 case files of foster children disclosed that OCS paid \$2,334 to a residential facility to retain space for a runaway child. While this is an allowable expenditure based on OCS policy, the policy prohibits payment from the Foster Care - Title IV-E program. This error results in questioned costs relating to the overpayment of \$2,334.

Matching and Federal Reporting

A review of the detailed records for total maintenance expenditures shown in the ACF-Title IV-E-1 report disclosed the inclusion of legal expenditures, which federal regulations define as "administrative" expenditures. Administrative expenditures have a 50% federal financial participation rate as opposed to 70.32% and 70.53% for maintenance expenditures for federal fiscal years 1999-2000 and 2000-2001, respectively. Therefore, questioned costs relating to the application of the wrong matching rate are \$41,829 for federal fiscal year 1999-2000 and \$41,642 for 2000-2001.

These conditions exist because inadequate review and approval procedures exist for the TIPS 211 documents and the service authorizations. TIPS is not designed for on-line approvals; therefore, supervisors must manually approve all TIPS 211 documents and service authorizations. Input validation procedures at the parish/regional and main office level do not include a comparison of input to source documents to ensure that all transactions were accurate. OCS has not placed sufficient emphasis on the review of invoices and financial reports for completeness, accuracy, and compliance with program regulations. Consequently, questioned costs are \$301,250.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

Management should develop procedures that include a detailed supervisory review of invoices and comparison to the caseworkers' notes on approved services; a review of TIPS documents before and after input; and a review of financial reports for completeness, accuracy, and compliance with program regulations. In addition, management should (1) ensure that a proper methodology is developed for deducting "social service" costs for children with specific placements, (2) recoup all overpayments and properly adjust accounting records, and (3) remit questioned costs to the Foster Care - Title IV-E program. Management concurred with the finding except for the section relating to accounting errors/overpayments where management concurred in part. However, management provided detailed corrective action plans for all sections in the finding. See management's response at B-97.

F-01-HHS-DSS-7 - Temporary Assistance for Needy Families Program:
Noncompliance With Certain Federal and
State Requirements

	Questioned Costs
93.558 - Temporary Assistance for Needy Families (99/02)	\$22,838

OFS did not comply with certain federal and state requirements for administering the Temporary Assistance for Needy Families Program (TANF, CFDA 93.558). OFS uses TANF funds to operate several programs, including the "Family Independence Temporary Assistance Program" (FITAP) and "Family Independence Work Program" (FIND Work).

A review of 60 FITAP client case files disclosed the following conditions:

- For the second consecutive year, the department did not follow R.S. 46:231.6 and the TANF State Plan that state a family shall not be eligible for FITAP benefits if the parent has received FITAP benefits for at least 24 of the past 60 months, beginning January 1, 1997, unless a hardship or other good cause exemption has been allowed. In six of 60 cases (10%), clients exceeded the required 24-month limit on FITAP benefits by one to 21 months for which no allowable exemption was documented or the exemption was given in error. Questioned costs are \$12,246.
- For the third consecutive year, the department did not follow the requirements of state law and the TANF State Plan for school attendance requirements. R.S. 46:231.3 and the TANF State Plan require clients to provide documentation as part of the re-certification process that any school age child receiving payments has not been absent without cause from school for more than 15 days during the previous six months. Where there are excess absences, school attendance should be monitored monthly until attendance requirements are met. If noncompliance continues, the child will be removed from benefits. Two clients

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

received \$7,578 in excess payments after their children should have been removed from benefits. Documentation in eight case files was not sufficient to determine if and when sanctions for non-attendance should have been imposed. Questioned costs are \$7,578.

- For the third consecutive year, OFS failed to sufficiently document client compliance with the mandatory work requirements for the FIND Work program pursuant to 42 USCS 607. In six of 60 cases (10%), the case file and department's database did not contain verification that the client met the participation requirements and/or that the case manager verified the hours worked. Without such documentation, one cannot determine whether the clients fulfilled the participation requirements and/or whether the case managers made the proper determination regarding sanctions and continued eligibility.
- In seven of 60 cases (11.7%), the case files did not contain evidence that parents under age 20 attended a parenting skills training class or were exempt with good cause. R.S. 46:231.5 and the TANF State Plan provide that each public assistance recipient who is a parent and under the age of 20 shall be required to attend a parenting skills education program annually as a condition of eligibility for public assistance. The department's policy B-1510-FTAP requires removal of the teen parent for noncompliance without good cause. However, none of the seven clients were removed from benefits. Without verification of attendance in a parenting class, one cannot determine if the seven clients were eligible for benefit payments.
- One client received \$2,289 of benefits eight months after the absent parent had returned home. The case file had no documentation of why benefits continued under the client's name (instead of the parent's name) or why the parent was not included in the assistance unit upon his/her return. Questioned costs are \$2,289.
- For the third consecutive year, certain client information in the department's computer databases did not agree with, or was not supported by, documentation in the client's case file. Although the errors detected in 15 cases did not affect benefits, such errors could cause a client to incorrectly receive or be denied benefits. Incorrect information in the department's databases can result in submission of inaccurate and incomplete federal performance reports.
- In three of 60 cases tested (5%), the case files did not contain receipts to support reimbursements to clients for FIND Work support services. OMB Circular A-87 states that to be allowable under federal awards, costs must be adequately documented. Questioned costs are \$725.

STATE OF LOUISIANA**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Federal Award Findings and Questioned Costs (Continued)

- For the third consecutive year, documentation in the test files was not sufficient to verify citizenship and relationship of the caretaker to the minor child. Four of 60 cases (6.7%) examined had insufficient documentation. U.S. Code, Title 8, Sections 1612 and 1613 and the TANF State Plan require recipients of TANF funds to be U.S. citizens or qualified aliens. R.S. 46:231(3)(b) and the TANF State Plan require that the caretaker of a minor child in the assistance unit (family) be a qualified relative by meeting certain relationship requirements.

Audit procedures included a review of the ACF-196 TANF Financial Report for the federal fiscal year 2001 grant award for the quarter ended June 30, 2001. This review revealed that the report understated state maintenance of effort administrative costs and overstated non-assistance program costs by \$846,466. The error caused OFS to exceed by \$846,466 the 15% limit on state maintenance of effort administrative costs required by 45 CFR 263.2. If the department fails to make the proper adjustments, a penalty could be assessed.

Failure to establish and follow adequate internal control procedures to ensure compliance with federal and state regulations can result in payments made to ineligible clients, payments made in the wrong amounts, or failure to provide benefits to eligible clients. The erroneous or insufficiently supported payments cited in the test results discussed previously could be disallowed by the federal funding agency, thereby requiring the state to refund \$22,838 to the federal government. In addition, errors in federal financial and performance reporting can result in the assessment of penalties by the federal funding agency.

Management should require all employees involved in the administration of the TANF program to adhere to federal and state regulations and to management's established policies and procedures. Management should monitor implementation of corrective procedures to ensure internal controls are in place and working as intended. Management should also contact the grantor agency regarding the questioned costs and take appropriate action to recover excess benefits paid to recipients. Management concurred with the finding and recommendation and outlined plans of corrective action (B-106).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2001

SOUTHERN UNIVERSITY AND A&M COLLEGE
(BATON ROUGE)

Independent auditors performed an audit of the Southern University and A&M College (Baton Rouge) federal award programs for the year ended June 30, 2001, and have issued their report thereon dated November 29, 2001. The following finding was presented in their report.

F-01-HHS-SUBR-4 - Eligibility

	Questioned Costs
<u>Student Financial Assistance Cluster:</u>	
93.925 - Scholarships for Health Professions Students from Disadvantaged Backgrounds (2001)	\$2,000

The auditors noted that one out of 10 students tested received Scholarships for Health Professions Students from Disadvantaged Backgrounds (SDS) (CFDA 93.925) funds but was not documented as having financial need. The university was unable to locate the student's financial aid information, resulting in questioned costs of \$2,000. This is the second consecutive year a finding of this nature has been reported.

OMB Circular A-133, Compliance Supplement, Part 5, Section III (E) specifies the eligibility requirements for the SDS program.

The auditors recommended that the university take immediate steps to locate the student's financial aid information. See management's response at B-118.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Federal Award Findings and Questioned Costs (Continued)

SOCIAL SECURITY ADMINISTRATION

SOCIAL SERVICES, DEPARTMENT OF

**F-01-SSA-DSS-8 - Social Security Administration - Disability Insurance:
 Insufficient Level of Effort**

Questioned Costs
\$0

Disability Insurance/SSI Cluster:
96.001 - Social Security - Disability Insurance (2001)

DSS, OFS did not provide a sufficient level of effort for administering the Social Security Administration - Disability Insurance Program (CFDA 96.001). The OFS includes the Disability Determination Services (DDS) Unit, which processes the medical determination component of disability insurance claims for the Social Security Administration (SSA). The Code of Federal Regulations, Title 20, Section 404.1621, requires the state, to the best of its ability, to facilitate the processing of disability claims by avoiding personnel freezes, restrictions against overtime work, and/or the curtailment of facilities or activities. The SSA reimburses DDS for 100% of the costs incurred in making disability determinations.

Audit procedures disclosed the following conditions that caused a large backlog of disability cases:

- In October 1999, Louisiana was one of 10 states selected by the SSA to implement a new prototype method for case processing. The prototype changes resulted in longer case processing time, lost time because of training, and a higher than normal attrition rate. DDS also had its authorized positions cut from 395 in state fiscal year (FY) 1998-1999 to 380 in FY 1999-2000 to 360 in FY 2000-2001.
- During FY 1999-2000 and FY 2000-2001, the DDS program director repeatedly sought management's approval for paid overtime and for authority to fill vacancies to help offset the lost production. The program director pointed out that DDS was 100% federally funded and that the department's actions were contrary to federal regulations governing the program. Management denied the requests, citing the need to comply with the governor's executive orders relating to hiring and spending freezes. However, the governor's executive orders did not apply to DDS since the orders exempted all budget activities not financed by funds from the state General Fund (Direct).

STATE OF LOUISIANA**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Federal Award Findings and Questioned Costs (Concluded)

- In October 2000, management authorized DDS to replace 25 disability examiners but continued to refuse approval for paid overtime until May 2001 when the number of unassigned cases had reached 6,974. At the end of FY 2000-2001, the total unassigned cases had decreased by 2,623 to 4,351 cases.

Because DSS did not provide a sufficient level of manpower and administrative support to the DDS Unit, the SSA, as of June 30, 2001, had transferred nearly 3,000 Louisiana disability claims and reviews to other states and other SSA federal components. Furthermore, Louisiana residents with disabilities experienced unnecessary delays in receiving decisions regarding their disability claims. In a letter dated July 26, 2000, to the DSS secretary, the SSA Region VI commissioner stated, "Dollars that appear to be saved through a hiring freeze in the DDS are merely dollars that SSA does not provide. It does not reduce state spending, nor does it free up funding that might be redirected to other programs."

Management should comply with the requirements of 20 CFR 404.1621 for the DDS Unit by replacing vacant positions, approving paid overtime, and restoring authorized positions, as necessary, to improve the administration of the program. Management concurred with the finding, noting an increase in authorized positions and a reduction in the unassigned case load. See management's response at B-103.

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Schedule D

Schedule of Unresolved Prior Audit Findings For the Year Ended June 30, 2001



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Schedule of Unresolved Prior Audit Findings
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STATE OF LOUISIANA

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Appendix A

Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2001



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For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT		
Alianza Louisiana/Programa Presidencial De Inversiones De Honduras	02.522-G-00-01-0020-00	
Through: Metrovision		
University of New Orleans		\$42,925
Through: New Orleans Environmental System Foundation		
University of New Orleans		288,240
Subtotal Alianza Louisiana/Programa Presidencial De Inversiones De Honduras		331,165
Forestry Development - Honduras - LSU Agricultural Center	02.unknown	
Through: Metrovision Partnership Foundation		
LSU Agricultural Center		100,037
International Development Partnership	02.unknown	
Through: United Negro College Fund (31123-IDF)		
Grambling State University		45,599
Partnerships for Food Industry Development	02.PCE-A-00-01-00012-00	
Direct Awards:		
LSU Agricultural Center		112,273
Reconstruction and Strategic Development of Agricultural, Agribusiness and National Resources - Honduras	02.unknown	
Through: Metrovision Partnership Foundation		
LSU Agricultural Center		137,690
Support of Ukrainian Private Farming Sector and Scientific Collaboration	02.121-A-00-98-00631-00	
Direct Awards:		
LSU Agricultural Center		767,410
Vista University Linkage Grant	02.3752	
Direct Awards:		
Southern University Board and System Administration		53,293
Zambia - Democracy in-Country	02.3224/93-02	
Direct Awards:		
Southern University Board and System Administration		56,261

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (CONT.)		
<u>Research and Development Cluster:</u>		
GIS Applications-Building GIS Databases for Developing GIS Models for Animal - Fixed Price Contract	02.RD.14355	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$1,000
Total U.S. Agency for International Development		\$1,604,728
INSTITUTE FOR MUSEUM SERVICES		
The Louisiana Purchase Bicentennial: A Heritage Explored	03.ND-00010-00	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$58,030
Total Institute for Museum Services		\$58,030
U.S. DEPARTMENT OF AGRICULTURE		
Plant and Animal Disease, Pest Control, and Animal Care	10.025	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		\$1,130,896
Forestry Incentives Program	10.064	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		70,334
Market News	10.153	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		1,000
Inspection Grading and Standardization	10.162	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		9,038
Market Protection and Promotion	10.163	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		91,995
Grants for Agricultural Research, Special Research Grants	10.200	
<u>Direct Awards:</u>		
LSU Agricultural Center		2,768

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Food and Agricultural Sciences National Needs		
Graduate Fellowship Grants	10.210	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$19,984
1890 Institution Capacity Building Grants	10.216	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		266,486
Higher Education Challenge Grants	10.217	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		33,523
LSU in Shreveport		32,433
Subtotal Higher Education Challenge Grants		65,956
Biotechnology Risk Assessment Research	10.219	
<u>Through: Alabama A&M University (00-52100-9616)</u>		
Southern University and A&M College (Baton Rouge)		22,188
Fund for Rural America - Research, Education, and Extension Activities	10.224	
<u>Direct Awards:</u>		
Southern University Board and System Administration		225,055
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		1,938,943
Cooperative Extension Service	10.500	
<u>Direct Awards:</u>		
LSU Agricultural Center		6,958,174
Southern University Board and System Administration		3,056,772
<u>Through: North Carolina State University</u>		
LSU Agricultural Center		7,002
<u>Through: Texas A&M University</u>		
LSU Agricultural Center		570
Subtotal Cooperative Extension Service		10,022,518

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Food Distribution	10.550	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		<u>\$17,830,389</u>
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	
<u>Direct Awards:</u>		
Office of Public Health		<u>75,808,188</u>
Child and Adult Care Food Program	10.558	
<u>Direct Awards:</u>		
Department of Education		<u>43,290,002</u>
State Administrative Expenses for Child Nutrition	10.560	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		208,538
Department of Education		<u>2,232,051</u>
Subtotal State Administrative Expenses for Child Nutrition		<u>2,440,589</u>
Commodity Supplemental Food Program	10.565	
<u>Direct Awards:</u>		
Office of Public Health		<u>16,761,948</u>
Nutrition Program for the Elderly (Commodities)	10.570	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>3,056,615</u>
Team Nutrition Grants	10.574	
<u>Direct Awards:</u>		
Department of Education		<u>168,897</u>
Forestry Research	10.652	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		120,831
Southern University and A&M College (Baton Rouge)		<u>(253)</u>
Subtotal Forestry Research		<u>120,578</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Cooperative Forestry Assistance	10.664	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		\$1,862,329
Southern University and A&M College (Baton Rouge)		264
		<u>1,862,593</u>
Subtotal Cooperative Forestry Assistance		
Schools and Roads - Grants to States	10.665	
<u>Direct Awards:</u>		
Department of the Treasury		<u>2,646,015</u>
National Forest - Dependent Rural Communities	10.670	
<u>Direct Awards:</u>		
LSU in Shreveport		<u>5,000</u>
Rural Business Enterprise Grants	10.769	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		<u>6,029</u>
Distance Learning and Telemedicine Loans and Grants	10.855	
<u>Direct Awards:</u>		
LSU in Shreveport		16,281
Northwestern State University		<u>14,528</u>
		<u>30,809</u>
Subtotal Distance Learning and Telemedicine Loans and Grants		
Resource Conservation and Development	10.901	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>3,456</u>
Environmental Quality Incentives Program	10.912	
<u>Direct Awards:</u>		
LSU Agricultural Center		4,896
Southern University Board and System Administration		<u>(470)</u>
		<u>4,426</u>
Subtotal Environmental Quality Incentives Program		
Agricultural Statistics Reports	10.950	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		<u>25,000</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Technical Agricultural Assistance	10.960	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$295,796
Scientific Cooperation and Research	10.961	
<u>Direct Awards:</u>		
LSU Agricultural Center		96,388
International Training - Foreign Participant	10.962	
<u>Direct Awards:</u>		
LSU Agricultural Center		(512)
Scientific and Technical Cooperation	10.963	
<u>Direct Awards:</u>		
LSU Agricultural Center		21,234
Agricultural Market Outreach Conference	10.12-25A-3748/3807	
<u>Direct Awards:</u>		
Southern University Board and System Administration		(7,166)
Bayou Program	10.43-3AEP-7-80080	
<u>Direct Awards:</u>		
Southern University Board and System Administration		14,236
CSRS Program Income	10.SEC 1445	
<u>Direct Awards:</u>		
Southern University Board and System Administration		20,771
Cultural Diversity Committee of the American Phytopathological Society	10.59-6401-0-115	
<u>Direct Awards:</u>		
Southern University Board and System Administration		989
Enhanced Summer	10.0GSP-02	
<u>Direct Awards:</u>		
Southern University Board and System Administration		1,837
Forest Service Cooperative Agreement		
<u>Direct Awards:</u>		
University of Louisiana at Monroe	10.00-CS-11080600-010	8,894
<u>Through: Kisatchie National Forest</u>		
Northwestern State University	10.01-PA-11080603010	3,565
Subtotal Forest Service Cooperative Agreement		12,459

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Fresh Produce Food Safety <u>Through: North Carolina State University</u> LSU Agricultural Center	10.unknown	\$1,650
Increasing Potential of US Beef Exports to Indonesia <u>Direct Awards:</u> LSU Agricultural Center	10.5599-108	50,715
Louisiana "Kid's Foods" Crop Profiles <u>Through: University of Florida</u> LSU Agricultural Center	10.L66130	2,168
LA Sustainable Agriculture Training-Plan of Work FY 1997 <u>Through: North Carolina State University</u> LSU Agricultural Center	10.98-0409-11	2,924
Management of Aquaculture Effluents <u>Through: Mississippi State University - Southern</u> <u>Regional Aquaculture Center</u> LSU Agricultural Center	10.97-38500-4124	11,568
Management of Aquacultural Effluents From Ponds <u>Through: Mississippi State University - Southern</u> <u>Regional Aquaculture Center</u> LSU Agricultural Center	10.99-38500-7375	500
National Fish and Wildlife Foundation <u>Through: National Fish and Wildlife Foundation</u> LSU in Shreveport	10.99-CA-014	26,424
A National Risk Assessment Tool for Consumer Food Safety <u>Through: University of Wisconsin-Extension (#99-41560-0819)</u> LSU Agricultural Center	10.917F781	9,189
Nutrient Intake in Southern Region <u>Through: University of Southern Mississippi</u> LSU Health Sciences Center (New Orleans)	10.AEM80044	1,586
Poultry and Vegetables <u>Through: Southern Regions Share Program (RD309-031)</u> Southern University and A&M College (Baton Rouge)	10.unknown	5,887

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Rice Milling and Processing - Study Tour of the U.S. Rice Industry - Fixed Price Contract	10.40-3148-0-5595	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$7,600
Rural Manufacturer Access to Information, Resources, and Markets	10.43-3AEM-8-80109	
<u>Direct Awards:</u>		
LSU Agricultural Center		1
Seniors Farmers' Market Nutrition Program	10.SFM017	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		15,828
Soil Conservation - Fixed Price Contract	10.FSAKCMOCD52	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		14,333
Southern Region Watershed Resources Management Program	10.unknown	
<u>Through: Texas A&M University - Tentative</u>		
LSU Agricultural Center		26,152
Strengthening Programs for Children, Youths and Families at Risk	10.95-EYAR-1-2012	
<u>Direct Awards:</u>		
LSU Agricultural Center		17,052
Termite Management Education Program - Part 2	10.58-6435-8-084	
<u>Direct Awards:</u>		
LSU Agricultural Center		333,531
USDA Forestry Service Archaeology Week	10.M110060174	
<u>Direct Awards:</u>		
Department of Culture, Recreation and Tourism		1,000
USDA F.S. Multi-Cultural Workforce Scholarship	10.1Dp408-1503	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		42,500
USDA Student Book Allowance	10.12-40-0001	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		2,361

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Verification of Recommended Management Practices for Marine Aquatic Species <u>Through: Mississippi State University - Southern Regional Aquaculture Center</u> LSU Agricultural Center	10.97-38500-4124	<u>\$1,487</u>
<u>Child Nutrition Cluster</u>		
School Breakfast Program	10.553	
<u>Direct Awards:</u> Department of Education		43,663,304
National School Lunch Program	10.555	
<u>Direct Awards:</u> Department of Education		138,833,715
Special Milk Program for Children	10.556	
<u>Direct Awards:</u> Department of Education		54,589
Summer Food Service Program for Children	10.559	
<u>Direct Awards:</u> Department of Education		<u>6,379,179</u>
Subtotal Child Nutrition Cluster		<u>188,930,787</u>
<u>Emergency Food Assistance Cluster:</u>		
Emergency Food Assistance Program (Administrative Costs)	10.568	
<u>Direct Awards:</u> Department of Agriculture and Forestry		1,081,937
Emergency Food Assistance Program (Food Commodities)	10.569	
<u>Direct Awards:</u> Department of Agriculture and Forestry		<u>7,146,283</u>
Subtotal Emergency Food Assistance Cluster		<u>8,228,220</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Food Stamp Cluster:</u>		
Food Stamps	10.551	
<u>Direct Awards:</u>		
Department of Social Services		\$463,761,006
State Administrative Matching Grants for Food Stamp Program	10.561	
<u>Direct Awards:</u>		
Department of Social Services		33,168,898
Subtotal Food Stamp Cluster		496,929,904
<u>Research and Development Cluster:</u>		
Agricultural Research - Basic and Applied Research	10.001	
<u>Direct Awards:</u>		
LSU Agricultural Center		30,790
Pennington Biomedical Research Center		514,099
Southern University and A&M College (Baton Rouge)		5,581
Plant and Animal Disease, Pest Control, and Animal Care	10.025	
<u>Direct Awards:</u>		
LSU Agricultural Center		12,595
Grants for Agricultural Research, Special Research Grants	10.200	
<u>Direct Awards:</u>		
LSU Agricultural Center		876,573
Louisiana Tech University		81,100
Pennington Biomedical Research Center		615,728
Southern University and A&M College (Baton Rouge)		203,576
<u>Through: Colorado State University</u>		
LSU Agricultural Center		3,000
<u>Through: Mississippi State University - Southern</u>		
<u>Regional Aquaculture Center</u>		
LSU Agricultural Center		6,824
<u>Through: North Carolina State University</u>		
LSU Agricultural Center		15,755
<u>Through: Southern Region Aquaculture Center</u>		
<u>(#98-38500-5865/7375)</u>		
Louisiana Tech University		19,839
<u>Through: Texas A&M University</u>		
LSU Agricultural Center		14,310

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Grants for Agricultural Research, Special Research Grants (Cont.)	10.200	
<u>Through: Texas A&M University Agriculture Experiment Station</u>		
LSU Agricultural Center		\$14,019
<u>Through: University of Arkansas</u>		
LSU Agricultural Center		12,378
Cooperative Forestry Research	10.202	
<u>Direct Awards:</u>		
LSU Agricultural Center		451,049
Louisiana Tech University		195,854
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	
<u>Direct Awards:</u>		
LSU Agricultural Center		3,162,575
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		1,333,360
Grants for Agricultural Research - Competitive Research Grants	10.206	
<u>Direct Awards:</u>		
LSU Agricultural Center		348,406
LSU A&M College (Baton Rouge)		418,702
LSU Health Sciences Center (Shreveport)		50,631
Pennington Biomedical Research Center		18,517
Animal Health and Disease Research	10.207	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		40,580
1890 Institution Capacity Building Grants	10.216	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		79,687
Higher Education Challenge Grants	10.217	
<u>Direct Awards:</u>		
LSU Agricultural Center		52,021
<u>Through: Ohio State University Research Foundation</u>		
LSU Agricultural Center		26,049

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Buildings and Facilities Program	10.218	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$992,667
Biotechnology Risk Assessment Research	10.219	
<u>Direct Awards:</u>		
LSU Agricultural Center		39,588
Agricultural and Rural Economic Research	10.250	
<u>Through: Mississippi State University</u>		
LSU Agricultural Center		11,713
<u>Through: University of Southern Mississippi</u>		
LSU Health Sciences Center (New Orleans)		5,679
Initiative for Future Agriculture and Food Systems	10.302	
<u>Through: University of Arkansas (#00-52102-9635)</u>		
LSU Agricultural Center		11,701
Integrated Programs	10.303	
<u>Through: Cornell University (#00-51110-9769)</u>		
LSU Agricultural Center		2,758
Small Farmer Outreach Training and Technical Assistance Program	10.443	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		265,293
Forestry Research	10.652	
<u>Direct Awards:</u>		
LSU Agricultural Center		136,682
LSU A&M College (Baton Rouge)		8,066
Louisiana Tech University		11,139
Southeastern Louisiana University		5,709
<u>Through: Mississippi State University (#00-DG-11330105-1)</u>		
LSU Agricultural Center		2,189
Cooperative Forestry Assistance	10.664	
<u>Direct Awards:</u>		
LSU Agricultural Center		32,579

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Farmland Protection Program	10.913	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		\$7,212
Scientific Cooperation and Research	10.961	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		7,062
Administrative Office - ARS	10.RD.58-6401-7-002	
<u>Direct Awards:</u>		
LSU Agricultural Center		67
Area Wide Control of the Tarnished Plant Bug in Louisiana	10.RD.58-6402-0-015	
<u>Direct Awards:</u>		
LSU Agricultural Center		50,590
Bio Control of Red Imported Fire Ant in La With Pseudacteon Decapitating Flies	10.RD.00-8100-0615-CA	
<u>Direct Awards:</u>		
LSU Agricultural Center		13,500
Biological Control of Fire Ants in the US Southern Region	10.RD.61811/PROP#Z3397	
<u>Through: University of Tennessee</u>		
LSU Agricultural Center		13,751
Biology and Control of the Formosan Subterranean Termite - Part I	10.RD.58-6435-8-084	
<u>Direct Awards:</u>		
LSU Agricultural Center		176,231
Biotechnology Applications to Wetlands Erosion Control	10.RD.59-6413-8-096	
<u>Direct Awards:</u>		
LSU Agricultural Center		158,294
Carbonaceous Materials Made From Agricultural Byproducts and Their Use in Cane	10.RD.58-6435-8-102	
<u>Direct Awards:</u>		
LSU Agricultural Center		10,099

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Challenge Cost-Share Agreement - Soil Development and Spatial Variation	10.RD.08-99-06-CCS-011	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$6,042
Control of Blue-Green Algae in Aquaculture Ponds	10.RD.unknown	
<u>Through: Mississippi State University - Southern Regional Aquaculture Center</u>		
LSU Agricultural Center		18,381
Cooperative Agreement/Soil Conservation Service	10.RD.68-7217-8-23	
<u>Direct Awards:</u>		
LSU Agricultural Center		20,817
Cooperative Agreement Task Order - Soil and Water Research Unit	10.RD.58-6401-7-002	
<u>Direct Awards:</u>		
LSU Agricultural Center		58,051
CPA-Nitrogen Efficiency Demonstration Project	10.RD.68-7217-6-(204)	
<u>Direct Awards:</u>		
LSU Agricultural Center		(320)
Defining Growing Season From Measured Soil Temperature	10.RD.68-7482-7-264	
<u>Direct Awards:</u>		
LSU Agricultural Center		2,867
Develop an Agroforestry Demonstration Project Plan	10.RD.68-7482-7-301	
<u>Direct Awards:</u>		
LSU Agricultural Center		1,833
Efficacy of Zosteric Acid for Control of Strawberry Anthracnose	10.RD.58-6408-0-002	
<u>Direct Awards:</u>		
LSU Agricultural Center		4,384
Embryogenesis in Sugarcane Tissue Cultures	10.RD.58-6435-9-093	
<u>Direct Awards:</u>		
University of New Orleans		9,451

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
EQIP Educational Assistance Project	10.RD.74-7217-0-2	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$308
Establishing Sustainable Production and Information Exchange Systems	10.RD.00-COOP-1-8843	
<u>Through: Baton Rouge Economic and Agricultural Development (00-COOP-1-8843)</u>		
LSU Agricultural Center		12,611
Establishment and Measurement Plot for Keiffer Prairie Area	10.RD.KNF-97-19	
<u>Direct Awards:</u>		
Louisiana Tech University		2,489
Evaluation of Corn Genotypes With Live Corn Embryo - Associated Assistance	10.RD.58-6435-7-048	
<u>Direct Awards:</u>		
LSU Agricultural Center		76,633
Evaluation and Development of Crosses and Corn Hybrids for Resistance	10.RD.58-6402-0-102/101	
<u>Direct Awards:</u>		
LSU Agricultural Center		14,942
Final Review of Statements of Program Accomplishment and Impact Statements Land-G	10.RD.90-CSA-LAI-122	
<u>Direct Awards:</u>		
LSU Agricultural Center		9,043
Genetic Engineering of Cotton to Confer Enhanced Resistance to Aspergillus flavus	10.RD.58-6435-6-033	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		18,795
Impacts of Offroad Vehicles (ORV) to Soil, Water and Other Resources	10.RD.00-CS-11080600-020	
<u>Direct Awards:</u>		
LSU Agricultural Center		4,092

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
IPA - David Huxsoll	10.RD.IPA-1940-001	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$137,487
Kisatchie National Forest Cost Share Agreement	10.RD.KNF-96-16	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,734
Management of Aquacultural Effluents From Ponds	10.RD.97-38500-4124/7375	
<u>Through: Mississippi State University - Southern</u>		
<u>Rural Development Center</u>		
LSU Agricultural Center		30,705
Management of Operations Associated With Site-Specific		
Testing - Part 3 Partial	10.RD.58-6435-8-084	
<u>Direct Awards:</u>		
LSU Agricultural Center		33,711
Mastitis Control Using a Unique Teat Coating - Fixed Price Contract	10.RD.G33.005B	
<u>Through: Biomedical Development Corporation</u>		
LSU Agricultural Center		21,137
Metabolic Kitchen	10.RD.US AES 2001-102	
<u>Through: University of Arkansas</u>		
Pennington Biomedical Research Center		35,720
Modeling Risk of Chinese Tallow Invasion in an		
Heterogeneous Landscape	10.RD.00-JV-11272177-028	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		49,051
National Food Service Management Institute Scholar Program	10.RD.USM-046001207-A10	
<u>Through: University of Southern Mississippi</u>		
LSU A&M College (Baton Rouge)		7,279
Natural Resources Conservation Service - Soil Conservation		
Domestic Allotment Act	10.RD.68-7482-0-601	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		108,573

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Office Space for USDA-NRCS Wetland Science Institute	10.RD.68-7217-5-81	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$495
Optimizing Nutrient Utilization and Reducing Waste Through Diet Composition	10.RD.unknown	
<u>Through: Mississippi State University - Southern Regional Aquaculture Center</u>		
LSU Agricultural Center		(84)
Penchant Basin Wetlands Data Collection and Report Preparation	10.RD.68-7217-9-05	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		189,781
Populous Crop Development for the Southeastern United States: Phase V	10.RD.99-09-0796-02	
<u>Through: Mississippi State University</u>		
LSU Agricultural Center		660
Predicting the Impacts of Sea Level Rise on Micronesian Mangrove Forests	10.RD.PSW-97-0018CA	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		23,415
Research and Document Genetic Variability of Double-crested Cormorant	10.RD.00-7407-0379(CA)	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		1,285
Shallow Water Management - Crawfish/Waterbird Habitat	10.RD.74-7217-0-3	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		7,948
Soil and Water Research	10.RD.5664017002/T06413109	
<u>Direct Awards:</u>		
LSU Agricultural Center		3,447

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Sugarcane Research	10.RD.5864017002-T-0/1-6413-104	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$78,652
To Detect, Diagnose, and Evaluate the Destructive Potential of Pathological Organism	10.RD.08-99-SP&F-CCS-01	
<u>Direct Awards:</u>		
LSU Agricultural Center		30,300
To Facilitate the Utilization of <i>Alterniflora</i> and <i>Scirpus Californicus</i>	10.RD.68-7217-8-12	
<u>Direct Awards:</u>		
LSU Agricultural Center		(1)
To Monitor Abundance and Distribution of Northern Bobwhite	10.RD.01-CS-11080604-10	
<u>Direct Awards:</u>		
LSU Agricultural Center		367
Walnut Roundaway Aerial Photo Digital Development	10.RD.68-7217-8-27	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		531
Water Data on Coastal Cameron-Creole Vegetative Monitoring	10.RD.68-7217-9-11	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		9,296
Subtotal Research and Development Cluster		11,598,075
Total U.S. Department of Agriculture		\$884,645,169
U.S. DEPARTMENT OF COMMERCE		
Census Intergovernmental Services	11.004	
<u>Direct Awards:</u>		
Louisiana Tech University		\$21,460
Economic Development - Support for Planning Organizations	11.302	
<u>Direct Awards:</u>		
Executive Department		18,719

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Economic Development - Technical Assistance	11.303	
<u>Direct Awards:</u>		
University of New Orleans		<u>\$119,156</u>
Economic Adjustment Assistance	11.307	
<u>Direct Awards:</u>		
Grambling State University		<u>42,391</u>
Fishery Products Inspection and Certification	11.413	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		<u>39,232</u>
Coastal Zone Management Administration Awards	11.419	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>3,043,660</u>
Cooperative Fishery Statistics	11.434	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>554,927</u>
Unallied Industry Projects	11.452	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>1,323,067</u>
Habitat Conservation	11.463	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>1,495,484</u>
Coastal Services Center	11.473	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>114,365</u>
Technology Opportunities	11.552	
<u>Direct Awards:</u>		
Nicholls State University		<u>169,172</u>
Measurement and Engineering Research and Standards	11.609	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>2,400</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Gulf of Mexico Fisheries Management Council	11.99-LA-70300	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		\$30,000
National Marine Fisheries - Sea Turtle		
<u>Direct Awards:</u>		
McNeese State University	11.40GENF000167	10,399
McNeese State University	11.40GENF900200	2,319
Subtotal National Marine Fisheries - Sea Turtle		12,718
National Marine Fisheries Service Cooperative Enforcement Agreement - Fixed Price Contract	11.01-0-WCA-90016	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		113,042
Sand Resource and Shoreline Change Analysis of Point Cheniere Ronquille to Grand Bayou Pass: Plaquemines Parish, LA - Fixed Price Contract	11.40-AA-NF-005575	
<u>Direct Awards:</u>		
University of New Orleans		15,000
Symposium Potential Impacts of Global Climatic Change on Essential Fisheries - Fixed Price Contract	11.OBLIG-2000-6015-0-0	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		3,000
UNO Research and Technology Park - Infrastructure Development	11.08-01-02950	
<u>Direct Awards:</u>		
University of New Orleans		57,507
Use of Facilities Lease Agreement	11.unknown	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		16,323

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
<u>Research and Development Cluster:</u>		
Interjurisdictional Fisheries Act of 1986	11.407	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		\$151,176
Sea Grant Support	11.417	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,602,568
<u>Through: Academy of Natural Sciences (#G99-02)</u>		
Louisiana Universities Marine Consortium		16,624
<u>Through: University of Mississippi (#NA07RG0543)</u>		
LSU A&M College (Baton Rouge)		826
Coastal Zone Management Administration Awards	11.419	
<u>Through: University of New Hampshire</u>		
LSU A&M College (Baton Rouge)		28,702
Coastal Zone Management Estuarine Research Reserves	11.420	
<u>Through: University of New Hampshire</u>		
LSU A&M College (Baton Rouge)		54,926
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		49,557
Intergovernmental Climate-Program (NESDIS)	11.428	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		37,004
Undersea Research	11.430	
<u>Through: University of Indiana</u>		
University of Louisiana at Lafayette		30,000
Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes	11.432	
<u>Through: Desert Research Institute - University System of Nevada (#NA67RJ0146)</u>		
LSU A&M College (Baton Rouge)		401,469

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Marine Fisheries Initiative	11.433	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$194,973
Cooperative Fishery Statistics	11.434	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		74,720
Southeast Area Monitoring and Assessment Program	11.435	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		119,637
Unallied Management Projects	11.454	
<u>Through: Gulf and South Atlantic Fisheries Foundation, Inc.</u>		
LSU A&M College (Baton Rouge)		42,136
Office of Administration Special Programs	11.470	
<u>Through: National Fish and Wildlife Foundation</u>		
LSU A&M College (Baton Rouge)		14,027
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		63,797
Louisiana Universities Marine Consortium		354,650
Measurement and Engineering Research and Standards	11.609	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		203,199
Southern University and A&M College (Baton Rouge)		13,690
1999 Prince William Sound Monitoring Chemistry Support	11.RD.50ABNC700031/#18	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		30,349
Chemical Hazardous Assessment, Training and Technical Support	11.RD.50ABNC700031/#1	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		195,846

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Coating Enabled Component Design / Technology Tools for Nanostructured Coatings <u>Through: Caterpillar Inc. (#70NANBOH3048)</u> LSU A&M College (Baton Rouge)	11.RD.RBJ74820/T118VO	\$26,204
Collection, Review, Synthesis and Summarization of Shark Nursery Ground Information - Fixed Price Contract <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	11.RD.40EPNF000065	1,000
An Evaluation of the Factors that Maximize Wetland Recovery After <i>In-Situ</i> Burn <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	11.RD.70NANB9H0022	40,287
IPA Appointment <u>Direct Awards:</u> University of Louisiana at Lafayette	11.RD.unknown	473
Manufacturing Extension Partnership <u>Direct Awards:</u> University of Louisiana at Lafayette	11.RD.70NANB6H0172	1,091,593
Market Assessment for Baltic Container Terminal, Port - Fixed Price Contract <u>Through: Louis Berger and Associates, Inc.</u> LSU A&M College (Baton Rouge)	11.RD.unknown	8,919
Mystery Spill 448, Miami, Florida <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	11.RD.50ABNC700031/#19	675
M/V Westchester Spill - Task Order #20 <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	11.RD.50ABNC700031/#20	3,059
Project Development Support for Complex Wetland Restoration Projects in Louisiana - Fixed Price Contract <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	11.RD.40AANF004037	23,028

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Project Support for Wetland Restoration Projects in Louisiana - Fixed Price Contract	11.RD.40AAF0A4141	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$24,479
Sample Collections - Age and Size Composition of Red Snapper Commercial Harvest - Fixed Price Contract	11.RD.40GANF000069	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		11,850
Shoreline Delineation Along the Barataria Barrier Shoreline <u>Through: University of New Orleans Foundation</u> <u>(#50WCNA906018)</u>	11.RD.12924	
LSU A&M College (Baton Rouge)		24,204
Use of Artificial Wetlands in the Atchafalaya River Delta by the Saltmarsh - Fixed Price Contract	11.RD.40GANF900095	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		7,997
Subtotal Research and Development Cluster		5,943,644
Total U.S. Department of Commerce		\$13,135,267
U.S. DEPARTMENT OF DEFENSE		
Procurement Technical Assistance for Business Firms	12.002	
<u>Direct Awards:</u>		
Executive Department		\$130,973
Planning Assistance to States	12.110	
<u>Direct Awards:</u>		
Executive Department		107,638
Payments to States in Lieu of Real Estate Taxes	12.112	
<u>Direct Awards:</u>		
Department of the Treasury		64,689
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	
<u>Direct Awards:</u>		
Department of Environmental Quality		16,394

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Basic and Applied Scientific Research	12.300	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		\$5,000
<u>Through: Concurrent Technologies (N00140-96)</u>		
Southern University at New Orleans		175,661
Subtotal Basic and Applied Scientific Research		180,661
Military Construction, National Guard	12.400	
<u>Direct Awards:</u>		
Department of Military Affairs		888,730
National Guard Military Operations and Maintenance (O&M) Projects	12.401	
<u>Direct Awards:</u>		
Department of Military Affairs		8,981,343
National Guard Civilian Youth Opportunities	12.404	
<u>Direct Awards:</u>		
Department of Military Affairs		5,103,784
Air Force Defense Research Sciences Program	12.800	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		15,868
Louisiana Tech University		24,204
Subtotal Air Force Defense Research Sciences Program		40,072
Mathematical Sciences Grants Program	12.901	
<u>Through: IT Corporation (DE-6010337)</u>		
Southern University and A&M College (Baton Rouge)		169,429
Defense Technology Conversion, Reinvestment, and Transition Assistance	12.911	
<u>Direct Awards:</u>		
Southern University at New Orleans		147,461

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001**

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Army Corps of Engineers - Mississippi River Deepening/Salt Water Mitigation Plan	12.unknown	
<u>Direct Awards:</u> Department of Transportation and Development		<u>\$2,319,824</u>
Department of Defense High Performance Computing Program <u>Through: Northrop Grumman (972-0383-07)</u> Grambling State University	12.unknown	<u>24,200</u>
Fort Polk Consumer Affairs and Financial Assistance Program <u>Direct Awards:</u> LSU Agricultural Center	12.FTPOLK1	<u>1,160</u>
Fort Polk Family Advocacy Program (FAP) <u>Direct Awards:</u> LSU Agricultural Center	12.FTPOLK1	<u>26,727</u>
Fuel Point Upgrade <u>Direct Awards:</u> Department of Military Affairs	12.DESC-MR-990899	<u>310,778</u>
Human Factors Aspects of Ship Design: The Joint Command and Control Vessel - Fixed Price Contract <u>Direct Awards:</u> University of New Orleans	12.N000167-00-M-0523	<u>20,000</u>
Joint Readiness Training Center <u>Direct Awards:</u> Department of Military Affairs	12.MIPR0AOPSN011	<u>174,290</u>
Junior Science and Humanities Symposium <u>Through: Academy of Applied Science (#DAAG55-98-1-0468)</u> LSU A&M College (Baton Rouge)	12.14004	<u>9,279</u>
Monitoring of Habitats Created by Dredging Material During Routine Maintenance of 14 Navigation Channels Operated and Maintained by the U.S. Army Corps of Engineers - Fixed Price Contract <u>Direct Awards:</u> University of New Orleans	12.DACW29-98-D-0008	<u>58,929</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Rear Training Detachment	12.MIPR1AUAL5H015	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>\$10,086</u>
U.S. Army ROTC Cadet Command	12.DABT60-96-P-0420	
<u>Direct Awards:</u>		
Grambling State University		<u>55,552</u>
U.S. Corps of Engineers - Coastal Wetlands Planning, Protection and Restoration Act	12.W42-HEM-03123229	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>34,800</u>
<u>Research and Development Cluster:</u>		
Procurement Technical Assistance for Business Firms	12.002	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		608,890
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	
<u>Through: Mississippi Department of Wildlife, Fisheries, and Parks (3460-464-1030-T4-2460-W823)</u>		
Southeastern Louisiana University		30
Collaborative Research and Development	12.114	
<u>Direct Awards:</u>		
Louisiana Universities Marine Consortium		118,632
Southern University and A&M College (Baton Rouge)		269,441
Basic and Applied Scientific Research	12.300	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		74,382
Grambling State University		100,898
LSU A&M College (Baton Rouge)		432,102
LSU Health Sciences Center (New Orleans)		176,921
Louisiana Tech University		273,813
Louisiana Universities Marine Consortium		454,534
Southern University and A&M College (Baton Rouge)		691,976
University of New Orleans		1,884,616

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Basic and Applied Scientific Research (Cont.)	12.300	
<u>Through: Anteon Corporation (F33615)</u>		
Southern University and A&M College (Baton Rouge)		\$34,837
<u>Through: Louisiana Center for Manufacturing Sciences (#IFM99001)</u>		
Louisiana Tech University		3,031
<u>Through: Tulane University</u>		
Louisiana Universities Marine Consortium		165,771
<u>Through: University of Arizona - Board of Regents (#N00014-98-1-0823)</u>		
LSU A&M College (Baton Rouge)		4,580
Military Medical Research and Development	12.420	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		648,089
LSU Health Sciences Center (Shreveport)		227,998
Pennington Biomedical Research Center		3,307,723
Basic Scientific Research	12.431	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		217,117
Louisiana Tech University		222,898
Basic, Applied, and Advanced Research in Science and Engineering	12.630	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		349,531
LSU A&M College (Baton Rouge)		523,945
<u>Through: University of Southern California (#F49620-01-1-0474)</u>		
LSU A&M College (Baton Rouge)		11,582
Air Force Defense Research Sciences Program	12.800	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		65,474
Louisiana Tech University		613,538
Southern University and A&M College (Baton Rouge)		160,036
<u>Through: Fermi National Accelerator Lab (DEAC02)</u>		
Southern University and A&M College (Baton Rouge)		6,091
Mathematical Sciences Grants Program	12.901	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		71,308

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Research and Technology Development	12.910	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$4,481,888
<u>Through: Duke University</u>		
LSU A&M College (Baton Rouge)		55,723
<u>Through: University of Cincinnati (#F30602-00-1-0569)</u>		
LSU A&M College (Baton Rouge)		36,607
Additions of Lakes, Wetlands and Detention Basins	12.RD.DACA39-99-C-0034	
<u>Through: University of Connecticut</u>		
University of Louisiana at Lafayette		31,895
Adaptation of Zebra Mussel to the Environmental Conditions of the Southern United States	12.RD.DACW39-98-P-0295	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		700
Analysis and Evaluation of the Nonlinear Response of Concrete Gravity Dams - Fixed Price Contract	12.RD.DACW42-00-C-0009	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		81,113
Applications and Mass Production of High Aspect Ratio Microstructures	12.RD.DABT63-95-C-0020	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,584
Chemical Volatilization Rates From Sediment and Soils - A Literature Review - Fixed Price Contract	12.RD.DACW42-01-P-0165	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		7,350
Comparative Study of Two Matching Strategies for Cases With Hybrid Features - Fixed Price Contract	12.RD.DAAD17-00-P-1479	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		8,281
Completion of Lower Atchafalaya Reevaluation - Fixed Price Contract	12.RD.DACW-99-C-0069	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		115,010

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Composite Helicopter Hanger Southeastern University Consortium Through: <u>Mississippi State University (99-03-0281-01)</u> University of New Orleans	12.RD.N00014-98-C-0411	\$52,896
Computational and Synthetic Approaches to Developing Novel Energetic Materials to Stabilize Rockets Through: <u>University of Illinois at Urbana-Champaign (1-5-20612)</u> University of New Orleans	12.RD.N00014-95-1-1339	31,505
Cumulative Effects of Flood Induced Seepage on Piping Problems <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	12.RD.DACW39-99-C-0028	104,153
Daptive Membrane Masks for Next Generation Lithographics <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	12.RD.DAAD19-00-1-0434	149,690
Determination of Total Daily Energy Requirements and Activity Patterns of Service <u>Direct Awards:</u> Pennington Biomedical Research Center	12.RD.DAMD17-96-2-6025	199,238
Development of MEMS Based Factors <u>Direct Awards:</u> Louisiana Tech University	12.RD.N00014-95-1-1032	12,801
Development of a Predictive Model Integrating the Physical, Chemical and Biological <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	12.RD.DSWA01-98-1-0013	389,931
Earth Materials Mapping of the Mojave Desert Ecosystem - Fixed Price Contract Through: <u>Jones and Stokes Associated Inc.</u> LSU A&M College (Baton Rouge)	12.RD.DACW05-95-D-003	37,500
Eighth International Conference on Computer and Communication Networks <u>Direct Awards:</u> University of Louisiana at Lafayette	12.RD.DAAD1700P003	15,000

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Estimating Air Emissions of Organic Compounds During Dredging - Fixed Price Contract	12.RD.DACW42-00-P-0444	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$53,001
Experimental Assessment of Innovative Construction Techniques - Fixed Price Contract	12.RD.DACA42-00-P-0345	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		32,652
Exploring the Interaction of Implicit and Explicit Process <u>Through: University of Missouri-Columbia</u>	12.RD.00105491-1/C-5	
LSU A&M College (Baton Rouge)		22,074
Fungal Bioreactor to Treat Volatile Organic Contaminants - Fixed Price Contract	12.RD.F08637-01-C-6002	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		20,750
Graduate Student Research and Education in Artificial Intelligence Operations	12.RD.N00014-97-1-0632	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		12,960
Gravity and Seismic Surveying of Quaternary Faults - Golden Meadow - Galliano	12.RD.13206	
<u>Through: Coastal Environments Inc.</u>		
LSU A&M College (Baton Rouge)		25,000
Gulf Coast Region Maritime Technology Center	12.RD.N00014-98-2-0010	
<u>Direct Awards:</u>		
University of New Orleans		8,107,572
High-Performance Wireless Information Systems	12.RD.DAAG55-98-1-0240	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		49,340
Hydrologic Investigation of Low Gradient Watersheds	12.RD.DAAD19-00-1-0413	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		42,317

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Intelligent CAD System for Materials Processing	12.RD.F33615-96-D-5835	
Through: Technical Management Concepts, Inc.		
(#5835-0074-19)		
Louisiana Tech University		\$305
Intelligent Information Fusion and Management Prototype		
Applicable to EOSDIS	12.RD.NAG5-2842	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		4,526
Intergovernmental Personnel Act		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge) - Donald Adrian	12.RD.IPA-Adrian	18,919
LSU A&M College (Baton Rouge) - Geotechnical Laboratory	12.RD.IPA-HEYMSFIELD	30,571
University of New Orleans - Craig Peterson	12.RD.unknown	124,663
University of New Orleans - Louis Fishman	12.RD.N0017397 IPA 0006	127,054
IPA Lafayette Parish Flood Study	12.RD.unknown	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		1,042
Investigation of Nanophase Materials for		
Thermoelectric Application	12.RD.DAAD19-99-1-0001	
<u>Direct Awards:</u>		
University of New Orleans		325,943
Laboratory Study on Longshore Sediment Transport Processes		
at the Longshore Sediment - Fixed Price Contract	12.RD.DACW39-99-P-0828	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		59,625
Landscape Ecological Modeling-Vermilion-Cote Blanche -		
Fixed Price Contract	12.RD.DACW29-97-D-0035	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		75,528
Large Scale Systems Development Using the Macro		
Mosaics Concept	12.RD.DAAG55-98-1-0525	
<u>Direct Awards:</u>		
University of New Orleans		19,617

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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Schedule of Expenditures of Federal Awards
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	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
LIGA Microfabricated Inertial Guidance Sensor - Fixed Price Contract	12.RD.13159/DAAH0199CR106	
<u>Through: Satcon Technology, Inc.</u> LSU A&M College (Baton Rouge)		\$134,143
Low Cost Restoration for North Central Gulf of Mexico Coastal Wetlands - Fixed Price Contract	12.RD.DACW39-99-P-0360	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		39,947
Mathematical Model Development for Air Emissions of Nitro-Animator Contaminated - Fixed Price Contract	12.RD.DACW42-00-P-0113	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		15,068
Medimmune Study	12.RD.N65236-01-1-5435	
<u>Direct Awards:</u> LSU Health Sciences Center (New Orleans)		99,940
Multiport Analysis of North Atlantic Container Ports		
<u>Through: Louis Berger Group Inc.</u> LSU A&M College (Baton Rouge)	12.RD.13378	29,630
University of New Orleans	12.RD.DACW 61-98-D-00006	42,320
Nanophase Magnetic Particles for Advance Materials	12.RD.MDA972-97-1-0003	
<u>Direct Awards:</u> University of New Orleans		1,670,282
Naval Meteorology and Oceanography Command Intergovernmental Personnel Act Agreement (Gary Jenkins)	12.RD.unknown	
<u>Direct Awards:</u> University of New Orleans		48,860

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Paleofaunal Field Survey, Collection, Processing, and Documentation at Two Locations - Fixed Price Contract <u>Through: Prewitt and Associates Inc.</u> LSU A&M College (Baton Rouge)	12.RD.DACA63-95-D-0051	\$38,842
Paleofaunal Field Survey, Collection, Processing, and Documentation at Two Locations - Fixed Price Contract <u>Through: Prewitt and Associates Inc.</u> LSU A&M College (Baton Rouge)	12.RD.DACA63-00-D-0006	30,018
Parallel and Distributed Evaluation, Visualization and Reasoning to Advanced Distributive Interactive Simulation Technology <u>Direct Awards:</u> Grambling State University	12.RD.DAAH04-95-1-0250	1,123,564
Partial Support of the 60th Annual Physical Electronics Conference <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	12.RD.DAAD19-00-1-0360	7,000
Partial Support of the 61st Annual Physical Electronics Conference - Fixed Price Contract <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	12.RD.DAAD19-01-1-0665	3,500
Report Concerning the Natural Setting of the Soda Mitigation Area - Fixed Price Contract <u>Through: R. Christopher Goodwin and Associates</u> LSU A&M College (Baton Rouge)	12.RD.13194	1,735
Research in Affordability Measurement and Prediction Methods to Support Affordable Design of Ship Systems <u>Through: Cognition Corporation (#90905G)</u> Louisiana Tech University	12.RD.N00014-00-C-0269	55,370
Secondary Mutations Enhance and Stabilize Attenuation Brucella <u>Direct Awards:</u> LSU Health Sciences Center (Shreveport)	12.RD.DAMD1798C8045	170,382

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Schedule of Expenditures of Federal Awards****For the Year Ended June 30, 2001**

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Sequences for the Identification of Human Population	12.RD.HN1756-00-C-0810	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$17,705
LSU Health Sciences Center (New Orleans)		68,661
Signal Processing, Scattering, and Modeling Studies for Underwater Acoustics and Seafloor Geophysics	12.RD.N00014-95-1-G922	
<u>Direct Awards:</u>		
University of New Orleans		102,107
Skin Interface Pressure Associated With the NATO Litter	12.RD.N99-003	
<u>Through: Geneva Foundation</u>		
LSU Health Sciences Center (New Orleans)		649
Sleep Deprivation and LTP in Vivo	12.RD.unknown	
<u>Direct Awards:</u>		
University of New Orleans		16,266
Southeastern Louisiana Flood Control Project	12.RD.UNO-NOD IPA	
<u>Direct Awards:</u>		
University of New Orleans		110,466
Strategic Environmental Research and Development Program	12.RD.F08637-00-M-6001	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		11,842
Synaptic Plasticity Modifications Gene Expression	12.RD.4330 1115AC	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		139,962
System Administrative Support for the DIMHRS Training Lab	12.RD.N66001-98-F-3055	
<u>Through: Science and Engineering Associates,</u>		
<u>Incorporated (S7102-40)</u>		
University of New Orleans		21,354
T-ADC(X) Cargo Flow Modeling and Simulation	12.RD.N00024-99-C-2315	
<u>Through: Halter Marine Group, Incorporated (PO #P11005)</u>		
University of New Orleans		6,667

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Temporal and Spatial Patterns of Coastal Fishery Resources in the Atchafalaya - Fixed Price Contract	12.RD.DACW29-98-M-0478	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$39,861
To Develop the Atchafalaya Basin GIS and Acquire Knowledge of History	12.RD.IPA-HALE	
<u>Direct Awards:</u>		
LSU Agricultural Center		79,600
U.S. Army IPA - Allen/Supervisor	12.RD.IPA-Allen	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		45,399
U.S. Army Subcontract - Identification and Development of a New, Broad Spectrum Antibiotic for Pathogens	12.RD.MDA 9729710008	
<u>Through: Stanford University, Stanford, CA</u>		
LSU Health Sciences Center (Shreveport)		25,431
U.S. Army Subcontract - Stress, Organophosphates and Blood Brain Barrier Integrity	12.RD.DAMD170010070	
<u>Through: Oklahoma State University</u>		
LSU Health Sciences Center (Shreveport)		18,794
U.S. Navy LPD-17 Project - Electronic Visualization Systems Support Travel and Training	12.RD.N00024-97-C-2202	
<u>Through: Avondale Industries Incorporated (PO #MLP00840)</u>		
University of New Orleans		269,220
U.S. Navy LPD-17 Project - Electronic Visualization Systems Support Travel and Training	12.RD.N00024-97-C-2202	
<u>Through: Avondale Industries Incorporated (PO #MLP00850)</u>		
University of New Orleans		1,950

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Utilization of Elastodynamic Locomotion in Mesoscale Robotic Insects	12.RD.14080-S1	
<u>Through: Vanderbilt University</u> LSU A&M College (Baton Rouge)		\$65,762
Subtotal Research and Development Cluster		31,239,405
Total U.S. Department of Defense		\$50,116,204
CENTRAL INTELLIGENCE AGENCY		
<u>Research and Development Cluster:</u>		
Mobile Elements and Human Variation	13.RD.2000*S086100*000	
<u>Direct Awards:</u> LSU Health Sciences Center (New Orleans)		\$54,687
Total Central Intelligence Agency		\$54,687
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Federally Assisted Low-Income Housing Drug Elimination	14.193	
<u>Through: Housing Authority of New Orleans</u> Department of Military Affairs		\$58,688
Community Development Block Grant Program	14.unknown	
<u>Through: City of New Orleans (CD #80-060(99))</u> University of New Orleans		8,856
<u>Through: City of New Orleans (CD #50-115 (93)/201 (99))</u> <u>(SuperNofa - Employment Training)</u> University of New Orleans		55,139
Subtotal Community Development Block Grant Program		63,995
Community Development Block Grants/State's Program	14.228	
<u>Direct Awards:</u> Executive Department		37,954,286
Emergency Shelter Grants Program	14.231	
<u>Direct Awards:</u> Department of Social Services		1,731,936

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
Supportive Housing Program	14.235	
<u>Direct Awards:</u>		
Southeast Louisiana Hospital		\$145,993
<u>Through: Unity for Homeless</u>		
LSU Health Sciences Center (New Orleans)		25,809
Subtotal Supportive Housing Program		171,802
Historically Black Colleges and Universities Program	14.237	
<u>Direct Awards:</u>		
Grambling State University		25,952
Southern University and A&M College (Baton Rouge)		73,536
Southern University at New Orleans		104,465
Subtotal Historically Black Colleges and Universities Program		203,953
Shelter Plus Care	14.238	
<u>Direct Awards:</u>		
Department of Health and Hospitals		477,067
Housing Opportunities for Persons With AIDS	14.241	
<u>Direct Awards:</u>		
Office of Public Health		1,464,264
Opportunities for Youth - Youthbuild Program	14.243	
<u>Direct Awards:</u>		
Louisiana Technical College, Alexandria Campus		8,376
Community Development Block Grants/Economic Development Initiative	14.246	
<u>Direct Awards:</u>		
Nicholls State University		1,014
Fair Housing Assistance Program - State and Local	14.401	
<u>Direct Awards:</u>		
Department of Justice		225,312
Community Development Work-Study Program	14.512	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		52,393

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
Public and Indian Housing Drug Elimination Program	14.854	
<u>Through: Monroe Housing Authority</u>		
University of Louisiana at Monroe		(\$980)
Capacity Building Grant	14.00.501.46.33	
<u>Through: Youthbuild, U.S.A.</u>		
Louisiana Technical College, Tallulah Campus		126,506
Weed and Seed Program	14.unknown	
<u>Through: Housing Authority of New Orleans (27987)</u>		
Southern University at New Orleans		65,565
Youthbuild		
<u>Direct Awards:</u>		
Louisiana Technical College, Sullivan Campus	14.00IMLA0332	7,942
Louisiana Technical College, Tallulah Campus	14.Y98IMLA0017	59,249
Louisiana Technical College, Tallulah Campus	14.Y00IMLA0093	120,000
Subtotal Youthbuild		187,191
<u>Research and Development Cluster:</u>		
National Center for the Revitalization of Central Cities		
<u>Direct Awards:</u>		
University of New Orleans	14.RD.B-98-SP-LA-0001	314,948
University of New Orleans	14.RD.B-98-SP-LA-0115	90,318
University of New Orleans	14.RD.B-00-SP-LA-0153	19,480
UNO Welfare Entrepreneurship Program	14.RD.B-99-SP-LA-0124	
<u>Direct Awards:</u>		
University of New Orleans		1,878
Subtotal Research and Development Cluster		426,624
Total U.S. Department of Housing and Urban Development		\$43,217,992

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR		
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>\$164,379</u>
Abandoned Mine Land Reclamation (AMLR) Program	15.252	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>107,482</u>
Fish and Wildlife Management Assistance	15.608	
<u>Direct Awards:</u>		
Grambling State University		2,666
Southern University and A&M College (Baton Rouge)		<u>126,272</u>
Subtotal Fish and Wildlife Management Assistance		<u>128,938</u>
Wildlife Research Information	15.610	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		<u>9,979</u>
Endangered Species Conservation	15.612	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>5,147</u>
Cooperative Endangered Species Conservation Fund	15.615	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		<u>1,581</u>
Clean Vessel Act	15.616	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>19,792</u>
Assistance to State Water Resources Research Institutes	15.805	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>104,915</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
U.S. Geological Survey - Research and Data Acquisition	15.808	
<u>Direct Awards:</u>		
Executive Department		\$443,419
Department of Wildlife and Fisheries		11,331
Subtotal U.S. Geological Survey - Research and Data Acquisition		454,750
Historic Preservation Fund Grants-in-Aid	15.904	
<u>Direct Awards:</u>		
Department of Culture, Recreation and Tourism		562,013
Outdoor Recreation - Acquisition, Development and Planning	15.916	
<u>Direct Awards:</u>		
Department of Culture, Recreation and Tourism		61,799
Cooperative Agreement - Evaluation Proposal for Aquatic Resource Programs	15.1448-40181-97-J-025	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		9,000
Cooperative Agreement - MMS Information Transfer Meetings	15.1435-01-00-CA-31060	
<u>Direct Awards:</u>		
University of New Orleans		77,570
Dire Emergency Appropriation Fund - Beechwood Hatchery	15.F80-1	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		152,735
<u>Endangered Species Act of 1973:</u>		
Status Survey Alligator Snapping Turtle	15.1448-40181-99-G-130	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		34,502
Survey for Plethodon Kisatchie	15.1448-40181-00-G-153	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		2,678
Subtotal Endangered Species Act of 1973		37,180

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
Information Transfer Meetings for the Gulf of Mexico Region	15.14-35-0001-30665	
<u>Direct Awards:</u>		
University of New Orleans		<u>\$133,072</u>
Mineral Management Services - Gulf-Wide Information Systems Project	15.R183424	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>62,138</u>
National Fish and Wildlife - Lake Pontchartrain Grassbed Restoration	15.Project 99-37	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		<u>21,883</u>
National Park Service - Cooperative Agreements/Contracts:		
<u>Direct Awards:</u>		
Administrative Services	15.1443CA000194038Mod 21	4,467
The Building Program	15.1443CX000194009	2,106,210
Cane River Master Plan	15.H5720010226	33,666
Compensation of Jointly Sponsored Staff	15.1443CA000200002Mod4	51,212
Fort Jesup Archaeological Project	15.CA509098015	26,963
Heritage Education Coordinator	15.1443CA000200002Mod2	26,846
Joint Multiple Projects	15.1443CA000200002Mod3	89,616
Joint Research Activities	15.1443CA000200002Mod1	18,905
NCPTT Research Efforts	15.1443CA000200002Mod5	4,204
Pleasant Hill Battlefield Survey	15.GA225500014	<u>3,259</u>
Subtotal National Park Service - Cooperative Agreements/ Contracts		<u>2,365,348</u>
Technical Coordination Assistance for Ecosystem Restoration Program Refinement and Lutegration-CALFED	15.00PG200193	
<u>Through: CALFED - Bureau of Recleration - Mid Pacific</u> <u>(PO #00PG200193)</u>		
University of New Orleans		<u>30,191</u>
Understanding Tidal Marsh Restoration Processes and Patterns Validating and Extending the BREACH Conceptual Model	15.Coop Agree 00FC200021	
<u>Through: University of Washington (246437)</u>		
University of New Orleans		<u>17,268</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
U.S. Fish and Wildlife Service - IMPROVE Program - Fixed Price Contract	15.98210-G678	
<u>Direct Awards:</u> Department of Wildlife and Fisheries		<u>\$5,000</u>
U.S. Geological Survey - Fixed Price Contract	15.1434-CR-97-CN-40296	
<u>Direct Awards:</u> University of Louisiana at Lafayette		<u>31,388</u>
Workshop on Science for Natural Systems Restoration	15.00HQSA07777	
<u>Direct Awards:</u> University of New Orleans		<u>19,000</u>
<u>Fish and Wildlife Cluster:</u> Sport Fish Restoration	15.605	
<u>Direct Awards:</u> Department of Wildlife and Fisheries		2,857,641
<u>Through: Research Corporation of the University of Hawaii</u> LSU A&M College (Baton Rouge)		94,546
<u>Through: Research Corporation of the University of</u> <u>Hawaii (2-516078)</u> Southeastern Louisiana University		37,281
Wildlife Restoration	15.611	
<u>Direct Awards:</u> Department of Natural Resources		110,245
Department of Wildlife and Fisheries		3,038,721
Southeastern Louisiana University		5,620
<u>Through: Mississippi Department of Wildlife, Fisheries,</u> <u>and Parks (P2-2464-W820/W824)</u> Southeastern Louisiana University		<u>49,246</u>
Subtotal Fish and Wildlife Cluster		<u>6,193,300</u>
<u>Research and Development Cluster:</u> Assistance to State Water Resources Research Institutes	15.805	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		69,430
National Water Resources Research Program	15.806	
<u>Direct Awards:</u> Louisiana Universities Marine Consortium		80,773

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
U.S. Geological Survey - Research and Data Acquisition	15.808	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		\$2,119
LSU Agricultural Center		213,988
LSU A&M College (Baton Rouge)		29,060
University of New Orleans		131,566
National Cooperative Geologic Mapping Program	15.810	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		80,755
An Analysis of the Effects of Crude Oil Price Movements and Instability	15.RD.30951/#178058	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		48,278
Analysis of Microscopic Remains in Late Holocene Sediments from Agriculture	15.RD.99HQGR0070	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(22)
Analysis of Periphyton Samples Collected at 4 Low-Water Crossing Sites - Fixed Price Contract	15.RD.99CRSA0297/00	
<u>Direct Awards:</u>		
LSU Agricultural Center		3,000
An Analysis of the Socioeconomic Effects of OCS Activities on Ports	15.RD.30660/#19957	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		21,492
Analysis and Synthesis of Louisiana Coastal Boundary Current Data	15.RD.30660/#19936	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		10,659
Analyze Existing Data and Collect Data on Variability of Alligator Surveys and Harvests	15.RD.1434HQ97RU01561	
<u>Direct Awards:</u>		
LSU Agricultural Center		(310)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Assessment and Development of Immunological Methods	15.RD.00Crag0034	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$832
Assessment and Reduction of Taxonomic Error in Benthic Macrofauna Surveys	15.RD.30951/#16801	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		56,178
Backfill Dead-End Canals to Resort Marsh - Phase I - Wetland Restoration	15.RD.H 7530 00 0001	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		23,551
Black Bayou Refuge	15.RD.1448-40181-00-G-025	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		10,894
Changing Patterns of Ownership, Control, and Access to Global Resources	15.RD.30951/#16806	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		55,242
The Coastal Division of Industrial Labor Over Time and Space: Continuation and Expansion	15.RD.30660/#19966	
<u>Direct Awards:</u>		
LSU Agricultural Center		61,376
Coastal Marine Environmental Modeling	15.RD.30660/#19953/19965	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		78,826
Comparison of the Assemblage of Organisms at Two Artificial Reefs	15.RD.30660/#19960	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		42,822
A Continuous Monitoring, Shallow Water Hydrodynamic and Meteorological Station	15.RD.1443CA532097010	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		73,256

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Conversion of Legacy FGDC Data to ISO Spatial Data Standard	15.RD.99HQGR0185	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$7,127
Cost Profiles and Cost Functions for Gulf of Mexico Oil and Gas Development Phases	15.RD.30951/#16803	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		50,203
Crucial Sediment Delivery Processes Within a Marsh Hydrologic Restoration Process	15.RD.434-CR-97-AG-0001	
<u>Direct Awards:</u>		
Louisiana Universities Marine Consortium		16,999
Deep Water Currents at 92 Degrees	15.RD.30951/#16807	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		66,014
Deepwater Program: Effects of Oil and Gas Exploration and Development	15.RD.1755	
<u>Through: Continental Shelf Associated Inc.</u>		
LSU A&M College (Baton Rouge)		44,985
Deepwater Program: OCS-Related Marine Infrastructure in the Gulf of Mexico	15.RD.12509	
<u>Through: Louis Berger and Associates</u>		
LSU A&M College (Baton Rouge)		579
Determining Overwater Visibility and Mixing Height Using Satellite	15.RD.30951/#17810	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		46,028
Development of Improved Procedures for Detecting and Handling Underground Blow-Outs	15.RD.14-35-0001-30749	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		39,474
Development of Louisiana GIS Data in Support on the Gulf-wide Information System to Support Oil Spill Contingency	15.RD.30660/#19964	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		282,357

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Dynamic Height and Transport Across the Texas-Louisiana Shelf	15.RD.30660/#19948	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$1,944
An Economic Impact Analysis of OCS Activities on Coastal Louisiana	15.RD.30660/#19967	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		18,792
Effect of Offshore Oil and Gas Development on the Genetic Diversity in Harpactic	15.RD.CSA JOB#1755	
<u>Through: Continental Shelf Associated Inc. (#1435-01-00-CT-31034)</u>		
LSU A&M College (Baton Rouge)		61,944
Effects of Depth and Location on the Composition and Abundance of Oceanic Fishes	15.RD.30660/#19947	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		73,272
Establishment of Rivers, Trails and Conservation Assistance Programs	15.RD.CA7029-3-0003	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(77)
Estimates of Late Cenozoic Sea-Surface Temperature Using Quantitative Analysis of Planktic Flora	15.RD.1434-HQ-96-AG-1568	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		3,860
Estimating Abundance and Genetic Diversity of Black Bears in South-Central LA	15.RD.1448-40181-99-G-138	
<u>Direct Awards:</u>		
LSU Agricultural Center		17,506
Evaluating Sublethal Effects of Exposure to Petroleum Additives on Fishes	15.RD.30951/#16802	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		131,960

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
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	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Evaluation and Collecting Acid Precipitation - Fixed Price Contract	15.RD.00HQSA0053/0084	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$4,650
Evaluation of Oil and Gas Platforms on the Louisiana Continental Shelf	15.RD.30951/#17809	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		104,044
Evaluation of Use of Wooded Habitats Along the Northern Coast of the Gulf of Mexico	15.RD.1434HQ97RU01561	
<u>Direct Awards:</u>		
LSU Agricultural Center		(104)
The Fate and Effects of Barium and Radium-Rich Fluid Emissions	15.RD.30660/#19946	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		3,390
Field Sampling and Analyses of Penaid Shrimp	15.RD.00CRAG009	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		8,319
Field Sampling and Modeling Studies of Nutrients in Mangrove	15.RD.00CRAG0008	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		40,060
Geochemical Sediment Sampling in LA to Assist the USGS Mineral Resources Program	15.RD.99HQAG0204	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		13,709
Geological Framework and Processing Affecting Coastal Land Loss, Environmental Quality, and Pollution in the Pontchartrain Basin	15.RD.1434-95-A-01338	
<u>Direct Awards:</u>		
University of New Orleans		7,637
Historical Reconstruction of Contaminant Loading and Biological Responses	15.RD.30660/#19930	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		29,908

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
How Does Produced Water Cause a Reduction of the Genetics of Harpatic	15.RD.30660/#19949	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		\$16,762
The Importance of Agricultural Lands in SW Louisiana to Nesting Mottled Ducks	15.RD.1434HQ97RU01561	
<u>Direct Awards:</u> LSU Agricultural Center		4,472
Improving the Predictive Capability of 30-Seismic Surface Amplitude Data for ID	15.RD.30951/#17801	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		354,398
Interactions Between Migrating Birds and Offshore Oil and Gas Rigs off the Louisiana Coast	15.RD.30660/#19938	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		40,933
Interactions Between Migrating Birds and Offshore Platforms; Additions to and Expand	15.RD.30951/#16808	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		79,142
Internship Program	15.RD.1448-40181-99-J-011	
<u>Direct Awards:</u> University of Louisiana at Lafayette		10,694
Introduction to Section 106 Review: Developing a Distance Learning Template - Fixed Price Contract	15.RD.P221000221	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		12,500
Investigating the Influence of Offshore Platforms	15.RD.30951/#17802	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		2,388
Investigation of Hybrid Deep Water Production Systems	15.RD.1435-01-97-CA-30879	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		10,917

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Investigations into Shell Ring Function <u>Through: South Carolina Department of Archives and History</u> LSU A&M College (Baton Rouge)	15.RD.Unknown	\$6,876
Labor Migration and the Deepwater Oil Industry <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30660/#19958	74,859
Labor Migration and the Deepwater Oil Industry in Houma <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30951/#16804	(55)
Management of the Coastal Marine Institute at LSU <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30951/#16800	34,521
Mapping Areas of Hard Bottom and Other Important Bottom Types <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30951/#17800	46,950
Modeling Platform Installations and Removals by Water Depths and Planning Area <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30951/#17806	884
A Modeling Study of Gulf of Mexico Deep Water Circulation and Transport <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	15.RD.30660/#19952	32,937
Monitor Tallow Invasion in Forested Wetlands <u>Direct Awards:</u> LSU Agricultural Center	15.RD.1434HQ97RU01561	440
Neotropical Bird Use and Reproductive Performance With Habitat Correlation and Management - Fixed Price Contract <u>Direct Awards:</u> LSU Agricultural Center	15.RD.1448-0004-96-023	35,000

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Nutrient Reserve Dynamics of Lesser Scaup During Spring Migration	15.RD.301810M177	
<u>Direct Awards:</u> LSU Agricultural Center		\$6,482
Observation of Deep Water Manifestation of Loop Current Rings	15.RD.30951/#16805	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		106,949
An Observational and Predictive Study of Inner Shelf Currents Over the Texas/Louisiana Shore	15.RD.30660/#19943	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		26,099
Offshore Petroleum Platforms: Functional Significance for Larval Fish	15.RD.30660/#19961	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		100,344
Oil and Gas Involved Areas Along the United States Gulf Coast	15.RD.30951/#17804	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		3,253
Phase 2 - Sediment and Nutrient Availability in the Vicinity of the Brady Canal	15.RD.98CRAG1009	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		25,456
Potential Spatial and Temporal Vulnerability of Pelagic Fish Assemblages in the Gulf	15.RD.30660/#19962	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		20,999
A Pressure Gauge and Moored CTD Array Along the Louisiana Coastal Current	15.RD.30660/#19922	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		(246)
The Relationship of Crime to Oil Development in the Coastal Regions of Louisiana	15.RD.30951/#17803	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		3,711

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF INTERIOR (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Reproduction of Alligators on Sabine National Wildlife Refuge	15.RD.1434HQ97RU0156	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$11,960
Research, Compilation, and Digitization of Problems	15.RD.1435-01-98-CA-30895	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(115)
Studying and Verifying the Use of Chemical Biomarkers	15.RD.30660/#19933	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		21,168
Tampa Bay Pilot Project	15.RD.unknown	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		14,411
Utility of Mangrove Unit Models for the MANGRO and ATLS	15.RD.0035CS001	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		75,597
Variation in Biotic a Abiotic Habitat Features Associated With Hydrologic	15.RD.1434HQ97RU01561	
<u>Direct Awards:</u>		
LSU Agricultural Center		8,520
Water Resource Management Program	15.RD.99CR3A0574	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		20,067
Wave Climate Modeling and Evaluation Relative to Sand Mining on Ship Shoal, Offshore	15.RD.30660/#19911	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,041
Wetland Interns	15.RD.99CRBA0001/99HQAG0178	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		138,643
Subtotal Research and Development Cluster		3,518,302
Total U.S. Department of Interior		\$14,294,150

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE		
Asset Forfeiture	16.000	
<u>Direct Awards:</u>		
Department of Military Affairs		\$16,341
Department of Public Safety and Corrections - Public Safety Services		<u>205,451</u>
Subtotal Asset Forfeiture		<u>221,792</u>
Juvenile Accountability Incentive Block Grants	16.523	
<u>Direct Awards:</u>		
Executive Department		<u>4,116,912</u>
Grants to Reduce Violent Crimes Against Women on Campus	16.525	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		89,201
<u>Through: Tulane University (1999-WA-VX-005)</u>		
Southern University at New Orleans		<u>8,521</u>
Subtotal Grants to Reduce Violent Crimes Against Women on Campus		<u>97,722</u>
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	
<u>Direct Awards:</u>		
Executive Department		<u>1,194,483</u>
Title V - Delinquency Prevention Program	16.548	
<u>Direct Awards:</u>		
Executive Department		<u>288,182</u>
Part E - State Challenge Activities	16.549	
<u>Direct Awards:</u>		
Executive Department		<u>211,529</u>
State Justice Statistics Program for Statistical Analysis Centers	16.550	
<u>Direct Awards:</u>		
Executive Department		<u>40,951</u>
National Criminal History Improvement Program (NCHIP)	16.554	
<u>Direct Awards:</u>		
Executive Department		<u>1,084,041</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	
<u>Through: New Mexico Institute of Mining and Technology</u> LSU A&M College (Baton Rouge)		<u>\$89,710</u>
Crime Victim Assistance	16.575	
<u>Direct Awards:</u>		
Executive Department		4,419,716
<u>Through: City of New Orleans</u> LSU Health Sciences Center (New Orleans)		31,981
<u>Through: St. Martin Parish Sheriff's Office</u> LSU A&M College (Baton Rouge)		<u>37,456</u>
Subtotal Crime Victim Assistance		<u>4,489,153</u>
Crime Victim Compensation	16.576	
<u>Direct Awards:</u>		
Executive Department		<u>162,330</u>
Byrne Formula Grant Program	16.579	
<u>Direct Awards:</u>		
Executive Department		<u>8,365,267</u>
Drug Court Discretionary Grant Program	16.585	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>262,140</u>
Violent Offender Incarceration and Truth in Sentencing Incentive Grants	16.586	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Corrections Services		<u>4,284,813</u>
Violence Against Women Formula Grants	16.588	
<u>Direct Awards:</u>		
Executive Department		<u>2,488,313</u>
Rural Domestic Violence and Child Victimization Enforcement Grant Program	16.589	
<u>Direct Awards:</u>		
Executive Department		<u>382,613</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Local Law Enforcement Block Grants Program	16.592	
<u>Direct Awards:</u>		
Executive Department		\$454,844
Residential Substance Abuse Treatment for State Prisoners	16.593	
<u>Direct Awards:</u>		
Executive Department		1,300,571
State Identification Systems Grant Program	16.598	
<u>Direct Awards:</u>		
Executive Department		99,853
State Criminal Alien Assistance Program	16.606	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Corrections Services		737,086
Bulletproof Vest Partnership Program	16.607	
<u>Direct Awards:</u>		
Executive Department		85,982
LSU A&M College (Baton Rouge)		2,163,514
Subtotal Bulletproof Vest Partnership Program		2,249,496
Public Safety Partnership and Community Policing Grants	16.710	
<u>Direct Awards:</u>		
LSU in Shreveport		834,046
Department of Public Safety and Corrections - Public Safety Services		424,990
Southeastern Louisiana University		25,783
Southern University and A&M College (Baton Rouge)		23,394
University of Louisiana at Monroe		8,584
Subtotal Public Safety Partnership and Community Policing Grants		1,316,797
Enforcing Underage Drinking Laws Program	16.727	
<u>Direct Awards:</u>		
Department of Health and Hospitals		460,458
Department of Revenue		60,896
Subtotal Enforcing Underage Drinking Laws Program		521,354

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
DNA Identification Act - Forensic DNA Laboratory Improvement	16.97DNVX-0012	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections -		
Public Safety Services		\$3,548
Drug Enforcement Administration:		
<u>Direct Awards:</u>		
Department of Public Safety and Corrections -		
Public Safety Services		
Domestic Cannabis Eradication	16.2000-56	196,565
Marijuana Eradication	16.2001-62	46,112
Redrum Task Force	16.unknown	4,417
Standard Tactical Diversion Squad	16.unknown	1,199
Subtotal Drug Enforcement Administration		248,293
Ethical and Privacy Implications for Integrated Criminal Justice		
Information Systems	16.2000-LD-BX-0002	
<u>Direct Awards:</u>		
University of New Orleans		230,751
Federal Bureau of Investigation:		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Castle/Leo	16.6968	3,609,141
Law Enforcement Online - Infrgard	16.12123	255,989
Department of Public Safety and Corrections -		
Public Safety Services		
Caddo Parish Gang Task Force	16.unknown	2,871
Capital Area Gang Task Force	16.unknown	5,488
Louisiana Joint Terrorism Task Force	16.unknown	43
New Orleans Gang Task Force	16.unknown	6,625
Violent Crime Auto Task Force	16.unknown	2,976
Violent Criminal Task Force	16.unknown	4,036
Subtotal Federal Bureau of Investigation		3,887,169
Gulf States Drug Initiative	16.MIPR1AUAL5HO15	
<u>Direct Awards:</u>		
Department of Military Affairs		59,137

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Gun Abatement Educational Program	16.00-043-S1	
<u>Direct Awards:</u>		
University of New Orleans		\$16,000
Managing Law Enforcement Technologies	16.98-LB-VX-K010	
<u>Direct Awards:</u>		
University of New Orleans		286,602
Managing Technology Resource Handbooks Development	16.2001-LD-BX-0001	
<u>Direct Awards:</u>		
University of New Orleans		69,156
A University Consortium to Prevent Violence Against Women	16.1999-WA-VX-0005	
Through: Tulane University (TUL-094-99/00)		
University of New Orleans		28,980
U.S. Marshalls Service	16.MS-88-L-0014	
<u>Direct Awards:</u>		
Department of Military Affairs		725,066
<u>Research and Development Cluster:</u>		
National Institute of Justice Research, Evaluation, and		
Development Project Grants	16.560	
<u>Direct Awards:</u>		
Southeastern Louisiana University		1,400
Reduction and Prevention of Children's Exposure to Violence	16.730	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		233,675
Identification and Analysis of Polymorphic Alu Repeats	16.RD.1999 IJ-CX-K009	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		132,629
Line Elements: A New Source of Genomi/Variation		
for DNA Profiling	16.RD.2000-IJ-CX-K004	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		3,273
Subtotal Research and Development Cluster		370,977
Total U.S. Department of Justice		\$40,385,631

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR		
Labor Force Statistics	17.002	
<u>Direct Awards:</u>		
Department of Labor		<u>\$1,054,063</u>
Compensation and Working Conditions	17.005	
<u>Direct Awards:</u>		
Department of Labor		<u>211,164</u>
Labor Certification for Alien Workers	17.203	
<u>Direct Awards:</u>		
Department of Labor		<u>73,373</u>
Unemployment Insurance	17.225	
<u>Direct Awards:</u>		
Department of Labor		<u>247,650,344</u>
Senior Community Service Employment Program	17.235	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		1,477,136
<u>Through: The National Council on the Aging</u>		
University of Louisiana at Monroe		<u>374,609</u>
Subtotal Senior Community Service Employment Program		<u>1,851,745</u>
Trade Adjustment Assistance - Workers	17.245	
<u>Direct Awards:</u>		
Department of Labor		<u>716,617</u>
Employment and Training Evaluation Projects	17.248	
<u>Through: Career Center of Union Parish (31113)</u>		
Grambling State University		<u>20,972</u>
Employment Services and Job Training Pilots - Demonstrations and Research	17.249	
<u>Direct Awards:</u>		
Executive Department		4,884
Grambling State University		<u>110,149</u>
Subtotal Employment Services and Job Training Pilots - Demonstrations and Research		<u>115,033</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
Welfare-to-Work Grants to States and Localities	17.253	
<u>Direct Awards:</u>		
Department of Labor		\$6,070,619
<u>Through: Coordinating and Development Corporation</u>		
<u>(#72-0651120)</u>		
Northwestern State University		135,589
Subtotal Welfare-to-Work Grants to States and Localities		6,206,208
Workforce Investment Act	17.255	
<u>Direct Awards:</u>		
Department of Labor		28,681,971
<u>Through: Acadiana One-Stop</u>		
Louisiana Technical College, Evangeline Campus		59,592
<u>Through: Coordinating and Development Corporation (31124-CDC)</u>		
Grambling State University		3,483
<u>Through: Office of Economic and Workforce Development</u>		
Louisiana Technical College, Alexandria Campus		12,597
Subtotal Workforce Investment Act		28,757,643
WIA Adult Program	17.258	
<u>Through: Ouachita Parish Police Jury</u>		
University of Louisiana at Monroe		172,719
WIA Youth Activities	17.259	
<u>Through: EBR Workforce Initiative Act</u>		
LSU A&M College (Baton Rouge)		256,827
<u>Through: East Baton Rouge JTPA</u>		
LSU A&M College (Baton Rouge)		(2,018)
<u>Through: Rapides Parish Police Jury</u>		
LSU at Alexandria		79,872
<u>Through: St Landry Parish Police Jury</u>		
LSU at Eunice		2,330
<u>Through: Tangipahoa Parish JTPA</u>		
LSU A&M College (Baton Rouge)		261,624
Subtotal WIA Youth Activities		598,635
Consultation Agreements	17.504	
<u>Direct Awards:</u>		
Department of Labor		571,799

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
State Occupational Information Coordinating Council	17.E-9454621	
<u>Direct Awards:</u>		
Department of Labor		\$32,160
<u>Employment Services Cluster:</u>		
Employment Service	17.207	
<u>Direct Awards:</u>		
Executive Department		51,321
Department of Labor		13,073,907
Disabled Veterans' Outreach Program (DVOP)	17.801	
<u>Direct Awards:</u>		
Department of Labor		791,995
Local Veterans' Employment Representative Program	17.804	
<u>Direct Awards:</u>		
Department of Labor		753,639
Subtotal Employment Services Cluster		14,670,862
<u>JTPA Cluster:</u>		
Job Training Partnership Act	17.250	
<u>Through: Workforce Investment Board (Opelousas)</u>		
Louisiana Technical College, Gulf Campus		3,046
Louisiana Technical College, T. H. Harris Campus		58,343
Subtotal JTPA Cluster		61,389
Total U.S. Department of Labor		\$302,764,726
U.S. DEPARTMENT OF STATE		
Educational Exchange - Fulbright American Studies Institutes	19.418	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$47,038
Anti-Terrorism Assistance Program	19.1052-0060160/160160	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections -		
Public Safety Services		5,440,487

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE (CONT.)		
Anti-Terrorism Operation/Officer Survival		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
India	19.389 ATA #1972	\$177,004
South Africa	19.364 ATA #1993	184,938
Turkey	19.403 ATA #2060	179,373
Subtotal Anti-Terrorism Operation/Officer Survival		541,315
Anti-Terrorism Training Program	19.3749	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		226,285
Crisis Response Team		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Columbia	19.335 ATA #2272	243,058
Cyprus	19.361 ATA #1916	232,907
Ecuador	19.399 ATA #2028	274,982
Ivory Coast	19.354 ATA #1911	233,366
Review	19.416 ATA #2107	67,885
Review	19.430 ATA #2107	149,937
Yemen	19.386 ATA #1922	232,699
Subtotal Crisis Response Team		1,434,834
Edmund S. Muskie and Freedom Support Act Graduate Fellowship	19.unknown	
<u>Through: American Council of Teachers of Russian-Accels</u>		
LSU A&M College (Baton Rouge)		6,768
<u>Through: Open Society Institute</u>		
LSU A&M College (Baton Rouge)		7,669
Subtotal Edmund S. Muskie and Freedom Support Act Graduate Fellowship		14,437
Explosive Incident Countermeasures		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Albania	19.373 ATA #2063	303,999
Bangladesh	19.402 ATA #2051	303,010
Indonesia	19.397 ATA #1973	300,418
Ivory Coast	19.362 ATA #1909	300,406

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE (CONT.)		
Explosive Incident Countermeasures (Cont.)		
<u>Direct Awards:</u> (Cont.)		
LSU A&M College (Baton Rouge) (Cont.)		
Jordan	19.339 ATA #1476	\$314,261
Macedonia	19.367 ATA #1971	307,321
Senegal	19.383 ATA #1975	307,495
South Africa	19.390 ATA #1979	297,600
Tanzania	19.348 ATA #1908	301,532
Subtotal Explosive Incident Countermeasures		2,736,042
Financial Underpinnings of Terrorism	19.330 ATA #2189	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		106,430
Financial Underpinnings, Phase III	19.351 ATA #2189	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		311,375
Hostage Negotiations		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Albania	19.349 ATA #1896	111,749
Azerbaijan	19.331 ATA #1898	70,208
Ivory Coast	19.359 ATA #1897	106,355
Macedonia	19.368 ATA #1903	117,518
Paraguay	19.366 ATA #2003	119,487
Philippines	19.385 ATA #2005	115,501
Senegal	19.320 ATA #1900	168,705
South Africa	19.342 ATA #1904	115,892
Thailand	19.381 ATA #2002	41,854
Uganda	19.329 ATA #1901	72,490
Subtotal Hostage Negotiations		1,039,759
Hostage Negotiation/Incident Management		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Columbia	19.391 ATA #2006	41,551
Ecuador	19.408 ATA #2007	41,221
Sri Lanka	19.409 ATA #2008	40,486
Subtotal Hostage Negotiation/Incident Management		123,258

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE (CONT.)		
Instructor Training Services - Rural Border Operations - South Africa	19.350 ATA #1986	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>\$341,315</u>
Officer Survival		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Columbia	19.355 ATA #1989	185,946
Thailand and Uganda	19.372 ATA #1988	190,324
Yemen	19.340 ATA #2290	<u>187,445</u>
Subtotal Officer Survival		<u>563,715</u>
Police Role in Managing a Crisis		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Philippines	19.380 ATA #1887	58,615
Police Role in Managing a Crisis	19.375 ATA #1893	60,733
United Arab Emirates	19.392 ATA #1535	<u>60,973</u>
Subtotal Police Role in Managing a Crisis		<u>180,321</u>
Post Blast Investigation		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Albania	19.379 ATA #2651	83,330
Bosnia-Herzegovina	19.371 ATA #1695	84,591
Columbia	19.345 ATA #1978	83,260
India	19.369 ATA #2627	80,443
Indonesia	19.405 ATA #2390	82,436
Ivory Coast	19.358 ATA #2570	85,694
Macedonia	19.388 ATA #1972	82,054
Senegal	19.395 ATA #1960	81,667
Tanzania	19.384 ATA #1531	82,330
United Arab Emirates	19.400 ATA #2040	82,292
Uzbekistan	19.323 ATA #2191	<u>86,434</u>
Subtotal Post Blast Investigation		<u>914,531</u>
Request for Subject Matter Expert and Related Training		
Management Services	19.394 ATA #2108	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>11,121</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE (CONT.)		
Role of Police in Managing Crisis		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Albania	19.360 ATA #1894	\$60,116
Course Rewrite	19.357 ATA #2107	112,669
Kazakhstan	19.398 ATA #1892	47,387
Kenya	19.341 ATA #1890	58,248
Madagascar	19.382 ATA #2036	60,510
Mauritania	19.404 ATA #2037	47,850
South Africa	19.321 ATA #1888	12,191
Thailand	19.325 ATA #1374	9,675
Turkey	19.347 ATA #1891	60,204
Uzbekistan	19.303 ATA #1834	12,191
Yemen	19.334 ATA #2204	12,191
Subtotal Role of Police in Managing Crisis		493,232
Role of Police Revision Conference		
	19.353 ATA #2107	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		31,819
Rural Border Operations		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Columbia	19.374 ATA #2240	325,444
Oman	19.332 ATA #1984	147,052
United Arab Emirates	19.336 ATA #1985	352,612
Uzbekistan	19.344 ATA #2239	349,703
Subtotal Rural Border Operations		1,174,811
Rural Border Patrol		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Kazakhstan	19.411 ATA #1983	202,709
Rural Border Patrol	19.365 ATA #1987	340,027
Turkey	19.429 ATA #1995	1,306
Subtotal Rural Border Patrol		544,042

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE (CONT.)		
Senior Crisis Management:		
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		
Albania	19.338 ATA #1925	\$64,601
Azerbaijan	19.387 ATA #1924	65,446
Bangladesh	19.393 ATA #2009	65,155
Course Revisions	19.413 ATA #2200	109,316
Georgia	19.406 ATA #1923	65,010
Macedonia	19.363 ATA #2411	64,754
Madagascar	19.377 ATA #2533	64,750
Paraguay	19.343 ATA #2271	64,601
Philippines	19.370 ATA #2532	64,462
Thailand	19.346 ATA #1381	64,608
Uzbekistan	19.401 ATA #2192	65,010
Subtotal Senior Crisis Management		757,713
Standardization of Firearms Training	19.396 ATA #2050	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		77,740
Summer Instruction on Cultural Geography of the U.S. for Foreign University Faculty - Program Accountant	19.AEJL-0090	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		140,186
Total U.S. Department of State		\$17,251,806
U.S. DEPARTMENT OF TRANSPORTATION		
Boating Safety Financial Assistance	20.005	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		\$973,043
Airport Improvement Program	20.106	
<u>Direct Awards:</u>		
Orleans Levee District		1,146,998
Department of Transportation and Development		236,911
Subtotal Airport Improvement Program		1,383,909

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Airway Science	20.107	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		<u>\$2,403,935</u>
Highway Training and Education	20.215	
<u>Through: South Carolina State (SCSU992T1)</u>		
Southern University and A&M College (Baton Rouge)		<u>2,821</u>
National Motor Carrier Safety	20.218	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Public Safety Services		<u>2,175,651</u>
Federal Transit Grants for University Research and Training	20.502	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		71,805
<u>Through: South Carolina State (SCSU992T1)</u>		
Southern University and A&M College (Baton Rouge)		<u>36,755</u>
Subtotal Federal Transit Grants for University Research and Training		<u>108,560</u>
Formula Grants for Other Than Urbanized Areas	20.509	
<u>Direct Awards:</u>		
Department of Transportation and Development		<u>3,722,389</u>
Capital Assistance Program for Elderly Persons and Persons With Disabilities	20.513	
<u>Direct Awards:</u>		
Department of Transportation and Development		<u>1,077,987</u>
State Planning and Research	20.515	
<u>Direct Awards:</u>		
Department of Transportation and Development		<u>514,942</u>
Pipeline Safety	20.700	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>399,010</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Public Safety Services		<u>\$137,722</u>
1999 Eisenhower Grants for Research Fellowship	20.DDEGRF-99-X-00442	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>14,300</u>
Second National Marine Bioinvasions Conference	20.DTCGG8-00-P-MMS207	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>5,000</u>
<u>Federal Transit Cluster:</u>		
Federal Transit - Capital Investment Grants	20.500	
<u>Direct Awards:</u>		
Department of Transportation and Development		836,670
Federal Transit - Formula Grants	20.507	
<u>Direct Awards:</u>		
Department of Transportation and Development		<u>864,297</u>
Subtotal Federal Transit Cluster		<u>1,700,967</u>
<u>Highway Planning and Construction Cluster:</u>		
Highway Planning and Construction	20.205	
<u>Direct Awards:</u>		
Department of Revenue		15,044
Department of Transportation and Development		385,737,264
<u>Through: University of Cincinnati</u>		
LSU A&M College (Baton Rouge)		<u>57,844</u>
Subtotal Highway Planning and Construction Cluster		<u>385,810,152</u>
<u>Highway Safety Cluster:</u>		
State and Community Highway Safety	20.600	
<u>Direct Awards:</u>		
Department of Justice		14,108
Department of Public Safety and Corrections - Public Safety Services		<u>4,427,507</u>
Subtotal Highway Safety Cluster		<u>4,441,615</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
<u>Research and Development Cluster:</u>		
1999 Eisenhower Grants for Research Fellowship	20.RD.DDEGRF-99-X-00442	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$773
Automotive Highway Safety Research Initiative	20.RD.DTFH-61-99-X-00037	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		146,687
Dynamic Simulation of Ports and Intermodal Systems Rapid Responses to Emergency - Fixed Price Contract	20.RD.TO #2(1.3)/Phase 2/3	
<u>Through: California State University Long Beach Foundation</u>		
LSU A&M College (Baton Rouge)		188,833
Interstate 10 Widening, Baton Rouge Corridor Public Awareness Study	20.RD.13143	
<u>Through: Parsons, Bricknerhoff, Quade and Douglas Inc.</u>		
LSU A&M College (Baton Rouge)		300,070
National Pipeline Mapping System - State Repository	20.RD.DTRS56-99-H-0004	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		36,383
Proposal for Dynamic Simulation of Ports and Intermodal Systems Rapid Responses - Fixed Price Contract	20.RD.Task Order #3	
<u>Through: California State University Long Beach Foundation</u>		
LSU A&M College (Baton Rouge)		117,000
Subtotal Research and Development Cluster		789,746
Total U.S. Department of Transportation		\$405,661,749

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE TREASURY		
Asset Forfeiture	21.000	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Public Safety Services		<u>\$22,324</u>
United States Customs	21.unknown	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Public Safety Services		<u>583</u>
Total U.S. Department of the Treasury		<u>\$22,907</u>
UNITED STATES POSTAL SERVICE		
United States Postal Service - Fixed Price Contract	22.216565-89-P-0444	
<u>Direct Awards:</u>		
Nicholls State University		<u>\$6,000</u>
Total United States Postal Service		<u>\$6,000</u>
OFFICE OF PERSONNEL MANAGEMENT		
Intergovernmental Personnel Act (IPA) Mobility Program	27.011	
<u>Through: Overton Brooks VA Medical Center (#E1935-R,2143-P)</u>		
Louisiana Tech University		<u>\$24,606</u>
Total Office of Personnel Management		<u>\$24,606</u>
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION		
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	
<u>Direct Awards:</u>		
Executive Department		<u>\$21,845</u>
Total Equal Employment Opportunity Commission		<u>\$21,845</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
GENERAL SERVICES ADMINISTRATION		
Donation of Federal Surplus Personal Property	39.003	
<u>Direct Awards:</u>		
Executive Department		<u>\$1,856,398</u>
Total General Services Administration		<u>\$1,856,398</u>
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		
Aerospace Education Services Program	43.001	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>\$1,071,732</u>
Technology Transfer	43.002	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		\$10,092
Southern University at New Orleans		24,014
University of Louisiana at Monroe		3,959
<u>Through: Quality Education for Minorities Network (NAGS-4122)</u>		
Southern University and A&M College (Baton Rouge)		39,457
<u>Through: Space Telescope Science Institute (ED-9014)</u>		
Southern University and A&M College (Baton Rouge)		<u>3,422</u>
Subtotal Technology Transfer		<u>80,944</u>
CS TEA HBCU Academic Research Consortium	43.unknown	
<u>Through: Howard University (NCC-5197)</u>		
Grambling State University		<u>56,747</u>
NAC CME - NASA Student Award	43.unknown	
<u>Through: National Action Council for Minorities in Engineering (NGT5-90015)</u>		
Southern University and A&M College (Baton Rouge)		<u>65,727</u>
Southern Technology Applications Center - Fixed Price Contract	43.329253	
<u>Through: University of Florida</u>		
LSU A&M College (Baton Rouge)		<u>50,000</u>
To Support Programs and Fellowships Under the National Space Grant College and Fellowship	43.NGT-40035	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>28,555</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
A Testing of Remote Sensing Method at the Broussard Mounds Site	43.NGT13-52743	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$18,011
<u>Research and Development Cluster:</u>		
Aerospace Education Services Program	43.001	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		677,689
<u>Through: University of Alabama (#99-023 and #01-0130)</u>		
Louisiana Tech University		14,601
Technology Transfer	43.002	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		576,685
Accretion Onto Magnetic Degenerate Stars	43.RD.NAG-5-3082	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(56)
Advanced Flight Controller Design for X-33 Using Trajectory Linearization	43.RD.NCC8-201	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		45,672
Advanced Light Weight Program	43.RD.NAG8-1731	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		34,146
Advanced Thin Ionization Calorimeter Balloon Experiment	43.RD.NAG5-5064/5306	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		352,764
Alliance for Non-Linear Optics	43.RD.unknown	
<u>Through: New Mexico Highlands University (NAG8-1708)</u>		
Grambling State University		9,777
Analysis of the Gravisensing System in Chara	43.RD.NAG-2-1423	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		7,223

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Application of Physical and Biological Techniques in the Study of the Gravisensing and Response System of Plants	43.RD.NAG10-0190	
<u>Direct Awards:</u> University of Louisiana at Lafayette		\$98,647
Application of Remote Sensing to Assess the Impact of Short Term Climate Variations	43.RD.G065236	
<u>Through: Board of Regents of University of Wisconsin</u> LSU A&M College (Baton Rouge)		26,802
Basic Under NASA Research Announcement NRA-99-0SS-01	43.RD.NAG5-5297	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		41,301
Development of a Protocol for Sterilizing Mineral Samples Returned to Earth	43.RD.NAG2-1460	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		26,644
Developmental Analysis of Seeds Grown on Mir	43.RD.NAG2-1020	
<u>Direct Awards:</u> LSU Agricultural Center		71,240
Dust Formation Around R Coronae Borealis Stars: Where is the CO ₂	43.RD.GO-07477.01-96A	
<u>Through: Space Telescope Science Institute</u> LSU A&M College (Baton Rouge)		208
Enhancing Lidar-Based Estimates of Forest Stand Structure Through Incorporation	43.RD.99070609-01	
<u>Through: Mississippi State University</u> LSU Agricultural Center		10,678
Environmental Studies		
<u>Through: Dynamac Corporation</u> Southeastern Louisiana University	43.RD.K-SC0010693	18,348
Southeastern Louisiana University	43.RD.NAS7-331	1,814
Extragalactic Interstellar Dust	43.RD.NAG5-7933	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		87,809

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
FAR - Ultraviolet Interstellar Extinction in the Large Magellanic Cloud-Fuse	43.RD.NAG5-10185	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		\$20,154
Feasibility Study of Low Aspect Ratio Lifting Body Airframe	43.RD.NGT5-40115	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		1,376
Flood Disaster Prevention Using Remotely - Sensed Data and A Mesocle - Fixed Price Contract	43.RD.SUB 2000-469/194	
<u>Through: University of Alabama at Huntsville</u> LSU A&M College (Baton Rouge)		34,806
Geophysical Flow Experiment in a Rotating Spherical Capacitor	43.RD.NAG3-2447	
<u>Direct Awards:</u> University of New Orleans		44,174
Implement Earth System Science Education Course	43.RD.NAG5-8517	
<u>Through: Institute for Global Environmental Studies (#11010)</u> Louisiana Tech University		2,600
Joint Venture in Education	43.RD.NAG8-1206	
<u>Direct Awards:</u> Southeastern Louisiana University		854
Leaf Area and Volume Estimates in Loblolly Pine Forest Derived From Aerial Images	43.RD.99-03-0273	
<u>Through: Mississippi State University (#NAG13-99018)</u> LSU Agricultural Center		11,433
Life in Extreme Environments Research	43.RD.NCC 2-5376	
<u>Direct Awards:</u> University of New Orleans		6,722
Louisiana Space Grant College and Fellowship Program	43.RD.NGT5-40115	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		40,698

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Mechanics of Granular Materials (MGM-III) Project	43.RD.NAS8-01042	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$16,682
Minute of Arc Resolution Gamma-Ray Imaging Experiment	43.RD.NAG5-5127	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,042
Mist Generation for Fire Suppression Applications	43.RD.NGT5-40035	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		159
Moving Beyond the Standard Paradigm: The Importance of Interstellar Dust	43.RD.NAG5-9203	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		70,062
NASA Graduate Student Researchers Program		
<u>Direct Awards:</u>		
University of New Orleans	43.RD.NGT13-52714	1,333
University of New Orleans	43.RD.NGT13-52719	2,614
University of New Orleans	43.RD.NGT13-52721	24,201
University of New Orleans	43.RD.NGT13-52740	17,434
National Center for Advanced Manufacturing-LA Partnership	43.RD.NCC8-223	
<u>Through: UNO Research and Technology Foundation (58404)</u>		
University of New Orleans		57,611
NLO Polymers That Have Enhanced Thermal Stability	43.RD.unknown	
<u>Through: New Mexico Highlands University (NAG8-1392)</u>		
Grambling State University		50,120
A Novel Liquid Hydrogen/Oxygen Co-Generator - Fixed Price Contract	43.RD.NAS 10-00002	
<u>Through: TDA Research, Inc.</u>		
LSU A&M College (Baton Rouge)		20,641
Numerical Hydrodynamics of Mass-Transferring Binaries	43.RD.NAG5-8497	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		28,375

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Parallel Molecular Dynamics Simulations of Atomic Nanos	43.RD.NAG2-1212	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(\$1,806)
Parallel Multiscale Algorithms for Virtual Design of Nano-Electromechanical Systems	43.RD.NAG2-1318	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(4,686)
Plant Reproductive Development in Microgravity	43.RD.NAG10-0139	
<u>Direct Awards:</u>		
LSU Agricultural Center		76
Polymeizable Monomer Reactants	43.RD.NCC3-512	
<u>Direct Awards:</u>		
Grambling State University		(2,962)
A Radappertization Protocol for Samples Returned to Earth From Mars	43.RD.NAG2-1320	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		14,487
Research and Development Tasks in Support of NASA and Resident Agencies	43.RD.NAS13-98053	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		214,437
The Role of Polycyclic Aromatic Hydrocarbons in Ultraviolet Extinction	43.RD.HST-GO-086070.01-A	
<u>Through: Space Telescope Science Institute</u>		
LSU A&M College (Baton Rouge)		68
Rotation Curves of Normal and Barred Spiral Galaxies	43.RD.NGT5-40035	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		668
Scalable Simulation and Data Management for Computational Nanoelectronics	43.RD.NCC2-5320	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		38,338

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Spatially Resolved Modeling of the Dust Attenuation and Intrinsic Stellar	43.RD.AR-08002.01-96A	
<u>Through: Space Telescope Science Institute</u> LSU A&M College (Baton Rouge)		(\$1)
To Support Programs and Fellowships Under the National Space Grant College and Fellowship	43.RD.NGT5-40035	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		151,750
Surface Tension Measurement on Ten Lubricants, Advancing and Receding Contracts	43.RD.unknown	
<u>Direct Awards:</u> University of Louisiana at Lafayette		1,459
A Survey of Active Galaxies and High-Latitude Gamma-Ray Sources	43.RD.NAG5-8100	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		6,826
A Testing of Remote Sensing Method at the Broussard Mounds Site	43.RD.NGT13-52743	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		556
Theoretical and Experimental Investigation of the Stability of Evaporation	43.RD.NAG3-2361	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		33,356
Transition Radiation Detectors for High Energy Measurements in Access	43.RD.NAG5-5177	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		76,269
Ultra-Long Duration Mission Concept for Proposal for a Minute-of-Arc Resolution	43.RD.NAG5-5208	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		104,210

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Understanding the Starburst-Like Dust in the Small Magellanic Cloud	43.RD.GO-08198.01-97A	
Through: <u>Space Telescope Science Institute</u> LSU A&M College (Baton Rouge)		\$15,393
Unsteady Separation: Aero-Structural Interactions and Their Control	43.RD.NGT5-40035	
Direct Awards: LSU A&M College (Baton Rouge)		225
Using IR Emissions to Constrain the Role of Dust in Galaxies	43.RD.NAG5.9709	
Direct Awards: LSU A&M College (Baton Rouge)		7,601
World Deltas: A Baseline and Changes	43.RD.NAG5-9245	
Direct Awards: LSU A&M College (Baton Rouge)		46,509
Subtotal Research and Development Cluster		3,257,856
Total National Aeronautics and Space Administration		\$4,629,572
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES		
Promotion of the Arts - Leadership Initiatives	45.026	
Direct Awards: Department of Culture, Recreation and Tourism		\$682,520
Promotion of the Humanities - Federal/State Partnership	45.129	
Through: <u>Louisiana Endowment for the Humanities</u> LSU A&M College (Baton Rouge)		30,499
University of Louisiana at Monroe		23,506
Through: <u>Louisiana Endowment for the Humanities</u> <u>(00/99-604-151/093/133)</u> Southeastern Louisiana University		31,965
Subtotal Promotion of the Humanities - Federal/State Partnership		85,970
Promotion of the Humanities - Extending the Reach Grants to Underserved Areas	45.166	
Direct Awards: University of New Orleans		3,506

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES (CONT.)		
Institute of Museum and Library Services	45.301	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>\$6,703</u>
State Library Program	45.310	
<u>Direct Awards:</u>		
Department of Culture, Recreation and Tourism		<u>2,676,881</u>
Black Heritage	45.87-829-007	
<u>Through: La. Community for the Humanities - La. Black Heritage</u>		
LSU at Alexandria		<u>75</u>
<u>Research and Development Cluster:</u>		
Promotion of the Humanities - Division of Preservation and Access	45.149	
<u>Through: Indiana University</u>		
LSU A&M College (Baton Rouge)		19,302
University of Louisiana at Lafayette		<u>23,923</u>
Subtotal Research and Development Cluster		<u>43,225</u>
Total National Foundation on the Arts and the Humanities		<u>\$3,498,880</u>
NATIONAL SCIENCE FOUNDATION		
Engineering Grants	47.041	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>\$115,728</u>
Mathematical and Physical Sciences	47.049	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		66,335
LSU in Shreveport		21,855
Southern University and A&M College (Baton Rouge)		<u>471,314</u>
Subtotal Mathematical and Physical Sciences		<u>559,504</u>
Biological Sciences	47.074	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		260,206
University of Louisiana at Monroe		<u>34,950</u>
Subtotal Biological Sciences		<u>295,156</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Social, Behavioral, and Economic Sciences	47.075	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>\$120,812</u>
Education and Human Resources	47.076	
<u>Direct Awards:</u>		
Grambling State University		32,681
LSU A&M College (Baton Rouge)		190,425
Louisiana Systemic Initiatives Program		1,037,533
University of Louisiana at Monroe		73,969
<u>Through: American Association of Community Colleges (#53-0196569)</u>		
Nunez Community College		1,919
<u>Through: University of Mississippi</u>		
University of Louisiana at Monroe		<u>579,514</u>
Subtotal Education and Human Resources		<u>1,916,041</u>
1998 Presidential Award for Excellence in Science, Mathematics, and Engineering	47.HRD-9814716	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>4,000</u>
Academic Research Facilities and Implementation	47.ST-1-960-2792	
<u>Direct Awards:</u>		
Grambling State University		<u>715,666</u>
Experiment in Education in Environmental Chemistry	47.CHE-9634060	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>30,343</u>
Presidential Award for Excellence in Mathematics and Science - Fixed Price Contract	47.14262	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>7,500</u>
Research Experiences for Minority Undergraduates in Advance Composite Piping	47.EEC-9619503	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>61,342</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Support for the Collection of Genetic Resources, LSU Museum of Natural History	47.DEB-9419909	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$20,176
<u>Research and Development Cluster:</u>		
Engineering Grants	47.041	
<u>Direct Awards:</u>		
LSU Agricultural Center		5,558
LSU A&M College (Baton Rouge)		675,930
Louisiana Tech University		261,751
Mathematical and Physical Sciences	47.049	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,500,726
LSU in Shreveport		9,222
Louisiana Tech University		144,236
Southern University and A&M College (Baton Rouge)		7,835
University of New Orleans		8,048
<u>Through: California Institute of Technology (#PC300577)</u>		
Louisiana Tech University		9,209
<u>Through: California Institute of Technology</u> <u>(LIGO-C991357-00-P)</u>		
Southeastern Louisiana University		13,197
<u>Through: University of North Carolina at Wilmington</u>		
LSU A&M College (Baton Rouge)		12,355
Geosciences	47.050	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		647,912
Louisiana Universities Marine Consortium		797,437
University of Louisiana at Monroe		6,105
University of New Orleans		52,107
<u>Through: Southeastern University Research Association</u>		
Louisiana Universities Marine Consortium		22,649
<u>Through: University of Washington (739150)</u>		
University of New Orleans		23,212
<u>Through: Woods Hole Oceanographic Institution</u>		
LSU A&M College (Baton Rouge)		22,636
Computer and Information Science and Engineering	47.070	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		323,912

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Biological Sciences	47.074	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$32,695
LSU A&M College (Baton Rouge)		747,500
LSU Health Sciences Center (New Orleans)		146,219
LSU Health Sciences Center (Shreveport)		254,732
Southeastern Louisiana University		50,997
University of Louisiana at Monroe		119,163
University of New Orleans		78,968
<u>Through: Marine Biological Laboratory (#DEB-9815598)</u>		
LSU A&M College (Baton Rouge)		16,843
<u>Through: The Research Foundation of State University of New York</u>		
LSU Agricultural Center		168
<u>Through: Rice University</u>		
LSU A&M College (Baton Rouge)		309,317
Social, Behavioral, and Economic Sciences	47.075	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		277,018
University of New Orleans		91,330
<u>Through: National Research Council</u>		
LSU A&M College (Baton Rouge)		6,393
LSU Health Sciences Center (New Orleans)		2,500
<u>Through: University of North Carolina - Greensboro (#SES-9986501)</u>		
LSU A&M College (Baton Rouge)		6,320
Education and Human Resources	47.076	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		3,292,592
LSU A&M College (Baton Rouge)		577,855
Louisiana Tech University		246,800
University of New Orleans		10,669
<u>Through: University of South Carolina</u>		
LSU A&M College (Baton Rouge)		37,806
<u>Through: University of South Dakota (#9977752)</u>		
LSU A&M College (Baton Rouge)		9,319
Polar Programs	47.078	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		40,544

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Adaptive Significance of Variations in Metabolic Rates of Mammals Using the Nine-Banded Armadillo as Model	47.RD.IBN-9723065	
<u>Direct Awards:</u>		
University of New Orleans		\$39,661
Bimetallic Cooperatively in Homogeneous Catalysis	47.RD.CHE-9700526	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(5,162)
Career: Large-Scope Atomistic Simulations of Multiscale Material Phenomena	47.RD.ASC-9701504	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		97,857
Career: Nonlinear Output of Feedback Control of Constrained Multivariable Processes	47.RD.CTS-9501368	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(94)
Career: Synthesis, Characterization and Application of Fluorescent Nanolipobeads for Optochemical Sensing in Single Living Cells	47.RD.CHE-9874498	
<u>Direct Awards:</u>		
University of New Orleans		94,355
Career: Theory and Application of Hybrid Estimation	47.RD.ECS-9734258	
<u>Direct Awards:</u>		
University of New Orleans		77,099
Civil Community and Civic Welfare: A Study Based on Economic Census Microdata	47.RD.SES-9905094	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,300
Collaborative Research on Distributive Justice Norms Concerning Income	47.RD.SBR-9810473	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,475
Collaborative Research: Dynamic Processes	47.RD.EAR-9725330	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		78,243

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Collaborative Research: Individual-Level Analysis of Supreme Court Justices: A Modification to the United States Supreme Court Judicial Databases	47.RD.SES-9911054	
<u>Direct Awards:</u> University of New Orleans		\$10,834
Collaborative Research: Salinity of Groundwater in Continental Sedimentary Basin	47.RD.EAR-9805446	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		34,183
Competitive Proposal Development Initiative <u>Through: University of South Dakota</u> LSU A&M College (Baton Rouge)	47.RD.NSF#9977752-CPDI	6,009
Constraints of the Genesis of Continental Crust Via Arc Magmatism <u>Through: Woods Hole Oceanographic Institution (81089900)</u> University of New Orleans	47.RD.EAR-9910899	10,888
The Cytoskeleton and Polarity in Pollen Development <u>Direct Awards:</u> University of Louisiana at Lafayette	47.RD.MCB-9726968	57,721
Detection-oriented Identification of Nonlinear Systems Using the NARMAX Model <u>Direct Awards:</u> University of Louisiana at Lafayette	47.RD.ECS-9753084	9,413
Development of Compensation Method for Loads With Non-Periodic Currents <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	47.RD.ECS-9810167	22,070
Dynamics of a Native Iris-Herbivore Association: Effects of Salinity Herbivory and Genetic Variation <u>Direct Awards:</u> University of Louisiana at Lafayette	47.RD.DEB-9632302	12,682
Dynamics of Rodlike Polymers in Complex Media <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	47.RD.DMR-9634713	(4,870)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Evolutionary Effects of Irradiation in Low-Mass Binaries	47.RD.AST-9720771	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$27,584
Experiment in Education in Environmental Chemistry	47.RD.CHE-9634060	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		90,268
Explicit Constructions of Asymptotically Good Algebraic-Geometric Codes	47.RD.CCR-9804973	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		78,585
The Fairweather - St. Elias Orogenic System: A Slip- Partitioned Transpressional Orogenic	47.RD.EAR-9725035	
<u>Direct Awards:</u>		
University of New Orleans		41,616
Functional and Structural Roles of Nucleolin in Vertebrates	47.RD.MCB-9727917	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		18,230
Goal 1: Magnetic Thin-Films for Data Storage	47.RD.DMR-9802278	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		93,325
Graduate Research Fellowship Program	47.RD.DGE-9818389	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		3,061
High Energy Interactions and the Energy Spectra of Cosmic Rays	47.RD.PHY-9513997	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		26
IME4 Gene: Putative Methyltransferase Coupling Nutrition to Meiotic Development in Yeast	47.RD.MCB-9983555	
<u>Direct Awards:</u>		
University of New Orleans		77,732
An Information Resource for Curriculum Development and Program Enhancement	47.RD.DUE-9752482	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		5,194

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

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For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Integrating High Performance Computing Into Research in Physics and Astronomy	47.RD.DGE-9355007	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		\$9,360
Intergovernmental Personnel Act (IPA)	47.RD.CMS-9818567	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		26,379
IPA - Susan Mopper	47.RD.DEB.0004393	
<u>Direct Awards:</u> University of Louisiana at Lafayette		74,188
The IRR1 Protein of <i>Deinococcus Radiodurans</i>	47.RD.MCB-9728404	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		78,940
Joint Workshop on Databases and the Internet With Singapore (National University of Singapore)	47.RD.INT-9817920	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		6,523
Lexen: Combining Culturing and Non-Culturing Approaches for the Insulation of Pork	47.RD.DEB-9714276	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		16,217
Lexical Guidance During Syntactic Generation, Selection and Reanalysis	47.RD.BCS0096173	
<u>Direct Awards:</u> University of Louisiana at Lafayette		44,130
Linear and Nonlinear Complex Differential Equations	47.RD.DMS-9970917	
<u>Direct Awards:</u> University of New Orleans		12,702
Low-Temperature Topotactic Strategies for the Directed Synthesis of New Layered Oxides	47.RD.DMR-9983591	
<u>Direct Awards:</u> University of New Orleans		132,259

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
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	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
LTREB: The Long Term Effects of Removing Insects and Ground-Dwelling Mammals on Tropical Tree Diversity: A Community Level Experiment Test	47.RD.DEB-9527729	
<u>Through: University of Pittsburgh (5721-1)</u>		
University of New Orleans		\$464
Mathematical Problems in Low Dimensional Gauge Theories	47.RD.DMS-9800955	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		22,569
Mechano-Electric Properties of Anemone Hair Cells	47.RD.IBN-9807782	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		57,866
Membrane Lipid Biosynthesis in <i>Chlamydomonas reinhardtii</i>	47.RD.MCB-9603626	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(75)
Molecular Responses to Hypoxia in Fish Support for Research Experiences for Undergraduates	47.RD.IBN-9723050	
<u>Direct Awards:</u>		
University of New Orleans		35,993
Molecular Studies of Cospecification in a Host-Parasite	47.RD.DEB-9527583	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		54
MRI: Acquisition of Networked Heterogeneous Computer Systems	47.RD.EIA-9871315	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		16,216
Multi-Product Flowline Design for a Flexible Manufacturer	47.RD.DMI-9622306	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		12,499
Natural Disasters and Industrial Activities in the Urban Environment: Potential Impacts of Joint Events and Preparedness for Industrial Accidents Caused by Natural Disasters	47.RD.CMS-9817771	
<u>Through: Tulane University (TUL-078-98/99)</u>		
University of New Orleans		38,548

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Nonequilibrium Dynamical Systems	47.RD.DMR-9710608	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$40,569
Nonlinear Stochastic Extreme MDOF Motions Analysis for Design of Ships and Floating Offshore Platforms	47.RD.CMS-9908241	
<u>Direct Awards:</u>		
University of New Orleans		48,480
NSF Postdoctoral Fellowship in Science, Mathematics, Engineering and Technology Education - Fixed Price Contract	47.RD.DGE-9906471	18,000
<u>Direct Awards:</u>		
University of New Orleans		
NSF Inorganic Workshop for 1998-2000	47.RD.CHE-9731765	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		19,164
Phylogeny of Laboulbeniales (<i>Ascomycetes</i>)	47.RD.DEB-9615520	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		55,535
Powre: Role of Calcium-Binding Proteins in Synaptic Transmission Between Retina	47.RD.IBN-9753027	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,118
Public Involvement in Planning and Local Government Commitment to Hazard Mitigation	47.RD.CMS-9801155	
<u>Direct Awards:</u>		
University of New Orleans		65,710
Rate Enhancement and Microstructure Control of Copper CVD	47.RD.CTS-9612157	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		8,533
Reconfiguration and Performance Issues in Software Distributed Shared Memory Systems	47.RD.CCR-9803505	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		35,814

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
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	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Reproductive Biology in Shrimp	47.RD.OCE-9982466	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$75,437
The Role of Transtension vs. Extension: Crystal Deformation in the Death Valley System	47.RD.EAR-97062333	
<u>Direct Awards:</u>		
University of New Orleans		20,657
The Role of Vacuolization in Rapid Fluid Secretion by Insect Malpighian Tubules	47.RD.IBN-9807948	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		72,863
RUI: Experimental Investigation of Ecological and Genetic Correlates	47.RD.DEB-9629287	
<u>Direct Awards:</u>		
University of New Orleans		1,462
Scientific Computing Research Environments for the Mathematical Sciences	47.RD.DMS-9872022	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		16,784
SGER: Exploratory Evaluation of Using Introductions of MUS to Experimentally Assess Factors Affecting Population Visability	47.RD.DEB-9907567	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		7,221
SGER: Testing and Optimization of DNA Based Methods of Zooplankton	47.RD.OCE-0098196	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		35,062
Social Intractive Literacy: Mechanism for Developing and Sustaining Resilience in At-Risk Children	47.RD.BCS-9907856	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		11,396
Social Networks, Social Resources, and Hurricane Georges	47.RD.SBR-9900911	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,085

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	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Sociolinguistic Survey of Cajun French	47.RD.SBR-9514831	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$205
Soft X-Ray Molecular Spectroscopy: Dissecting the Continuum	47.RD.CHE-9616908	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		293
Stabilized Molecular Assemblies for Advanced Synthesis and Technologies	47.RD.CHE-9529770	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(14,076)
Studies in Organized Media	47.RD.CHE-9632916	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		909
Systematics of Marine Red Algal Family <i>Phyllophoracea</i> Based on Morphological and Molecular Evidence	47.RD.DEB9903900	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		87,945
Theoretical Nuclear Structure Physics	47.RD.PHY-9603006	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		(3,264)
Thermochemistry and Catalysis Involving Organometallic Complexes	47.RD.CHE-9985213	
<u>Direct Awards:</u>		
University of New Orleans		138,187
U.S. - Brazil Cooperative Research: Application of Solidification/Stabilization	47.RD.INT-9802427	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		5,935
U.S. - Germany Cooperative Research on Spectral Theory	47.RD.INT-9722779	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		922

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	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
U.S. - Japan Cooperative Science: Molecular Dynamics Simulation	47.RD.INT-9603264	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$2,841
U.S. - Mexico Cooperative Research: Pairing Correlations and the Pseudo-SU (3) Model	47.RD.INT-9500474	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		1,143
Workshop: Developing a Common Wireless Networking Infrastructure	47.RD.CCR-9986080	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		508
		13,221,340
Subtotal Research and Development Cluster		
		\$17,067,608
Total National Science Foundation		
SMALL BUSINESS ADMINISTRATION		
Small Business Innovation Research and Technology Program	59.SBAHQ-99-R-0008	
<u>Direct Awards:</u>		
Department of Economic Development		\$29,093
<u>Research and Development Cluster:</u>		
Small Business Development Center	59.037	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		1,434,791
		\$1,463,884
Total Small Business Administration		
U.S. DEPARTMENT OF VETERANS AFFAIRS		
Grants to States for Construction of State Home Facilities	64.005	
<u>Direct Awards:</u>		
Department of Veterans Affairs		\$58,728
Veterans State Domiciliary Care	64.014	
<u>Direct Awards:</u>		
Department of Veterans Affairs		6,081

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF VETERANS AFFAIRS (CONT.)		
Veterans State Nursing Home Care	64.015	
<u>Direct Awards:</u>		
Department of Veterans Affairs		<u>\$5,827,197</u>
Disbursement for Fellow Stipends and Fringes	64.unknown	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>438,330</u>
Disbursement for House Staff Stipend and Fringes	64.unknown	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>985,742</u>
Neurosurgery IPA Agreement - B. Willis and A. Nanda	64.unknown	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>155,520</u>
VA Medical Center IPA Agreement - Drs. M. Olmedo and J. R. Green	64.unknown	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>15,600</u>
VA Medical Center Radiation Therapy Equipment Use	64.V667P-1777	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>299,388</u>
VA/Family Medicine - Teaching Agreement - Alexandria	64.unknown	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>30,507</u>
<u>Research and Development Cluster:</u>		
Veterans Affairs Cooperative Studies Program/NIH		
Subcontract	64.RD.1Y01HC4020401	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>38,568</u>
Total U.S. Department of Veterans Affairs		<u>\$7,855,661</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY		
Water Pollution Control - State and Interstate Program Support	66.419	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>\$112,031</u>
State Public Water System Supervision	66.432	
<u>Direct Awards:</u>		
Office of Public Health		<u>1,497,951</u>
State Underground Water Source Protection		
<u>Direct Awards:</u>	66.433	
Department of Natural Resources		<u>339,635</u>
Construction Management Assistance	66.438	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>50,567</u>
Water Quality Management Planning	66.454	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>181,637</u>
National Estuary Program	66.456	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>356,968</u>
Capitalization Grants for State Revolving Funds	66.458	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>14,827,584</u>
Nonpoint Source Implementation Grants	66.460	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>2,003,464</u>
Wetlands Grants	66.461	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		9,206
Department of Natural Resources		<u>64,385</u>
Subtotal Wetlands Grants		<u>73,591</u>
Water Quality Cooperative Agreements	66.463	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>30,560</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Capitalization Grants for Drinking Water State Revolving Funds	66.468	
<u>Direct Awards:</u>		
Department of Environmental Quality		\$5,289,879
Office of Public Health		958,557
Subtotal Capitalization Grants for Drinking Water State Revolving Funds		6,248,436
Performance Partnership Grants	66.605	
<u>Direct Awards:</u>		
Department of Environmental Quality		7,580,792
Surveys, Studies, Investigations and Special Purpose Grants	66.606	
<u>Direct Awards:</u>		
Department of Environmental Quality		695,062
LSU A&M College (Baton Rouge)		10,721
Department of Natural Resources		319,533
<u>Through: University of Arkansas</u>		
LSU Agricultural Center		4,346
Subtotal Surveys, Studies, Investigations and Special Purpose Grants		1,029,662
One Stop Reporting	66.608	
<u>Direct Awards:</u>		
Department of Environmental Quality		250,000
Consolidated Pesticide Enforcement Cooperative Agreements	66.700	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		557,471
LSU Agricultural Center		83,341
Subtotal Consolidated Pesticide Enforcement Cooperative Agreements		640,812
Toxic Substances Compliance Monitoring Cooperative Agreements	66.701	
<u>Direct Awards:</u>		
Department of Environmental Quality		85,748
TSCA Title IV State Lead Grants - Certification of Lead-Based Paint Professionals	66.707	
<u>Direct Awards:</u>		
Department of Environmental Quality		69,002

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Super Fund State Site - Specific Cooperative Agreements	66.802	
<u>Direct Awards:</u>		
Department of Environmental Quality		\$850,410
Leaking Underground Storage Tank Trust Fund Program	66.805	
<u>Direct Awards:</u>		
Department of Environmental Quality		1,106,352
Solid Waste Management Assistance	66.808	
<u>Direct Awards:</u>		
Department of Environmental Quality		17,524
CEPP Technical Assistance Grants Program	66.810	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Public Safety Services		14,155
Coastal 2000 Initiative: Assess Louisiana Estuaries and Gulf of Mexico	66.R82840201	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		43,147
Fellowship for Graduate Environmental Study	66.U-915156-01-0	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,125
Fellowship for Gwyn Puckett	66.U-915391-01	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		810
Revision of Louisiana's Scenic River Management - Southeastern US	66.CD996956-01-0	
<u>Direct Awards:</u>		
Department of Wildlife and Fisheries		9,960

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
<u>Research and Development Cluster:</u>		
Wetlands Grants	66.461	
<u>Through: Lee Wilson and Associates</u>		\$187,509
Louisiana Universities Marine Consortium		
<u>Through: Tulane University</u>		26,200
Louisiana Universities Marine Consortium		
Water Quality Cooperative Agreements	66.463	
<u>Direct Awards:</u>		17,517
Louisiana Universities Marine Consortium		
Environmental Protection - Consolidated Research	66.500	
<u>Direct Awards:</u>		80,249
Board of Regents for Higher Education		76,299
Department of Environmental Quality		1,560,041
LSU A&M College (Baton Rouge)		104,051
LSU Health Sciences Center (New Orleans)		277,753
McNeese State University		436,912
Southern University and A&M College (Baton Rouge)		1,033,952
University of New Orleans		
<u>Through: The Academy of Natural Sciences</u>		16,490
LSU A&M College (Baton Rouge)		
<u>Through: Lamar University</u>		24,730
LSU A&M College (Baton Rouge)		
<u>Through: Science and Engineering Alliance (CFC 1119)</u>		6,718
Southern University and A&M College (Baton Rouge)		
<u>Through: University of South Alabama</u>		127
LSU A&M College (Baton Rouge)		
Air Pollution Control Research	66.501	
<u>Direct Awards:</u>		248,996
University of New Orleans		
Surveys, Studies, Investigations and Special Purpose Grants	66.606	
<u>Direct Awards:</u>		46,594
LSU A&M College (Baton Rouge)		13,165
Office of Public Health		
<u>Through: Jefferson Parish Government</u>		6,605
LSU A&M College (Baton Rouge)		
<u>Through: Mississippi State University (#X-82842101-0)</u>		212
LSU A&M College (Baton Rouge)		

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Environmental Education and Training Program	66.950	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$27,520
An Advanced System for Pollution Prevention in Chemical Complexes	66.RD.010LSU2734	
<u>Through: Lamar University</u>		
LSU A&M College (Baton Rouge)		16,523
Baffled Flask Test of Dispersants in Crude Oil - Fixed Price Contracts	66.RD.13069	
<u>Through: Analytical Specialists, Inc.</u>		
LSU A&M College (Baton Rouge)		2,400
Diversion Into the Maurepaus Swamp - Fixed Price Contract	66.RD.599-02	
<u>Through: Lee Wilson and Associates Inc.</u>		
LSU A&M College (Baton Rouge)		24,948
Effect of Oil Concentration and Weathering on Plant Response: Field Approaches	66.RD.PC99A-02163/TO#2	
<u>Through: University of Cincinnati</u>		
LSU A&M College (Baton Rouge)		904
Evaluation of Physical Oceanographic Data in the Vicinity of ODMS in Texas and Louisiana	66.RD.68D60067	
<u>Through: Lee Wilson and Associates, Incorporated.</u>		
<u>(Subcontracts #582-02/#598-03)</u>		
University of New Orleans		14,252
Gulf of Mexico Program, Water Quality Monitoring South Shore, Lake Pontchartrain	66.RD.MX994929-96-2	
<u>Direct Awards:</u>		
University of New Orleans		171
Hazardous Substance Research Consortium/South and Southwest	66.RD.R819165-01	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		5,774
Identifying and Characterizing Wetlands in East Baton Rouge	66.RD.CD986221-01	
<u>Through: East Baton Rouge Planning Commission</u>		
LSU A&M College (Baton Rouge)		40,952

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Impacts of Climate Variability on Coastal Fisheries in Low Oxygen Environments <u>Through: Tulane University</u> LSU A&M College (Baton Rouge)	66.RD.TUL-107-00/01	\$33,766
Implementation of Phase 0 Study Portion of the CWPRA Development Plan - Fixed Price Contract <u>Through: Lee Wilson and Associates Inc.</u> LSU A&M College (Baton Rouge)	66.RD.599-03	24,950
Modeling Effects of Endocrine Disruptor Chemicals on Fish Populations <u>Through: University of Texas at Austin</u> LSU A&M College (Baton Rouge)	66.RD.UTA00-019	65,683
Photo-Adsorbilization in a Semiconductor Monolithic Reactor <u>Through: Lamar University</u> LSU A&M College (Baton Rouge)	66.RD.069LSU0753	17,729
Real-Time Monitoring of Estuarine and Coastal Processes <u>Through: Jefferson Parish Government</u> LSU A&M College (Baton Rouge)	66.RD.MX984630-99-0	5,356
Remote Detection of Gas Emissions in Industrial Processes <u>Through: Lamar University</u> LSU A&M College (Baton Rouge)	66.RD.069LSU0754	20,634
Searching for Optimum Composition of Phosphogypsum <u>Through: Lamar University</u> LSU A&M College (Baton Rouge)	66.RD.069LSU0759	11,345
Wetlands Restoration and Nonpoint Source Demonstration Project - Fixed Price Contract <u>Through: East Baton Rouge Planning Commission</u> LSU A&M College (Baton Rouge)	66.RD.CD986305-01-0	2,472
Subtotal Research and Development Cluster		4,479,499
Total Environmental Protection Agency		\$41,902,422

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY		
State Energy Program	81.041	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>\$629,405</u>
Weatherization Assistance for Low-Income Persons	81.042	
<u>Direct Awards:</u>		
Department of Social Services		<u>981,127</u>
Office of Science Financial Assistance Program	81.049	
<u>Direct Awards:</u>		
Southern University Board and System		<u>1,975</u>
National Industrial Competitiveness through Energy, Environment, and Economics	81.105	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>159,822</u>
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: State and Tribal Concerns, Proposed Solutions	81.106	
<u>Direct Awards:</u>		
Department of Environmental Quality		<u>35,302</u>
Assessment of Air Emissions	81.7005773	
<u>Direct Awards:</u>		
Department of Natural Resources		<u>22,600</u>
Design and Construction of Center for Energy Resource Management	81.DE-FG02-91-CH10470	
<u>Direct Awards:</u>		
University of New Orleans		<u>7,789,319</u>
Micro-Cantilever Sensor for Pollution	81.DE-AC05-000R22725	
Through: Oak Ridge National Lab (#4000009593)		
Louisiana Tech University		<u>3,855</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Petroleum Violation Escrow Funds		
<u>Direct Awards:</u>		
Department of Natural Resources		
Exxon	81.E2029	\$10,498,782
Greater BR Clean Cities Coalition	81.GBRC2039	15,040
OHA	81.OHA2030	50,464
Stripper Well	81.SW2027	2,343,781
Warner	81.W2031	3,112
Subtotal Petroleum Violation Escrow Funds		12,911,179
Safe Transport of Transuranic Material	81.1203 DE-FC04-93AL82966	
<u>Through: Southern States Energy Board</u>		
Department of Environmental Quality		20,048
<u>Research and Development Cluster:</u>		
Office of Science Financial Assistance Program	81.049	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		421,071
LSU A&M College (Baton Rouge)		1,408,940
Louisiana Tech University		171,212
Southeastern Louisiana University		33,413
Southern University and A&M College (Baton Rouge)		91,279
<u>Through: Lockheed Martin Energy Systems (DEA C05840)</u>		
Southern University and A&M College (Baton Rouge)		(1,082)
Conservation Research and Development	81.086	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		2,432,905
Southern University and A&M College (Baton Rouge)		571,431
<u>Through: Lawrence Livermore Energy Systems (B506154)</u>		
Southern University and A&M College (Baton Rouge)		12,190
<u>Through: Oak Ridge Institute for Science and Education</u>		
<u>(DEA C05760R00033)</u>		
Southern University and A&M College (Baton Rouge)		24,383
Fossil Energy Research and Development	81.089	
<u>Direct Awards:</u>		
Grambling State University		16,313
LSU A&M College (Baton Rouge)		34,344
<u>Through: Clemson University Research Foundation</u>		
<u>(#DE-FC21-92MC29061)</u>		
LSU A&M College (Baton Rouge)		3,371

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Environmental Restoration	81.092	
Through: <u>University of Chicago Argonne National Laboratory (992112401)</u>		
Southeastern Louisiana University		\$11,694
University Nuclear Science and Reactor Support	81.114	
Direct Awards:		
LSU A&M College (Baton Rouge)		75,967
Advanced Machining Processes for Microfabrication	81.RD.BE-8338	
Through: <u>Sandia National Laboratories (#BE-8338)</u>		
Louisiana Tech University		11,297
Annual Plan (Year 6) for the PTTC's Central Gulf Region	81.RD.0495	
Through: <u>Petroleum Technology Transfer Council (#DE-AC22-94PC91008)</u>		
LSU A&M College (Baton Rouge)		123,927
Auger Project Construction - Fixed Price Contract	81.RD.P.O. 525450	
Through: <u>Universities Research Association</u>		
LSU A&M College (Baton Rouge)		19,024
Beam Tests Experiment at KEK	81.RD.D9291ER40679	
Through: <u>University of California</u>		
LSU A&M College (Baton Rouge)		27
Bio-Sensor Development Research	81.RD.28853-001-01 39	
Through: <u>Los Alamos National Laboratories Through University of California (#28853-001-01.39)</u>		
Louisiana Tech University		4,932
Carbon Dioxide Capture From Flue Gas Using Dry Regenerable Sorbents	81.RD.2-93U-7887	
Through: <u>Research Triangle Institute (#DE-FC26-OONT40923)</u>		
LSU A&M College (Baton Rouge)		29,163
Combining Steam-Methane Reforming, Water-Gas Shift, and CO2 Removal	81.RD.DE-FG02-97ER12208	
Direct Awards:		
LSU A&M College (Baton Rouge)		47,217

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
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	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Design and Construction of the Information Technology Center and Ecosystems Modeling	81.RD.DE-FG02-97CH10883	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		\$103,663
Design of Electronics and Optical Fiber Cables for ICD <u>Through: Fermi National Accelerator Labs (#512083)</u>	81.RD.512083	
Louisiana Tech University		16,706
Design of a Microgrooving Process for Cylinders <u>Through: Sandia National Laboratories (#17420)</u>	81.RD.17420	
Louisiana Tech University		5,000
Development of a Production Version of the Centrum Code - Fixed Price Contract	81.RD.49X-SW503V	
<u>Through: UT-Battelle-LLC</u>		
LSU A&M College (Baton Rouge)		41,711
Development of Real Time Multidimensional Sensor Fusion Algorithms	81.RD.4000008407/#3410518	
<u>Through: UT-Battelle-LLC (DE-AC05-00OR22725)</u>		
LSU A&M College (Baton Rouge)		9,822
Effects of Seasonal Flooding and Sea Level Rise on the Relative Contributions of Plant Roots and Microbial Respiration to Soil CO ₂ Emission in Bottomland Hardwood Forest in SE LA	81.RD.DE-FC03-90ER61010	
<u>Through: Tulane University, National Institute on Global Environmental Change (TUL-110-00/01)</u>		
University of New Orleans		36,897
Energy and Environmental Technology Applications Program	81.RD.DE-FG02-97ER12220	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		1,660,600
An Environmental Risk Assessment and Regulatory Problem in Louisiana	81.RD.DE-AC26-99BC15226	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		308,204

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Evaluation of Switchgrass Cultivars and Cultural Methods for Biomass Production <u>Through: Texas A&M Research Foundation</u> LSU Agricultural Center	81.RD.438471-00001	\$4,317
Exposure of Part Substrates - Fixed Price Contract <u>Through: Allied Signal, Inc.</u> LSU A&M College (Baton Rouge)	81.RD.6378	18,629
Fast Global Optimization Techniques for Computer Vision Network Learning - Fixed Price Contract <u>Through: UT-Battelle-LLC</u> LSU A&M College (Baton Rouge)	81.RD.XSX684	17,898
Imaging System for Green House Gases - Fixed Price Contract <u>Through: Pacific Advanced Technology</u> LSU A&M College (Baton Rouge)	81.RD.DE-FG03-99ER86086	42,030
Individual-Based and Matrix Modeling of Fish, Bird, and Mammal Populations <u>Through: UT-Battelle-LLC</u> LSU A&M College (Baton Rouge)	81.RD.19X-SZ890C	13,520
Integrate 3-D Ground Penetrating Radar, Outcrop and Borehole Data <u>Through: University of Texas at Dallas (#DE-FG03-96ER14596)</u> LSU A&M College (Baton Rouge)	81.RD.Sc 01-03	12,952
Integrated Meshing Tools Development <u>Through: Sandia National Laboratories</u> LSU A&M College (Baton Rouge)	81.RD.12527	45,187
An Investigation of Algorithms for Scheduling Cplant Super-Computers <u>Through: Sandia National Laboratories</u> LSU A&M College (Baton Rouge)	81.RD.20774	10,716
Jefferson Lab Personnel Support for Faculty Research <u>Through: Southeastern University Research Association</u> <u>(#SURA-96 D6359702)</u> Louisiana Tech University	81.RD.SURA-96 D6359703	500

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Kamland Construction	81.RD.2816-22446	
Through: Regents of the University of California (#DE-FG03-00ER41138)		
LSU A&M College (Baton Rouge)		\$8,427
Landau Quantum Oscillation Studies on Cern5 Materials	81.RD.263700011-2P	
Through: University of California - Los Alamos National Laboratory		
LSU A&M College (Baton Rouge)		4,513
The Laser Microchemical Lathe: Application to ICF Target Fabrication	81.RD.W-7405-ENG-36	
Through: Los Alamos National Laboratories (#W-7403-ENG-38)		
Louisiana Tech University		1,615
Magneto - Chemical Character Studies	81.RD.unknown	
Through: Xavier University of Louisiana (DE-FG22 93PC96225)		
Grambling State University		4,335
Mems Fabrication of High Density DC Bus Capacitors -		
Fixed Price Contract	81.RD.14926/DEFG0200E	
Through: Satcon Technology Corporation		15,000
LSU A&M College (Baton Rouge)		
Micro-Manufacturing Planning, Construction and Equipment	81.RD.DE-FG02-91CH10481	
Direct Awards:		
Louisiana Tech University		161,969
Molecular Dynamics Simulations of Nanostructured Material	81.RD.DE-FG02-96ER45570	
Direct Awards:		
LSU A&M College (Baton Rouge)		127,451
Monitoring the Fate and Transport of PAH's and Heavy Metals		
in Soil and Sediments From DOE Operations Sites	81.RD.DE-FC26-00NT40843	
Through: Xavier University (OSP-12-23A-008)		
University of New Orleans		5,065
Photoresist X-ray Exposures	81.RD.BE-8952	
Through: Sandia National Laboratories		
LSU A&M College (Baton Rouge)		7,242
Sorbent Energy Transfer System for CO ₂ Control -		
Fixed Price Contract	81.RD.DE-AC26-98FT40421	
Through: TDA Research, Inc.		
LSU A&M College (Baton Rouge)		12,497

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	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Polynuclear Aromatic Hydrocarbons With Curved Surfaces: Models and Precursors	81.RD.DE-FG02-96ER14602	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		(\$215)
Reducing Energy Consumption and Pollution in Plastics Manufacturing Processes	81.RD.DE-FG02-96ER12201	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		31
Sequencing and Annotating the Brucella Melitensis Genome <u>Through: University of Scranton</u> LSU Agricultural Center	81.RD.DE-FG02-00ER62773	27,262
Study for the Miniaturization of Unattended Measurement and Signature Intelligence	81.RD.8703	
<u>Through: Sandia National Laboratories (#8703)</u> Louisiana Tech University		22,377
Synthetic and Thermodynamic Investigations of Ancillary Ligand Influence on Organometallic Catalytic Systems	81.RD.DE-GF02-98ER45732	
<u>Direct Awards:</u> University of New Orleans		91
Weak Interactions in Nuclear Physics and Nuclear Astrophysics	81.RD.DE-FG02-96ER40985	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		36,556
Subtotal Research and Development Cluster		8,325,586
Total U.S. Department of Energy		\$30,880,218
FEDERAL EMERGENCY MANAGEMENT AGENCY		
Hazardous Materials Assistance Program	83.012	
<u>Direct Awards:</u> Department of Military Affairs		\$44,194
Community Assistance Program - State Support Services Element (CAP-SSSE)		
<u>Direct Awards:</u> Department of Military Affairs		142,879

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See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
FEDERAL EMERGENCY MANAGEMENT AGENCY (CONT.)		
Mitigation Assistance	83.535	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>\$200,000</u>
Flood Mitigation Assistance	83.536	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>2,648,634</u>
Disaster Unemployment Assistance	83.541	
<u>Direct Awards:</u>		
Department of Labor		<u>4,571</u>
Individual and Family Grants	83.543	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>21,886</u>
Public Assistance Grants	83.544	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>4,097,455</u>
First Responder Counter-Terrorism Training Assistance	83.547	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>82,520</u>
Hazard Mitigation Grant	83.548	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>4,258,015</u>
National Dam Safety Program	83.550	
<u>Direct Awards:</u>		
Department of Transportation and Development		<u>24,934</u>
Project Impact - Building Disaster Resistant Communities	83.551	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>17,550</u>
Emergency Management Performance Grants	83.552	
<u>Direct Awards:</u>		
Department of Military Affairs		<u>2,498,826</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
FEDERAL EMERGENCY MANAGEMENT AGENCY (CONT.)		
Development of a Building Disaster Resilient Communities Course for FEMA's Emergency Management Higher Education Project	83.EME-1999-CA-0510	
<u>Direct Awards:</u> University of New Orleans		<u>\$13,674</u>
Unmet Needs	83.EMT-2000-GR-0031	
<u>Direct Awards:</u> Department of Military Affairs		<u>5,359,478</u>
USFA/NFA Training Grant	83.EME-2000-GR-0437	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		<u>15,721</u>
Total Federal Emergency Management Agency		<u><u>\$19,430,337</u></u>
U.S. DEPARTMENT OF EDUCATION		
Adult Education - State Grant Program	84.002	
<u>Direct Awards:</u> Department of Education		<u>\$9,014,350</u>
Title I Grants to Local Educational Agencies	84.010	
<u>Direct Awards:</u> Department of Education		<u>201,851,655</u>
Migrant Education - Basic State Grant Program	84.011	
<u>Direct Awards:</u> Department of Education		<u>2,530,759</u>
Title I Program for Neglected and Delinquent Children	84.013	
<u>Direct Awards:</u> Department of Education		<u>801,964</u>
Undergraduate International Studies and Foreign Language Programs	84.016	
<u>Direct Awards:</u> LSU A&M College (Baton Rouge)		<u>43,217</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Special Education - Personnel Development and Parent Training	84.029	
<u>Direct Awards:</u>		
Department of Education		\$64,798
<u>Through: University of Virginia (HU295600006)</u>		
Southern University and A&M College (Baton Rouge)		<u>(13,644)</u>
Subtotal Special Education - Personnel Development and Parent Training		<u>51,154</u>
Higher Education - Institutional Aid	84.031	
<u>Direct Awards:</u>		
Grambling State University		3,109,764
Southern University and A&M College (Baton Rouge)		3,544,177
Southern University at New Orleans		1,736,448
Southern University at Shreveport-Bossier City		1,172,968
University of Louisiana at Lafayette		22,640
University of Louisiana at Monroe		<u>346,169</u>
Subtotal Higher Education - Institutional Aid		<u>9,932,166</u>
Federal Family Education Loans	84.032	
<u>Direct Awards:</u>		
Office of Student Financial Assistance		<u>22,418,532</u>
Vocational Education - Basic Grants to States	84.048	
<u>Direct Awards:</u>		
Louisiana Community and Technical College System		<u>20,496,711</u>
Leveraging Educational Assistance Partnership	84.069	
<u>Direct Awards:</u>		
Office of Student Financial Assistance		<u>438,338</u>
Fund for the Improvement of Postsecondary Education	84.116	
<u>Direct Awards:</u>		
Northwestern State University		251,312
University of Louisiana at Lafayette		41,103
University of New Orleans		31,153
<u>Through: Research Foundation of CUNY (#13-1988190)</u>		
Northwestern State University		<u>4,947</u>
Subtotal Fund for the Improvement of Postsecondary Education		<u>328,515</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Minority Science and Engineering Improvement	84.120	
<u>Direct Awards:</u>		
Grambling State University		\$28,567
<u>Through: University of Virginia (5.34305)</u>		
Southern University and A&M College (Baton Rouge)		33,268
Subtotal Minority Science and Engineering Improvement		61,835
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	
<u>Direct Awards:</u>		
Department of Social Services		39,614,119
Rehabilitation Long-Term Training	84.129	
<u>Direct Awards:</u>		
LSU in Shreveport		52,822
Department of Social Services		73,470
Southern University and A&M College (Baton Rouge)		721,302
<u>Through: University of Alabama (H133030028)</u>		
Southern University and A&M College (Baton Rouge)		(848)
Subtotal Rehabilitation Long-Term Training		846,746
National Institute on Disability and Rehabilitation Research	84.133	
<u>Through: University of Alabama (H13313980016)</u>		
Southern University and A&M College (Baton Rouge)		7,156
Business and International Education Projects	84.153	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		67,936
Immigrant Education	84.162	
<u>Direct Awards:</u>		
Department of Education		480,853
Magnet Schools Assistance	84.165	
<u>Through: Monroe City School System (516A980035)</u>		
Grambling State University		46,369

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Eisenhower Professional Development - Federal Activities	84.168	
Through: Southwest Educational Development Laboratory		
(#R168R50027)		
Northwestern State University		\$6,975
University of Louisiana at Monroe		10,928
Subtotal Eisenhower Professional Development - Federal Activities		17,903
Independent Living - State Grants	84.169	
Direct Awards:		
Department of Social Services		370,313
Javits Fellowship	84.170	
Direct Awards:		
LSU A&M College (Baton Rouge)		21,734
Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind	84.177	
Direct Awards:		
Department of Social Services		113,773
Special Education - Grants for Infants and Families With Disabilities	84.181	
Direct Awards:		
Department of Education		6,361,334
Byrd Honors Scholarships	84.185	
Direct Awards:		
Department of Education		671,688
Safe and Drug-Free Schools and Communities - State Grants	84.186	
Direct Awards:		
Department of Education		6,872,495
Executive Department		1,799,452
Subtotal Safe and Drug-Free Schools and Communities - State Grants		8,671,947
Supported Employment Services for Individuals With Severe Disabilities	84.187	
Direct Awards:		
Department of Social Services		548,859

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Schedule of Expenditures of Federal Awards****For the Year Ended June 30, 2001**

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Bilingual Education Support Services	84.194	
<u>Direct Awards:</u>		
Department of Education		\$69,261
Education for Homeless Children and Youth	84.196	
<u>Direct Awards:</u>		
Department of Education		652,043
Even Start - State Educational Agencies	84.213	
<u>Direct Awards:</u>		
Department of Education		2,974,874
<u>Through: Northeast Louisiana Regional Even Start Consortium</u>		
University of Louisiana at Monroe		10,294
Subtotal Even Start - State Educational Agencies		2,985,168
Fund for the Improvement of Education	84.215	
<u>Through: Council of Chief State School Officers (#215U60011)</u>		
Department of Education		28,082
Capital Expenses	84.216	
<u>Direct Awards:</u>		
Department of Education		475,886
Assistive Technology	84.224	
<u>Direct Awards:</u>		
Department of Health and Hospitals		492,000
Tech - Prep Education	84.243	
<u>Direct Awards:</u>		
Louisiana Community and Technical College System		2,423,082
Literacy Programs for Prisoners	84.255	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Corrections Services		304,432
Rehabilitation Training - State Vocational Rehabilitation		
Unit In-Service Training	84.265	
<u>Direct Awards:</u>		
Department of Social Services		91,852

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Goals 2000 - State and Local Education Systemic Improvement Grants	84.276	
<u>Direct Awards:</u>		
Department of Education		<u>\$8,371,783</u>
School to Work State Implementation Grants	84.278	
<u>Direct Awards:</u>		
Executive Department		<u>4,367,550</u>
Eisenhower Professional Development State Grants	84.281	
<u>Direct Awards:</u>		
Department of Education		<u>5,781,250</u>
Charter Schools	84.282	
<u>Direct Awards:</u>		
Department of Education		<u>651,025</u>
Innovative Education Program Strategies	84.298	
<u>Direct Awards:</u>		
Department of Education		<u>6,222,961</u>
Technology Innovation Challenge Grants	84.303	
<u>Through: Concordia Parish School Board (30245)</u>		
Grambling State University		<u>40,487</u>
National Institute on Student Achievement, Curriculum, and Assessment	84.305	
<u>Through: Michigan State University (R30JT99)</u>		
Southern University and A&M College (Baton Rouge)		<u>56,200</u>
Even Start - Statewide Family Literacy Program	84.314	
<u>Direct Awards:</u>		
Department of Education		<u>148,348</u>
Capacity Building for Traditionally Underserved Populations	84.315	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>47,010</u>
Technology Literacy Challenge Fund Grants	84.318	
<u>Direct Awards:</u>		
Department of Education		<u>9,565,897</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Special Education - Research and Innovation to Improve Services and Results for Children With Disabilities	84.324	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$77,848
<u>Through: Rochester Institute of Technology</u>		
LSU A&M College (Baton Rouge)		4,552
Subtotal Special Education - Research and Innovation to Improve Services and Results for Children With Disabilities		82,400
Special Education - Personnel Preparation to Improve Services and Results for Children With Disabilities	84.325	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		152,084
LSU in Shreveport		148,585
Southeastern Louisiana University		216,670
Southern University and A&M College (Baton Rouge)		321,811
University of New Orleans		332,732
Subtotal Special Education - Personnel Preparation to Improve Services and Results for Children With Disabilities		1,171,882
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children With Disabilities	84.326	
<u>Direct Awards:</u>		
Department of Education		76,120
Advanced Placement Incentive Program	84.330	
<u>Direct Awards:</u>		
Department of Education		21,413
Grants to States for Incarcerated Youth Offenders	84.331	
<u>Direct Awards:</u>		
Department of Public Safety and Corrections - Corrections Services		504,823
Comprehensive School Reform Demonstration	84.332	
<u>Direct Awards:</u>		
Department of Education		3,262,822
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		95,438

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Child Care Access Means Parents in School	84.335	
<u>Direct Awards:</u>		
Grambling State University		<u>\$7,215</u>
Teacher Quality Enhancement Grants	84.336	
<u>Direct Awards:</u>		
Executive Department		<u>631,487</u>
Reading Excellence	84.338	
<u>Direct Awards:</u>		
Department of Education		<u>5,154,138</u>
Class Size Reduction	84.340	
<u>Direct Awards:</u>		
Department of Education		<u>33,061,279</u>
Preparing Tomorrow's Teachers to Use Technology	84.342	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		394,560
Louisiana Systemic Initiatives Program		503,514
<u>Through: Loyola University New Orleans (01-99)</u>		
University of New Orleans		<u>205,302</u>
Subtotal Preparing Tomorrow's Teachers to Use Technology		<u>1,103,376</u>
TRIO - Dissemination Partnership Grants	84.344	
<u>Direct Awards:</u>		
Northwestern State University		132,904
Southeastern Louisiana University		<u>123,867</u>
Subtotal TRIO - Dissemination Partnership Grants		<u>256,771</u>
Occupational and Employment Information State Grants	84.346	
<u>Direct Awards:</u>		
Louisiana Community and Technical College System		<u>36,096</u>
Title I Accountability Grants	84.348	
<u>Direct Awards:</u>		
Department of Education		<u>285,114</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
National Writing Project	84.928	
<u>Through: National Writing Project Corporation</u>		
LSU A&M College (Baton Rouge)		\$14,365
LSU in Shreveport		2,077
University of New Orleans (92-LA01)		30,790
Subtotal National Writing Project		47,232
Annual Interest Grant	84.R-7-00375	
<u>Direct Awards:</u>		
Louisiana Tech University		113,349
Postsecondary Education Consortium - Centers for Deaf Individuals	84.OR8666-04.06	
<u>Through: University of Tennessee</u>		
LSU A&M College (Baton Rouge)		10,822
Proposal for PEC Affiliation	84.OR8666-05.06	
<u>Through: University of Tennessee (#H078A960007-00)</u>		
LSU A&M College (Baton Rouge)		25,677
Task Order for Basic Participation for Louisiana	84.ED99CO0044	
<u>Direct Awards:</u>		
Department of Education		52,543
<u>Research and Development Cluster:</u>		
International: Overseas - Faculty Research Abroad	84.019	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		3,448
Rehabilitation Long-Term Training	84.129	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		119,437
Louisiana Tech University		66,264
National Institute on Disability and Rehabilitation Research	84.133	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		121,048
Secondary Education and Transitional Services for Youth With Disabilities	84.158	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		450,324

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Fund for the Improvement of Education	84.215	
<u>Direct Awards:</u>		
Louisiana Tech University		\$26,936
Eisenhower Professional Development State Grants	84.281	
<u>Direct Awards:</u>		
Board of Regents for Higher Education		1,038,642
National Institute on Student Achievement, Curriculum, and Assessment	84.305	
<u>Through: University of Illinois</u>		
LSU Health Sciences Center (New Orleans)		9,984
Special Education - Research and Innovation to Improve Services and Results for Children With Disabilities	84.324	
<u>Through: University of Colorado - Denver</u>		
LSU Health Sciences Center (New Orleans)		389
Preparing Tomorrow's Teachers to Use Technology	84.342	
<u>Direct Awards:</u>		
Louisiana Tech University		19,144
<u>Through: International Society for Technology in Education (#ISTE/LaTech)</u>		
Louisiana Tech University		210,573
National Writing Project	84.928	
<u>Through: National Writing Project Corporation (92-LA-05)</u>		
Southeastern Louisiana University		18,492
Subtotal Research and Development Cluster		2,084,681
<u>Special Education Cluster:</u>		
Special Education - Grants to States	84.027	
<u>Direct Awards:</u>		
Department of Education		69,474,952
<u>Through: Lafourche Parish School Board</u>		
LSU Health Sciences Center (New Orleans)		11,907
Special Education - Preschool Grants	84.173	
<u>Direct Awards:</u>		
Department of Education		5,919,655
Subtotal Special Education Cluster		75,406,514

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Schedule of Expenditures of Federal Awards****For the Year Ended June 30, 2001**

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
<u>Student Financial Assistance Cluster:</u>		
Federal Supplemental Educational Opportunity Grants	84.007	
<u>Direct Awards:</u>		
Bossier Parish Community College		\$74,865
Delgado Community College		418,332
Grambling State University		641,286
LSU A&M College (Baton Rouge)		569,048
LSU at Alexandria		52,803
LSU at Eunice		79,532
LSU in Shreveport		73,988
LSU Health Sciences Center (New Orleans)		56,653
Louisiana Tech University		372,293
McNeese State University		196,486
Nicholls State University		194,355
Northwestern State University		368,247
Southeastern Louisiana University		644,229
Southern University and A&M College (Baton Rouge)		554,723
Southern University at New Orleans		119,805
Southern University at Shreveport-Bossier City		227,115
University of Louisiana at Lafayette		423,158
University of Louisiana at Monroe		302,473
University of New Orleans		238,128
Federal Work-Study Program	84.033	
<u>Direct Awards:</u>		
Bossier Parish Community College		52,395
Delgado Community College		464,957
Grambling State University		501,177
LSU Agricultural Center		6,521
LSU A&M College (Baton Rouge)		1,369,380
LSU at Alexandria		81,756
LSU at Eunice		115,439
LSU in Shreveport		128,401
LSU Health Sciences Center (New Orleans)		45,672
Louisiana Tech University		410,530
McNeese State University		300,448
Nicholls State University		235,627
Northwestern State University		196,888
Nunez Community College		122,658
Southeastern Louisiana University		830,145

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Schedule of Expenditures of Federal Awards****For the Year Ended June 30, 2001**

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
<u>Student Financial Assistance Cluster: (Cont.)</u>		
Federal Work-Study Program (Cont.)	84.033	
<u>Direct Awards: (Cont.)</u>		
Southern University and A&M College (Baton Rouge)		\$1,121,648
Southern University at New Orleans		389,390
Southern University at Shreveport-Bossier City		56,232
University of Louisiana at Lafayette		865,739
University of Louisiana at Monroe		726,200
University of New Orleans		439,614
<u>Through: The Union Institute (02-527674)</u>		
Southern University and A&M College (Baton Rouge)		3,250
Federal Perkins Loan Program - Federal Capital Contributions	84.038	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		8,906
LSU at Eunice		12,803
LSU Health Sciences Center (Shreveport)		40,790
Louisiana Tech University		103,165
McNeese State University		48,175
Northwestern State University		38,447
University of Louisiana at Lafayette		224,407
University of Louisiana at Monroe		67,579
University of New Orleans		104,886
Federal Pell Grant Program	84.063	
<u>Direct Awards:</u>		
Bossier Parish Community College		2,418,760
Delgado Community College		12,378,427
Grambling State University		7,512,769
LSU A&M College (Baton Rouge)		11,191,996
LSU at Alexandria		1,907,914
LSU at Eunice		3,078,652
LSU in Shreveport		2,161,936
LSU Health Sciences Center (New Orleans)		471,861
Louisiana Tech University		5,204,011
Louisiana Technical College		10,873,807
McNeese State University		5,168,846
Nicholls State University		3,857,867
Northwestern State University		8,560,346
Nunez Community College		2,312,765
Southeastern Louisiana University		12,166,467

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
<u>Student Financial Assistance Cluster: (Cont.)</u>		
Federal Pell Grant Program (Cont.)	84.063	
<u>Direct Awards: (Cont.)</u>		
Southern University and A&M College (Baton Rouge)		\$12,249,629
Southern University at New Orleans		6,693,964
Southern University at Shreveport-Bossier City		2,190,892
University of Louisiana at Lafayette		9,892,437
University of Louisiana at Monroe		8,486,684
University of New Orleans		10,029,676
Subtotal Student Financial Assistance Cluster		153,530,450
<u>TRIO Cluster:</u>		
TRIO - Student Support Services	84.042	
<u>Direct Awards:</u>		
Grambling State University		208,587
LSU A&M College (Baton Rouge)		226,324
LSU at Eunice		279,969
Nicholls State University		364,895
Northwestern State University		298,037
Southeastern Louisiana University		227,899
Southern University and A&M College (Baton Rouge)		289,474
Southern University at New Orleans		327,317
Southern University at Shreveport-Bossier City		301,621
University of Louisiana at Lafayette		445,285
University of New Orleans		222,426
TRIO - Talent Search	84.044	
<u>Direct Awards:</u>		
Southeastern Louisiana University		298,640
Southern University and A&M College (Baton Rouge)		500,890
Southern University at New Orleans		259,055
Southern University at Shreveport-Bossier City		318,873
University of Louisiana at Lafayette		367,754
University of Louisiana at Monroe		281,647
University of New Orleans		333,577

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
<u>TRIO Cluster: (Cont.)</u>		
TRIO - Upward Bound	84.047	
<u>Direct Awards:</u>		
Delgado Community College		\$234,100
Grambling State University		458,407
LSU at Eunice		339,108
McNeese State University		307,337
Nicholls State University		280,758
Southeastern Louisiana University		1,213,993
Southern University and A&M College (Baton Rouge)		825,934
Southern University at New Orleans		348,855
University of Louisiana at Lafayette		1,045,927
University of New Orleans		652,430
TRIO - Educational Opportunity Centers	84.066	
<u>Direct Awards:</u>		
Southeastern Louisiana University		259,064
McNair Post-Baccalaureate Achievement	84.217	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		215,363
University of Louisiana at Lafayette		259,962
Subtotal TRIO Cluster		11,993,508
Total U.S. Department of Education		<u><u>\$657,599,393</u></u>
U.S. CONSUMER PRODUCT SAFETY COMMISSION		
<u>Research and Development Cluster:</u>		
Fire Resistance Test of Upholstered Furniture Fabric	87.RD.CPSC-S-00-5017	
<u>Direct Awards:</u>		
LSU Agricultural Center		\$2,214
Total U.S. Consumer Product Safety Commission		<u><u>\$2,214</u></u>
UNITED STATES INSTITUTE OF PEACE		
Islamic Government: An Assessment of the Iranian Model	91.SG-13-99	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$6,968
Total United States Institute of Peace		<u><u>\$6,968</u></u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANASchedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>\$20,560</u>
Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>93,631</u>
Special Programs for the Aging - Title III, Part F - Disease Prevention and Health Promotion Services	93.043	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>248,222</u>
Special Programs for the Aging - Title IV - Training, Research and Discretionary Projects and Programs	93.048	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>108,194</u>
Demonstration Grants for Residential Treatment for Women and Their Children	93.102	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>717,659</u>
Food and Drug Administration - Research	93.103	
<u>Direct Awards:</u>		
Department of Agriculture and Forestry		<u>3,750</u>
Maternal and Child Health Federal Consolidated Programs	93.110	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		178,268
Office of Public Health		123,861
<u>Through: Tulane University, New Orleans, LA</u>		
LSU Health Sciences Center (Shreveport)		<u>11,282</u>
Subtotal Maternal and Child Health Federal Consolidated Programs		<u>313,411</u>
Applied Toxicological Research and Testing	93.114	
<u>Through: Virginia Polytechnic Institute and State University</u>		
University of Louisiana at Monroe		<u>17,235</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	
<u>Direct Awards:</u>		
Office of Public Health		<u>\$1,049,772</u>
Grants for Technical Assistance Activities Related to the Block Grant for Community Mental Health Services-Technical Assistance Centers for Evaluation	93.119	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>12,651</u>
Nurse Anesthetist Traineeships	93.124	
<u>Direct Awards:</u>		
Medical Center of Louisiana at New Orleans		<u>26,285</u>
Emergency Medical Services for Children	93.127	
<u>Direct Awards:</u>		
Office of Public Health		<u>67,891</u>
Primary Care Services - Resource Coordination and Development - Primary Care Offices	93.130	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>82,395</u>
Injury Prevention and Control Research and State and Community Based Programs	93.136	
<u>Direct Awards:</u>		
Office of Public Health		<u>92,065</u>
Projects for Assistance in Transition From Homelessness (PATH)	93.150	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>282,608</u>
Health Center Grants for Homeless Populations	93.151	
<u>Through: City of New Orleans</u>		
LSU Health Sciences Center (New Orleans)		<u>53,446</u>
Health Program for Toxic Substances and Disease Registry	93.161	
<u>Direct Awards:</u>		
Office of Public Health		<u>62,352</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Grants for State Loan Repayment	93.165	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>\$167,386</u>
Human Genome Research		
<u>Direct Awards:</u>	93.172	
LSU A&M College (Baton Rouge)		<u>11,676</u>
Childhood Lead Poisoning Prevention Projects - State and Local		
Childhood Lead Poisoning Prevention and Surveillance of		
Blood Lead Levels in Children	93.197	
<u>Direct Awards:</u>		
Office of Public Health		<u>392,117</u>
Hanson's Disease National Ambulatory Care Program	93.215	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		788,682
Department of Military Affairs		<u>750,000</u>
Subtotal Hanson's Disease National Ambulatory Care Program		<u>1,538,682</u>
Family Planning - Services	93.217	
<u>Direct Awards:</u>		
Office of Public Health		<u>3,775,907</u>
Research on Healthcare Costs, Quality and Outcomes	93.226	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>15,901</u>
Consolidated Knowledge Development and Application (KD&A)		
Program	93.230	
<u>Direct Awards:</u>		
Department of Health and Hospitals		214,948
<u>Through: Orleans Parish District Attorney</u>		
LSU Health Sciences Center (New Orleans)		<u>16,104</u>
Subtotal Consolidated Knowledge Development and Application		
(KD&A) Program		<u>231,052</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Abstinence Education	93.235	
<u>Direct Awards:</u>		
Executive Department		\$119,268
Department of Health and Hospitals		<u>1,479,184</u>
Subtotal Abstinence Education		<u>1,598,452</u>
State Rural Hospital Flexibility Program	93.241	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>141,063</u>
Advanced Education Nursing Grant Program	93.247	
<u>Direct Awards:</u>		
Northwestern State University		<u>36,747</u>
Universal Newborn Hearing Screening	93.251	
<u>Direct Awards:</u>		
Office of Public Health		<u>38,618</u>
Immunization Grants	93.268	
<u>Direct Awards:</u>		
Office of Public Health		<u>1,978,174</u>
Drug Abuse National Research Service Awards for Research Training	93.278	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>51,410</u>
Drug Abuse Research Programs	93.279	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>18,922</u>
Mental Health National Research Service Awards for Research Training	93.282	
<u>Direct Awards:</u>		
Grambling State University		<u>233,860</u>
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	
<u>Direct Awards:</u>		
Office of Public Health		<u>1,944,656</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Nurse Practitioner and Nurse-Midwifery Education Programs	93.298	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>\$93,839</u>
Advanced Education Nursing Traineeships	93.358	
<u>Direct Awards:</u>		
McNeese State University		35,582
Northwestern State University		44,608
Southeastern Louisiana University		18,391
Southern University and A&M College (Baton Rouge)		32,574
University of Louisiana at Lafayette		<u>21,982</u>
Subtotal Advanced Education Nursing Traineeships		<u>153,137</u>
Basic Nurse Education and Practice Grants	93.359	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		<u>1,550</u>
Research Infrastructure	93.389	
<u>Direct Awards:</u>		
Pennington Biomedical Research Center		<u>141,322</u>
Promoting Safe and Stable Families	93.556	
<u>Direct Awards:</u>		
Department of Social Services		<u>8,302,271</u>
Temporary Assistance for Needy Families	93.558	
<u>Direct Awards:</u>		
Department of Social Services		<u>75,731,278</u>
Child Support Enforcement	93.563	
<u>Direct Awards:</u>		
Department of Social Services		<u>26,804,419</u>
Refugee and Entrant Assistance - State Administered Programs	93.566	
<u>Direct Awards:</u>		
Department of Social Services		<u>876,011</u>
Low-Income Home Energy Assistance	93.568	
<u>Direct Awards:</u>		
Department of Social Services		<u>16,031,964</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Community Services Block Grant	93.569	
<u>Direct Awards:</u>		
Department of Labor		<u>\$12,405,706</u>
Community Services Block Grant - Discretionary Awards	93.570	
<u>Through: National Youth Sports Program (98-261)</u>		
Grambling State University		74,443
<u>Through: National Collegiate Athletic Association (97-141)</u>		
Southern University and A&M College (Baton Rouge)		14,236
<u>Through: National Collegiate Athletic Association (992754)</u>		
Southern University at New Orleans		59,130
<u>Through: National Collegiate Athletic Association (97-142)</u>		
Southern University at Shreveport-Bossier City		<u>37,323</u>
Subtotal Community Services Block Grant - Discretionary Awards		<u>185,132</u>
Community Services Block Grant Discretionary Awards - Community Food and Nutrition	93.571	
<u>Direct Awards:</u>		
Department of Labor		<u>77,232</u>
Refugee and Entrant Assistance - Discretionary Grants	93.576	
<u>Direct Awards:</u>		
Department of Education		134,228
Office of Public Health		31,500
Department of Social Services		<u>129,993</u>
Subtotal Refugee and Entrant Assistance - Discretionary Grants		<u>295,721</u>
Empowerment Zones Program	93.585	
<u>Direct Awards:</u>		
Department of Social Services		<u>1,430,779</u>
State Court Improvement Program	93.586	
<u>Direct Awards:</u>		
Supreme Court of Louisiana		<u>200,244</u>
Community-Based Family Resource and Support Grants	93.590	
<u>Direct Awards:</u>		
Department of Social Services		<u>337,970</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Grants to States for Access and Visitation Programs	93.597	
<u>Direct Awards:</u>		
Department of Social Services		<u>\$212,438</u>
Head Start	93.600	
<u>Direct Awards:</u>		
Department of Social Services		141,342
Southern University and A&M College (Baton Rouge)		179,387
<u>Through: Regina Coeli Child Development Center</u>		
Southeastern Louisiana University		2,775
<u>Through: University of Arkansas</u>		
LSU Health Sciences Center (New Orleans)		<u>56,553</u>
Subtotal Head Start		<u>380,057</u>
Child Support Enforcement Demonstrations and Special Projects	93.601	
<u>Direct Awards:</u>		
Department of Social Services		<u>3,465</u>
Runaway and Homeless Youth	93.623	
<u>Direct Awards:</u>		
Executive Department		<u>26,784</u>
Developmental Disabilities Basic Support and Advocacy Grants	93.630	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>1,257,888</u>
Children's Justice Grants to States	93.643	
<u>Direct Awards:</u>		
Department of Social Services		<u>157,607</u>
Child Welfare Services - State Grants	93.645	
<u>Direct Awards:</u>		
Department of Social Services		<u>6,014,752</u>
Social Services Research and Demonstration	93.647	
<u>Direct Awards:</u>		
Department of Social Services		<u>136</u>
Adoption Opportunities	93.652	
<u>Direct Awards:</u>		
Supreme Court of Louisiana		<u>161,062</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Foster Care - Title IV-E	93.658	
<u>Direct Awards:</u>		
Department of Social Services		<u>\$57,215,825</u>
Adoption Assistance	93.659	
<u>Direct Awards:</u>		
Department of Social Services		<u>7,654,365</u>
Social Services Block Grant	93.667	
<u>Direct Awards:</u>		
Department of Social Services		<u>35,150,540</u>
Child Abuse and Neglect State Grants	93.669	
<u>Direct Awards:</u>		
Department of Social Services		<u>383,259</u>
Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grant to States and Indian Tribes	93.671	
<u>Direct Awards:</u>		
Office of Women's Services		959,195
Through: Central State University (MMV020-03)		
Southern University and A&M College (Baton Rouge)		<u>212,615</u>
Subtotal Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grant to States and Indian Tribes		<u>1,171,810</u>
Independent Living	93.674	
<u>Direct Awards:</u>		
Department of Social Services		<u>1,250,240</u>
State Children's Insurance Program	93.767	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>33,047,228</u>
Health Care Financing Research, Demonstrations and Evaluations	93.779	
<u>Direct Awards:</u>		
Department of Insurance		256,139
Southern University and A&M College (Baton Rouge)		<u>101,970</u>
Subtotal Health Care Financing Research, Demonstrations and Evaluations		<u>358,109</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Health Careers Opportunity Program	93.822	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>\$229,581</u>
Kidney Diseases, Urology and Hematology Research	93.849	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>39,139</u>
Biological Basis Research in the Neurosciences	93.854	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>8,617</u>
Microbiology and Infectious Diseases Research	93.856	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		<u>7,988</u>
Center for Research for Mothers and Children	93.865	
<u>Direct Awards:</u>		
Grambling State University		<u>88,783</u>
Minority Access to Research Careers	93.880	
<u>Direct Awards:</u>		
Grambling State University		154,583
LSU A&M College (Baton Rouge)		48,665
LSU Health Sciences Center (Shreveport)		<u>1,986</u>
Subtotal Minority Access to Research Careers		<u>205,234</u>
Physician Assistant Training in Primary Care	93.886	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		<u>968</u>
Grants to States for Operation of Offices of Rural Health	93.913	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>105,034</u>
HIV Care Formula Grants	93.917	
<u>Direct Awards:</u>		
Office of Public Health		<u>14,194,737</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Grants to Provide Outpatient Early Intervention Services With Respect to HIV Disease	93.918	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$186,072
LSU Health Sciences Center (Shreveport)		53,356
Medical Center of Louisiana at New Orleans		421,762
Subtotal Grants to Provide Outpatient Early Intervention Services With Respect to HIV Disease		661,190
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	
<u>Direct Awards:</u>		
Office of Public Health		307,740
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	
<u>Direct Awards:</u>		
Department of Education		250,967
<u>Through: American Association of Community Colleges</u> <u>(#53-0196569)</u>		
Nunez Community College		1,018
Subtotal Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems		251,985
HIV Prevention Activities - Health Department Based	93.940	
<u>Direct Awards:</u>		
Office of Public Health		3,996,785
HIV Demonstration, Research, Public and Professional Education Projects	93.941	
<u>Direct Awards:</u>		
Office of Public Health		120,530
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	
<u>Direct Awards:</u>		
Office of Public Health		1,602,879

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Assistance Programs for Chronic Disease Prevention and Control	93.945	
<u>Direct Awards:</u>		
Medical Center of Louisiana at New Orleans		\$55,095
Office of Public Health		229,018
Subtotal Assistance Programs for Chronic Disease Prevention and Control		284,113
Block Grants for Community Mental Health Services	93.958	
<u>Direct Awards:</u>		
Department of Health and Hospitals		4,704,246
Block Grants for Prevention and Treatment of Substance Abuse	93.959	
<u>Direct Awards:</u>		
Department of Health and Hospitals		28,965,051
Special Minority Initiatives	93.960	
<u>Direct Awards:</u>		
Grambling State University		23,961
LSU Health Sciences Center (Shreveport)		13,331
Subtotal Special Minority Initiatives		37,292
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	
<u>Direct Awards:</u>		
Office of Public Health		1,531,366
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	
<u>Direct Awards:</u>		
Office of Public Health		33,331
Preventive Health and Health Services Block Grant	93.991	
<u>Direct Awards:</u>		
Office of Public Health		4,321,024
Maternal and Child Health Services Block Grant to the States	93.994	
<u>Direct Awards:</u>		
Office of Public Health		13,504,563

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
2000 Parenting <u>Through: Volunteers of America</u> LSU Agricultural Center	93.unknown	<u>\$2,935</u>
2000 Training <u>Through: Volunteers of America</u> LSU Agricultural Center	93.unknown	<u>2,174</u>
Capabilities Outreach Campaign for Historically Black Colleges <u>Direct Awards:</u> Southern University Board and System Administration	93.HCFA-00-0217	<u>46,578</u>
Cryptosporidim Parasites - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.00064721	<u>28,500</u>
Food Inspection - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.223-00-4119	<u>10,054</u>
HIV/AIDS Awareness and Risk Reduction Project for Historically Black Colleges and Universities <u>Through: International Resource Group (FPHPA061197)</u> Southern University at Shreveport-Bossier City	93.unknown	<u>8,056</u>
Integrated Data for Substance Abuse Treatment <u>Direct Awards:</u> Department of Health and Hospitals	93.283-97-9001	<u>81,307</u>
MBRS Program at Grambling <u>Direct Awards:</u> Grambling State University	93.551466MO4531-08	<u>146,040</u>
National Office Death Index - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.0000030154/006032	<u>18,408</u>
National Youth Sports Program (2000) <u>Through: National Collegiate Athletic Association</u> University of Louisiana at Monroe	93.00-925	<u>8,362</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
National Youth Sports Program (1999) <u>Through: National Collegiate Athletic Association</u> University of Louisiana at Monroe	93.unknown	\$4,835
Partnership for Minority Access to Baccalaureate <u>Direct Awards:</u> Grambling State University	93.2R256M51773-02	126,014
Safe and Stable Families <u>Through: Volunteers of America of Greater New Orleans, Inc.</u> LSU Agricultural Center	93.unknown	11,157
Seafood Inspection - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.223-00-4119	39,937
State Demand and Needs Assessment Studies: Alcohol and Other Drugs <u>Direct Awards:</u> Department of Health and Hospitals	93.270-97-7039	143,613
State Prevention Needs Assessment: Alcohol and Other Drugs - Prevention Needs Assessment <u>Direct Awards:</u> Department of Health and Hospitals	93.277-95-1036	(16,247)
Vital Statistics Cooperative - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.200-200-0718	219,202
Women's Health - Fixed Price Contract <u>Direct Awards:</u> Office of Public Health	93.990504	4,541
Worker Health and Safety Training Cooperative Agreement <u>Through: Xavier University of Louisiana (OSP-01-231-003)</u> Southern University at Shreveport-Bossier City	93.unknown	29,417

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Aging Cluster:</u>		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		\$5,427,972
Special Programs for the Aging - Title III Part C - Nutrition Services	93.045	
<u>Direct Awards:</u>		
Governor's Office of Elderly Affairs		<u>7,312,577</u>
Subtotal Aging Cluster		<u>12,740,549</u>
<u>Child Care Cluster:</u>		
Child Care and Development Block Grant	93.575	
<u>Direct Awards:</u>		
Department of Social Services		89,573,868
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	
<u>Direct Awards:</u>		
Department of Social Services		<u>25,920,499</u>
Subtotal Child Care Cluster		<u>115,494,367</u>
<u>Medicaid Cluster:</u>		
State Medicaid Fraud Control Units	93.775	
<u>Direct Awards:</u>		
Department of Justice		1,112,276
State Survey and Certification of Health Care Providers and Suppliers	93.777	
<u>Direct Awards:</u>		
Department of Health and Hospitals		7,222,543
Medical Assistance Program	93.778	
<u>Direct Awards:</u>		
Department of Health and Hospitals		<u>2,892,359,322</u>
Subtotal Medicaid Cluster		<u>2,900,694,141</u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster:</u>		
Model State - Supported Area Health Education Centers	93.107	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$437,364
Maternal and Child Health Federal Consolidated Programs	93.110	
<u>Direct Awards:</u>		
Office of Public Health		94,656
Biological Response to Environmental Health Hazards	93.113	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		53,456
LSU Health Sciences Center (New Orleans)		157,245
LSU Health Sciences Center (Shreveport)		125,162
Pennington Biomedical Research Center		149,526
University of Louisiana at Monroe		157,594
<u>Through: Tulane University Medical Center</u>		
LSU A&M College (Baton Rouge)		31,062
<u>Through: University of Florida</u>		
LSU A&M College (Baton Rouge)		122,543
Oral Diseases and Disorders Research	93.121	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		151,634
LSU Health Sciences Center (New Orleans)		525,246
LSU Health Sciences Center (Shreveport)		208,333
<u>Through: University of Washington</u>		
LSU Health Sciences Center (New Orleans)		34,314
NIEHS Superfund Hazardous Substances - Basic Research and Education	93.143	
<u>Through: University of Florida (#P42-ES07375)</u>		
LSU A&M College (Baton Rouge)		(462)
AIDS Education and Training Centers	93.145	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		664,131
<u>Through: University of California</u>		
LSU Health Sciences Center (New Orleans)		28,879

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Health Program for Toxic Substances and Disease Registry	93.161	
<u>Direct Awards:</u>		
Office of Public Health		\$289,775
University of Louisiana at Monroe		79,910
Human Genome Research	93.172	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		517,429
<u>Through: University of Utah</u>		
LSU Health Sciences Center (New Orleans)		62,486
Research Related to Deafness and Communication Disorders	93.173	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		364,724
LSU Health Sciences Center (New Orleans)		482,926
Pennington Biomedical Research Center		4,903
<u>Through: University of California - Irvine</u>		
LSU Health Sciences Center (New Orleans)		4,033
<u>Through: University of Maryland</u>		
Pennington Biomedical Research Center		1,981
Immunization Research, Demonstration, Public Information and Education - Training and Clinical Skills Improvement Projects	93.185	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		11,790
Allied Health Projects	93.191	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		130,401
Research on Healthcare Costs, Quality and Outcomes	93.226	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		2,095
Mental Health Research Grants	93.242	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		38,055
LSU Health Sciences Center (New Orleans)		68,060
LSU Health Sciences Center (Shreveport)		132,431
Pennington Biomedical Research Center		276,662
University of New Orleans		213,195
<u>Through: University of Pennsylvania</u>		
LSU Health Sciences Center (New Orleans)		44,430

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Occupational Safety and Health Research Grants	93.262	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$207,979
<u>Through: University of Maryland</u>		
University of Louisiana at Lafayette		37,322
<u>Through: University of Texas Health Center at Tyler</u>		
(Subcontract #0007/0025)		
Southeastern Louisiana University		60,894
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		17,523
Alcohol National Research Service Awards for Research Training	93.272	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		141,602
Alcohol Research Programs	93.273	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		642,019
LSU Health Sciences Center (Shreveport)		429,904
Drug Abuse Scientist Development Awards, Research Scientist Development Awards, and Research Scientist Awards	93.277	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		108,477
Drug Abuse National Research Service Awards for Research Training	93.278	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		(52,913)
LSU Health Sciences Center (Shreveport)		98,986
University of New Orleans		20,509

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Drug Abuse Research Programs	93.279	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$623,345
LSU Health Sciences Center (Shreveport)		424,648
Southern University and A&M College (Baton Rouge)		403,127
University of New Orleans		556,979
<u>Through: Tulane Medical Center</u>		
LSU Health Sciences Center (New Orleans)		253
<u>Through: University of Toronto</u>		
LSU Health Sciences Center (New Orleans)		(437)
Mental Health Research Career/Scientist Development Awards	93.281	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		106,700
LSU Health Sciences Center (Shreveport)		10,925
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		317,814
Office of Public Health		331,955
Southeastern Louisiana University		68,777
University of Louisiana at Monroe		35,807
<u>Through: Baton Rouge General Medical Center for Diseases</u>		
LSU A&M College (Baton Rouge)		48,390
<u>Through: Tulane University</u>		
LSU Health Sciences Center (New Orleans)		34,827
Comparative Medicine	93.306	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		88,136
University of Louisiana at Lafayette		1,137,832
<u>Through: University of California (K-980472-01/02)</u>		
University of New Orleans		153,431
Clinical Research	93.333	
<u>Through: Tulane University</u>		
LSU Health Sciences Center (New Orleans)		50,357
Advanced Education Nursing Traineeships	93.358	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		41,961

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Minority Biomedical Research Support	93.375	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		\$35
Research Infrastructure	93.389	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		1,025,417
Cancer Cause and Prevention Research	93.393	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		23,698
LSU Health Sciences Center (New Orleans)		866,265
LSU Health Sciences Center (Shreveport)		627,104
Pennington Biomedical Research Center		203,010
Cancer Detection and Diagnosis Research	93.394	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		462,964
<u>Through: Cornell University Medical College</u>		
LSU A&M College (Baton Rouge)		61,261
<u>Through: Stanford University</u>		
LSU Health Sciences Center (New Orleans)		88,498
Cancer Treatment Research	93.395	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		209,757
LSU Health Sciences Center (Shreveport)		454,629
<u>Through: Cancer Treatment Research Center, San Antonio, TX</u>		
LSU Health Sciences Center (Shreveport)		19,820
<u>Through: Trustees of Indiana University</u>		
Pennington Biomedical Research Center		31,062
<u>Through: University of Alabama, Birmingham, AL</u>		
LSU Health Sciences Center (Shreveport)		605
Cancer Biology Research	93.396	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		783,783
LSU Health Sciences Center (Shreveport)		264,784
Cancer Centers Support Grants	93.397	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		1,352

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Cancer Research Manpower	93.398	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$67,908
Cancer Control	93.399	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		357,196
<u>Through: Cancer Treatment Research Center, San Antonio, TX</u>		
LSU Health Sciences Center (Shreveport)		72,150
<u>Through: Memorial Sloan Kettering Cancer Center, New York, NY</u>		
LSU Health Sciences Center (Shreveport)		100,168
<u>Through: Southwest Oncology</u>		
LSU Health Sciences Center (New Orleans)		(2,975)
Head Start	93.600	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		19,255
Developmental Disabilities University Affiliated Programs	93.632	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		249,618
Health Care Financing Research, Demonstrations and Evaluations	93.779	
<u>Direct Awards:</u>		
Southern University and A&M College (Baton Rouge)		101,426
Cell Biology and Biophysics Research	93.821	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		453,345
LSU Health Sciences Center (Shreveport)		328,082
Health Careers Opportunity Program	93.822	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		444,546
Basic/Core Area Health Education Centers	93.824	
<u>Through: Assn of Teachers of Preventative Medicine</u>		
<u>Washington, D.C.</u>		
LSU Health Sciences Center (Shreveport)		53,906
<u>Through: Southeastern Louisiana Area Health Education Center</u>		
LSU Health Sciences Center (New Orleans)		328

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Heart and Vascular Diseases Research	93.837	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$610,036
LSU Health Sciences Center (Shreveport)		730,455
Pennington Biomedical Research Center		1,998,357
<u>Through: Tulane University</u>		
LSU Health Sciences Center (New Orleans)		55,655
University of New Orleans (1 U01 HL66855-01)		53,626
<u>Through: University of Chicago (#5 R01 HL55296A)</u>		
Louisiana Tech University		1,731
<u>Through: University of Texas, Houston</u>		
LSU Health Sciences Center (New Orleans)		3,848
Lung Diseases Research	93.838	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		676,539
<u>Through: Long Beach Memorial Medical Center, Long Beach, CA</u>		
LSU Health Sciences Center (Shreveport)		235
Blood Diseases and Resources Research	93.839	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		7,323
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		211,490
<u>Through: Hospital for Joint Diseases/Orthopedic Institute</u>		
NYU Medical Center, New York City, NY		
LSU Health Sciences Center (Shreveport)		1,444
Diabetes, Endocrinology and Metabolism Research	93.847	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		117,782
LSU Health Sciences Center (New Orleans)		359,341
LSU Health Sciences Center (Shreveport)		202,526
Pennington Biomedical Research Center		821,342
<u>Through: George Washington University - Fixed Price Contract</u>		
Pennington Biomedical Research Center		150
<u>Through: Neurocrine Biosciences Inc - Fixed Price Contract</u>		
Pennington Biomedical Research Center		90,075
<u>Through: University of Tennessee</u>		
Pennington Biomedical Research Center		10,506

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Digestive Diseases and Nutrition Research	93.848	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$524,199
LSU Health Sciences Center (Shreveport)		1,453,846
Pennington Biomedical Research Center		2,354,696
Kidney Diseases, Urology and Hematology Research	93.849	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		285,462
LSU Health Sciences Center (Shreveport)		5,942
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		58,785
<u>Through: Emory University, Atlanta, GA</u>		
LSU Health Sciences Center (Shreveport)		642
<u>Through: Rush-Presbyterian-St. Luke's Medical Center, Chicago, IL</u>		
LSU Health Sciences Center (Shreveport)		39,977
<u>Through: University of Pittsburgh (#11441)</u>		
Louisiana Tech University		18,506
Biological Basis Research in the Neurosciences	93.854	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		1,461,421
University of New Orleans		120,224
Allergy, Immunology and Transplantation Research	93.855	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		294,942
LSU Health Sciences Center (Shreveport)		214,089
Microbiology and Infectious Diseases Research	93.856	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		482,600
LSU Health Sciences Center (New Orleans)		244,904
LSU Health Sciences Center (Shreveport)		894,482
<u>Through: GL Synthesis, Inc.</u>		
LSU Health Sciences Center (New Orleans)		36,427
<u>Through: Tulane Medical Center</u>		
LSU Health Sciences Center (New Orleans)		39,111

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
Microbiology and Infectious Diseases Research (Cont.)	93.856	
<u>Direct Awards:</u> (Cont.)		
<u>Through: Tulane University</u>		
LSU Health Sciences Center (New Orleans)		\$44,143
<u>Through: University of Alabama</u>		
LSU Health Sciences Center (New Orleans)		32,529
<u>Through: University of Indiana</u>		
LSU Health Sciences Center (New Orleans)		216,345
Pharmacology, Physiology, and Biological Chemistry Research	93.859	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		370,144
LSU Health Sciences Center (Shreveport)		181,855
Genetics and Developmental Biology Research and Research Training	93.862	
<u>Direct Awards:</u>		
LSU Health Sciences Center (Shreveport)		607,978
<u>Through: Northern Arizona University (#5 R01 GM60795)</u>		
LSU A&M College (Baton Rouge)		52,967
<u>Through: University of Utah (#R1GM59290A)</u>		
LSU A&M College (Baton Rouge)		8,972
LSU Health Sciences Center (New Orleans)		98,039
Center for Research for Mothers and Children	93.865	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		308,821
LSU Health Sciences Center (Shreveport)		589,347
Pennington Biomedical Research Center		493,917
<u>Through: Arkansas Children's Hospital Research Institute,</u>		
<u>Little Rock, AR</u>		
LSU Health Sciences Center (Shreveport)		44
<u>Through: Children's Mercy Hospital, Kansas City, MO</u>		
LSU Health Sciences Center (Shreveport)		2,189
Aging Research	93.866	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		377,701
LSU Health Sciences Center (New Orleans)		650,017
LSU Health Sciences Center (Shreveport)		43,681
Pennington Biomedical Research Center		167,991

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Vision Research	93.867	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		\$178,450
LSU Health Sciences Center (New Orleans)		4,344,716
<u>Through: Johns Hopkins University</u>		
LSU Health Sciences Center (New Orleans)		138,519
<u>Through: Miravant Medical Technologies</u>		
LSU Health Sciences Center (New Orleans)		(20,245)
<u>Through: University of Missouri at Kansas City</u>		
LSU Health Sciences Center (New Orleans)		67,860
<u>Through: University of Michigan</u>		
LSU Health Sciences Center (New Orleans)		3,327
Minority Access to Research Careers	93.880	
<u>Direct Awards:</u>		
LSU A&M College (Baton Rouge)		17,105
Project Grants for Renovation or Construction of Non-Acute Health Care Facilities and Other Facilities	93.887	
<u>Direct Awards:</u>		
Pennington Biomedical Research Center		99,900
Alcohol Research Center Grants	93.891	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		1,879,354
Grants for Faculty Development in General Internal Medicine and/or General Pediatrics	93.900	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		167,884
Rural Health Outreach and Rural Network Development Program	93.912	
<u>Direct Awards:</u>		
Southeastern Louisiana University		187,014
<u>Through: Southeastern Louisiana Area Health Education Center</u>		
LSU Health Sciences Center (New Orleans)		466,691
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	
<u>Through: Association and State and Territorial Health Officials</u>		
Southeastern Louisiana University		2,794

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster:</u> (Cont.)		
HIV Demonstration, Research, Public and Professional Education Projects	93.941	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$177,609
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups	93.943	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		320,555
Office of Public Health		101,056
<u>Through: Tulane University</u>		
LSU Health Sciences Center (New Orleans)		40,935
<u>Through: University of Georgia</u>		
LSU Health Sciences Center (New Orleans)		9,291
Preventive Health Services - Sexually Transmitted Diseases Research, Demonstrations, and Public Information and Education Grants	93.978	
<u>Direct Awards:</u>		
Office of Public Health		85,679
Analysis of DNA Repair and SOS Regulation in Brucella	93.RD.1R15AI47297-01	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		40,754
Cancer in North America Monograph	93.RD.263-MQ-014065	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		44,516
Clinical Centers to Treat Adult Respiratory Syndrome (ARDS)	93.RD.N01-HR-16150	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		48,832
Comparative Effectiveness of Antipsychotic Medicines - in Patients With Alzheimer's and Schizophrenia	93.RD.999	
<u>Through: University of North Carolina at Chapel Hill</u>		
LSU Health Sciences Center (Shreveport)		1,748
Determine Genetic Susceptibility to Lung Cancer	93.RD.N01-HG-65404	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		209,263

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
DNA Sequencing With Infrared Fluorescence Biomolecules <u>Through: Li-Cor Inc.</u> LSU A&M College (Baton Rouge)	93.RD.Unknown	\$3,106
Epigenetic Control of Normal Embryo Development in Vitro <u>Direct Awards:</u> University of New Orleans	93.RD.7-U01 HD22023-16	180,209
Focus Groups - Triggers for Assessment, Advocacy and Prevention <u>Direct Awards:</u> LSU Health Sciences Center (Shreveport)	93.RD.HCFA-99-0369	4,897
The Genetics of Speciation in Drosophila <u>Through: Rutgers, The State University of New Jersey</u> LSU A&M College (Baton Rouge)	93.RD.SUBK#975/ACT	97,234
HCFA: Rural and Minority Provider Education, DQC <u>Direct Awards:</u> LSU Health Sciences Center (Shreveport)	93.RD.HCFA-00-0386	21,700
Pilot Project to Overcome the Digital Divide <u>Through: University of Kentucky</u> LSU Health Sciences Center (New Orleans)	93.RD.N02-C0-0140-75	86,164
Repair of Hair Bundles in Sea Anemones <u>Direct Awards:</u> University of Louisiana at Lafayette	93.RD.1R01GM52334-01A1	23,548
Screening Compounds for Anti-Tuberculosis Activity <u>Direct Awards:</u> LSU A&M College (Baton Rouge)	93.RD.258-99-0001	196,878
Seer Expansion Program <u>Direct Awards:</u> LSU Health Sciences Center (New Orleans)	93.RD.N02-NP-15106	82,947
Sentinel Hospital Survey & EPII Study/Rotavirus Gastroenteritis <u>Direct Awards:</u> LSU Health Sciences Center (New Orleans)	93.RD.UR6-CCU617968	93,165

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
<u>Research and Development Cluster: (Cont.)</u>		
Sexually Transmitted Diseases Clinical Trial	93.RD.N01-AI-75329	
<u>Through: University of North Carolina</u>		
LSU Health Sciences Center (New Orleans)		\$18,663
Statistics and Epidemiology Research - Affirm Study	93.RD.N01HC55139	
<u>Through: Axio Research Corporation, Seattle, WA</u>		
LSU Health Sciences Center (Shreveport)		758
Study of Slow, Latent and Temperate Infections of the Nervous Systems	93.RD.NO1-NS-9-2302	
<u>Direct Awards:</u>		
University of Louisiana at Lafayette		611,543
Technical Assistance for Cancer Surveillance	93.RD.N02-PC-05030	
<u>Through: NAACR Inc.</u>		
LSU Health Sciences Center (New Orleans)		6,890
TMJ Function and Mechanics: Experimental Models	93.RD.388743	
<u>Through: University of Washington (#388743)</u>		
Louisiana Tech University		143
Subtotal Research and Development Cluster		47,952,943
<u>Student Financial Assistance Cluster:</u>		
Scholarships for Health Professions Students From Disadvantaged Backgrounds	93.925	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		19,468
Northwestern State University		188,422
Southeastern Louisiana University		249,537
Southern University and A&M College (Baton Rouge)		250,383
University of Louisiana at Lafayette		63,032
Subtotal Student Financial Assistance Program		770,842
Total U.S. Department of Health and Human Services		\$3,456,710,791

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		
Retired and Senior Volunteer Program	94.002	
<u>Direct Awards:</u>		
University of Louisiana at Monroe		<u>\$59,588</u>
State Commissions	94.003	
<u>Direct Awards:</u>		
Office of the Lieutenant Governor		<u>216,575</u>
Learn and Serve America - School and Community Based Programs	94.004	
<u>Direct Awards:</u>		
Department of Education		<u>496,572</u>
Learn and Serve America - Higher Education	94.005	
<u>Through: American Association of Community Colleges</u>		
<u>(#53-0196569)</u>		
Nunez Community College		<u>10,356</u>
AmeriCorps	94.006	
<u>Direct Awards:</u>		
Department of Education		23,311
Office of the Lieutenant Governor		<u>2,341,562</u>
Subtotal AmeriCorps		<u>2,364,873</u>
Planning and Program Development Grants	94.007	
<u>Direct Awards:</u>		
Office of the Lieutenant Governor		<u>110,740</u>
Training and Technical Assistance	94.009	
<u>Direct Awards:</u>		
Office of the Lieutenant Governor		<u>43,002</u>
<u>Foster Grandparent/Senior Companion Cluster:</u>		
Foster Grandparent Program	94.011	
<u>Direct Awards:</u>		
Pinecrest Developmental Center		<u>273,104</u>
Total Corporation for National and Community Service		<u><u>\$3,574,810</u></u>

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001

	CFDA OR OTHER NUMBER	ACTIVITY
EXECUTIVE OFFICE OF THE PRESIDENT		
Office of National Drug Control Policy		
<u>Direct Awards:</u>		
Department of Public Safety and Corrections -		
Public Safety Services		
Asian Organized Crime Task Force	95.10PGCP550	\$2,520
Caddo/Bossier HIDTA Task Force	95.10PGCP551	5,609
Intelligence Coordination Network	95.10PGCP557	31,450
Louisiana Gulf Coast Initiative HIDTA	95.10PGCP501	164,163
Louisiana Gulf Coast Initiative HIDTA	95.18PGCP501	11,553
Louisiana Gulf Coast Initiative HIDTA	95.19PGCP508	1,869
Middle Louisiana Major Investigation Team	95.10PGCP508	3,820
Subtotal Office of National Drug Control Policy		220,984
Total Executive Office of the President		\$220,984
SOCIAL SECURITY ADMINISTRATION		
Social Security - Benefits Planning, Assistance, and Outreach		
Program	96.008	
<u>Direct Awards:</u>		
LSU Health Sciences Center (New Orleans)		\$88,697
<u>Disability Insurance/SSI Cluster:</u>		
Social Security - Disability Insurance	96.001	
<u>Direct Awards:</u>		
Department of Social Services		29,847,832
Total Social Security Administration		\$29,936,529
TOTAL STATE OF LOUISIANA		\$6,049,902,166

(Concluded)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2001****A. PURPOSE OF THE SCHEDULE**

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires a schedule of expenditures of federal awards showing total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number for each program when the CFDA number is not available. To comply with this requirement, the Executive Department, Division of Administration, required each state agency, hospital, and university to prepare a schedule of expenditures of federal awards. These schedules were combined to form the Schedule of Expenditures of Federal Awards for the State of Louisiana.

B. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards includes all federal financial assistance received from federal agencies or pass-through entities that was expended or issued by the State of Louisiana during the year ended June 30, 2001. Pass-through entities include local governments, entities in other states, and private organizations and establishments that provided federal financial assistance to the state.

C. BASIS OF ACCOUNTING

The Integrated Statewide Information Systems of the State of Louisiana currently do not have the capacity to provide expenditures of awards for each federal program in accordance with generally accepted accounting principles. Therefore, except as explained in the following paragraphs, expenditures of federal awards presented in the Schedule of Expenditures of Federal Awards represent cash disbursements of the individual programs. Consequently, certain expenditures (activity) are recognized when paid rather than when obligations are incurred. Accordingly, the information presented in the schedule is not intended to present federal program expenditures in conformity with generally accepted accounting principles.

Indirect Costs - Certain costs, such as those associated with budgeting, accounting, personnel administration, et cetera, benefit more than one program but are not readily assignable to the programs receiving the benefits. Some agencies, hospitals, and universities apply a federally approved indirect cost rate to direct program costs to recover a portion of these indirect costs from federal grants or contracts. Indirect costs charged to federal grants and contracts by means of approved indirect cost rates are recognized as disbursements or expenditures in the accompanying Schedule of Expenditures of Federal Awards.

Department of Labor - Beginning July 1, 1999, significant transactions of the Department of Labor were processed through the state's Integrated Statewide Information Systems. Except for Job Training Partnership Act, Employment and Training - Dislocated Workers, Welfare-to-Work Grants to States and Localities, and Workforce Investment Act programs, the information presented in the Schedule of Expenditures of Federal Awards for the Department of Labor is on

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)**

a cash disbursement basis. The expenditures for the previously noted programs have been adjusted to a modified accrual basis of accounting so that expenditures are recognized when the related liability is incurred.

Public Institutions of Higher Education - Except as explained in the following paragraph, the expenditures of federal awards for the public institutions of higher education are presented on the full accrual basis of accounting. Consequently, expenditures are recognized when the related liability is incurred.

Fixed Price Contracts - These contracts provide that a specified amount of funds will be paid upon delivery of a product, generally, a report on the results of a research study. As a result, the amount of federal awards that may be expended under fixed price contracts is limited to the amount of funds received from the contracts, regardless of the amount of costs incurred to perform the contracts or the period in which those costs were incurred. Therefore, the information presented in the Schedule of Expenditures of Federal Awards for fixed price contracts represents federal funds received on the cash basis of accounting. Consequently, expenditures (activity) are recognized when the related asset is received and in the amount of the asset received, rather than when the obligation is incurred and in the amount of the obligation.

Donations - Activity of the Donation of Federal Surplus Personal Property Program (CFDA 39.003) is reported in the Schedule of Expenditures of Federal Awards at fair market value, which has been defined as 23.3% of the acquisition cost provided by the federal government when the property is received by the State of Louisiana.

Issues - Issues of the Food Stamp Program (CFDA 10.551) are reported in the Schedule of Expenditures of Federal Awards at the amount of food stamp benefits issued for food purchases to recipients that obtain their benefits through electronic benefit transfer. Issues of the commodities programs (CFDA 10.550, 10.565, 10.569) are reported in the Schedule of Expenditures of Federal Awards at the federally assigned value of the commodities when they are issued to state agencies, public and private school systems, and nonprofit organizations. Issues of chemicals for the state's Boll Weevil Eradication Program (Plant and Animal Disease, Pest Control, and Animal Care - CFDA 10.025) are reported in the Schedule of Expenditures of Federal Awards at cost.

**D. TRANSFERS OF FEDERAL FUNDS AMONG STATE
AGENCIES, HOSPITALS, AND UNIVERSITIES**

The accompanying Schedule of Expenditures of Federal Awards presents expenditures (activity) for the state agencies, including hospitals and universities that initially received the assistance. In some instances, assistance received by one agency is transferred to a subrecipient state agency, hospital, or university to be expended for the original program or when allowed by other federal programs. In those instances, federal award expenditures

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)**

(activity) are reflected for the agency that initially received the assistance from a federal, local, or other state government.

E. NON-CASH ASSISTANCE

The accompanying Schedule of Expenditures of Federal Awards and related notes include certain non-cash assistance as presented in the following schedule.

CFDA Number	Loans and Loan Guarantees	Loans Disbursed During Year Ended June 30, 2001	Loans and Loan Guarantees Outstanding June 30, 2001
84.032	Federal Family Education Loans	\$361,664,829	\$1,320,580,328 (a)
84.038	Federal Perkins Loan Program - Federal Capital Contributions	8,010,599	56,197,336
84.142	College Housing and Academic Facilities Loans		3,726,000
84.268	Federal Direct Loan	5,750,049	
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	1,034,150	8,084,151
93.364	Nursing Student Loans	206,148	1,388,594
Expenditures of Federal Awards Year Ended June 30, 2001 Other Non-Cash Assistance			
10.025	Plant and Animal Disease, Pest Control, and Animal Care	1,130,896	
10.550	Food Distribution	17,830,389	
10.551	Food Stamps	463,761,006	
10.565	Commodity Supplemental Food Program	16,761,948	
10.569	Emergency Food Assistance Program (Food Commodities)	7,146,283	
39.003	Donation of Federal Surplus Personal Property	1,856,398	
Total Non-Cash Assistance		<u>\$885,152,695</u>	

- (a) As of June 30, 2001, the original principal on outstanding loans guaranteed under the Federal Family Education Loans Program, which are guaranteed by the Office of Student Financial Assistance, amounted to \$1,320,580,328 (note F).

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)****F. FEDERAL FAMILY EDUCATION LOANS**

Public institutions of higher education administer loans under the Federal Family Education Loans (FFEL) Program (CFDA 84.032). The objective of this program is to encourage lenders such as banks, credit unions, savings and loan associations, pension funds, insurance companies, and schools to make loans to vocational, undergraduate, and graduate students enrolled at eligible postsecondary institutions to help pay for educational expenses. The loans are insured by a state or private nonprofit guaranty agency and reinsured by the federal government. OMB considers this loan program a part of the Student Financial Assistance (SFA) cluster of programs when it is administered by public institutions of higher education as presented in Part 5 of the OMB Circular A-133, *Compliance Supplement*. The *Compliance Supplement* states, however, that the FFEL Program at the guaranty agencies is not considered a part of the SFA cluster.

The Office of Student Financial Assistance (OSFA) guarantees 100% of the loans made to students under the FFEL Program. The federal government reimburses OSFA a percentage of the defaulted claims payments to lenders on certain defaulted loans, and when defaulted loans are collected, OSFA returns a percentage of the amount collected to the federal government. During the year ended June 30, 2001, OSFA paid lending institutions \$26,277,540 for defaulted student loans, and the average federal participation in these default payments was 97.36%. New loans made to students during the year ended June 30, 2001, which are guaranteed by OSFA, amounted to \$222,633,455. As of June 30, 2001, the original principal on outstanding loans guaranteed under the Federal Family Education Loans program, which are guaranteed by OSFA, amounted to \$1,320,580,328.

The amount of loans disbursed during the year under this program are presented in the following schedule. These loans are insured by the state or private nonprofit guaranty agencies and are reinsured by the federal government.

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)**

<u>University</u>	<u>Loans Disbursed During Year Ended June 30, 2001</u>
Bossier Parish Community College	\$3,269,573
Delgado Community College	18,485,166
Grambling State University	19,785,864
LSU and A&M College (Baton Rouge)	68,259,600
LSU at Alexandria	2,583,451
LSU at Eunice	4,126,329
LSU Health Sciences Center (New Orleans)	20,947,384
LSU Health Sciences Center (Shreveport)	6,276,991
LSU in Shreveport	6,200,312
Louisiana Tech University	17,047,376
McNeese State University	12,331,036
Nicholls State University	1,357,044
Northwestern State University	23,733,633
Southeastern Louisiana University	33,641,522
Southern University and A&M College (Baton Rouge)	28,844,890
Southern University at New Orleans	13,023,871
University of Louisiana at Lafayette	22,375,681
University of Louisiana at Monroe	23,190,590
University of New Orleans	36,184,516
Total	<u>\$361,664,829</u>

G. FEDERAL DIRECT STUDENT LOANS

The federal government provides loan capital directly to vocational, undergraduate, and graduate students and their parents under the Federal Direct Loan Program (CFDA 84.268). During the year ended June 30, 2001, loans totaling \$3,468,701, \$2,117,521, and \$163,827 were made to students at the campuses of Nunez Community College, Southern University at New Orleans, and Southern University at Shreveport-Bossier City, respectively.

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)****H. UNEMPLOYMENT INSURANCE PROGRAM**

The Unemployment Insurance Program (CFDA 17.225) is administered through a unique federal-state partnership that was founded upon federal law but implemented through state law. For the purposes of presenting the expenditures of this program in the accompanying Schedule of Expenditures of Federal Awards, both state and federal funds have been considered federal awards expended. The breakdown of the state and federal portions of the total program expenditures for fiscal year ended June 30, 2001, is presented in the following schedule.

State Portion (Benefits Paid)	\$221,643,359
Federal Portion (Administrative Costs)	<u>26,006,985</u>
Total	<u><u>\$247,650,344</u></u>

I. PETROLEUM VIOLATION ESCROW FUNDS

Petroleum Violation Escrow Funds are monies that were provided to the state by the U.S. Department of Energy (DOE). These distributions were the result of legislative, administrative, and judicial actions involving violations of DOE's price and allocation controls in effect from August 1973 through January 1981. These controls applied to the allocation and pricing of crude oil and refined petroleum products. The funds include Warner Amendment funds, Exxon funds, and Multi-District Litigation (M.D.L.) Number 378 "Stripper Well" funds and are sometimes referred to as Federal Energy Settlement funds. Court orders and consent decrees relative to the lawsuits that resulted in these distributions imposed restrictions on the way the state can administer and use these monies.

**J. NURSING STUDENT LOANS AND HEALTH
PROFESSIONS STUDENT LOANS, INCLUDING
PRIMARY CARE LOANS/LOANS FOR
DISADVANTAGED STUDENTS**

Public institutions of higher education receive federal capital contributions under the Nursing Student Loans Program (CFDA 93.364) and the Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students Program (CFDA 93.342) to make low-interest loans to eligible students to assist them in meeting their educational needs. The amount of new loans made during the year and the outstanding balances of loans made under these programs as of June 30, 2001, are presented in the following schedule.

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)**

<u>Hospital/University</u>	<u>Nursing Student Loans</u>		<u>Health Professions Student Loans</u>	
	<u>Loans Made During the Year Ended June 30, 2001</u>	<u>Outstanding Balance June 30, 2001</u>	<u>Loans Made During the Year Ended June 30, 2001</u>	<u>Outstanding Balance June 30, 2001</u>
Grambling State University		\$226,480		
LSU at Eunice		5,347		
LSU Health Sciences Center (New Orleans)	\$180,378	764,495	\$814,495	\$6,430,070
LSU Health Sciences Center (Shreveport)				447,910
Medical Center of Louisiana at New Orleans		24,936		
Nicholls State University		3,794		
Northwestern State University		77,371		
Southeastern Louisiana University		24,311		
University of Louisiana at Lafayette	25,770	207,375		
University of Louisiana at Monroe		54,485	219,655	1,206,171
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$206,148</u>	<u>\$1,388,594</u>	<u>\$1,034,150</u>	<u>\$8,084,151</u>

**K. FEDERAL PERKINS LOAN PROGRAM -
FEDERAL CAPITAL CONTRIBUTIONS**

Public institutions of higher education receive federal capital contributions under the Federal Perkins Loan Program - Federal Capital Contributions (CFDA 84.038) to make low-interest loans to eligible students to assist them in meeting their educational needs. The amount of new loans made during the year and the outstanding balances of loans made under this program as of June 30, 2001, are presented in the following schedule.

STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
(Continued)

<u>University</u>	Perkins Loans	
	Loans Made During the Year Ended June 30, 2001	Outstanding Balance June 30, 2001
Delgado Community College		\$5,497
Grambling State University	\$267,244	1,960,132
LSU and A&M College (Baton Rouge)	2,333,793	13,480,036
LSU at Eunice	32,900	550,266
LSU Health Sciences Center (New Orleans)	751,480	2,788,214
LSU Health Sciences Center (Shreveport)	238,000	1,289,470
Louisiana Tech University	1,305,316	7,198,296
McNeese State University	320,374	2,299,696
Nicholls State University		58,055
Northwestern State University	450,881	3,123,838
Southeastern Louisiana University	281,987	2,467,810
Southern University and A&M College (Baton Rouge)		2,141,827
Southern University at New Orleans		61,800
Southern University at Shreveport-Bossier City		586,125
University of Louisiana at Lafayette	1,036,544	9,039,731
University of Louisiana at Monroe	550,923	4,349,537
University of New Orleans	441,157	4,797,006
Total	<u>\$8,010,599</u>	<u>\$56,197,336</u>

L. FEDERAL PERKINS LOAN CANCELLATIONS

Students who received National Defense or Perkins Loans may have a portion or all of their loan balance canceled if they meet certain military or teacher service requirements. Under the Federal Perkins Loan Cancellations Program (CFDA 84.037), the federal government restores the total amount of canceled principal and interest to the universities' loan funds. The amounts canceled under this program during the year ended June 30, 2001, are presented in the following schedule.

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards
(Continued)**

<u>University</u>	<u>Principal and Interest Canceled</u>
Grambling State University	\$6,970
LSU and A&M College (Baton Rouge)	130,708
LSU at Eunice	18,427
LSU Health Sciences Center (New Orleans)	38,457
Louisiana Tech University	193,753
McNeese State University	128,708
Nicholls State University	2,915
Northwestern State University	111,568
Southeastern Louisiana University	29,059
University of Louisiana at Lafayette	312,034
University of Louisiana at Monroe	199,649
University of New Orleans	28,394
Total	<u><u>\$1,200,642</u></u>

**M. COLLEGE HOUSING AND ACADEMIC
FACILITIES LOANS**

Public institutions of higher education receive loans from the federal government under the College Housing and Academic Facilities Loans Program (CFDA 84.142). These funds may be used to finance the construction, acquisition, and rehabilitation of student and faculty housing and related dining facilities or to finance the renovation or reconstruction of older undergraduate academic facilities. During 1998, the program was discontinued, but outstanding balances remain at some universities. The outstanding balances of loans made under this program as of June 30, 2001, are presented in the following schedule.

<u>University</u>	<u>Outstanding Balance June 30, 2001</u>
Delgado Community College	\$306,000
Grambling State University	1,676,000
LSU and A&M College (Baton Rouge)	1,744,000
Total	<u><u>\$3,726,000</u></u>

STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
(Continued)**N. DEPARTMENT OF EDUCATION - HOUSING
ACT OF 1950 "TITLE IV" LOAN**

The University of Louisiana System Board of Supervisors has a loan agreement, on behalf of Grambling State University, with the U.S. Secretary of Education for \$3,500,000. These funds are to be used for financing the construction of four new dormitories pursuant to Title IV of the Housing Act of 1950. The loan shall bear interest at the rate of 3% per annum on the unpaid balance. The principal and interest shall be payable in semiannual installments of \$88,877 over a term of 30 years. The payments are to commence at the point any of the new dormitories become revenue-producing. As of June 30, 2001, the outstanding loan balance is \$2,893,154. Payments totaling \$88,953 were made during the year.

**O. SPECIAL SUPPLEMENTAL NUTRITION
PROGRAM FOR WOMEN, INFANTS,
AND CHILDREN (WIC PROGRAM)**

During the fiscal year ended June 30, 2001, the Louisiana Office of Public Health received cash rebates from infant formula manufacturers in the amount of \$37,439,388 from sales of formula to participants in the WIC Program (CFDA 10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16(m) as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Dividing the rebates received by the net average food package cost per participant results in 1,045,757 more participants served as a result of the rebate collections. In the absence of a rebate contract, the average food package cost would increase and available federal funding would support 622,628 less participants than were actually served during the fiscal year.

P. MAJOR FEDERAL AWARD PROGRAMS

The State of Louisiana's major federal award programs for the year ended June 30, 2001, were determined using the criteria established by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. OMB Circular A-133 requires major programs to be determined using a risk-based approach. The amount of federal awards expended was determined using actual federal program activity as described in note C (page A-151) and the outstanding loan balances for certain loan programs as of and for the year ended June 30, 2000. The state's Type A federal award programs for the year ended June 30, 2001, were all federally assisted programs for which program activity and the federal government's risk in the outstanding loan balances as of June 30, 2000, was equal to or greater than \$19,374,248.

STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
(Continued)

A total of 25 Type A programs were identified. Auditors designated five Type A programs as low-risk. These five Type A programs were not audited as major during the 2001 fiscal year. The five Type A programs identified as low-risk are:

- 14.228 Community Development Block Grants/State's Program
- 93.667 Social Services Block Grant
- Food Stamp Cluster:
 - 10.551 Food Stamps
 - 10.561 State Administrative Matching Grants for Food Stamp Program
- Child Nutrition Cluster:
 - 10.553 School Breakfast Program
 - 10.555 National School Lunch Program
 - 10.556 Special Milk Program for Children
 - 10.559 Summer Food Service Program for Children
- Disability Insurance/SSI Cluster:
 - 96.001 Social Security - Disability Insurance

OMB Circular A-133, Section 520 describes two options for identifying high-risk Type B programs to audit as major. Option 2 allows identification of high-risk Type B programs by selecting one high-risk Type B program for each low-risk Type A program identified. Because there were five Type A programs assessed as low-risk for the 2001 fiscal year, five high-risk Type B programs were identified and audited as major.

During the planning phase for the 2001 fiscal year, one federal program was estimated to be a Type A program because the prior year total expenditures exceeded the threshold amount from the prior year. The Capitalization Grants for State Revolving Funds (CFDA 66.458) program was assessed in planning as a high-risk Type A program and was audited as major. After the actual threshold was calculated for 2001, this program fell below the threshold and became a high-risk Type B program. As a result, a total of six high-risk Type B programs were audited as major during the 2001 fiscal year as listed below.

- 10.550 Food Distribution
- 10.565 Commodity Supplemental Food Program
- 66.458 Capitalization Grants for State Revolving Funds
- 93.569 Community Services Block Grant
- TRIO Cluster:
 - 84.042 TRIO - Student Support Services
 - 84.044 TRIO - Talent Search
 - 84.047 TRIO - Upward Bound
 - 84.066 TRIO - Educational Opportunity Centers
 - 84.217 McNair Post-Baccalaureate Achievement

STATE OF LOUISIANA**Notes to the Schedule of Expenditures of Federal Awards**
(Continued)Aging Cluster:93.044 Special Programs for the Aging - Title III Part B -
Grants for Supportive Services and Senior Centers93.045 Special Programs for the Aging - Title III Part C -
Nutrition Services

The major programs cumulatively account for approximately 84% of the state's expenditures/issues/loans of federal award programs for the year ended June 30, 2001. The major programs and total federal awards expended per program as presented in the accompanying Schedule of Expenditures of Federal Awards and notes are as follows:

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
10.550	Food Distribution		\$17,830,389	\$16,950,975
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children		75,808,188	1,534,374
10.558	Child and Adult Care Food Program		43,290,002	42,354,603
10.565	Commodity Supplemental Food Program		16,761,948	None
17.225	Unemployment Insurance		247,650,344	None
17.255	Workforce Investment Act		28,757,643	26,080,923
66.458	Capitalization Grants for State Revolving Funds		14,827,584	14,178,622
84.010	Title I Grants to Local Educational Agencies		201,851,655	198,770,475
84.032	<u>Federal Family Education Loans:</u>			
	Administrative Expenditures		22,418,532	None
	Loan Activity		1,234,100,984	None
84.048	Vocational Education - Basic Grants to States		20,496,711	10,770,864
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States		39,614,119	158,562
84.340	Class Size Reduction		33,061,279	32,841,859
93.558	Temporary Assistance for Needy Families		75,731,278	None
93.563	Child Support Enforcement		26,804,419	9,437,164
93.569	Community Services Block Grant		12,405,706	11,760,598
93.658	Foster Care - Title IV-E		57,215,825	None
93.767	State Children's Insurance Program		33,047,228	None
93.959	Block Grants for Prevention and Treatment of Substance Abuse		28,965,051	11,980,903
Highway Planning and Construction Cluster:				
20.205	Highway Planning and Construction		385,810,152	None

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
Student Financial Assistance Cluster:				
84.007	Federal Supplemental Educational Opportunity Grants	\$5,607,519		None
84.032	<u>Federal Family Education Loans:</u>			
	Loan Activity	361,664,829		None
84.033	Federal Work-Study Program	8,464,067		None
84.038	<u>Federal Perkins Loan Program -</u>			
	<u>Federal Capital Contributions:</u>			
	Administrative Expenditures	649,158		None
	Loan Activity	47,644,138		None
84.063	Federal Pell Grant Program	138,809,706		None
84.268	<u>Federal Direct Loan:</u>			
	Loans Disbursed	5,750,049		None
93.342	<u>Health Professions Student Loans.</u>			
	<u>Including Primary Care Loans/</u>			
	<u>Loans for Disadvantaged Students:</u>			
	Loan Activity	8,132,123		None
93.364	<u>Nursing Student Loans:</u>			
	Loan Activity	1,455,350		None
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds	770,842	\$578,947,781	None
Special Education Cluster:				
84.027	Special Education - Grants to States	69,486,859		\$62,621,215
84.173	Special Education - Preschool Grants	5,919,655	75,406,514	5,531,592
TRIO Cluster:				
84.042	TRIO - Student Support Services	3,191,834		None
84.044	TRIO - Talent Search	2,360,436		None
84.047	TRIO - Upward Bound	5,706,849		None
84.066	TRIO - Educational Opportunity Centers	259,064		None
84.217	McNair Post-Baccalaureate Achievement	475,325	11,993,508	None
Aging Cluster:				
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	5,427,972		4,725,374
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	7,312,577	12,740,549	7,312,577
Child Care Cluster:				
93.575	Child Care and Development Block Grant	89,573,868		4,702,690
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	25,920,499	115,494,367	None

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
Medicaid Cluster:				
93.775	State Medicaid Fraud Control Units	\$1,112,276		None
93.777	State Survey and Certification of Health Care Providers and Suppliers	7,222,543		None
93.778	Medical Assistance Program	<u>2,892,359,322</u>	\$2,900,694,141	None
Research and Development Cluster:				
	U.S. Agency for International Development	1,000		None
	U.S. Department of Agriculture	11,598,075		\$167,711
	U.S. Department of Commerce	5,943,644		281,340
	U.S. Department of Defense	31,239,405		6,076,005
	Central Intelligence Agency	54,687		None
	U.S. Department of Housing and Urban Development	426,624		None
	U.S. Department of Interior	3,518,302		74,274
	U.S. Department of Justice	370,977		None
	U.S. Department of Transportation	789,746		None
	National Aeronautics and Space Administration	3,257,856		152,938
	National Foundation on the Arts and the Humanities	43,225		None
	National Science Foundation	13,221,340		361,538
	Small Business Administration	1,434,791		None
	U.S. Department of Veterans Affairs	38,568		None
	Environmental Protection Agency	4,479,499		768,751
	U.S. Department of Energy	8,325,586		228,654
	U.S. Department of Education	2,084,681		140,623
	U.S. Consumer Product Safety Commission	2,214		
	U.S. Department of Health and Human Services	<u>47,952,943</u>	<u>134,783,163</u>	<u>2,801,928</u>
Total Expenditures (Activity) of Major Programs			<u><u>\$6,446,509,060</u></u>	<u><u>\$472,767,132</u></u>

STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
(Continued)**Q. COMPONENT UNITS AUDITED BY OTHER
EXTERNAL AUDITORS**

Other external auditors audited certain entities included in the State of Louisiana's *Comprehensive Annual Financial Report* for the year ended June 30, 2001. To obtain the latest audit report of a particular entity, you may contact that agency using the following list of addresses:

Bayou D'Arbonne Lake Watershed District
Post Office Box 237
Farmerville, Louisiana 71241

Lafourche Basin Levee District
Post Office Box 670
Vacherie, Louisiana 70090

Bossier Levee District
Post Office Box 189
Benton, Louisiana 71006

Lake Borgne Basin Levee District
Post Office Box 216
Violet, Louisiana 70092

Custodian of Notarial Records of
Orleans Parish
421 Loyola Avenue, Room B-4
New Orleans, Louisiana 70112

Louisiana Auctioneers Licensing Board
8017 Jefferson Highway, Suite A-2
Baton Rouge, Louisiana 70809

East Jefferson Levee District
203 Plauche Court
Harahan, Louisiana 70123

Louisiana Beef Industry Council
4921 I-10 Frontage Road
Port Allen, Louisiana 70767

Fifth Louisiana Levee District
222 North Cedar Street
Tallulah, Louisiana 71282

Louisiana Board of Chiropractic Examiners
8621 Summa Avenue
Baton Rouge, Louisiana 70809

* Foundation for Excellence in Louisiana
Public Broadcasting
7733 Perkins Road
Baton Rouge, Louisiana 70810-1199

Louisiana Board of Examiners for Speech-
Language Pathology and Audiology
18550 Highland Road, Suite B
Baton Rouge, Louisiana 70809

Greater Baton Rouge Port Commission
Post Office Box 380
Port Allen, Louisiana 70767-0380

Louisiana Board of Examiners of Certified
Shorthand Reporters
Post Office Box 3257
Baton Rouge, Louisiana 70821

* Jefferson Parish Human Services Authority
3101 West Napoleon Avenue, Suite 229
Metairie, Louisiana 70001

Louisiana Board of Hearing Aid Dealers
Post Office Box 6016
Monroe, Louisiana 71211-6016

* = Single Audit

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Louisiana Board of Massage Therapy
Post Office Box 1279
Zachary, Louisiana 70791

Louisiana Licensed Professional
Counselors Board of Examiners
8631 Summa Avenue, Suite A
Baton Rouge, Louisiana 70809

Louisiana Board of Pharmacy
5615 Corporate Blvd., Suite 8E
Baton Rouge, Louisiana 70808

Louisiana Licensed Professional Vocational
Rehabilitation Counselors Board of Examiners
Post Office Box 41594
Baton Rouge, Louisiana 70835-1594

Louisiana Board of Veterinary Medicine
Examiners
263 Third Street, Suite 104
Baton Rouge, Louisiana 70801

Louisiana Motor Vehicle Commission
3519 Twelfth Street
Metairie, Louisiana 70002

Louisiana Catfish Promotion and
Research Board
Post Office Box 95004
Baton Rouge, Louisiana 70895

Louisiana Professional Engineering and
Land Surveying Board
9643 Brookline Avenue, Suite 121
Baton Rouge, Louisiana 70809

Louisiana Cemetery Board
2901 Ridgelake, Suite 101
Metairie, Louisiana 70002

Louisiana Rice Promotion Board
223 East Hutchinson
Crowley, Louisiana 70526

Louisiana Crawfish Promotion and
Research Board
Post Office Box 95004
Baton Rouge, Louisiana 70895-9004

Louisiana Rice Research Board
Post Office Box 1429
Crowley, Louisiana 70527-1584

Louisiana Economic Development
Corporation
Post Office Box 44153
Baton Rouge, Louisiana 70804-4153

Louisiana School Employees
Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804-4516

* Louisiana Educational Television Authority
7733 Perkins Road
Baton Rouge, Louisiana 70810-1199

Louisiana Soybean and Grain Research
and Promotion Board
Post Office Box 95004
Baton Rouge, Louisiana 70890

* Louisiana Housing Finance Agency
200 Lafayette Street, Suite 300
Baton Rouge, Louisiana 70801

Louisiana Stadium and Exposition District
Sugar Bowl Drive
New Orleans, Louisiana 70112

* = Single Audit

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards (Continued)

Louisiana State Board of Architectural
Examiners
8017 Jefferson Highway, Suite B-2
Baton Rouge, Louisiana 70809

Louisiana State Board of Certified Social
Work Examiners
18550 Highland Road, Suite B
Baton Rouge, Louisiana 70809

Louisiana State Board of Embalmers and
Funeral Directors
Post Office Box 8757
Metairie, Louisiana 70011

Louisiana State Board of Examiners in
Dietetics and Nutrition
18550 Highland Road, Suite B
Baton Rouge, Louisiana 70809

Louisiana State Board of Examiners of
Interior Designers
2900 Westfork Drive, Suite 200
Baton Rouge, Louisiana 70827-0004

Louisiana State Board of Medical Examiners
Post Office Box 30250
New Orleans, Louisiana 70190-0250

Louisiana State Board of Optometry
Examiners
Post Office Box 555
Oakdale, Louisiana 71463

Louisiana State Board of Physical
Therapy Examiners
714 E. Kaliste Saloom Road, D2
Lafayette, Louisiana 70508

Louisiana State Board of Practical Nurse
Examiners
3421 North Causeway Boulevard, Suite 203
Metairie, Louisiana 70002

Louisiana State Board of Wholesale
Drug Distributors
12046 Justice Avenue, Suite C
Baton Rouge, Louisiana 70816

Louisiana State Employees
Retirement System
Post Office Box 44213
Baton Rouge, Louisiana 70804-4213

Louisiana State Law Institute
LSU Law Center, Room 382
Baton Rouge, Louisiana 70803

Louisiana State Police Retirement System
3100 Brentwood Drive, Suite B
Baton Rouge, Louisiana 70896-6614

Louisiana State Radio and Television
Technicians Board
6554 Florida Blvd., Suite 109
Baton Rouge, Louisiana 70806-4474

Louisiana State Radiologic Technology
Board of Examiners
3108 Clearly Avenue, Suite 207
Metairie, Louisiana 70002

Louisiana Tax Free Shopping Commission
2 Canal Street, World Trade Center
Suite 1017
New Orleans, Louisiana 70130

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards (Concluded)

Louisiana Used Motor Vehicle and
Parts Commission
3132 Valley Creek Drive
Baton Rouge, Louisiana 70808

South Lafourche Levee District
Post Office Box 426
Galliano, Louisiana 70354

Natchitoches Historic District Development
Commission
Post Office Box 37
Natchitoches, Louisiana 71457

State Plumbing Board of Louisiana
2714 Canal Street, Room 512
New Orleans, Louisiana 70119

Natchitoches Levee and Drainage District
Post Office Box 1209
Natchitoches, Louisiana 71458-1209

Teachers Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123

Nineteenth Louisiana Levee District
Post Office Box 267
Colfax, Louisiana 71417

Tensas Basin Levee District
Post Office Box 68
Rayville, Louisiana 71269

North Lafourche Conservation, Levee,
and Drainage District
Post Office Drawer 230
Raceland, Louisiana 70394

* West Jefferson Levee District
7001 River Road
Marrero, Louisiana 70072

Pontchartrain Levee District
Post Office Box 426
Lutcher, Louisiana 70071

Red River Levee and Drainage District
Post Office Box 433
Coushatta, Louisiana 71019

Red River, Atchafalaya, and Bayou Boeuf
Levee District
Post Office Box 8235
Alexandria, Louisiana 71306

Sabine River Authority
15091 Texas Highway
Many, Louisiana 71449

* = Single Audit

Appendix B

Management's Corrective Action Plans and Responses to the Findings and Recommendations



STATE OF LOUISIANA
Management's Corrective Action Plans and
Responses to the Findings and Recommendations

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LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

BOB ODOM, COMMISSIONER

W.G. "BUD" COURSON, DEPUTY COMMISSIONER



November 20, 2001

ASSISTANT COMMISSIONERS

Agricultural & Environmental Sciences

Matthew Keppinger, III
P.O. Box 3596
Baton Rouge, LA 70821
(225) 925-3770
Fax: 925-3760

Agro-Consumer Services

Manning Broussard
P.O. Box 3098
Baton Rouge, LA 70821
(225) 922-1341
Fax: 922-0477

Animal Health Services

Terrel Delphin
P.O. Box 1951
Baton Rouge, LA 70821
(225) 925-3962
Fax: 925-4103

Forestry

Paul D. Frey
P.O. Box 1628
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(225) 925-4500
Fax: 922-1356

Management & Finance

Skip Rhorer
P.O. Box 3481
Baton Rouge, LA 70821
(225) 922-1255
Fax: 925-6012

Marketing

Bryce Malone
P.O. Box 3334
Baton Rouge, LA 70821
(225) 922-1277
Fax: 922-1289

Soil & Water Conservation

Bradley E. Spicer
P.O. Box 3554
Baton Rouge, LA 70821
(225) 922-1269
Fax: 922-2577

Daniel G. Kyle, PhD., CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: Unallowable Expenditure of Statutory Dedicated Funds

Dear Dr. Kyle:

For the reasons stated below, the Louisiana Agricultural Finance Authority (LAFA) does not find the Legislative Auditor's theory sound and, therefore, does not concur with the finding referenced above or the recommendation included therein.

The Legislative Auditor expressed the theory that there is "no authority" for LAFA to use specified funds for "construction projects" of LAFA. In reaching that legal conclusion the Legislative Auditor cited no supporting legal authority. When LAFA provided specific and express legal authority for use of the statutory dedicated funds for construction, the Legislative Auditor issued an Additional Comment to which LAFA now responds.

The Legislative Auditor attempts to support his theory that there is "no authority" for LAFA to use specified funds for "construction projects" of LAFA, not with legal authority but with another theory of the Legislative Auditor, this time, in the field of lexicology. More particularly, the Legislative Auditor has given in support of his theory, another theory, i.e., that the word "connected" can only mean "a physical connection." That the word "connected" can only mean a physical connection is not supported in law, logic or the relevant usage of the word "connected," particularly when taken in the context of the relevant statute.

The word "connected," in one form or another, is used four times by the Legislature in the very paragraph of the law that specifically authorizes the use of the funds in question. An analysis of those words as used in context reveals that it cannot reasonably or rationally be theorized that the Legislature was using the word "connected" to only mean "physically connected" and not to also mean "functionally" or otherwise connected. To so assert is to call for the production of an absurd result which the law clearly does not permit in interpreting statutes and, under the circumstances present, there simply is no basis for such an assertion.

Moreover, each of the construction projects and the funding¹ of same referred to by the Legislative Auditor have all been approved by the State Bond Commission. The State Bond Commission is made up of the Governor, the Lieutenant Governor, the President of the Senate, the Speaker of the House of Representatives, the State Treasurer, the Secretary of State, the Attorney General, the Senate Finance Committee Chairman, the Senate Revenue and Fiscal Affairs Committee Chairman, the House Ways and Means Committee Chairman, the House Appropriations Committee Chairman, two other members of the Legislature and the Commissioner of Administration. Also, two of LAFA's recent construction projects came to LAFA directly from the Legislature through the Capital Outlay Bill. Further, the Legislature itself has been presented this theory by the Legislative Auditor on more than one occasion and the Legislature has notably taken no action to address this theory raised by the Legislative Auditor, further indicating that the theory is erroneous and that there is no need for the law to be modified. Under these circumstances it is difficult to understand how the Legislative Auditor can propose that the Legislature had a meaning that is clearly at odds with the words the Legislature used and at odds with various and long standing actions of the Legislature and its leadership.

As the audit has shown, LAFA expended funds for the construction projects. For each dollar expended the State received at the very least, equivalent value. Indeed, existing reports of experts in the field of construction have examined the costs of the construction projects at issue and have determined that they are being constructed for as much as fifty percent less than the going rate of construction. In addition, through these construction projects the State is not only receiving the value of the assets being constructed without additional tax dollars having to be appropriated but is also saving huge amounts of tax dollars by eliminating rental cost which the State was paying each year on rented buildings.

And finally, the Legislative Auditor's theory clearly constitutes an attack on the validity of the pledge of those funds used to secure the bond issue which provided the funding for the construction projects. The Constitution and the law explicitly spell out the procedure and the time within which any such attack must occur and the Legislative Auditor's attack on the validity of the pledge of the funds is neither based on the procedure required by law nor is his attack brought timely as required by the Constitution.

It must be noted that the Legislative Auditor Dan Kyle was previously provided the information by LAFA that this proposed finding was contrary to law and the constitution, and that the Legislative Auditor's only response was to issue the finding, not as to LAFA but instead, as to the Department of Agriculture and Forestry which is not now nor ever has been the subject

¹It is noteworthy that the Legislative Auditor has reviewed identical funding for previous construction projects of LAFA without any findings related to such funding and certainly without urging the theory that the auditor now urges.

Dr. Kyle
November 20, 2001
Page 3

of this audit. No sophomoric effort like this switch of names by the Legislative Auditor Dan Kyle can rectify serious constitutional and legal flaws as those present in the Legislative Auditor's finding.

In the final analysis, it is the Legislative Auditor's actions in this matter that are contrary to procedural requirements of law and constitutional mandates. And with regard to the use of the funds for construction which the Legislative Auditor would now improperly question, the use of the funds is specifically authorized, there are no irregularities in connection with the expenditures of the funds, the state is enjoying unprecedented savings and the constitutionally mandated objectives of promoting, protecting and advancing agriculture are thereby being achieved.

Very truly yours,

A handwritten signature in black ink, appearing to read "Skip Rhorer", written in a cursive style.

Skip Rhorer
Assistant Commissioner

SR:sw



Office of the Chancellor

October 22, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle,

Management of Baton Rouge Community College concurs with the finding and recommendations related to the finding **"Inaccurate Annual Fiscal Report"**.

Management of Baton Rouge Community College recognizes the importance of ensuring that the Annual Fiscal Report is reviewed for errors or omissions. Since March 16, 2001, the college has not had a Dean of Financial Affairs. The College Director of Accounting and Finance has been performing the responsibilities of both positions.

Management is in the process of hiring a Dean of Financial Affairs, as well as, additional staff in the Accounting and Finance Office to ensure that analytical procedures and high-level supervisory review of financial information and note disclosures are performed to detect and correct errors before submitting that information to the LCTCS. The person responsible for the corrective action is Dr. Leana Revell, Interim Chancellor and Ms. Katrina D. Jackson, Director of Accounting and Finance and the anticipated completion date is June 30, 2002. Should you have any questions or need additional information regarding our response, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Leana Revell", written in a cursive style.

Dr. Leana Revell
Interim Chancellor

cc: Dr. Walter G. Bumphus, Interim System President
Ms. Jan Jackson, LCTCS
Mr. Melvin Davis, Director of Internal Audit



BESE

Louisiana State Board of Elementary and Secondary Education

Donna Contois
1st BESE District
(504) 456-1924

Keith Johnson
2nd BESE District
(504) 565-6111

Glenny Lee Buquet
3rd BESE District
(504) 876-5216

Walter Lee
4th BESE District
(318) 872-2836

James Stafford, Ed.D
5th BESE District
(318) 342-1291

Richard Musameche, Ed.D
6th BESE District
(225) 291-7457

Dale Bayard
7th BESE District
(337) 527-8691

Linda Johnson
8th BESE District
(225) 298-2637

Gerald Dill
Member-at-Large
(337) 261-5526

Leslie Jacobs
Member-at-Large
(504) 834-2424

Paul Pastorek
Member-at-Large
(504) 581-3234

Weegle Peabody
Executive Director
(225) 342-5840

Cecil J. Picard
Superintendent of Education
(225) 342-3602

March 6, 2001

Dr. Daniel Kyle, CPA, CFE
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

This correspondence serves as an official response to the reportable audit finding for the State Board of Elementary and Secondary Education. The finding, "Lack of Internal Controls over Public Charter Schools" concerns the Board's authority to monitor subrecipients of the federal grant program known as the Public Charter Schools Program, CFDA 84.282.

Although corrective actions have been implemented for this finding, this agency concurs with the finding and the auditor's recommendation.

Since assuming the responsibility for this federal program in late 1999, Board staff has made continuing efforts to improve all aspects of the program. While it was not our intent to institute lax procedures, we now recognize that our replication of the procedures used by the Louisiana Department of Education when reimbursing subrecipients of federal funds does increase the risk of reimbursing unallowable program costs.

The following corrective actions have been implemented to enhance our monitoring procedures of this program:

- a) Earlier in FY 2000-2001 previous to the date of this audit, we had already determined to audit subrecipients that received charter school federal grants in the prior fiscal year (FY 99/00).
- b) Board staff will update the application and information packet sent to all eligible inquiries to include notification of relevant requirements of federal laws and regulations imposed on subrecipients.
- c) Board staff will continue the current practice of reviewing all applications to verify allowable expenses in subrecipient budgets and will continue to request budget revisions when unallowable items are noted.
- d) Board staff will continue the current practice of reviewing all reimbursement requests by category to ensure agreement with original approved budget. Questionable items will be discussed with subrecipient prior to processing and ineligible expenses will be disallowed.
- e) Board staff will continue the current practice of maintaining copies of all reimbursement requests on file. Upon notification by your office of deficiencies, staff has instituted a policy of requiring copies of invoices as documentation to support reimbursements. We will also require submission of proper support documentation no later than April 30, 2001 for all reimbursement requests processed this fiscal year, retroactive to July 1, 2000.
- f) Board auditing staff will conduct on-site audits of any subrecipients that fail to or are unable to provide supporting documentation as outlined in paragraph "e" above.

These audits will be concluded by December 2001. We will request reimbursement of any unallowable expenditures uncovered in these audits.

- g) BESE will require subrecipients to include in their application assurances that they will maintain all records relative to their grant to ensure that the Legislative Auditor of the State of Louisiana and other state auditors, including BESE and LDE auditors, shall have the option of auditing all accounts of subrecipient which relate to any grant.

The corrective action plan outlined above is being implemented effective immediately. I have designated Mr. Gary Wheat in the BESE Office as the contact person for overseeing corrective actions and recommending procedures to avoid this type of finding in the future.

Thank you for the professional courtesies extended by your staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Weegie Peabody". The signature is fluid and cursive, with a small "pw" at the end.

Weegie Peabody
Executive Director

c: Paul Pastorek

WP

I:\Bese\Board\CHARTER\Audits\KYLE_charter_school_fedFunds_AUD.doc



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



KAM K. MOVASSAGHI
SECRETARY

April 4, 2001

Dr. Daniel G. Kyle, CPA, CPE
Legislative Auditor
State of Louisiana
P O Box 94397
Baton Rouge, La. 70804

Dear Dr. Kyle:

Please allow this letter to serve as the Department of Transportation and Development's response to audit finding of Inaccurate and Incomplete Financial Statements as it relates to the activities of the Crescent City Connection Division for the fiscal year ended October 31, 2000.

DOTD concurs with the findings and recommendations of the Legislative Auditor. We have made changes to our monthly accounting process, which should eliminate these occurrences in the future. Adjustments in our procedures for the annual preparation of the financial statements are also planned which includes a greater level of review.

Sincerely,


Salvador F. Faldetta, CGFM
Financial Services Administrator

Cc: Mr. John Basilica, Jr.



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
<http://www.doe.state.la.us>

December 21, 2001

Dr. Dan Kyle
State Legislative Auditor
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 94397

Dear Dr. Kyle:

The Department of Education (SDE) concurs with the finding entitled Improper Charging of Administrative Expenditures to Federal Awards. The following steps will be taken to address the weaknesses noted:

1. The Department concurs that salary charges and time certifications did not agree. Salary expenditures were correct as charged; however, coding on time certifications was not corrected to reflect the subsequent movement of salaries. Corrective action will include correction of time certification documents for the salary period affected, and development and dissemination of procedures to verify time certification prior to the movement of salary charges. These activities will be accomplished by January 15, 2002. The individuals responsible for corrective action are Mr. John Dupre, Director, Division of Nutrition Assistance and Mrs. Kitty Littlejohn, Director, Division of Appropriation Control.

The Department concurs that Title 1 program funds were incorrectly utilized for the development of a statewide program. Corrective action will include the repayment of funds to the U.S. Department of Education and will be accomplished by January 15, 2002. The individual responsible for corrective action is Dr. Carol Whelan, Assistant Superintendent, Office of Quality Educators.

The Department concurs that furniture and computers were purchased for use by individuals who work less than 100% on Title 1, Special Education, and the Workforce Improvement Act. The U.S. Department of Education will be contacted to determine how to appropriately handle the resolution of these questioned costs. The Division of Education Finance will implement obligation controls by January 15, 2002, to reduce the risk of such coding errors in the future. The individual responsible for corrective action is Mrs. Beth Scioneaux, Director, Division of Education Finance.

2. The Department concurs that insufficient supporting detail was attached to the noted journal vouchers. Effective January 15, 2002, all journal vouchers or correcting entries will provide supporting documentation to individual transaction level. The movement of expenditures from and to federal grants was to remedy incorrect

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coding, identified through ISIS Infomaker reports. Corrective action will be provided through the issuance of written procedural instructions for inclusion of appropriate individual transaction documentation, and supervisor review of procedure compliance prior to approval in the state accounting system. The individual responsible for corrective action is Mrs. Kitty Littlejohn, Director, Division of Appropriation Control.

The Department agrees that reimbursements are issued to fiscal agents for the Regional Service Centers transactions without individual item invoices. However, each Regional Service Director is required to approve all obligations and expenditures prior to payment by the fiscal agent. These directors are administrative arms of the Department even though they are located regionally. Therefore, the Department believes that these transactions are receiving administrative review and approval of federal necessity, reasonableness, and allowability prior to obligation and/or payment. However, to further strengthen Department internal controls, the Regional Service Centers have been included in the audit plan of the Bureau of Internal Audit, and are scheduled for audit. The individuals responsible are Ann Faulkner, State Director, Regional Service Centers, and Dudley Garidel, Director, Bureau of Internal Audit.

The Department has located all invoices related to food costs and provided the Legislative Auditors with same. The invoices in question were paid from a different line on the purchase order, other than the lines falling in the audit test.

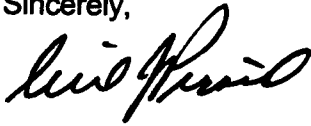
3. The Department believes travel costs incurred for participation of students with physical disabilities in international competition are allowed under direct and support services in the set-aside portion of the IDEA Part B funds. However, no later than January 15, 2002, the Department will seek a written determination of the cost allowability from the U.S. Department of Education, and refund funds to the grantor if they determine these costs are not allowable, reasonable, or necessary. A copy of this correspondence will be provided to Mrs. Adele English, Auditor-in-Charge. The individual responsible for the above is Mrs. Virginia Beridon, Director, Division of Special Populations.
4. The Department concurs that supplies were charged outside the period of availability to 1½% Audit Funds grant. This occurred due to an obligation coding error. Charges are allowable on the subsequent grant year. The Department will seek to make a correcting entry on the grantor financial reports to properly represent the charges by January 15, 2002. The individual responsible for corrective action is Mrs. Beth Scioneaux, Director, Division of Education Finance.

The Department understands the importance and takes seriously the responsibility to appropriately utilize all federal funds. Consequently, it is Department policy that all obligations originate with program staff responsible for the administration of federal funds. All items of obligation (purchase orders, contracts, etc.) are prepared and approved by program staff and reviewed by financial staff, with subsequent executive level approval of same.

We appreciate the assistance your staff provides through the audit process to enable us to continue striving for excellence in all operations.

If you require additional information, contact Mr. John Guilbeau, Deputy Undersecretary, at (225) 342-2098.

Sincerely,



Cecil J. Picard
State Superintendent of Education

CJP:KL

c: Carole B. Wallin
Marlyn Langley
Carol Whelan
John J. Guilbeau
Virginia Beridon
John Dupre
Ann Faulkner
Rodney Watson
J. P. Beaudoin
Kitty Littlejohn
Beth Scioneaux
Dudley Garidel



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
<http://www.doe.state.la.us>

October 30, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

The State Department of Education (SDE) concurs with the finding related to Ineffective Controls Over Subrecipient Monitoring. The SDE offers the following information.

A review of all internal programs involving program monitoring, compliance reviews and fiscal reviews will begin immediately. I am issuing a directive for Department staff to develop a set of draft policies to address these deficiencies for my review by December 31, 2001. As part of this review, I expect all Departmental processes regarding these controls to be documented and determinations made as to the appropriate placement of each function.

As to the specifics contained in this finding, the Department offers the additional following information.

1. The Department's Bureau of Internal Audit has updated materials on OMB Circular A-133 and will provide in-service workshops on OMB Circular A-133 and its requirements to all Department staff involved with federal programs. Internal Audit will work with the specific programs to ensure management decisions are issued on all external CPA audit findings.
2. The Department's Bureau of Internal Audit will follow-up to ensure that all on-site reports prepared by SDE program personnel with non-compliance findings of questionable costs have had management determination letters issued.
3. The Department's Division of Education Finance will develop a Risk Based Assessment Model for selecting subrecipients for financial compliance monitoring. By monitoring fewer subrecipients in a given year, the fiscal reviews will be performed and completed in a timelier manner. The Division will also conduct fiscal reviews on a fiscal year basis instead of covering the complete grant period over three fiscal years after the grant has closed.
4. While the Division of Appropriation Control reviews all items on claims, the focus of review efforts has been on perception of high risk, specifically high dollar categories. A listing of detailed information regarding each expenditure is

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October 30, 2001

included in each subrecipient claim for reimbursement; however, copies of actual invoices are not included. Telephone calls were made to subrecipients in questioned areas and noted on claims. Explanations provided by subrecipients are documented by staff and relied upon as being accurate representations for allowable costs. The Division of Appropriation Control will focus review efforts on other expenditure categories, i.e., supplies, and randomly require subrecipients to provide copies of actual invoices where costs appear questionable.

Return of questioned costs will be pursued from subrecipients, and collected funds will be returned to the U.S. Department of Education (Title 1) and State Department of Social Services (CCDBG).

The persons responsible for corrective actions are Carole Wallin, Deputy Superintendent of Education (225-342-3625), and Marlyn Langley, Deputy Superintendent of Management and Finance (225-342-3617). Should you have any questions concerning this response, please contact me at your earliest convenience.

Sincerely,



Cecil J. Picard
State Superintendent of Education

MJL:mjl

c: Carole Wallin
Marlyn Langley
John Guilbeau



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
<http://www.doe.state.la.us>
1-877-453-2721

December 3, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

The State Department of Education (SDE) concurs with the finding related to Weaknesses in Controls Over Student Count Audits. The SDE recognizes that testing was not expanded in every instance of higher than tolerable error rates in some districts. Instead, SDE auditors used limited resources to expand testing in a different area (Returning Seniors) than the area noted by the OLA. The expanded test we used resulted in a definite savings to the state of \$764,272. SDE audit staff recognizes that additional testing in some areas had a potential of additional savings to the state. However, limited human resources were used where audit management believed the greatest savings to the state could be found. (Sample testing of Returning Seniors in a few districts indicated an unacceptable error rate and this test was expanded to include all districts that reported returning seniors.)

Some SDE tests of student eligibility reviewed by the OLA were still subject to review by SDE audit supervisory staff and, as such, were not final. These expanded reviews are still in process in some districts based on SDE audit supervisory review. MFP audit staff did expand audit procedures on the October 2000 student count and, as a result, included extra denials in the process. SDE MFP audit staff continues in their goal of providing the best possible audit coverage with available staff.

SDE's MFP audit staff will develop a risk assessment for audits beginning in January 2002. While it has been SDE policy to audit every school district each year, the possibility of conducting desk audits of exception reports for districts identified by SDE management as low risk will be considered.

The persons responsible for corrective actions are Marlyn Langley, Deputy Superintendent of Management and Finance (225) 342-3617 and Beth Scioneaux, Director, Division of Education Finance (225) 342-8848. Should you have any questions concerning this response, please contact me at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Cecil J. Picard", is written over the word "Sincerely,".

Cecil J. Picard
State Superintendent of Education

MJL:mjl

c: Carole Wallin
Marlyn Langley
John Guilbeau
Beth Scioneaux

"An Equal Opportunity Employer"



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

P. O. Box 80374

Baton Rouge, LA 70898-0374

(225) 342-7100

FAX (225) 342-7133

July 19, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Finding:

Unsupported Allocation of Payroll Expenditures to the Program

Response:

The agency does not agree with this finding. The agency does not have multiple activities. The auditor was provided with copies of two letters from the Administration on Aging. One clearly states that GOEA is a Single Purpose Agency and that the development of a Cost allocation Plan or an Indirect Cost Rate would be pointless. The letter further states that if GOEA was part of an umbrella organization with varied purposes, then it would be necessary to develop a Cost Allocation Plan and/or Indirect Cost Rate to charge departmental level costs to the Older Americans Act administrative funds. The second letter further states that all activities contained in the agency's approved State Plan are allowable costs of Older Americans Act programs. The absence of multiple activities precludes the possibility of keeping timesheets for multiple activities.

The 29.5 % referred to in the finding does not, as stated by the Auditor, refer to the percentage of time spent on the program. It refers to the ratio of available federal funds for personnel costs to total personnel costs. The only reason the costs are split between cost centers is for internal use. The agency previously used only one cost center to capture the costs, since the costs were for only one activity. If the costs charged to the two cost centers were for different activities, then the costs in the General Fund cost center could not be used for matching the costs in the Federal Cost Center. These cost are reported as match because they are all for the same purpose.

Corrective Action

The agency does not feel that any corrective action is necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "P.F. Arceneaux, Jr.", with a stylized flourish at the end.

P.F. "Pete" Arceneaux, Jr., Executive Director



M. J. "MIKE" FOSTER, JR.
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July 19, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Finding:
Federal Cash Management Control Weaknesses

Response:

The agency partially agrees with this finding. The agency agrees with the first element of this finding and did apparently exceed the Federal Cash disbursement three-day rule by one to four days on six occasions. The agency must tighten procedures to ensure that this type of occurrence is minimized or eliminated.

The agency does not agree with the second element, which states that the agency disbursed state funds even though federal funds were available. The contracts are a combination of federal and state dollars. The only legal requirement is that sufficient non-federal funds are expended to meet minimum match requirements. The agency knows of no federal or state requirement that requires that federal and state funds be proportionally disbursed. Indeed, the agency has in writing from the Commissioner of Administration that the timing of the disbursement of state funds is within the agency's discretion. In view of this, the agency does not feel that the second element of this finding is valid.

The agency agrees with the third element of the finding that the agency does need to better monitor the federal draws. The lack of sufficient monitoring has caused some problems.

Corrective Action

In order to ensure that the three-day rule is not exceeded in the future, the agency will expand its procedures on federal draws to include specific reference to the rule. The procedures will also require that the Audit Supervisor notify the Accounting Supervisor and Fiscal Officer by e-mail, using the task function, that federal funds have been drawn and the date drawn, and that an interface should be processed by a stated deadline. The task function will automatically provide a reminder to both the Fiscal Officer and the Accounting Supervisor until the interface has been completed.

The agency has already instituted corrective action to address the finding regarding the monitoring of the federal draws. The agency is using a Federal Draw Approval Form. When the Audit Supervisor or the Accounting Supervisor want to make a federal draw they will complete the form indicating the grants and amounts they wish to draw and the purpose. The form is submitted to the Fiscal Officer, or in his absence, to the Executive Director, for an approval signature. The Accounting Technician has been instructed not to approve any CR documents classifying federal funds unless a signed approval form is attached. These procedures are to be added to the federal draw procedures.

The agency does not feel that corrective action is required for the second element of this finding.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Arceneaux, Jr.', written over a horizontal line.

P.F. "Pete" Arceneaux, Jr., Executive Director



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

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FAX (225) 342-7133

August 16, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:
Finding:
Inaccurate Federal Financial Reporting

Response:
The agency partially agrees with the finding. Each bullet of the finding is discussed below.

The agency did use an October report in error in one instance. The difference in expenditures reported amounted to less than one-tenth of one percent of the report total. Advances to subrecipients are included only in cash basis programs according to the instructions for the SF-269. The programs the agency administers are accrual programs.

the agency compiles the expenditures reported on the SF-269 by combining the actual expenditures of the subrecipients reported on the subrecipients' monthly financial reports. To this amount is added the expenditures at the agency level. The same expenditures included on the Sf-269 are then carried over to the SF-272.

It is true that there is no review of the reports prepared by the Fiscal Officer. This is due to the size and nature of the agency staff. In the interim, the Internal Auditor will review the SF-269 beginning with the reports for the quarter ending September 30, 2001. The agency is attempting to receive approval for additional staff. If successful, the preparation of the reports will be reassigned to staff in the Accounting & Finance unit and will be reviewed by the Fiscal Officer.

The agency agrees that it does not have written procedures on the preparation of the federal financial reports, and that there should be written procedures. The Fiscal Officer will develop such procedures by the time that the September 2001 reports are submitted.

Corrective Action

As stated above the agency will attempt to find a way to address the issue of no review of the federal financial reports. The Fiscal Officer will develop written procedures for preparing federal financial reports prior to the submission of the September 2001 reports. All request for information should be directed to Bobby Fontenot at (225) 342-7100.

Sincerely,

A handwritten signature in black ink, appearing to read 'P.F. Arceneaux, Jr.', with a stylized flourish at the end.

P.F. "Pete" Arceneaux, Jr., Executive Director



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

P. O. Box 80374

Baton Rouge, LA 70898-0374

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FAX (225) 342-7133

August 16, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:
Finding:
Ineffective Monitoring of subrecipients Audit Reports

Response:

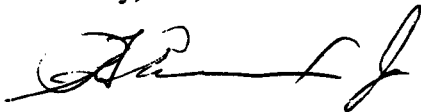
The agency partially agrees with the finding. The agency does have procedures in place to ensure that subrecipients receive audits, not only in accordance with OMB Circular A-133, but also as required under state law. The agency has developed an Audit Guide that includes procedures for determining the type of audit required, sample opinions, statements, and schedules, and other information. This guide is made available to the subrecipients and their auditors. GOEA auditors utilize this guide in reviewing the audit reports to ensure compliance with all auditing requirements, including A-133 audits. GOEA auditors also monitor their assigned subrecipients to ensure that audits are received in a timely manner. If an audit is not received timely, administrative funds are withheld until the subrecipients complies.

The agency does agree that audits have not been cleared within six months. With the resources currently available to the agency it is extremely difficult to meet such a deadline. The agency will continue to attempt to resolve audits as quickly and as diligently as possible.

Corrective Action

The agency will revise its procedures for the review of audit reports to emphasize the six-month deadline for resolving audit issues. The auditors will be reviewed periodically to ensure that they are on target in their review of the reports.

Sincerely,

A handwritten signature in black ink, appearing to read 'P.F. Arceneaux, Jr.', with a stylized flourish at the end.

P.F. "Pete" Arceneaux, Jr., Executive Director



M. J. "MIKE" FOSTER, JR.
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August 16, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Finding:
Insufficient On-Site Monitoring Procedures for Aging Cluster Subrecipients

Response:

Accounting & Finance

The agency agrees that the audit plans, programs, reports, and working papers were inconsistent, and that the procedures are not sufficient.

The agency does schedule audits based on risk factors. The agency agrees that this process is not documented adequately.

The agency does maintain a log of schedule of planned and performed audits

The agency agrees that the decisions on whether to allow or disallow costs were not documented sufficiently.

The agency does require timely reimbursement of disallowed costs. The incident cited involved non-negotiable check, which is why the "check" was not deposited. The subrecipient was allowed time to provide documentation for the disallowed costs. Ultimately the subrecipient paid between \$8,000 and \$9,000 in disallowed costs, proving that to require the subrecipient to have paid the original disallowed costs of over \$11,000 would have created an undue hardship on the subrecipient.

Corrective Action

The agency has already developed common audit plans, audit programs, and workpapers, and has trained the auditors on their use. Training was also providing on sampling techniques and standards.

The agency will begin documenting the risk factors considered when scheduling audits and decisions on disallowed costs. The logs for assigned and completed audits have been combined to provide the information in a more concise manner. The agency will continue to require the repayment of questioned costs in as timely a manner as practical, allowing sufficient time for subrecipients to provide required documentation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P.F. Arceneaux, Jr.', with a stylized flourish at the end.

P.F. "Pete" Arceneaux, Jr., Executive Director



M. J. "MIKE" FOSTER, JR.
GOVERNOR

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August 17, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

This is in response to the audit findings pertaining to Home and Community Based Services Unit (HCBS).

FINDING: HCBS does not maintain a log of audits performed or a schedule of planned audits.

RESPONSE: We do not concur. HCBS does not conduct audits. HCBS Program Specialists monitor and assess area agencies on aging (AAAs). The purposes of the assessment are to: foster a dialogue between the Governor's Office of Elderly Affairs (GOEA) and the AAA; measure the AAA's outcomes based upon the standards established by GOEA in LAC 4:VII.1125; identify the AAA's technical assistance needs; and formulate a plan of action for strengthening the AAA's capacity to carry out its statutory mission.

Risk Factors are not considered in planning the assessments. GOEA is required to assess all AAAs.

The Program Specialists' working papers represent their observations and should not be construed as audit findings. Program Specialists have been instructed to follow-up on issues noted during assessments to ensure that corrective action will be taken by appropriate GOEA staff.

HCBS is not equipped to test recipients for the Circular A-133 *Compliance Supplement* requirements. The Audit Objectives and Suggested Audit Procedures clearly are of a fiscal nature. HCBS is responsible for programmatic and administrative matters.

Mary Tonore, DHH Program Manager 1, has instituted an Assessment Log.

Dr. Daniel G. Kyle, CPA, CFE
August 17, 2001
Page 2

FINDING: Failure to monitor subcontractor kitchens during FY 2000.

RESPONSE: We concur. Although AAA's are required to perform and document quarterly kitchen assessments of service providers' kitchens, GOEA has not required that the reports be submitted to this Office.

CORRECTIVE ACTION: By December 31, 2001, Betty N. Johnson, Program Manager 2, will issue a policy statement requiring all AAAs to submit copies of their Staff Dietitians' quarterly kitchen assessments to this Office for review and approval by the GOEA Nutritionist. Beginning October 1, 2001 the GOEA Nutritionist and/or the Program Specialist possessing the ServSafe Food Protection Manager Certification will conduct annual on-site assessments of the 10 kitchens operated by AAAs. (This certification is provided by the International Food Safety Council after completion of required course work and examination.)

FINDING: Inadequate monitoring policies and procedures

RESPONSE: This is addressed under Finance and Accounting Monitoring.

If you have any questions or need additional information, please let me know.

Sincerely,



P.F. "Pete" Arceneaux, Jr.
Executive Director



State of Louisiana

Department of Environmental Quality



M.J. "MIKE" FOSTER, JR.
GOVERNOR

J. DALE GIVENS
SECRETARY

December 10, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Subrecipient Audit Reports Not Monitored

Dear Dr. Kyle:

The Department of Environmental Quality concurs with the finding that the audit reports of borrowers were not monitored, however disagrees with the classification of loan disbursements as "questioned cost".

The department has developed and implemented a procedure to ensure that monitoring of borrowers' audit reports takes place. A master list has been established and will be maintained to document the receipt of required audit reports. Staff involved with the Municipal Facilities Financial Section will be responsible for monitoring and reviewing this report and any findings.

The department disagrees with the classification of loan disbursements as "questioned cost" due to the lack of audit monitoring. This designation implies that such payments may not be valid or proper. All loan disbursements are made upon submission of a reimbursement request, including copies of paid invoices, approved by designated officials of the municipality and its oversight engineer. DEQ personnel then compare the request to a project budget to ensure that cost are allowed. DEQ engineers also review the requests to ensure that the construction activities are according to a project plan, which must be submitted prior to the loan approval. DEQ engineers also make periodic site visits during construction to monitor actual progress.

B-28

OFFICE OF MANAGEMENT AND FINANCE

P.O. BOX 82231

BATON ROUGE, LOUISIANA 70884-2231

AN EQUAL OPPORTUNITY EMPLOYER

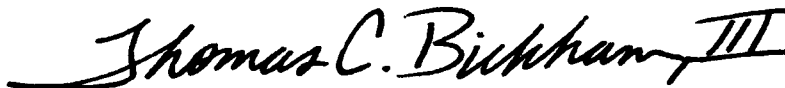


Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Page 2

It should also be noted that a Revolving Fund loan is not a subgrant. These are loans that must be repaid. A bond issued by the borrower also secures these loans. The loan provisions require that a dedicated source of revenue, such as fees or sales taxes, be designated as a source of funds to repay the loan. Borrowers are periodically invoiced for interest, fees, and repayments. Invoices to borrowers for fees, interest, or repayments are monitored. Any overdue amounts result in immediate inquiries, with follow-up contact if necessary.

If any additional information is required, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in black ink that reads "Thomas C. Bickham III". The signature is written in a cursive style with a long horizontal line extending from the left side of the name.

Thomas C. Bickham III
Undersecretary



State of Louisiana
PATIENTS' COMPENSATION FUND

October 31, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Inadequate Fund Balance – Patient's Compensation Fund

Dear Dr. Kyle:

As requested, the Patient's Compensation Fund Oversight Board submits herein its response to the above-captioned finding.

The Board concurs in with the finding. The corrective action plan is also included in the statement. At the present time, there is no anticipated completion date.

The undersigned is the contact person responsible for the corrective action on behalf of the Board.

Sincerely,


Lorraine LeBlanc
Claims Officer

LEGISLATIVE AUDIT - PATIENT'S COMPENSATION FUND - 2001

Inadequate Fund Balance

We concur with the audit finding against the PCF for failing to achieve an adequate surplus in the Fund per the medical malpractice statute; however, we feel that some progress has been made.

Our records show that as of the end of fiscal year 1999, the fund balance was \$71,597,885. As of the end of fiscal year 2000 the fund balance was \$84,831,515. As of the end of the fiscal year 2001, the fund balance was \$103,748,128. Ten years ago, when the Patient's Compensation Fund Oversight Board was created, the fund balance was essentially zero and the unfunded liability was 100%. The Patient's Compensation Fund has requested rate increases yearly to achieve the necessary level of funding. The percent of unfunded liability in 1999 was 83%, in 2000 it was 80%, and in 2001 it was 78%. While the percentages are in excess of the 50% mandated by the statute, progress has been made to reduce the unfunded liability.

The necessary action required to have an adequate surplus would be a dramatic increase in the rates charged to health care providers. This would be a great burden to the medical community and would negate the purpose of the Patient's Compensation Fund, which is to provide reasonably priced malpractice insurance to health care providers in Louisiana. Each year, the Patient's Compensation Fund Oversight Board has a statutorily mandated actuarial study done to determine the need for, and amount of, a rate increase. On October 17, 2001, the Board went before the Louisiana Insurance Rating Commission and requested an overall increase of 8.4%. This increase was approved and will become effective January 1, 2002. We have also taken steps to incorporate a medical expense fee schedule that is expected to significantly reduce our payments on cases in which we are obligated to pay ongoing medical expenses. These actions are expected to further reduce the unfunded liabilities. Efforts will continue, but this is a problem that takes time to resolve.



M. J. "MIKE" FOSTER, JR.
GOVERNOR

State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

December 12, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Re: Finding on Internal Control Weakness Over Seed Appropriation

This office does not concur with the finding and would strenuously argue that no justification to issue a "finding" exists.

As presented, the auditor finding alleges there are control weaknesses over the seed appropriations yet provide no documentation to support a lack or failure of controls and no documentation to support the alleged weaknesses assertion.

Every seed received is reviewed, documented, approved at several levels, documented, and maintained in the computer maintained financial system of the state. The file on the seed is active and is maintained by the State Treasurer and the Office of Statewide Reporting and Accounting Policy. The accounts are reconciled periodically and are always current. If a seed is/has not been repaid in accordance with the original agreement, the agency is contacted and the appropriate corrective action taken.

The reason for the seed appropriation is for cash flow purposes not for permanent funding. This need is particularly necessary on programs operating on federal/self generate revenues where revenues are anticipated to be received at a future point in the fiscal period. Since the purpose of the seed to provide interim cash flow funding and is not to expend funds that would require a utilization of a current revenue source (and concurrent appropriation authority) not already identified, whether the appropriation is stated at a more or less estimated at \$1 or \$1 billion is irrelevant. This is a long established practice within the state financial program with a justifiable need and purpose, which has received legislative approval.

B-32

Daniel G. Kyle, CPA, CFE

Page 2

December 12, 2001

Cash management is a function of my office as well as that of the Treasurer per the legislative act, not the Legislative Auditor. For this and reasons stated above we do not concur with finding, and there is no corrective action required, nor planned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark C. Drennen', written in a cursive style.

Mark C. Drennen

Commissioner of Administration

MCD:WJK:fhk



TREASURER OF THE STATE OF LOUISIANA

John Neely Kennedy
Treasurer

P. O. Box 44154
Baton Rouge, LA 70804
(225) 342-0010

January 7, 2002

Honorable Daniel G. Kyle, CPA, CFE, PH.D, Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Finding Response

Dear Dr. Kyle:

In response to your audit finding regarding the "seed" appropriation contained within the Ancillary Appropriations Bill we respectfully do not concur with your conclusion for the following reasons:

Treasury has provided sufficient notification to the Division of Administration (DOA) in order for the DOA to prepare the Ancillary Appropriations Bill ("Bill"). The notification is in two forms. One, the Department of Treasury only issues "seeds" to state agencies that are approved by the Commissioner of Administration. Two, at fiscal year end Treasury provides the Division of Administration (via the Office of Statewide Reporting and Accounting) a detailed listing of seed activity for the fiscal year which identifies the state agency receiving the seed, the dollar amount of the seed, the dollar amount of the seed returned by the state agency at June 30, the date the dollar amount is returned and the dollar amount of any outstanding seed balances at June 30.

We confirmed with staff of the House Fiscal Division and Senate Fiscal Services that they are made fully aware of the fact that annual seeds are a much greater amount than the \$1 million dollar figure reflected in the Bill. It should be noted that the fact that the appropriated seed amount (be it more or less estimated at \$1,000,000) is understated, in no way benefits Treasury. For example, a significant portion of the total seed amount includes the seed made to the LSUMC Health Care Services Division for the hospitals to meet their cash flow needs during the first quarter of each fiscal year. These health care agencies receive minimal State funds and depend on Federal dollars and self-generated funds which do not fully materialize until after October first.

In summary, the Department of the Treasury is not a participant in the development of the Ancillary Appropriations Bill. This is a function of the Division of Administration and the Legislature. As demonstrated in the above discussion, the Department of the Treasury annually provides adequate notification to the participants in the development of this appropriation.

Thanks, and if you have any questions concerning our response, please call me at 342-0055.

Sincerely,

Ron J. Henson
First Assistant State Treasurer

B-34

RJH:gh



M. J. "MIKE" FOSTER, JR.
GOVERNOR

State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

January 30, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

RE: Single Audit Finding-Weaknesses in Information Systems Controls

Dear Dr. Kyle:

In response to the aforementioned audit finding, the Division of Administration concurs with the majority of the finding. We do not fully concur with the finding part "Interfaces between ISIS/Hr and other systems were not operating properly, which could casue payroll and personnel data to be incomplete and inaccurate" as the responsible party under law for the compliance issue in question is Civil Service.

In addition, while we concur with the findings it is incumbent upon us to point out that the implementation of ISIS HR was a massive technological challenge requiring significant changes to both systems and business processes. Problems were encountered along the way, however, these difficulties are certainly understandable when considering both the budgetary constraints and the enormity of the task required to consolidate and replace three statewide legacy systems: a 28 year old payroll system, and 15 year old position and personnel systems, and concurrently train state agency personnel in its utilization. Most of the findings cited were associated with initial implementation issues and have either been successfully resolved or are in the resolution process in accordance with the attached developed corrective action plan.

We are certain that upon review you will agree that significant progress has already been made towards correcting the deficiencies noted. Progress in stabilizing, enhancing and improving the operations of this new system continues.

Please do not hesitate to contact me if you have additional questions or concerns.

Sincerely,

Mark C. Drennen
Commissioner of Administration

MCD/WJK/CGW/cgw
Attachment

ISIS HR CORRECTIVE ACTION PLAN

Contact: Mary Olexy
Information Technology Statewide Systems Manager
Office of Information Services
Post Office Box 94095
Baton Rouge, LA 70804-9095
E-mail: molexy@doa.state.la.us
Phone: 225-342-0839

OIS did not create a viable test environment separate from the actual production environment, which could cause inaccurate payroll and related benefit payments.

Status: Corrective action completed.

Action: The project did experience technical issues which resulted in an extreme time delay in trying to create a viable production equivalent QAS. Effective July 9, 2001, a viable production equivalent QAS client was made available to the project team and the proper change management processes were put back into place.

Because part of the ISIS/HR system was inoperable during the last pay period in June 2001, the banks receipt of the Electronic File Transfer payroll files and posting to employees accounts were delayed.

Status: Corrective action completed.

Action: While it is acknowledged that some employees did not receive their remuneration as scheduled due to a system communication error, the vast majority of state employees were paid on time due to the cooperation of the banking industry and state officials.

The application server was not down related to a hardware error. The actual problem was the mainframe stopped communicating with the application server on a Saturday morning and it was called into IBM on that Saturday afternoon. The source of the problem was not identified and resolved by IBM until Thursday morning.

The DOA has installed additional application hardware. Further, all actions related to the specific incident have been reviewed by a Payroll Task Force created by the Division of Administration. The Payroll Task Force and Division personnel outlined new policies and procedures and measures have been implemented to insure if such issues occur in the future, they are addressed timely to avoid impact on payroll processing.

ISIS HR CORRECTIVE ACTION PLAN

Excessive downtime existed resulting in periods that ISIS/HR was unavailable and agency users could not perform job functions timely or obtain necessary information.

Status: Corrective action completed.

Action: The Division of Administration secured the services of two consultants with extensive experience in the performance tuning of SAP implemented on OS/390 utilizing DB2 as the database. A number of changes have been implemented to improve system performance and reduce the downtime associated with payroll processing. The following outlines some of the major steps taken as a result of the consultants' review and analysis:

- The mainframe was upgraded with 50% more processing capacity.
- 6 new CPU's were added to the application servers.
- The SAP environment was isolated from the other mainframe systems on a new gigabit ethernet switch.
- Jumbo frames were enabled.
- Payroll processes were optimized.
- Performance tuning was executed on CPU intensive programs.
- Job/batch scheduling was optimized.

As a result of these and other enhancements, the system is now generally available by 10:00 AM on the morning following the execution of payroll. This is 2 hours ahead of the published schedule for the system to become operational following payroll.

Interfaces between ISIS/HR and other systems were not operating properly, which could cause payroll and personnel data to be incomplete and inaccurate.

Status: Where possible, corrective action completed.

Action: We agree with certain parts of the finding and recommendation but do not concur in any part of the finding, which would indicate, or state that the Division of Administration- Office of Statewide Information Systems is the control entity having responsibility or authority to enforce reporting requirements and methods (interfaces). There were four "agencies" that based upon direction and approval from Civil Service on which an agreement was reached to allow for an inbound interface methodology of information maintenance (that is they were not required to do direct entry through ISIS-HRMS SAP as were all other agencies): UNO; Southeastern, LSU and LSU HSC. The Organizational/Position interface was and has been available since October 2000. The Personnel inbound interface did experience issues requiring additional work effort for personnel change action (i.e. reallocation) but has undergone modification by the consultant (CSC/AVM) and has been operational since November.

Due to internal problems, Southeastern University abandoned their use of an interface and is according to the Dept. of Civil Service to utilize direct entry. While University of

ISIS HR CORRECTIVE ACTION PLAN

New Orleans (UNO) has done several successful tests, they have not initiated a regular interface schedule. LSU has been working with the project team and they have successfully interfaced both organizational/position and a portion of their personnel. While the ISIS HRMS project team has been more than willing to meet whenever necessary, LSU-HSC personnel have not been available and therefore no progress on either interface has occurred. While it is the responsibility of the OIS HR staff to assure that the interfaces are working properly, it is the responsibility of the interfacing agency to perform the necessary work to get their data into the proper format. It should be pointed out that the same issues of informational updating existed under the previous legacy systems and therefore the validity of the prior systems information was also at issue.

More importantly, under the provisions of Article X Section 10 of the Constitution it is the Department of State Civil Service, not the Division of Administration, who is the responsible party empowered to enforce rules of employment and reporting (i.e. establishing methods or requirements for agencies to enter their data into ISIS HR) whether through an interface or via direct entry.

No policies or procedures existed that required a periodic reconciliation between ISIS/HR amounts and Advanced Financial System (AFS) amounts to ensure completeness of data.

Status: Corrective action to be completed by March 31, 2002.

Action: A system quality assurance reconciliation between ISIS HR and AFS is performed each morning by the ISIS/HR staff. Additionally, OSUP completes bank and payroll reconciliation on a periodic basis.

The procedure for system quality assurance reconciliation is documented and is currently being tested for completeness. Formal policies should be in place by March 2002.

Reports necessary for financial reporting and agency monitoring, such as the Employee Costing Detail Report and leave reports, were unavailable at various times or contained incorrect information.

Status: Corrective action complete.

Action: The Employee Costing Detail Report was initially designed to run with data coming from the SAP FI module but the volume of data was too immense for the report to process on large agencies or for multiple pay periods. Therefore, a custom table has been built to capture payroll results in the HR module. A replacement report (ZF65) for ZF18 has also been designed and was available for agency use around the middle of October. Since that time, an error was reported and a resolution was forthcoming.

Significant effort has been directed towards resolving implementation reporting issues. It is our opinion that all critical reporting issues have been satisfactorily resolved. As

ISIS HR CORRECTIVE ACTION PLAN

Division staff and/or agencies encounter errors in reports, a problem report is entered in the change management system and the work is prioritized. We are confident that the process currently in place will insure that the most critical problems are addressed in the most expedient manner possible with the resources available.

Proper segregation of duties related to access was not maintained for users associated with at least 63 user IDs.

Status: In process, with an expected completion date of July 31, 2002.

Action: While we agree the use of the SAP_ALL profile should be more restrictive and a better segregation of team functions should exist, we did not have available resources to develop a plan for limiting access until the work associated with W-2 processing has been completed. Work is currently underway to define access needs for all members of the ISIS HR support team and to create different activity groups (security profiles). Once these new activity groups are created, policies to outline the responsibilities of different groups will be documented, communicated and enforced.

OIS has formalized a disaster recovery plan. However, the plan has not been fully tested for all key application systems, which could result in delays in processing or loss of critical data.

Status: In process. The next disaster recovery test will be planned upon completion of contract revisions required due to hardware upgrades.

Action: When the disaster recovery plan was tested this past summer, the mainframe and the RS/6000 (ISIS/HR) boxes were brought up and were communicating. The SAP R/3 application was also brought up on the RS/6000 and connected to the DB2 database on the mainframe. A network connection was not made back to Baton Rouge. Another test was originally scheduled for February 12, 2002.

OCS recently upgraded the mainframe, the UNIX application processors and memory. Accordingly, both the terms and cost of the disaster recovery contract will increase and a change order must be submitted to State Purchasing for approval.

The disaster recovery test planned for February 12, 2002 was cancelled because the pre-upgrade mainframe and RS/6000s were scheduled for the test and IBM would not allow us to change this without modifying the contract. Once the contractual issues are resolved, a test will be scheduled for the first available time slot.



State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

January 4, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

Re: Finding on Alleged Inconsistent Billing of Insurance Premiums

The finding as actually presented consists of two separate issues: (1) an allegation of possible inconsistent billings of insurance premiums, and (2) an allegation of failure to premium bill Road and Bridge Hazard Coverage Lines, thereby creating an undue burden on other programs.

With regard to the allegation of inconsistent billings, if these did occur that decision was made at the agency level and in contravention of express DOA instructions. With regard to the failure to premium bill Road and Bridge Hazard Coverage Lines, the DOA concedes that it did not bill for these premiums, but disagrees that this constitutes valid basis for a finding. Consequently, as will be more fully discussed, DOA disagrees with both the finding and the recommendation.

(1) The Division of Administration, Office of Planning and Budget (OPB), received a list by agency of actuarially based premiums from the Office of Risk Management (ORM). OPB worked with the agencies to determine how the premiums would be funded. When this project was completed, it was determined that State General Fund monies were insufficient to fully fund the State's required share of these premiums. In order to maintain the equality of funding with General Fund and federal funds as dictated by OMB Circular A-87, both were cut equally to reduce the General Fund participation to an acceptable level. Other agency means of financing were left intact and were available to pay the difference in the actuarially determined premiums. These self-generated and statutorily dedicated *state funds* were not cut and were thus available to pay the difference, although the result would be payment of "more than a fair share" from state funds.

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Upon passage of the appropriation act by the legislature and signature by the governor, Appropriation Letters were sent to all agencies. These letters are important to agencies as they authorize and detail agency expenditures for the new year. Included in each agency's packet was a schedule detailing the amount that agency was to pay ORM and setting forth which means of financing were to be used to make the payment. These schedules were consistent with the State's obligations under OMB Circular A-87.

Certain agencies may not have followed the directive of OPB. If this is true, there should be a compliance finding by the auditor directed against those agencies which failed to follow the instructions of the Division, not a finding against the Division of Administration. It is the responsibility of each agency to adhere to established policy and to ensure that invoices are funded with the proper mix of established revenue sources. In all other areas, work is accomplished by the Legislative Auditor to ensure compliance with Division policies and directives, and to report the non-compliance against the entity which has that responsibility. The legislative auditor should properly identify those agencies which may have failed to utilize the proper mix of revenue sources and should direct appropriate findings to them. This would assist the Division in fulfilling its responsibilities under OMB Circular A-87 and would enable the taxpayers of Louisiana to receive the proper level of federal funding in many critical programs.

As noted previously, my office, through the OPB, did substantial work to provide the agencies the information needed to properly pay the Office of Risk Management invoices. The finding in this regard is clearly misdirected and no corrective action is needed by the Division of Administration.

The second issue addressed in the finding is the Legislative Auditor citation that the Division of Administration, Office of Risk Management, failed to charge premiums to the appropriate state agency for Road and Bridge Hazard coverage. "Because DOTD has paid no premium costs for Road and Bridge Hazard coverage, payments by other state and federal agencies for other lines of coverage have necessarily been used by ORM to pay approximately \$240 million of these claims."

The important distinction overlooked by the Legislative Auditor is that while cash reserves have been used to provide the means for payment for the Road and Bridge Hazard coverage, the line of coverage and its requirements have been maintained separately. The finding suggests, by using the word "payment" in the description, that there is a commingling of the lines of insurance and/or that one line of insurance is being asked to support another. This is not true. Each

Daniel G. Kyle, CPA, CFE

Page 3

January 4, 2002

line stands entirely on its own. This is evidenced by the financials ORM prepares and the fact that a copy of the statements from ORM by line of insurance are submitted to OMB-Division of Cost Allocation annually as a part of their review of the Statewide Cost Allocation Plan. As described earlier, this is a cash management issue.

Ultimately, the state is responsible for the premiums for Road and Bridge Hazard and that responsibility has been recognized and separated. It is very important to note that federal programs are not adversely impacted because these premiums have not been billed, as all allocations received from the federal government for transportation programs are being received by the state and used exclusively for transportation programs. No action is required on this finding, as we are meeting OMB regulations.

In summary, if there is some basis for the first issue, the finding should be directed to specific agencies which may have failed to maintain required equity between premium amounts paid from state and federal sources. With regard to the second issue, while DOA did not bill for Road and Bridge Hazard premiums, these requirements have been separately maintained and reported and have had no effect on amounts billed for other lines of insurance. Thus this second issue does not support a finding. Thus, we object to the finding in its totality.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark C. Drennen', is written over a horizontal line.

Mark C. Drennen

Commissioner of Administration

MCD:WJK:fhk



M. J. "MIKE" FOSTER, JR.
GOVERNOR

State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

February 11, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

RE: Single Audit Finding – Internal Audit Function (revised)

We concur in part with the finding that additional internal audit resources are needed in all departments. However, as stated in prior correspondences, we do not concur with that part of the finding which makes a subjective judgment statement that all entities named within the finding have an ineffective internal audit function. Further, the finding fails to delineate or reference the areas of departmental improvement made over the last reporting period.

This office continues to evaluate current internal audit needs and existing resource levels to ascertain the additional level of funding needed to provide that resource and works to find and provide those resources the agencies. As part of this effort, discussions are currently in progress that would provide for a separate internal audit resource, housed within the Division of Administration *to address specific and limited internal audit functions both within and external to the Division of Administration.*

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Dr. Daniel G. Kyle, CPA, CFE
February 11, 2002
Page 2

At the same time, due to the continuing lack of financial resources and this administrations' stated objectives to do more with less, it will remain incumbent upon each department to identify current resources which can reallocated and directed to be utilized for the internal audit function and/or strengthen the internal controls functions within the department/agency.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark C. Drennen', written in a cursive style.

Mark C. Drennen
Commissioner of Administration

MCD/WJK/sm



M. J. "MIKE" FOSTER, JR.
GOVERNOR

State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

February 11, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

RE: Single Audit Finding - Noncompliance with State's Moveable
Property Regulations

The Division of Administration concurs with the finding regarding moveable property. An overwhelming majority of the findings at the twelve agencies were for noncompliance with time limitations on tagging and reporting receipt of property into the state master inventory control system. While the nature of these findings is considered a serious matter, the Louisiana Property Assistance Agency does not believe that these findings merit that punitive sanctions against those agencies should be imposed at this time. In fact at the current time, LPAA is currently amending LAC 34:VII.307 to provide for an increase to 60 days in the tagging requirement for new acquisitions. The Division of Administration and the Louisiana Property Assistance Agency has, and will continue, to pursue corrective actions to ensure that these findings are not repeated. Mr. Floyd Rector, Compliance Program manager, is responsible for the corrective action.

A corrective action plan has been implemented wherein the twelve affected agencies have been assigned to the Program Compliance Audit staff who have been assigned the responsibility to bring the agencies into compliance. The Louisiana Property Assistance Agency auditors will monitor the compliance of the affected agencies and advise agency management of any non-compliance situations that occur.

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Dr. Daniel G. Kyle
February 11, 2002
Page 2

It should also be noted that the audit staff of LPAA conducted six (6) statewide property training seminars since June of 1999 in which over 500 state property personnel were trained. The audit staff will continue to conduct training seminars and individual training for property personnel. Also, recent changes to LAC 34:VII.307, which increased the tagging threshold to \$1000, in combination with the new sixty (60) day rule for tagging new qualifying acquisitions will greatly reduce the workload of property managers and should reduce the level of non-compliance in this area.

It is our belief that with increased compliance effort, the increase in auditing staff, additional training, and more one-on-one contact with all agencies, there should be a dramatic reduction in future audit findings. Due to the size and moveable aspects of the state property inventory, it is impossible for us to guarantee that there will be no future findings; however, this agency is dedicated to keeping any future findings to a minimum.

Sincerely,



Mark C. Drennen
Commissioner of Administration

MCD/WJK/sm



State of Louisiana
Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804



December 3, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
P. O. Box 94397
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Shreveport

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TDD

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800.259.6771

Re: Deficiencies in Provider Contract Administration

Dear Dr. Kyle:

In response to the finding related to deficiencies in provider contract administration, we offer the following.

We concur with this finding. Office of Group Benefits (OGB) contracts with approximately 12,000 providers through 3,000 separate contractual agreements. During the past two years this office has undertaken a substantial effort to improve the provider contracting process. It is our belief that for the FY 2001-02 plan year, the contracting problems reported in the above-referenced finding should be resolved.

Problems identified by the auditors for the FY 2000-01 fiscal year could not be addressed on a retroactive basis due to limitations in personnel and the large number of individualized contracts that have existed in the past. In order to avoid occurrences of the problems identified by your office in the future, contracts and reimbursement processes have been standardized. These changes will enable OGB to efficiently and effectively monitor contracts and corresponding reimbursement schedules within the RIMS claims adjudication system.

Thank you for the opportunity to respond to your finding. If I may provide additional information or assistance, please contact me.

Sincerely,

A. Kip Wall
Chief Executive Officer

An
Equal
Opportunity
Employer



State of Louisiana
Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804



December 5, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
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800.259.6771

Re: Noncompliance with Claims Payment Law

Dear Dr. Kyle:

In response to the finding relative to noncompliance with claims payment law, please note the following.

We concur that claims must be paid within 30 days of receipt in accordance with state law. We further concur that claims were processed but not paid within 30 days during the fiscal year due to cash shortages resulting from insufficient premium revenues.

Based on actuarial recommendations and projections, a rate increase of 12.5% was effective on July 1, 2000. During the fiscal year, we received a general appropriation of over \$76 million authorized by the legislature to assist in paying claims.

Another premium rate increase of 18.2% for the PPO and 25.2% for the EPO was effective July 1, 2001 and OGB has been named to receive another general appropriation during fiscal year 2003.

OGB will continue to establish premium rates as recommended by the actuarial consultants, but sufficient funding to cover health care costs cannot be guaranteed.

Sincerely,

A. Kip Welch
Chief Executive Officer

An
Equal
Opportunity
Employer



M. J. "Mike" Foster, Jr.
GOVERNOR

**STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS**



December 4, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P. O. Box 943967
Baton Rouge, LA 70804-9397

RE: Department of Health and Hospitals
Legislative Audit Finding, Calendar Year 2000
Improper Claims by Case Management Providers

Dear Dr. Kyle:

This is in response to your reportable audit finding of "Improper Claims by Case Management Providers" for the calendar year 2000. We appreciate the thoroughness and care with which your office reviewed both the activities of waiver case management agencies as well as service providers. Our Department is in the process of using the data in your report to complete a quality review of the case management system as well as visit recipients identified in the audit to insure that their health and welfare is addressed.

Your findings focus on areas which the Department recognizes and is currently working diligently to address. We recognize that there remains areas of concern in the coordinated provision of case management services and billing for these services by Case Management providers in Louisiana. However we also have been working on improving Case Management services in Louisiana since 1998. There is an on-going need to balance the needs of recipients, their requests for how case management services should be provided and the need for case management agency accountability. Direct Quality Assurance activities for Case Management and other home and community-based services is implemented by DHH using 13 regional employees. One employee is assigned in each of eight DHH Administrative Regions and two employees are assigned in one region to directly monitor services. In addition, DHH has recently added another employee to monitor case management contract compliance. With the number of service providers (over 500) and the number

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OFFICE OF THE SECRETARY • BUREAU OF COMMUNITY SUPPORTS AND SERVICES
446 NORTH 12TH STREET • BATON ROUGE, LOUISIANA 70802-4613
PHONE #: 225-219-0200 • FAX #: 225-219-0202
"AN EQUAL OPPORTUNITY EMPLOYER"

Dr. Daniel J. Kyle
December 4, 2001
Page 2

of recipients (over 7000) and continuing to increase each month, it is necessary for DHH to continue to actively address quality issues in these services. Therefore, in addition to the specially assigned state-wide staff and regional staff in the Bureau of Community Supports and Services, DHH has directed our SURS Unit to continue to monitor the ongoing needs in this program

We have already addressed some of the issues outlined in this report by modifying the case management prior authorization system, clarifying documentation requirements and modifying the department's monitoring procedures.

The Department of Health and Hospitals intends for these system enhancements to improve accountability, and thus enable us to operate more efficiently and effectively and avoid in the future, similar systemic findings identified by your staff during this review.

Please let me know if you have questions or need further clarification about this plan. My telephone number is (225) 219-0223. All contact persons mentioned in this report can be reached through this number.

Sincerely,



Barbara C. Dodge, Director
Bureau of Community Supports and Services
Department of Health and Hospitals

cc: David W. Hood
Charles Castille
Ben Bearden
BCSS Managers named in response
Stan Mead

Department of Health and Hospitals
Improper Claims by Case Management Providers: Corrective Action Plan:
Calendar Year 2000 Audit
12-4-01

Case Management

Prior Authorization

DHH had already identified the problem with the Prior Authorization System for Case Management which allowed for over billing and had taken initial steps to correct this problem. The System allowed Prior Authorization for a three month period and allowed case management agencies to bill for these months before the outcomes data was entered into the data system for review. This put DHH in the position of having to recoup monies incorrectly billed. This was labor intensive and failed to insure that recipients were receiving the appropriate services.

As an interim correction, effective July 2001, case management agencies were not allowed to bill for a full quarter unless they met all expected outcomes. Full correction of the prior authorization procedures will be made concurrent with the implementation of the new case management contracts effective March 1, 2002.

Case Management Contract Monitoring

A contract monitoring position to insure that contracted services are being provided as determined by the RFP and Contracts has been established. New case management contracts will be effective March 1, 2002 and will address correction of audit findings. New accountability measures will be addressed in these contracts. Case Management Agencies will not be allowed to bill without reconciliation of face to face services, service observation, a records review, documentation, and billing. In addition, new procedures for on-site monitoring of services will be established.

Target Date: March 1, 2002 Persons Responsible: Judy Baker, Jean Melancon, Sue Merrill



STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



M. J. "Mike" Foster, Jr.
GOVERNOR

December 4, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P. O. Box 943967
Baton Rouge, LA 70804-9397

RE: Department of Health and Hospitals
Legislative Audit Finding, Calendar Year 2000
Improper Claims by Waiver Services Providers

Dear Dr. Kyle,

This is in response to your reportable audit finding of "Improper Claims by Waiver Services Providers" for the calendar year 2000. We appreciate the thoroughness, professionalism and care with which your office reviewed the activities of waiver service providers. Our Department is in the process of using the data in your report to complete a quality review of the wavier system as well as visit recipients identified in the audit to insure that their health and welfare is addressed.

Your findings focus on areas which the Department recognizes as needs and is currently working diligently to address. We concur that there remains areas of concern in the coordinated provision of services and billing for waiver services by providers in Louisiana.

Since 1998, DHH has been actively working to address the requirement to balance the needs of recipients, their requests for how services should be provided and the need for service accountability. Quality Assurance activities are implemented using 13 employees. One employee is assigned in each of eight DHH Administrative Regions and two employees are assigned in one region to directly monitor services. In addition, DHH has given specific responsibility for the monitoring of some billing practices to Case Managers. This has been unpopular with recipients, providers and case managers alike but was non the less felt to be necessary due to the growing size of the home and community based service system.

Office Of The Secretary . Bureau of Community Supports & Services
446 North 12th Street . Baton Rouge, Louisiana 70802-4613
Phone: 225/219-0200 Fax: 225/219-0202
"An Equal Opportunity Employer"

With the number of service providers (over 500) and the number of recipients (over 7,000) continuing to increase each month, it is necessary for DHH to continue to actively address Quality issues in Waiver Services. Therefore, in addition to the specially assigned regional staff in the Bureau of Community Supports and Services and increased monitoring by Contracted Case Managers, DHH has directed our SURS Unit to address the ongoing needs in this program.

The audit for fiscal year ending 6-30-00 revealed similar findings as the calendar year 2000 review. DHH, at the time of that review, proposed a set of corrective actions targeted at the resolution of the audit findings. We have been working to implement the corrective actions for the FY 00 response. Due to the short time span between last year's audit and this year's audit, we feel that there has not been adequate time between the corrective action planning and the implementation of our corrective actions to demonstrate results in your audit findings for this reporting period. Outlined below is the status of these activities:

Systems Development

The Department has implemented a Prior Authorization System. It has been fully operational since February 28, 2001. This automated system will allow the Department to prior authorize supports and services increasing the integrity of the service billing system and assuring service delivery, as prescribed in the approved plan of care. Of interest, some service providers are not happy with the implementation of this accountability system and it is meeting with dissatisfaction by these providers and some advocates. However, we believe that this system will allow DHH to use its limited resources more efficiently and effectively in service provision as well as addressing the concerns noted in your audit. Target Date Completed. Contact person: Janith Miller.

Standards for Participation of Current Service Providers and Future Service Providers

The Department is developing standards for participation and criteria for all current waiver service providers and for future service providers to ensure that providers have the experience and training necessary to provide quality supports and services. Enrollment in the Medicaid program for providers of waiver services will be limited to designated enrollment periods and training will be provided to assure that DHH's expectations of quality are clearly communicated. The Department plans to implement Rule-making necessary to begin this process by July 1, 2002. Contact persons: Sue Merrill and Delphine Jackson

Policy Development

Service definitions were re-written in an attempt to clarify and make clear service definitions this year. A Notice of Intent clarifying the MR/DD Service Definitions was published in the October 20, 2001 Louisiana Register. Providers, Advocates and Recipients were dissatisfied with the proposal. Therefore, DHH will need to address this concern using other methods to communicate expectations with providers. The Department of Social Services licenses the agencies who provide waiver services. We have begun a collaborative effort with this agency to address some of these concerns and we have also begun the development of a new waiver which will define services based on a new set of definitions and expectations for providers. Target Date: September 30, 2002. Contact person: Claudette Hill

Service Documentation and Progress Notes

Documentation is a key component of quality service provision. It is the indicator that services actually occurred, that services were consistent with the plan of care and that the expected outcomes were obtained. DHH developed a clarification of the required components of documentation necessary to monitor recipient services and progress. Case Managers and Service Providers were provided specific, written information on this system this year. Education on this process is on-going. Target Date: Ongoing. Contact Person: Judy Baker, Sue Merrill, Judy Moore

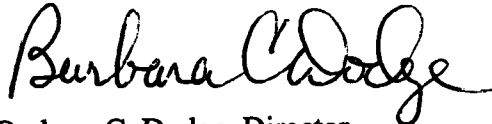
Monitoring of Services

As systems described above are implemented, monitoring activities by DHH and contract Case Managers are being implemented to insure that services planned, are provided and remain appropriate for the recipients. These monitoring changes are being implemented and will continue through system development and implementation of systems outlined above. Target Date: Ongoing. Contact person: Sue Merrill

The Department of Health and Hospitals intends for efforts related to system enhancements to improve accountability, and thus enable us to operate more efficiently and effectively and avoid in the future, similar systemic findings as identified by your staff during this review.

Please let me know if you have questions or need further clarification about this plan. My telephone number is (225) 219-0223. All contact persons mentioned in this report can be reached through this number.

Sincerely,



Barbara C. Dodge, Director
Bureau of Community Supports and Services
Department of Health and Hospitals

CC: David W. Hood
Charles Castille
Ben Bearden
Stan Mead
BCSS Managers named in response

Department of Health and Hospitals
Improper Claims by Waiver Services Providers: Corrective Action Plan
12-4-01

Systems Development

The Department has implemented a Prior Authorization System that is fully operational since February 28, 2001. This automated system is allowing the Department to prior authorize supports and services increasing the integrity of the service billing system and assuring service delivery as prescribed in the approved plan of care. Edits in the payment system with MMIS and UNISYS are currently being reviewed to ensure further that these systems are current and in place to prevent inappropriate billing. **Target Date: March 15, 2002. Contact person: Janith Miller.**

Standards for Participation of Current Service Providers and Future Service Providers

The Department is developing standards for participation and criteria for all service providers and for future service providers to ensure they have the experience and training necessary to provide quality supports and services. Enrollment in the Medicaid program for providers of waiver services will be limited to designated enrollment periods and training will be given to providers to assure that our expectations of quality are outlined and maintained. The Department plans to complete Rule-making necessary to implement this process by July 1, 2002.

Contact person: Sue Merrill and Delphine Jackson

Policy Development

Service definitions were re-written in an attempt to clarify and make clear service definitions. A notice of intent to clarify service definitions was published in the October 20, 2001 Louisiana Register. Providers, Advocates and Recipients were dissatisfied with the proposal and DHH will plan other methods to communicate expectations with providers as we work with the Department of Social Services who licenses these agencies. In addition, DHH plans to begin development of a new waiver which will define services and will outline a new set of expectations for providers.

Target Date: September 30, 2002. Contact person: Claudette Hill

Service Documentation and Progress Notes

Documentation is a key component of quality service provision. It is the indicator that services happened, that services were consistent with the plan of care and that the expected outcomes by the department and the recipient were obtained. DHH developed a definition of required components of documentation necessary to monitor progress and services provided to recipients. Case Managers and Service Providers were provided specific expectations on this documentation system beginning and ongoing since March 31, 2001. Ongoing and Continued education will be provided in this area. **Contact Person: Judy Baker, Sue Merrill, Judy Moore**

Monitoring of Case Management and Provider Services

As systems described above are implemented, monitoring activities by DHH and contract Case Managers will be re-focused to implement outcomes monitoring to insure that services planned are provided and remain appropriate for the recipients. These monitoring changes are being implemented with contract case managers and service providers and will continue through system development and implementation.

Due to the rapidly growing number of service providers, case managers and recipients, three additional positions will be assigned responsibilities to focus on evaluation of target areas of repeat concerns. **Target Date: Ongoing. Contact person: Sue Merrill**



RICHARD P. IEYOUB
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
ADMINISTRATIVE SERVICES DIVISION
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TELEPHONE (225) 342-7876
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December 5, 2001

Dr. Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Attorney General's Official Response to Reportable Audit Finding

Dear Auditor:

Pursuant to your request, the following is my response to the reportable audit finding relating to the inaccurate Annual Fiscal Report for the Department of Justice. The Department concurs with the finding. The following steps will be taken to address issues of the audit finding:

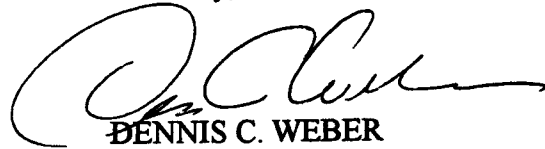
- A meeting with key accounting personnel and supervisors is planned. A discussion of the finding and other key areas will be reviewed to help insure that these errors do not occur again.
- We will interview for an additional professional accountant to assist the section in their accounting functions and responsibilities.
- We will meet with our Collection Section – Accounting personnel to make sure they are aware of reporting changes on delinquent student loans escrow account.
- We will take the necessary steps to have annual fiscal report reviewed before submitting to OSRAP.
- Reconciliation of bank accounts will be reviewed in a timely matter. Each reconciliation report will be initialed and dated by the reviewer.

The persons responsible for the corrective actions will be Jack E. Hightower, Jr. and Dianne J. Shelmire. The anticipated completion date of the corrective actions will be on or before January 14, 2002.

Dr. Daniel G. Kyle
Legislative Auditor
December 5, 2001
Page - 2

The Department of Justice has taken pride in past years for reporting complete and accurate information. Prior to the release of the 2001 – 2002 Annual Fiscal Report, we will take whatever steps necessary to insure departmental supervisors review the report before it is released.

Sincerely,

A handwritten signature in black ink, appearing to read "D. C. Weber", written over the printed name.

DENNIS C. WEBER
First Assistant Attorney General

RPI:djs



LOUISIANA WORKS
DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

December 3, 2001

OFFICE OF THE SECRETARY

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

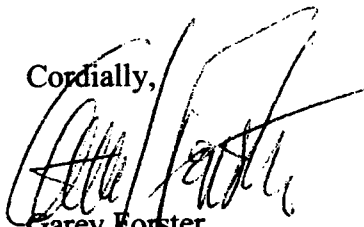
This is in response to the letter dated November 26, 2001 concerning the Inaccurate Schedule of Expenditures of Federal Awards. We concur with the finding and would like to point out the following.

When we converted from the FARS system to the ISIS system, OSIS did the conversion and all programming of reports. On August 21, 2001, we notified and furnished documentation to OSIS of the problems with the ISIS reports. Attached you will find a copy of our request. It is our understanding that to correct the problem, it would take programming and that could not be done in time for the AFR.

Since the department can only request corrective action from OSIS, we feel that once OSIS has corrected the programming of the 2C reports this finding should not reoccur.

If additional information is needed please contact Mr. Cyril Buchert at (225) 342-3110.

Cordially,



Garey Forster
Secretary of Labor

GJF/JB/sj

B-58

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M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

September 14, 2001

Dr. Daniel Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804

Dear Dr. Kyle:

The following is a response to the audit finding for Information System User Access Not Effectively Monitored.

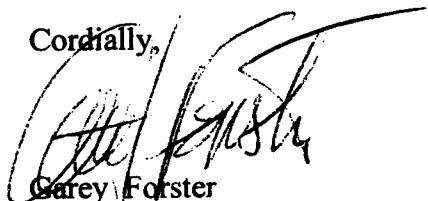
We partially concur with this finding. Management did place emphasis on assigning and monitoring the access of the various user of the ISIS system. A corrective action plan was put in place.

On November 27, 2000, the Fiscal Officer sent to each manager within the Fiscal Unit a list of all user-ids and asked each manager to review and/or correct all employees under their supervision. This information was partially collected and corrected. Management requested a second review in April of 2001 that did not raise the concerns that your auditors have.

We have implemented a quarterly reminder and will update or correct the system at least annually by March 1.

If you have any questions, please contact me.

Cordially,



Garey Forster
Secretary of Labor

GF/JB/sj

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LOUISIANA WORKS

DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

November 16, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

This is in response to the letter dated October 18, 2001 concerning the audit of the Louisiana Department of Labor, Office of Workforce Development, Technical Assistance Section. We partially concur with the finding for insufficient monitoring of JTPA subrecipient audits in that we can improve our oversight, specifically in the area of evaluation and implementation of acceptable corrective action plans of the State Level Contracts. The corrective action plan will be addressed as follows:

Audit Control Log:

- Telephone calls were made and documented to obtain the four current and one prior fiscal year audit reports. Also, increased emphasis will be given to tracking and receiving the audits of state level contracts.
- Inconsistent and inaccurate entries posted to the audit log will be eliminated by assigning the audit status tracking responsibility to the Workforce Development Assistant (WDA) as a primary duty. The log will be maintained in the shared computer memory, a Lotus Notes calendar tickler file will be established to alert the WDA, each Technical Assistant Specialist, and the Chief when an audit is due. Three letters will be sent to the grant subrecipient notifying them of the noncompliance with OMB Circular No. A-133, Subpart B-Audits, Section 225 Sanctions. The Technical Assistant Specialist will follow-up with a telephone call after the first letter, the Chief will follow-up after the second letter, and the Program Manager after the third letter. In addition, the Program Manager will notify the Assistant Secretary of Labor of the subrecipient's noncompliance.

Resolution Procedures and CFDA Titles and Numbers:

- The initial determination and final determination letters for the audit report was processed on May 10, 2001.

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Dr. Daniel G. Kyle, CPA, CFE

Page 2

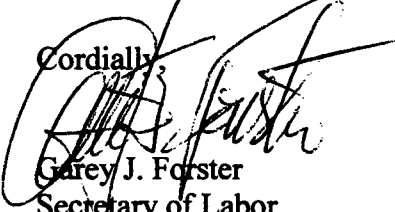
November 16, 2001

- The Department included correct CFDA numbers and titles in the current contracts to implement corrective action for errors previously noted with the CFDA numbers and titles of JTPA/WIA in the audit reports for the year ending 12/31/99. However, contracts written prior to the implementation of this corrective action would not have contained this modification or additional information. An instruction listings the funding titles and appropriate CFDA numbers will be forwarded to all grant subrecipients to insure that the engaged auditor provides the correct number and title of federal awards in their audit reports. If errors are noted, LDOL will request the grant subrecipient to obtain and forward the corrections.

The Department continues to emphasize the need for improved audit resolution and control. Additional efforts are being made to insure that staff and subrecipients are aware of audit responsibilities. Centralizing the audit control with the Workforce Development Assistant in the Technical Assistance Unit should create a more efficient and easily maintained system until such time that it can be transferred fully to the Budget Unit.

If additional information is needed, please contact Mr. Cecil Sandlin at (225) 342-7631.

Cordially,



Garey J. Forster
Secretary of Labor

GJF/DMW



LOUISIANA WORKS
DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

December 3, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804

Dear Dr. Kyle:

The following is a response to the audit finding of Noncompliance with Federal Cash Management Requirements for the Community Services Block Grant (CSBG) Program as presented by the Legislative Auditors.

The department already addressed this issue before the finding was distributed on October 30, 2001. This problem was a direct result of lack of experience with ISIS and working with only one operating cash account (6000). Unfortunately, the ISIS vendor numbers for the recipient cap agencies of the CSBG program are the highest numbers that the department pays out of the communal cash account. Any mistake or oversight in the coordination of the draws to fund the twice-weekly check issuances shorted CSBG and delayed them to the next cycle. The Fiscal Section had been trying to correct this cash coordination problem for a while but was finally successfully in resolving it early this fiscal year.

Effective July 1, 2001, the procedure was revised. When the budget is approved, the funds approved are made available to the agency. Budgeted funds are warranted for payment to the subrecipients and the Federal Funds are not drawn until the date checks are issued.

If additional information is needed, please contact Mr. Cyril Buchert at (225) 342-3110.

Cordially,

Garey Forster
Secretary of Labor

GF/CAB/kn

B-62

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DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

November 16, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of Legislative Auditor
State Of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

This is our response to the following audit finding that was identified in your letter of October 25, 2001.

Finding: On-Site Monitoring of WIA Subrecipients Not Sufficient

Response: Each year we have made substantial improvements to our monitoring process through our initiative and in response to auditor's prior comments or findings. Overall, we did a very good job of monitoring our subrecipients in the first year of the new WIA program. The auditor found two areas in our WIA monitoring program that needed improvement. We concur that improvement is needed in these two areas and we have initiated specific actions to address these issues. A separate response to the two items is provided below:

- The Workforce Investment Act (WIA) monitoring review guide that is completed for each on-site review is 111 pages long and contains hundreds of review items. It is a comprehensive review that covers all management, financial, and programmatic issues related to the WIA program. In certain instances, monitoring reports did not adequately document one of these review items, the reconciliation of expenditure reports with accounting records. Although in most cases expenditure reports and accounting records were attached to the report, the reconciliation of these records was not clearly identified. Corrective Action: Specific instructions have been issued to staff addressing this issue and staff training will be provided to ensure that this item is adequately reviewed and documented.
- Monitoring of WIA subrecipients was completed according to schedule and all programs were reviewed during the program year. However, there was a delay in issuing the reports to the WIA technical assistance section. The Chief of Monitoring is responsible for reviewing and approving all monitoring reports before they are issued to the technical assistance section. This position was vacant during the period of time in which these monitoring reviews took place. This responsibility and other duties of this position were absorbed temporarily by a manager, until the position could be filled. As a result, the monitoring reports were not issued as quickly as they would have been with a staff person dedicated full-

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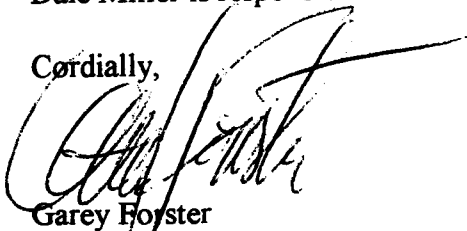
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Dr. Kyle
Page 2
November 16, 2001

time to these functions. Corrective Action: We have interviewed applicants for the vacant Chief of Monitoring position and expect it to be filled within 30 days. A policy will also be issued identifying an appropriate period of time for each step in the process of reviewing, approving, and issuing WIA monitoring reports.

All corrective actions identified above will be completed no later than December 14, 2001. Mr. Dale Miller is responsible for these corrective actions.

Cordially,

A handwritten signature in black ink, appearing to read "Garey Forster", written over the word "Cordially,".

Garey Forster
Secretary of Labor

GJF:DM:mh



LOUISIANA WORKS
DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

September 14, 2001

Dr. Daniel Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804

Dear Dr. Kyle:

The following is a response to the audit finding for Unemployment Insurance Costs Charged Outside of Funding Period.

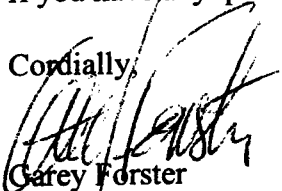
We partially concur with the finding. As you are aware, we recently converted our federal accounting system FARS to the State ISIS Accounting System. At that time, the conversion team decided not to load FARS balances in the new ISIS system. Consequently, the FARS system was closed without having the fund ledgers reconciled. The account balances were deposited in an escrow account in the treasury until the system was properly closed out. We are in the process of closing out the FARS system. Once this has been done we will load the fund ledger balances in the ISIS system. At the same time, we are negotiating with the Federal Government and possibly making Federal mandated corrections to the ISIS fund ledgers.

Once this has been accomplished, we will be able to fully address the finding. We have already identified Automation Acquisition in the amount of approximately \$500,000, which will account for some of the \$1.3 million. We feel comfortable that once we have closed out the FARS system and carryover balances established in ISIS, we would be able to address the finding.

I would like to also point out that these questioned expenditures occurred before and since then we had the October 17, 2000 finding, we have implemented corrective actions that should prevent a recurrence. Further, a meeting is scheduled on September 24 with USDOL to negotiate and resolve the findings for 1999 & 2000 that will impact these funds & expenditures.

If you have any questions, please contact me.

Cordially,


Garey Forster
Secretary of Labor

GF/JB/sj

B-65

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LOUISIANA WORKS

DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.
Governor

Garey Forster
Secretary

OFFICE OF THE SECRETARY

December 4, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

This is in response to the letter dated November 26, 2001 concerning the Unidentified Federal/ State Cash Balances. We concur with the finding. We will continue working to identify the funds to determine an equitable distribution of the balance in the FARS escrow account. This should be the final step in our closeout of the old FARS accounting system.

If additional information is needed, please contact Mr. Cyril Buchert, Jr. at (225) 342-3110.

Cordially,

Garey Forster
Secretary of Labor

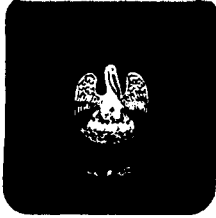
GJF/JB/sj

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LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

822 Neosho Avenue

Baton Rouge, Louisiana 70802-4219

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F. Mike Stone
Nicholas P. Trist, Jr.

Student Members

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*Louisiana Technical College
Baton Rouge Campus*

Priscilla Sinz
*Bossier Parish Community
College*



Wayne Brown, Ph.D.
System President

September 7, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

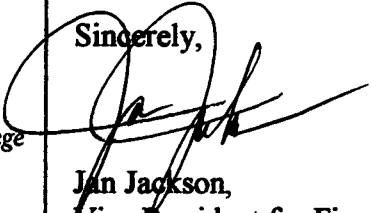
Dear Dr. Kyle:

Management of the Louisiana Community and Technical College System (LCTCS) concurs with the finding related to **Funds Not Deposited Into The State Treasury**.

During the 2002 Legislative Session we will work with Board Counsel, the Board of Regents Staff, and legislators and their staffs. Our objective will be introducing legislation to exempt LCTCS institutions from the requirement to deposit State generated funds into the State treasury by placing them outside the definition of state board, agency or commission.

Please let me know if you have any questions regarding our response.

Sincerely,


Jan Jackson,

Vice President for Finance, Administration, MIS and Planning



LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

822 Neosho Avenue
Baton Rouge, Louisiana 70802-4219
Telephone: 225/219-8700
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November 26, 2001

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Student Members

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*Bossier Parish Community
College*



Walter G. Bumphus, Ph.D.
Interim System President

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge LA 70804-9397

Dear Dr. Kyle:

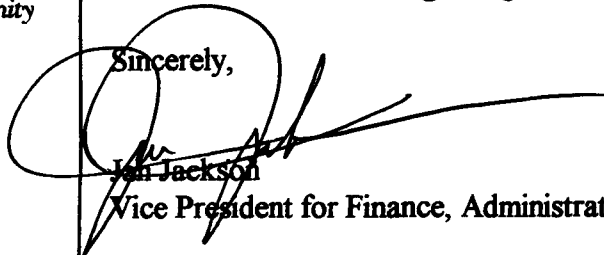
Management of the Board of Supervisors of the Louisiana Community and Technical College System (LCTCS) concurs with the finding and recommendations related to the finding "Inaccurate Annual Fiscal Report."

The Board of Supervisors of the LCTCS recognizes the importance of submitting a timely and accurate annual financial report. To provide additional review for accuracy and consistent reporting across the system, the Board submitted a consolidated annual financial report for the system, combining the financial statements of the eight LCTCS colleges and the system office.

However, considering the time constraints between the fiscal year end close and the limited size of the staff, the Board office is currently examining the feasibility of continued preparation of a combined statement on behalf of the system.

The individual responsible for corrective action is Joe Marin, Director of Budget and Financial affairs. Please let me know if you have any questions or need additional information regarding our response.

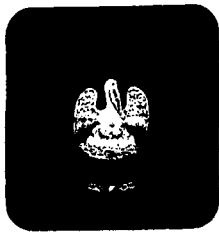
Sincerely,



Jan Jackson

Vice President for Finance, Administration, MIS & Planning

cc: Dr. Walter G. Bumphus



LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

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Baton Rouge, Louisiana 70802-4219
Telephone: 225/219-8700
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Baton Rouge Campus*

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*Bossier Parish Community
College*



Walter G. Bumphus, Ph.D.
Interim System President

December 12, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Audit Findings - LCTCS

Dear Dr. Kyle:

Management of the Board of Supervisors of the Louisiana Community and Technical College System concurs in part with the finding related to "Inadequate User Controls in Electronic Data Processing (EDP) Systems".

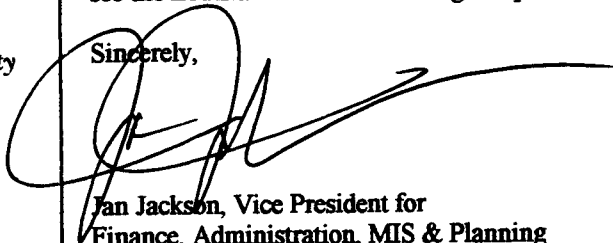
Management recognizes the need for additional controls to insure timely removal of terminated or reclassified employees from EDP systems and has enhanced the agency separation/reclassification process to include a verification of the deletion or modification of EDP system access.

The finding also stated that all LCTCS employees with ISIS/HR access could enter a new hire, create a new position, and enter time sheet data on an agency employee. Management agrees in part. The time administrators only have access to their own designated security areas, however due to a limited Human Resources staff of only two employees, the Human Resources Director and the coordinator have access for the three types of transactions mentioned above. In recognition of the need for the Human Resources staff to have this access, management instituted compensating controls in March 2001.

Management agrees with the need for reconciliation of payroll systems between ISIS/HR and the AFS, however because the systems are integrated the need for reconciliation should be minimal. The LCTCS financial staff is pursuing the use of newly created reports for this purpose with the Office of Statewide Information Systems.

The individuals responsible for LCTCS corrective action are Joseph Marin and Lura Kamiya. Please see the Louisiana Technical College response from Chancellor Roden enclosed under separate cover.

Sincerely,


Jan Jackson, Vice President for
Finance, Administration, MIS & Planning



LOUISIANA TECHNICAL COLLEGE

Office of the Chancellor

822 Neosho Avenue
Baton Rouge, Louisiana 70802-4219
Telephone: 225/219-8773
Facsimile: 225/219-9497

William J. Roden, J.D.
Chancellor

November 20, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

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Sowela Campus
Sullivan Campus
T. H. Harris Campus
Tallulah Campus
Teche Area Campus
West Jefferson Campus
Westside Campus
Young Memorial Campus

RE: Audit Finding – LTC – Inadequate User Controls in Electronic Data Processing (EDP) Systems

Dear Dr. Kyle:

The management of the Louisiana Technical College (LTC) recognizes its responsibility to ensure that efficient and effective practices of fiscal management and control are established and followed. Consequently, we take seriously the findings in the audit. While we have identified the personnel at either the campus or LTC level who are primarily responsible for remediation or compliance, the LTC management will assume ultimate responsibility for ensuring compliance with the corrective actions in accordance with the timelines established in this response letter.

In general, the management of the Louisiana Technical College concurs with the findings and recommendations related in the November 8, 2001, reportable audit findings for the Louisiana Technical College. There are, however, findings with which we take exception and have stated the reasons in this letter.

LTC management findings and recommendations related to 'Inadequate User Controls in Electronic Data Processing (EDP) Systems' are as follows:

1. Deficiencies in controls relative to AFS - Former Employees of the Westside and Central Office had access to either AGPS or AFS. LTC management concurs with the finding.

Corrective Action: The Security Administration function was assigned to Elizabeth Bynog at the Alexandria campus in March. Ms. Bynog began reviewing security access. As she became aware that an employee left the LTC, she would deactivate their security access. The employees at the Westside campus were deactivated in June, which is when Ms. Bynog was notified. One employee at the Central Office had been transferred from a position that required access to AGPS, to a position that did not, but was in

the process of training the new employee. Access was deactivated for this employee in June. One employee at the Central Office should have been deactivated earlier, but was not until June.

Timeline: Ms. Bynog deletes userids as soon as she becomes aware that an employee no longer requires access to the system.

Compliance Responsibility: Ms. Gaye Smith, Chief Financial Officer, is responsible for ensuring compliance to corrective action listed above.

2. Deficiencies relative to AGPS - Security Administrator is not reviewing employee access periodically to determine whether assigned access is necessary to job duties - LTC management does not concur with the finding.

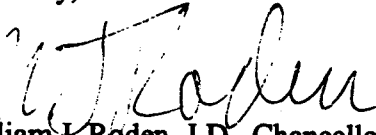
Corrective Action: Young Memorial Campus does not have a separate Security Administrator. There is only one security Administrator for the LTC. Ms. Bynog periodically reviews security for access to documents, and contacts campuses to verify needed access. Changes are made to security profiles as necessary.

Timeline: This function is ongoing and was implemented when Ms. Bynog was appointed Security Administrator.

Compliance Responsibility: Ms. Elizabeth Bynog, Security Administrator, is responsible for periodic review of security access.

3. Deficiencies relative to ISIS/HR - We concur with the finding cited by the Legislative Auditors. Steps will be taken by the agency to ensure that system accessibility controls are adequate, timely reconciliation is performed, and the system is monitored to identify errors. Lorraine Murry has responsibility for ensuring that problems for LTC are corrected.

Sincerely,


William J. Roden, J.D., Chancellor
Louisiana Technical College 

November 21, 2001

School of Medicine in New Orleans
School of Medicine in Shreveport
School of Dentistry
School of Nursing
School of Allied Health Professions
School of Graduate Studies
Health Care Services Division

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Audit Finding – Inventory System Not Fully Functional

Dear Dr. Kyle:

The Louisiana State University Health Sciences Center - Health Care Services Division concurs with the finding regarding the Inventory System, but offers the following comments.

Response/Corrective Actions:

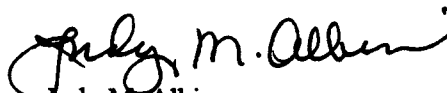
- LSUHSC-HCSD acknowledges that there have been conversion and deployment issues with the PeopleSoft Inventory Module. However, any reference made by the Auditors regarding the production readiness of the PeopleSoft inventory application is inaccurate and misleading. The PeopleSoft Inventory Application was production ready as it was delivered to the LSU Health Sciences Center. It was not beta or first generation based programming. Both PeopleSoft and our implementation partner, KPMG, made those assurances to us.
- Prior to the first go-live, the Inventory Module was tested by the project team and KPMG to validate that the system would work appropriately and as designed. There was no further testing done between multiple business units using the integrated element of the system, so the problems cited by the Auditors with sharing this data, particularly as it relates to state contracts, across multiple inventory business units and general ledger business units was not realized until actual data was brought into the PeopleSoft inventory system at the point of go-live. The legal requirement of the hospitals to use a standard state contract if available further complicated the deployment of a standardized integrated inventory system.
- This is the first attempt to implement a consistent, standardized inventory system in LSUHSC-HCSD in the history of this hospital system. Prior to PeopleSoft, there was no standardized system for inventory management or integration available with a purchasing system. Each hospital had a separate and "non integrated" inventory application. The purchasing integration and effort involved in training approximately one hundred employees for the establishment and set up of the initial load of twenty-one separate inventories across nine hospitals was a considerable challenge for the PeopleSoft Project Team. While the PeopleSoft Inventory system cannot guarantee that items are always posted correctly, the integrated features of the system

provides several edit points that should validate that an item will be procured, received and issued according to the attributes defined at an item level.

- The LSUHSC-HCSD component of the PeopleSoft Purchasing/Inventory project team is in the process of identifying all duplicate items, assigning uniform units of measure and making correct item associations to those areas of the inventory system where there are problems. This information will be communicated to all Inventory Business Units as it's completed. Further, standardization protocols are being prepared that will be implemented by LSUHSC-HCSD executive management directive to reduce the potential of this type of problem from happening in the future.
- Prior to "go live" on the new system, all inventory business unit support staffs were instructed on how to validate that items would post appropriately (by viewing the "Put Away Tab" on the Receiver panel) at point of receipt. If this process was not done appropriately then there was a chance that the receipt would not convert correctly. If this were not discovered prior to the item being issued, the available quantities would reflect in error. Continuing training and aggressively monitoring the inventory process by the hospital finance management staff and the Purchasing and Inventory Module support staff can correct this type of error.
- LSUHSC-HCSD acknowledges that there were implementations issues and data accuracy issues with the data load at the point of "go live" for the hospitals. This was complicated by the fact that each hospital had a separate and distinct inventory system in place from a historical perspective. The LSUHSC-HCSD project team and the hospital staffs are actively and aggressively working in these data integrity areas. LSUHSC-HCSD management is also in the process of establishing an integrated management relationship and coordinator role for PeopleSoft purchasing and inventories to deal with data accuracy, integrity, system standardization and pre-defined training and technical proficiency issues.
- The Purchasing and Inventory support staff are actively working on resolving the above referenced problems to alleviate any further audit findings of this nature. Long term, the PeopleSoft system purchasing and inventory integration will give the LSUHSC-HCSD the ROI, return on investment, that executive management is looking for and improve the overall efficiencies and effectiveness of the entire materials management area.
- Additionally, legacy inventory systems that were being used prior to PeopleSoft and are still operational continue to be maintained until the PeopleSoft inventory issues are resolved.

Management and oversight for this plan of action is the responsibility of the LSUHSC-HCSD PeopleSoft Inventory System Coordinator and the LSUHSC-HCSD PeopleSoft Purchasing Manager.

Sincerely,


Judy M. Albin
Acting Comptroller



School of Medicine in New Orleans
School of Medicine in Shreveport
School of Dentistry
School of Nursing
School of Allied Health Professions
School of Graduate Studies
Health Care Services Division

December 10, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Audit Finding: Non-Compliance With General Appropriations Act

Dear Dr. Kyle:

The Louisiana State University Health Sciences Center – Health Care Services Division does not concur with the Legislative Audit finding Non-Compliance With General Appropriations Act.

LSUHSC-HCSD's year-end actual cash revenues were not less than actual expenditures for the fiscal year ended June 30, 2001. Actual cash revenues were \$774,141,539, and actual expenditures were \$770,076,640, resulting in \$4,064,899 cash revenues over actual expenditures, or net surplus. The audit finding states that LSUHSC-HCSD and seven of its nine hospitals incurred deficits for the fiscal year ended June 30, 2001. The General Appropriations Act appropriates Means of Financing at the total division level for LSUHSC-HCSD, not at the individual hospital level. A deficit could not be measured by individual hospital, since the Means of Financing is not appropriated by individual hospital.

The Division of Administration, without prior communications or agreement with LSUHSC-HCSD management, withdrew \$17,238,551 from LSUHSC-HCSD's Integrated Statewide Information System (ISIS) General Appropriations cash collections in partial repayment of an \$86,192,755 seed advance. This seed advance was granted in accordance with the Memorandum of Understanding between the Division of Administration and the Board of Supervisors, Louisiana State University Agricultural and Mechanical College – Health Care Services Division, dated March 3, 1999. The MOU did not stipulate that LSUHSC-HCSD would have to repay a portion of the seed advance during the fiscal year ended June 30, 2001. The term of the MOU is "from July 1, 1998 to June 30, 2004, or until final settlement of the amount owed or mutually agreed upon extinguishment of the debt."

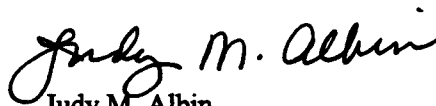
LSUHSC-HCSD did work to reduce expenditures during the fiscal year and had \$19,883,171 in unspent expenditure authority in its operating appropriation at year-end. In addition, \$13,173,752 in Restricted Funds was frozen in order to have sufficient cash to loan to the operating appropriation to close out fiscal year 2001. LSUHSC-HCSD hospitals had to repay \$6.9 million in cost report settlements and experienced a reduction of patient load due to budget cut backs from major funding sources (Medicaid and Uncompensated Care Cost) leading to understaffed

and un-maintained facilities. The unspent expenditure authority was sufficient to cover the anticipated cash shortfall from patient services collections, but not enough to cover the \$17,348,551 that was withdrawn by the DOA. LSUHSC-HCSD management had been working with the DOA with the expectation that the \$17,238,551 would be returned to LSUHSC-HCSD before the end of the fiscal year. It was not until June 29, 2001 that it was determined that the \$17,238,551 would not be returned before the end of the fiscal year.

LSUHSC-HCSD Management continues to work with DOA to have the seed repayment returned to repay the Restricted Funds so that the hospitals can use the funding for re-capitalization, which was the legislative intent of Act 3.

If further information or clarification is needed, please advise.

Sincerely,

A handwritten signature in cursive script, reading "Judy M. Albin".

Judy M. Albin
Acting Comptroller



School of Medicine in New Orleans
School of Medicine in Shreveport
School of Dentistry
School of Nursing
School of Allied Health Professions
School of Graduate Studies
Health Care Services Division

November 21, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Audit Finding - Unsecured Bank Deposits

Dear Dr. Kyle:

The Louisiana State University Health Sciences Center - Health Care Services Division concurs with the finding regarding Unsecured Bank Deposits. However, it should be noted that the LSUHSC-HCSD cash management section discovered and corrected this error internally.

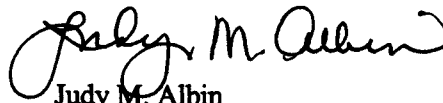
Response/Corrective Actions:

- In July 2001, the LSUHSC-HCSD Cash Management section discovered that the bank accounts for W. O. Moss Regional Medical Center (WOMMC) and Lallie Kemp Regional Medical Center (LAKMC) were not being swept to the LSUHSC-HCSD Regions Bank account as required by LSUHSC Cash Management Policy CMP040. This policy requires the hospitals that do not have a Regions Bank in their locale to transfer funds (via telephonic means) from the non-Regions Bank to the Regions Bank account to ensure that all LSUHSC funds are properly collateralized. When the LSUHSC-HCSD Cash Management section discovered the accounts were not being swept, the funds were immediately swept for the balance in the accounts as of June 30, 2001. The Chief Financial Officers at WOMMC and LAKMC were immediately contacted (via telephone and follow-up e-mails) and were reminded of their responsibility to transfer the funds to Regions Bank on a daily basis. This had been a new procedure established during the fiscal year ended June 30, 2001 when the hospitals withdrew from the state's central accounting system. Additionally, Regions Bank went through reorganization and the coordinator that had assisted LSUHSC-HCSD in setting up the non-Regions bank accounts and the procedures for sweeping the accounts left and LSUHSC-HCSD did not have that additional resource to follow up on the non-Regions bank accounts.
- Reports are now received from Regions Bank by the LSUHSC-HCSD Cash Management section on a daily basis to verify that the non-Regions Bank Accounts are appropriately swept.

- The procedures for sweeping the accounts and the importance of following these procedures were emphasized at the LSUHSC-HCSD Chief Financial Officers meeting on October 30, 2001.
- If a Regions Bank opens in a locale to any of these hospitals, the hospitals will be required to deposit directly to Regions Bank and the non-Regions bank account will be closed.

Management and oversight for this procedure is the responsibility of the manager of the LSUHSC-HCSD Cash Management Section.

Sincerely,

A handwritten signature in black ink, appearing to read "Judy M. Albin". The signature is fluid and cursive, with the first name "Judy" being more prominent.

Judy M. Albin
Acting Comptroller



LOUISIANA TECHNICAL COLLEGE

Central Office

822 Neosho Avenue
Baton Rouge, Louisiana 70802-4219
Telephone: 225/219-8712 or 8773
Facsimile: 225/219-8780

December 17, 2001

William J. Roden, J.D.
Chancellor

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

CAMPUSES:

Acadian Campus
Alexandria Campus
Ascension Campus
Avoyelles Campus
Bastrop Campus
Baton Rouge Campus
Charles B. Coreil Campus
Delta Ouachita Campus
Evangeline Campus
Florida Parishes Campus
Folkes Campus
Gulf Area Campus
Hammond Area Campus
Huey P. Long Campus
Jefferson Campus
Jumonville Memorial Campus
L. E. Fletcher Campus
Lafayette Campus
Lafourche Campus
Lamar Salter Campus
Mansfield Campus
Morgan Smith Campus
Natchitoches Campus
North Central Campus
Northeast LA Campus
Northwest LA Campus
Oakdale Campus
River Parishes Campus
Ruston Campus
Sabine Valley Campus
Shelby M. Jackson Campus
Shreveport Bossier Campus
Sidney N. Collier Campus
Slidell Campus
Sowela Campus
Sullivan Campus
T. H. Harris Campus
Tallulah Campus
Teche Area Campus
West Jefferson Campus
Westside Campus
Young Memorial Campus

RE: Audit Findings at the LTC-Baton Rouge Campus

Dear Dr. Kyle:

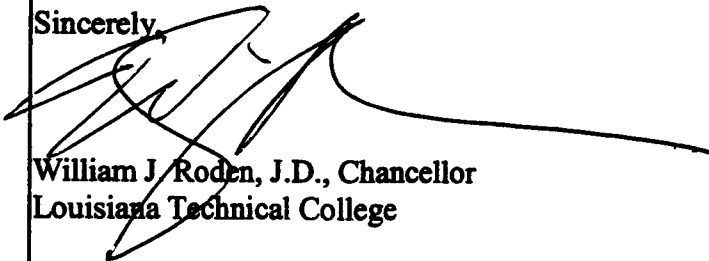
The management of the Louisiana Technical College (LTC) recognizes its responsibility to ensure that efficient and effective practices of fiscal management and control are established and followed and that legal requirements are met. Consequently, we take seriously the findings in the audit.

LTC management findings and recommendations related to 'Missing Cash Receipts' are as follows:

Corrective action taken; under the new procedures, accounting personnel prepare the daily bank deposits. The campus security guards make the daily deposits in the state treasurer's account and return the deposit slips to a different accounting staff member who checks the deposit documents the same day. Written procedures were completed by June 1, 2001. Mr. Wayne Meaux, Campus Dean, was responsible for ensuring compliance with the corrective action.

As of October 3, 2001, the Office of Risk Management closed their fidelity bond claim case file because the criminal actor made full restitution in the amount of \$6,670 to LTC-Baton Rouge on September 26, 2001.

Sincerely,



William J. Roden, J.D., Chancellor
Louisiana Technical College



LOUISIANA TECHNICAL COLLEGE

Central Office

822 Neosho Avenue

Baton Rouge, Louisiana 70802-4219

Telephone: 225-219-8773

Facsimile: 225/219-8778

William J. Roden, J.D.
Chancellor

CAMPUSES:

Acadian Campus
Alexandria Campus
Ascension Campus
Avoyelles Campus
Bastrop Campus
Baton Rouge Campus
Charles B. Coreil Campus
Delta Ouachita Campus
Evangeline Campus
Florida Parishes Campus
Folkes Campus
Gulf Area Campus
Hammond Area Campus
Huey P. Long Campus
Jefferson Campus
Jumonville Memorial
Campus
L. E. Fletcher Campus
Lafayette Campus
Lafourche Campus
Lamar Salter Campus
Mansfield Campus
Morgan Smith Campus
Natchitoches Campus
North Central Campus
Northeast LA Campus
Northwest LA Campus
Oakdale Campus
River Parishes Campus
Ruston Campus
Sabine Valley Campus
Shelby M. Jackson
Campus
Shreveport Bossier
Campus
Sidney N. Collier Campus
Slidell Campus
Sowela Campus
Sullivan Campus
T. H. Harris Campus
Tallulah Campus
Teche Area Campus
West Jefferson Campus
Westside Campus
Young Memorial Campus

January 27, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
PO Box 94397
Baton Rouge, La 70804-9397

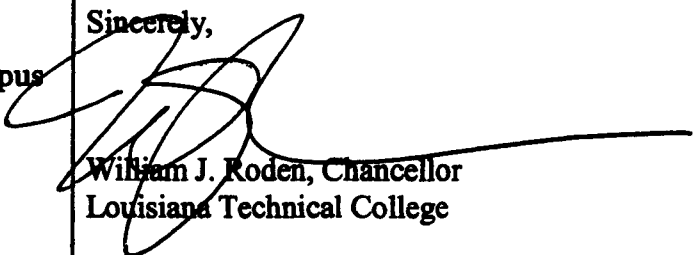
RE: Audit Findings at the LTC-Westside Campus
'Insufficient Controls Over Vocational Education – Basic Grants to States'

Dear Dr. Kyle:

The management of the Louisiana Technical College (LTC) recognizes its responsibility to ensure that efficient and effective practices of fiscal management and control are established and followed and that legal requirements are met. Consequently, we take seriously the findings in the audit.

LTC management concurs in the findings and recommendations related to 'Insufficient Controls Over Vocational Education – Basic Grants to States.' Corrective action as evidenced by appropriate written procedures and grant management controls will be fully implemented in the first quarter of 2002. In addition, a team of accounting personnel from the LTC Central Office and the Baton Rouge District will work with accounting staff at LTC-Westside to review proper contracts/grant management and procurement procedures to ensure that appropriate policies are in place and that new personnel are firmly grounded in such procedures. Assistant Dean Beulah Clark will be responsible for compliance.

Sincerely,



William J. Roden, Chancellor
Louisiana Technical College



M.J. "MIKE" FOSTER, JR.
GOVERNOR

JACK C. CALDWELL
SECRETARY

DEPARTMENT OF NATURAL RESOURCES

December 20, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9387

Dear Dr. Kyle:

The Department of Natural Resources (DNR) partially concurs with the findings related to the collection of unauthorized fees. The DNR offers the following information.

There were four findings of no legal authority for the collection of certain fees from the Office of Mineral Resources (OMR). Statutory authorization for three of the four fees is found in Act 13 of the First Extraordinary Session of 1988. Codified as R.S. 39:55.2, Section 55.2(B) provided that "if the Governor declares a fiscal emergency, any agency of state government performing a service for, providing property to, exercising regulatory authority over, or granting or conferring any benefit upon any person is hereby authorized... to impose or charge said person a fee or charge, ... by adopting a Rule." Section 2 of Act 13 provided that any fee or charge that was imposed which was intended to be in effect for longer than 120 days would remain in effect until such date as provided in the Rule.

These fees were promulgated in a Rule contained in Louisiana Register Volume 14, No. 8, Page 544, dated August 20, 1988, wherein the Department of Natural Resources adopted "...A. Fee for new mineral leases equal to 10 percent of cash payment to be submitted at time of execution of lease. Fee of \$100 for processing assignments affecting state mineral leases. Fee of \$500 for processing unitization agreements and other advertised instruments..." The Rule further provided that "...These fees shall be in effect from June 24, 1988 until July 1, 1992,..."

These fees subsequently appeared in a Notice of Intent contained in Louisiana Register Volume 17, No. 10, Page 1019, dated October 20, 1991, in Section 103 which provided, in pertinent part, "...The Department of Natural Resources...has adopted...A. Fee for new mineral leases equal to 10 percent of cash payment to be submitted at time of execution of lease. B. Fee of \$100 for processing assignments affecting state mineral leases. C. Fee of \$500 for processing unitization

B-80

Dr. Daniel Kyle
Page 2
December 20, 2001

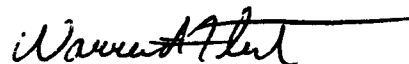
agreements and other advertised instruments...". These fees were promulgated in a Rule contained in Louisiana Register Volume 18, No. 1, Page 71, dated January 20, 1992, in Section 103. Paragraph I of that Section provided further that "This fee schedule...shall be re-promulgated, and the provisions hereof shall be in full force and effect as of March 1, 1992, and shall continue in force until cancelled by the Office of Mineral Resources, any other order of a duly authorized person or entity, or by order of a proper court of law." This Rule was codified in Louisiana Administrative Code Title 43, Part V, Chapter 1, Section 103 at Page 83.

The fees were again the subject of a Notice of Intent contained in Louisiana Register Volume 25, No. 11, Page 2327, dated November 20, 1999, wherein it was provided, in pertinent part, "The Office of Mineral Resources, Department of Natural Resources, proposes to amend LAC 43, Part V. The proposed Rule change adds additional fees and charges to the fee schedule of the Office of Mineral Resources which historically have been and are presently being collected and recognized by the Legislative Fiscal Office as self-generated funds for said Office...". These fees were found in Section 301, as follows, "1. Fee for new mineral leases equal to 10 percent of cash payment to be submitted no later than 10 days after acceptance of bid and awarding of lease. 2. Fee of \$100 for processing docketed items, such as assignments, not including advertised docketed items. 3. Fee of \$500 for processing advertised docketed items, such as unitization agreements...". Paragraph 24 provided further, "...this schedule of fees and charges, as amended, shall be re-promulgated and the provisions hereof shall be in full force and effect as of January 1, 2000, and shall continue in force until cancelled by the Office of Mineral Resources, any other order by a duly authorized person or entity, or by order of a court of law of proper venue and authority." These fees were adopted in the Rule found in Louisiana Register Volume 26, No. 5, Page 1063, dated May 20, 2000. The Rule incorporated these fees as advertised in the Notice of Intent and provided that they would be in full force and effect as of January 1, 2000, and would remain in force until cancelled by the Office of Mineral Resources, any other order by a duly authorized person or entity, or by order of a court of law of proper venue and authority. These fees remain in effect.

The DNR feels that these fees, statutorily authorized by Act 13, were properly implemented and remain in effect. The Constitutional amendment of Article 7, Section 2.1 in 1995 affects only new or increased fees. These fees were neither new, nor increased, and therefore, unaffected by the constitutional amendment.

Should you have any questions concerning this response, please contact me at your earliest convenience.

Very truly yours,



Warren A. Fleet
General Counsel

WAF/nmj



DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

RICHARD L. STALDER, SECRETARY

October 19, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: *Non Compliance with Food Distribution Program agreement (JCCY)*

Dear Dr. Kyle:

The department concurs with your finding regarding the non compliance with the Food Distribution Program at Jetson Correctional Center for Youth (JCCY).

This matter has been discussed with the Assistant Secretary for Juvenile Services, Elijah Lewis. Headquarters Food Services staff will hold a meeting with Warden Cooper, Mr. Arlander Taylor, Administrative Services Director, and Ms. Diane Jackson, Food Services Director at Jetson Correctional Center for Youth early next week. This will initiate the corrective actions needed to resolve the audit finding, which will include a review of current procedures, the implementation of new and/or corrected procedures, and training to be provided by Headquarters Staff.

Warden Lynn Cooper, JCCY, will be responsible for implementing the corrective action, which will be completed within 90 days.

Should you need any additional information on this issue, please contact me at your convenience.

Sincerely,

Bernard E. "Trey" Boudreaux, III
Undersecretary

BEB/cw

cc: *Richard Stalder, Secretary*
Lee Jennings, Deputy Undersecretary
Ron Granier, Chief Fiscal Officer
Lynn Cooper, Warden, JCCY

B-82



State of Louisiana
Department of Revenue

December 5, 2001

M. J. "Mike" Foster, Jr.
Governor

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Cynthia Bridges
Secretary

RE: Tax Refunds Payable not Estimated Properly

Dear Dr. Kyle:

We have reviewed your audit finding and our response and planned actions regarding the finding are as follows:

We concur that some taxpayer accounts were erroneously included in the refunds payable balance and some errors occurred in the classification of short-term and long-term refunds payable. The majority of these errors were made as a result of the Audit Services Division's lack of formal written procedures for compiling refunds payable data to be included in the Department's annual financial report.

The Audit Services Division plans to develop formal written procedures for compiling the tax refunds payable data, and the person(s) responsible for performing the compilation will be properly trained. This corrective action is expected to be in place within ninety (90) days.

We do not concur with your recommendation that management develop a review process that involves a detailed review of all supporting data and schedules. The short time frame allowed by the Office of Statewide Reporting and Accounting Policy for the Department to compile its annual financial report after the fiscal year ends, makes it physically impossible to conduct such a detailed review. Furthermore, such a detailed review would require a costly duplication of effort. The Department feels the planned actions mentioned above, along with a high level review of the data, will provide an adequate system of control that will reasonably ensure tax refunds payable are properly estimated in future annual financial reports.

Mr. Kurt Van Brocklin, Director of the Audit Services Division, is the contact person for the corrective action.

If you have any further questions, please do not hesitate to call my office. I can be reached by calling (225) 219-2700.

Sincerely,

Stephen J. Hymel
Undersecretary

SJH/dsh

Cc: Cynthia Bridges
Dale Lejeune
Clarence Lymon
Phyllis Perry
Kurt Van Brocklin



State of Louisiana
Department of Social Services
OFFICE OF MANAGEMENT AND FINANCE
DIVISION OF FISCAL SERVICES
ADMINISTRATIVE
333 LAUREL STREET - 4TH FLOOR
P. O. BOX 3927
BATON ROUGE, LOUISIANA 70821-3927
PHONE - 225/342-4247 - FAX - 225/342-4220

M. J. "MIKE" FOSTER, JR.
GOVERNOR

J. RENE AUSTIN-DUFFIN
SECRETARY

October 17, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P O Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

We concur with the findings provided in your letter dated October 4, 2001.

Access to Electronic Data Processing Applications Not Properly Restricted.

Corrective Action is being taken to eliminate and correct weaknesses;

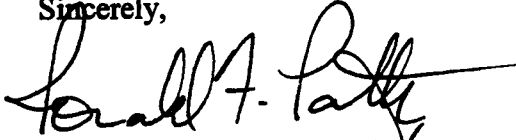
- (1). We have requested that the Office of Integrated Statewide Information System provide us with a report of suspended USER IDs. This is a report of USER IDs of DSS employees that have not been used in ninety days and have been deactivated by the ISIS Security System.
- (2). Procedures are being implemented to eliminate duplication of USER IDs through verification of existing data files.
- (3). There is an existing policy that requires the employee/employee's supervisor to request deletion of an ISIS USER ID when the employee transfers or is terminated from his ISIS responsibilities. The Human Resource Office is also required to submit a separation report to the ISIS Coordinator for determination of deletion/modification. A request is being made to the Office of Statewide Information Systems to develop a means for HRS and AGPS, CFMS and AFS to communicate as it relates to employment/termination. Also, we are requesting that our ISIS Security Administrator have access to the HRS System for verification of employee names.
- (4). We are in the process of revising policy regarding ISIS USER IDs to clarify proper policy and procedure.

Dr. Daniel G. Kyle
October 17, 2001
Page 2

Management is striving to ensure employees compliance with existing policy so that access to online data systems is restricted to employees with a business-only basis and USER ID codes are deleted immediately upon termination/transfer of employees.

You may contact Johnathan White at 342-4148 if any additional information is needed regarding this finding.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald F. Patty", with a long horizontal flourish extending to the right.

Ronald F. Patty, Acting Director
Division of Fiscal Services

c: J. Renea Austin-Duffin
Joel Hincks
Al Sanford
Johnathan White



**State of Louisiana
Department of Social Services**

**M.J. "MIKE" FOSTER, JR.
GOVERNOR**

**OFFICE OF FAMILY SUPPORT
755 THIRD STREET, P. O. BOX 94065
PHONE 225-342-3950, FAX 225-342-4252
BATON ROUGE, LOUISIANA 70804-4065**

**GWENDOLYN P. HAMILTON
SECRETARY**

January 30, 2002

**Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397**

RE: Draft Legislative Audit Report for State Fiscal Year 2000-2001

Dear Dr. Kyle:

The DSS Office of Family Support has reviewed the finding presented in the draft audit report, as follows:

Child Care Cluster: Noncompliance with Federal and State Requirements

Federal Financial Reporting

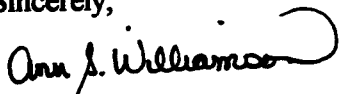
- 1. As stated at 45 CFR 98.60, mandatory and matching amounts awarded have to be obligated in the year granted. The funds in question were obligated by child care assistance certificates for FIND Work child care. Child care assistance certificates are considered a commitment to pay for care for eligible households. During fiscal year 2000, child care assistance was provided to 88,934 FIND Work children at a cost of \$17,609,448.00.**
- 2. As stated at 45 CFR 98.50(e), not less than 70% of mandatory and matching funds must be used for direct program assistance. Of fiscal year 1999 funds, a total of more than \$95.5 million was spent on direct services. However, through error more than \$8.3 million in non-direct-service expenditures was reported as mandatory and matching funds, when in fact it should have been reported as discretionary funds. A revised Form ACF-696 will be submitted to the federal government.**

Child Care Case Management

The case noted, in which the child care provider lives at the same residence as the child, has been referred to the OFS Fraud and Recovery Section for further action.

If any other information is needed please advise me or Gwen Brooks, Director of the Child Care Assistance Program, at 342-9108. Thank you for the opportunity to provide this response.

Sincerely,

A handwritten signature in cursive script, reading "Ann S. Williamson". The signature is written in dark ink and includes a large, sweeping flourish at the end.

Ann S. Williamson
Assistant Secretary

ASW/lb



**State of Louisiana
Department of Social Services
OFFICE OF MANAGEMENT AND FINANCE
DIVISION OF FISCAL SERVICES
ADMINISTRATIVE OFFICE
P. O. BOX 3927
BATON ROUGE, LOUISIANA 70821-0000
PHONE - 225/342-4247 FAX # 225/342-4220**

**M. J. "MIKE" FOSTER, JR.
GOVERNOR**

**GWENDOLYN P. HAMILTON
SECRETARY**

November 15, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

We concur with the audit finding provided in your letter dated October 29, 2001.

Child Support Escrow Fund Not Reconciled

Corrective action is being taken to eliminate and correct this finding. The Title IV-D (Child Support) Escrow Fund is not a cash account. This account is an ISIS account where the totals of transaction (receipts and disbursements) are posted to reflect the outstanding balance liability owed to custodial parents. The individual records (client accounts) are maintained in a separate subsystem, LASES, where transactions (receipt and disbursements) are posted to the individual client accounts. ISIS and LASES, although independent of one another, are linked together through an interface which insures that the total funds collected and disbursed between the two systems are in balance. This is done on a daily basis.

Currently, LASES does not have the capability of producing the liability amount in each individual account. The design of the LASES subsystem is such that any monies collected and posted to an individual account are immediately (same day) remitted to the custodial parent. However, sometimes there are timing differences in the date deposits are made to ISIS and the date amounts are posted to individual accounts in LASES. The main reason for the delay in posting to individual accounts is the lack of account information on remittances. Efforts are put forth to identify accounts as quickly as possible.

As a corrective action, the Division of Fiscal Services will begin reconciling, on a monthly basis, the transactions (receipt and disbursements) in the ISIS system and the

Dr. Daniel G. Kyle, CPA,CFE

November 15, 2001

Page 2

LASES system. This reconciliation will consist of using the daily totals of the receipts and disbursements for the month of reconciliation for each system. We will address the production of individual account balances in LASES at a later date because the LASES system does not have the current capability of producing individual account balance amount.

You may contact Cathy Hymon, Assistant Director, or myself at 342-4247 if additional information is needed regarding this finding.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ronald F. Patty", with a long horizontal flourish extending to the right.

Ronald F. Patty, Acting Director
Division of Fiscal Services

cc: Gwendolyn Hamilton, Secretary
Joel Hincks, Undersecretary
Ann Williamson, Assistant Secretary, OFS
Al Sandford, Deputy Undersecretary



State of Louisiana
Department of Social Services
OFFICE OF MANAGEMENT AND FINANCE
DIVISION OF FISCAL SERVICES
ADMINISTRATIVE

M. J. "MIKE" FOSTER, JR.
GOVERNOR

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GWENDOLYN P. HAMILTON
SECRETARY

December 4, 2001

Daniel G. Kyle, PH.D, CPA, CFE
Legislative Auditor
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

In accordance with your request, attached is an official response relating to the reportable audit finding for this Department. We concur with the finding and have provided a response and corrective action.

Control Weaknesses in the LaCarte Purchasing Card Program

Duplicate Accounts

Response:

When the DSS Procurement Card Program was first implemented, the original version of the software used to enter cardholder information online to the bank did not allow any changes. When an error occurred (i.e. misspelled name) the card had to be cancelled and reissued, therefore, assigning a second account number and receiving a second card. When the error was detected in this office, we did not request an update form from the Cardholder, we canceled the incorrect account.

Cancellation procedures were inadvertently omitted from the first DSS Procurement Card Procedure Manual. When cards were lost or stolen, we instructed the cardholder to call Bank of America's 1-800 number to cancel the card. We did not tell them to send us an update form, therefore, Bank of America would open a new account and send the card to us. We did not recognize the card as being a replacement because we had no paperwork. The replacement card was filed away in this office while the cardholder was expecting the card to come directly to them, they would call the bank direct

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and get another card. This caused several cards to be issued to one cardholder.

When the Procurement Card Program was first implemented, we did not have reporting software, therefore, we were unable to verify enrollment forms. The Cardholder would fax a copy of the enrollment form and then send the original through the mail. This caused the establishment of duplicate accounts.

Some cards were lost in the mail and had to be reissued.

Corrective Action:

We created a field on the Update Form to indicate Canceled In house so that all cancellations would have an update form effective October 24, 2001.

We have updated the Procurement Card Manual to include cancellation procedures and have sent the updated procedures to all DSS Regional Managers.

We are in the process of putting the procedure manual on the DSS Intranet for easy access by all Cardholders.

We have an updated version of CPA Software that will allow us to submit changes to accounts and verify accounts.

We have the latest version of Infospan, the software used to create reports relating to Cardholder Profiles.

Terminated employees

Response:

The cancellation procedures were inadvertently omitted from the first DSS Procurement Card Procedures Manual. When people begin to call with questions concerning cancellation we instructed them to call Bank of America's 1-800 number, cancel the card and destroy the card.

After discussing our procedures with the Auditors, we understood that we needed a paper trail from the beginning with the request of the card to the cancellation of the card. We also determined that we needed the cancelled card returned to this office.

We notified the majority of our cardholders (OCS) by emailing the change to Martha Wyly. We updated our procedures manual and sent a copy of the updated procedures manual to all Departmental Regional Administrators for disbursement.

On August 23, 2001, we submitted a memo to all the Departmental Human Resource Directors requesting a monthly separation report of all employees who had retired, had been terminated or resigned from their agency.

We received our first report from OCS October 24, 2001. We emailed all OCS Regional Administrators for confirmation of termination of employee. We requested the cardholder update form and the card for all terminated employees and/or an updated forms requesting reactivation of any employees that may be listed on the report incorrectly.

The report from Office of Family Support was received on 10/25/01. An email was submitted to OFS Regional Administrators requesting the updated forms and cards.

As of this date, we have not received separation reports from Rehabilitation Services.

The cardholders listed on the Auditors worksheet as terminated, retired or resigned, were submitted to the Regional Administrators of OFS and the Regional Administrators OCS for confirmation. We requested a cardholder update form and the card returned to this office.

Corrective Action:

The updated DSS Procurement Card Procedure Manual is being put on the DSS Intranet for easy access to all Cardholders.

A monthly report of cardholder activity will be reviewed. If the card has not been used in sixty days, notification will be submitted to the cardholder and the Regional Administrator of deactivation, requesting the update form and the card.

When separation reports are received from the Human Resource Directors of all our Agencies, an email will be sent to the Regional Administrators advising them of cancellation of all cardholders listed on the report and requesting the updated form and the card.

Request Human Resources include the Purchasing/Procurement Card Update Form in all employees exit packages.

Cardholder Agreement Forms

Response:

When the department rolled out training and issuance to staff by Regional Administrators, it was the responsibility of the Administrators to have staff read and sign the agreement and return to this Office.

Corrective Action:

Effective July 1, 2001, when cards are release to the Regional Administrator for training and issuance, a fourteen day period is given to issue to staff. If Cardholder Agreement Form are agreement not received in this office within the fourteen days, the card will be cancelled in house. The cardholder will be notified of cancellation. The cardholder has sixty days to have the card reactivated. The card holder must submit the DSS Cardholder Update Form 6 indicating reactivation.

Cardholder Enrollment Forms

Response:

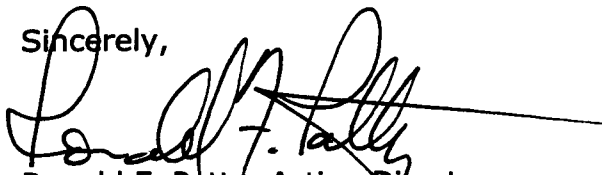
The four forms received were FAX with a cover sheet signed by the approving supervisor.

Corrective Action:

All enrollment forms must be signed by the cardholder's supervisor before a LaCarte card is requested from Bank of America. Any enrollment forms received without supervisors signature are returned to the requestor.

If further information/clarification is needed, do not hesitate to contact me at (225) 342-4247.

Sincerely,



Ronald F. Patty, Acting Director
Division of Fiscal Services

cc. Gwendolyn P. Hamilton, Secretary
Joel Hincks, Undersecretary
Al Sanford, Deputy Undersecretary



State of Louisiana
Department of Social Services
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M. J. "MIKE" FOSTER, Jr.
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GWENDOLYN P. HAMILTON
SECRETARY

January 29, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Reference is made to your office's letter of January 17, 2002, by Ernest F. Summerville, Jr., Audit Manager, which communicated draft audit findings for the Department of Social Services (DSS) for the State Fiscal Year ending June 30, 2001. The following responds to the findings and comments by the Legislative Auditor's Office relative to programs administered by the Office of Community Services (OCS). As requested, we have prepared our response for each finding in a separate letter. This letter contains the OCS response to the finding identified as:

Foster Care: Insufficient Reimbursements from Child Support Collections

OCS Response: We concur with the finding and have instituted corrective action to resolve this issue.

Corrective Action Plan:

Shortly after this issue was brought to our attention, a meeting was held on August 17, 2001 with participation by members of staff from the DSS Office of Management and Finance (OM&F), DSS Office of Family Support (OFS) Support Enforcement, and OCS finance and eligibility staff. The issue discussed at the meeting was focused on the identification of the applicable funding source for reimbursement of collections made by Support Enforcement Services (SES).

Background: For nearly 15 years, SES has been collecting child support for Title IV-E eligible foster children. The funds that are collected for these children are reported to the OM&F and used to offset the federal claim made on their behalf.

In addition, SES collects child support for children who are Title XIX - Medicaid eligible. These collections are for children who are not otherwise IV-E eligible. Collections received for this population are seen as State General Fund eligible. There is no federal claim for any of the revenue collected on behalf of these children. DSS/OCS uses it to offset the cost of care.

There are claims that are collected by SES in arrearage situations. These collections are for children who are no longer in OCS custody but the SES has been able to collect revenue to offset prior SES liabilities. In the SES methodology, if they collect funds on behalf of a child and there is an active case (i.e. the child has returned to the mother and they have collected support from the non custodial father), the collection will go to the child. In situations where there is still a viable child support obligation and no other SES case on the child, the collection is tagged as an arrearage and sent to the eligible party. For children who were previously in state custody, the OCS would be considered as the eligible party.

To ensure that collections are distributed correctly, it was decided to utilize data recorded on the TIPS Client Revenue/Expenditure Report TIN 8011. If the arrearage is for a child that was IV-E eligible, the funds will be so identified and the appropriate amount reimbursed for the respective federal claim. If the arrearage is for a child that was not IV-E eligible, it will be identified as State General Fund (SGF) with no federal claim. From recent history, the majority of the funds identified on the Client Revenue Expenditure Revenue Report (TIN8011) are recorded for children who were not IV-E eligible.

This procedure was implemented for determining the appropriate federal share of residual amounts accumulated during FY 00/01 from certain child support arrearage collections received from Support Enforcement Services (SES) to offset costs of care for minors formerly in OCS custody. These SES collections represented arrearages of child support payments which were owed for a past period of time in which the intended minor beneficiaries were in OCS custody; however the monetary collections were transferred to OCS after the children left state custody. We analyzed the cumulative list (TIN8011) of arrearage support payments represented in the FY 00/01 residual account to ascertain whether each recipient case name was IV-E eligible or not. If the arrearage was for a child that was IV-E eligible, it was identified accordingly and the appropriate share of the support payments was credited to the federal source through adjustment(s) to our federal claim.

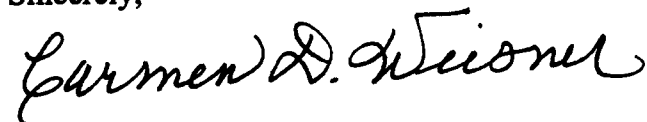
We have instituted this procedure for identifying the IV-E clients with parental contribution revenue on a continuing monthly basis so that all child support collections and arrearages received will be credited or reimbursed to the federal source on a timely basis. OM&F Cash Management unit provides a copy of the TIN8011 to OCS staff for identification of the IV-E arrearages paid. The run is provided to OCS around the 20th of the month for return with the necessary information by the 10th of the following month. OM&F Cash Management will prepare a journal voucher moving this money to an organization, and reporting category identifying the funds as IV- E . Grants accountant will therefore be able to select this amount out of ISIS, and record the amount on the IV-E federal report. (Once the money has been JV'd, this revenue balance will not be used again and a refund transaction code will be entered in the 802 system so that the revenue balance will reflect this decrease.)

The system should improve once there is a more comprehensive interface between the major systems managed by SES and the DHH Title XIX/Medicaid Program. It is anticipated that this interface will be implemented this year. In addition, there will be improved system logic developed in the LaKIDS State Automated Child Welfare Information System currently under design for the Office of Community Services. Until these systems are operational, the staff in OCS shall be required to compute the distribution manually.

If you have questions or require further information concerning this matter, please contact Keyth Devillier, OCS Financial Management Director, at (225) 342-4028.

We appreciate the consultation and technical assistance offered by Office of Legislative Auditor staff during the performance of the DSS/OCS audit review.

Sincerely,



Carmen D. Weisner
Assistant Secretary

CDW:KD:kd



M. J. "MIKE" FOSTER, Jr.
GOVERNOR

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Gwendolyn P. Hamilton
SECRETARY

January 29, 2002

Dr. Daniel G. Kyle, CPA, CFE, Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

This is in response to Ernest Summerville's letter of January 17, 2002 to Ms. Cathy Hymon of the Department of Social Services. This letter relates to the finding in Mr. Summerville's draft audit report regarding Foster Care - Title IV-E Program: Insufficient Controls Over Program Administration in the Office of Community Services (OCS.) The following addresses each component of that finding:

General Statement

OCS has in place a number of policies and procedures which currently provide substantial internal controls over accurate draw down of federal funds and payment for services. Considering the large number of child specific services and placements we authorize and pay every year, we believe the cases you cited represent only a very small percentage. However, we concur in part that there is a need to strengthen those procedures.

A ACCOUNTING ERRORS/OVERPAYMENTS

1. SOCIAL SERVICE COSTS CHARGED TO TITLE IV-E

Statement of Concurrence or Non-Concurrence: We concur in part that an error was made in charging the costs for child specific placements according to the same average percentage of costs breakdown derived from all of the other agreement providers. As the attached letters to the Office of Youth Development (OYD) state, our Dallas Regional Administration for Children and Families (ACF) Office was consulted regarding how OYD should charge their provider costs to IV-E.

B-97

**Attachments can be provided
upon request.**

"AN EQUAL OPPORTUNITY EMPLOYER"

OCS has for at least ten (10) years required providers to submit annual audited cost reports. We obtained from the aggregate of 50+ cost reports the average percentage of total provider costs that are determined to be IV-E eligible. The Dallas ACF office advised that OYD could apply the same average percentage of provider costs (80.03% in 1999 and 86% in 2001) in determining how much of their provider costs to charge to IV-E. It, therefore, seemed logical that for the occasional OCS child specific placement, we could also use that average percentage since most of the programs involved in the child specific placements are quite similar to those with whom OCS has agreements and from whom we obtained the IV-E eligible cost average.

One form of control that OCS has in place currently is participation in a monthly Expenditure Analysis meeting with the Fiscal Services Section of DSS, Office of Management and Finance. These meetings improve communication and information regarding how services for children in our custody are charged to the various funding sources. They allow opportunities for both offices to ask questions and discuss problems and, thereby, provide oversight of the whole funding allocation procedure.

Corrective Action:

- a. Each of the ten facilities/programs in which a child specific placement was made was contacted and a breakdown was obtained from all but one of them as to the portion of their rate that is administrative, programmatic and therapeutic costs. We are still working with the tenth provider to obtain this information. See the attachment. An adjustment in OCS' allocation of funding charge for these placements either has been made, requested, and/or is being planned in every instance cited in your report with the exception of the tenth provider. We expect to receive the information from the tenth provider soon and will adjust that funding charge also at that time.
- b. Further, last month we implemented a procedure to ensure that from this point on, only the appropriate amount of these child specific placement costs will be charged to IV-E. Each time a child specific placement is approved, the Program Manager who approves the placement notifies the provider representative that they will be contacted soon by another OCS Manager who will require the residential program to provide us with the breakdown of costs for this child's placement by the aforementioned categories. The approving Program Manager then sends a written notice to a second fiscal Program Manager. This second fiscal Manager has ongoing responsibility for obtaining and managing fiscal data from all agreement and non-agreement providers used by OCS. The second fiscal Program Manager obtains the information either by directly asking the provider's accountant/fiscal representative or by requiring the provider to complete a simplified budget form which was developed to capture costs according to the three categories of administration, programmatic and therapeutic.

The second Program Manager spends the necessary time in giving technical assistance to the provider to help them understand what is required, how to complete the budget form, etc. He then notifies the Information Technology Liaison in writing of the provider's cost breakdown by percentage so that the correct funding source can be charged for those specific services. Follow up is done by documenting the information about the financial breakdown in the provider's file and client's case record. The Information Technology Liaison enters this information into TIPS and a report is generated which is sent to Department of Social Services (DSS), Office of Management and Finance which arranges correct funding charge.

Person(s) Responsible: Numerous staff positions are involved in this corrective action procedure with oversight responsibility shared between Marty Gibson, Director for the OCS Resource Development and Quality Assurance, and Don Moore, Director for the Information Technology Division in DSS.

Anticipated Completion Date: A meeting has occurred to decide how to make the corrections, and planning and work are underway to make the retroactive adjustments. The actual ongoing, correct, monthly allocation charge should begin around April 2002.

2 - 6. PAYMENT AND INPUT ERRORS:

Statement of Concurrence or Non-Concurrence: We concur that these errors were made; however, controls have not been lacking in this area, and, indeed, new controls are developed on an ongoing basis to prevent these type of errors. The following are procedures and policies which have been in effect for some time and represent levels of control:

- A TIPS validation report is currently sent to the field usually twice a week for the explicit purpose of facilitating appropriate staff's review and comparison with forms 211 which are authorized in the field. See attached excerpted policy from the TIPS Manual which describes this procedure.
- Also included in the TIPS policy is a checklist provided for the local staff's convenience to aid them in accurate review of forms 211.
- Remittance Advice statements are sent to all providers along with their check which itemizes payments represented in the check. Providers are responsible for comparing itemized services paid with their records and services billed.
- Bills received from out-of-state residential providers have been given careful review and scrutiny before being approved and forwarded to TIPS for payment. Since January 2001, there has been a formalized protocol for review and reconciliation of invoices from child specific out-of-state residential placements.
- A copy of the TIPS Form 211 and a copy of the TIPS 106, Service Authorization printout, are routinely sent upon completion of input or data entry to the OCS state office manager who authorizes any child specific service or placement. The initiating/authorizing state office manager is responsible for checking that Form 211 and the TIPS 106, Service Authorization printout against the memo or other form they approved and sent to start the TIPS payment process. The initiating manager reviews to compare the amounts and types actually authorized, transcribed to the 211, and entered into TIPS. Any discrepancies are now reported to the Information Technology Liaison.

Corrective Action: Our corrective actions are on many levels for this finding:

- a. Recoupments and/or adjustments have been made, requested, or planned in every instance cited in your report.
- b. The TIPS Committee in OCS State Office which meets monthly will be reviewing the TIPS Manual policy referenced above to determine if the policy should be revised to make this procedure clearer and to reiterate the importance that it be followed.
- c. A memo was sent to all OCS providers reminding them of the requirement that bills for one-on-one services must have certain documentation attached before they can be authorized and paid. See attached.
- d. A memo was sent to all OCS field staff reminding them that no bills from providers should be approved/authorized unless the required documentation is attached. See attached.
- e. (1) Because we realize that having both State Office and local offices responsible for the payment process is fragmented, our ultimate goal is to shift all payment process responsibility to the local offices. This will help ensure a more efficient comparison of services given to bills received. This procedure has already been implemented for child specific authorizations done by the Foster Care Section in State Office. However, shifting this payment responsibility to the field for authorizations done by the Residential Section in State Office may possibly involve some policy writing and staff training. Therefore, that shift can not be done soon.
(2) Until the payment process for services authorized through the Residential Section can be transferred to the field, an additional control procedure is being implemented for approval of out-of-state bills. The program manager in the Residential Section will contact the child's worker in the field to confirm that the child was residing in the out-of-state facility during the dates of the bill and whether there were any ancillary services authorized (such as one-on-one services) which may or may not be reflected on the bill. After that determination and comparison to the bill, the State Office manager will annotate on the bill a statement that attendance and extra services were confirmed with the OCS worker and the date of that confirmation. They will then sign approval on the bill; add the date and forward for payment processing.
- f. In OCS State Office, in addition to the Form 211 and TIPS 106 printout, a copy of the TIPS payment printout will be sent upon completion of input or data entry to the OCS State Office manager who authorizes any child specific service or placement. The initiating/authorizing State Office manager will be responsible for checking Form 211 and TIPS 106 printout against the TIPS payment printout and against the memo or other form they approved and sent to TIPS to start the payment process. The initiating manager will review to compare the amounts and types actually authorized, transcribed to the Form 211, and entered into TIPS. Any discrepancies will be addressed in writing to the Information Technology Liaison.

- g. In OCS State Office, for authorizations originating from the Residential and Private Foster Care Section, a second level of QA review will be conducted by an external manager outside of the section but within the same division. The manager conducting the second level review has experience in child specific authorizations. That individual will pull a sample of cases of child specific authorizations to review the request and service/programmatic needs of the child; determine if the service/placement that was authorized for the child seems reasonable and fits with the description of the child's needs; and check that the amount of money authorized for those services is correct. Any discrepancies will be addressed to the approving Program Manager and/or the Information Technology Liaison.

Person(s) Responsible: Many people are involved in this corrective action but the lead oversight responsibility will be shared between:

- Marty Gibson, Director of the OCS Resource Development & Quality Assurance Division
- Kaaren Hebert, Director of the OCS Programs Division
- Kathy Bourke, Director of the OCS Division of Policy, Planning and Accreditation
- Keyth Devillier, Director of the OCS Financial Management Division
- Don Moore, Director for the Information Technology Division in DSS

Anticipated Completion Date: Many of the actions described above for items 2 - 6 under Accounting Error/Overpayments on the audit report have already been completed. The remaining actions necessary to implement our corrective action will be completed by the end of April 2002.

B. ELIGIBILITY

Upon reviewing the case information for this client, it was discovered that the "runaway" status was not reported timely to the regional Eligibility Specialist to make the necessary changes to the funding screen and prevent the payment from hitting against Title IV-E funds. While the changes were made to the funding screen, it was made after the child had been on runaway.

Corrective Action - The error was discussed with the IV-E supervisor pointing out that while changing the TIPS 104 screen was correct, a request for fiscal adjustment should have been requested to ensure that no Title IV-E funds were spent during the period of "runaway".

Anticipated Completion Date: The fiscal adjustment form was completed in State Office on July 30, 2001, and forwarded to the proper unit(s) to effect the fiscal adjustment change.

C. MATCHING AND FEDERAL REPORTING

Concurrence or Non-Concurrence

We concur that errors were made in charging for these costs at the wrong match rate.

Corrective Action

We have met with OM&F Financial Management to plan the appropriate retroactive adjustment and have taken necessary action to assure future expenditures are funded correctly. We will continue to have monthly Expenditure Analysis meetings with DSS Fiscal staff to review and address funding issues.

Person(s) Responsible

Donna Duscoe, Information Technology Liaison, and Debbie Johnson, OCS Budget Manager.

Anticipated Completion Date

The retroactive adjustment should be completed no later than the end of this fiscal year and the monthly correction for ongoing expenditure charge should be in place by April 2002.

Please contact my office should you have questions or require additional information.

We appreciate the consultation and technical assistance offered by Office of Legislative Auditor staff during the performance of the DSS/OCS audit review.

Sincerely,



Carmen D. Weisner
Assistant Secretary

CDW:SW:sw

Attachments

cc: Joel Hincks, Undersecretary of DSS

Duane Fontenot, DSS Information Services Director



**State of Louisiana
Department of Social Services**

**M.J. "MIKE" FOSTER, JR.
GOVERNOR**

**OFFICE OF FAMILY SUPPORT
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**GWENDOLYN P. HAMILTON
SECRETARY**

January 30, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

RE: Draft Legislative Audit Report for State Fiscal Year 2000-2001

Dear Dr. Kyle:

The Disability Determinations Services (DDS) Program, located within the DSS Office of Family Support, has reviewed the finding presented in the draft audit report, as follows:

Social Security Administration - Disability Insurance: Insufficient Level of Effort

OFS concurs that, subsequent to hiring and spending freezes by the administration, a backlog of 6,974 unassigned disability cases occurred during SFY 00-01.

In October 2000 DDS was allowed to fill 25 vacant disability examiner positions. Paid overtime was approved beginning in May 2001. In SFY 01-02 DDS was authorized to fill 380 positions. Subsequently this authorization was reduced to 375 because of early retirement of DDS staff in accord with Act 844 of the Regular Legislative Session of 2001. In late 2001 DDS completed another overtime project and filled more disability examiner vacancies. By January 28, 2002, the unassigned case total has been reduced to 1,266.

If any other information is needed please advise me or Kay Hoffpauir, DDS Program Manager 3, at 342-2241. Thank you for the opportunity to provide this response.

Sincerely,

Ann S. Williamson
Assistant Secretary

ASW/lb



**State of Louisiana
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M. J. "MIKE" FOSTER, JR.
GOVERNOR

GWENDOLYN P. HAMILTON
SECRETARY

February 1, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Subrecipient Monitoring: Noncompliance with Federal and State Regulations

We concur that the Department of Social Services (Department) did not comply with certain federal and state regulations applicable to the monitoring of federal subrecipients and state contractors.

In order to assure compliance with federal and state regulations, the Department will include the CFDA title and number, the award name and number, the award year, and the federal agency on the first page of the contract. The applicable federal laws and regulations will also be referenced by number on the first page of the contract.

The Department has implemented procedures to ensure compliance with requirements set forth in R.S. 39:1500 for filing a final report with the Office of Contractual Review with 60 days of the completion of a contract. The Office of Management & Finance Contracts Review officer provides a "scroll" list of DSS contracts, which are nearing completion of their contractual term, to each agency within the Department approximately 30 days in advance of the termination date of the contract. The list is sent to the agency's established contact person for contracts. Each agency sends reminders to their staff members responsible for managing the contract that is nearing completion that the final performance report is due 60 days after the completion of the contract. Follow up will be conducted to ensure that all performance reports are submitted within the requisite time frame.

Dr. Daniel G. Kyle, CPA, CFE
February 1, 2002
Page 2

If further information is required, you may contact me at 342-4247.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald F. Patty". The signature is fluid and cursive, with the first name "Ronald" being more prominent.

Ronald F. Patty, Director
Division of Fiscal Services

RFP:CLH:clh

cc: Gwen Hamilton
Joel Hincks
Al Sanford
Ann Williamson
Carmen Weisner
May Nelson



**State of Louisiana
Department of Social Services**

**M.J. "MIKE" FOSTER, JR.
GOVERNOR**

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**GWENDOLYN P. HAMILTON
SECRETARY**

January 30, 2002

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

RE: Draft Legislative Audit Report for State Fiscal Year 2000-2001

Dear Dr. Kyle:

The DSS Office of Family Support has reviewed the finding presented in the draft audit report, as follows:

Temporary Assistance for Needy Families Program: Noncompliance with Certain Federal and State Requirements

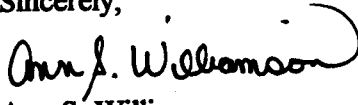
OFS concurs with these findings, and will issue a formal Corrective Action Memorandum to staff providing a synopsis of the findings of the TANF Legislative Audit for FY 2001. In that document, OFS Regional Administrators will be charged with scheduling meetings with their respective Parish Managers. The meetings will focus on a review of the TANF audit findings. Regional Managers will then be required to develop corrective action plans to address each specific finding in the audit and submit the region's plan to the Director of Field Operations.

While all problem areas will be addressed in each region's corrective action plan, the misapplication of the time limits policy will be emphasized in all corrective action plans developed throughout the state. Each Parish Manager will be required to personally monitor each case reaching a state or Federally imposed time limit and report on action taken on each case each month. Each case reaching either the 24 or 60 month time limit will have to be reported as closed or the basis for continued eligibility (specific exemption) will have to be provided. This on-going monitoring by the Parish Manager will be accomplished through the use of a monthly management report that is already in existence. The Parish Manager will then have to provide the list each month to the Regional Manager. The Regional Manager will ultimately be responsible for any future widescale problems with misapplication of the time limits policy within that region.

Temporary Assistance for Needy Families
Page 2

If any other information is needed please advise me or Julie Howard, Director of the Division of Financial Assistance, at 219-9415. Thank you for the opportunity to provide this response.

Sincerely,

A handwritten signature in cursive script that reads "Ann S. Williamson". The signature is written in dark ink and is positioned above the printed name.

Ann S. Williamson
Assistant Secretary

ASW/lb



November 27, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Overpayments Resulting From Unofficial Drops

Dear Dr. Kyle:

Southeastern Louisiana University has received and reviewed the above-referenced possible reporting audit finding and reviewed the appropriate federal guidelines. Based upon these, the University did not have procedures in place to complete Title IV worksheets for refunds on a timely basis for students who unofficially withdrew/dropped out during the 2000-2001 academic year. This was reported to your office in the Federal Award Representation Letter for Southeastern dated May 7, 2001.

The University has already implemented procedures to identify students who receive overpayment of federal awards resulting from unofficial drops from the University. This procedure includes:

1. Identifying all possible individuals who may have unofficially dropped from the University at the end of each semester. This identification is done by reviewing all grade reports of students receiving Title IV aid.
2. Once possible individuals have been identified, additional documentation is obtained from faculty members on each individual student to validate the list of possible students who had unofficial withdrawals.
3. Once specific documentation has been obtained through processes #1. and #2. above that a student has unofficially dropped from the University, this list is provided to the Financial Aid Office in order to calculate the title IV refund amount.
4. The worksheet created in #3. above is transmitted to the Controller's Office for verification and disbursement of refunds to the appropriate agencies.

The University is currently refining this plan in order to ensure that students who unofficially drop from the University are identified and funds returned to the appropriate agency within the timeframe as required for Title IV aid.

The individual responsible to ensure timely disbursement of refunds to the appropriate agencies is Mr. Stephen Soutullo, Director of Academic Services. The corrective action

B-108

All refunds to the various agencies through the Fall 2001 semester should be completed by February 15, 2002 as required by federal regulations.

If additional information is required, please call.


Randy Moffett
Interim President

xc: Dr. Sally Clausen

MANUFACTURED BY THE BOARD OF DIRECTORS OF THE COMPANY

November 27, 2001



Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Unallowable Use of University Supplies and Equipment

Dear Dr. Kyle:

The University concurs with this audit finding. As mentioned in the finding, the employee responsible for the inappropriate use of University supplies and equipment was terminated. This individual reported directly to the Director of Public Information who has also resigned since the occurrence of this fraudulent act. A new Director of Public Information has been employed. He has taken a more active role in the management and oversight of the University's Print Shop. He has instituted the practice of meeting with the staff of the Print Shop at least once a week to review all jobs in progress and those pending to assess the workload and the workflow of the operation. This Director is also taking a more active role in approving all purchases of paper and supplies for the operation. This provided a segregation of duties of ordering supplies and the receipt of the same supplies. In addition, the University hired, on a temporary basis, an employee with an MBA to review the procedures used within the Print Shop with an effort to improve efficiency and accountability.

With the implementation of these modifications, a new sense of direction and accountability has been instilled in the employees within the Print Shop. The individual responsible for developing this corrective action plan was René Abadie, Director of Public Information. Therefore, at this time, the University does not feel further corrective action is required.

I have also requested the Office of Internal Audit review the corrective actions taken to ensure the appropriate internal controls have been implemented and are being following within the Print Shop.

Please let me know if additional information is required on the above-referenced item.

Sincerely,


Randy Moffett
Interim President

xc: Dr. Sally Clausen

AC:\WP61\BRI\BRI\2001\suppliesandequipment.doc

B-110



November 27, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Untimely Grant and Loan Refunds

Dear Dr. Kyle:

Southeastern Louisiana University has received and reviewed the above-referenced possible reporting audit finding and reviewed the appropriate federal guidelines. Based upon these, the University did not have procedures in place to complete Title IV worksheets for refunds on a timely basis during the 2000-2001 academic year. This was reported to your office in the Federal Award Representation Letter for Southeastern dated May 7, 2001.

Procedures were not in place for two main reasons:

1. The Financial Aid office experienced significant turnover in top-level management positions during the current audit period. Employees in the top five managerial positions within the Financial Aid office left during a 15-month period of time. The University has since filled these positions with individuals with appropriate managerial and/or financial aid experience. Therefore, at this time, the University does not feel any additional corrective action should be taken in that the Financial Aid office is staffed at an appropriate level and procedures external to the University's software solutions have been implemented to ensure refunds are issued in a timely manner.
2. Effective with the Fall 2000 semester, the University implemented a new enterprise-wide software solution known as PeopleSoft. The University anticipated this software solution to be a comprehensive system. However, PeopleSoft, as delivered, did not have an automated component for federal refunds incorporated into their system. Therefore, the University had to implement procedures outside of PeopleSoft in order to accomplish this task.

All refunds required by the federal government for official resignations from the University were completed during the 2000-2001 academic year. However, refunds were not submitted to the appropriate agencies within the time limits required by the regulations. The procedures implemented during the 2000-2001 academic year have



SOUTHERN UNIVERSITY AND A&M COLLEGE SYSTEM

BATON ROUGE, LOUISIANA 70813
(225) 771-2011

Baton Rouge, New Orleans,
Shreveport/Bossier City
LOUISIANA

Office of the President
(225) 771-4680

Fax Number:
(225) 771-5522

October 22, 2001

Dr. Daniel G. Kyle, CPA, CFE
Office of Legislative Auditor
State of Louisiana
1600 North Third Street
Baton Rouge, LA 70804-9397
HAND DELIVERED

RE: Response to audit findings

Dear Dr. Kyle:

Enclosed are the responses to the following audit findings for Southern University System campuses at Baton Rouge and New Orleans for fiscal year 2000-2001:

Southern University – Baton Rouge
Lack of Effective Contract Monitoring

Southern University – New Orleans
Inadequate Controls Over Student Accounts Receivable
Lack of Controls Over Financial Assistance Awards

Should you need additional information, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Leon R. Tarver II".

Leon R. Tarver II, Ph.D.
President
Southern University System

LRTII/r

Southern University at Baton Rouge
Lack of Effective Contract Monitoring

The management of Southern University at Baton Rouge does not concur with the auditor's finding relating to "***Lack of Effective Contract Monitoring***".

Southern University at Baton Rouge monitored the Wallace Bookstore, Inc. contract in accordance with applicable terms and conditions. While we agree that the outcome did not achieve the "expected" results, we do however, believe that the option we exercised was in the best interest of Southern University, given other mitigating factors that were considered in our quest to serve the best interest of the University and our clients.

The University was aware of its right to exercise the option to terminate if any of the terms and conditions were not met. However, after considering our options we made the decision not to terminate.

In the management of this contract we considered our fiduciary responsibility to consider all options collectively and exercise the one that we believed would serve the best interest of the university while providing the least amount of risk. We had to balance our need to cancel the contract for failure to abide by *one* of its terms, with the following options: (1) possibly forfeiting a capital investment of approximately \$160,000, (2) having to expend the necessary resources to abruptly close the bookstore and put in place alternative but equal services for our clients, and (3) possibly losing the trust and goodwill of our clients if these services could not be provided. It is our opinion that the value of the capital investment to the University's Book Store is a financial asset that provides additional economic benefit to the University. Also, the University's name and goodwill are intangible assets that should be considered in any prudent business decision.

In monitoring the Wallace Bookstore, Inc. contract, the University considered the fact that the contract payments were secured by performance bonds in the amounts of \$60,000.00 and \$150,000.00, respectively.

Thus, weighing all of the above options collectively, we continued to monitor the contract and pursue collection of past due amounts, all the while receiving assurances from the management of Wallace Bookstore, Inc that the funds were forthcoming.

We do not concur with the amounts cited by the auditor for commission payments nor do we concur that there was no evidence that the University billed the contractor for amounts due. This was a multi-year contract that had been in place for several years. Throughout the contract periods, all of which had been successfully audited, we utilized the same billing and collection procedures. In the past, while utilizing these same procedures, the required annual guarantees and excess commission payments were always received. Wallace Bookstore, Inc. Independent Auditor's Report is normally issued in September of each year. Excess commissions are validated and payments of excess commissions for previous years have traditionally been received in mid October. When these funds did not come in as expected, we formally began collective actions to include submitting a letter on November 27, 2000 to the Vice President for Wallace Bookstore Inc. regarding the past due

payments. A second collection letter was submitted to the Vice President of Wallace Bookstore, Inc. on January 16, 2001.

On January 18, 2001, Southern University received a partial payment from Wallace Book Store, Inc. for the past due amounts with the assurance that the additional payments were forthcoming. A third collection letter was sent to the Vice President of Wallace Bookstore, Inc. on February 8, 2001. However, we also received, on this date, unofficial information concerning the intent of Wallace Bookstore, Inc. to file for Chapter 11 Protection.

Our records show payments still due and payable under the terms of this contract are as follows. As noted, all funds received for the period were applied to the oldest debt. The funds guaranteed by the performance bonds in the amounts of \$60,000.00 and \$150,000.00, respectively are not included in our computations. We along with our attorneys are aggressively pursuing collection on these bonds.

Excess Commission Due for Fiscal Year 2000	\$45,776.17
Minimum Guarantee 07/01/00-02/28/01	116,666.66
Minimum guarantee 03/01/01-06/30/01	58,333.32
Less: Recovery from Subsequent Contractor	<u>(22,110.21)</u>
Total Commission Payments Due	198,665.94
Value of Capital Investment	<u>161,850.00</u>
Net Economic Loss	<u>\$36,815.94</u>

While we realize the University was adversely impacted by Wallace Bookstore, Inc. decision to file for Chapter 11 protection, we also realize that bankruptcy is an economic reality that cannot always be predicted. We believe that it is because of effective monitoring of the contract rather than a lack of it that we will be successful in recovering all funds due the University.

We have sought legal counsel and secured the services of a Bankruptcy attorney to further protect the interest of the University. We along with our attorneys are diligently pursuing this matter to protect the assets of the University and to ensure that all funds due are collected.

The contact person responsible for corrective action is Mr. Flandus McClinton, Jr., Vice Chancellor for Finance and Administration along with the University's legal counsel. The anticipated completion date will be determined by court action.



Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

December 13, 2001

Dr. Daniel G. Kyle, CPA, CPE
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, LA. 70804-9397

Attention: Ms. Joann Sanders

Dear Dr. Kyle:

Enclosed is the Corrective Actions for Southern University at Baton Rouge in response to the *Federal Award Findings and Questioned Costs* cited by our independent auditors, Bruno and Tervalon, CPA, LLC.

Please let me know if additional information is needed.

Sincerely,

Edward R. Jackson
Chancellor

/bm

Enclosure

B-116

Baton Rouge, Louisiana 70813-0400 [225] 771-2011

"A People's Institution Serving the State, the Nation, and the World."

**SOUTHERN UNIVERSITY AT BATON ROUGE
CORRECTIVE ACTION PLAN
SINGLE AUDIT REPORT
FOR YEAR ENDED JUNE 30, 2001**

FINDING 2001-01 and 2001-04

Allowable Activity and Allowable Cost

Independent auditors noted that an internal review team from a pass-through entity submitted a letter indicating certain concerns existed with regard to the management of federal funds received by the grant program.

Also, the Internal Auditor of the Southern University System is performing an audit of the Public Safety Partnership and Community Policing Grant (Violence Against Women) with regard to unallowable activities and costs.

PROPOSED CORRECTIVE ACTION

The University has put in place additional controls to ensure compliance with federal regulations covering all grant programs to include a review of all payment documents by the grant accountant prior to issuance of a purchase order. The project director of this grant was removed from his position when the University was made aware of the pass-through entity's concerns. The director subsequently resigned from the University on June 27, 2001.

The Audit Division of the Office of the Louisiana Legislative Auditor is currently performing an investigation of the Program. Upon receipt of the report, the University will submit a copy of the final results to the appropriate officials.

Appropriate management on the Baton Rouge Campus will also carefully review the auditor's report and implement additional controls that may be deemed necessary to ensure fiscal and programmatic compliance with the grant agreement.

PROPOSED COMPLETION DATE

On-going.

PERSON(S) RESPONSIBLE

Christopher Hunte, Chair, Department of Sociology and Law Enforcement, Mary Joseph-White, Project Director, and Celeste Wilkinson, Interim Comptroller

**SOUTHERN UNIVERSITY AT BATON ROUGE
CORRECTIVE ACTION PLAN
SINGLE AUDIT REPORT
FOR YEAR ENDED JUNE 30, 2001**

FINDING 2001-07

Eligibility

Independent auditors noted that (1) student out of ten (10) students tested received SDS funds but were not documented as having financial need.

PROPOSED CORRECTIVE ACTION

The University will adhere to the established policies and procedures relating to SDS documentation. Adherence to the policies and procedures will ensure that documentation is available for students who participate in the SDS program.

PROPOSED COMPLETION DATE

June 30, 2002

PERSON(S) RESPONSIBLE

Linda G. Carr, Interim Director of Financial Aid

**SOUTHERN UNIVERSITY AT BATON ROUGE
CORRECTIVE ACTION PLAN
SINGLE AUDIT REPORT
FOR YEAR ENDED JUNE 30, 2001**

FINDING 2001-06

Return of Title IV Funds

Independent auditors noted that:

- The Return of Title IV Funds calculations were not done within thirty (30) days of the student's withdrawal date for eight (8) students out of fourteen (14) tested .
- The Return of Title IV Funds calculations were done incorrectly for ten (10) students out of fourteen (14) tested.
- Five (5) students out of fourteen (14) tested were not notified within 30 days that they had a grant overpayment; and
- Two (2) students withdrew before the 60 per cent point in enrollment and the University did not perform a Return of Title IV Funds calculation.

PROPOSED CORRECTIVE ACTION

Procedures have been strengthened to ensure that responsible employees keep abreast of policy changes relating to the calculation of withdrawal refunds to include training of all staff members who are responsible for the calculations. Management will ensure that communication is strengthened between all departments involved in the Return of Title IV Funds calculation to ensure that refunds are calculated correctly and the prescribed time lines are met.

PROPOSED COMPLETION DATE

June 30, 2002

PERSON(S) RESPONSIBLE

Linda G. Carr, Interim Director of Financial Aid and Demetria George, Bursar

**SOUTHERN UNIVERSITY AT BATON ROUGE
CORRECTIVE ACTION PLAN
SINGLE AUDIT REPORT
FOR YEAR ENDED JUNE 30, 2001**

FINDING 2001-05

Student Loan Disbursements

Independent auditors noted that (1) student out of sixty (60) tested received financial aid in excess of the student's documented need. Also, the auditors noted one (1) instance out of fifty (50) tested in which a student exceeded the aggregate loan limit.

PROPOSED CORRECTIVE ACTION

The University will adhere to established policies and procedures by continuing to monitor all awards to prevent over awards from occurring. The procedure of adding subsequent awards to a student's aid package has been reviewed. The University will continue to monitor the student's aggregate loan limits by utilizing the National Student Loan Data System (NSLDS).

PROPOSED COMPLETION DATE

June 30, 2002

PERSON(S) RESPONSIBLE

Linda G. Carr, Interim Director of Financial Aid



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Pines Drive
New Orleans, LA 70128
(504) 288-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

September 21, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find enclosed the response to Finding #1: that Southern University at New Orleans (SUNO) had Inadequate Controls Over Student Accounts Receivables for the second consecutive year. The University concurs with this finding.

Proposed Corrective Action: Southern University at New Orleans implemented SCT's SIS Plus software to process and maintain students activity on the New Orleans campus. Prior to June 1999, the University used several different systems to process and maintain students' activity. The data did not always flow from one system to the next intact. The University has implemented a fully integrated system located on the New Orleans campus to process and maintain students activity primarily from the Admissions office, Financial Aid office and the Comptroller's office. In March, 2001, the data from the Baton Rouge SIS Plus System was merged with the New Orleans campus to improve efficiency in the processing of analyzing the students' data.

Beginning July 1, 2001, with the implementation of the new system, the University has adequate controls over student accounts receivables and a way of ensuring compliance with policies and procedures related to them. This process is the responsibility of the Comptroller, Dr. Gerald Williams.

Sincerely,

Joseph Bouie Jr.
Chancellor



SOUTHERN UNIVERSITY AT NEW ORLEANS

8400 Press Drive
New Orleans, LA 70126
(504) 284-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

September 21, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find enclosed the response to Finding #2: that Southern University at New Orleans (SUNO) did not maintain adequate controls over student accounts with credit balance. The University concurs with this finding.

The University used several different system to process transactions. Registration: (1) In House; (2) Conversion program to convert data from in-house system; (3) Loaded data to SIS Plus on the Baton Rouge System; and (4). Solar - Focus Software. Other Transactions: (1) Manual receipts mailed to Baton Rouge and (2) Batches generated on the New Orleans campus and transmitted to Baton Rouge.

Proposed Corrective Action: Southern University at New Orleans implemented SCT's SIS Plus system. All student transactions are now posted to SIS Plus on the New Orleans campus. Comptroller, Dr. Gerald Williams; Director of Information Technology Center, Mr. Thomas Lovince; Director of Student Financial Aid, Ms. Ursula Shorty; and Registrar, Brenda Williams are responsible for maintaining adequate controls over student accounts with credit balances.

Sincerely,

Joseph Bouie Jr.
Chancellor



OFFICE OF THE CHANCELLOR

SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Pines Drive
New Orleans, LA 70128
(504) 284-5311
FAX (504) 284-5500

September 21, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find enclosed the response to Finding #3: that no evidence existed that accounts with credit balances on the Baton Rouge system had been analyzed to determine the validity of the credit balances prior to their conversion to the SUNO system. The University concurs in part with this finding.

The University recognized the problems with processing data on the multiple systems that were not fully integrated. The entire accounts receivable file was downloaded into Excel approximately 25% of the students records were reviewed.

Proposed Corrective Action: Southern University at New Orleans implemented SIS PLUS system. The University now maintains all student transactions on one fully integrated system. Comptroller, Dr. Gerald Williams; Director of Information Technology Center, Mr. Thomas Lovince; Director of Student Financial Aid, Ms. Ursula Shorty; and Registrar, Brenda Williams are responsible for verifying credit balances.

Sincerely,

Joseph Bouie Jr.
Chancellor



SOUTHERN UNIVERSITY AT NEW ORLEANS

8400 Pines Drive
New Orleans, LA 70128
(504) 284-5311
FAX (504) 284-5800

OFFICE OF THE CHANCELLOR

September 21, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find enclosed the response to Finding #4: that Southern University at New Orleans (SUNO) wrote off student account receivable totaling \$100,507.00 as uncollectible. The University concurs with this finding.

As previously stated, the university used several different systems to process students activity prior to June 1999. The University now processes and maintains all student activity on one fully integrated system that shares students' data with the units on campus. The Comptroller, Dr. Gerald Williams, is responsible for ensuring that the new system enhances the University's commitment to providing the highest caliber of services to our customers and provide the necessary reports to analyze student transactions.

Sincerely,

Joseph Bouie Jr.
Chancellor



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Press Drive
New Orleans, LA 70126
(504) 286-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

November 15, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Finding: Tuition and Fees and Refunds Not Properly Recorded (Part 1 of 3)

Southern University at New Orleans concurs, in part, with the audit finding and recommendations regarding tuition and fees and refunds not being properly recorded.

Southern University at New Orleans converted from a home grown computerized processing system to the SCT's SIS-Plus in July 1999. The SIS-Plus System is a fully integrated system shared primarily by the Admissions Office, Comptroller's Office and Office of Student Financial Aid to process all student related information.

The purge operation designed to remove students that did not complete the registration process was not properly executed. The execution was supposed to remove students from courses and reverse their charges if they did not go through the prescribed registration process. The execution experienced by the University removed students from courses but did not reverse their charges. The University recognized that the purge did not reverse the charges prior to the June 30, 2001 closing date. A report was generated for students with charges and no credit hours; and a report was generated for students with credit hours and no charges. These reports were then verified to the students' account in SIS-Plus System for charges and credit hours.

Corrective Action Proposed:

The University will ensure that written procedures are developed and implemented for the proper and timely executions of the registration purge process.

Dr. Daniel G. Kyle, CPA, CFE
November 15, 2001
Page 2

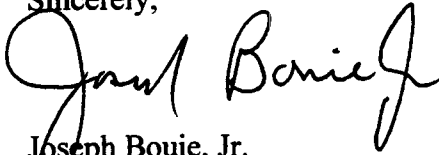
Persons Responsible for Corrective Action:

Dr. Gerald Williams, Comptroller
Mr. Thomas Lovince, Director ITC
Ms. Brenda Williams, Registrar

Anticipated Completion Date:

The anticipated completion date is December 17, 2001.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Bouie, Jr.", written in a cursive style.

Joseph Bouie, Jr.
Chancellor



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Press Drive
New Orleans, LA 70126
(504) 286-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

November 15, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Finding: Tuition and Fees and Refunds Not Properly Recorded (Part 2 of 3)

Southern University at New Orleans concurs with the audit finding and recommendations regarding tuition and fees and refunds not properly recorded.

The refund and tuition and fees were calculated correctly by the automated system prior to the reversal of the respective students' financial aid. The system automatically established an accounts receivable for each student whose aid was reversed.

Corrective Action Proposed:

The University will establish policies and procedures to ensure the proper and timely posting of student aid.

Persons Responsible for Corrective Action:

Mrs. Willetta Edinburgh, Financial Aid Counselor/Work-Study Coordinator, Ms. Lenora Thomas, Associate Director of Financial Aid, and Ms. Ursula J. Shorty, Director of Financial Aid are the contact persons responsible for the corrective actions indicated above.

Anticipated Completion Date:

The anticipated completion date is December 17, 2001.

Sincerely,

Joseph Bouie, Jr.
Chancellor

/gw

B-127



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Press Drive
New Orleans, LA 70126
(504) 286-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

November 15, 2001

Dr. Daniel G. Kyle, CPA CFE
Office of the Legislative Auditor
State of Louisiana 1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Finding: Tuition and Fees and Refunds Not Properly Recorded (Part 3 of 3)

Southern University at New Orleans concurs, in part, with the audit finding and recommendations regarding tuition and fees and refunds not being properly recorded.

The University calculated projected revenues using the State Hourly Enrollment Report (Exhibit 1), the Louisiana Board of Regents Student Credit Hour Production Report (Exhibit 2), and a physical count was made from the original fee bills generated at registration (Exhibit 3). The rate tables were reviewed for the rate and distribution of revenues. The other revenue accounts were also reviewed for accuracy.

The extensions of these various reports suggested that the actual revenues posted were equal to 97% or better than the projected revenues. As noted in our letter dated November 8, 2001, the total actual hours on the students' original fee bill was not the same as that used to project revenues.

A comparison of actual revenues realized for the Fall Semester 2000 with the Fall Semesters for 1999 and 2001 indicate that there were no significant differences.

Corrective Action Proposed:

The University now compares the State Hourly Enrollment Report generated by the Registrar's Office to revenues posted in the general ledger.

Persons Responsible for Corrective Action:

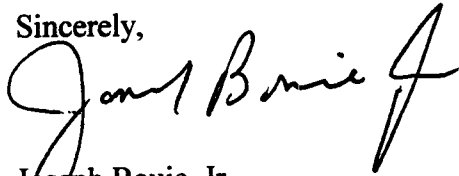
Mr. Thomas Lovince, Director of ITC
Ms. Brenda Williams, Registrar
Dr. Gerald Williams, Comptroller

Dr. Daniel G. Kyle, CPA, CFE
November 15, 2001
Page 2

Anticipated Completion Date:

The anticipated completion date is December 17, 2001.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Bouie, Jr.", with a stylized flourish at the end.

Joseph Bouie, Jr.
Chancellor

/gw

Enclosures



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Press Drive
New Orleans, LA 70126
(504) 286-5311
FAX (504) 284-5500

OFFICE OF THE CHANCELLOR

December 12, 2001

Dr. Daniel G. Kyle, CPA, CFE
Office of the Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

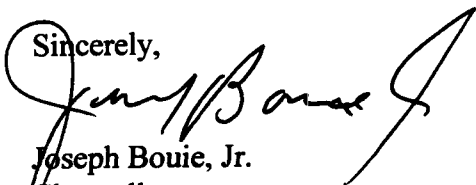
We are transmitting to your office responses to the 2001 audit findings cited for Southern University at New Orleans as follows:

2001-02 Internal Auditor
2001-03 Loan Disbursements to Students and Repayment to Lenders
2001-08 Federal Family Education loan Limits
2001-09 Satisfactory Academic Program
2001-10 Refund of Title IV Funds
2001-11 Aid exceeded Documented Need
2001-12 Separation of Functions
2001-13 Special Reporting

Also, included are responses to the Independent Auditors comments to management as follows:

1-College Work-Study
2-Financial Aid Practices
3-Student Status Change

Sincerely,



Joseph Bouie, Jr.
Chancellor

/jwr

Attachments

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-02 Internal Auditor

The Independent Auditors noted that the University had not hired a replacement for the individual responsible for the internal audit function.

UNIVERSITY'S RESPONSE

Southern University at New Orleans has taken steps to employ a replacement for the individual responsible for the internal audit function. The position has been advertised, and applications are being considered. The position is scheduled to be filled as soon as possible.

PERSONS RESPONSIBLE:

Mrs. Irene C. Howard
Mr. Thomas Lovince
Mr. Junius W. Robinson, Jr.
Dr. Janice Winder

COMPLETION DATE:

February 1, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-03 Loan Disbursements to Students and Repayments to Lenders

The Independent Auditors were provided a listing of forty-six (46) outstanding checks totaling \$125,471. These checks which averaged over \$2,000 represent federal loan refunds to students and repayments of canceled loans to lenders.

UNIVERSITY'S RESPONSE

Southern University at New Orleans will adhere to its established procedures to ensure that all checks belonging to students and lenders are delivered, credited and/or voided in a timely manner.

CONDITIONS AND PERSPECTIVES, CONTINUED

2001-03 Loan Disbursements to Students and Repayments to Lenders

PERSONS RESPONSIBLE:

Dr. Gerald Williams
Mr. Woodie White
Mrs. Shawn Gulley
Mrs. Darlene Varriello
Ms. Tonisha Key
Ms. Huong (Rose) Nguyen

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED: No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-08 Federal Family Education Loan Limits

The Independent Auditors noted that three (3) students out of nineteen (19) tested had exceeded the aggregate loan limit.

UNIVERSITY'S RESPONSE

Southern University at New Orleans will adhere to it's established procedures in order to ensure that the total amount of financial aid awarded to students will not exceed their aggregate loan limit.

The Financial Aid Director and all financial aid counselors have been instructed to carefully monitor the processing and awarding of aid.

PERSONS RESPONSIBLE:

Dr. Janice Winder
Ms. Ursula J. Shorty
Ms. Lenora Thomas
Ms. Kathy Woods

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-09 Satisfactory Academic Progress

The Independent Auditors noted that six (6) students out of sixty (60) tested were awarded and received financial aid, although the students did not meet the University's standards for achieving satisfactory academic progress.

UNIVERSITY'S RESPONSE

Southern University at New Orleans revised, published, and implemented its satisfactory academic progress policy, effective Fall 2001, to include standards as prescribed by the Title IV regulations.

The University will adhere to its established policies and procedures and monitor the academic standing of all students prior to awarding student financial aid.

The Office of the Registrar and Office of Student Financial Aid have been instructed to ensure that the academic standing of all students meet established standards prior to awarding student financial aid.

PERSONS RESPONSIBLE:

Dr. Andrea Jefferson
Ms. Brenda Williams
Mrs. Timotea Bailey
Ms. Gilda Davis
Mr. Robert Thomas

Dr. Janice Winder
Ms. Ursula J. Shorty
Ms. Lenora Thomas
Ms. Kathy G. Woods

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-10 Refund of Title IV Funds

The Independent Auditors noted the following conditions:

- Two (2) students withdrew before the 60% point in enrollment and the University did not perform a Return of Title IV Funds calculation;
- Fifteen (15) out of fifteen (15) students tested whose Return of Title IV Funds calculations were done incorrectly. This resulted in an overpayment by the University of \$ 1,583, of which \$ 1,285 related to the FFEL program and \$ 298 related to the Pell grant program;
- Five (5) out of fifteen (15) tested who had a grant over payment due and the University did not properly notify student of the over payment within 30 days;
and
- A written refund policy had not been developed that provided for students who withdrew on or before the 60% point in time of the period of enrollment.

UNIVERSITY'S RESPONSE

During the Fall 2001 Semester, Southern University at New Orleans revised, published, and implemented its refund policy to include standards as prescribed by Title IV regulations.

The University has installed and implemented the USDOE software for calculating returns of Title IV funds and has revised its refund accounting procedures. Also included are measures to ensure proper and timely notification of students as required by Title IV guidelines.

The University will adhere to its established policies and procedures regarding Title IV refunds.

PERSONS RESPONSIBLE:

Dr. Gerald Williams
Mrs. Rosie Reed

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-11 Aid Exceeded Documented Need

The Independent Auditors noted that two (2) students out of sixty (60) tested received financial aid in excess of their documented need.

UNIVERSITY'S RESPONSE

Southern University at New Orleans will adhere to established procedures and ensure that the total financial aid received by students does not exceed their documented need.

PERSONS RESPONSIBLE:

Dr. Janice Winder
Ms. Ursula Shorty
Ms. Lenora Thomas
Mrs. Kathy Woods
Financial Aid Counseling Staff

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-12 Separation of Functions

The Independent Auditors noted that the University did not maintain an adequate checks-and-balances system over Federal Direct Loans, Federal Family Education Loans and Federal Work-Study; and did not have established procedures to perform loan origination and disbursement reconciliations.

UNIVERSITY'S RESPONSE

Southern University at New Orleans is in the process of reviewing the functions and practices of the Office of Student Financial Aid and the Comptroller's Office and establishing a policy with procedures to ensure that loan information is being properly processed and/or disbursed to students, loan origination centers and lenders; and, further ensure that bank statements and bank reconciliation statements are shared by the Comptroller's Office with the Office of Student Financial Aid.

The internal audit function is being restored and will assist in strengthening the process of sharing related information between the two (2) departments and others who need to know.

PERSONS RESPONSIBLE:

Dr. Gerald Williams
Mr. Woodie White
Mrs. Shawn Gulley
Ms. Ursula Shorty
Ms. Lenora Thomas
Mrs. Kathy G. Woods
Mrs. Willetta Edinburgh

COMPLETION DATE:

June 30, 2002

FEDERAL AGENCY CONTACTED:

No

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
CORRECTIVE ACTION PLAN
June 30, 2001**

CONDITION AND PERSPECTIVE

2001-13 Special Reporting

The Independent Auditors noted that certain financial information reported on the FISAP did not agree to the University's accounting and programmatic records.

UNIVERSITY'S RESPONSE

The University has taken steps to correct the differences noted by the Independent Auditors on the FISAP report filed for June 30, 2001.

PERSONS RESPONSIBLE:

Dr. Gerald Williams
Mrs. Gloria Brown

COMPLETION DATE:

December 15, 2001

FEDERAL AGENCY CONTACTED:

No



SOUTHERN UNIVERSITY
SHREVEPORT / BOSSIER CITY CAMPUS

Office of the Vice Chancellor
Fiscal Affairs

December 11, 2001

Dr. Dan Kyle, CPA, CFE
Legislative Auditor
State of Louisiana
1600 North Third Street
P.O. Box 94397
Baton Rouge, Louisiana 70884-9397

Dear Dr. Kyle:

Enclosed please find the University's responses to audit findings cited by Bruno and Tervalon, CPA for the Southern University at Shreveport campus for the period ending June 30, 2001.

If you have any questions or concerns, please contact Mr. Benjamin Pugh at (318)-674-3481.

Sincerely,

Ray L. Belton

Dr. Ray L. Belton, PhD
Chancellor

B-139

3050 MARTIN LUTHER KING, JR. DRIVE, SHREVEPORT, LOUISIANA 71107
PHONE: (318) 674-3312 • FAX: (318) 674-3374
"AN EQUAL OPPORTUNITY EMPLOYER"

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT CAMPUS
CORRECTIVE ACTION PLAN
JUNE 30, 2001**

Audit Finding--2001-14

STUDENT CREDIT BALANCES

We noted during our audit that forty-four (44) out of sixty (60) students tested had SFA credit balances but the University did not refund the credit balances to the students within the (14) fourteen day requirements.

PROPOSED CORRECTIVE ACTION

Southern University at Shreveport has experienced delays in installation and implementation of a Student Information System which will enable student credit balances to be processed on-line for payment within the prescribed fourteen (14) day requirement.

The University is working diligently to implement this software system as soon as possible.

PERSON(S) RESPONSIBLE

Benjamin Pugh, Vice Chancellor for Fiscal Affairs
Dr. Gabriel Fagbeyiro, Director of ITT

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT CAMPUS
CORRECTIVE ACTION PLAN
JUNE 30, 2001**

Audit Finding--2001-15

RETURN OF TITLE IV FUNDS

We noted during our audit that the University failed to develop a refund policy that included a provision for students who withdrew on or before the 60 percent point in time of the period of enrollment.

In addition, we noted the following:

- Two (2) students out of five (5) tested whose return of Title IV funds were not done within 30 days of the student's withdrawal date;
- Five (5) students out of five (5) tested who had a Pell Title IV refund (i.e. grant overpayment) and the University did not notify the student of his requirement of repayment of the grant overpayment within 30 days of the student's withdrawal date;
- Ten (10) students who withdrew before the 60% point in enrollment and the University did not perform a Return of Title IV Funds Calculation; and
- Five (5) students out of five (5) tested whose Return of Title IV funds calculations were incorrect resulting in an overpayment by the University of \$349 and a payment due from the students of \$1,623

PROPOSED CORRECTIVE ACTION

The University has reviewed current Title IV regulations to provide assurance of timely processing, accurate calculation, and prompt remittance to the Title IV program of refunds for students who withdraw from school.

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT CAMPUS
CORRECTIVE ACTION PLAN
JUNE 30, 2001**

Audit Finding--2001-15

PERSON(S) RESPONSIBLE

Mrs. Wanda Lewis, Director of Accounting Services
Ms. Mahalier Broom, Interim Registrar

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT CAMPUS
CORRECTIVE ACTION PLAN
JUNE 30, 2001**

Audit Finding--2001-16

FEDERAL PELL GRANT CALCULATIONS

We noted during our audit that for two (2) students out of sixty (60) students tested the University failed to properly calculate the student's Pell grant amount.

PROPOSED CORRECTIVE ACTION

The University will continue to adhere to established policies and procedures with regards to the proper calculation of all students' PELL grant amounts. Upon verifying a student's enrollment status, information regarding the student's Effective Family Contribution (EFC) number and the actual amount of the award will be obtained from the PELL Grant Payment Schedule (issued by the Department of Education).

PERSON(S) RESPONSIBLE

Ms. Patricia Flanagan, Director of Student Financial Aid

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT CAMPUS
CORRECTIVE ACTION PLAN
JUNE 30, 2001**

Audit Finding--2001-17

SATISFACTORY ACADEMIC PROGRESS

We noted that the University's satisfactory academic progress policy (the Policy) does not meet the minimum requirements established by the federal government. Specifically, the policy excludes a provision regarding the related hours attempted by students that subsequently represent class withdrawals.

PROPOSED CORRECTIVE ACTION

The University will continue to adhere to established policies and procedures and monitor the academic standing of all students prior to awarding student financial aid. The University's Registrar will ensure that all student information is entered on the students' master files, updated as changes occur and that the SAP Policy Monitor is notified of all changes. The monitor will continue to provide the Financial Aid Office with information that is consistent with the Registrar's Office files. The University has experienced some delays, but is still in the process of migrating to the SIS Plus System which has an electronic component for monitoring SAP.

PERSON(S) RESPONSIBLE

Mrs. Linda Hines, Policy Monitor
Ms. Patricia Flanagan, Director of Student Financial Aid



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF TELECOMMUNICATIONS MANAGEMENT

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

October 10, 2001

Mr. Daniel G. Kyle
CPA, CFE, Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Kyle:

In response to your letter of October 5, 2001 concerning the audit finding on the Inaccurate Financial Statements submitted by the Office Of Telecommunications Management (OTM), the following is presented:

- Finding: Inaccurate Financial Statements
- OTM concurs with the finding
- The past two years, usage based receivables and payables were included in OTM's financial statements as an adjustment made by the Legislative Auditor's Office. OTM now understands that these adjustments should be made by OTM prior to submitting financial statement and as such, will ensure that they are made.

The corrective action plan includes the following:

- Nino Salvaggio is responsible for implementing the plan.
- Accurate and complete financial statements, including Statement A (Balance Sheet) and Statement C (Statement of Cash Flow) will be submitted for the 2001/02 Fiscal Year.
- Accurate and complete financial statement will be submitted in accordance with timelines established for state agency financial reporting for the 2001/02 Fiscal Year.

Please advise if additional information is required.

Sincerely,


J.A. Lanier
Director

c: Nino Salvaggio, OTM
Darline Spano, OTM



STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



M. J. "MIKE" FOSTER, JR.
GOVERNOR

December 11, 2001

KAM K. MOVASSAGHI
SECRETARY

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Construction Materials Not Sampled

Dear Dr. Kyle:

The Department concurs in part with the finding. The Department clearly has policies and procedures in place to insure material testing is conducted. Quality control and quality assurance is a high priority responsibility of all project engineers and management in general.

The Department can cite innumerable examples where contractors were required to redo work for failing to meet the required specifications. In fact, the case cited in the finding is a good example of the quality of our program. The material facts and documentation provided by DOTD staff were instrumental in substantiating the whistleblower claims and successfully prosecuting the case.

The Department will continue to insist on the highest quality material and workmanship in its construction projects and emphasize QC/QA in all of its work

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

Jbjr:mab

B-146

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STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



M. J. "MIKE" FOSTER, JR.
GOVERNOR

December 11, 2001

KAM K. MOVASSAGHI
SECRETARY

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Equipment Rental Rates Not Current

Dear Dr. Kyle:

The Department concurs with the finding. DOTD audit report No. 010507 dated June 6, 2001 essentially had already reported on this issue (copy attached). On July 2, 2001, the DOTD Undersecretary directed that the recommendations contained in the report be implemented.

The Department established an internal task force made up of members from the Maintenance Division, the Information Services section, the Accounting section, and the Audit section to develop a more effective automated procedure for managing/updating the rental rates. Significant progress has been made and new rates are being calculated and will be in use within 60 days.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

attachment
Jbjr:mab

B-147

AN EQUAL OPPORTUNITY EMPLOYER
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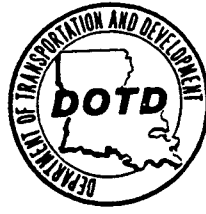


M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245

225/237-1306

June 6, 2001



KAM K. MOVASSAGHI
SECRETARY

AUDIT REPORT NO. 010507

MR. JOHN BASILICA
UNDERSECRETARY, MANAGEMENT & FINANCE
BATON ROUGE, LA

RE: DOTD EQUIPMENT RENTAL RATES

Our department uses an equipment management system, whereby equipment rental rates are applied to usage. A portion of this equipment rental is then billed to FHWA on the Incidental Billings. The Financial Service Section prepares a comparison between the total of equipment rental charges and the actual cost of maintaining and operating our fleet of equipment. This is a cumulative amount carried forward from year to year. At the end of Fiscal Year 1999 -2000, this cumulative amount showed that the Equipment Rental charges were about \$10.7 million more than actual cost. The biggest risk to this department is that FHWA could demand the department to pay back the portion of overcharges that have been billed to them.

The liability for the overcharges arose because the rental rates have not been adjusted in several years. We were unable to determine the exact date that the rates were last adjusted other than about 1993-94 fiscal year.

RECOMMENDATIONS

1. We recommend that the Maintenance Section adjust the equipment rental rates as soon as possible. They can do this by:
 - A. Use the letter to Mr. Karl Finch from Ms. Patty O. Parsons, Financial Services, dated August 17, 2000, (see attached) to calculate the indirect factor:

$$\text{Indirect Factor} = \frac{\text{Direct Cost} + \text{Indirect Cost} + \text{Sale of Equipment}}{\text{Direct Cost}}$$

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AUDIT REPORT NO. 010507 - continued

$$\text{Indirect Factor} = \frac{\$24,307,293.11 + 9,343,533.67 - \$91,654.88}{\$24,307,293.11}$$

$$\text{Overhead Adjustment Factor} = \underline{\underline{1.3806}}$$

- B. Give this overhead Adjustment Factor to Information Systems, and ask that the Equipment Rental Rates easytrieve for Fiscal Year 1999 – 2000 be run.
 - C. Input these adjusted rental rate figures into the equipment system. Then, when future Biweekly Equipment Reports (Document Code 11's) are entered by the field personnel, the computer will automatically apply these adjusted rental rates to the usages to get the equipment rental figures.
2. We recommend that Financial Services only prepare their equipment rental rate letter once a year in August. Also, include a sentence in the letter requesting the Maintenance Systems Engineer to use this information to adjust the equipment rental rates. Also, instead of stating that "The balances for these accounts are as of period ending August XX, 20XX.", it should state that the balances for these accounts are for Fiscal Year Ending June 30, 20XX plus the year end adjustments for that year. It should also state that the balances do not include the current fiscal year costs that have been incurred in July and August 20XX.

AUDIT REPORT NO. 010507

3. The Maintenance Section, beginning with the August 2001 letter from Financial Services, should then adjust the equipment rental rates annually.

NOTE: The Maintenance Section personnel relayed to us that the current equipment computer system is very old. They said there are a high rate of input errors with the field personnel. They also stated that they cannot always retrieve everything that has been input into the system. The Maintenance Systems Engineer stated that the DOTD Budget which has been sent to the Division of Administration includes the installation of a new Maintenance Management System. It is Hansen Information Systems. Their projected earliest date to have the system running is September 2002, and projected latest date to have the system running is June 2003. They feel that after this system is implemented, it will provide much more accurate equipment rental rate figures.

We discussed the results of the audit with Mr. Sal Faldetta, Financial Services Administrator, and with Mr. John Collins, Maintenance Systems Engineer, and they concurred.


J.P. PERILLOUX
AUDIT DIRECTOR

JPP:DSB:npw

Attachment

pc: Mr. William A. Temple
Mr. Sal Faldetta
Mr. John Collins (with computer run)



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



KAM K. MOVASSAGHI
SECRETARY

December 11, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Failure to Monitor Preliminary Engineering Projects

Dear Dr. Kyle:

The Department concurs with the finding. However, the CFR does not specifically require that monies be refunded prior to the 10-year limit and, therefore the Department has not violated any federal regulation. The three projects cited are projects that are governed by programs which DOTD administers for others (i.e. off-system bridge, urban systems). DOTD does not have complete control of project progress or lack thereof.

DOTD procedures are more than adequate to preclude a reoccurrence, nevertheless, additional attention will be given to those projects identified as "work for others". The projects have been closed out and all monies have been refunded to FHWA.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

Jbjr:mab

B-151

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M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



KAM K. MOVASSAGHI
SECRETARY

December 11, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Inadequate Monitoring of Davis-Bacon Act

Dear Dr. Kyle:

The Department concurs in part with the finding. Clearly the Department has adequate procedures in place to comply with the Davis-Bacon Act. Nevertheless, the Department will strengthen its program compliance by implementing additional procedures as outlined in the attached memo.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

Attachment
Jbjr:mab

B-152

AN EQUAL OPPORTUNITY EMPLOYER
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DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
INTRADEPARTMENTAL CORRESPONDENCE

☐ REFERRED FOR ACTION
☐ ANSWER FOR MY SIGNATURE
☐ FOR FILE
☐ FOR YOUR INFORMATION
☐ FOR SIGNATURE
☐ RETURN TO ME
☐ PLEASE SEE ME
☐ PLEASE TELEPHONE ME
☐ FOR APPROVAL
☐ PLEASE ADVISE ME

BY _____ DATE _____
BY _____ DATE _____
BY _____ DATE _____

TO: MR. JOHN BASILICA
UNDERSECRETARY

FROM: MR. JAMES A. LITTLE *RL*
CHIEF, CONSTRUCTION DIVISION

DATE: NOVEMBER 13, 2001

SUBJECT: AUDIT FINDING-INADEQUATE MONITORING OF DAVIS-BACON ACT

We have evaluated the findings of the audit concerning the monitoring of the Davis-Bacon Act, and have concluded that there are sufficient procedures and methods in place to ensure compliance with Davis-Bacon requirements. However, we have determined that the following corrective action plan will ensure that these procedures and methods are emphasized and enforced:

- 1) On December 11-12, 2001, Mr. Rick Holm, Systems Construction Engineer, will review in detail the existing policies and procedures with the District Construction Engineers at their regularly scheduled meeting. Special emphasis will be given in reviewing the project engineers' duties in this regard.
- 2) Within one month, each District Construction Engineer will hold a meeting with all project engineers to disseminate and review the policies and procedures.
- 3) Mr. Gene McArdle, Labor Compliance Specialist, has developed a payroll review spreadsheet (see attached sample) to ensure that at least 25% of payrolls are checked thoroughly and that any areas of concern in the project engineers' offices are addressed.
- 4) Mr. Jimmy Little, Chief, Construction Division, will review the payroll spreadsheets for completeness at least every six months.

RECOMMENDED FOR APPROVAL _____ DATE _____

RECOMMENDED FOR APPROVAL _____ DATE _____

RECOMMENDED FOR APPROVAL DATE

APPROVED _____ DATE _____

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**AN EQUAL OPPORTUNITY EMPLOYER
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Mr. John Basilica
Page 2
November 13, 2001

It is important that this corrective action plan eliminates future findings regarding the Davis-Bacon Act. You may expect our full attention in monitoring and enforcing the Davis-Bacon provisions.

Please advise me if we can be of further assistance or should you have questions concerning our action plan.

Attachment



M. J. "MIKE" FOSTER, JR.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



KAM K. MOVASSAGHI
SECRETARY

December 11, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Theft of Payroll Funds

Dear Dr. Kyle:

The Department does not concur with the finding. The Department does acknowledge the theft occurred because it discovered the fraud as a result of appropriate management oversight you contend is lacking.

Obviously, discovery of the payroll fraud sooner would have been more beneficial. Nevertheless, the Department's careful and thorough investigation resulted in a successful prosecution. More frequent oversight checks will be emphasized and implemented throughout the Department.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

Jbjr:mab

B-155

AN EQUAL OPPORTUNITY EMPLOYER
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STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



M. J. "MIKE" FOSTER, JR.
GOVERNOR

December 11, 2001

KAM K. MOVASSAGHI
SECRETARY

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Unrecorded Commitments

Dear Dr. Kyle:

The Department concurs with the finding which recognizes that all liabilities for the flood control program have not been recorded in PMFS. This condition was created as the Department implemented the provisions of Act 555 of 1996, Cash Management, (and RS 48:251), which, as noted, allows DOTD to enter into contracts before funds are actually available. The Department, in conjunction with the Office of Statewide Reporting and Accounting Policy (OSRAP), will develop procedures in PMFS to account for these liabilities.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

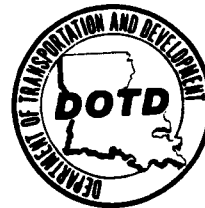
Jbjr:mab

B-156

AN EQUAL OPPORTUNITY EMPLOYER
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STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P. O. Box 94245
Baton Rouge, Louisiana 70804-9245



M. J. "MIKE" FOSTER, JR.
GOVERNOR

December 11, 2001

KAM K. MOVASSAGHI
SECRETARY

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

FINDING: Untimely Closing of Projects

Dear Dr. Kyle:

The Department concurs with the finding. As noted, the CFR does not require final voucher submission within one year of final acceptance and therefore has not violated any federal regulation. The EDSM established by the Department with FHWA is a guide and a goal that we strive to achieve.

Significant progress has been made in this area, however, the Department now finds itself a victim of its own success. The DOTD has delivered two back-to-back record years of construction lettings totaling some \$1.24 billion, thus exacerbating the volume of projects to be closed. All of this done with zero increase in staffing. As a result, the six month standard may be unrealistic given the fiscal/staffing realities and should be revised. Accordingly, the EDSM will be revised to allow two years for closure.

The Department will continue its practice of identifying and expediting closure of those projects where substantial funds would be released thus making them available for use on additional projects.

Sincerely,

Kam K. Movassaghi, Ph.D., P.E.
Secretary

Jbjr:mab

B-157

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UNIVERSITY
OF
LOUISIANA
L a f a y e t t e

Financial Aid Office

P.O. Box 41206
Lafayette, LA 70504-1206
Office: 337-482-6506

Université des Acadiens

September 11, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find below our management response to the FY 2000-2001 audit finding of "Failure to Perform Due Diligence Collection Procedures" for our Federal Perkins Student Loan Program.

The University concurs with the finding.

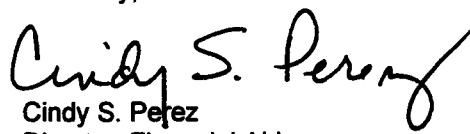
The Federal Perkins Loan Office has continued to perform all collection procedures, with the exception of turning unsuccessful accounts over to an outside agency, diligently, aggressively and successfully. We will continue to place our unsuccessful accounts with the Department of Justice Collection Section.

The corrective action we have in process is as follows:

- We have moved an Accounting Clerk into the Perkins Collections Office to assist with the Accountant II.
- We have requested that a vacant Accounting Clerk Position is upgraded to an Accountant I position and that position is moved to the Perkins Collections Office.
- We are in the process of referring the 704 defaulted loans the Dept of Justice.
 - 21% of these loans have either paid out or have made rehabilitation arrangements
 - 6% will be forwarded to the Dept of Justice by September 14, 2001
 - 38% are ready to have the appropriate paperwork processed to be referred to the Dept of Justice: one-half should be at the collection agency by October 1, 2001; the other half by November 1, 2001
 - The remaining 35% will be referred to the Dept of Justice by December 31, 2001

We expect the Perkins Student Loan Office to be in full compliance with federal regulations by January 2002.

Sincerely,


Cindy S. Perez
Director, Financial Aid

B-158

A Member of the University of Louisiana System





Office of the President

University of Louisiana at Lafayette

P. O. Drawer 41008
Lafayette, LA 70504-1008
(337) 482-6203
Fax: (337) 482-5914
e-mail: president@louisiana.edu

Université des Acadiens

October 24, 2001

Dr. Daniel Kyle, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

I submit our response to the audit finding in the TRIO Programs at the University of Louisiana at Lafayette.

The response was prepared under the supervision of Dean Phebe Hayes, College of General Studies.

In a letter to Dean Hayes (copy attached), I instructed her to take the necessary steps to insure that the findings will not be repeated in the future.

Sincerely,

A handwritten signature in cursive script that reads "Ray Authement".

Ray Authement
President

jl

Attachments

C: Mr. Ronnie Lajaunie
Dr. Duane Blumberg



UNIVERSITY
OF
LOUISIANA
L a f a y e t t e

College of General Studies
Office of the Dean

P.O. Box 41872
Lafayette, LA 70504-1872
Office: 337-482-6829
Fax: 337-482-6617

Université des Acadiens

RECEIVED

OCT 24 2001

October 23, 2001

Office of the President

Dr. Ray Authement, President
Office of the President
University of Louisiana
Lafayette, LA. 70504

Dear Dr. Authement:

I have asked Mr. Robert Carmouche, Director of the UL TRIO Programs, to respond to the concerns of the legislative auditor following her last review of the programs. Attached to this letter is Mr. Carmouche's response, as well as those of the Administrative Coordinators, whose programs were specifically mentioned in the auditor's report.

In my meetings with Mr. Carmouche regarding this matter, I have asked him to summarize in his written response current procedures used to select students for participation in the TRIO programs. I also asked him to develop additional procedures that might be used to prevent these problems (especially the misidentification of students for eligibility purposes) from occurring again in the future. As Dean of the college, I will now require that a list of all student participants in the TRIO programs be submitted to my office each semester, along with evidence of their eligibility. A copy of this report will then be forwarded to the Research Office.

Regarding the concerns related to travel, Mr. Carmouche will continue to work with Mr. Theriot's office to make sure that these problems are also avoided in the future. Please accept my apologies and know that we are making every effort to correct this situation.

Sincerely,

Phebe A. Hayes, Ph.D.
Dean, College of General Studies

B-160



UNIVERSITY
OF
LOUISIANA
L a f a y e t t e
October 24, 2001

Department of Special Services
Student Support Services Program

P.O. Box 43452
Lafayette, LA 70504-3452
Office: (337) 482-6828
Fax: (337) 482-6833

Université des Acadiens

Dr. Phebe Hayes, Dean
College of General Studies

RE: Weaknesses in the Administration of the Federal Trio Programs (Ronald McNair, Student Support Services, Upward Bound and Talent Search)

Dear Dr. Hayes:

The Administrative Coordinators of the Ronald McNair Program and the Talent Search Program have given a statement in reference to the audit exception as stated in paragraph 1, 2 and 3. Those statements are as follows:

Response to Paragraph 1 -Ronald McNair

The McNair Program performance report for PY 1999-2000 covered the academic program year Fall '99, Spring '00 and Summer '00 (dates were August 20, 1999 to August 6, 2000). This was the first time that the U.S. Department of Education requested a report for other than the regular Fiscal Year which covers October 1 through September 30. This report also requested for the first time that every student who has participated in the program from October 1, 1992 (137) be listed. The submitted performance report indicated that 30 new and continuing students were served during the report period and showed that twenty (20) were low income/first generation students and ten (10) were from groups underrepresented in graduate study. Our report indicated that a student reported as low income/first generation should have been (according to the auditor) reported as eligible because of underrepresented status (Hispanic/Latino). We concur in part with the audit in that this changes (according to our records) the number served to nineteen (19) low income/first generation students and eleven (11) students from underrepresented groups. All of these students did meet qualifying requirements for selection and participation in the McNair Program. However the two-thirds (2/3) low income/first generation number was altered. The change in the reporting period was a factor in that we had other students in our cadre who received other services and could have been included in the report.

We have continued to work at assuring that only eligible students are selected for participation in the program. Our annual cadre of participants includes new and continuing participants whom we provide with internship experiences with stipends that sometimes cross fiscal/program years, travel opportunities and other in-depth materials, resources and support services. A student's status in their degree plan and their time to graduation play a large part as to when they will conduct their internship and receive their stipend. Our appropriate participant costs for a budget of \$242,407 is approximately \$8,666 and generates our concern of how \$183,944 program costs are questioned if 1 or 2 students resulted in our 2/3 -1/3 participation was not met in 1999-2000.

Submitted by:


Joseph Cotton, Administrative Coordinator
Ronald McNair Program

Response to paragraph 2 - Talent Search

We do not concur with the auditors' findings that the Talent Search program was charged \$944 for salaries and travel expenses that do not appear to be reasonable and necessary costs of the program.

The maximum number of peer tutor/mentors employed during the summer of 2000 was 22. All 22 of those peer tutor/mentors were on the field trip on July 27, 2000. They were on the trip in their capacity as peer tutor/mentors and acted as such. They are listed in the budget as peer tutor/mentors and we felt that it was necessary in that capacity for them to be there. The students that we work with need all of the support that we give them and more. Many of these students come from backgrounds where actually one on one mentoring and guidance would be necessary. The ratio of 3:1 therefore does not seem unreasonable.

Response to paragraph 3 - Talent Search

We concur in part with the auditors' findings for the Talent Search program performance report submitted for the period of September 1, 1999 through August 31, 2000.

Many of our selected middle school (Early Initiative) students, especially those entering high school chose not to attend our summer initiative program. The Talent Search staff chose to replace those students with eligible Talent Search students, primarily new students in the sixth grade who were Talent Search eligible. Because of their late selection date and the newness of the counselor working with the Early Initiative students, they were inadvertently omitted from the Performance Report submitted to the U. S. Department of Education for fiscal year 1999 - 2000. Those students will be added to the Report. This does in no way affect our two-thirds (2/3), one-third (1/3) criteria for low-income and potential first generation students as we had already reported 814/1025 that met the criteria. The lowest the new number could be is 814/1080 students or seventy-five percent (75%).

There was never any intent to omit those students from Talent Search reports.

Submitted by:


Donald Doffney, Administrative Coordinator
Talent Search Program

As Director of the Federal Trio Programs at the University of Louisiana at Lafayette, I have initiated additional procedures to assure that the Trio Programs are operated in compliance with the U.S. Department of Education and the State of Louisiana rules and regulations.

I have reviewed the explanation stated by the Ronald McNair Administrative Coordinator in reference to paragraph 1 and I concur with the explanation as stated.

In addition, I concur with the explanation given by the Administrative Coordinator of the Talent Search Program in response to paragraphs 2 and 3 concerning the Talent Search operation.

Response to paragraph 4

In reference to paragraph 4 concerning travel violations by staff persons in which \$128 did not comply with state travel regulations, I have met extensively with Mr. Wayne Theriot, Assistant Vice President for Business Services, to discuss the accurate interpretation of the state regulation as it relates to the reimbursement of meals and departure time. All staff persons in the Department of Special Services (Trio Federal Programs) have a clear understanding of the rules and regulations that must be followed concerning the reporting of travel expenses incurred. Excessive claim for travel reimbursement as reported in paragraph 4 have been reimbursed to the respective programs by all involved staff persons. The staff person who indicated her departure time on the travel expense account initially felt that she was following appropriate procedure. However, it was explained by Wayne Theriot that only one hour prior to the departure of the plane was allowed by state regulation.

McNair Corrective Action:

To assure that all reports submitted to the DOE will be accurate, complete and contain information which provides that a minimum of two-thirds (2/3) of the participants meet low income/first generation eligibility, the following process and protocols will be followed:

1. Records of all eligible participants will be checked by the program staff, coordinator and project director before report assembly.
2. An ongoing tally will be maintained on student eligibility and will determine when they can conduct a stipend internship or receive other services during the program year.
3. Crossovers from one fiscal/program year will be reduced or eliminated to diminish the likelihood of a 2/3 - 1/3 participation will not be achieved.
4. All participants on the current roster (new and continuing) who receive program services (intake, counseling, seminars/workshops, stipend, travel, etc.) will be a part of the performance report.
5. The performance report will be assembled and undergo review and confirmation of data confirmation by (a) the program secretary, (b) the coordinator and research specialist, and (c) the project director.
6. A final check of the master record for the performance report and participant folder data will be made prior to the completion and submission of the report.

Talent Search Corrective Action:

The following corrective action is being taken to assure that this oversight does not happen again:

1. The program staff, coordinator and project director will check records of all eligible participants before the report is finalized.

2. All students participating in the summer Early Initiative program will appear on the performance report regardless of when accepted into the program.

As Trio Director, I will continue to meet periodically with the Program Administrative Coordinators and staff members throughout the year to discuss and review the following procedures: record keeping, selection of students, meeting the required assurances (signed by the President) such as 2/3 first-generation/low-income, performance reporting to the U.S. Department of Education, expending of funds, conducting activities, tracking of students and travel procedures as regulated by the state and federal governments.

Sincerely,

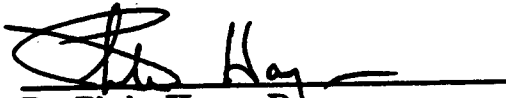


Robert L. Carmouche, Director
Department of Special Services

SBC

Attachments

APPROVED:



Dr. Phebe Hayes, Dean
College of General Studies



Office of the President

University of Louisiana at Lafayette

P. O. Drawer 41008
Lafayette, LA 70504-1008
(337) 482-6203
Fax: (337) 482-5914
e-mail: president@louisiana.edu

Université des Acadiens

October 22, 2001

TO: Dean Phebe Hayes
College of General Studies

FROM: Dr. Ray Authement

A handwritten signature in black ink, appearing to read "Ray Authement".

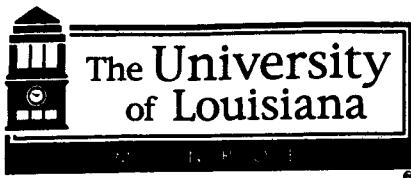
RE: Legislative Audit Finding

Please work with the Business Office in preparing a response for these findings by the Auditors. Please take every step to insure that this will not recur in the future.

ssy

Attachment

c: Mr. Ronnie Lajaunie
VP Duane Blumberg



Office of the President

700 University Avenue
Monroe, LA 71209-3000
ph. (318) 342-1010
fax: (318) 342-1019

November 7, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 Riverside Drive
P O Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

RE: Financial Statements Not Properly Prepared

We concur that the annual financial report preparation process needs improvement.

Management is currently evaluating the steps used in the preparation of the 2001 Annual Financial Report and will develop and implement a formal written compilation process for future reports. These revised procedures will include, but not be limited to, the following:

- A periodic reconciliation of all general ledger accounts to subsidiary ledgers and/or other supporting records
- The establishment of a periodic analytical review of all financial information by appropriate upper management personnel
- The training of staff and the development of detail instructions for the compilation of financial statements
- The preparation of formal monthly and year-to-date comparative financial statements, by fund, with high-level supervisor review of the statements and note disclosures
- The establishment of a formal review process for all internal financial reports with special emphasis to be placed on the Annual Financial Report

In addition, plans are being developed to strengthen the Controller's fiscal affairs operations by adding an Information System Department which will consist of five employees who will report directly to the Controller. The creation of this department will allow the University to more fully utilize its computer system's financial reporting capabilities.

Robert Earl Turner, Vice President for Business Affairs, will be the contact person for this finding.

Sincerely,

Lawson L. Swearingen, Jr.
President

October 5, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Please find below our Management Response to the FY 2000-2001 audit finding of "Inappropriate Charges to Federal Program – Rehabilitation Services – Vocational Rehabilitation Grants to States Program".

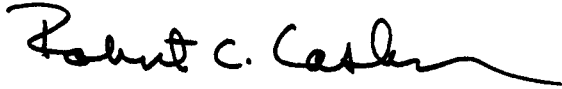
We concur with the finding regarding unallowable charges to a state contract with LA DHH involving federal pass through funds.

The disallowed charges represent primarily equipment purchases that were approved by DHH just prior to the contract's March 31, 2001 expiration date. The late agency approval date combined with the time required to go through the normal purchasing process made it impossible for the equipment to be delivered and expensed prior to the contract's expiration date.

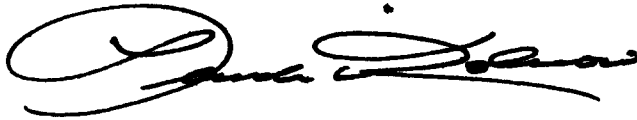
To assure that this occurrence is not repeated, we are implementing a 60 day mandatory cutoff prior to any grant or contract expiration date, unless otherwise stipulated in the grant or contract, after which time no equipment purchase requisition or purchase order will be processed against a grant or contract. This policy will eliminate the potential for equipment expenses being encumbered but not fully expensed prior to the ending date of a grant or contract. In addition, the Manager of Grants and Contracts as well as the accountant responsible for the invoice preparation, will more strictly monitor appropriateness of charges prior to the invoicing cycle. The Office of Grants and Contracts will not invoice for expenditures encumbered but not fully expensed prior to the expiration of the grant or contract.

Effective immediately, David Papania, Manager of Grants and Contracts will implement this action in coordination with the Purchasing Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert C. Cashner", with a long, sweeping horizontal line extending to the right.

Dr. Robert Cashner
Dean, Graduate School and
Vice Chancellor for Research

A handwritten signature in black ink, appearing to read "Linda K. Robison", with a large, stylized initial "L" and a horizontal line extending to the right.

Linda K. Robison
Vice Chancellor for Financial Services,
Chief Financial Officer and Controller

December 10, 2001

Dr. Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: University of New Orleans
Finding for year ended June 30, 2001
"Untimely Grant and Loan Refunds"

Dear Dr. Kyle:

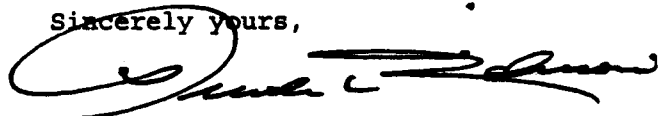
The University of New Orleans concurs with the finding of Untimely Grant and Loan Refunds.

The vacant Accounting Specialist 1 position responsible for the calculation of the refund amount for Grant and Loan refunds was filled in March 2001. A new non-classified position of Refund Coordinator was created in order to review and to insure the accuracy and timeliness of Pell Grant and Federal Family Education (Title IV) refunds as prepared by the Accounting Specialist 1. The Refund Coordinator will serve as the backup person to the Accounting Specialist 1 in the event they are not available to perform the refund calculation. The grant and loan refunds were brought to a current status as of March 2001.

The individual responsible for the implementation of the corrective action is Mr. Patrick A. Casey, Director of Accounting Services.

The corrective measure described above will strengthen the existing controls and will assist us in preventing future occurrences.

Sincerely yours,



Linda K. Robison
Vice Chancellor for Financial Services,
Chief Financial Officer and Comptroller

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Appendix C

Findings and Recommendations Index by State Agency



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Findings and Recommendations
Index by State Agency

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Summary Schedule of Prior Federal Audit Findings





LEGISLATIVE AUDITOR

STATE OF LOUISIANA Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Single Audit Page Number	Finding Number	Finding Title	CFDA Number
<u>Findings Covering More Than One Federal Agency</u>				
Department of Education:				
1999	69	F-99-CC-EDUC-1	Advance Payments to Fiscal Agents	10.560/84.Variou
Grambling State University:				
2000	82	F-00-CC-GSU-1/99-01/99-02	Financial Management System	Various
2000	84	F-00-CC-GSU-2/99-03	Federal Financial Reports	Various
2000	85	F-00-CC-GSU-3	Cash Management	12.Variou/84.Variou
Department of Labor:				
2000	69	F-00-CC-LABR-1	Improper Charging of Payroll Expenditures to Federal Programs	10.561/17.Variou
1999	77	F-99-CC-LABR-1	Improper Charging of Payroll Expenditures to Federal Programs	Various
1998	61	F-98-CC-LABR-1	Improper Charging of Payroll Expenditures to Federal Programs	17.250/93.569
2000	71	F-00-CC-LABR-2	Improper Cost Allocation	Various
		F-00-CC-LABR-3/		
2000	74	F-99-CC-LABR-2	Inadequate Internal Control Over Disbursements	Various
Department of Social Services:				
			Monitoring of Federal Subrecipients and State Contractors	
2000	76	F-00-CC-DSS-1	Not Sufficient or Effective	Various
			Inadequate Monitoring of Federal Subrecipients	
1999	81	F-99-CC-DSS-1	and State Contractors	Various
		F-00-CC-DSS-2/	Noncompliance With the Cash Management	
2000	78	F-99-CC-DSS-2	Improvement Act Agreement	Various
2000	81	F-00-CC-DSS-3	Refunds Not Correctly Credited to Federal Programs	Various
Southern University and A&M College (Baton Rouge):				
2000	86	F-00-CC-SUBR-1	Eligibility	84.032/93.925
<u>U.S. Department of Commerce</u>				
Department of Wildlife and Fisheries:				
2000	87	F-00-USCOMM-DWLF-1	Federal Financial Reports Not Submitted on Time	11.Variou
2000	88	F-00-USCOMM-DWLF-2	Improper Charging of Payroll Expenditures to Federal Program	11.452

(Continued)

State Agency	Questioned Costs	Current Status Per Auditee	Page No.
Education	\$171,950	Fully corrected; QC unresolved	D-13
Grambling	N/A	Partially corrected	D-14
Grambling	N/A	Partially corrected	D-15
Grambling	N/A	Partially corrected	D-16
Labor	\$498,644	Partially corrected; QC unresolved	D-17
Labor	\$705,634	Partially corrected; QC unresolved	D-18
Labor	\$174,959	Partially corrected; QC resolved	D-19
Labor	\$6,967,031	Partially corrected; QC unresolved	D-20
Labor	\$225,466	Partially corrected; QC unresolved	D-21
Social Services	\$2,556,686	Partially corrected; QC unresolved	D-22
Social Services	\$3,070,225	Partially corrected; QC unresolved	D-23
Social Services	N/A	Fully corrected	D-24
Social Services	\$48,226	Fully corrected; QC resolved	D-25
Southern (Baton Rouge)	\$11,416	Partially corrected; QC resolved	D-26
Wildlife	N/A	Fully corrected	D-27
Wildlife	\$71,174	Fully corrected; QC unresolved	D-28

LEGISLATIVE AUDITOR

STATE OF LOUISIANA Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Single Audit Page Number	Finding Number	Finding Title	CFDA Number
<u>U.S. Department of Labor</u>				
Department of Labor:				
2000	89	F-00-USDOL-LABR-4	Failure to Comply With Cash Management Improvement Act	17.Various
2000	90	F-00-USDOL-LABR-5	Failure to Deposit Unemployment Tax Contributions Timely	17.225
2000	91	F-00-USDOL-LABR-6/ F-99-USDOL-LABR-3	Inadequate Monitoring of JTPA Subrecipient Audits Noncompliance With the Unemployment Insurance Program Requirements	17.246/17.250 17.255
1999	92	F-99-USDOL-LABR-5	Noncompliance With the Unemployment Insurance Program Requirements	17.225
2000	93	F-00-USDOL-LABR-8/ F-99-USDOL-LABR-4	On-Site Monitoring of JTPA Subrecipients Not Sufficient	17.246/17.250
2000	95	F-00-USDOL-LABR-9	Unemployment Insurance Costs Charged Outside of Funding Period	17.225
2000	96	F-00-USDOL-LABR-10/ F-99-USDOL-LABR-6	Unemployment Insurance Tax and Wage Reports Not Reconciled	17.225
<u>U.S. Department of Transportation</u>				
Department of Transportation and Development:				
2000	97	F-00-DOT-DOTD-1/ F-99-DOT-DOTD-2	Untimely Closing of Projects	20.205
1999	94	F-99-DOT-DOTD-1	Failure to Monitor Preliminary Engineering Projects	20.205
<u>U.S. Department of Education</u>				
Baton Rouge Community College:				
1999	98	F-99-ED-BRCC-2	Inadequate Administration of the Rehabilitation Services - Vocational Rehabilitation Grants to States Program	84.126
1999	100	F-99-ED-BRCC-3	Inadequate Administration of the Vocational Education - Basic Grants to States Program	84.048
Bossier Parish Community College:				
2000	98	F-00-ED-BPCC-1	Lack of Accounting Support for Fiscal Operations Report and Application to Participate	84.007/84.033
2000	99	F-00-ED-BPCC-2	Unofficial Withdrawals Not Monitored for Title IV Program	84.032/84.063
Department of Education:				
2000	100	F-00-ED-EDUC-1	Subgrantee Applications Not Properly Reviewed	84.010
1999	105	F-99-ED-EDUC-5	Inadequate Controls for Improving America's Schools Act Programs	84.Various
1999	108	F-99-ED-EDUC-7	Unallowable Costs in Special Education Program	84.027
1998	76	F-98-ED-EDUC-2	Inadequate Controls for the Safe and Drug-Free Program	84.186

(Continued)

State Agency	Questioned Costs	Current Status Per Auditee	Page No.
Labor	N/A	Partially corrected	D-29
Labor	N/A	Fully corrected	D-30
Labor	N/A	Partially corrected; Change of Corrective Action	D-31
Labor	\$45,217	Not corrected; QC unresolved	D-32
Labor	\$1,823,516	Partially corrected; QC unresolved	D-33
Labor	\$13,088,947	Fully corrected; QC unresolved; repeat in 2001, p. 69	D-34
Labor	\$3,143,111	Partially corrected; QC unresolved; repeat in 2001, p. 70	D-37
Labor	N/A	Partially corrected	D-38
DOTD	N/A	Partially corrected; repeat in 2001, p. 75	D-39
DOTD	\$1,696,940	Partially corrected; QC resolved; repeat in 2001, p. 73	D-40
BRCC	\$64,647	Fully corrected; QC unresolved	D-41
BRCC	\$19,861	Fully corrected; QC unresolved	D-42
BPCC	N/A	Partially corrected	D-43
BPCC	\$19,946	Fully corrected; QC unresolved	D-44
Education	\$13,349	Fully corrected; QC unresolved	D-45
Education	\$474,321	Fully corrected; QC unresolved	D-46
Education	\$136,233	Fully corrected; QC unresolved	D-47
Education	\$142,461	Fully corrected; QC unresolved	D-48

LEGISLATIVE AUDITOR

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Single Audit Page Number	Finding Number	Finding Title	CFDA Number
<u>U.S. Department of Education (Cont.)</u>				
Grambling State University:				
2000	113	F-00-ED-GSU-4	Satisfactory Academic Progress	84.Various
2000	114	F-00-ED-GSU-5	Aid Exceeded Documented Need	84.Various
2000	114	F-00-ED-GSU-6/99-07	Special Reporting	84.Various
Louisiana State University and A&M College:				
2000	101	F-00-ED-LSUBR-1	Overpayments Resulting From Unofficial Drops	84.007/84.063
Louisiana Technical College, Avoyelles Campus:				
2000	102	F-00-ED-LTCAVOY-1	Improper Payroll Charges to a Federal Program	84.048
2000	103	F-00-ED-LTCAVOY-2	Inadequate Segregation of Duties Over Pell Grant Checks	84.063
2000	104	F-00-ED-LTCAVOY-3	Noncompliance With Documentation Requirements for Federal Program	84.048
Nicholls State University:				
2000	105	F-00-ED-NICHOLLS-1	Untimely Grant and Loan Refunds	84.032/84.063
Department of Social Services:				
2000	106	F-00-ED-DSS-4/ F-99-ED-DSS-3	Vocational Rehabilitation Services: Untimely Eligibility Determinations and Lack of Adequate Documentation	84.126
1998	82	F-98-ED-DSS-1	Inadequate Controls Over Vocational Rehabilitation Grants to States Program	84.126
Southern University and A&M College (Baton Rouge):				
2000	115	F-00-ED-SUBR-2	Federal Work-Study and Federal Family Education Loan Programs	84.032/84.033
1999	116	F-99-ED-SUBR-1	Federal Work-Study Program	84.033
Southern University at New Orleans:				
2000	116	F-00-ED-SUNO-1	Verification	84.032/84.063
2000	117	F-00-ED-SUNO-2	Federal Family Education Loan Limits	84.032
2000	117	F-00-ED-SUNO-3	Federal Family Education Loan	84.032
2000	118	F-00-ED-SUNO-4	Satisfactory Academic Progress	84.007/033/063/268
2000	118	F-00-ED-SUNO-5	Satisfactory Academic Progress	84.007/032/063
1999	117	F-99-ED-SUNO-1	Aid Exceeded Documented Need	84.032

(Continued)

State Agency	Questioned Costs	Current Status Per Auditee	Page No.
Grambling	\$3,583	Partially corrected; QC unresolved	D-49
Grambling	\$1,610	Partially corrected; QC unresolved	D-50
Grambling	N/A	Fully corrected	D-51
LSU-BR	\$2,653	Fully corrected; QC resolved	D-52
LTC, Avoyelles	\$4,000	Fully corrected; QC unresolved	D-53
LTC, Avoyelles	N/A	Fully corrected	D-54
LTC, Avoyelles	\$2,103	Fully corrected; QC unresolved	D-55
Nicholls	N/A	Fully corrected	D-56
Social Services	\$319,831	Fully corrected; QC unresolved	D-57
Social Services	\$257	Fully corrected; QC unresolved	D-58
Southern (Baton Rouge)	N/A	Partially corrected	D-59
Southern (Baton Rouge)	N/A	Partially corrected	D-60
Southern (New Orleans)	\$15,862	Partially corrected; QC unresolved	D-61
Southern (New Orleans)	\$1,695	Partially corrected; QC unresolved; repeat in 2001, p. 89	D-62
Southern (New Orleans)	\$3,880	Partially corrected; QC unresolved	D-63
Southern (New Orleans)	N/A	Fully corrected	D-64
Southern (New Orleans)	\$26,592	Partially corrected; QC unresolved; repeat in 2001, p. 90	D-65
Southern (New Orleans)	\$1,143	Partially corrected; QC unresolved; repeat in 2001, p. 92	D-66

LEGISLATIVE AUDITOR

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Single Audit Page Number	Finding Number	Finding Title	CFDA Number
<u>U.S. Department of Education (Cont.)</u>				
Southern University at Shreveport-Bossier City:				
2000	119	F-00-ED-SUSH-1	Satisfactory Academic Progress	84.063
1999	120	F-99-ED-SUSH-1	Satisfactory Academic Progress	84.007/84.063
2000	120	F-00-ED-SUSH-2	Title IV Refunds	84.063
		F-00-ED-SUSH-3/		
2000	120	F-99-ED-SUSH-2	Student Credit Balances	84.Various
2000	121	F-00-ED-SUSH-4	Special Reporting	84.007/033/038
University of Louisiana at Lafayette:				
2000	108	F-00-ED-ULL-1	Failure to Perform Due Diligence Collection Procedures	84.038
University of Louisiana at Monroe:				
2000	109	F-00-ED-ULM-1	Failure to Calculate Refunds and Repayments for Early Withdrawals	84.032/84.063
University of New Orleans:				
2000	110	F-00-ED-UNO-1	Weaknesses in the Administration of the Federal TRIO Cluster Programs	84.042/044/047
2000	111	F-00-ED-UNO-2	Weaknesses in the Administration of the Rehabilitation Service - Vocational Rehabilitation Grants to States Program	84.126
<u>U.S. Department of Health and Human Services</u>				
Executive Department (OSRAP):				
		F-00-HHS-EXEC-1/		
2000	123	F-99-CC-EXEC-1	Inconsistent Billing of Insurance Premiums	Various
Department of Health and Hospitals:				
			Audits of Federal Subrecipients and State Contractors	
2000	124	F-00-HHS-DHH-1	Not Obtained	93.Various
2000	126	F-00-HHS-DHH-2	Improper Claims by Dental Providers	93.778
2000	127	F-00-HHS-DHH-3	Improper Claims by Waiver Services Providers	93.778
2000	130	F-00-HHS-DHH-4	Ineffective Surveillance and Utilization Review Function	93.778
2000	131	F-00-HHS-DHH-5	Pre-Authorization Procedures for Certain Services Not Followed	93.778
Department of Labor:				
		F-00-HHS-LABR-11/	Inadequate Monitoring Procedures for Community	
2000	132	F-99-HHS-LABR-7	Services Block Grant	93.569

(Continued)

State Agency	Questioned Costs	Current Status Per Auditee	Page No.
Southern (Shreveport)	\$5,468	Partially corrected; QC unresolved; repeat in 2001, p. 97	D-67
Southern (Shreveport)	\$8,350	Partially corrected; QC unresolved	D-68
Southern (Shreveport)	\$1,591	Partially corrected; QC unresolved; repeat in 2001, p. 96	D-69
Southern (Shreveport)	N/A	Not corrected; repeat in 2001, p. 95	D-70
Southern (Shreveport)	N/A	Partially corrected	D-71
ULL	\$1,242,378	Not corrected; QC unresolved; repeat in 2001, p. 81	D-72
ULM	\$11,846	Fully corrected; QC resolved	D-73
UNO	N/A	Fully corrected; QC resolved	D-74
UNO	\$77,509	Fully corrected; QC unresolved	D-75
Executive (OSRAP)	N/A	Not corrected; QC unresolved; repeat in 2001, p. 107	D-76
Health and Hospitals	\$2,314,722	Fully corrected; QC resolved	D-77
Health and Hospitals	\$39,827	Partially corrected; QC unresolved	D-78
Health and Hospitals	\$68,869	Partially corrected; QC unresolved; repeat in 2001, p. 110	D-79
Health and Hospitals	N/A	Fully corrected	D-80
Health and Hospitals	\$6,884	Partially corrected; QC unresolved	D-81
Labor	\$669,497	Fully corrected; QC unresolved	D-82

LEGISLATIVE AUDITOR

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Single Audit Page Number	Finding Number	Finding Title	CFDA Number
<u>U.S. Department of Health and Human Services (Cont.)</u>				
Department of Social Services:				
2000	134	F-00-HHS-DSS-5	Child Support Escrow Fund Not Reconciled	93.563
2000	135	F-00-HHS-DSS-6	Failure to Properly Distribute Child Support Payments	93.563
		F-00-HHS-DSS-7/	Temporary Assistance for Needy Families Program:	
2000	137	F-99-HHS-DSS-6	Noncompliance With Certain Federal and State Requirements	93.558

(Concluded)

State Agency	Questioned Costs	Current Status Per Auditee	Page No.
Social Services	N/A	Not corrected; repeat in 2001, p. 116	D-83
Social Services	N/A	Fully corrected	D-84
Social Services	\$25,310	Partially corrected; QC unresolved; repeat in 2001, p. 122	D-85

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**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
Louisiana Department of Education

For the Year Ended June 30, 2001

Finding Title: Advance Payments to Fiscal Agents

Reference Number(s): F-99-CC-EDUC-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 171,950.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

To date, no communication has been received from the federal government regarding the questioned costs.

Page Number (from Single Audit Report): 69

Program Name(s): Various

Federal Grantor Agency: US Department of Education; US Department of Agriculture

CFDA Number(s): 84.010, 84.186, 84.298, 84.027, 10.560

Status of Finding (check one):

Fully Corrected ☒

Partially Corrected ☐

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (225) 342-2098

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: FINANCIAL MANAGEMENT SYSTEM

Reference Number (from attached schedule of findings): F-00-CC-GSU - 1/99-01/99-02

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs (check one): Resolved N/A Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 82

Program Name(s): _____

Federal Grantor Agency: U.S. DEPARTMENTS OF EDUCATION AND DEFENSE

CFDA Number(s): ALL MAJOR PROGRAMS

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed: _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The university is continuing in its efforts to ensure a federal and state
compliant financial management system is implemented and that all accounting
transactions are properly recorded to the system.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Phyllis M. Spragin

Phone Number: (318) 274-6170

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: FEDERAL FINANCIAL REPORTS

Reference Number (from attached schedule of findings): F-00-CC-6SU-2/99-03

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs (check one): Resolved N/A Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 84

Program Name(s): Parallel Evaluation, Student Support Upward Bound, SEOG,
Federal Work-study, Federal Pell, Mental Health

Federal Grantor Agency: U.S. Departments of Defense, Education and Health
and Human Services

CFDA Number(s): 12.DAAH, 84.042
84.047, 84.007, 84.033, 84.063, 93.282

Status of Finding (check one):

Fully Corrected _____
Partially Corrected X
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The university is continuing in its efforts to correct the reported conditions
and to ensure that accurate financial information is submitted to the
federal government in the future.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Brenda Willis / PHS

Phone Number: (318) 274-2704

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: CASH MANAGEMENT

Reference Number (from attached schedule of findings): F-00-CC-GSU-3

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs (check one): Resolved N/A Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 85
Program Name(s): Research and Technology Dev, Federal Workstudy, Intl Overseas Group, Higher Education and Federal Pell

Federal Grantor Agency: U.S. Departments of Defense, Education and Health and Human Services

CFDA Number(s): 12.910, 84.033, 84.021, 84.031, 84.063

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The management of the university is continuing in its efforts to reconcile, adjust, and re-allocate the restricted fund grants receivable and related credit balances.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Brenda Willis / RWS

Phone Number: (318) 274-2704

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Improper Charging of Payroll Expenditures

to Federal Programs

Reference Number(s): F00-CC-LABR-1

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ 498,644

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still in negotiation

Page Number (from Single Audit Report): 69

Program Name(s): Food Stamp Cluster, JTPA Cluster, Unemployment Insurance

Federal Grantor Agency: U.S. Dept of Agriculture , U.S. Dept of Labor

CFDA Number(s): 10.561, 17.250, 17.246, 17.225

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Department continues to monitor expenditures to federal programs and
develop procedures for assuring compliance.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jane Martin

Phone Number: 342-0210

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency) LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Improper Charging of Payroll Expenditures to

Federal Programs

Reference Number(s): F99-CC-LABR-1

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ \$705,634

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still in negotiation

Page Number (from Single Audit Report): 77

Program Name(s): Various

Federal Grantor Agency: U.S. Dept of Labor U.S. Dept of Agriculture

CFDA Number(s): Various

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Department continues to monitor expenditures of programs and develop
improved procedures.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: 312-0210

Filename: m:\users\marsha\01singau\summscheduleform.doc

Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Improper Charging of Payroll Expenditures to
Federal Programs

Reference Number(s): FC-98-CC-LABR-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ \$174,959

Status of Questioned Costs (check one): Resolved ☒ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Resolved \$109,556 - Balance in negotiation

Page Number (from Single Audit Report): 61

Program Name(s): Community Service Block Grant JTPA Cluster

Federal Grantor Agency: US Dept of Labor & U.S. Dept of Health & Human Services

CFDA Number(s): 93.569 17.250

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Department continues to monitor expenditures to federal programs
and developing procedures for assuring compliance.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *K. Martin*

Phone Number: 342 0210

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency) LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Improper Cost Allocation

Reference Number(s): F00-CC-LABR2

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 6,967,031

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still in negotiation

Page Number (from Single Audit Report): 71

Program Name(s): Various

Federal Grantor Agency: US Dept of Labor & U.S. Dept of Agriculture

CFDA Number(s): Various

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Hired consultant to recommend revisions to cost allocation system.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jan Martin

Phone Number: 342-0260

Filename: m:\users\marshal01singau\summschedule\form.doc

Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

LABOR- WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Inadequate Internal Control Over Disbursements

Reference Number(s): F00-CC-LABR-3F99-CC-LABR2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 225,466

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still under negotiation

Page Number (from Single Audit Report): 74

Program Name(s): Various

Federal Grantor Agency: U.S. Dept of Agriculture 6 U.S. Dept of Labor

CFDA Number(s): Various

Status of Finding (check one):

Fully Corrected _____
Partially Corrected X
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Written procedures and monitoring disbursements of funds.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: 342-0210

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Monitoring of Federal Subrecipients and State Contractors Not Sufficient or Effective.

Reference Number (from attached schedule of findings): F-00-CC-DSS-1

Initial Year of Finding: 1994

Amount of Questioned Costs in Finding: \$2,556,686

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
Still in Negotiation

Page Number (from Single Audit Report): 76

Program Name(s): Weatherization Assistance for Low-Income Persons
Rehabilitation Services - Vocational Rehabilitation Grants to States
Promoting Safe and Stable Families
Temporary Assistance for Needy Families
Child Support Enforcement
Foster Care - Title IV-E
State Administrative Matching Grants for Food Stamp Program
Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: Department of Health and Human Services
Department of Agriculture
Department of Education
Department of Energy

CFDA Number(s): 10.561, 81.042, 84.126 93.556, 93.558, 93.563, 93.658, 93.596

Status of Finding (check one):

Fully Corrected	☐	Not Corrected	☐
Partially Corrected	☒	No Further Action Needed	☐
Change of Corrective Action	☐	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Response was sent to Division of Administration 7/27/01 concerning this finding. As of this date, we have not had a reply from Division of Administration concerning questioned costs.
We believe that corrective actions as outlined in response are adequate to correct this finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (725) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Inadequate Monitoring of Federal Subrecipients and State Contractors

Reference Number (from attached schedule of findings): F-99-CC-DSS-1

Initial Year of Finding: 1994

Amount of Questioned Costs in Finding: \$3,070,225

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
Still in negotiation.

Page Number (from Single Audit Report): 81

Program Name(s): Child Care Mandatory and Matching Funds of the Child Care
And Development Fund
Emergency Shelter Grants Program
Low Income Home Energy Assistance
Supported Employment Services for Individuals with Severe Disabilities
Temporary Assistance for Needy Families

Federal Grantor Agency: Department of Health and Human Services, Department of Housing
and Urban Development, Department of Education

CFDA Number(s): 14.231, 93.568, 93.596, 93.558, 84.187

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒ X
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Response was sent to Division of Administration 9/18/00 concerning this finding. As of this
date, we have not had a reply from Division of Administration concerning questioned costs.
We believe that corrective actions as outlined in the response are adequate to correct this
finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *Janet Dawson*
Phone Number: (225) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Noncompliance with the Cash Management Improvement Act Agreement

Reference Number (from attached schedule of findings): F-00-CC-DSS-2/F-99-CC-DSS-2

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ N/A

Status of Questioned Costs (check one): Resolved Unresolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 78

Program Name(s): State Administrative Matching Grants for Food Stamp Program
Rehabilitation Services- Vocational Rehabilitation Grants to States
Temporary Assistance for Needy Families
Child Care and Development Block Grant
Foster Care – Title IV-E
Social Services Block Grant
Child Care Mandatory and Matching Funds of the Child Care and
Development Fund

Federal Grantor Agency: Department of Agriculture
Department of Education
Department of Health and Human Services

CFDA Number(s): 10.561, 84.126, 93.558, 93.575, 93.658, 93.667, 93.596

Status of Finding (check one):

Fully Corrected x

Partially Corrected

Change of Corrective Action

Not Corrected

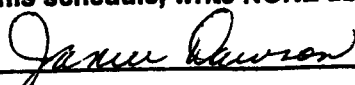
No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Phone Number: (225) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Refunds not correctly credited to Federal Programs

Reference Number (from attached schedule of findings): F-00-CC-DSS-3

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$48,226

Status of Questioned Costs (check one): Resolved X Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
Refunds made to appropriate federal programs.

Page Number (from Single Audit Report): 81

Program Name(s): State Administrative Matching Grants for Food Stamp Program
Rehabilitation Services – Vocational Rehabilitation Grants to
to States
Child Care Mandatory and Matching Funds of the Child Care and
Development Fund

Federal Grantor Agency: Department of Agriculture, Department of Education, Department
of Health and Human Services

CFDA Number(s): 10.561, 84.126, 93.596

Status of Finding (check one):

Fully Corrected X
Partially Corrected _____
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Janice Dawson

Phone Number: (225) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Southern University - Baton Rouge Campus

For the Year Ended June 30, 2001

Finding Title: Eligibility

Reference Number(s): F-00-CC-SUBR-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 11,416

Status of Questioned Costs (check one): Resolved ☒ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? For the verification condition, \$ 1,698 was repaid to the lender. The Department of Health and Human Services required a repayment of \$ 2,502 of the \$ 9,718, which was repaid.

Page Number (from Single Audit Report): 86

Program Name(s): Federal Family Education Loan Program and Scholarships for Health Profession: Students from Disadvantaged Backgrounds
Federal Grantor Agency: The Department of Education

CFDA Number(s): 84.032 and 93.929

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has established procedures to monitor student eligibility for the aforementioned programs.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Debra J. Ephrom/HHC

Phone Number: (225) 771-2790

Filename: m:\users\vmz\sha101singau\summscheduleform.doc
Date: 5/15/01

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
Agency 511 (name of agency) La. Dept. of Wildlife & Fisheries- Office of Mgmt. & Finance

For the Year Ended June 30, 2001

Finding Title: Federal Financial Reports Not Submitted on Time

Reference Number(s): F00-USCOMM-DWLF-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved n/a Unresolved: n/a

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

Page Number (from Single Audit Report): 87

Program Name(s): Interjurisdictional Act of 1986, Cooperative Fisheries Statistics,
Southeast Area Monitoring & Assessment Program, Unaffiliated Industry Projects

Federal Grantor Agency: U. S. Dept. of Commerce

CFDA Number(s): 11:407, 11:434, 11:435, 11:452

Status of Finding (check one):

Fully Corrected X
Partially Corrected _____
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Overdue reports were submitted and all subsequent reporting has been timely.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Marie Starns
Marie Starns

Phone Number: (225) 765-2609

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
Agency 511 (name of agency) Dept. of Wildlife & Fisheries- Office of Management & Finance

For the Year Ended June 30, 2001

Finding Title: Improper Charging of Payroll Expenditures to Federal Program

Reference Number(s): F-00-USCOMM-DWLF-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$71,174

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The Department is currently in negotiation with the U. S. Dept. of Commerce concerning the validity of the questioned costs.

Page Number (from Single Audit Report): 88

Program Name(s): Unallied Industry Projects

Federal Grantor Agency: U. S. Dept. of Commerce

CFDA Number(s): 11.452

Status of Finding (check one):

Fully Corrected __X__

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Effective April 3, 2000, all employees involved in this program were converted to charging only actual time worked.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Maria Starn

Phone Number: (225) 765-2609

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001.

Finding Title: Failure to Comply with Cash Management

Improvement Act

Reference Number(s): F00-USDOL-LABR4

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved NA Unresolved NA

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

NA

Page Number (from Single Audit Report): 89

Program Name(s): Unemployment Insurance , JTPA Cluster

Federal Grantor Agency: US Dept of Labor

CFDA Number(s): 17.225, 17.246, 17.250

Status of Finding (check one):

Fully Corrected

Partially Corrected X

Change of Corrective Action

Not Corrected

No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Hired consultant to assist in written procedure to monitor
drawdowns.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *Jan Martin*

Phone Number: 342-0210

Filename: m:\users\marsha\01singau\summschedule\form.doc

Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

Labor - Work Force Development

For the Year Ended June 30, 2001

Finding Title: Failure to Deposit Unemployment Tax Contributions Timely

Reference Number(s): F00-USDOL-LABR 5
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved N/A Unresolved: N/A

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

Page Number (from Single Audit Report): 90

Program Name(s): Unemployment Insurance

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.225

Status of Finding (check one):

Fully Corrected XX

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jan B. Martin

Phone Number: 342-0210

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

Labor - Workforce Development

For the Year Ended June 30, 2001

Finding Title: Inadequate Monitoring of JTPA

Subrecipient Audits

Reference Number(s): FOO-USDOL-LABR-6F-99-USDOL-LABR3

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved NA Unresolved: NA

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

NA

Page Number (from Single Audit Report): 91

Program Name(s): JTPA Cluster

Federal Grantor Agency: US DEPT OF LABOR

CFDA Number(s): 17.250, 17.246

Status of Finding (check one):

Fully Corrected

Partially Corrected X

Change of Corrective Action X

Not Corrected

No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The audit tracking responsibility will be transferred to the budget unit. However, until such time as the Budget Unit is fully staffed and operated, the TA unit logs, audits and correspondence related to audits are in the "S" Drive in a folder named TA Monitoring Log. Responsibility for maintaining this log within the unit is being turned over to the Workforce development assistant(s), centralizing control.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *Carl J. Smith*

Phone Number: (225) 342-7631

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Non-Compliance With the Unemployment Insurance

Program Requirements

Reference Number(s): F00-USDOL-LABR-7

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ \$45,217

Status of Questioned Costs (check one): Resolved - Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 93

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Dept of Labor

CFDA Number(s): 17.225

Status of Finding (check one):

Fully Corrected

Partially Corrected

Change of Corrective Action

Not Corrected

No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Implemented corrective action to assure no other expenditures occur.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *Jim Martin*

Phone Number: 342-0210

Filename: m:\users\marsha\01singau\summschedule\form.doc

Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

LABOR - WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Non-Compliance With the Unemployment Insurance

Program Requirements

Reference Number(s): F-99-USDOL-LABR-5
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ \$1,823,516

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still under negotiation

Page Number (from Single Audit Report): 92

Program Name(s): Unemployment Insurance

Federal Grantor Agency: U.S. Dept of Labor

CFDA Number(s): 17.225

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Monitoring expenditures more closely.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: James Martin

Phone Number: 342-0210

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

Labor - Work Force Development

For the Year Ended June 30, 2001

Finding Title: On-Site Monitoring of JTPA Subrecipients

Not Sufficient

Reference Number(s): F00-USDOF-LABR8F-99 USDOF-LABR-4

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ 13,088,947

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

In negotiation

Page Number (from Single Audit Report): 93

Program Name(s): JTPA Cluster

Federal Grantor Agency: U.S. Dept of Labor

CFDA Number(s): 17.250 17.246

Status of Finding (check one):

Fully Corrected X

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

See attached

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Dee Miller

Phone Number: 342-7637

**F-00-USDOL-LABR-8 - On-Site Monitoring of JTPA Subrecipients Not Sufficient
- \$13,088,947 Questioned Costs.**

Proposed Disposition:

Prior to the period covered by the audit, we had undertaken significant improvements in our monitoring program. These include implementation of an extensive subrecipient risk evaluation used to plan the schedule of reviews, implementation of a comprehensive monitoring review tracking system, significant improvements made to our review guide, and timely completion of all on-site monitoring reviews. While many improvements were made, we needed to continue this process. The specific actions we have taken to address this finding are as follows:

1. A formal risk assessment was conducted and documented on all subrecipients. The monitoring reviews were scheduled based on this assessment. When selecting a sample of our subrecipient's subrecipients for review our monitors considered such factors as the size of the award and prior monitoring findings. However this assessment was not a formal process nor was it documented. As a result of this finding, our monitors are now required to conduct and document a risk assessment of all subrecipient service providers prior to selection of a sample for review.
2. Monitoring of JTPA subrecipients during the period covered by this audit was extensive, covering both programmatic and financial requirements. While we felt that our monitoring provided a comprehensive review of subrecipients, as a result of this audit finding we made extensive improvements to our monitoring review guide and added a new section dedicated entirely to A-133 compliance supplement requirements. This expanded review is used for all subrecipients, even if they are audited as a major program. A copy of the complete current monitoring review guide is attached (Attachment A). The A-133 compliance supplement requirements are covered in pages 87-100 of this guide. We continue to provide training to our monitors to help them conduct more effective financial reviews. Our monitoring staff received OMB circular training on September 20 and 21, 2000. We have also had formal training for our monitoring staff in reviewing financial audits as well as conducting financial reviews, the most recent training session occurring on July 25, 2001.
3. Our monitors examine program activities and a sample of financial transactions for allowability and other compliance requirements. This review has been expanded and is better documented in our new review guide. Our monitors have been instructed to clearly identify the selected sample of activities and financial transactions and document their review to determine allowability. Additional training was provided to the monitoring staff on these activities.
4. Our monitors are required to review a recent expenditure report and determine that it matches the subrecipient's accounting records. This item is included as part of our review guide where the monitor records the results of that review. Our monitors have been trained to better document that process. They are required to attach a copy of the sample expenditure report and the subrecipient accounting records that they reviewed to reconcile the reported expenditures. Although the monitors conduct a

sample review of participant records, the monitoring reports did not always contain complete documentation of this review process. The monitoring review guide now includes a section that more thoroughly addresses participant record reviews and the monitors have been provided additional training for carrying out this activity.

5. The monitors are required to initial and date each page of their workpapers. They are required to attach complete documentation of any findings included in their report. The monitor and the supervisor reviewing each report must sign a statement assuring that the attached workpapers are complete and accurate and support the findings and conclusions in the report. (Attachment A, page 4). If the supervisor feels that any portion of the report is not complete or accurate, the report is returned to the monitor for additional work.
6. The monitoring review of OJT contracts has been expanded in the new review guide to assure that contract reviews are complete and well documented. The monitors have been provided additional training on contract monitoring, including OJT contracts.
7. It has been the goal of the monitoring unit to issue reports within 30 days of completion. Monitors are given a specific date upon which each monitoring report is due. The monitoring schedule and monitoring tracking log are being used to track the progress of each monitoring review and report. Reports are completed and submitted by each monitor prior to beginning their next scheduled review. Reports are being received timely from the monitors and are issued to the technical assistance section upon completion of the supervisory review. The technical assistance section issues the report to the subrecipient and follows up on resolution of any findings.
8. The technical assistance section issues these reports and follows up on the findings. They have implemented a tracking system to assure that reports are issued promptly and to assure timely resolution of any monitoring findings.

In summary, we have made many improvements to our monitoring process and continue to make these improvements based on our experiences and on input from others, including the Legislative Auditors. This process of continuous improvement is a necessary part of all activities carried out by the Louisiana Department of Labor. We take our oversight responsibility very seriously and have successfully corrected all deficiencies identified in the audit. Based on the extent of our monitoring activities as evidenced by the attached monitoring review guide, the corrective actions we have taken in response to the auditor's finding, and the fact that the auditor did not identify in this finding any unallowable expenditure of JTPA funds, we believe that no costs should be disallowed.

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Labor - Workforce Development

For the Year Ended June 30, 2001

Finding Title: Unemployment Insurance Costs Charged Outside
of Funding Period

Reference Number(s): F-00-USDOL-LABR 9
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 3,143,111

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still in negotiation

Page Number (from Single Audit Report): 95

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Dept of Labor

CFDA Number(s): 17.225

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Revised Cash Management procedures now utilized to accurately draw funds.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: 342-0210

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

LABOR- WORKFORCE DEVELOPMENT

For the Year Ended June 30, 2001

Finding Title: Unemployment Insurance Tax and Wage Reports

Not Reconciled

Reference Number(s): FOO-HHS-LABR-10/F-99-USDOL-LABR-6

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 96

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Department has implemented the rounding of wages to nearest dollar to assist
in reconciliation. New Quarterly reports with improved instructions for
employers were designed. Use of Internet reporting is being implemented
soon which will compare the wage data on the quarterly tax report to the
wage report.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: 342-0210

Filename: m:\users\marsha01singau\summschedule\form.doc

Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS
Department / University or College / Commission / District: Department of Transportation & Development

Department / University or College / Commission / District:

For the Year Ended June 30, 2001

Finding Title: Untimely closing of Projects

Reference Number (from attached schedule of findings): F-00-DOT-DOTD-1

Initial Year of Findings: 1998

Amount of Questioned Costs in Finding: \$ - 0 -

Status of Questioned Costs (check one): Resolved: X Unresolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The department closed approximately 600 projects and as a result \$70+ million in federal funds were released.

Page Number (from Audit Report) 97

Program Name(s): Highway Planning and Construction

Federal Grantor Agency: Federal Highway Administration

CFDA Numbers(s) 20.205

Status of Finding (check one)

Fully Corrected

Partially Corrected

Change of Corrective Action

 X

Not Corrected

No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The Department concurs with the finding. As noted, the Department has taken the corrective actions outlined in last year's management letter and the update report provided at the entrance conference. Significant progress has been made over the last 12 months. The Department closed approximately 600 projects and as a result, \$70+ million in federal funds and \$20+ million in state funds were released. Specific efforts to clear the backlog of projects to be closed have also been accomplished. Computer mainframe programming has been updated to automatically cross-reference right-of-way, utility and engineering projects associated with construction, so these projects can be readily identified and like-wise closed in accordance with our EDSM.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature Patty D. Parsons Phone Number 379-1676

For the Year Ended June 20, 2001

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS
Department / University or College / Commission / District: Department of Transportation & Development

For the Year Ended June 30, 2001

Finding Title: Failure to Monitor Preliminary Engineering Projects

Reference Number (from attached schedule of findings): F-99-DOT-DOTD-1

Initial Year of Findings: 1998

Amount of Questioned Costs in Finding: \$ - 0 -

Status of Questioned Costs (check one): Resolved: X Unresolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Audit Report) No Reportable Finding

Program Name(s): Highway Planning and Construction

Federal Grantor Agency: Federal Highway Administration

CFDA Numbers(s) 20.205

Status of Finding (check one)

Fully Corrected	<u> </u>	Not Corrected	<u> </u>
Partially Corrected	<u>X</u>	No Further Action Needed	<u> </u>
Change of Corrective Action	<u> </u>	(See OMB A-133 Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Department is in the process of acquiring a comprehensive project scheduling/tracking system to upgrade the existing system. Presentations/negotiations are underway with a number of potential vendors, and funds to purchase the system are being made available. It is currently envisioned that full implementation of the new system is several years away, however the Department is committed to its acquisition. In the interim, the Department will use its existing system, and check to insure compliance with 23 CFR 603.307 as it develops its Statewide Transportation Improvement Plan (STIP) each year.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature Larry P. Parsons Phone Number (225) 379-1676

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Baton Rouge Community College

For the Year Ended June 30, 2001

Finding Title: Inadequate Administration of the Rehabilitation Services-
Vocational Rehabilitation Grants to State Program

Reference Number(s): F-99-ED-BRCC-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 64,647

Status of Questioned Costs (check one): Resolved _____ Unresolved: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The College provided information on the finding to the US Department of
Education in June 2000. The Department has not been in contact with us since.

Page Number (from Single Audit Report): 98

Program Name(s): Rehabilitation Services - Vocational Rehabilitation Grants to States

Federal Grantor Agency: US Department pf Education

CFDA Number(s): 84-126

Status of Finding (check one):

Fully Corrected X

Partially Corrected _____

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Katrina D. Jackson

Phone Number: (225) 216-8602

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
(name of agency) Baton Rouge Community College

For the Year Ended June 30, 2001

Finding Title: Inadequate Administration of Vocational Education -
Basic Grants to States Program

Reference Number(s): F-99-ED-BRCC-3
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 19,861

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The costs in question are still in negotiation. The college has not
had the opportunity to present its case with the US Department of Education.

Page Number (from Single Audit Report): 100

Program Name(s): Vocational Education - Basic Grants to States

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.048

Status of Finding (check one):

Fully Corrected X

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Katrina D Jackson

Phone Number: (225) 216-8602

SCHEDULE 8-3

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

Bossier Parish Community College

For the Year Ended June 30, 2001

Finding Title: Lack of Accounting Support for Fiscal Operations

Report and Application to Participate

Reference Number (from attached schedule of findings): F-00-ED-BPCC-1

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding 0

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Are they still in negotiation?

No cost involved.

Page Number (from Single Audit Report): 98

Program Name(s): Student Financial Assistance Cluster: Federal Supplemental Educational Opportunity Grants, Federal Work-Study Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.007, 84.033

Status of Finding (check one):

Fully Corrected ☐

Not Corrected ☐

Partially Corrected ☒

No Further Action Needed ☐

Change of Corrective Action

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Policies and procedures have been written to implement reducing the amount of unexpended Federal

Work-Study Funds. Proper documentation is being generated and retained for the FISAP report.

Financial aid expenditures for state grants and scholarships are to be compared with financial

accounting records. Income grid for SEOG recipients is currently being implemented.

Completion date for FISAP report is September 30, 2001. All new procedures will be in place by that

date. Documentation to support the number of students reported has been provided.

NOTE: Use this form to present the status of any finding that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature:

Michelle Brewer

Phone Number:

(318)746-9851

SCHEDULE 8-3

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

Bossier Parish Community College

For the Year Ended June 30, 2001

Finding Title: Unofficial Withdrawals Not Monitored for Title IV

Program

Reference Number (from attached schedule of findings): F-00-ED-BPCC-2

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding 19,946

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Are they still in negotiation?

Refunds due lenders totaling \$747.00 have been made.

No management decision has been received on the balance from the Federal Government.

Page Number (from Single Audit Report): 99

Program Name(s): Student Financial Assistance Cluster: Federal Family Education Loans, Federal Pell Grant Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.032, 84.063

Status of Finding (check one):

Fully Corrected ☒ Not Corrected ☐

Partially Corrected ☐ No Further Action Needed ☐

Change of Corrective Action (See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Policies and procedures were completed Fall 2000. Implementation of corrective
procedure identifies students who have withdrawn. Title IV funds are returned within
30 days of withdrawal date.

Refunds have been made for two students to the respective lenders under the FFEL program

NOTE: Use this form to present the status of any finding that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature:

Michelle Brewer

Phone Number:

(318)746-9851

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
Louisiana Department of Education

For the Year Ended June 30, 2001

Finding Title: Subgrantee Applications Not Properly Reviewed

Reference Number(s): F-00-ED-EDUC-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 13,349.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

To date, no communication has been received from the federal government regarding the questioned costs.

Page Number (from Single Audit Report): 100

Program Name(s): Title 1 Grants to Local Education Agencies

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010

Status of Finding (check one):

Fully Corrected ☒
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (225) 342-2098

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
Louisiana Department of Education
For the Year Ended June 30, 2001

Finding Title: Inadequate Controls for Improving America's Schools Act Programs

Reference Number(s): F-99-ED-EDUC-5
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 474,321.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
To date, no communication has been received from the federal government regarding the
questioned costs.

Page Number (from Single Audit Report): 105

Program Name(s): Various

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010, 84.186, 84.281

Status of Finding (check one):

Fully Corrected ☒
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (225) 342-2098

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
Louisiana Department of Education
For the Year Ended June 30, 2001

Finding Title: Unallowable Costs in Special Education Program

Reference Number(s): F-99-ED-EDUC-7
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1997

Amount of Questioned Costs in Finding: \$ 136,233.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
To date, no communication has been received from the federal government regarding the
questioned costs.

Page Number (from Single Audit Report): 108

Program Name(s): Special Education - Grants to States

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.027

Status of Finding (check one):

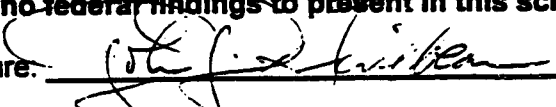
Fully Corrected ☒
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Phone Number: (225) 342-2098

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
Louisiana Department of Education
For the Year Ended June 30, 2001

Finding Title: Inadequate Controls for the Safe and Drug-Free Program

Reference Number(s): F-98-ED-EDUC-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ 142,461.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

To date, no communication has been received from the federal government regarding the
questioned costs.

Page Number (from Single Audit Report): 76

Program Name(s): Safe and Drug-Free Schools and Communities - State Grants

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.186

Status of Finding (check one):

Fully Corrected ☒

Partially Corrected ☐

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action was taken.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (225) 342-2098

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: Satisfactory Academic Progress

Reference Number(s): F-00-ED-GSU-4
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1997

Amount of Questioned Costs in Finding: \$ 3,583

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Awaiting the final determination letter from the Department of Education.

Page Number (from Single Audit Report): 113

Program Name(s): _____

Federal Grantor Agency: United States Department of Education

CFDA Number(s): _____

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has implemented the Banner software. The system contains a financial aid module that will track satisfactory academic progress accurately. Department has coordinated with other offices to make sure transfer are placed in the system timely.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Wanda Thomas

Phone Number: 318-874-6190

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: Aid Exceeded Documented Need

Reference Number(s): F-00-ED-GSU-5
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 1,610

Status of Questioned Costs (check one): Resolved _____ Unresolved: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Awaiting the final determination letter from the Department of Education

Page Number (from Single Audit Report): 114

Program Name(s): _____

Federal Grantor Agency: United States Department of Education

CFDA Number(s): _____

Status of Finding (check one):

Fully Corrected _____
Partially Corrected x
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Banner Financial Aid Module clearly identifies student records that
are over-awarded. The Assistant Director responsible for the Unit is also
responsible for generating over-award reports and adjusting the student awards
accordingly.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Alvin Thomas

Phone Number: 318-274-6190

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) GRAMBLING STATE UNIVERSITY

For the Year Ended June 30, 2001

Finding Title: Special Reporting

Reference Number(s): F-00-ED-GSU-6/99-07
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ None

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): _____

Program Name(s): _____

Federal Grantor Agency: United States Department of Education

CFDA Number(s): _____

Status of Finding (check one):

Fully Corrected ☒

Partially Corrected ☐

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Financial Aid office coordinates with Accounting to ensure federal accounts are reconciled. The Director for the Financial Aid is responsible for the coordination.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: 318-274-6190

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

Louisiana State University and A&M College

For the Year Ended June 30, 2001

Finding Title: Overpayments Resulting From Unofficial Drops

Reference Number(s): F-00-ED-LSU BR-1

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 2,653

Status of Questioned Costs (check one): Resolved ☒ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The costs were refunded to the federal government before the last audit report was issued.

Page Number (from Single Audit Report): 101

Program Name(s): Federal Supplemental Educational Opportunity Grants and
Federal Pell Grant Program.

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.007 and 84.063

Status of Finding (check one):

Fully Corrected

☒

Not Corrected

☐

Partially Corrected

☐

No Further Action Needed

☐

Change of Corrective Action

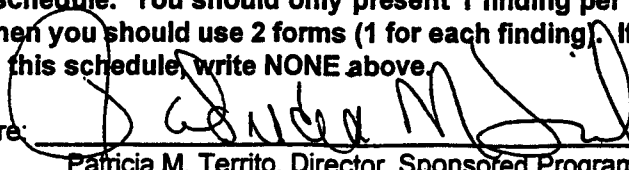
☐

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The controls necessary to identify any overpayment for students who unofficially withdraw from the
university were implemented prior to the issuance of the finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Patricia M. Territo, Director, Sponsored Program Accounting

Phone Number: (225) 578-2204

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

LTC-AVOYELLES

For the Year Ended June 30, 2001

Finding Title: Improper Payroll Charges to a Federal Program

Reference Number (from attached schedule of findings):

F-00-ED-LTCAVOY-1

Initial Year of Finding: FY 2000

Amount of Questioned Costs in Finding: \$ 4,000.00

Status of Questioned Costs (check one): **Resolved**

Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Are they still in negotiation?

We have not been notified whether these funds are to be refunded.

Page Number (from Single Audit Report): 104

Program Name(s): Carl Perkins - Student Services Employees

Federal Grantor Agency: Vocational Education-Basic Grants to States

CFDA Number(s): 84.048

Status of Finding (check one):

Fully Corrected

X

Not Corrected

Partially Corrected

No Further Action Needed

Change of Corrective Action

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

To insure that payroll charges to a federal program are based on actual time worked on the program, this plan
will be placed in effect. At a minimum, 5% of the payroll time will be charged to State General Funds for the
following federal program employees: Guidance Aide, Health Occupations Teacher's Aide, and Skills Center
Teacher's Aide. Should these employees work over 5% of their time on non-federal program activities, the time
will be logged on the time sheet for two separate pay categories by the employee, will be approved by the
school director, and appropriate charge made by the Accountant.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jane M Smith

Phone Number: (318) 876-2401

Preparer's Signature:

Jay B. Zueckel

Phone Number: 225-249-8741

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

LTC-AVOYELLES

For the Year Ended June 30, 2001

Finding Title: Inadequate Segregation of Duties Over Pell Grant Checks

Reference Number (from attached schedule of findings):

F-00-ED-LTCAVOY-2

Initial Year of Finding: FY 2000

Amount of Questioned Costs in Finding: \$ _____

Status of Questioned Costs (check one): **Resolved** X **Unresolved:** _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Are they still in negotiation?

Not applicable.

Page Number (from Single Audit Report): 103

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: Federal Pell grant Programs

CFDA Number(s): 84.063

Status of Finding (check one):

Fully Corrected X

Partially Corrected _____

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

In order to correct the problem of inadequate segregation of duties over the Pell Grant Program, we will use more school employees in processing, reviewing, and approving Pell Grant material. The SPSO will enter Pell grant applications on-line, calculating the amount of funds the student would receive each term, request the checks from LCTCS and receive the Pell Disbursement Acknowledgement Report. The Guidance Aide will verify that the student was enrolled. The checks sent from LCTCS are received by and verified against the accompanying list by the Accountant. The Guidance Aide will disburse the checks to students. The Guidance Aide will make a register of any checks not disbursed and will give this along with the checks to the Accountant to be returned. The SPSO will reconcile the reports, payment requests and annual statement which will be reviewed by the Director.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jane M. Smith

Phone Number: (318) 876-2401

Preparer's Signature: _____

Phone Number: 225-219-8741

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

LTC-AVOYELLES

For the Year Ended June 30, 2001

Finding Title: Noncompliance With Documentation Requirements for
Federal Program

Reference Number (from attached schedule of findings): F-00-ED-LTCAVOY-3

Initial Year of Finding: FY 2000

Amount of Questioned Costs in Finding: \$ 2,103.00

Status of Questioned Costs (check one): **Resolved** **Unresolved:** X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

We have not yet been notified whether these funds are to be refunded.

Page Number (from Single Audit Report): 102

Program Name(s): Single Parent Program

Federal Grantor Agency: Vocational Education-Basic Grants to States

CFDA Number(s): 84.048

Status of Finding (check one):

Fully Corrected X

Partially Corrected

Change of Corrective Action

Not Corrected
No Further Action Needed

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

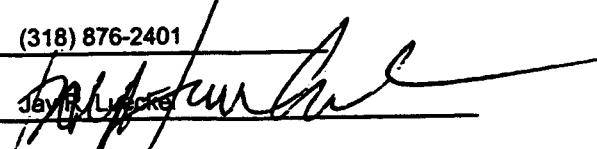
To ensure that students provide the required documents to support eligibility determinations, we have developed two checklists - one for Carl Perkins program participants and the other for Sex Bias program participants. The checklists, along with copies of all supporting documents, will be prepared by the Special Program Coordinator and will be reviewed by the Director or his designee. Both of these employees will sign the checklist before benefits or services are provided to federal program participants.

The checklist, along with all supporting documents, will be attached to the Carl Perkins participant's application. In addition, copies of all supporting documentation submitted by students will be date stamped, approved, and initialed by the Special Program Coordinator. All necessary supporting data has been collected.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Jane M Smith

Phone Number: (318) 876-2401

Preparer's Signature: 

Phone Number: 225-279-8741

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Nicholls State University

For the Year Ended June 30, 2001

Finding Title: Untimely Grant and Loan Refunds

Reference Number(s): F-00-ED-Nicholls-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Questioned costs amounted to \$0.00.

Page Number (from Single Audit Report): 105

Program Name(s): Federal Family Education Loans, Federal Pell Grant Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032 & 84.063

Status of Finding (check one):

Fully Corrected ☒

Partially Corrected ☐

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The status of the above finding is fully corrected. Corrected status did not occur until approximately October 1, 2001, for two reasons: 1) the major conversion of financial aid procedures from manual to automated, and 2) the resignation of the Financial Aid Director which left the office understaffed. These problems have been resolved, and we are following the procedures indicated in the attached letter.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Collette Sagade

Phone Number: 985-448-4047

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Vocational Rehabilitation Services: 'Untimely Eligibility Determinations and Lack of Adequate Documentation

Reference Number (from attached schedule of findings): F-00-ED-DSS-4/F-99-ED-DSS-3

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$319,831

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
No contact has been made by Federal government.

Page Number (from Single Audit Report): 106

Program Name(s): Rehabilitation Services – Vocational Rehabilitation Grants to States

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.126

Status of Finding (check one):

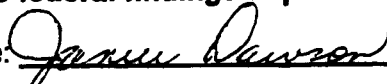
Fully Corrected ☒
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective actions were taken to resolve this finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Phone Number: (225) 342-4164

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Inadequate Controls Over Vocational Rehabilitation Grants to States Program

Reference Number (from attached schedule of findings): F-98-ED-DSS-1

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$257

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

No contract has been made by Federal government.

Page Number (from Single Audit Report): 82

Program Name(s): Rehabilitation Services – Vocational Rehabilitation Grants to States

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.126

Status of Finding (check one):

Fully Corrected X

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective actions were taken to resolve this finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Janice Dawson

Phone Number: (225) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Southern University - Baton Rouge Campus

For the Year Ended June 30, 2001

Finding Title: Federal Family Education Loan Program

Reference Number(s): F-00-ED-SUBR-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ Not determined

Status of Questioned Costs (check one): Resolved Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The amount of questioned costs has not been determined.

Page Number (from Single Audit Report): 115

Program Name(s): Federal Family Education Loan Program

Federal Grantor Agency: The Department of Education

CFDA Number(s): 84.032

Status of Finding (check one):

Fully Corrected
Partially Corrected X
Change of Corrective Action

Not Corrected
No Further Action Needed
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has established procedures to monitor the Federal
Family Education Loan Program.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Debra J. Ephron/ JSC

Phone Number: (225) 771-2790

Filename: m:\users\marshal01singau\summschedule\form.doc
Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) Southern University - Baton Rouge Campus

For the Year Ended June 30, 2001

Finding Title: Federal Work-Study

Reference Number(s): F-99-ED-SUBR-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 163,917

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

An initial amount of 163,917 has been determined. However, further reviews are required before a final amount has been determined.

Page Number (from Single Audit Report): 115

Program Name(s): Federal Work-Study

Federal Grantor Agency: The Department of Education

CFDA Number(s): 84.033

Status of Finding (check one):

Fully Corrected _____
Partially Corrected X
Change of Corrective Action _____

Not Corrected _____
No Further Action Needed _____
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Federal Work-Study section has new personnel along with a new set of procedures for awarding and processing student payroll.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Debra J. Epkrom/YKC

Phone Number: (225) 771-2790

File name: m:\users\marshal01singau\summscheduleform.doc
Date: 5/15/01

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District: SOUTHERN UNIVERSITY AT NEW ORLEANS
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Verification

Reference Number (from attached schedule of findings): F-00-ED-SUNO-1

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 15,862

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
The University is awaiting a final determination from D.O.E.
No funds have been repaid.

Page Number (from Single Audit Report): 116

Program Name(s): Federal Pell Grant and Federal Family Education Loan Programs

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032; 84.063

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has adhered to established procedures and ensured that verification information
is adequately checked and maintained in the appropriate files.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Ursula Shorty

Ursula Shorty

Phone Number: (504) 286-5017

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

SOUTHERN UNIVERSITY AT NEW ORLEANS

For the Year Ended June 30, 2001

Finding Title: Federal Family Education Loan Limits

Reference Number (from attached schedule of findings): F-00-ED-SUNO-2

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 1,695

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University is awaiting a final determination from D.O.E.

No funds have been repaid.

Page Number (from Single Audit Report): 117

Program Name(s): Federal Family Education Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

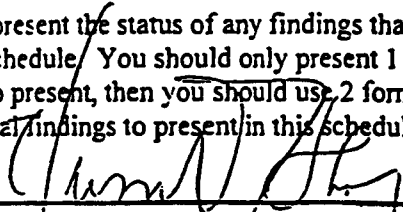
No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has adhered to its established procedures and ensured that the aid awarded
to students does not exceed the aggregate loan limit.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Ursula Shorty

Phone Number: (504) 286-5017

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

SOUTHERN UNIVERSITY AT NEW ORLEANS

For the Year Ended June 30, 2001

Finding Title: Federal Family Education Loan

Reference Number (from attached schedule of findings): F-00-ED-SUNO-3

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 3,880

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University is awaiting a final determination from D.O.E.
No funds have been repaid.

Page Number (from Single Audit Report): 117

Program Name(s): Federal Family Education Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032

Status of Finding (check one):

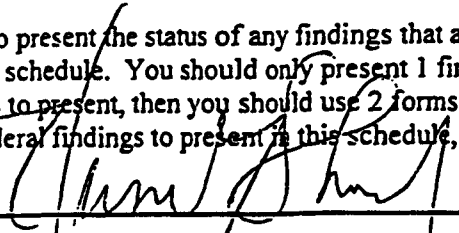
Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has adhered to Title IV Regulations and its policies and procedures
established to ensure the proper awarding of unsubsidized loans to dependent students.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Ursula Shorty

Phone Number: (504) 286-5017

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

SOUTHERN UNIVERSITY AT NEW ORLEANS

For the Year Ended June 30, 2001

Finding Title: Satisfactory Academic Progress

Reference Number (from attached schedule of findings): F-00-ED-SUNO-4

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved N/A Unresolved

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 118

Program Name(s): FSEOG; Federal Work-Study; PELL; Federal Direct Student Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.007; 84.033; 84.063; 84.268

Status of Finding (check one):

Fully Corrected X
Partially Corrected
Change of Corrective Action

Not Corrected
No Further Action Needed
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has established, published and implemented a satisfactory academic
progress policy inclusive of the required standards published by Title IV Regulations.

This was performed after June 30, 2001.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Brenda Williams Brenda Williams

Phone Number: (504) 286-5314

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

SOUTHERN UNIVERSITY AT NEW ORLEANS

For the Year Ended June 30, 2001

Finding Title: Satisfactory Academic Progress

Reference Number (from attached schedule of findings): F-00-ED-SUNO-5

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 26,592

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University is awaiting a final determination from D.O.E.
No funds have been repaid.

Page Number (from Single Audit Report): 118

Program Name(s): FSEOG; Federal Work - Study; PELL; Federal Direct Student Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.007; 84.033; 84.063; 843268

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has established, published and implemented a satisfactory academic
progress policy inclusive of the required standards prescribed by Title IV Regulations.

This was performed after June 30, 2001.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Brenda Williams Brenda Williams

Phone Number: (504) 286-5314

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

SOUTHERN UNIVERSITY AT NEW ORLEANS

For the Year Ended June 30, 2001

Finding Title: Aid Exceeded Documented Need

Reference Number (from attached schedule of findings): F-99-ED-SUNO-1

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 1,143

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University is awaiting a final determination from D.O.E.

No funds have been repaid.

Page Number (from Single Audit Report): 117

Program Name(s): Federal Family Education Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

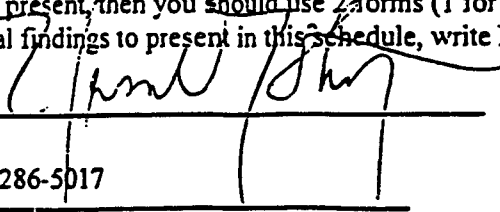
No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has adhered to the established procedure and ensured that the total financial aid awarded to a student does not exceed their documented need.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: 

Ursula Shorty

Phone Number: (504) 286-5017

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Satisfactory Academic Progress

Reference Number(s): F-00-ED-SUSH-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 5,468

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has contacted D.O.E. regarding invoicing
and payment of questioned cost.

Page Number (from Single Audit Report): 119

Program Name(s): Student Financial Assistance Cluster

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.007; 84.033; 84.063; 84.268

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Southern University at Shreveport will continue to adhere to
established policies and procedures to ensure that students who
receive financial aid meet satisfactory academic progress
requirements. Special attention to resolving this repeat
finding is a priority.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Benjamin Pugh

Phone Number: (318) 674-3481

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Satisfactory Academic Progress

Reference Number(s): F-99-ED-SUSH-1.
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 8,350.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has contacted D.O.E. regarding invoicing and payment of questioned cost.

Page Number (from Single Audit Report): 120

Program Name(s): Student Financial Assistance Cluster

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.007; 84.033; 84.063; 84.268

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Southern University at Shreveport will continue to adhere to established policies and procedures to ensure that students who receive financial aid meet satisfactory academic progress requirements. Special attention to resolving this repeat funding is a priority.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Benjamin Pugh

Phone Number: (318) 674-3481

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Title IV Refunds

Reference Number(s): F-00-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 1,591.00

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The University has contacted D.O.E. regarding invoicing
and payment of questioned cost.

Page Number (from Single Audit Report): 120

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University will comply with Title IV regulations which
require the timely processing, accurate calculation, and
prompt remittance to the Title IV program of a refund for
a student who withdraws from school.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Benjamin Pugh

Phone Number: (318) 674-3481

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Student Credit Balance

Reference Number(s): F-00-ED-SUSH-3/F-99-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

Page Number (from Single Audit Report): 120

Program Name(s): (See Attachment)

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.007; 84.032; 84.033; 84.063; 84.268

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☒
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has experienced delays in installation and
implementation of a new Student Information System which will
enable student credit balances to be processed on-line for
payment. A time consuming manual process is still being
used to process refunds for students with credit balances.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Benjamin Pugh

Phone Number: (318) 674-3481

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency)

For the Year Ended June 30, 2001

Finding Title: Special Reporting

Reference Number(s): F-00-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

Page Number (from Single Audit Report): 121

Program Name(s): Federal Work-Study/ Federal SEOG/ Federal Perkins Loan

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.038; 84.033; 84.007

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has developed an internal review process to ensure
that information reported on all financial reports, including
FISAP, is prepared in a timely and accurate manner.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Benjamin Pugh

Phone Number: (318) 674-3481

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
UNIVERSITY OF LOUISIANA AT LAFAYETTE

For the Year Ended June 30, 2001

Finding Title: Failure to Perform Due Diligence Collection Procedures

Reference Number (from attached schedule of findings): F-00-ED-ULL-1

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$1,242,378

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

This finding has not been resolved. Questioned cost are now \$1,493,677

Page Number (from Single Audit Report): 108

Program Name(s): Federal Perkins Loan Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.038

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☐

Change of Corrective Action ☐

Not Corrected ☒

No Further Action Needed ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (Include corrective action planned and anticipated completion date, if applicable):

We are in the process of hiring an additional person to help in this process. At this time we
are in the process of placing 45 of the defaulted Federal Perkins Loans with a collection
agency. With the additional personnel we plan to complete this process by next year.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Melanie Lerner

Phone Number: 337-482-6145

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) The University of Louisiana at Monroe

For the Year Ended June 30, 2001

Finding Title: Failure to Calculate Refunds and Repayments for

Early Withdrawals

Reference Number(s): F-00-ED-ITLM-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 11,846

Status of Questioned Costs (check one): Resolved xx Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The questioned costs were refunded to the federal government.

Page Number (from Single Audit Report): 109-110

Program Name(s): Federal Family Education Loans; Federal Pell-Grant Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032; 84.063

Status of Finding (check one):

Fully Corrected xx

Not Corrected _____

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Leslynn B. Logan

Phone Number: 342-5320

D-73

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District: _____
(name of agency) University of New Orleans

For the Year Ended June 30, 2001

Finding Title: Weaknesses in the Administration of the Federal
TRIO Cluster Programs

Reference Number(s): F-00-ED-UNO-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved ☒ Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 110

Program Name(s): Student Support Services, Talent Search, and Upward Bound

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.042, 84.044, 84.047

Status of Finding (check one):

Fully Corrected ☒

Partially Corrected _____

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University aggressively completed and implemented 1) Applications were revised to include income verification information and proper signatures will continue to be obtained. 2) All eligibility documentation is reviewed by the appropriate supervisor. 3) A supervisor will also review to ensure that all other documentation is present prior to the student being accepted. 4) Grants and Contracts Accounting filled a vacant position and duties were reassigned to allow for a segregation of duties related to requesting funds and preparing accounting records. 5) Expenditures are being reconciled on a monthly basis. The Legislative Auditors reviewed it subsequently and are
NOTE: Use this form to present the status of any findings that are listed for your agency not going to on the attached schedule. You should only present 1 finding per page. If you repeat the have 2 findings to present, then you should use 2 forms (1 for each finding). If finding. there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Lori W. Ferro Lori W. Ferro, Director, Office of Internal Audit

Phone Number: (504) 280-5498

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

University of New Orleans

For the Year Ended June 30, 2001

Finding Title: Weaknesses in the Administration of the Rehabilitation
Service - Vocational Rehabilitation Grants to States Program

Reference Number(s): F-00-ED-UNO-2

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 77,509

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

The funds have not been refunded to the federal government. We have not

received final determination from the granting agency or the federal government, but
do not anticipate having to refund the money based on verbal discussions..

Page Number (from Single Audit Report): 111

Program Name(s): Rehabilitation Services-Vocational Rehabilitation Grants to State
Program

Federal Grantor Agency: Department of Education through the Louisiana Department of
Social Services - Louisiana Rehabilitation Services (LRS)

CFDA Number(s): 84.126

Status of Finding (check one):

Fully Corrected

☒

Not Corrected

Partially Corrected

☐

No Further Action Needed

☐

Change of Corrective Action

☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Office of Research and Sponsored Programs has implemented a measure to identify
all pass through monies in order to ensure all payroll expenses are properly documented.
Grants and Contracts Accounting will prepare separate invoices for charges that need to
be rebilled to allow for a clear audit trail. Now all vendors will have a file
and all files will be periodically checked for filing accuracy throughout the year.
Safeguards have been implemented to ensure timely filing of quarterly reports and
Grants and Contracts Accounting will be more conscientious of billing on a timely basis.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Lori W. Ferro

Lori W. Ferro, Director, Office of Internal Audit

Phone Number: 504-280-5498

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
(name of agency) LA Executive Department/OSRAP

For the Year Ended June 30, 2001

Finding Title: Inconsistent Billing of Insurance Premiums

Reference Number(s): F-00 - HHS - Exec-1/F-99-CC-EXEC-1
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding: \$ cannot determine

Status of Questioned Costs (check one): Resolved _____ Unresolved: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
The finding published in 2000 had no questioned costs. See below.

Page Number (from Single Audit Report): 123

Program Name(s): Various

Federal Grantor Agency: Various

CFDA Number(s): Various

Status of Finding (check one):

Fully Corrected _____

Partially Corrected _____

Change of Corrective Action _____

Not Corrected X

No Further Action Needed _____

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable): The state contracted with DMG/Maximus to study the finding. The results were given to Mr. Merle Schmidt of the U.S. Department of Health and Human Services, Division of Allocation. The study showed a potential over billings to federal programs of \$19.5 million. The state's contention is that this amount should be off set as the state has provided OMBA-87 allowable administrative services and paid claims from general fund appropriation

(contributed capital) totaling \$192.3 million. The federal share of the contributed capital is \$28.9 million. Mr. Schmidt in his letter of Sept. 1, 2000, did not accept the state's position and an appeal is in process. Final completion can not be determined at this time.

NOTE: Use this form to present the status of any findings that are listed for your agency this time on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Walter H. Hays II

Phone Number: (225) 342-7058

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

DHH - Baton Rouge Main Office

For the Year Ended June 30, 2001

Finding Title: Audits of Federal Subrecipients and State Contractors Not
Obtained & Findings Not Resolved Timely

Reference Number (from attached schedule of findings): F-00-CC-DHH-1

Initial Year of Finding: 1996

Amount of Questioned Costs in Finding: \$ 2,314,722

Status of Questioned Costs (check one): Resolved X Unresolved

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Questioned costs should be held allowable with the resolution of finding

Page Number (from Single Audit Report): 124

Program Name(s): Various Programs

Federal Grantor Agency: HHS

CFDA Number(s): 93.196, 93.217, 93.268, 93.919, 93.940, 93.958, 93.959

Status of Finding (check one):

Fully Corrected X
Partially Corrected
Change of Corrective Action

Not Corrected
No Further Action Needed
{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *Ken Corbett*

Phone Number: (225) 342-4379

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:

DHH - Medical Vendor

For the Year Ended June 30, 2001

Finding Title: Improper Claims by Dental Providers

Reference Number (from attached schedule of findings): F-00-HHS-DHH-2

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 39,827

Status of Questioned Costs (check one): Resolved _____ Unresolved x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

As findings are resolved, appropriate adjustments will be made to
Our federal claims

Page Number (from Single Audit Report): 126

Program Name(s):

Federal Grantor Agency: HHS

CFDA Number(s): 93.778

Status of Finding (check one):

Fully Corrected _____

Partially Corrected X

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We are continuing with our Corrective Action Plan. We believe our Plan should resolve the finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Ken Corke

Phone Number: (225) 342-4379

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DHH-Medical Vendor

For the Year Ended June 30, 2001

Finding Title: Improper Claims by Waiver Services Providers

Reference Number (from attached schedule of findings): F-00-HHS-DHH-3

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 68,869

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

As findings are addressed, appropriate adjustments will be made to
to our federal claims.

Page Number (from Single Audit Report): 127

Program Name(s): Medical Assistance Program

Federal Grantor Agency: HHS

CFDA Number(s): 93.778

Status of Finding (check one):

Fully Corrected ☐

Partially Corrected ☒

Change of Corrective Action ☐

Not Corrected ☐

No Further Action Needed ☐

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We are continuing with our Corrective Action Plan. We believe our Plan should resolve the finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. you should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Ken Corke

Phone Number: (225) 342-4379

**SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

Department/University or College/Commission/District:
DHH - Medical Vendor

For the Year Ended June 30, 2001

Finding Title: Ineffective Surveillance and Utilization Review Function

Reference Number (from attached schedule of findings): F-00-HHS-DHH-4

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☐

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Page Number (from Single Audit Report): 130

Program Name(s): Medical Assistance Program

Federal Grantor Agency: HHS

CFDA Number(s): 93.778

Status of Finding (check one):

Fully Corrected ☒
Partially Corrected ☐
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Ken Corkun

Phone Number: (225) 342-4379

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

DHH - Medical Vendor

For the Year Ended June 30, 2001

Finding Title: Pre-Authorization Procedures for Certain Services
Not Followed

Reference Number (from attached schedule of findings): F-00-HHS-DHH-5

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ 6,884

Status of Questioned Costs (check one): Resolved ☐ Unresolved ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

As findings are resolved, the appropriate adjustments will be made to
Our federal claims.

Page Number (from Single Audit Report): 131

Program Name(s):

Federal Grantor Agency: HHS

CFDA Number(s): 93.778

Status of Finding (check one):

Fully Corrected ☐
Partially Corrected ☒ X
Change of Corrective Action ☐

Not Corrected ☐
No Further Action Needed ☐
(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We are continuing with our Corrective Action Plan. We believe our Plan should resolve the finding

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Ken Corbett

Phone Number: (225) 342-4379

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:

(name of agency)

Labor - Work Force Development

For the Year Ended June 30, 2001

Finding Title: Inadequate Monitoring Procedures

for Community Services Block Grant

Reference Number(s): F-00-HHS-LABR-11/F-99-HHS-LABR-7

(from attached schedule of findings, may include more than one)

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$ 669,497

Status of Questioned Costs (check one): Resolved ☐ Unresolved: ☒

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Still in negotiation

Page Number (from Single Audit Report): 132

Program Name(s): Community Services Block Grant

Federal Grantor Agency: U.S. Dept of Health and Human Services

CFDA Number(s): 93.569

Status of Finding (check one):

Fully Corrected ☒

Not Corrected ☐

Partially Corrected ☐

No Further Action Needed ☐

Change of Corrective Action ☐

(See OMB A-133 Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

As of January 2001, the monitoring functions of CSBG were transferred to the
Office of Workforce Development's (OWD) Monitoring Unit. A monitoring guide
was also developed, by CSBG, and is being utilized by the WIA monitors to
assist them with CSBG policy and procedures. Further, the fiscal review
functions were placed in the OWD Budget Unit. The CSBG staff provides
technical assistance on-site and by telephone to Community Action Agencies on
a regular basis.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: Geard Turner

Phone Number: (225) 342-3292

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Child Support Escrow Fund Not Reconciled

Reference Number (from attached schedule of findings): F-00-HHS-DSS-5

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$N/A

Status of Questioned Costs (check one): Resolved _____ Unresolved: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 134

Program Name(s): Child Support Enforcement

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.563

Status of Finding (check one):

Fully Corrected _____

Not Corrected _____ x

Partially Corrected _____

No Further Action Needed _____

Change of Corrective Action _____

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Department of Social Services has conducted an internal audit of the Title IV-D Escrow Fund. The preliminary results of the audit indicated that there are two independent accounting systems that must be reconciled in order to satisfy this finding. The two independent systems, ISIS and LASES, are linked through an interface which insures that the funds collected and disbursed are in balance.

The Title IV-D Escrow Fund account is in an ISIS account where only totals of transactions (receipts and disbursements) are posted (control account).

The LASES sub-system is the system where all of the individual client activity (receipts and disbursements) are posted (subsidiary account). There are currently over 100,000 individual accounts in this subsystem. The design of this system did not include as a part of the individual client record an outstanding balance.

After presentation of the final internal audit report, the Department will consider modifications to the LASES sub-system which will provide for an outstanding balance for the individual client accounts.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: James Dawson

Phone Number: (225) 342-4164

Filename: u:\home\marsha\00singau\sumsched\form.doc

Date: 5/18/00

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Failure to Properly Distribute Child Support Payments

Reference Number (from attached schedule of findings): F-00-HHS-DSS-6

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding: \$ N/A

Status of Questioned Costs (check one): Resolved Unresolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

Page Number (from Single Audit Report): 135

Program Name(s): Child Support Enforcement

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.563

Status of Finding (check one):

Fully Corrected	<u> X </u>	Not Corrected	<u> </u>
Partially Corrected	<u> </u>	No Further Action Needed	<u> </u>
Change of Corrective Action	<u> </u>	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

All adjustments of arrearages in former TANF cases have been completed, and
programming changes to pay family arrears are in place, allowing payments in
former TANF cases to be distributed correctly, precluding the need for journal
entries in future cases.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: *James Donovan*

Phone Number: (225) 342-4164

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Department/University or College/Commission/District:
DEPARTMENT OF SOCIAL SERVICES

For the Year Ended June 30, 2001

Finding Title: Temporary Assistance For Needy Families Program:
Noncompliance With Certain Federal and State Requirements

Reference Number (from attached schedule of findings): F-00-HHS-DSS-7/F-99-HHS-DSS-6

Initial Year of Finding: 1999

Amount of Questioned Costs in Finding: \$25,310

Status of Questioned Costs (check one): Resolved _____ Unresolved: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
No contact has been made by Federal government.

Page Number (from Single Audit Report): 137

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.558

Status of Finding (check one):

Fully Corrected _____

Partially Corrected x

Change of Corrective Action _____

Not Corrected _____

No Further Action Needed _____

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective actions have been implemented and the status of questioned costs is being
researched.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature: [Signature]

Phone Number: (225) 342-4164

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Acknowledgments



ACKNOWLEDGMENTS

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Many thanks to the following managers and auditors-in-charge of the Legislative Auditor's Office for their efforts in gathering the information contained in the Single Audit Report:

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Lonnie Dupont, CPA - Executive Department
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Donnie Ladatto, Jr., CPA, CFE - Department of Transportation and Development
Andrea Eickmeier, CPA - LSU Health Care Services Division
Virginia Weston, CPA - Department of Environmental Quality
Tom Cole, CPA, **Manager**
Jennifer Rabalais, CPA - State of Louisiana - Comprehensive Annual Financial Report
Wayne DeLeo, Jr., CPA, **Manager**
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Marianne Granier, CPA - Louisiana Lottery Corporation and Office of Telecommunications Management
Robert Trahan, CPA - Department of Public Safety
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Adele English, CPA - Department of Education
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Elbert Sylvest, CPA, CFE, CIA, CGFM, **Manager**
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LaKenya Collins, CPA - University of New Orleans
Charles Wendt, CPA - LSU Health Sciences Center (New Orleans) and River Parishes Community College
Monica Mealie, CPA - Southeastern Louisiana University

Amy Duchamp, Carrie Hebert, and Christine Kirkland assisted in preparing the Single Audit Report.

All other audit staff assistants

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