STATE OF LOUISIANA

SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2008
STATE OF LOUISIANA

STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

State of Louisiana

Single Audit Report
For the Year Ended June 30, 2008

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STATE OF LOUISIANA

Single Audit Report
For the Year Ended June 30, 2008

The Auditor's Report on the State of Louisiana's Basic Financial Statements dated December 31, 2008, 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 and New Orleans offices of the Legislative Auditor. A copy of this report is also being submitted to the federal audit 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 31, 2009

LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

March 31, 2009

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

The Legislative Auditor audits 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 audit scope encompasses both state and federal funds. The State of Louisiana Single Audit Report, along with the state's *Comprehensive Annual Financial Report,* provides an overview of the financial operations of Louisiana state government for the fiscal year ended June 30, 2008.

The state's June 30, 2008, basic financial statements were issued on December 31, 2008. This year, we issued a qualified opinion on the statements because of a scope limitation on the audit of the financial statements of Louisiana Citizens Property Insurance Corporation, a major discretely presented component unit included in the state's basic financial statements.

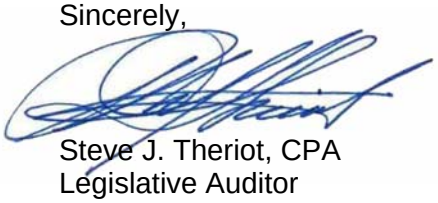
The State of Louisiana's 2008 Single Audit Report includes an audit report on the Schedule of Expenditures of Federal Awards, along with reports on compliance with laws and regulations and internal control over financial reporting and federal programs for the state. This year's report contains matters that require the attention of state government. Of the 81 reported findings, 43 are repeat findings from previous audits. Findings related to federal programs include total questioned costs of approximately $34,714,635. The respective federal grantors will ultimately determine the resolution of the questioned costs. For fiscal year 2008, we were not able to obtain sufficient evidence to support an opinion on compliance with the applicable compliance requirements of the Community Development Block Grants/State's Program and with the allowable costs/cost principles and eligibility requirements applicable to the CCDF (Child Care) Cluster. In addition, we issued an adverse opinion on the state's compliance with the subrecipient monitoring requirements applicable to the Hurricane Education Recovery Program, the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program, the Hazard Mitigation Grant Program, and the Homeland Security Cluster. We also qualified our opinion on the state's compliance with various program requirements applicable to the Unemployment Insurance Program, the Hurricane Education Recovery Program, the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program, the Hazard Mitigation Grant Program, the Homeland Security Cluster, and the Workforce Investment Act Cluster.

Material weaknesses were identified in the internal control over preparing complete and accurate annual fiscal reports for several entities as well as preparing the state's *Comprehensive Annual Financial Report*. Material weaknesses in controls over compliance were also identified relating to the opinion modifications noted above.

1600 NORTH THIRD STREET · POST OFFICE BOX 94397 · BATON ROUGE, LOUISIANA 70804-9397
WWW.LLA.LA.GOV · PHONE: 225-339-3800 · FAX: 225-339-3870

Louisiana's governmental leadership faces many challenges as the rebuilding process continues from the devastation our state suffered as a result of hurricanes Katrina and Rita. Throughout this recovery period, we are committed to providing accurate, timely, and relevant information to the legislature and taxpayers of Louisiana to assist them in addressing the challenges facing our state.

Sincerely,



Steve J. Theriot, CPA
Legislative Auditor

SJT/dl

TRANSMITTAL 2008

STATE OF LOUISIANA

SINGLE AUDIT REPORT
For the Fiscal Year Ended June 30, 2008

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Executive Summary

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

Introduction

The Single Audit Report for the fiscal year ended June 30, 2008, 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 and other matters 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 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 basic 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.

A total of 81 findings were reported within this year's Single Audit Report. This total includes 43 findings (53%) that were repeat findings from a prior audit.

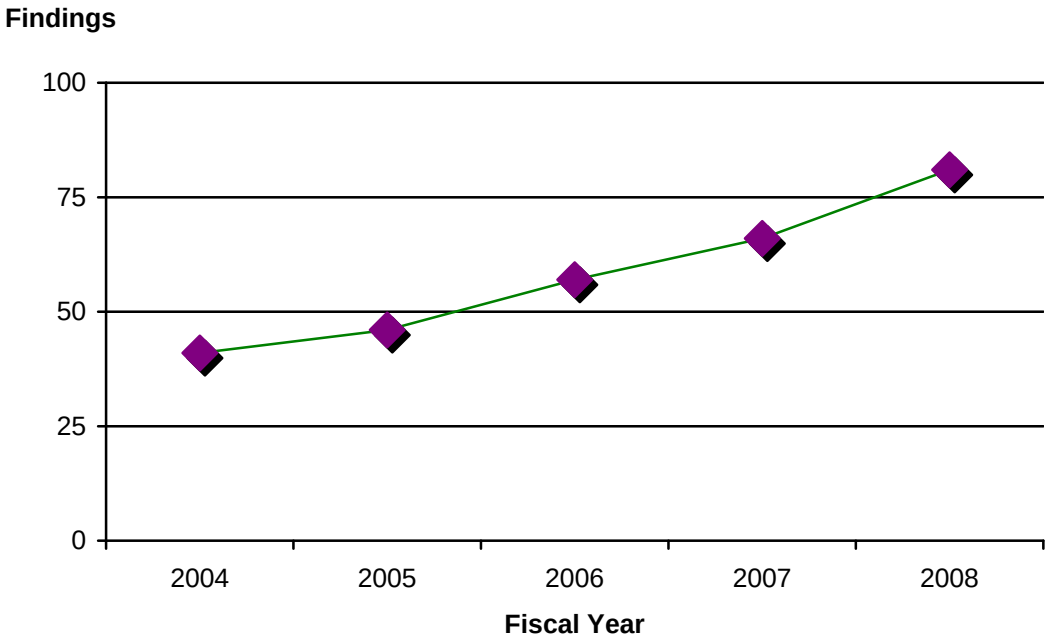
The 2008 Single Audit Report discloses questioned costs of $34,714,635, which are detailed within the findings that are presented in the Schedule of Federal Award Findings and Questioned Costs (Schedule C) of the accompanying report. The resolution of these questioned costs will be determined by the respective grantors.

The following pages contain 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.

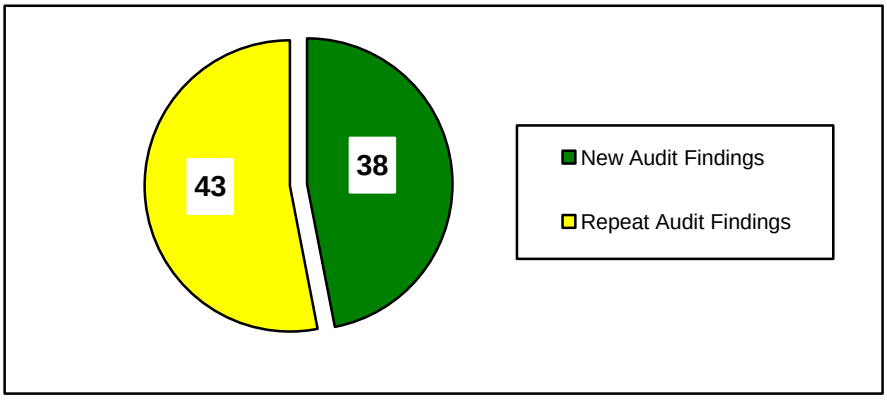
EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

Trend of Findings
Over the Past Five Years



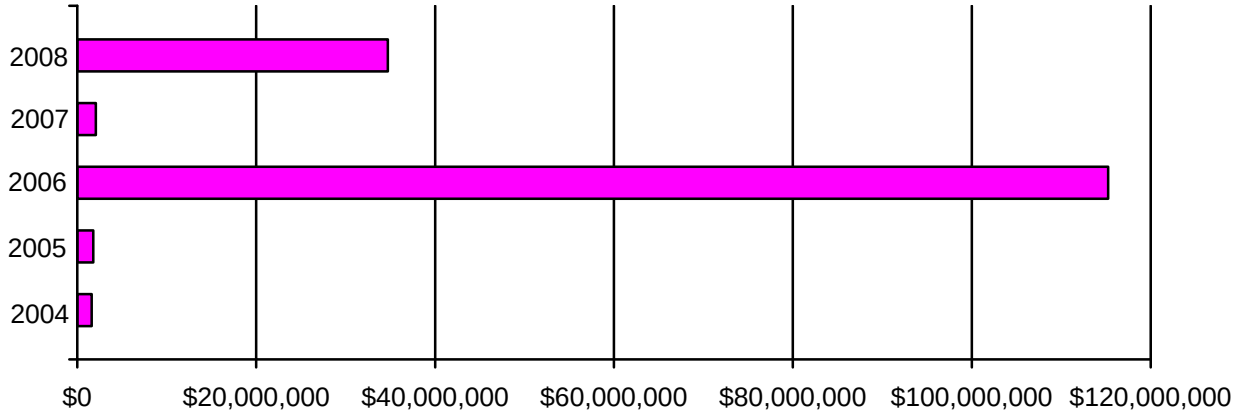
Fiscal Year 2008
Comparison of Repeat Findings
to New Findings



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

Trend of Questioned Costs
Over the Past Five Years



Material Weaknesses in Internal Control

Financial Statement Findings

As a result of the 2008 Single Audit, the following seven findings were considered to be material weaknesses in internal control over financial reporting and are reported in detail in Schedule B.

FS-08-DOA-1 - Inadequate Internal Controls Over Financial Reporting (Division of Administration - Office of Statewide Reporting and Accounting Policy) (page 16)

FS-08-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (Governor's Office of Homeland Security and Emergency Preparedness) (page 19)

FS-08-INS-1 - Improper Adjustments to Residential Rate Filing (Department of Insurance) (page 21)

FS-08-LSUHSC(HCSD)-1 - Inadequate Control Over Financial Reporting [LSU Health Sciences Center (Health Care Services Division)] (page 31)

FS-08-DOR-1 - Inaccurate Annual Fiscal Report (Department of Revenue) (page 36)

FS-08-DSS-1 - Inaccurate Annual Fiscal Reports (Department of Social Services) (page 38)

FS-08-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report (Department of Transportation and Development) (page 44)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

Opinions on Compliance With Compliance Requirements Applicable to Major Federal Programs

As a result of the 2008 Single Audit, auditors issued unqualified opinions on all of the major programs except for the following:

14.228 - Community Development Block Grants/State's Program (Disclaimer on all applicable compliance requirements) (Schedule C, page 61)

17.225 - Unemployment Insurance (Qualified on Cash management, Eligibility) (Schedule C, page 68)

84.938 - Hurricane Education Recovery (Adverse on Subrecipient monitoring, Qualified on Equipment and real property management) (Schedule C, pages 77 and 80)

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Adverse on Subrecipient monitoring, Qualified on Allowable costs/cost principles, Cash management) (Schedule C, pages 120, 121, and 127)

97.039 - Hazard Mitigation Grant (Adverse on Subrecipient monitoring, Qualified on Allowable costs/cost principles) (Schedule C, pages 120 and 127)

WIA Cluster - (Qualified on Subrecipient monitoring) (Schedule C, page 67)

CCDF (Child Care) Cluster - (Disclaimer on Allowable costs/cost principles, Eligibility) (Schedule C, page 113)

Homeland Security Cluster - (Adverse on Subrecipient monitoring, Qualified on Allowable costs/cost principles) (Schedule C, pages 120 and 127)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

Material Weaknesses in Internal Control

Federal Award Findings

As a result of the 2008 Single Audit, the following ten findings were considered to be material weaknesses in internal control over compliance with federal program requirements and are reported in detail in Schedule C.

F-08-HUD-EXEC-OCD-1 - Inadequate Controls Over the Road Home Homeowner Assistance Program (Executive Department - Office of Community Development) (page 61)

F-08-USDOL-LABR-2 - Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster (Department of Labor) (page 67)

F-08-USDOL-LABR-3 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments (Department of Labor) (page 68)

F-08-ED-SUBR-1 - Davis Bacon [Southern University and A&M College (Baton Rouge)] (page 93)

F-08-ED-EDUC-6 - Inadequate Fiscal Monitoring (Department of Education) (page 77)

F-08-ED-EDUC-8 - Noncompliance With Federal and State Equipment Management Regulations (Department of Education) (page 80)

F-08-HHS-DSS-3 - Child Care Cluster: Noncompliance With Program Requirements (Department of Social Services) (page 113)

F-08-DHS-GOHSEP-1 - Failure to Document Payroll Distribution Costs (Governor's Office of Homeland Security and Emergency Preparedness) (page 120)

F-08-DHS-GOHSEP-2 - Inadequate Controls Over Cash Management and Noncompliance With CMIA Agreement (Governor's Office of Homeland Security and Emergency Preparedness) (page 121)

F-08-DHS-GOHSEP-6 - Noncompliance With Subrecipient Monitoring Requirements (Governor's Office of Homeland Security and Emergency Preparedness) (page 127)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2008

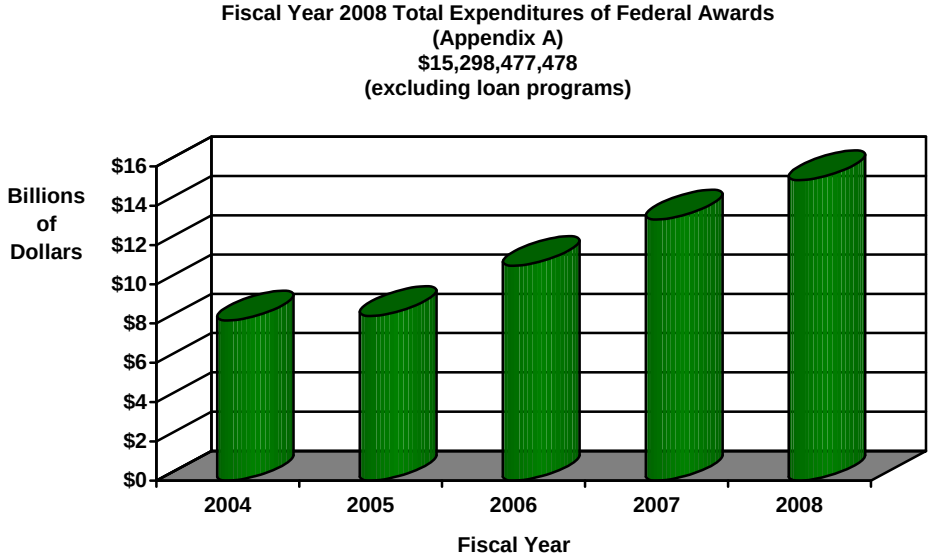
Expenditures of Federal Awards

In addition to auditing the state's financial statements, we examined expenditures of major federal award programs administered by the State of Louisiana reporting entity. For fiscal year ended June 30, 2008, the State of Louisiana reported over $17.7 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, 2008, as defined by the criteria mentioned above, accounted for approximately 94% of the state's expenditures (activity) of federal award programs for the year ended June 30, 2008.

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, and the percentage of total federal awards by federal agency.

Trend of Expenditures of Federal Awards
Over the Past Five Years

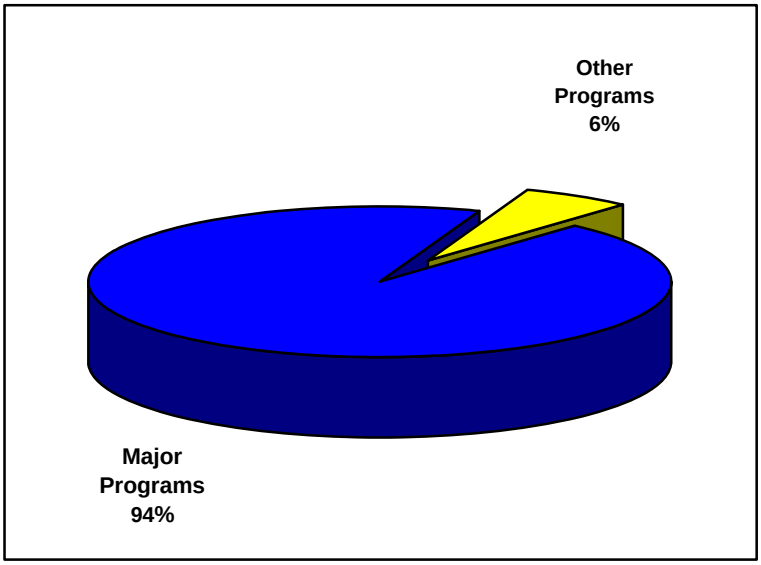


EXECUTIVE SUMMARY

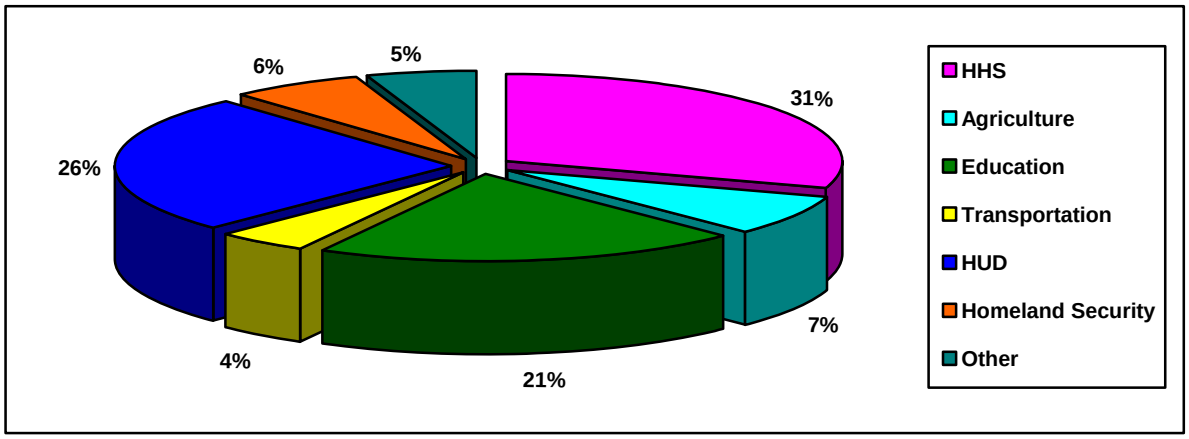
For the Fiscal Year Ended June 30, 2008

Fiscal Year 2008
Activity of Major vs. Other Programs

$17,703,058,862
(including loan programs)



Percentage of Total Expenditures of Federal Awards by Federal Agency
(including loan programs)



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Audit Reports

LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

December 31, 2008

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

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2008, which collectively comprise the state's basic financial statements and have issued our report thereon dated December 31, 2008. Our opinion relating to the aggregate discretely presented component units was qualified because of a scope limitation on the audit of the Louisiana Citizens Property Insurance Corporation, a major component unit of the State of Louisiana. Our report was also modified to include a reference to other auditors; emphasis of matters regarding the impact of hurricanes Katrina and Rita and improper rate setting by the Louisiana Department of Insurance; and an explanatory paragraph for the implementation of new accounting standards. 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.

Other auditors audited the financial statements of certain pension trust funds, enterprise funds, and component units of government as described in our report on the basic financial statements of the State of Louisiana. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the LSU Foundation and the Pennington Medical Foundation, both component units of the Louisiana State University System (major component unit); the University Facilities, Inc., the University of Louisiana Monroe Facilities, Inc., the McNeese State University Foundation, the NSU Facilities Corporation, and the Black and Gold Facilities, Inc., all component units of the University of Louisiana System (major component unit); and the Southern University System Foundation and the SUSLA Facilities, Inc., both component units of the Southern University System (major component unit), which were audited by other auditors, were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with *Government Auditing Standards.*

As discussed in our audit report on the financial statements issued December 31, 2008, under separate cover, the State of Louisiana suffered considerable damage from two major hurricanes, Katrina and Rita, during August and September of 2005, resulting in the President of the United States declaring Louisiana a major disaster area. Because of the severity of these two separate events and the resulting losses sustained, it is unknown exactly what economic impact recovery will have on state and local governments in Louisiana. Although federal agencies have provided an increased amount of funding to address the recovery efforts, the long-term effects of these events cannot be determined at this time.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Louisiana's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. Of the items described in Schedule B of the accompanying schedules of findings and questioned costs, we consider items FS-08-DELGADO-1 (page 15), FS-08-DOA-1 (page 16), FS-08-DOA-2 (page 17), FS-08-GSU-1 (page 18), FS-08-GOHSEP-1 (page 19), FS-08-INS-1 (page 21), FS-08-INS-2 (page 25), FS-08-LABR-1 (page 27), FS-08-LABR-2 (page 27), FS-08-LAFA-1 (page 28), FS-08-LSUHSC(HCSD)-1 (page 31), FS-08-LSUHSC(HCSD)-2 (page 32), FS-08-LSUHSC(SH)-1 (page 34), FS-08-DOR-1 (page 36), FS-08-ORM-1 (page 37), FS-08-DSS-1 (page 38), FS-08-DSS-2 (page 38), FS-08-SOUTHERN SYSTEM-1 (page 41), and FS-08-DOTD-1 (page 44) to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described previously, we consider items FS-08-DOA-1 (page 16), FS-08-GOHSEP-1 (page 19), FS-08-INS-1 (page 21), FS-08-LSUHSC(HCSD)-1 (page 31), FS-08-DOR-1 (page 36), FS-08-DSS-1 (page 38), and FS-08-DOTD-1 (page 44) to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Louisiana's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards* and which are described in Schedule B (pages 13 through 46) and Schedule C (pages 47 through 132) of the accompanying schedules of findings and questioned costs.

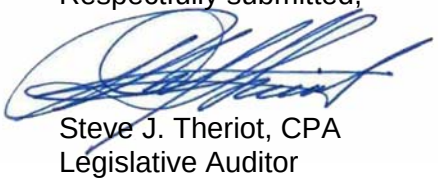
We also noted certain matters which we have reported in separate letters to management of the State of Louisiana that are not required to be reported herein under *Government Auditing Standards*.

The State of Louisiana's responses to the findings identified in our audit are included in Management's Corrective Action Plans and Responses to the Findings and Recommendations (Appendix B) as listed in the table of contents. We did not audit the State of Louisiana's responses, and, accordingly, we express no opinion on them.

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
December 31, 2008

This report is intended solely for the information and use of management, the Governor and certain other statewide elected officials of the State of Louisiana and their appointees, others within the entity, the Division of Administration, the Louisiana Legislature, and 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,



Steve J. Theriot, CPA
Legislative Auditor

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AUDIT REPORTS 2008

LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

**March 31, 2009, except for the
Schedule of Expenditures of Federal Awards,
dated December 31, 2008**

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

**HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, 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 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, 2008. The State of Louisiana's major federal programs are identified in the Summary of Auditor's Results section (Schedule A, page 11) 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 Grambling State University and the Southern University System. Compliance with the requirements by those universities was tested by other auditors whose reports have been furnished to us. Our report, insofar as it relates to compliance with the requirements referred to previously by Grambling State University and the Southern University System, is based solely upon the reports of the other auditors.

The State of Louisiana's basic financial statements include the operations of certain entities that were audited by other external auditors as described in note P of Appendix A (page A-167). During the year ended June 30, 2008, four of these entities expended a total of $161,093,824 in federal awards, which is not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described in the following paragraph, did not include the operations of these four entities because these component units engaged other auditors to perform an audit in accordance with OMB Circular A-133.

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
March 31, 2009, except for the Schedule of
Expenditures of Federal Awards, dated
December 31, 2008

Except as discussed in the following paragraphs, 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 previously 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 items F-08-HUD-EXEC-OCD-1 (page 61) and F-08-HHS-DSS-3 (page 113) of the accompanying schedule of findings and questioned costs, we were unable to obtain sufficient documentation supporting the compliance of the State of Louisiana with the compliance requirements applicable to the Community Development Block Grants/State's Program (CFDA 14.228), and the requirements regarding allowable costs/cost principles and eligibility applicable to the CCDF (Child Care) Cluster (CFDA 93.575, 93.596), nor were we able to satisfy ourselves as to the State of Louisiana's compliance with those requirements by other auditing procedures.

As described in items F-08-USDOL-LABR-3 (page 68), F-08-ED-EDUC-6 (page 77), F-08-ED-EDUC-8 (page 80), F-08-DHS-GOHSEP-1 (page 120), F-08-DHS-GOHSEP-2 (page 121), F-08-DHS-GOHSEP-6 (page 127), and F-08-USDOL-LABR-2 (page 67) of the accompanying schedule of findings and questioned costs, the State of Louisiana did not comply with requirements regarding eligibility and cash management applicable to its Unemployment Insurance Program (CFDA 17.225), the requirements regarding equipment and real property management and subrecipient monitoring applicable to its Hurricane Education Recovery Program (CFDA 84.938), the requirements regarding allowable costs/cost principles, cash management, and subrecipient monitoring applicable to its Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program (CFDA 97.036), the requirements regarding allowable costs/cost principles and subrecipient monitoring applicable to its Hazard Mitigation Grant Program (CFDA 97.039) and its Homeland Security Cluster (CFDA 97.004, 97.067), and the requirements regarding subrecipient monitoring applicable to its Workforce Investment Act Cluster (CFDA 17.258, 17.259, 17.260). Compliance with such requirements is necessary, in our opinion, for the State of Louisiana to comply with requirements applicable to those programs.

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
March 31, 2009, except for the Schedule of
Expenditures of Federal Awards, dated
December 31, 2008

As described previously, because the State of Louisiana could not provide sufficient documentation, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the State of Louisiana's compliance with the Community Development Block Grants/State's Program (CFDA 14.228) requirements or on the requirements regarding allowable costs/cost principles and eligibility applicable to the CCDF (Child Care) Cluster (CFDA 93.575, 93.596) for the year ended June 30, 2008. Also, in our opinion, because of the effects of noncompliance described in the preceding paragraph, the State of Louisiana did not comply in all material respects with the subrecipient monitoring requirements applicable to the Hurricane Education Recovery Program (CFDA 84.938), the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program (CFDA 97.036), the Hazard Mitigation Grant Program (CFDA 97.039), and the Homeland Security Cluster (CFDA 97.004, 97.067). Also, in our opinion, based on our audit and the reports of the other auditors, except for the remaining noncompliance 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, 2008. The results of our auditing procedures and the reports 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 47 through 132) of the accompanying schedules of findings and questioned costs.

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 the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Louisiana's internal control over compliance. We did not consider the internal control over compliance with the requirements of the federal award programs administered by Grambling State University and the Southern University System. The internal control over federal program requirements for these universities was considered by other auditors whose reports have been furnished to us. Our report, insofar as it relates to the internal control used in administering federal award programs of these universities, is based solely upon the reports of the other auditors.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the State of Louisiana's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and others that we consider to be material weaknesses.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in Schedule C (pages 47 through 132) of the accompanying schedules of findings and questioned costs to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items F-08-HUD-EXEC-OCD-1 (page 61), F-08-HHS-DSS-3 (page 113), F-08-USDOL-LABR-3 (page 68), F-08-ED-SUBR-1 (page 93), F-08-ED-EDUC-6 (page 77), F-08-ED-EDUC-8 (page 80), F-08-DHS-GOHSEP-1 (page 120), F-08-DHS-GOHSEP-2 (page 121), F-08-DHS-GOHSEP-6 (page 127), and F-08-USDOL-LABR-2 (page 67) to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana as of and for the year ended June 30, 2008, and have issued our report thereon dated December 31, 2008.

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
March 31, 2009, except for the Schedule of
Expenditures of Federal Awards, dated
December 31, 2008

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 reports have been furnished to us, including federal award programs administered by Grambling State University and the Southern University System. The federal award programs for these universities reflect total activity and the federal government's risk in their outstanding loan balances of $184,653,536, which comprise approximately 1.04% 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, 2008. Our assurance, insofar as it relates to the amounts included for Grambling State University and the Southern University System, is based solely upon the reports of the other auditors.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (Appendix A) is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

As discussed in our audit report on the financial statements issued December 31, 2008, under separate cover, the State of Louisiana suffered considerable damage from two major hurricanes, Katrina and Rita, during August and September of 2005, resulting in the President of the United States declaring Louisiana a major disaster area. Because of the severity of these two separate events and the resulting losses sustained, it is unknown exactly what economic impact recovery will have on state and local governments in Louisiana. Although federal agencies have provided an increased amount of funding to address the recovery efforts, the long-term effects of these events cannot be determined at this time.

The State of Louisiana's responses to the findings identified in our audit are included in Management's Corrective Action Plans and Responses to the Findings and Recommendations (Appendix B) as listed in the table of contents. We did not audit the State of Louisiana's responses, and, accordingly, we express no opinion on them.

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
March 31, 2009, except for the Schedule of
Expenditures of Federal Awards, dated
December 31, 2008
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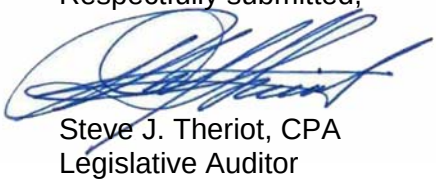
This report is intended solely for the information and use of management, the Governor and certain other statewide elected officials of the State of Louisiana and their appointees, others within the entity, the Division of Administration, the Louisiana Legislature, and federal awarding agencies and pass-through 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,



Steve J. Theriot, CPA
Legislative Auditor

MVG:BQD:THC:dl

AUDIT REPORTS 2008

Schedule A

Summary of Auditor's Results
For the Year Ended June 30, 2008

Schedule A

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditor's Results
For the Year Ended June 30, 2008

Financial Statements

Type of auditor's report issued:	Qualified for Aggregate Discretely Presented Component Units Unqualified for all other opinion units
Internal control over financial reporting:	
Material weakness(es) identified?	X yes ____ no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	X yes ____ none reported
Noncompliance material to financial statements noted?	X yes ____ no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	X yes ____ no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	X yes ____ none reported

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

Unqualified for all major programs except for:	**Opinion**
14.228 - Community Development Block Grants/State's Program	Disclaimer
17.225 - Unemployment Insurance	Qualified
84.938 - Hurricane Education Recovery	Adverse, Qualified
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Adverse, Qualified
97.039 - Hazard Mitigation Grant	Adverse, Qualified
WIA Cluster	Qualified
CCDF (Child Care) Cluster	Disclaimer
Homeland Security Cluster	Adverse, Qualified

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

(Continued)

Schedule A

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

Federal Awards (Cont.)

Identification of major programs:

CFDA Number - Name of Federal Program or Cluster

10.550 - Food Donation
10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children
Food Stamp Cluster
Child Nutrition Cluster
14.228 - Community Development Block Grants/State's Program
17.225 - Unemployment Insurance
WIA Cluster
Highway Planning and Construction Cluster
84.010 - Title I Grants to Local Educational Agencies
84.031 - Higher Education - Institutional Aid
84.032 - Federal Family Education Loans
84.126 - Rehabilitation Services - Vocational Rehabilitation Grants to States
84.367 - Improving Teacher Quality State Grants
84.938 - Hurricane Education Recovery
Special Education Cluster (IDEA)
93.558 - Temporary Assistance for Needy Families
93.563 - Child Support Enforcement
93.658 - Foster Care - Title IV-E
93.667 - Social Services Block Grant
93.767 - State Children's Insurance Program
93.779 - Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
93.982 - Mental Health Disaster Assistance and Emergency Mental Health
CCDF (Child Care) Cluster
Medicaid Cluster
Student Financial Assistance Cluster
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant
Homeland Security Cluster
Research and Development Cluster

Dollar threshold used to distinguish between
Type A and Type B programs: $30,000,000

Auditee qualified as low-risk auditee? ___ yes __X__ no

(Concluded)

Schedule B

Financial Statement Findings
For the Year Ended June 30, 2008

Schedule B

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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Schedule B

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

DELGADO COMMUNITY COLLEGE

FS-08-DELGADO-1 - Unlocated Movable Property

For the fifth consecutive year, Delgado Community College (Delgado) reported significant amounts of movable property that could not be located. Good internal control requires that adequate control procedures be in place to ensure that movable property is properly safeguarded against loss arising from unauthorized use or theft. In addition, Louisiana Administrative Code Title 34 Part VII Section 313 (A) states, in part, that efforts must be made to locate all movable property items for which there are no explanations available for their disappearance. Property unlocated after three years is permanently deleted from movable property records.

Louisiana Revised Statutes (R.S.) 39:324 and 39:325 require entities to conduct an annual inventory of movable property and identify amounts of unlocated property in an annual certification submitted to the Louisiana Property Assistance Agency (LPAA). Delgado submitted its annual certification of property inventory to the LPAA on June 20, 2008. At June 30, 2008, Delgado reported $22,021,598 in total movable property and included unlocated movable property items totaling $908,984. Items totaling $206,952 were removed from the property records because they had not been located for three consecutive years. The unlocated property included $821,387 of unlocated computers and computer-related equipment. Delgado also reported 22 movable property items with a total value of $25,831 as stolen to the legislative auditor and the Orleans Parish District Attorney's Office.

Failure to adequately monitor, secure, and account for all movable property and locate those items for which there are no explanations available for their disappearance subjects the movable property of Delgado to increased risk of loss and/or unauthorized use and to noncompliance with state laws and regulations. Furthermore, because of the nature of services provided by Delgado, the risk exists that sensitive information could be improperly recovered from the missing computers and/or computer-related equipment.

Management of Delgado should strengthen its internal control over movable property to ensure that all movable property is adequately secured and monitored, physical inventories are conducted accurately, and additional efforts are devoted toward locating movable property reported as unlocated in previous years. Management concurred, in part, with the finding and recommendation and outlined a plan of corrective action (B-3).

Schedule B

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

DIVISION OF ADMINISTRATION

FS-08-DOA-1 - Inadequate Internal Controls Over Financial Reporting

For the second consecutive year, the Division of Administration (DOA), Office of Statewide Reporting and Accounting Policy's (OSRAP) internal controls over the financial reporting process did not detect errors and omissions in the state's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. Good internal controls over financial reporting should include an effective compilation and review process to ensure the accuracy and completeness of information reported in the CAFR. During our audit of the CAFR, we noted the following significant errors and omissions:

- General Fund expenditures and beginning fund balance were each understated by $64 million because OSRAP did not properly include prepaid expenses reported by the Governor's Office of Homeland Security and Emergency Preparedness.

- Bond Security and Redemption (BSR) Fund cash of $57 million and Transportation Infrastructure Model for Economic Development Fund cash of $10 million were misclassified as receivables because OSRAP did not properly make account reclassifications reported by the Department of Revenue.

- BSR receivables and revenues of $23 million were understated because OSRAP did not properly include off-system amounts reported by the Department of Public Safety and Corrections (DPS).

- Escrow Fund cash was understated by $11 million for a compilation error, improper inclusion of Federal Emergency Management Agency (FEMA) reimbursements, and excess protested tax deletions.

- Required note disclosures regarding interest rate swap agreements were omitted.

Failure to properly compile and review the CAFR increases the likelihood that errors and omissions, either intentional or unintentional, may occur and remain undetected. Subsequent identification and correction of errors and omissions results in delays in the issuance of the CAFR.

OSRAP's management should strengthen its internal controls over the financial reporting process to include a thorough review process to ensure the accuracy and completeness of information reported in the CAFR. Management concurred, in part, with the finding and recommendation. Management did not concur that the error noted in bullet 3 regarding off-system amounts reported by DPS was a compilation error made by OSRAP, but instead said it was a compilation error made by DPS. Management concurred with the portion of bullet 4

Schedule B

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

related to a compilation error and protested tax deletions; however, it considered the improper inclusion of FEMA reimbursements to be a compilation error made by DPS. Management did not concur with bullet 5 and stated, "No authoritative guidance was provided to OSRAP to support the Legislative Auditor's position that the swap agreements required disclosure in the CAFR." In addition, OSRAP did not concur that the subsequent identification and correction of errors and omissions results in delays in the issuance of the CAFR. See management's response at B-5.

Additional Comments: We consider the error noted in bullet 3 regarding off-system amounts reported by DPS to be a compilation error by OSRAP because DPS reported the adjustments in a supplementary schedule to the Annual Fiscal Report (AFR) which was initially designed by DPS, after discussions with OSRAP, to overcome deficiencies in OSRAP's revenue schedules that do not accommodate these types of adjustments to revenues and receivables. We consider the errors noted in bullet 4, related to improper inclusion of FEMA reimbursements, a compilation error of OSRAP because although DPS did not properly disclose these transactions, OSRAP had identified the error before the completion of the Escrow Fund compilation but did not make the appropriate correction. In fact, OSRAP made an adjusting journal entry to reclassify the related Escrow Fund transfer but failed to remove the remaining cash balances in the Escrow Fund. Bullet 5 is a deficiency because OSRAP is responsible for presenting note disclosures to the financial statements in accordance with generally accepted accounting principles and management failed to comply with Governmental Accounting Standards Board (GASB) Technical Bulletin 2003-1 regarding required disclosure of interest rate swap agreements. We continue to strongly assert that the subsequent identification of errors and omissions create delays in the issuance of the CAFR because of the time needed by OSRAP and the auditors to address these errors and omissions and make appropriate corrections and/or adjustments.

FS-08-DOA-2 - Lack of Internal Audit Function Over Information Technology Controls

The DOA has not performed internal audits to monitor, assess, and report on the effectiveness of the state's centralized information technology (IT) controls. The DOA, Office of Information Services (OIS) is responsible for the development, implementation, and support of statewide administrative applications, including the Integrated Statewide Information Systems (ISIS), which is the statewide accounting system. Adequate IT controls, as established by *Control Objectives for Information Technology* (COBIT), require the monitoring and evaluation of internal control processes for IT-related activities.

COBIT is a comprehensive set of best practices for IT management created by the Information Systems Audit and Control Association and the IT Governance Institute. COBIT provides a set of generally accepted measures, indicators, processes, and best practices to assist in maximizing the benefits derived through the use of IT and developing appropriate IT governance and control within an entity. COBIT further provides that adequate IT governance and control requires assurance about the conformance of IT with relevant laws and regulations,

Schedule B

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

organizational policies and procedures, generally accepted practices, and effective and efficient performance of IT activities. The current DOA internal audit function does not have adequate resources to provide this assurance which would require periodic monitoring and evaluation through internal audit IT reviews. Given the magnitude of state dollars processed through statewide information systems, the DOA should dedicate resources to ensure the internal audit function is capable of performing IT reviews. Without an effective IT internal audit function, there is an increased risk that management will be unable to adequately monitor and assess the effectiveness of IT controls.

The DOA should allocate appropriate resources to ensure that internal audit IT reviews are performed to monitor, assess, and report on the effectiveness of the state's centralized IT controls. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-7).

GRAMBLING STATE UNIVERSITY

FS-08-GSU-1 - Unlocated Movable Property

For the fourth consecutive year, Grambling State University has identified a significant amount of unlocated movable property as a result of its annual property inventory certification procedures. Current year inventory procedures identified unlocated property items totaling $955,110. Of that amount, items totaling $203,052 were removed from the property records because these items had not been located for three consecutive years. Of the unlocated property reported on the university's property inventory certification, the amount of unlocated computers and computer-related equipment totaled $543,766; audio visual equipment totaled $134,625; office equipment totaled $117,912; and scientific equipment totaled $86,121. In addition, our tests of movable property revealed that three of 59 items (5%) could not be located. Of the 56 that were located, four items (7%) should be deleted from the LPAA records because they are obsolete and/or not in use; three items (5%) were not properly tagged; and six items (11%) were not in their recorded location. Two out of 10 (20%) new additions tested were entered into LPAA records at the wrong original cost, reflecting a net understatement of $277. Also, one item was reported to LPAA six days after the required 60-day reporting period, as reflected on the Late Additions Report for the period July 1, 2007, to June 30, 2008.

R.S. 39:325 requires entities to conduct an annual inventory of movable property and report any unlocated property to LPAA. Louisiana Administrative Code 34.VII.313 states, in part, that efforts must be made to locate all movable property for which there are no explanations available for their disappearance. In addition, good internal control dictates that assets should be properly monitored to safeguard against loss or theft and that thorough periodic physical counts of property inventory should be conducted. The university's certification of annual property inventory submitted to LPAA on October 1, 2007, indicated the total dollar value on the Master File listing for movable property to be $22,575,644.

Schedule B

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

University management has not enforced and consistently applied its existing policies and procedures for tracking movable property across campus and conducting the annual inventory. Failure to enforce existing policies and procedures subjects the university's movable property to increased risk of loss and/or unauthorized use and subjects the university to noncompliance with movable property laws and regulations. Furthermore, because of the nature of services provided by the university, the risk exists that sensitive information could be improperly recovered from the missing computers and/or computer-related equipment.

Once again we recommend that university management enforce and consistently apply its existing policies and procedures for tracking movable property items and conducting the annual property inventory. In addition, management should strengthen its procedures to require more extensive searches for unlocated items and require university personnel to immediately respond to the property control officer's requests concerning unlocated property. Finally, management needs to devote additional efforts to locating movable property reported as unlocated in previous years and comply with all applicable requirements of LPAA. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-45).

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF

FS-08-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report

For the second consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit an accurate AFR to the DOA, OSRAP. 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 AFR presents fairly the financial position of the agency. Good internal control over financial reporting should include adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR; adequate training and supervision of staff; and a review process that will identify preparation errors and correct those errors before submitting the AFR to OSRAP for inclusion in the state's CAFR.

GOHSEP submitted the fiscal year-end June 30, 2008, AFR packet to OSRAP by the original due date of August 29, 2008, but the AFR contained the following material errors: (1) receivables from FEMA for the Public Assistance (PA) program (CFDA 97.036) were understated by $23,330,000 and (2) payables to applicants of the PA program were understated by $25,126,000. These errors occurred because GOHSEP used the wrong data file version to prepare the accruals for the PA program and omitted several applicants from its calculation of the estimated payables and receivables for the PA program. After the auditor brought these errors to management's attention, a revised AFR was prepared and submitted to OSRAP on September 23, 2008. Audit procedures revealed that the revised AFR still contained the following errors:

Schedule B

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

- Prepaid expense balance of $147,675,633 was not reported in note U - Prepaid Expenses.

- Deferred revenue was overstated by $19,674,000 because the amount included items that had been received and recorded as earned revenue on Schedule 14 - GASB 34 Revenue Accruals.

- The modified accrual revenue and receivable balances were overstated by $4,181,165 because the amounts reported included revenue that was received after the 13th accounting period that ended on August 14, 2008.

- GOHSEP did not ensure that the data file used to perform the accrual calculations was complete, which resulted in an understatement of $1,562,000 in payables, expenditures, due from the federal government, and federal revenue. The error also overstated receivables from applicants of the PA program by $952,000.

GOHSEP did not ensure its note disclosures and schedules were accurate and consistent with other note disclosures and schedules included in the AFR resulting in the following errors:

- The amount reported as operating grant revenue in note H - Operating Grants and Contributions was overstated by $298,927,165 because the prior year accruals were not deducted from the total.

- The amount reported in note R - Payroll and Related Benefits Accrual as total deferred revenue did not agree to the amount reported in note G - Deferred Revenue. This caused the federal revenue calculated in note R to be understated by $2,341,000.

- The amount reported as payables on Schedule 14a - GASB 34 Expenditure Accruals did not agree to note V - Accounts Payable because Schedule 14a did not include Hazard Mitigation Program (CFDA 97.039) payables totaling $616,213.

- A $8,577,161 adjustment made by GOHSEP to federal revenues on Schedule 1 - Schedule of Revenues and Expenditures - Budgetary Comparison was not carried through to Schedule 3 - Schedule of Appropriated Revenues, note H, and note R. In addition, the $8,577,161 adjustment made by GOHSEP to expenditures on Schedule 1 was not carried through to note R.

- The Schedule 8 Recap did not include $683,837 in expenditures that were reported on Schedule 8 - Schedule of Expenditures of Federal Awards.

Schedule B

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

- In note I - Judgments, Claims, and Similar Contingencies, a disallowed cost amount from an audit report issued in 2002 that related to the Hazard Mitigation Program was overstated by $1,107,901. The reported amount of $26,597,196 did not include the administrative costs owed to the federal grantor totaling $652,052 or an adjustment by the federal grantor in March 2008 that reduced the amount by $1,759,953.

- Disallowed cost totaling $656,837 related to the Hazard Mitigation Program from an audit report issued in 2004 was not reported in note I.

- The reconciliation of Schedule 8 to Schedule 1 included reconciling items that were not supported.

- Schedule 8-4 - Schedule of Non-State Subrecipients of Major Federal Programs omitted Hazard Mitigation Program expenditures totaling $10,032,935.

- The amount reported for the Homeland Security Cluster (CFDA 97.004/97.067) on Schedule 8-4 was overstated by $4,605,279. The majority of this error occurred because the amount reported included expenditures for programs that are not part of the Homeland Security Cluster.

Management has not adequately trained its accounting staff in the reporting requirements by OSRAP and GASB. In addition, management has not developed an adequate review process to ensure that its AFR is accurately presented. The lack of adequate review may result in misstatements from errors or fraud to occur and remain undetected. Furthermore, failure to submit an accurate AFR can delay the compilation and issuance of the state's CAFR.

GOHSEP management should enhance its written compilation procedures to include all steps in the compilation process, ensure that its AFR is properly prepared and reviewed to identify and correct errors before submitting its AFR to OSRAP, and ensure that its accounting staff is adequately trained in both OSRAP and GASB reporting requirements. Management concurred with the finding and outlined a plan of corrective action (B-68).

INSURANCE, DEPARTMENT OF

FS-08-INS-1 - Improper Adjustments to Residential Rate Filing

The Louisiana Department of Insurance (DOI) made improper adjustments to the 2006 residential rate filing (excluding wind and hail-only coverages) which was submitted by the Louisiana Citizens Property Insurance Corporation (Citizens) to the Louisiana Insurance Rating Commission (LIRC) in November 2006. The adjustments resulted in lower rates for many of Citizens' policyholders, but those rates are not in compliance with applicable laws. Those lower rates caused Citizens, created by statute as the insurer of last resort, to be more competitive with private insurance companies. The lower rates paid by Citizens' policyholders increased the

Schedule B

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

risk that higher future assessments may be levied against all privately insured citizens of the state. In addition, the lower rates increased the risk that Citizens will have insufficient funds to cover the capital losses of its insureds who live in high risk areas of the state.

For the 2006 rate filing period, R.S. 22:1430.12(A)(1) stated, in part, that Citizens' rates ". . . shall be actuarially justified . . ." and " . . . shall exceed by at least ten percent the rates charged among the ten insurers with the greatest total direct written premium in each parish for that line of business in the preceding year, except that with respect to mobile home coverage, the average rates of the plans shall exceed by at least ten percent the rates charged among the five insurers with the greatest total written premium for mobile homeowners' policies in each parish in the preceding year." The statute further stated that ". . . the rates charged in a particular parish shall exceed by at least ten percent the rates of any insurer that has a minimum of three percent of the total premium for the parish."

Citizens' rate-setting process for fiscal year 2007 included, in general, the following procedures:

1. Citizens' actuaries calculated rates based on Citizens' claims history, trends, expenses, and other relevant factors as recorded for calendar year 2004 in a manner similar to that employed by private insurance companies.

2. DOI collected unaudited market survey data from insurers using an "average" policyholder profile developed jointly by DOI and Citizens and provided the market survey results to Citizens for further analysis.

3. Citizens made adjustments to the unaudited market survey data for private insurer discounts, differences in deductibles, et cetera, and determined the highest rate in each parish by line of coverage.

4. Citizens compared the actuarially justified rate in each parish to 110% of the highest market survey rate and selected the higher of the actuarially justified or market survey rate.

5. Citizens submitted its completed rate filing to the LIRC in November 2006.

6. DOI reviewed that filing and made significant recommendations to Citizens and LIRC.

7. Citizens then submitted an amended filing proposal to the LIRC for approval, and LIRC approved Citizens' amended filing in January 2007.

During DOI's review and analysis of Citizens' residential rate filing, DOI noted possible errors in market survey rates submitted by private insurers. Rather than re-surveying insurers and correcting the possible errors, DOI elected to remove the highest survey rate in each parish for each line of coverage. DOI then compared 110% of the second-highest survey rate in each

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parish to the actuarially justified rate and selected the larger of the two rates for its rate calculation, resulting in Citizens' rates being more competitive with private insurers. As stated previously, Citizens (the insurer of last resort) is legislatively mandated to charge more for higher risk insureds rather than compete with private industry.

R.S. 22:1430.16 states, in part, "In the event that the governing board of the Louisiana Citizens Property Insurance Corporation determines that a deficit exists in either the Coastal Plan or the FAIR Plan, the corporation may levy regular and emergency assessments for each affected plan in order to remedy such deficit." Accordingly, DOI's decision to use the second-highest rate in each parish, effectively lowering Citizens' proposed rates, increases the likelihood that future assessments will be levied against privately insured citizens of the state.

The original rate filing submitted by Citizens to LIRC included a request for a statewide net rate level increase of 31.7%. However, that proposed increase was reduced to 6.8% primarily because of DOI's decision to use the second-highest rate in each parish (by line of coverage) as well as DOI's decision to make minimal changes to Citizens' actuarial calculations. On January 17, 2007, the LIRC approved a statewide net rate level increase for Citizens' residential policies of 6.8% (rounded to 7%) based on changes recommended by DOI.

In summary, Citizens requested a 31.7% rate increase. DOI recommended that the LIRC change this rate increase to 6.8%, a reduction of 24.9% from Citizens' original request. This DOI action is not in compliance with state law. The result of this action is that the entire citizenry of Louisiana and state government is more exposed in the event of ordinary losses and is potentially critically exposed in the event of a catastrophic occurrence, such as a Katrina-like storm.

DOI should comply with state statutes regarding Citizens' rates and should confine its rate or market corrections and adjustments to known errors to ensure compliance with applicable laws. Management did not concur with the finding and noted, in part, that Citizens' rate filing was amended to remove grossly excessive market data and correct faulty actuarial assumptions; Citizens was responsible for its own data and rate filing; DOI told Citizens early about problems with the market data; the filing package to LIRC, including amendments, was solely the decision of Citizens; the procedure to "toss" the highest of the market rates did not remove the highest rate but actually corrected it and made the filing more timely; state government is not exposed for Citizens' losses because Citizens is not backed by the full faith and credit of the state; and the auditor's statement that the entire citizenry is exposed in the event of a catastrophic occurrence is opinion not fact. See management's response at B-78.

Additional Comments: DOI indicated that its decision to remove the highest market survey rate in each parish for each line of coverage was based on a review of the highest rate for "most parish and line combinations" and included the removal of "suspect data" rather than the removal of known errors only. Rather than re-surveying insurers and correcting the possible errors, DOI elected to remove the highest survey rate in each parish for each line of coverage. While DOI pursued this approach because it "significantly improved the timeline," that is not a

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justification for noncompliance with R.S. 22:1430.12(A)(1) requiring the rates to be noncompetitive.

DOI responded that Citizens' rates are actuarially justified or higher and, if based on market rates, more than actuarially sufficient to cover ordinary losses. However, a Legislative Auditor's Performance Audit Division report dated May 22, 2007, on *Louisiana Citizens Property Insurance Corporation - Rate-Setting* indicated that Citizens' rate-setting process has not consistently produced actuarially justified, noncompetitive rates. In addition, improperly lowering Citizens' rates increases Citizens' exposure to risk, which may lead to ordinary losses. DOI's response continues by noting that the Louisiana citizenry being critically exposed in the event of a catastrophic occurrence is opinion, not fact. However, after hurricanes Katrina and Rita, Citizens levied nearly $193 million in regular assessments on private insurers to help cover deficits in the FAIR and Coastal Plans, which are ultimately recouped from policyholders. In addition, in 2006, Citizens borrowed over $978 million by selling 20-year bonds to help cover the deficit in the FAIR Plan. Citizens pledged future emergency assessments to repay the bondholders, so all applicable policyholders should expect to pay a percentage of their premiums for Citizens' behalf until the debt is paid.

As noted in the finding, state law includes financing provisions for Citizens to use if either the Coastal Plan or the FAIR Plan incurs a deficit whether caused by ordinary losses or a catastrophic occurrence. If Citizens' rates are allowed to be competitive, all privately insured citizens of the state are more likely to pay higher future regular assessments and emergency assessments. Detailed information about the assessment process can be found in the Legislative Auditor's Performance Audit Division report issued December 6, 2006, titled *Louisiana Citizens Property Insurance Corporation - Assessments*.

Although Citizens' bonds are not backed by the full faith and credit of the state, the risk to state government relates to Citizens' ability to meet its debt requirements. As Citizens' exposure to risk increases, which could be affected by improperly offering lower rates; uncertainty in its financial position; or a catastrophic occurrence, the likelihood of not meeting its debt requirements increases. Citizens has not provided an audit since the fiscal year ended December 31, 2004, and its current financial position is uncertain. Failure to meet its debt requirements could have a negative impact on the state's bond market as future bondholders may be reluctant to purchase bonds of the state or its component units.

In its response, DOI repeatedly attempts to distance itself from its role with Citizens and Citizens' rate-setting process. However, R.S. 36:686(A) transferred Citizens to DOI while R.S. 22:1430.3A(1) places the commissioner of insurance or his designee on the governing board of Citizens. The commissioner's designee has served as chairman of Citizens' board since it was created. Also, Citizens' Plan of Operation provides that the commissioner not only appoints the chief executive officer and all senior management of Citizens, but can, at his discretion, remove those persons without any action on the part of the legislature or the Citizens board.

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DOI took responsibility for requesting, collecting, and summarizing market data surveys and then submitting that information to Citizens. As part of its collection responsibilities, DOI corresponded extensively with private insurance companies regarding the accuracy of the data. As part of its review responsibilities, DOI reviewed the market survey data that it had previously collected and provided to Citizens. Finally, acting in an advisory capacity, DOI discussed alternatives with Citizens after known and potential errors were discovered in the data that DOI had reviewed. These facts demonstrate that DOI was actively involved with Citizens and its rate-setting process, including the determination of the final rates that were approved by the LIRC.

DOI repeatedly states that Citizens was solely responsible for its rate filing to LIRC. That filing by Citizens was amended during the January 17, 2007, LIRC meeting based entirely on adjustments calculated by DOI. The motion to approve the amended filing was made by LIRC member Jabari Ragas, who is mentioned in a legislative auditor Compliance Audit Division report dated May 23, 2007, in connection with a possible ethics violation related to a fishing trip he participated in that was paid for by Citizens.

FS-08-INS-2 - Noncompliance With State Audit Law

DOI did not provide the legislative auditor with complete, unfettered access to its electronic data. *Government Auditing Standards* describe that restrictions on the scope of an audit, whether imposed by the client or by circumstances, including the inability of the auditor to obtain sufficient, appropriate audit evidence, may require the auditor to qualify his opinion or to disclaim an opinion. Louisiana audit law, R.S. 24:513, states, in part, that ". . . the legislative auditor shall have authority to compile financial statements and to examine, audit, or review the books and accounts of the state treasurer, all public boards, commissions, agencies, departments, political subdivisions of the state, public officials and employees, public retirement systems enumerated in R.S. 11:173(A), municipalities, and all other public or quasi public agencies or bodies, hereinafter collectively referred to as the 'auditee.' The scope of the examinations may include financial accountability, legal compliance and evaluations of the economy, efficiency, and effectiveness of the auditee's programs or any combination of the foregoing. In addition to the authority granted above, the legislative auditor shall have access to and be permitted to examine all papers, books, accounts, records, files, instruments, documents, films, tapes, and any other forms of recordation of all auditees, including but not limited to computers and recording devices, and all software and hardware which hold data, is part of the technical processes leading up to the retention of data, or is part of the security system . . ."

The legislative auditor through his Compliance Audit Division repeatedly requested complete, unimpaired copies of e-mails and electronic attachments from DOI to provide evidence in the audit of DOI's records. DOI initially allowed a visual review but no copying of the e-mails or attachments. DOI instead required that the requested e-mails and attachments first be reviewed by its management and attorneys. After that internal review, certain copies of e-mails

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and attachments were not provided to the auditors. On January 29, 2008, Commissioner of Insurance James Donelon wrote the legislative auditor stating, in part, "Please be advised that while we will assist you to the fullest extent possible in the completion of this audit, we are duty bound to inform you that the DOI must and will assert certain legally recognized privileges with regard to some information located at the DOI, should it be requested as part of this financial audit. While doubtful that your financial audit will encompass the types of privileged information over which such a claim would have to be made by the DOI, we wanted to alert you of this potential in advance. . . ."

The legislative auditor and the commissioner signed a confidentiality agreement on March 12, 2008, in an attempt to resolve the disagreement regarding auditor access so that the auditor could perform audits of DOI in accordance with the audit law and auditing standards. However, in a subsequent letter dated May 15, 2008, Commissioner Donelon stated, in part, that "As to the personal information contained in the other two (2) [auditor requested] e-mails, I am prohibited by decisions of the United States Supreme Court from revealing that information and again wish to emphasize to you that the only material removed from those e-mails was of a personal nature and had nothing whatsoever to do with Citizens or any other substantive material at all. . . ." Other copies of e-mails and attachments besides those mentioned in the commissioner's letter were also removed from the auditor's access.

Because the legislative auditor was not able to obtain complete, unfettered access to audit evidence and because we are unable to apply other auditing procedures to ensure completeness of the DOI records affecting the audit, the scope of our work is not sufficient to enable us to express an opinion on the fair presentation of the financial statements. In addition, the department is in noncompliance with state audit law.

DOI should provide the legislative auditor complete, unfettered access to its electronic data and records, including the ability to extract and/or copy e-mails. Management did not concur with the finding. DOI should be contacted for the attachments referenced in management's response (B-82).

Additional Comments: The auditor entered into the Confidentiality Agreement with DOI to expedite the auditor's unfettered access to documents and records of the department. Without such access, the auditor is unable to render an opinion on the department's financial statements under generally accepted governmental auditing standards, and the department is in violation of state audit law, which requires the department to provide such access to the auditor. The auditor does not have the legal capacity to contract away his constitutional and statutory responsibilities with regard to complete review of the documents of an auditee.

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LABOR, DEPARTMENT OF

FS-08-LABR-1 - Ineffective Internal Audit Function

The Department of Labor (DOL) does not have an effective internal audit function to examine, evaluate, and report on its internal controls, including information systems, and to evaluate compliance with the policies and procedures that comprise controls. An effective internal audit function should provide management with assurances that the department's assets are properly safeguarded; internal controls are established and operating in accordance with applicable laws and regulations; and internal controls are sufficient to prevent or detect errors and/or fraud in a timely manner.

The internal audit section issued only two internal audit reports during the year and the director of internal audit was unable to provide adequate supporting work papers for one of the reports. Beginning in April 2008, DOL's internal audit staff was assigned to subrecipient monitoring reviews instead of its primary responsibility of conducting internal audits. Therefore, the number and scope of the internal audits was not sufficient to constitute an effective internal audit function. Considering the size of the department's reported assets ($1,630,103,883) and revenues ($318,622,203), an effective internal audit function is needed to ensure that the department's assets are safeguarded and that management's policies and procedures are uniformly applied.

Management should take the necessary steps to ensure that an effective internal audit function is established and maintained to (1) examine, evaluate, and report on its internal controls, including information systems; (2) safeguard the department's assets; (3) ensure internal controls are established and operating in accordance with applicable laws and regulations; and (4) ensure internal controls are sufficient to prevent or detect errors and/or fraud in a timely manner. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-90).

FS-08-LABR-2 - Lack of Controls Over Movable Property

For the fourth consecutive year, DOL identified significant unlocated movable property as a result of its physical inventory procedures. For the fiscal year ended June 30, 2008, unlocated movable property items totaled $640,456. In its certifications of property inventory, which were submitted to LPAA from March 14, 2008, through June 20, 2008, DOL reported that it administered $13,194,818 in total movable property.

R.S. 39:325 requires entities to conduct an annual property inventory of movable property and report any unlocated movable property to LPAA. Louisiana Administrative Code 34.VII.313 states, in part, that efforts must be made to locate all movable property for which there are no explanations available for their disappearance. In addition, good internal control dictates that assets are properly monitored to safeguard against loss or theft and that thorough periodic physical counts of property inventory be conducted.

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Of the amount reported as unlocated, items totaling $405,892 were removed from DOL's property records because they had not been located for three consecutive years. Also, the amount of unlocated computers and computer-related equipment totaled $523,385 (82%) of the total unlocated property reported.

Failure to establish adequate controls over movable property increases the risk of loss arising from unauthorized use of property and subjects DOL to noncompliance with state laws and regulations. Because of the nature of the services provided by DOL, the risk exists that sensitive information could be improperly recovered from the missing computers and/or computer-related equipment.

DOL management should strengthen its procedures for conducting the physical inventory of movable property and devote additional efforts for locating movable property reported as unlocated in previous years. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-91).

LOUISIANA AGRICULTURAL FINANCE AUTHORITY

FS-08-LAFA-1 - Inaccurate and Incomplete Annual Fiscal Report

For the third consecutive year, the Louisiana Agricultural Finance Authority (LAFA) did not submit an accurate and complete AFR to DOA for the fiscal year ended June 30, 2008. As authorized by R.S. 39:79, the commissioner of administration, through DOA's OSRAP, prescribes the content and format for the preparation of each agency AFR, which is then used in the compilation of the state's CAFR and LAFA's separately issued financial statements in accordance with accounting principles generally accepted in the United States of America. Good internal control includes establishing a process to ensure that these financial statements are accurately prepared and reviewed. However, LAFA's AFR submitted to OSRAP and the Office of Legislative Auditor (OLA) on August 25, 2008, included the following errors and omissions:

LAFA incorrectly reported accrued interest and interest expense on bonds payable and net assets - unrestricted, restricted for capital projects, and restricted for debt service resulting in the following errors on its Statement of Net Assets (SNA) and on its Statement of Revenues, Expenses, and Changes in Net Assets (SRECNA):

SNA:

- Liabilities were understated by $529,100.
- Net assets - unrestricted were overstated by $11,447,008.
- Net assets - restricted for capital projects were understated by $11,358,981.

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- Net assets - restricted for debt service were understated by $88,027.

SRECNA:

- Expenses were understated by $529,100.

Management has not ensured that LAFA's AFR was properly prepared and reviewed for errors and misclassifications. Failure to submit an accurate AFR could delay the compilation and issuance of the state's CAFR and LAFA's audited financial statements. Furthermore, misstatements from errors or fraud may occur and remain undetected.

Management should ensure that its AFR is properly prepared and should review the financial information in its AFR to identify and correct errors before submitting it to OSRAP and OLA. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-95).

LOUISIANA STATE UNIVERSITY SYSTEM

FS-08-LSU SYSTEM-1 - Energy Efficiency Contract Contrary to State Law

Three campuses and two hospitals within the Louisiana State University (LSU) System entered into performance-based energy efficiency contracts with Johnson Controls, Inc., (JCI) that include stipulated savings and therefore do not comply with state laws. R.S. 39:1496.1(A) provides that a state agency may enter into a performance-based energy efficiency contract for services and equipment. R.S. 39:1484(A)(14) requires the payment obligation to be either a percentage of the annual energy cost savings attributable to the services or equipment under the contract or guaranteed by the company under contract to be less than the annual energy cost savings attributable to the services or equipment under the contract. R.S. 39:1496.1(D) requires the contract to contain a guarantee of energy savings to the university. The statute further provides that the annual calculation of the energy savings must include maintenance savings that result from operational expenses eliminated and future capital replacement expenditures avoided as a result of equipment installed or services performed by the contractor.

Attorney General Opinion 07-0002 provides, ". . . for the stipulated operational savings to be included in the total guaranteed savings, those savings must actually be guaranteed. In order for the operational savings to be guaranteed, the Contract would have to provide for some type of measurement and/or verification of the operational savings. . . ." Although the attorney general opinion was directed to local government, the same guarantee is required in state law.

The energy efficiency contracts between JCI and LSU and A&M College, the University of New Orleans (UNO), the LSU Health Sciences Center in Shreveport, and two hospitals within the Health Care Services Division (HCSD) provided that operational savings are agreed by the parties to be achieved and will not be additionally measured or monitored during the contract

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term. Therefore, the operational savings are not guaranteed because the contract does not provide for measurement and/or verification of the savings. In addition, these campuses and hospitals are at risk of making payments specified in the contract that are greater than the energy cost savings attributable to the services or equipment under the contract. A review of the energy efficiency contracts at the campuses and hospitals within the LSU System disclosed the following:

- LSU and A&M College's contract with JCI guaranteed a total of $3,427,380 in savings during the 15-year term of the contract, consisting of measurable savings of $2,614,658 and operational savings of $812,722. The contract specifies payments of approximatley $3.5 million over the life of the contract.

- UNO's original energy efficiency contract guaranteed a total of $29,572,695 in savings during the 19-year term of the contract. The savings consist of measurable savings of $18,742,695 and operational savings of $10,830,000. A contract amendment effective July 1, 2004, increased the guaranteed savings by $146,160. The total rental and service payments due to JCI are approximately $30.7 million over the life of the amended contract.

- The energy efficiency contract between the Health Sciences Center in Shreveport and JCI guaranteed a total of $15,493,562 in savings during the 17-year term of the contract, consisting of measurable utility savings of $8,926,000; measurable operational savings of $3,480,869; and stipulated operational savings of $3,086,693. Excluding the stipulated operational savings, the guaranteed savings over the life of the contract are only the measurable savings of $12,406,869. The total payments due to JCI over the life of the contract are approximately $15.7 million. In addition, neither the measurable utility savings nor the measurable operational savings are being adequately measured or verified by the center.

- The University Medical Center contract, as amended, with JCI guaranteed a total of $4,762,185 in savings during the 20-year term of the contract, consisting of measurable savings of $1,943,165 and operational savings of $2,819,020. The total payments due to JCI over the life of the contract are approximately $4.7 million. In addition, the contract states that JCI may credit any excess savings, in whole or in part, toward the annual guaranteed savings in any future year of the term. R.S. 39:1496.1 requires the payment obligation for each year of the contract to be less than the annual energy cost savings; therefore, it is not appropriate to carry forward excess savings to future years.

- Lallie Kemp Regional Medical Center entered into an energy efficiency contract with JCI which guaranteed a total of $3,489,692 in savings during the 17-year term of the contract. The savings consist of measurable savings of $1,550,162

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and operational savings of $1,939,530. The total rental and service payments due to JCI over the life of the contract are approximately $3.5 million.

At the signing date of the contracts, management believed that the contracts complied with state law. However, because the operational savings are stipulated and are not measurable and verifiable, the contracts are not in compliance with state law. In addition, for each contract noted above, the payment obligation exceeds the measurable cost savings.

Management should revise its energy efficiency contracts to ensure that savings components are verifiable and that the guaranteed savings have been realized. In addition, management should ensure that the payments required by the contract are not greater than the energy cost savings attributable to the services or equipment under the contract. LSU System's management concurred with the finding and is in the process of extensively reviewing each contract to discover all facts relevant to the status of the contracts and further action required. See management's response at B-97.

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

FS-08-LSUHSC(HCSD)-1 - Inadequate Control Over Financial Reporting

The LSU Health System - HCSD did not have adequate control over its financial reporting. Good internal control requires adequate preparation and review procedures to prevent and detect errors in the financial data submitted for inclusion in the LSU System (System) AFR.

After HCSD provided the auditors with its original financial data on August 28, 2008, seven revisions to the financial data were made by HCSD because of errors identified by HCSD or System personnel. The last revision was provided on September 23, 2008. The revisions affected amounts on the System's Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; and Statement of Cash Flows, as well as numerous note disclosures.

In addition to the revisions submitted by HCSD, the auditors identified the following errors:

- Current liabilities were understated and noncurrent liabilities were overstated by $186,225 because of a calculation error, which also required corresponding adjustments to the related footnotes for long-term liabilities and compensated absences.

- The capital assets footnote overstated the equipment additions and understated the buildings additions by $48,944 and did not properly classify $4,977,075 as a prior period adjustment.

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- The long-term liabilities footnote understated the notes payable balance at June 30, 2007, and misstated the notes payable reduction by $2,461,424.

- The cash flows from capital financing activities - principal paid on capital debt and leases were understated, and purchases of capital assets were overstated by $27,585,405. The same adjustment was required in the prior audit.

Management did not ensure that its original financial data was properly prepared and reviewed before submitting the financial data to the System. Failure to ensure accurate preparation of the financial data could result in misreported financial data and undetected errors or fraud. In addition, failure to submit accurate financial data delays the audits of HCSD and the System, which could delay the compilation and issuance of the state's CAFR.

HCSD management should strengthen its review procedures over financial reporting to ensure that an accurate preparation of financial data is submitted for inclusion in the System's AFR. Management concurred in part with the finding and provided measures to strengthen quality control. Although management agreed that the errors citied did occur, management does not agree that HCSD has inadequate control over its annual financial reporting process in general. See management's response at B-100.

Additional Comments: Errors identified in HCSD's financial information that resulted in seven revisions and multiple audit adjustments indicate a significant deficiency in controls over the financial reporting process. Any planned future delay in providing financial information to the HCSD audit team will also delay the LSU Health Sciences Center - New Orleans and the LSU System audits.

FS-08-LSUHSC(HCSD)-2 - Unlocated Movable Property

For the second consecutive audit, University Medical Center (UMC) and Earl K. Long Medical Center (EKLMC) and for the third consecutive audit, Medical Center of Louisiana at New Orleans (MCLNO) are not properly accounting for and safeguarding their movable property. Louisiana Administrative Code Title 34 Part VII Section 313 (A) states, in part, that efforts must be made to locate all movable property items for which there are no explanations available for their disappearance. Unlocated property after three years is permanently removed from the movable property records. R.S. 39:325 requires entities to conduct an annual inventory of movable property and identify amounts of unlocated property in an annual certification submitted to LPAA. Good internal control requires that adequate procedures be in place to ensure that the locations of all movable property items are monitored and updated frequently and that thorough periodic physical counts of property inventory be conducted. In addition, good internal control should ensure that movable property is properly safeguarded against loss or theft arising from unauthorized use and misappropriation.

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During our tests of movable property, we noted that UMC's certification of annual property inventory dated June 15, 2007, identified unlocated movable property items totaling $1,308,683. Of that amount, items totaling $23,230 were removed from the property records because they were not located after three consecutive years. Of the unlocated property reported on UMC's physical inventory certification, the amount of unlocated computers and computer-related equipment totaled $554,114. The certification disclosed $22,045,472 in total movable property administered by UMC. Because of the high number of discrepancies, LPAA did not approve the 2007 certification of annual property inventory.

The LSU Health System - HCSD requires hospitals to submit an Asset Management Monthly Checklist. The monthly checklist requires a reconciliation of the American Appraisal Associates worksheet to the PeopleSoft accounting software and to Protégé, the statewide inventory system. UMC did not perform the monthly reconciliation from July 2007 to January 2008. The reconciliations are a key control to ensure that property is recorded timely and accurately in the statewide inventory system and assets are properly included in the financial statements.

EKLMC identified unlocated movable property items totaling $682,925 as a result of physical inventory procedures. Of that amount, items totaling $28,632 were removed from the property records because they had not been located for three consecutive years. Of the unlocated property reported on EKLMC's physical inventory certification, the amount of unlocated computers and computer-related equipment totaled $184,585. The certification of property inventory disclosed $20,353,670 in total movable property administered by EKLMC. EKLMC submitted its annual certification of property inventory to LPAA on May 30, 2008.

On May 30, 2008, MCLNO reported unlocated movable property items with an original cost of $4,876,324 as a result of its physical inventory procedures. Of that amount, items totaling $1,277,262 were removed from the property records because they had not been located for three consecutive years. Of the unlocated property reported on MCLNO's physical inventory certification, the amount of unlocated computers and computer-related equipment totaled $681,217. The certification of property inventory disclosed $76,070,432 in total movable property administered by MCLNO.

Although MCLNO is making improvements in locating previously unlocated assets, the amount of unlocated assets still represents a significant amount mainly because of the impact of Hurricane Katrina. The extensive flood damage particularly to the main campus created hazardous environmental conditions and the lack of electrical power hampered efforts to locate movable property items. The efforts to reestablish healthcare services after the hurricane resulted in many items being transferred to other hospitals and clinics where these items could be used to provide healthcare. This movement posed additional problems in accurately locating and reporting movable property as cost center managers were not available to prepare the necessary transfer or delete forms. In addition, MCLNO continues to have high turnover in its Property Manager position.

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Failure to establish adequate controls over movable property increases the risk of loss arising from unauthorized use of property and subjects the hospitals to noncompliance with state laws and regulations. Because of the nature of the services provided by the hospitals, the risk exists that sensitive information could be improperly recovered from the missing computers and/or computer-related equipment.

Management should strengthen its controls over movable property to ensure compliance with internal policies and state laws and regulations; adequately secure and monitor movable property; and conduct timely, accurate physical inventories. Management should devote additional efforts to locating movable property items reported as unlocated in previous years. In addition, management should ensure that monthly reconciliations between property systems are performed timely and accurately. Management concurred with the finding and outlined a plan of corrective action (B-103).

LOUISIANA STATE UNIVERSITY HEALTH SCIENCES CENTER (SHREVEPORT)

FS-08-LSUHSC(SH)-1 - Unlocated Movable Property

For the fourth consecutive audit, LSU Health Sciences Center in Shreveport (center) has identified a significant amount of unlocated movable property as a result of its annual property inventory certification procedures. In addition, the center failed to maintain adequate controls over movable property to ensure compliance with state regulations and to ensure accurate financial and cost reporting. The center is made up of the main campus in Shreveport, E. A. Conway Medical Center in Monroe, and Huey P. Long Medical Center in Pineville. Current year inventory procedures identified unlocated property items at the three locations totaling $3,149,497. Of that amount, items totaling $534,966 were removed from the property records because these items had not been located for three consecutive years. Of the unlocated property reported on the center's property inventory certifications, the amount of unlocated computers and computer-related equipment totaled $1,263,036; the amount of medical and related equipment totaled $1,714,835; and the amount of office and related equipment totaled $123,608.

Our examination of the center's movable property and depreciation records revealed the following exceptions:

- Three of 25 (12%) items tested from the main campus in Shreveport were not tagged. These items had an original cost totaling $996,157.

- Eleven of 62 (18%) items tested from all three campuses were not found in the location indicated on the movable property records.

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- An anesthesia machine was incorrectly recorded with a value of $181,484 which was the value of six anesthesia machines all purchased at the same time. The remaining five machines were not tagged.

- A microscope costing $307,267 was assigned a value of $7,800 in error, understating capital assets by $299,467.

- Five movable property items costing $1,821,947 were expensed instead of being capitalized and depreciated.

In addition, the center failed to adequately reconcile its internal property schedules with the records of movable property and other capital assets provided by the center's valuation vendor, which are used for financial reporting and cost reports. Differences of $3,363,802 were found between the center's records and the vendor's records.

R.S. 39:324 and 39:325 require entities to conduct an annual inventory of movable property and report any unlocated property to LPAA. Louisiana Administrative Code Title 34 Part VII Section 313 states, in part, that efforts must be made to locate all movable property for which there are no explanations available for their disappearance. Louisiana Administrative Code Title 34 Part VII Section 307 (A) states, in part, that all qualified items must be tagged and all pertinent inventory information must be forwarded to LPAA within 60 calendar days after receipt. Furthermore, the center's Administrative Directive 1.1.5, Section B identifies the functions and responsibilities of the department head or his/her designated representative to include (1) maintaining a complete and accurate inventory of the movable property assigned or acquired by the department; (2) providing the asset manager with accurate and up-to-date information on changes to the department's inventory; and (3) assisting in the conduct of the annual inventory of the department, as directed by the asset manager. In addition, good internal control dictates that (1) assets be monitored to safeguard against loss or theft; (2) thorough periodic physical counts of property inventory be conducted; (3) adequate procedures be performed to ensure all assets are properly tagged and correctly valued in the property system; and (4) procedures be established to adequately reconcile the center's schedules of movable property assets acquired, transferred, or disposed of with the schedules provided by the valuation vendor. The annual certifications from the three locations submitted to LPAA disclosed $167,854,156 in total movable property.

Management of the center has not enforced and consistently applied its existing laws, regulations, and administrative directives for tracking the movement of property items or conducting the annual inventory. Furthermore, the center has not established adequate procedures to validate the information provided by the valuation vendor.

Failure to enforce existing policies and procedures, tag all property items, record them in the property system at the correct cost, and put forth additional effort to locate unlocated items subjects the center's movable property to increased risk of loss and/or unauthorized use and subjects the center to noncompliance with movable property laws and regulations. In addition,

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because of the nature of the services provided by the center, the risk exists that sensitive information could be recovered from the missing computers and/or computer-related equipment and improperly used. Furthermore, the center's failure to establish adequate procedures to validate the information provided by the valuation vendor increases the risk that information reported in its financial statements and cost reports could be incorrect.

Once again we recommend that management of the center should enforce and consistently apply its existing policies and procedures for tracking the movement of property items and conducting the annual property inventory. Management should also strengthen its procedures to ensure property items are properly tagged and recorded at the correct cost. In addition, management should (1) require more extensive searches for unlocated items, (2) devote additional efforts to locating movable property reported as unlocated in previous years, and (3) comply with all applicable requirements of LPAA. Finally, management needs to establish adequate procedures to validate the information provided by its valuation vendor before using this information to prepare financial statements and cost reports. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-106).

REVENUE, DEPARTMENT OF

FS-08-DOR-1 - Inaccurate Annual Fiscal Report

For the second consecutive year, the Louisiana Department of Revenue (LDR) did not submit an accurate AFR to DOA for the year ended June 30, 2008. As authorized by R.S. 39:79, the commissioner of administration, through DOA's OSRAP, prescribes the content and format for preparing each agency's AFR, which is then used in compiling the state's CAFR. Good internal control includes establishing a process to ensure that these financial statements are accurately prepared and reviewed. However, LDR's AFR submitted to OSRAP on August 29, 2008, included the following errors:

- Net receivables per Schedule 14 were understated by $28 million.
- Net refunds payable per note BB were overstated by $32 million.
- Net revenues were understated by $60 million.

LDR management has not ensured that reports from its claims processing system that support the amounts in the AFR are properly designed, and management has not ensured that its AFR was properly prepared and reviewed for errors. Failure to submit an accurate AFR can delay the compilation and issuance of the state's CAFR. Furthermore, misstatements from errors or fraud may occur and remain undetected.

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Financial Statement Findings (Continued)

LDR management should ensure that its AFR is properly prepared and should review the financial information and note disclosures in its AFR to identify and correct errors before submitting it to OSRAP. Management concurred, in part, with the finding and recommendations and outlined a plan of corrective action and stated, "The impact of the understatement of Net Revenues on the financial report was approximately six-tenths-of-one-percent of the $9.1 billion dollars in cash deposits accounted for by the Department of Revenue. Rarely are miscalculations of this nature ever considered material enough to warrant any type of notification to the user of the financial data." See management's response at B-110.

Additional Comments: We agree that the understatement of net revenues is approximately 0.65% of cash deposits for LDR. However, the overstatement of net refunds payable and the understatement of net receivables represented 20.1% of total long-term refunds payable and 3.9% of net receivables, respectively, reported in the note disclosures in LDR's AFR. Management of LDR is responsible for ensuring that adequate internal controls over the preparation and review of its AFR are in place and operating effectively, enabling management to identify and correct errors such as those identified above. However, those errors were not detected by management's review of LDR's AFR, and we believe that this deficiency in internal control results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected.

RISK MANAGEMENT, OFFICE OF

FS-08-ORM-1 - Ineffective Internal Audit Function

For the fourth consecutive year, the Office of Risk Management (ORM) did not have an effective internal audit function to examine, evaluate, and report on its internal controls, including information systems, and to evaluate compliance with the policies and procedures that comprise internal controls. Act 48 of the 2007 Regular Session of the Louisiana Legislature requires ancillary agencies with budgets in excess of $30 million to include within its existing table of organization positions which perform the function of internal auditing.

The internal audit section of DOA completed one internal audit at ORM, which is not sufficient to constitute an effective internal audit function. Considering ORM's reported assets of $268,096,205 and revenues of $250,400,356, an effective internal audit function is important to ensure that assets are safeguarded and that management's policies and procedures are uniformly applied.

Management should establish an internal audit function to provide assurance that assets are safeguarded and to ensure that management's policies and procedures are applied in accordance with management's intentions. Management concurred with the finding and outlined corrective action (B-112).

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SOCIAL SERVICES, DEPARTMENT OF

FS-08-DSS-1 - Inaccurate Annual Fiscal Reports

For the second consecutive year, the Department of Social Services (DSS) did not submit accurate AFRs to DOA. As authorized by R.S. 39:79, the commissioner of administration, through DOA's OSRAP, prescribes the content and format for the preparation of each agency AFR, which is then used in the compilation of the state's CAFR and Single Audit Report. Good internal control includes establishing a process to ensure that these fiscal reports are accurately prepared and reviewed.

The AFRs for the Office of Family Support and the Office of Community Services that were submitted to OSRAP on August 29, 2008, included the following errors:

- The Office of Family Support understated the funds disbursed on the Schedule of Non-State Sub-recipients of Major Federal Programs (Schedule 8-4) by $12,007,247 (29.5%).

- The Schedules of State Agency, Hospital, College, and University Sub-recipients of Federal Programs (Schedule 8-5) were understated by $16,060,509 (13.7%) in the aggregate as follows:

    - The Office of Family Support understated the funds disbursed by $16,857,832.

    - The Office of Community Services overstated the funds disbursed by $797,323.

Department personnel made errors in interpreting the payment data in its system reports when determining the disbursements to be reported on Schedule 8-4 and Schedule 8-5. In addition, the supervisory review process was not effective in identifying errors in the schedules. Failure to submit accurate AFRs can delay the compilation and issuance of the state's Single Audit Report. Misstatements from errors may occur and remain undetected.

DSS management should ensure that its AFRs are properly prepared and should review the schedules in its AFRs to identify and correct errors before submitting them to OSRAP. Management concurred with the finding and provided a correction action plan (B-122).

FS-08-DSS-2 - Ineffective Internal Audit Function

For the second consecutive year, DSS does not have an effective internal audit function to examine, evaluate, and report on its internal controls, including information systems, and to evaluate compliance with the policies and procedures that comprise controls. The internal audit function should provide management with assurances that assets of the department are

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Financial Statement Findings (Continued)

properly safeguarded, internal controls are established and operating in accordance with applicable laws and regulations, and procedures are sufficient to prevent or detect errors and/or fraud in a timely manner.

The following weaknesses were identified during the review of the internal audit function:

- The Bureau of Audit Services did not prepare a risk assessment to identify and prioritize areas that pose the greatest risk to the department.
- The secretary of DSS did not approve an audit plan for fiscal year 2008 because no audits were scheduled to be performed during the year. Instead, the internal audit staff was assigned to work on special projects.
- In a review of the two projects completed by the Bureau of Audit Services during fiscal year 2008, one of the two audits reviewed had working papers that did not contain sufficient evidence to support the work performed and conclusions/ findings noted in the audit report. In addition, the audit report was issued November 8, 2007, but the final supervisory review was not completed until May 28, 2008.
- The Bureau of Audit Services did not adequately address federal financial and compliance issues for the department's 28 federal programs that total approximately $1.4 billion of expenditures at June 30, 2008.
- No information technology audits were performed during the year.

The Bureau of Audit Services did not have a timely review function, did not adequately document the test work that supported audit conclusions, and failed to adequately address federal financial and compliance issues as well as information technology risks. Considering the department's reported assets of approximately $139 million and revenues of approximately $1.7 billion, an effective internal audit function is needed to ensure that the department's assets are safeguarded and that management's policies and procedures are uniformly applied.

DSS management should take the necessary steps to ensure that risk assessment is performed; the review process is performed timely; sufficient documentation to support audit conclusions is maintained; and the scope of the audits performed, to include information technology, is sufficient to achieve the objectives of an effective internal audit function. Management concurred with the finding and provided a corrective action plan (B-123).

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Financial Statement Findings (Continued)

SOUTHEASTERN LOUISIANA UNIVERSITY

FS-08-SLU-1 - Energy Efficiency Contract Contrary to Law

Southeastern Louisiana University (SLU) entered into a performance-based energy efficiency contract with Sempra Energy Services (SES) in December 2001 that included stipulated savings and, therefore, does not comply with state law. In March 2006, Honeywell Building Solutions purchased that contract from SES. R.S. 39:1496:1(A) provides that a state agency may enter into a performance-based energy efficiency contract for services and equipment. R.S. 39:1484(A)(14) requires the payment obligation to the vendor to be either a percentage of the annual energy cost savings attributable to the services or equipment under the contract or guaranteed under contract to be less than the annual cost savings to the university attributable to the services or equipment under the contract. R.S. 39:1496.1(D) requires the contract to contain a guarantee of energy savings to the entity. The statute further provides that the annual calculation of the energy savings must include maintenance savings that result from eliminated operating expenses and future capital replacement expenditures avoided as a result of equipment installed or services performed by the contractor.

Attorney General Opinion 07-0002 provides, ". . . for the stipulated operational savings to be included in the total guaranteed savings, those savings must actually be guaranteed. In order for the operational savings to be guaranteed, the Contract would have to provide for some type of measurement and/or verification of the operational savings . . ." Although this opinion was directed to local government, the same guarantee is required in state law.

A review of the energy efficiency contract, which is for 20 years and $12.1 million, disclosed the following deficiencies:

- The guaranteed savings of $12,581,660 consist of energy savings of $11,823,510; lighting material savings of $502,337; and mechanical maintenance material savings of $255,813. According to the contract, Exhibit I, the annual savings calculations are used to determine the value of the energy consumption and mechanical materials and the lighting materials expense avoided by the conservations project and the ongoing operations assistance. The energy, mechanical maintenance materials, and lighting materials for each are to be "stipulated" for the durations of Phase "B." During the first two years of the contract, the energy savings, mechanical maintenance materials savings, and lighting material savings were calculated and monitored. However, since October 2005, these savings have not been calculated or monitored.

- During the first three years of the Energy Services Agreement, if the energy savings for any year exceed the guaranteed savings for any year, the excess savings may be carried over as a credit during the three-year period. R.S. 39:1496.1 requires the payment obligation for each year of the contract to be less

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Financial Statement Findings (Continued)

than the annual energy cost savings. It is not appropriate to carry forward excess savings to future years.

At the signing date, management felt that the contract complied with state law. However, because energy, lighting material, and mechanical maintenance material savings are stipulated and are not measurable and verifiable, the contract is contrary to law. In addition, SLU is unable to determine the effectiveness of the energy efficiency contract since it does not have the annual savings information.

Management should renegotiate and revise its energy efficiency contract to comply with state law to ensure that each saving component is verifiable and that the guaranteed savings have been realized. Management concurred, in part, with the finding and outlined a plan of corrective action (B-127).

SOUTHERN UNIVERSITY SYSTEM

FS-08-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation

For the second consecutive year, the Southern University System (System) did not have adequate controls to ensure that its AFR and the related note disclosures were prepared timely and accurately. R.S. 39:79 authorizes the commissioner of administration to establish the format for obtaining each agency's financial information. OSRAP designed an AFR to obtain this information, which requires a signed affidavit from each agency or university system that the financial statements present fairly the financial information of the system. OSRAP uses the university system's AFRs during its compilation of the state's CAFR. After receiving a 20-day extension, the System's AFR was due to OSRAP by October 6, 2008, for the fiscal year ended June 30, 2008. Good internal control includes establishing formal written procedures for compiling financial information included in the AFR and developing an adequate review process to ensure that financial statements are prepared accurately and submitted timely.

The System's AFR, which was submitted 24 days late on October 30, 2008, included the following:

The Statement of Net Assets included the following errors:

- The interagency elimination entries between the university and its foundation did not include capital lease obligations and the related receivables of $25,520,641. In addition, the university overstated the interagency elimination entries for deferred revenues and nonoperating revenues by $2,159,453 and $2,080,282, respectively.

- The Baton Rouge and Shreveport campuses did not accrue $913,040 and $47,827, respectively, of interest payable for capital leases.

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Financial Statement Findings (Continued)

- The New Orleans campus overstated accounts payable and expenses by $640,445 because it included the unspent balances on purchase orders even though the goods and services had not been received.

The Statement of Revenues, Expenses, and Changes in Net Assets and the Combining Schedule of Revenues, Expenses, and Changes in Net Assets included the following errors:

- Other operating revenues were overstated by $3,775,854, including:
  - The New Orleans campus overstated other operating revenues by $2,608,353. Included in this error is the misclassification of gifts and investment income by $377,147 and $20,765, respectively. In addition, operating expenses should have been reduced by $2,210,441 for the reimbursement of salaries and related benefits for the Sophie B. Wright School.
  - The Baton Rouge campus misclassified $1,167,501 of state grant funds as other operating revenues.
  - Other nonoperating revenues were overstated by $3,031,049, including:
    - The New Orleans campus overstated other nonoperating revenues by $727,713 rather than reducing operating expenses when it recorded the capitalization of equipment and library holdings.
    - The New Orleans campus misclassified federal revenues from FEMA totaling $440,785 as other nonoperating revenues and overstated FEMA receivables and revenues by $344,617.
    - The New Orleans campus reported the receipt of $1,517,934 in federal funds as other nonoperating revenue instead of deferring its recognition since the funds had not been earned as of the fiscal year-end.

The Statement of Cash Flows and the Combining Schedule of Cash Flows included the following errors:

- The Baton Rouge and Shreveport campuses overstated cash disbursements for the purchase of capital assets by $24,250,339 and $1,270,302, respectively. The campuses offset this error by reporting

cash received for the amount of principal paid on capital debt and leases. Instead, the Baton Rouge campus' transaction should have been reported as noncash capital and related financing transactions since the capital assets were acquired by entering into a capital lease agreement. The Shreveport campus should not have reported anything since the cash flow occurred in the prior fiscal year.

- The New Orleans campus misclassified capital debt proceeds of $2,088,463 as cash received for the amount of principal paid on capital debt and leases.

The financial statement's related note disclosures included the following errors:

- The New Orleans campus overstated the net appreciation for donor restricted endowments by $1,795,454 due mainly to reporting the endowment corpus as the expendable balance.

- The Baton Rouge, New Orleans, and Shreveport campuses erroneously reported termination benefits totaling $557,780 for 148 employees even though none of the terminations met the reporting requirements of GASB 47, *Accounting for Termination Benefits*.

- In the schedule of changes to capital assets, the Baton Rouge campus and Law Center overstated the beginning balances for library books and the related accumulated depreciation by $774,780 and $1,287,230, respectively. The Baton Rouge campus and Law Center did not include audit adjustments that were made to their fiscal year 2007 note disclosures; thus, the amounts reported in the current year do not agree to the previously reported amounts.

- The schedule of future net minimum lease payments for the Baton Rouge and Shreveport campuses' mutual capital lease does not agree to the detailed amortization schedule for the capital lease. The schedule of future net minimum lease payments erroneously reports $2,272,571 as the fiscal year 2009 payment while the detailed amortization schedule reports the same payment, but correctly dated as December 31, 2006. This had the effect of overstating the total future net minimum payments and interest. In addition, the capital lease balance in the detailed amortization schedule is reported as $24,586,348 while it is reported as $25,520,641 in the Statement of Net Assets and the schedule of future net minimum lease payments.

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Financial Statement Findings (Continued)

System management has not placed sufficient emphasis on ensuring that journal entries are prepared and entered correctly or that the AFR is properly prepared and reviewed for errors or omissions. Currently, each campus is responsible for its financial statement and note disclosure preparation and each uses different Financial Record System reports and/or different methods for compiling the information in these reports. Failure to submit an accurate and timely AFR to OSRAP could result in a misstatement of the state's CAFR.

System management should develop procedures to include written instructions and a timetable for compiling the AFR and a system-level supervisory review of financial information and note disclosures to detect and correct material errors in the AFR before submitting it to OSRAP. In addition, the System should develop standard journal entries for common transactions and should place more emphasis on correctly preparing and reviewing all journal entries. Management concurred in general with the finding and outlined plans of corrective action. Management did not concur with the portion of the finding relating to termination benefits noting that the System followed OSRAP's guidance. See management's response at B-129.

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

FS-08-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report

For the second consecutive year, the Department of Transportation and Development (DOTD) did not submit an accurate AFR to DOA's OSRAP. 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 AFR presents fairly the financial position of the agency. Good internal control over financial reporting should include (1) adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR; (2) adequate training and supervision of staff; and (3) a review of the AFR so that any preparation errors can be detected and corrected before submitting the AFR to OSRAP for inclusion in the state's CAFR.

The department's AFR for the fiscal year ended June 30, 2008, included numerous errors requiring adjustments as follows:

- The outstanding liability for cooperative endeavors on Schedule 16 of the AFR was understated by $28,853,642 because of incomplete data used to prepare the schedule. DOTD does not maintain a comprehensive list of all cooperative endeavors and does not have controls in place to enable the department to support an accurate and complete report.

- The contingent liability note disclosure, which reports the remaining obligation of advanced construction projects, was overstated by $57,786,057, primarily because DOTD included cooperative endeavors in error. DOTD's original note disclosure, provided for audit purposes before completion of the AFR, included an additional $22,365,187 overstatement for a project included in error; however,

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Financial Statement Findings (Continued)

we brought it to management's attention and it was adjusted before submitting the AFR to OSRAP.

- DOTD's infrastructure was overstated by $44,790,849 because of the inclusion of expenditures for the Louisiana Transportation Authority's (LTA) LA-1 project totaling $50,758,686. Management had not identified expenditures paid from DOTD resources that should have been reported in LTA's financial statements. The overstatement in infrastructure was offset by an understatement of $5,967,837 resulting from unrecorded liabilities at June 30, 2008.

- Accounts payable for capital outlay expenditures were overstated by $7,143,250, primarily because of the improper inclusion of a fiscal year 2009 transaction totaling $5,943,279 and a Crescent City Connection Division transaction totaling $1,197,034.

Management of DOTD has not established adequate internal controls over financial reporting to include detailed, written procedures for the compilation of AFR amounts and has not adequately trained its accounting staff in OSRAP and GASB reporting requirements. In addition, management has not developed an adequate review process to ensure that the department's AFR is accurately presented.

Failure to establish adequate internal controls over financial reporting may result in misstatements, whether from errors or fraud, and an incomplete or inaccurate AFR that may cause misstatements in the state's CAFR or a delay in the CAFR's issuance.

Management of DOTD should establish a formal written compilation process to ensure that (1) adequate supporting documentation for the department's AFR is maintained; (2) all personnel are adequately trained; and (3) the department's AFR is adequately reviewed before its submission to OSRAP. Management substantially concurred with the finding and recommendations and outlined a plan of corrective action (B-146).

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FEDERAL AWARD FINDINGS WITH A FINANCIAL STATEMENT IMPACT

The following findings were reported as federal award findings in Schedule C, but also have a financial statement impact. These findings are listed below and referenced to where they are reported in detail in Schedule C.

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F-08-CC-EDUC-1 - Inadequate Control Over Coding of Federal Expenditures (page 51)
F-08-ED-EDUC-5 - Inadequate Controls Over Payroll - Recovery School District (page 74)
F-08-ED-EDUC-8 - Noncompliance With Federal and State Equipment Management Regulations (page 80)
F-08-ED-EDUC-9 - Theft of Computers - Recovery School District (page 82)

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F-08-DHS-GOHSEP-4 - No Reconciliation Between Project Database and Financial Records for the Homeland Security Cluster Programs (page 125)
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Schedule C

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FINDINGS COVERING MORE THAN ONE FEDERAL AGENCY

EDUCATION, DEPARTMENT OF

F-08-CC-EDUC-1 - Inadequate Control Over Coding of Federal Expenditures

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Other

	Questioned Costs
84.938 - Hurricane Education Recovery	**None Noted**
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	**$111,020**

For the second consecutive year, the Department of Education (DOE) failed to maintain adequate control over the coding of federal program expenditures in the state's accounting system, ISIS, for two federal programs. Expenditures for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) and the Hurricane Education Recovery Act (CFDA 84.938) Immediate Aid to Restart School Operations (Restart) programs were not coded accurately in ISIS as of the fiscal year-end. Good internal control requires that adequate control procedures be developed and implemented to ensure that expenditures are coded in ISIS to identify and match the expenditures to the proper federal program revenue. While DOE appears to have valid expenditures to support the revenue received through these programs, invalid expenditures and other errors could exist and go undetected without adequate controls to ensure proper coding in the accounting system.

As of fiscal year-end June 30, 2008, eight of 30 (27%) expenditure transactions tested relating to the Public Assistance (PA) Program reimbursements were miscoded in ISIS as follows:

- Four invoices were coded in ISIS to the Restart Program even though reimbursement was received from the PA Program.
- One invoice was coded in ISIS to the Minimum Foundation Program (a state-funded program) even though reimbursement was received from the PA program.
- Three invoices were misclassified in ISIS. The invoices related to contents but were coded as construction expenses.

In addition, five of 30 (17%) invoices tested included out-of-scope costs totaling $111,020 that were coded to the PA Program but were ineligible for reimbursement from the PA Program. This amount represents questioned cost.

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Management of DOE should strengthen its internal controls over the coding in ISIS to ensure that all federal program expenditures are coded accurately to identify and properly match federal expenditures to federal program revenue. Management did not concur with the finding and noted that to maximize funds from multiple sources, final coding of expenditures can only be determined when recovery projects are completed. See management's response at B-13.

Additional Comments: DOE provided no additional evidence to dispute the exceptions noted in the finding. While we acknowledge the challenge presented by ongoing recovery projects, DOE and the state are required to accurately report financial and program information by fiscal year. DOE and the state cannot accomplish accurate financial reporting without internal controls to ensure that federal revenue and expenditures are coded and matched accurately in ISIS.

F-08-CC-EDUC-2 - Noncompliance With A-87 Payroll Certification Regulations

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
84.010 - Title 1 Grants to Local Educational Agencies	**None Noted**
84.367 - Improving Teacher Quality State Grants	
84.938 - Hurricane Education Recovery	
93.558 - Temporary Assistance for Needy Families	
Child Nutrition Cluster:	
10.559 - Summer Food Service Program for Children	
Special Education Cluster (IDEA):	
84.027 - Special Education - Grants to States	

For the third consecutive year, DOE did not ensure that certifications for payroll expenditures charged to federal programs were completed as required by federal regulations. Office of Management and Budget (OMB) Circular A-87, *Cost Principles for State and Local Governments*, states that if employees work on multiple activities or cost objectives, a distribution of their salaries must be supported by personnel activity reports or equivalent documentation reflecting an after-the-fact distribution of the actual activity. These personnel activity reports must be prepared at least monthly, must be signed by the employee, and must be based on the work performed and not on budget. If employees work solely on a single federal award or cost objective, the certifications must be prepared at least semiannually.

Audit procedures were performed on 21 biweekly certifications and nine semiannual certifications. For 15 certifications tested at the department level, two of the 15 (13%) certifications were signed before the end of the period, so actual effort could not have been

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known. For 15 certifications tested at the Recovery School District, the following exceptions were noted:

- For two employees (13%) working on federal programs, no certification was provided for the employees for the period tested.
- For five certifications (33%), the certification was not completed at least monthly as required.
- For three certifications (20%), no date was written on the certification, so compliance with submission requirements could not be determined.
- For six certifications (40%), the cost distribution report did not agree to the program and percentage charged per the certification, and no adjustment was completed to reflect the actual effort of the employee.

DOE's failure to prepare and maintain required payroll certifications increases the risk that expenditures are not fairly and accurately allocated to federal programs and results in noncompliance with OMB Circular A-87.

Management should establish and enforce policies and procedures for completing payroll certifications to comply with federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-21).

F-08-CC-EDUC-3 - Noncompliance With the Cash Management Improvement Act

Award Year: 2006, 2008
Award Number: S938A060002, 12-352231
Compliance Requirement: Cash management

	Questioned Costs
None Noted	

84.938 - Hurricane Education Recovery
Child Nutrition Cluster:
10.555 - National School Lunch Program

DOE did not report refunds to the Office of Statewide Reporting and Accounting Policy (OSRAP) to provide for the calculation of interest liabilities to federal agencies. The Cash Management Improvement Act (CMIA) of 1990 requires the timely transfer of funds between federal agencies and the state and an exchange of interest when transfers are not made in a timely manner, as defined by the Treasury-State Agreement (TSA) applicable for July 1, 2007, through June 30, 2008. According to Section 8.4 of the TSA, the state is liable for interest on refunds of $50,000 or greater. The state interest liability is based on the difference in whole

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Federal Award Findings and Questioned Costs (Continued)

days between the date the refund is deposited in a state account and the date the refund is offset against a subsequent draw (deposit) of federal funds. Section 5.3.5(6) of OSRAP's policies and procedures manual requires state agencies to maintain information relating to the date the refund is credited to a state account, the amount of the refund, and the date of the subsequent draw (deposit) of federal funds that the refund is offset against. Section 8 states that standardized spreadsheets will be provided by OSRAP to the agencies to capture CMIA data. Section 9(D) states that an AFS ODIT screen or spreadsheet showing the amount and date of refunds received should be submitted as backup documentation for the CMIA spreadsheet.

DOE failed to report five refunds of $50,000 or more to OSRAP so that the interest liability could be calculated. Four of the refunds related to the Hurricane Education Recovery - Immediate Aid to Restart School Operations (CFDA 84.938) and one refund related to the National School Lunch Program (CFDA 10.555). These refunds totaled $1,089,369.

- For four of the refunds, the difference in whole days between the date the refund was deposited in a state account and the date the refund was offset against a subsequent draw (deposit) of federal funds ranged from three to 107 days.

- One refund of $127,873 had not yet been offset against a subsequent draw (deposit) of federal funds at the time of our testing.

DOE management did not ensure that refunds of $50,000 or more were properly reported to OSRAP for calculation of interest liabilities. Failure to report refunds to OSRAP causes the state to be in noncompliance with the TSA.

DOE management should strengthen its control procedures to ensure that refunds of $50,000 or greater are reported to OSRAP in a timely manner for the calculation of interest liabilities to the appropriate federal agencies. Management concurred with the finding and outlined corrective action (B-22).

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SOCIAL SERVICES, DEPARTMENT OF

F-08-CC-DSS-1 - Improper Employee Activity in Federal Programs

Award Year: 2005 - 2007
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**$183**
Food Stamp Cluster:	**18,424**
10.551 - Supplemental Nutrition Assistance Program	
10.561 - State Administrative Matching Grants for Special Assistance Nutrition Program	
	$18,607

Based upon work performed by the Department of Social Services (DSS), Fraud and Recovery Section (FRS), DSS identified fraudulent activity by an employee in several federal programs. The affected federal programs are the Food Stamp Cluster (CFDA 10.551 and 10.561) and the Temporary Assistance for Needy Families (TANF, CFDA 93.558) programs. DSS, Office of Family Support (OFS) Policy G-310 states falsification of records consists of any deliberate act of annotating an activity which in fact differs factually from the activity that actually transpired. Falsification of records is strictly prohibited. In addition, DSS, OFS Policy I-510 states that OFS employees are prohibited from taking any action on their personal case, a case involving an immediate family member, friend, or social acquaintance of himself/herself or his/her supervisor. Managers are responsible for ensuring that all employees are advised of these policies and are made aware that violation of these policies will result in disciplinary action (suspension, reduction in pay, reassignment, demotion, or dismissal).

On August 11, 2008, a Social Services analyst pled guilty to one count of “Mail Fraud” and one count of “Theft.” From on or about June 2005 until August 1, 2006, the employee illegally obtained food stamp benefits by changing the addresses of food stamp clients to that of her own address and processing the issuance of new Electronic Benefit Transfer (EBT) cards to be mailed to her address. In addition, for several of these cases the employee either recertified the cases for an additional 12 months of food stamp benefits or added additional dependants to the food stamp cases resulting in additional benefits. In one instance, the employee opened and certified a Family Independence Temporary Assistance Program case that uses the same EBT card as the Food Stamp Program. The employee was terminated on August 1, 2006. On December 18, 2008, the court ordered her to repay $18,607 and sentenced her to four months imprisonment and four months of home confinement. Questioned costs are $18,607.

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The DSS employee failed to adhere to departmental policies and state law during the performance of her job duties. In addition, existing controls were not sufficient to prevent the fraudulent activity from occurring or to identify the fraudulent activity in a timely manner. Failure to establish and follow adequate internal control procedures increases the risk that federal program benefits are made to ineligible applicants and that errors and/or fraud could occur.

Management should continue to investigate the possibility of fraudulent activity among DSS employees and strengthen existing controls within the affected federal programs to reduce the likelihood that fraudulent activities occur in the future. In addition, management should work with the grantors to resolve the questioned costs. Management concurred with the finding and provided a corrective action plan (B-120).

SUMMARY OF FINDINGS FROM OTHER EXTERNAL AUDITORS FOR THE YEAR ENDED JUNE 30, 2008

GRAMBLING STATE UNIVERSITY

Independent auditors performed an audit of the Grambling State University Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated December 19, 2008. The following findings were presented in their report.

F-08-CC-GSU-1 - Allowable Cost

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
93.658 - Foster Care - Title IV-E	**$1,275**
Research and Development Cluster:	
12.800 - Air Force Defense Research Sciences Program	**None Noted**
81.089 - Fossil Energy Research and Development Program	**5,625**
	$6,900

Auditors reported that grant personnel failed to follow prescribed procedures to ensure that indirect costs charged to grant programs conform to guidelines contained in the grant

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Federal Award Findings and Questioned Costs (Continued)

agreement. The grant programs for which the conditions were noted include the Air Force Defense Research Sciences Program (CFDA 12.800), the Fossil Energy Research and Development Program (CFDA 81.089), and the Foster Care Title IV-E Program (CFDA 93.658). An instance was noted whereby amounts charged to grant programs exceeded the amounts allowed per the grant agreement by $5,625, as well as instances where amounts charged to grant programs were less than the amount allowed per the grant agreement. Auditors also noted that $1,275 of costs overdrawn by the university appeared to have been repaid but charged back to the program and subsequently drawn down again.

OMB Circular A-133 *Compliance Supplement,* Part 3, Section B stipulates that indirect costs must conform to the limitations or exclusions set forth in the circulars, federal laws, state or local laws, sponsored agreements, or other governing regulations as to the types or amounts of cost items.

Grant personnel failed to follow established procedures that require indirect costs charged to grant programs to be reconciled on a monthly basis to amounts allowed per grant agreements causing noncompliance with applicable federal rules and regulations. Auditors questioned costs whereby the amount charged to the program exceeded the amount allowed per the grant agreement. The amount of questioned costs totaled $5,625 for the Fossil Energy Research and Development Program (CFDA 81.089) and $1,275 that was drawn down from the Foster Care Title IV-E Program (CFDA 93.658).

The auditors recommended that grant personnel follow prescribed procedures which require indirect costs charged to grant programs be reconciled to amounts allowed per the grant agreements. Management partially concurred with the finding and provided a corrective action plan (B-42).

F-08-CC-GSU-2 - Federal Financial Reports/Cash Management

Award Year: 2008
Award Number: Unknown
Compliance Requirements: Cash management, Reporting

	Questioned Costs
	None Noted

84.031 - Higher Education - Institutional Aid
Research and Development Cluster:
81.089 - Fossil Energy Research and Development Program

Auditors reported that grant personnel failed to monitor draw downs for the Fossil Energy Research and Development Grant (CFDA 81.089), and no funds were drawn down during the

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Federal Award Findings and Questioned Costs (Continued)

year. In addition, the difference between draw downs as reflected in the Grant Administration and Payment System (GAPS) for the Higher Education - Institutional Aid Program (CFDA 84.031) did not reconcile to grant expenditures when considering accrued receivables. Grant expenditures for this program appear to be overstated by $55,264.

OMB Circular A-133 *Compliance Supplement,* Part 3, Section L stipulates that reports for federal awards shall include all activity of the reporting period, be supported by applicable accounting records, and be fairly presented in accordance with program requirements. Also, OMB Circular A-133 *Compliance Supplement*, Part 4, Section L stipulates that cumulative draw down amounts in the GAPS should accurately reflect the grantee's actual disbursement of funds by award. Furthermore, OMB Circular A-133 *Compliance Supplement* Part 3, Section C stipulates that when entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the federal government. When funds are advanced, recipients must follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement.

The university failed to follow established procedures requiring personnel to reconcile amounts per the financial records to the amounts drawn down during the year. The university was in noncompliance with federal regulations which require financial draw downs to be reconciled on a regular basis. The auditors did not question any costs as a result of this finding.

The auditors recommended that grant personnel follow prescribed procedures and ensure that draw downs are reconciled to financial reports and amounts per the general ledger on a monthly basis. Management concurred with the finding and provided a corrective action plan (B-43).

F-08-CC-GSU-3 - Matching

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Matching, level of effort, earmarking
Pass-Through Entity: Coordinating and Development Council (17.259)

	Questioned Costs
	None Noted

93.658 - Foster Care - Title IV-E
WIA Cluster:
17.259 - WIA Youth Activities

For the second consecutive year, auditors noted that grant personnel failed to properly document the match that is required by the grant agreements for the Workforce Investment Act - Youth Activities Program (CFDA 17.259) and the Foster Care - Title IV-E Program (CFDA 93.658) for the period July 1, 2007, through June 30, 2008.

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Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133 *Compliance Supplement,* Part 3, Section G stipulates that a non-federal entity must provide matching or cost sharing of a specified amount or percentage as provided in the contract or grant agreement with the federal government.

Because there was no documentation, the auditors could not determine whether or not the university complied with the matching requirement for these grants. The auditors did not question any costs as a result of this finding.

The auditors recommended that grant personnel properly document the university match as required by the grant agreement. Management provided a corrective action plan (B-41).

U.S. DEPARTMENT OF AGRICULTURE

SOCIAL SERVICES, DEPARTMENT OF

F-08-USDA-DSS-2 - Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits

Award Year: 2005, 2006
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles, Eligibility

	Questioned Costs
Food Stamp Cluster:	**$283,394**
10.551 - Supplemental Nutrition Assistance Program	
10.561 - State Administrative Matching Grants for the Special Assistance Nutrition Program	

DSS identified instances of ineligible benefits in the Disaster Food Stamp Program (DFSP) including 14 employee cases and four nonemployee cases in which intentional program violations (IPV) were committed. The DFSP is a part of the Food Stamp Cluster, which is comprised of Food Stamps (CFDA 10.551) and the State Administrative Matching Grants for Food Stamp Program (CFDA 10.561). Federal regulation 7 CFR 273.16 defines IPV as making false or misleading statements, or misrepresenting, concealing or withholding facts; or committing any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program regulations, or any state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking of coupons, authorization cards or reusable documents used as part of an automated benefit delivery system (access device). In addition, the U.S. Department of Agriculture, Food and Nutrition Services (FNS) *Disaster Food Stamp Handbook 320* states that agencies must develop strategies to prevent fraud and ensure program integrity from the start of the disaster response.

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Federal Award Findings and Questioned Costs (Continued)

As a result of concerns relating to ineligible employees, the FNS required DSS to review 100% of the employee DFSP cases. As of December 3, 2008, the following were disclosed:

- In addition to the 10 IPV cases identified in the prior audit, 14 cases were identified in the current year as IPV. Nine of the 14 cases involved DSS employees, while five cases involved spouses or parents of DSS employees. These 14 individuals understated income, overstated hurricane-related expenses, and/or misrepresented their household composition to improperly obtain DFSP benefits. In these 14 cases, DFSP benefits totaling $11,851 were distributed. Four of the nine employees are still employed by DSS with no disciplinary action occurring besides restitution of funds. The department is in the process of recouping these funds.

- DSS has rendered decisions in 1,228 of 1,428 employee cases (86%) and determined that 901 of the 1,228 employees (73%) were not eligible to receive DFSP benefits.

As of January 5, 2009, DSS records indicate that DFSP benefits totaling $597,543 were provided to ineligible DSS employees and their relatives. DFSP benefits totaling $298,167 have been repaid to the department. Of the total $597,543, DSS identified questioned costs of $348,832, as of December 3, 2007, which was reported in our prior year auditor's report. The remaining $248,711, including the $11,851 for the IPV cases noted previously, represents questioned costs identified by DSS since December 3, 2007.

Since the completion of the prior year audit, the DSS, Fraud and Recovery Section has also completed the investigation of 76 nonemployee cases. Of those 76 cases, 59 cases (78%) were determined ineligible to receive DFSP benefits with four cases identified as IPV. DSS records indicate that DFSP benefits totaling $39,108 were provided to ineligible applicants with DSS recouping $4,425. The remaining $34,683 is questioned costs for the current year.

DSS did not establish adequate control procedures to prevent DFSP applicants, including DSS employees and their relatives, from obtaining ineligible benefits. Failure to establish adequate internal control procedures over the distribution of DFSP benefits resulted in benefits made to ineligible applicants and in questioned program costs.

Management should continue to investigate the possibility of additional ineligible DFSP benefits paid, including those obtained through IPVs and should work with the grantor to resolve any questioned costs. Management should consider the circumstances leading up to this noncompliance and develop models with controls for future disasters. Management concurred with the finding and provided a corrective action plan (B-115).

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Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EXECUTIVE DEPARTMENT - OFFICE OF COMMUNITY DEVELOPMENT

F-08-HUD-EXEC-OCD-1 - Inadequate Controls Over the Road Home Homeowner Assistance Program

Award Year: 2008
Award Number: B-06-DG-22-001
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles, Eligibility, Subrecipient monitoring

	Known Questioned Costs
14.228 - Community Development Block Grants/ State's Program	**$10,659,405 (Unable to determine total)**

For the second consecutive year, the Louisiana Office of Community Development (OCD) had not fully implemented adequate controls over the administration of the Road Home Homeowner Assistance Program of the Community Development Block Grant (CDBG, CFDA 14.228). OCD focused on making payments to disaster victims as quickly as possible because the State of Louisiana initially made a decision to accept additional risks associated with expedited payments with the understanding that any ineligible or unallowable payments would be detected and corrected in post-close reviews. This decision was beyond the control of OCD and inherently caused challenges to the timely planning, design, and implementation of adequate control procedures. Furthermore, this expedited payment process did not ensure that the program regulations, approved action plans, and the federal compliance requirements applicable to the program were followed by the contracted program manager, ICF Emergency Management Services (ICF) in accordance with state law and OMB Circular A-133.

In recognition of this increased risk and in an effort to improve controls and address the significant errors being found in post-close reviews, OCD implemented a pre-closing review process in July 2007 and has continued to modify its monitoring procedures to address additional risks and program changes. However, despite implementing a pre-close review process, OCD's internal monitoring and external reviews have continued to disclose significant program eligibility and payment calculation issues. Absent approval by the federal government to hold the state harmless for repayment of ineligible or unallowable payments, the state could be liable to the federal government for those amounts. Furthermore, disbursing funds to ineligible recipients limits the availability of those funds for eligible recipients in need of assistance. In addition, OCD made net disbursements of $7,381,000 of CDBG funds to the Road Home Corporation (Louisiana Land Trust), a subrecipient, without a valid subrecipient agreement in place.

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ICF, as the state's contracted program manager, is responsible for awarding funds to recipients in accordance with the program regulations and action plans. OCD, as the state's designated recipient and administrator of the CDBG funds, is responsible for ensuring ICF's compliance with program regulations. The Code of Federal Regulations (24 CFR 570.501) provides that "The recipient is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the recipient of this responsibility."

Good internal controls over program compliance should include policies and procedures to ensure that, prior to the disbursement of program funds, eligibility requirements are met and award calculations are made correctly based on accurate data. In addition, adequate monitoring over the contracted program manager should include followup to exceptions noted in reviews, including an appropriate response to indications of noncompliance or possible fraudulent activities. When relying on information in a data warehouse, adequate controls should include sufficient testing to ensure the accuracy and reliability of that data. In addition, 24 CFR 570.503 requires that before disbursing CDBG funds to a subrecipient, "the recipient shall sign a written agreement with the subrecipient," to cover the entire period of time that the subrecipient controls the use of CDBG funds. These regulations specify the minimum requirements for such an agreement.

During fiscal year 2008, in addition to post-close monitoring, pre-close monitoring was performed by both ICF and OCD. However, even though ICF conducted two levels of pre-closing reviews prior to OCD, OCD's reviews resulted in a cumulative error rate of 12.5% for the period July 2007 to June 2008. Despite the significant errors noted, OCD did not increase its level of review above its normal range of 5% to 10%, nor did OCD perform additional follow-up reviews on noted errors to ensure that ICF adequately corrected those awards prior to payment. In addition, ICF and OCD relied upon the accuracy of information in a data warehouse being maintained by ICF. The reliability and accuracy of the data in the data warehouse, including insurance benefit data, is questionable.

At the request of OCD, the Recovery Assistance Division (RAD) of the Louisiana Legislative Auditor performed agreed-upon procedures on the Road Home Homeowner Program and issued a report dated April 23, 2008. The procedures were performed to assist OCD in evaluating whether homeowner grant recipients were eligible and whether they received the correct award amount. The results of those procedures, conducted on a sample of program disbursements from May to September 2007, indicated that while 97% (261 of 269 award recipients sampled) of grant funds were awarded in accordance with program policy, conflicting documentation suggests that 74 awards (28%) could have been calculated differently or may need adjustment. The RAD report cites 38 recipients as potentially overpaid from $406 to $110,727 and 36 recipients as potentially underpaid from $374 to $45,000 for a potential net program overpayment of $321,533. In addition, for 29 awards (11%) totaling $1,949,688, recipients were either determined to be ineligible or eligibility could not be verified, which may require recovery. Furthermore, the report cites questionable and conflicting data in the data warehouse; pre-storm home valuation issues; estimated cost of damage issues; conflicting

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FEMA information; conflicting insurance information, unsupported self-certifications, unsigned forms, and disbursement amounts not supported by file documentation as causing these findings. The report also states that, during the performance of its procedures, RAD was made aware of an additional applicant whose eligibility was questioned for which the program will seek to recover $92,627 awarded in error.

In another RAD report issued December 3, 2008, it was disclosed that OCD paid $10,688,681 of CDBG funds to ICF for administrative expenses that were not adequately supported and/or reasonable. OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, states that to be allowable under federal awards, costs must be necessary and reasonable and adequately documented. After additional review under OMB Circular A-87, we have determined that $10,659,405 of those expenses are considered questioned costs because they were either not supported by adequate documentation prior to payment or they were not reasonable considering program requirements, ICF's contract with OCD, and sound business practices.

The Performance Audit Division (PAD) of the Louisiana Legislative Auditor conducted a performance audit, issued on January 14, 2009, on the reliability of certain data used in the Road Home program stored in ICF's data warehouse. The procedures were performed at OCD's request to assist in determining whether data used in ICF's post-closing review could be relied on for establishing final recipient eligibility and award amounts. PAD's audit disclosed the following:

- Homestead exemption data used by ICF to determine grant eligibility was not reliable or accurate because ICF loaded the data using out-dated specifications and ICF used an insufficient method to match applicants with the data. After reloading the data and sufficiently matching applicants with the data, 12,000 applicants no longer had a homestead exemption and 8,000 applicants no longer had a match with the data. These applicants, who had already closed and received grant payments, were no longer eligible for awards and ICF will have to collect additional eligibility documentation to determine whether these applicants are indeed eligible.

- Insurance data used to calculate award amounts is not reliable because it is not complete and up-to-date. ICF received homeowner's insurance information from insurance companies on only 48% of the applicants which it requested information. As a result, for 54% of applicants who closed as of March 1, 2008, ICF relied on insurance information provided by applicants instead of verifying insurance information with insurance companies. Since approximately 15% of paid grant recipients as of March 1, 2008, were listed as insured by Louisiana Citizens Property Insurance Corporation (Citizens), PAD analyzed 15,342 applicants with Citizens insurance and compared Citizens data to insurance amounts used in grant award calculations. PAD found that 6,396 (42%) of these applicants had received approximately $68.8 million more in insurance payments

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from Citizens than what was used to calculate their grant awards. By not considering the $68.8 million, ICF increased the risk that these applicants were overpaid.

- As of March 2008, ICF employed 350 people who were applicants to the Road Home program and many of these employees had access that should have been segregated in ICF's IT system. Without proper segregation of duties there is a possibility that ICF employees could have worked on their own applications. This is especially important since ICF did not enable audit features in its system. Audit logs are important because they record activities and transactions and help to support accountability and the identification of problems.

Other audits and reviews have been performed by the Louisiana Legislative Auditor that cite other control weaknesses and/or deficiencies in the program and include management's responses, as appropriate. These reports can be accessed on the Internet at www.lla.la.gov:

- Road Home Program Review of LMI Determinations Performance Audit, issued September 12, 2007
- Road Home Program Pipeline Reliability Performance Audit, issued October 31, 2007
- Road Home Program Home Evaluations Performance Audit, issued December 5, 2007
- Road Home Program Resolution Process Follow-up Performance Audit, issued February 6, 2008

OCD has continually responded both verbally and in writing to the results of external reviews that it is aware that grant award eligibility and calculation issues have occurred because of the state's decision to expedite payments to homeowners. Subsequent to that decision, it has been OCD's intent to make final verifications of eligibility and award amounts post-closing, rather than pre-closing and to resolve all eligibility and award calculation issues through post-closing procedures. As mentioned previously, we recognize that the decision to expedite payments under the Road Home Homeowner Assistance Program was beyond the control of OCD. We also recognize that OCD has continued to modify and improve program controls including the implementation of pre-close reviews and the engagement of RAD to review final closed files. However, because of the significant errors being disclosed by OCD's pre-closing reviews, the lack of adequate followup regarding the correction of noted errors, the lack of reliable information in ICF's data warehouse, and the lack of completed files through final post-close reviews, we are unable to determine whether program disbursements as of June 30, 2008, were in substantial compliance with program regulations.

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Management of OCD should continue working to establish adequate controls over the Road Home Homeowner Assistance Program. Management should also review previously disbursed awards to identify program funds which were not disbursed in accordance with the applicable program regulations and should actively pursue the recoupment of overpayments, as well as ensuring that underpaid recipients are fully compensated. In addition, management should ensure the reliability of data in ICF's data warehouse, ensure the allowability of expenditure reimbursements prior to disbursement of federal funds, and ensure that complete and valid subrecipient agreements are in place before disbursing funds to subrecipients.

OCD does not concur with the finding and contends that it did adequately monitor the program and that its controls over the program were adequate. See management's response at B-26.

Additional Comments: In its response, OCD highlights the importance of the post-close process in its internal control over the program and states that "The LLA, in fact, acknowledges this important shifting of many of the Program's processing activities, including verification, documentation, and compliance, from pre-closing to post-closing . . ." In addition, OCD states in its response that "Until the LLA includes the Program's grant review and other important post-closing controls within its A-133 audit, it can not fully assess the control environment or draw a conclusion whether or not OCD has fully implemented adequate controls over the administration of the Road Home Program." We agree with this point, which supports our position that we cannot determine if program funds were disbursed in substantial compliance with program regulations during the year ended June 30, 2008. Although we recognize that the design of procedures does not require supporting documentation for program disbursements at the time those funds are disbursed, it also precludes us from being able to perform the required audit procedures to determine that program funds were disbursed in substantial compliance with program compliance requirements.

Controls and monitoring procedures over a federal program should provide reasonable assurance that the program is being administered in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. Because of the evidence described previously, we do not have sufficient assurance that payments made to recipients during the fiscal year ended June 30, 2008, were made in accordance with the requirements of the program. Although OCD implemented additional controls by performing pre-closing reviews on program applicants, we found that the controls were not adequate to ensure that recipients were eligible and that payments made to recipients were calculated in accordance with program requirements.

The summary schedule of prior audit findings prepared by OCD, as required by OMB Circular A-133, Section 315(b), reports that the prior year finding is fully corrected. Based on our follow-up procedures, as described above, we have reported that the finding has not been resolved and have therefore repeated the finding in our report. In accordance with OMB Circular A-133, Section 510(a)(7), we are required to report that the results of our follow-up procedures disclose that the summary schedule of prior audit findings prepared by OCD materially misrepresents the status of the prior year finding.

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Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF LABOR

LABOR, DEPARTMENT OF

F-08-USDOL-LABR-1 - Inadequate Internal Controls Over Unemployment Insurance System Access

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Eligibility

	Questioned Costs
17.225 - Unemployment Insurance	**None Noted**

The Department of Labor (DOL) did not follow established policies to ensure that user access to the Unemployment Insurance (UI) Program (CFDA 17.225) computer system was deleted or changed timely. The UI system processes and tracks employee wages and claim benefits. Good internal control would provide that user IDs are deleted timely and employees are permitted business-need-only access to data files and functions necessary to perform their duties. The DOL *Internal Security Handbook* includes written procedures for the timely issuance and deletion of user IDs.

Our review of 18 UI user IDs for employees with data entry access disclosed the following:

- Four users (22%) had access to multiple security groups with no legitimate business need. These employees had changed positions at DOL and their former access was not terminated.

- One user (6%) was not a DOL employee. The user ID number was issued to an employee of a contractor who has not been under contract since 2005. Even though the user ID number has not been used since 2005, the department should have terminated the access at that time.

Employees responsible for user access controls did not comply with the agency policy that requires timely notification of termination and/or transfer, review of user IDs, and timely deletion of user IDs for terminated and/or transferred employees and contractors. Failure to promptly delete unnecessary or unused user IDs or access increases the risk that unauthorized access to the UI system could occur and that confidential data including information such as social security numbers could be compromised.

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Federal Award Findings and Questioned Costs (Continued)

DOL management should follow established policies to ensure that user access to the UI system is deleted or changed timely. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-87).

F-08-USDOL-LABR-2 - Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

Award Year: Various
Award Number: Various
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
WIA Cluster:	**None Noted**
17.258 - WIA Adult Program	
17.259 - WIA Youth Activities	
17.260 - WIA Dislocated Workers	

For the fifth consecutive year, DOL did not adequately monitor all subrecipients of the Workforce Investment Act (WIA) Cluster (CFDA 17.258, 17.259, and 17.260) for compliance with federal laws and regulations.

The Code of Federal Regulations [20 CFR 667.410(b)(2)] requires that DOL's monitoring system provides for annual on-site reviews of its subrecipients' compliance with the federal uniform administrative requirements and include reviews of its subrecipients' fiscal and administrative functions. DOL has developed a subrecipient monitoring log to track monitoring reviews to ensure they are performed annually and a subrecipient monitoring guide to be used by staff performing the reviews. Monitoring reviews consist of program reviews for eligibility and financial reviews for uniform administrative requirements and requirements in the National Emergencies Grant (NEG) agreement.

Our review of the monitoring log disclosed that for 10 (56%) of the 18 subrecipients, DOL did not monitor for the federal uniform administrative requirements or for requirements in the NEG agreement, which includes monitoring job worksites for those participants who have temporary disaster-related employment. In addition, DOL did not reconcile subrecipients' expenditure reports with its accounting records to ensure that the subrecipients only requested WIA funds after the related expenditures had been incurred.

Our review of nine subrecipient monitoring review reports (six program reviews and three financial reviews) disclosed the following:

- Three of the monitoring reports (33%) were issued from four to five months after the work was completed, which may be insufficient to resolve findings timely.

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- Three of the monitoring reviews (33%) were started between four and 11 months after the grant period ended. Monitoring reviews should be conducted as close as reasonably possible to the end of the award period so that deficiencies can be addressed timely.

Failure to adequately monitor subrecipients impairs DOL'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 are at an increased risk of being disallowed by the federal grantors.

DOL management should adequately monitor all subrecipients of the WIA cluster for compliance with federal laws and regulations. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-89).

F-08-USDOL-LABR-3 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Cash management, Eligibility

	Questioned Costs
17.225 - Unemployment Insurance	**$21,211,069**

DOL paid $21,211,069 in Unemployment Insurance (UI, CFDA 17.225) benefits to other states during fiscal year 2008 without recouping the cost of these claims from Louisiana employers, which we consider to be questioned costs. In addition, DOL has not implemented procedures to determine if claimants filing in other states are working in Louisiana at the time they file the claim and during the duration of the claim.

The State of Louisiana participates in the Interstate Benefit Payment Plan which is an interstate agreement that allows claimants to file for unemployment in a different state from where wages are primarily earned. The states where wages are earned are charged for the unemployment paid by the filing state. Administrative Rule 341 of the Louisiana Employment Security Law provides the methods by which DOL is to recoup the cost of interstate claims from employers, requires notification to the employers of the potential liability, and allows 10 days for the employer to protest the charges. Also, good internal controls would ensure that DOL notify employers of interstate claims and verify work status of claimants to reduce the risk of payments on fraudulent claims.

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Of 30 UI interstate claimants reviewed, we found the following:

- Thirty (100%) of the claims had no notification to the employer of the claim in efforts to recoup the cost of benefits paid. DOL personnel verified that there are no procedures in place to notify the employers of these claims and recoup the costs of claims paid.

- Fifteen (50%) of the claimants appear to have been employed while receiving unemployment benefits totaling $36,214, which violates program eligibility requirements and is an indication of potentially fraudulent claims. Wage records for 10 of the 15 claimants indicated the claimants received wages from their employer continuously over several quarters, and wage records for the remaining five indicated the claimants received wages for the same period for which they received unemployment benefits.

DOL has not placed sufficient emphasis on implementing controls to ensure compliance with Administrative Rule 341 or to ensure the validity of the claims being paid. Failure to notify employers of the UI claims filed increases the risk that benefits will be incorrectly paid to individuals who are employed, which results in questioned costs. In addition, the failure to recoup the cost of interstate claims from employers results in the loss of state funds.

DOL should establish procedures to ensure that interstate benefit claims are charged to employers and employers are timely notified of any claim against them. Additional procedures should include a review of interstate bills to ensure that claimants are not working in Louisiana at the time UI claims are paid. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-92).

F-08-USDOL-LABR-4 - Noncompliance With Record Retention Policy

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed,
Allowable costs/cost principles,
Eligibility

	Questioned Costs
17.225 - Unemployment Insurance	**$4,103**

For the second consecutive year, DOL did not retain employer wage records for the UI Program (CFDA 17.225). Employer wage records are the basis for determining whether applicants for UI benefits have earned sufficient wages in a base period to qualify for those benefits. Louisiana Revised Statute (R.S.) 44:411.A(1) requires that the head of each state agency submit a record retention schedule to the state archivist. DOL's current record retention schedule was approved

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by the state archivist on June 6, 2006, and it requires that employer tax records be maintained for 11 years. In addition, 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 states are administering federal awards in compliance with grant provisions, and OMB Circular A-87 requires that costs be adequately documented.

Our tests of 30 claimants' eligibility of UI benefits disclosed that employer wage records for 10 claimants (33%) were not retained by DOL. Employers provided these records to DOL on electronic media, and DOL returned the records to the employers after the information was input into DOL's UI benefit master files. DOL was able to provide support for payments made to eight of the claimants by contacting individual employers and requesting resubmission of the wage records; however, benefits paid to the remaining two claimants total $4,103 and are considered questioned costs.

Failure to retain records to support employee wages and eligibility may result in improper benefit payments and/or questioned costs. DOL management should strengthen its controls to ensure that records are retained in accordance with state and federal laws and regulations. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-94).

U.S. DEPARTMENT OF TRANSPORTATION

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

F-08-USDOT-DOTD-1 - Overdraw of Federal Funds

Award Year: 2006
Award Number: Unknown
Compliance Requirement: Matching, level of effort, earmarking

	Questioned Costs
Highway Planning and Construction Cluster:	**$454,709**
20.205 - Highway Planning and Construction	

The Department of Transportation and Development (DOTD) failed to properly recognize local matching funds received which caused an overdraw of $454,709 in federal funds from the Highway Planning and Construction Program (CFDA 20.205) which we consider to be questioned costs. OMB Circular A-133 *Compliance Supplement*, Parts 3 and 4, Section G stipulates that a nonfederal entity must provide matching or cost sharing of a specified amount

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or percentage. These amounts or percentages vary according to the type of funds authorized and are stated in project agreements with the federal government.

During the fiscal year, DOTD incorrectly coded matching funds received from a local government resulting in 100% of the projects' expenditures being charged to the federal program in error. Failure to ensure the timely detection and correction of coding errors relating to matching funds received subjects DOTD to noncompliance with federal matching requirements, overdrawing federal funds, and potential interest liabilities.

Management of DOTD should comply with established policies and procedures over the receipt and coding of local matching funds received and should review these transactions to identify and correct potential errors before requesting federal reimbursements. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-148).

U.S. DEPARTMENT OF ENERGY

FINDING FROM OTHER EXTERNAL AUDITORS FOR THE YEAR ENDED JUNE 30, 2008

GRAMBLING STATE UNIVERSITY

Independent auditors performed an audit of the Grambling State University Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated December 19, 2008. The following finding was presented in their report.

F-08-DOE-GSU-4 - Subrecipient Monitoring

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
Research and Development Cluster:	**None Noted**
81.089 - Fossil Energy Research and Development Program	

Auditors tested one subrecipient of the Fossil Energy Research and Development Program (CFDA 81.089) and noted that university personnel failed to monitor the activities of the

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subrecipient. The subrecipient was not monitored because the university has no monitoring plan in place.

OMB Circular A-133 *Compliance Supplement,* Part 3, Section M stipulates that a pass-through entity should monitor subrecipients' use of federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that subrecipients administer federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

The university failed to have procedures in place requiring all subrecipients to be fiscally and programmatically monitored during the year. As a result, the university is not in compliance with subrecipient monitoring requirements. The auditors did not question any costs as a result of this finding. Total expenditures of this program reported in the Schedule of Expenditures of Federal Awards were $52,817.

The auditors recommended that the director of grants and contracts develop a monitoring plan to ensure that all subrecipients receiving pass-through federal funds are fiscally and programmatically monitored on an annual basis. Management concurred with the finding and provided a corrective action plan (B-44).

U.S. DEPARTMENT OF EDUCATION

EDUCATION, DEPARTMENT OF

F-08-ED-EDUC-4 - Failure to Maintain Public Control Over Restart Program Funds

Award Year: 2006
Award Number: S938A060002
Compliance Requirement: Special tests and provisions

	Questioned Costs
84.938 - Hurricane Education Recovery	**Unable to determine**

DOE failed to maintain sufficient public control over funds provided to nonpublic entities through the Immediate Aid to Restart School Operations (Restart) Program (CFDA 84.938A). The Hurricane Education Recovery Act, Section 102(h)(3) states the control of funds for services and assistance provided to a nonpublic school and title to materials, equipment, and property purchased with such funds, shall be in a public agency. The public agency shall administer such funds, materials, equipment, and property and shall provide services, or may contract for

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the provision of such services with a public or private entity. Guidance issued by the U.S. Department of Education (USDOE) states that the public agency must maintain an inventory of such materials, equipment, or property made available to private schools, and periodically update that inventory. Furthermore, to maintain sufficient control over the Restart program funds, a public agency must determine that (1) the private school's expenditures represent allowable Restart program expenses; (2) the private school has sufficient documentation supporting such expenditures; and (3) the school actually received the services or assistance related to those expenditures. Restart program funds may be used to reimburse a private school for expenses that the school previously incurred if the expenses directly relate to services that are secular, neutral, and nonideological. Future expenses should be provided directly by a public agency or through a contract between a public agency and a third party.

During fiscal year 2008, expenditures for the Restart Program totaled $117 million. Of this amount, $39 million (33%) went to nonpublic entities. Testing of the Restart Program identified the following exceptions:

- DOE did not compile an inventory of items purchased for nonpublic entities. Materials, equipment, and property purchased by DOE under $1,000 were not identified or tracked separately.

- When nonpublic entities were reimbursed directly for previously incurred costs, DOE did not obtain adequate documentation to determine that costs were allowable and that the public agency was not required to contract the service. In addition, DOE did not perform follow-up monitoring to verify the validity of data submitted by nonpublic entities, even though the Restart Program is in its third year.

Management did not establish procedures to identify the specific services and assistance provided to nonpublic entities through Restart program funds. Failure to maintain public control over Restart program funds to nonpublic entities results in noncompliance with the Hurricane Education Recovery Act. We were unable to determine the amount of questioned costs.

DOE should develop and implement procedures to comply with federal regulations, including maintaining a listing of all items purchased with Restart program funds on behalf of nonpublic entities. DOE should periodically verify that nonconsumable items are still in the possession of the nonpublic entity. Finally, DOE should obtain sufficient documentation to determine the allowability of costs when reimbursing nonpublic entities directly for previously incurred costs. Management did not concur with the finding. Management noted, in part, that (1) the USDOE did not intend to place more cumbersome requirements on DOE regarding the nonpublic funding; (2) the nonpublic schools were instructed to maintain adequate documentation of expenditures; and (3) expenditures were pre-audited. See management's response at B-10.

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Additional Comments: The department provided no evidence to dispute the facts of our finding. When asked to provide evidence that the USDOE waived specific requirements for maintaining periodic inventories, the department did not provide any documentation. The department's instruction to the nonpublic schools to maintain adequate documentation did not relieve DOE of its responsibility to adequately review documentation before reimbursement. Also, the department's efforts to pre-audit payments did not relieve it of its requirement to monitor federal program expenditures.

F-08-ED-EDUC-5 - Inadequate Controls Over Payroll - Recovery School District

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
84.938 - Hurricane Education Recovery	**$15,037**

For the second consecutive year, the Recovery School District (RSD) of DOE did not ensure that employee separation dates were accurate, employees were paid correctly, and payroll charges were supported by adequate documentation. OMB Circular A-87, Attachment A, Section C (1)(j) states that to be allowable under federal awards, costs must be adequately documented. DOE policy number EP 3.2 requires employees to sign in and out daily and to initial the biweekly time and attendance records at the end of each pay period. RSD's policies for housing subsidies and retention incentives require that eligible employees must be actively employed at the time of payment. Good internal controls would include that employees be paid only for days worked within the employment period; employee terminations be entered accurately into the payroll system before the close of the employee's last pay period; overpayments to employees be properly identified, tracked, and recouped; and employees who process payroll and personnel records be knowledgeable about the payroll system.

Audit procedures performed on RSD's payroll records identified the following problems:

- Employees who abandoned their jobs without explanation were placed on positive time entry status, which stopped paychecks from being automatically generated by ISIS/HR, the state's payroll system. However, the employer portion of insurance premiums continued to be paid by ISIS/HR until separation actions were processed.

- One employee was reported by school administrators as having abandoned his job in April 2007. RSD stopped the employee's paychecks in August 2007 and a

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claim against the employee of $1,029 was generated by ISIS/HR. However, the employee received pay form April 20, 2007, through August 12, 2007, totaling $8,904, which was not identified in ISIS/HR as an overpayment. The Minimum Foundation Program was charged for the entire overpayment of $9,933.

- Six employees were paid housing subsidies totaling $7,200 even though they were no longer employed by RSD. The Minimum Foundation Program was charged for $1,600 of the overpayment and the Immediate Aid to Restart School Operations Program (CFDA 84.938A) was charged for the remaining $5,600. These amounts were not identified by ISIS/HR as claims. No funds have been recouped.

- Two employees were paid retention incentives totaling $2,000 even though they had not returned for the new school year. The Hurricane Educator's Assistance Program (CFDA 84.938K) was charged for these overpayments. These amounts were not identified by ISIS/HR as claims. No funds have been recouped.

In a test of 24 employee separations, none were entered into ISIS/HR before the close of the employees' last pay period. Days late ranged from five to 282 days and resulted in overpayments to 17 (71%) employees totaling $117,712. The Minimum Foundation Program was charged for $110,275 of the overpayments. The Immediate Aid to Restart School Operations Program (CFDA 84.938A) was charged the remaining $7,437.

In a test verifying the accuracy of separation dates entered into ISIS/HR, the following problems were noted:

- Nine of 23 (39%) employee separation dates were incorrect.

- Six of 23 (26%) employee separations were not entered into ISIS/HR before the close of the employees' last pay period.

- Overpayments totaling $40,370 were made to 11 of 23 (48%) separated employees tested and overpayments not fully recouped. The Minimum Foundation Program was charged for $40,339 of the overpayments. The Graduate Exit Exam for the 21st Century Program was charged the remaining $31.

In a test of five claims against employees that were overpaid during fiscal year 2008, four (80%) overpayments had not been fully recouped. RSD could not provide adequate documentation explaining why the claims were generated.

In a test of 15 claims against employees that were overpaid during fiscal year 2007, RSD could not provide documentation that overpayments were fully recouped for 13 (87%) employees.

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In a test of employee time sheets, the following problems were identified:

- Four of 22 (18%) employees did not properly complete time sheets by signing in and out daily or initialing the time sheet at the end of the pay period.
- Three of 12 (25%) employees who took leave did not have their leave recorded in the ISIS/HR payroll system.
- Three of 22 (14%) employees' hours on the time sheets did not match the hours paid according to the remuneration statement, which is generated from ISIS/HR.

Management did not adequately identify overpayments and recoup funds. In addition, management did not emphasize compliance with established internal control policies and procedures relating to processing personnel transactions and documentation of payroll charges. Failure to support payroll charges with adequate documentation increases the risk that employees will be overpaid. Overpayments to former employees resulted in questioned costs of $13,037 for the Immediate Aid to Restart School Operations Program (CFDA 84.938A) and $2,000 for the Hurricane Educator's Assistance Program (CFDA 84.938K). Misuse of state funds totaled $162,147 for the Minimum Foundation Program and $31 for the Graduate Exit Exam for the 21st Century Program.

RSD should follow federal and DOE policies and procedures relating to payroll and personnel, attempt to recoup overpayments to current and former employees, and provide further training to personnel who use the ISIS/HR payroll system. RSD should ensure that information entered into ISIS/HR is accurate and complete and develop processes to adequately track overpayments and recoupments. Management concurred with the finding and outlined a plan of corrective action (B-15).

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F-08-ED-EDUC-6 - Inadequate Fiscal Monitoring

Award Year: 2006 - 2008
Award Number: Various
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
	None Noted

84.010 - Title 1 Grants to Local Educational Agencies
84.367 - Improving Teacher Quality State Grants
84.938 - Hurricane Education Recovery
Special Education Cluster (IDEA):
84.027 - Special Education - Grants to States
84.173 - Special Education - Preschool Grants

For the third consecutive year, DOE did not perform adequate fiscal monitoring of federal awards. OMB Circular A-133 requires pass-through entities of federal awards to monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and provisions of contracts or grant agreements. DOE's policy is to perform fiscal monitoring for all subrecipients at least once every four years.

The following deficiencies were noted regarding fiscal monitoring:

- As of June 30, 2008, DOE had not performed any monitoring for the Hurricane Education Recovery - Immediate Aid to Restart School Operations (CFDA 84.938A) program since its inception in fiscal year 2006.
- DOE failed to monitor 24 of 68 (35%) local educational agencies at least once within the past four years.
- DOE failed to monitor 47 of 70 (67%) charter schools, state agencies, and other local institutions at least once within the past four years.

Management did not adequately emphasize the importance of fiscal monitoring to its program managers. Without adequate monitoring, DOE did not ensure that only allowable expenditures were charged to the following major federal programs: Title I Grants to Local Educational Agencies (CFDA 84.010), Title II Improving Teacher Quality State Grants (CFDA 84.367), Special Education - Grants to States (CFDA 84.027), and Special Education - Preschool Grants (CFDA 84.173). Failure to monitor subrecipients could also result in possible misuse of federal funds by subrecipients.

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Management should perform adequate fiscal monitoring on all federal awards, as required by federal regulations. Management concurred with the finding and outlined a corrective action plan (B-19).

F-08-ED-EDUC-7 - Inadequate Internal Control Over Relocation and Retention Incentive Payments - Recovery School District

Award Year: 2007
Award Number: S938K070001
Compliance Requirement: Eligibility

	Questioned Costs
84.938 - Hurricane Education Recovery	**$127,000**

RSD of the DOE did not maintain adequate internal control over the payment of relocation and retention incentives. Public Law 110-28 allocated funds for use in recruiting, retaining, and compensating new and current teachers and school staff who commit to work for at least three years in school-based positions in public elementary and secondary schools located in an area impacted by Hurricane Katrina or Hurricane Rita. RSD policy number EP 3.16.2 states that all non-Louisiana candidates who are certifiable in Louisiana, who make a three-year commitment to work, and who are hired for the 2007-2008 school year for teacher and certified/licensed school staff positions with the RSD are eligible to receive the benefits of the Out-of-State Relocation/Signing and Retention Incentive Package. This package includes a $2,500 relocation stipend/signing incentive, a $400 per month housing subsidy for one year, and a $5,000 per year end-of-year lump sum signing and retention payment for a maximum of two years. RSD policy also states that retention incentives are available for certain school-based employees who were employed in a RSD school during the 2006-2007 school session. These employees must have a satisfactory performance evaluation for work provided during the 2006-2007 school session, must have successfully completed work in a RSD school through the first grading period (nine weeks) of the 2007-2008, school session, must make a three-year commitment to work in a RSD school and remain employed by RSD with satisfactory evaluations for three years, and must provide evidence of having the appropriate certificates or licenses as required by RSD during their employment for the 2006-2007 school session. Certified teachers and other certified/licensed school-based professionals are eligible for a one-time payment of $5,000. School-based support staff are eligible for a one-time payment of $1,000.

In a test of 30 employees receiving incentive payments, 19 (63%) did not have a three-year commitment letter on file. Eight of these employees are no longer employed by the RSD. RSD provided no evidence of efforts to recover the incentive payments to those employees.

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In a test of 18 employees who received retention incentives for 2006-2007 school-based employees, the following were noted:

- For 14 of 18 (78%) employees tested, no evidence that the employee received a satisfactory performance evaluation for work provided during the 2006-2007 school session was on file.

- For 15 of 18 (83%) employees tested, no evidence that the employee successfully completed work in a RSD school through the first grading period of the 2007-2008 school session was on file.

- For one of 10 (10%) employees tested who were required to have a certificate or license, no evidence of the proper certification was on file.

In a test of 12 employees who received out-of-state relocation/signing and retention incentives, no evidence that the employee was a nonresident of Louisiana was on file for any of the employees. In addition, two employees received housing subsidies totaling $5,600 under the out-of-state relocation/signing and retention incentive package even though they did not qualify to receive them. Those employees were ineligible because they were employed by RSD during the 2006-2007 school year.

RSD management did not emphasize compliance with established internal control policies and procedures relating to incentive payments. Failure to support incentive payments with adequate documentation increases the risk that employees will be overpaid and may result in disallowed federally funded expenditures. These incentive payments were funded by the Hurricane Education Recovery Act, Hurricane Educator Assistance Program (CFDA 84.938K). Incentive payments to the 32 employees noted above represent questioned costs totaling $127,000.

RSD should follow established policies and procedures relating to incentive payments and should attempt to recover any overpayments. DOE should work with the grantor to resolve the questioned costs. Management concurred in part with the finding and outlined a plan of corrective action. Management stated that employees who received the retention incentive were paid after the first grading period and that only current employees were paid the incentive. See management's response at B-17.

Additional Comments: DOE provided no additional evidence to dispute the exceptions noted in the finding. In our finding titled "Inadequate Controls Over Payroll - Recovery School District," we noted that employee separations were not recorded timely, before the end of the last pay period. Since the separation dates in the payroll system cannot be relied upon, paying those listed as current employees does not ensure that the retention incentives were paid only to eligible employees.

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Federal Award Findings and Questioned Costs (Continued)

F-08-ED-EDUC-8 - Noncompliance With Federal and State Equipment Management Regulations

Award Year: 2005-2006
Award Number: S938A060002
Compliance Requirement: Equipment and real property management

	Questioned Costs
84.938 - Hurricane Education Recovery	**None Noted**

For the second consecutive year, DOE did not comply with federal and state equipment management regulations. DOE did not tag and report equipment as required, did not submit one inventory certification report by the date required, and did not maintain accurate information in the state's movable property system, Protégé.

Federal equipment means tangible nonexpendable property purchased with a federal award, having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. OMB Circular A-87 requires a state to use, manage, and dispose of equipment acquired under a federal grant in accordance with state laws and procedures. The Louisiana Administrative Code (LAC) requires that all movable property having an original acquisition cost of $1,000 or more be tagged with a uniform state of Louisiana identification tag and all pertinent inventory information be forwarded to the Louisiana Property Assistance Agency (LPAA) within 60 calendar days after receipt of these items. The LAC also requires that the agency property manager conduct a complete physical inventory of the property owned by the agency each fiscal year and not more than 12 calendar months since the last physical inventory.

In a test of 30 items of equipment purchased with federal grants, the following exceptions were noted:

- Thirteen (43%) items were not tagged.
- Twenty-two (73%) items were not entered into Protégé within 60 days. The delays in entering the equipment ranged from two to 511 days.
- Fifteen (50%) items were not properly recorded in Protégé.
- Four (13%) items were not in the location reported.

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Federal Award Findings and Questioned Costs (Continued)

In our review of movable property at the RSD, the following exceptions were noted:

- The annual property certification was due to LPAA on April 30, 2008, but was not submitted until June 25, 2008.
- During a general review of the asset listing, auditors noted that RSD incorrectly entered the purchase order number as the acquisition cost for four assets, thereby overstating the asset values by $12.8 million.

In a test of 14 movable property acquisitions at the RSD, the following exceptions were noted:

- Two (14%) items were not located.
- All 14 items were not tagged and entered into Protégé within 60 days. The delays in entering the equipment ranged from 111 to 281 days, with two items undetermined because of no evidence of the receipt date.
- Four (29%) items were not properly recorded in Protégé.
- Six (43%) items were not in the reported location.

A review of the Protégé late additions reports as of April 30, 2008, disclosed the following information regarding property items that were not reported within 60 days of acquisition as required:

- For Property Certification Agency 26816, Non-Public Schools, 2,687 items totaling $5,774,880 were reported from one to 341 days late.
- For Property Certification Agency 26815, RSD, 1,388 items totaling $3,110,540 were reported from one to 437 days late.
- For Property Certification Agency 26804, DOE Operational Support Services, 97 items totaling $177,450 were reported from two to 358 days late.
- For Property Certification Agency 26812, DOE Special School District, 13 items totaling $18,563 were reported from 29 to 59 days late.

DOE failed to comply with federal and state regulations because the department has not developed, implemented, and enforced adequate internal controls over movable property, and off-site property liaisons were not adequately instructed and monitored. Failure to comply with federal and state equipment management regulations increases the risk that assets may be misreported, lost, or stolen.

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STATE OF LOUISIANA
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Federal Award Findings and Questioned Costs (Continued)

Management should ensure that equipment is tagged and reported accurately and timely in accordance with state and federal regulations. Management should also ensure that records are corrected when equipment is relocated. Management concurred with the finding and outlined a plan of corrective action (B-23).

F-08-ED-EDUC-9 - Theft of Computers - Recovery School District

Award Year: 2006
Award Number: S938A060002
Compliance Requirement: Equipment and real property management

	Questioned Costs
84.938 - Hurricane Education Recovery	**None Noted**

For the second consecutive year, RSD of the DOE failed to maintain adequate control over movable property, resulting in the loss of 35 laptop computers and one digital scanner with a total cost of $55,802. Good internal control requires that adequate control procedures be in place to ensure that movable property is properly safeguarded against loss arising from unauthorized use or theft. R.S. 39:325 requires entities to conduct an annual inventory of movable property and identify amounts of unlocated property in an annual certification submitted to the LPAA.

The certification of annual property inventory submitted to the LPAA on June 25, 2008, listed 27 items, 26 computers and one scanner, purchased at a cost of $42,429 that could not be located when the annual property inventory was performed. RSD reported these items as stolen and notified the district attorney and the legislative auditor of the thefts. In addition, audit procedures identified nine additional computers purchased at a cost of $13,373 that were determined to be stolen and not reported as unlocated on the certification of annual property. All of these items were purchased with funds from the federal Hurricane Education Recovery - Immediate Aid to Restart School Operations Program (CFDA 84.938).

Failure to maintain controls over movable property increases the risk of loss arising from unauthorized use of property. Because of the services provided by RSD, there is an increased risk that sensitive information could be retrieved improperly from the stolen computers.

RSD management should strengthen its internal controls over movable property to prevent theft of equipment and possible loss of sensitive data. Management concurred with the finding and outlined a plan of corrective action (B-25).

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Federal Award Findings and Questioned Costs (Continued)

LOUISIANA STATE UNIVERSITY AT ALEXANDRIA

F-08-ED-LSUALEX-1 - Weaknesses in the Administration of Student Financial Aid

Award Year: 2008
Award Number: Various
Compliance Requirement: Reporting

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.007 - Federal Supplemental Educational Opportunity Grants	
84.032 - Federal Family Education Loans	
84.033 - Federal Work-Study Program	
84.063 - Federal Pell Grant Program	

For the second consecutive year, Louisiana State University at Alexandria (LSUA) did not fully comply with all student financial aid reporting requirements. Audit procedures on certain compliance requirements of student financial aid at LSUA (CFDA 84.007- Federal Supplemental Educational Opportunity Grants, 84.032 - Federal Family Education Loans, 84.033 - Federal Work-Study, and 84.063 - Federal Pell Grant Program) identified the following:

- Disbursement records that report Pell payment data to the federal grantor, USDOE, were not submitted timely. Volume 4, Chapter 2 of the *Federal Student Aid Handbook* requires that an institution submit Federal Pell Grant disbursement records to the USDOE no later than 30 days after making a disbursement or becoming aware of the need to adjust a student's Pell Grant. LSUA did not submit all Pell Grant payment data for the fall 2007 and spring 2008 semesters to the USDOE within 30 days after making the disbursements. In a test of 12 student financial aid transactions, three were submitted from three to 123 days late.

- LSUA's management was unable to provide assurance that certain data reported in the Fiscal Operations Report and Application to Participate (FISAP) was properly calculated and supported by adequate documentation. Volume 6, Chapter 1 of the *Federal Student Aid Handbook* requires institutions to maintain financial records that reflect all campus-based program transactions and supports the school's application for campus-based funds. LSUA did not ensure that supporting documentation was maintained for Part II, line 24 of the FISAP and could not produce support that agreed to the amount reported.

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Federal Award Findings and Questioned Costs (Continued)

LSUA's management did not ensure that data was properly supported by adequate documentation and timely submitted as required by federal regulations. Failure to timely submit Pell payment data to the USDOE results in noncompliance with federal program requirements. Failure to maintain supporting documentation reduces the accuracy of reports and may result in noncompliance with federal program regulations.

LSUA's management should establish procedures to ensure that Pell disbursements are timely reported to the USDOE and should ensure that adequate documentation is maintained to support the accuracy of data included in all parts of the FISAP. Management concurred with the finding and outlined a plan of corrective action (B-98).

LOUISIANA TECHNICAL COLLEGE

F-08-ED-LTC-1 - Inadequate Control Over Pell Grant

Award Year: 2007 - 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.063 - Federal Pell Grant Program	

For the seventh consecutive year, the Louisiana Technical College (LTC) has inadequate internal control over refunds and returns of overpayments of the Federal Pell Grant Program (CFDA 84.063). The Code of Federal Regulations (34 CFR 668.22) requires that a refund of Pell funds be made as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew. Furthermore, 34 CFR 668.21 requires that an institution return overpayments resulting from Pell checks issued but not picked up by students who subsequently withdrew, dropped out, or were expelled before the first day of class. LTC policy requires each campus to submit a void form and the original check to be voided for each student that does not pick up his/her Pell check within 30 days of the check date.

Pell refunds and returns of overpayments are initiated at the individual LTC campuses and sent to the LTC Transition Office, who then credits the Pell account and remits the funds to the USDOE. In a review of all Pell refunds and voided Pell checks initiated during fiscal year 2008, we noted the following:

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Federal Award Findings and Questioned Costs (Continued)

- Of 217 refunds, 51 (24%) totaling $14,418 were not remitted to the USDOE until 46 to 484 days after the reported date of determination of the students' withdrawal for an average of 124 days.

- Of 353 voided Pell checks resulting from student withdrawals, 45 (13%) totaling $35,437 were not remitted to the USDOE until 47 to 306 days after the reported date of determination of the students' withdrawal for an average of 100 days. In addition, we noted that the reported date of determination of the students' withdrawal for six of these voided checks was 56 to 91 days after the check issue date for an average of 62 days.

- Of 80 Pell checks voided for campus errors and for students who never attended class, 29 (36%) totaling $28,544 were not remitted to the US DOE until 32 to 467 days after the checks were issued for an average of 83 days.

- For 64 voids and returns totaling $75,719, we were unable to determine timeliness of return because there was no date of determination provided on the return form.

Failure to adequately control Pell refunds and returns of overpayments has caused LTC to be in noncompliance with federal program requirements. Management of LTC should ensure that its policies are followed and that Pell refunds and returns of overpayments from void transactions are remitted timely to the USDOE. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-107).

LOUISIANA TECHNICAL COLLEGE, REGION 4

F-08-ED-LTC-REG4-1 - Weakness Over Return of Pell Grant Program Funds

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	
84.063 - Federal Pell Grant Program	**$625**

The LTC - Region 4 did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure that refunds for students who ceased attending class during the semester were sent back to the Louisiana Community and Technical College System (LCTCS)

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Federal Award Findings and Questioned Costs (Continued)

Office. The Code of Federal Regulations (Title 34, Chapter 668, Section 22) states that when a recipient of a Title IV grant withdraws from the institution during a payment period or period of enrollment, the institution must determine the amount of the Title IV grant that the student earned as of the student's withdrawal date. Section 22 (iii) (F) states that when a student ceases attendance at an institution that is required to take attendance, the student's withdrawal date is the last date of academic attendance as determined by the institution's attendance records. According to LTC policy, attendance is to be tracked and maintained for various reporting purposes.

During procedures performed on the Federal Pell Grant Program, one of 10 (10%) students tested ceased attending school during the semester and unearned funds totaling $625 were not refunded to LCTCS. The instructor did not inform the financial aid officer that the student ceased attending class. This is the second consecutive audit that we identified control weaknesses regarding Pell Grant refunds. Failure to maintain sufficient control over program refund requirements may subject the region to disallowed costs by the grantor agency. Questioned costs total $625.

Management should require all employees to adhere to program regulations and established procedures to ensure that the appropriate funds are returned when a student officially withdraws or ceases attending class. Management concurred with the finding and outlined corrective action (B-108).

UNIVERSITY OF LOUISIANA AT LAFAYETTE

F-08-ED-ULL-1 - Failure to Provide Proper Loan Notice

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
	None Noted

Student Financial Assistance Cluster:
84.032 - Federal Family Education Loans
84.038 - Federal Perkins Loan Program - Federal Capital Contributions

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Federal Award Findings and Questioned Costs (Continued)

The University of Louisiana at Lafayette (ULL) did not have procedures to provide notice each time a student's account is credited with Federal Family Education Loans (FFEL, CFDA 84.032) and Federal Perkins Loan Program - Federal Capital Contributions (FPL, CFDA 84.038). The Code of Federal Regulations [Title 34, Part 668.165(a)(2)] requires the institution to notify the student or parent of the anticipated date and amount of disbursement and the student's or parent's right to cancel all or a portion of the loan and have the loan proceeds returned to the holder of that loan when the institution credits a student's account at the institution with FFEL or FPL. In addition, the Code of Federal Regulations [Title 34, Part 668.165(a)(3)(i)] requires the notification to be provided no earlier than 30 days before and no later than 30 days after crediting the student's account at the institution.

For 13 of 20 (65%) students tested, ULL did not provide the student or parent with the required notification each time the student's account was credited with FFEL or FPL funds. As a result of not timely notifying the student or parent, ULL is in noncompliance with federal regulations.

Management should comply with federal regulations for timely loan notices to students or parents. Management concurred with the finding and outlined a plan of corrective action (B-150).

F-08-ED-ULL-2 - Untimely and Inaccurate Federal Reporting

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Reporting

	Questioned Costs
	None Noted

Student Financial Assistance Cluster:
- **84.007 - Federal Supplemental Educational Opportunity Grants**
- **84.032 - Federal Family Education Loans**
- **84.033 - Federal Work-Study Program**
- **84.063 - Federal Pell Grant Program**

ULL did not timely report Federal Pell Grant Program (CFDA 84.063) disbursement data to the USDOE through the Common Origination and Disbursement System (COD) and did not ensure that tuition and fees reported on the Fiscal Operations Report and Application to Participate (FISAP) were accurate. The Federal Register Vol. 73 No. 111 requires an institution to submit Pell disbursement records to COD no later than 30 days after making a Federal Pell Grant disbursement or becoming aware of the need to adjust a student's previously reported Federal Pell Grant disbursement. To apply for and receive funds from the USDOE for the campus-based programs (FFEL, CFDA 84.032), Federal Work-Study Program (CFDA 84.033), and Federal Supplemental Educational Opportunity Grants (CFDA 84.007), a school must submit a

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Federal Award Findings and Questioned Costs (Continued)

FISAP for each award year. Volume 6, Chapter 1 of the *Federal Student Aid Handbook* requires information reported on the FISAP to be accurate and verifiable.

- For 11 of 24 (46%) transactions reviewed, ULL did not report Pell data to COD within 30 days after making a Federal Pell Grant disbursement or becoming aware of the need to adjust a student's previously reported Federal Pell Grant disbursement. Nine transactions were reported five to 37 days late; one transaction was reported 62 days late; and one transaction was reported 181 days late.

- In Part II - Line 22 of the FISAP submitted on September 28, 2007, the tuition and fees amount was understated by $2,394,605. ULL excluded inter-session tuition and fees, the student union fee, and the student technology fee.

Data was not consistently entered into the Student Aid Management System, which is used to report payment data to COD. In addition, reports used by ULL to prepare the FISAP were not agreed to the ULL's financial information to ensure the reports were accurate and complete. Failure to report financial data to USDOE timely and accurately results in noncompliance with federal regulations.

Management should strengthen procedures to ensure that data is reported to USDOE timely and accurately to comply with federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-151).

F-08-ED-ULL-3 - Weakness in Collection Procedures Over Defaulted Loans

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
	None Noted

Student Financial Assistance Cluster:
84.038 - Federal Perkins Loan Program - Federal Capital Contributions

ULL did not perform certain collection procedures required by federal regulations over its defaulted loans for the Perkins Loan Program (CFDA 84.038). The Code of Federal Regulations [Title 34, Part 674.45(c)(1)] requires an institution to refer the loan account of a

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Federal Award Findings and Questioned Costs (Continued)

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.

Procedures performed on five defaulted loans revealed that for four (80%) of the defaulted loans, ULL was unsuccessful in converting the loan account to regular payment status after 12 months and did not refer the loans to a collection firm. The fifth defaulted loan was submitted to the collection firm untimely. ULL was unsuccessful in converting that loan account to regular payment status after 12 months and it should have been sent to a collection firm in October 2006. However, the loan was not referred to a collection firm until November 2008.

ULL does not have procedures in place to identify those loans that fail, which should be converted to regular repayment status 12 months after collection procedures are implemented. In addition, ULL did not refer any defaulted loans to a collection agency from June 2005 to November 2008. Failure to implement proper collection procedures increases the risk that ULL will not collect funds owed back to the university from the defaulted borrowers and could result in noncompliance with federal regulations.

Management should implement procedures over its defaulted loans in the Perkins Loan Program to ensure compliance with federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-152).

SUMMARY OF FINDINGS FROM OTHER EXTERNAL AUDITORS FOR THE YEAR ENDED JUNE 30, 2008

GRAMBLING STATE UNIVERSITY

Independent auditors performed an audit of the Grambling State University Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated December 19, 2008. The following findings were presented in their report.

F-08-ED-GSU-5 - Federal Work-Study

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

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Federal Award Findings and Questioned Costs (Continued)

	Questioned Costs
Student Financial Assistance Cluster:	**$3,068**
84.033 - Federal Work-Study Program	

Auditors noted the following conditions during the audit of the Federal Work-Study Program (CFDA 84.033):

- Eleven out of 15 students selected for testing worked while scheduled to be in class, resulting in excess wages paid totaling $503. This is the second consecutive year for this condition.

- For seven of 15 students tested, the hours reported on time sheets did not agree to the hours for which the students were paid. This condition is the result of maintaining duplicate time sheets, one manual and one electronic. Differences between the time sheets were not reconciled by student supervisors before the approval of student time sheets. Students were underpaid wages totaling $291. This is the second consecutive year for this condition.

- Two students out of 15 tested received college work study in excess of the amount awarded resulting in excess wages paid of $2,565.

- One of 15 student time sheets tested was not properly signed by the student.

- One student out of 15 tested worked in excess of the required number of hours allowed per week.

Recordkeeping requirements [34 CFR 675.19(b)] cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly. Student supervisors did not properly adhere to established university procedures which require personnel to reconcile fiscal records on a monthly basis and to ensure that students do not receive federal work-study payments in excess of amounts earned. Auditors questioned costs totaling $3,068.

The auditors recommended that management of the university establish policies and procedures that require student supervisors to monitor the work schedule of their student workers, ensure that students are not working while scheduled to be in class, ensure that students do not work in excess of the allowed number of hours per week, and ensure that manual time sheets agree to electronic time sheets. Auditors also recommended that procedures be followed by financial aid personnel to ensure that students do not work more than the time allowed by the students' awards. Actual time worked by students should be compared to amounts awarded on a monthly basis. Management concurred with the finding and provided a corrective action plan (B-37).

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STATE OF LOUISIANA
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Federal Award Findings and Questioned Costs (Continued)

F-08-ED-GSU-6 - Student Eligibility

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Eligibility

	Questioned Costs
	None Noted

Student Financial Assistance Cluster:
84.032 - Federal Family Education Loans
84.063 - Federal Pell Grant Program

Auditors reported the results of an internal audit performed at the request of the university president to determine the propriety of allegations regarding possible misappropriations of federal financial aid awards administered by the university's Student Financial Aid (SFA) Office. The awards were from the Federal Pell Grant Program (CFDA 84.063) and the FFEL Program (CFDA 84.032). The internal audit reported the following conditions for one out of six students tested. The student was a relative of the SFA director of the university.

- The student was awarded two academic scholarships requiring a 3.0 grade point average, but the Registrar's official records reflected a 2.54 grade point average.

- The student had an in-state residency status but was an out-of-state transfer student. The university's admissions office accepted a Louisiana Residency Application and granted the in-state residency without adequate documentation. The student indicated on the application that she lived with the SFA director, and she was her "guardian." However, the student did not live with the SFA director, and she was not her legal guardian. The residency status reported resulted in an increase in the student's cost of attendance which allowed the student to receive additional Title IV aid that the student would not have otherwise been able to receive.

- The student incorrectly completed a Free Application for Federal Student Aid stating that she was an "orphan or ward of the court"; however, the student admitted that the information was incorrect.

- Before disbursement of the aid, the Dependency Override Committee did not review or approve the student's request for classification as an independent student before the beginning of the semester.

- The student was given an increase in the cost of attendance budget for transportation costs for the fall of 2007 although the student was not enrolled.

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- The SFA director made entries to the relative's financial aid records without explanations.

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance Programs, Section III, Part E - Eligibility stipulates that the determination of SFA award amounts is based on financial need. Financial need is generally defined as the student's cost of attendance minus financial resources reasonably available. The costs reasonably necessary for the student's attendance include any special needs and obligations which directly affect the student's ability to attend the school. The school must document the criteria used for determining these costs. In addition, 34 CFR Section 668.55 stipulates that if an applicant's dependency status changes after the applicant applies to have his or her expected family contribution calculated for an award year, the applicant must file a new application for that award year reflecting the applicant's new dependency status regardless of whether the applicant is selected for verification. Any recipient of a scholarship should meet the requirements of the scholarship.

The cause of the conditions reported by the internal auditor was that the SFA director abused her authority, but no costs were questioned as a result of the audit. Management returned all funds in question and canceled all scholarships. The conditions reported as described previously caused the university to be in violation of Title IV regulations.

The auditors recommended that the SFA Office adopt a policy that does not allow employees to process financial aid for relatives or post transactions to their accounts. Employees should also be required to disclose when a relative is attending the university. Management concurred with the finding and provided a corrective action plan (B-39).

F-08-ED-GSU-7 - Verification

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	
84.032 - Federal Family Education Loans	**$15,715**
84.063 - Federal Pell Grant Program	**9,145**
	$24,860

The auditors noted that information for four students out of 25 tested was not verified, conflicted with the verified documentation, or the required signatures were not obtained.

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OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance Programs, Section III, Part N - Special Tests and Provisions stipulate that written policies and procedures are required to be established by the university for verifying applicant information. The policies and procedures should incorporate the provisions of 34 CFR sections 668.51 through 668.61. Information should be verified as specified in 34 CFR Section 668.56 for each application selected by the central processor based on edits specified by the USDOE.

The financial aid counselors failed to properly ensure that all required verifiable information was correct and that all required signatures were obtained before awarding and disbursing financial aid. As a result, the university disbursed financial aid to students who had not completed the verification process and the auditors questioned costs totaling $24,860 (Federal Pell Grant Program - CFDA 84.063 - $9,145 and FFEL Program - CFDA 84.032 - $15,715).

The auditors recommended that the financial aid counselors adhere to established procedures which require that all verification information is obtained and verified before the disbursement of financial aid to students. Management concurred with the finding and provided a corrective action plan (B-36).

SOUTHERN UNIVERSITY AND A&M COLLEGE (BATON ROUGE)

Independent auditors performed an audit of the Southern University and A&M College (Baton Rouge) Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated January 30, 2009. The following findings were presented in their report.

F-08-ED-SUBR-1 - Davis Bacon

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Davis Bacon

	Questioned Costs
84.031 - Higher Education - Institutional Aid	**None Noted**

The auditors noted that the university did not have procedures in place to monitor for compliance with the requirements of the Davis-Bacon Act when a construction project is funded with federal dollars of the Higher Education - Institutional Aid Program (CFDA 84.031).

OMB Circular A-133 *Compliance Supplement*, Part 3, Section D stipulates that when required by the Davis-Bacon Act, the U.S. Department of Labor's (USDOL) government-wide implementation of the Davis-Bacon Act, or by federal program legislation, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in

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Federal Award Findings and Questioned Costs (Continued)

excess of $2,000 financed by federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the USDOL [40 USC 3141-3144, 3146, and 3147 (formerly 40 USC 276a to 276a-7)]. The university failed to have procedures in place that required grant personnel to notify plant personnel when grant funds are to be used for construction or renovation purposes resulting in noncompliance with the Davis-Bacon compliance requirement.

The auditors recommended that the university implement procedures to require grant personnel to notify management when construction or renovation projects are funded with federal funds. Management provided a corrective action plan (B-139).

F-08-ED-SUBR-2 - Federal Work-Study

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.033 - Federal Work-Study Program	

The auditors noted that the university's existing internal control over the requirements of the Federal Work-Study Program (CFDA 84.033) did not completely prevent supervisors from allowing students to work while scheduled to be in class.

Recordkeeping requirements [34 CFR 675.19(b)] cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly. The university did not properly adhere to established federal regulations and university procedures that require university personnel to ensure that students do not work while scheduled to be in class.

The auditors recommended that management of the university conduct workshops with work-study supervisors stressing the importance of ensuring that students do not work while scheduled to be in class. The auditors also recommended that procedures be implemented that require work-study supervisors to compare student's class schedule with student sign in-sheets. Management provided a corrective action plan (B-139).

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Federal Award Findings and Questioned Costs (Continued)

SOUTHERN UNIVERSITY AT NEW ORLEANS

Independent auditors performed an audit of the Southern University at New Orleans Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated January 30, 2009. The following findings were presented in their report.

F-08-ED-SUNO-1 - Entrance Counseling

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.032 - Federal Family Education Loans	

The auditors noted that two out of seven students tested were first-time borrowers and received a loan from the FFEL Program (CFDA 84.032) without having an entrance counseling session.

Title IV regulations [34 CFR 682.604(f)] stipulate that a school must ensure that initial counseling is conducted with each Stafford Loan borrower either in person, by audiovisual presentation, or by interactive electronic means before its release of the first disbursement. Entrance counseling is not required if the student borrower has received a prior Federal Stafford, Federal Supplemental Loan for Students, or Direct subsidized or unsubsidized loan. The university did not adhere to Title IV regulations ensuring that all students who were first-time borrowers received entrance counseling before receiving the loan proceeds.

The auditors recommended that management of the university take immediate steps to ensure that entrance counseling is administered to all recipients before their first loan disbursement. Management provided a corrective action plan (B-141).

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

F-08-ED-SUNO-2 - Federal Work-Study

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.033 - Federal Work-Study Program	

During an audit of the Federal Work-Study Program (CFDA 84.033), the auditors noted the following conditions:

- Seven out of 10 students tested worked while scheduled to be in class.
- Seven out of 10 students tested reported hours on a time sheet that did not agree to the hours paid.

Recordkeeping requirements [34 CFR 67.19(b)] cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly. The university was not in compliance with federal regulations and established university procedures that require university personnel to reconcile fiscal records on a monthly basis and to ensure that students do not work while scheduled to be in class.

The auditors recommended that management of the university adhere to established policies and procedures regarding the work-study program. Management provided a corrective action plan (B-142).

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

F-08-ED-SUNO-3 - Student Credit Balance

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
	None Noted

Student Financial Assistance Cluster:
84.032 - Federal Family Education Loans
84.063 - Federal Pell Grant Program

For the third consecutive year, auditors noted that students participating in the FFEL Program (CFDA 84.032) or the Federal Pell Grant Program (CFDA 84.063) had student financial aid credit balances. For 32 out of 50 students tested, the university did not refund the credit balances to the students within the prescribed 14-day requirement.

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 [34 CFR 668.164(e)] specify that whenever a school credits Student Financial Assistance program funds to a student's account and those funds exceed the student's allowable charges, a Student Financial Assistance credit balance occurs. The school is required to 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 university did not adhere to Title IV regulations ensuring that students received their refund checks within the prescribed time frame.

The auditors recommended that management of the university take immediate steps to ensure that students receive their refund checks within the required time frames as required by Title IV regulations. Management provided a corrective action plan (B-141).

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

F-08-ED-SUNO-4 - Student Status Confirmation Report

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Reporting

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.032 - Federal Family Education Loans	

For the second consecutive year, the auditors noted that the enrollment status was not properly reported on the student status confirmation reports for three students out of 10 tested that participated in the FFEL Program (CFDA 84.032).

Title IV regulations [34 CFR 682.610(c)(i)(ii)(iii)] stipulate that the university must notify the guarantee agency if a university discovers that a Stafford, Supplemental Loan for Students, or Federal Parent Loan (PLUS) loan has been made to or on behalf of a student who

(1) is enrolled at that school, but has ceased to be enrolled on at least a half-time basis;

(2) has been accepted for enrollment at that school but failed to enroll on at least a half-time basis for the period for which the loan was intended; or

(3) is a full-time student who has ceased to be enrolled on a full-time basis.

The university did not properly report the student's enrollment status to the guarantee agency as required.

The auditors recommended that the university determine the student's proper enrollment status and report the accurate status to the guarantee agency. Management provided a corrective action plan (B-141).

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

F-08-ED-SUNO-5 - Verification

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	
84.032 - Federal Family Education Loans	**$3,500**
84.063 - Federal Pell Grant Program	**7,870**
	$11,370

The auditors noted that verification information conflicted with the verified documentation for two of 28 students tested participating in the FFEL Program (CFDA 84.032) or the Federal Pell Grant Program (CFDA 84.063).

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance Programs, Section III, Part N - Special Tests and Provisions stipulates that the university is required to establish written policies and procedures that incorporate the provisions of 34 CFR 668.51 through 668.61 for verifying applicant information. The university shall require each applicant whose application is selected by the central processor, based on edits specified by the USDOE, to verify the information specified in 34 CFR 668.56. The university did not properly ensure that all required verifiable information was correct before awarding and disbursing financial aid and disbursed financial aid to students who had not completed the verification process. The auditors questioned costs totaling $11,370 (FFEL - $3,500 and Pell - $7,870).

The auditors recommended that management of the university adhere to established procedures to ensure that all verification information is obtained and verified before disbursing financial aid. Management provided a corrective action plan (B-140).

SOUTHERN UNIVERSITY AT SHREVEPORT-BOSSIER CITY

Independent auditors performed an audit of the Southern University at Shreveport-Bossier City Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2008, and have issued their report thereon dated January 30, 2009. The following findings were presented in their report.

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

F-08-ED-SUSH-1 - Federal Work-Study

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

	Questioned Costs
Student Financial Assistance Cluster:	**$2,905**
84.033 - Federal Work-Study Program	

During an audit of the Federal Work-Study Program (CFDA 84.033), the auditors noted the following conditions:

- Three out of 10 students tested received college work study in excess of the amount awarded. Excess wages were paid totaling $923.
- For eight out of 10 students tested, total hours per the time sheet did not agree to the total hours paid. The total amount underpaid to students was $198.
- Nine out of 10 students tested worked while scheduled to be in class. Wages totaling $2,180 were paid to students working while scheduled to be in class.

Recordkeeping requirements [34 CFR 675.19(b)] cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly. The university did not comply with federal regulations and established university procedures that require university personnel to reconcile fiscal records on a monthly basis and to ensure that students do not receive federal work-study payments in excess of amounts earned. Auditors questioned costs totaling $2,905.

The auditors recommended that management of the university adhere to established policies and procedures regarding the work-study program. Management has provided a corrective action plan (B-145).

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

F-08-ED-SUSH-2 - Return of Title IV Funds

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**None Noted**
84.007 - Federal Supplemental Educational Opportunity Grants	
84.032 - Federal Family Education Loans	
84.063 - Federal Pell Grant Program	

For the second consecutive year, auditors noted the following conditions in the Federal Supplemental Educational Opportunity Grant Program (CFDA 84.007), the FFEL Program (CFDA 84.032), and the Federal Pell Grant Program (84.063):

- Twelve students had a Pell grant overpayment in the prior year that was required to be returned by the student before any additional Title IV aid could be disbursed to the student in the current year. The university did not properly report the student's grant overpayment to the USDOE, and the auditors were unable to verify that the grant overpayments were returned by the student.

- For 19 out of 20 students tested, funds were not returned by the university within the prescribed 45-day period as required.

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance, 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 amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame. The university failed to comply with Title IV regulations and established procedures in processing certain refunds.

The auditors recommended that management immediately prepare the return of Title IV funds calculation and return the funds to the USDOE. Management concurred with the finding and recommendation and provided a corrective action plan (B-144).

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

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ECONOMIC DEVELOPMENT, DEPARTMENT OF

F-08-HHS-DED-1- Noncompliance With Temporary Assistance for Needy Families - MicroEnterprise Development Program Requirements

Award Year: 2007-2008
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles, Eligibility, Subrecipient monitoring

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**$2,680**

The Department of Economic Development (DED) did not comply with the regulations for administering the Temporary Assistance for Needy Families Program (TANF, CFDA 93.558). DED uses TANF funds to support its MicroEnterprise Development (MED) program. TANF regulations require that a participant parent's eligibility be verified by his/her child's birth certificate, adoption papers, baptism certificate, or some other form of documentation. The Memorandum of Understanding between DED and DSS also requires that DED reimburse MED contractors for each hour of participant class attendance and that DED site visits to contractors be performed at least quarterly.

Procedures performed on the TANF Program disclosed the following conditions:

- Two of seven participants (29%) tested were not eligible for the TANF MED program. Questioned costs totaled $1,025.
- Three of 18 participants (17%) tested did not attend all the required class hours and the contractors were overpaid $304 for class hours that the participants did not attend. While performing this test, additional overpayments totaling $1,351 were noted for class hours that 15 participants did not attend. Questioned costs totaled $1,655.
- DED did not perform quarterly site visits on three of five contractors (60%) tested.
- For two of 18 participants (11%) tested, payments were made to contractors prior to the supporting documentation being received and reviewed by DED.

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

DED has not placed sufficient emphasis to ensure that contractors submit adequate supporting documentation; the supporting documentation is reviewed prior to invoice payment; payments are made for actual class attendance; and quarterly site visits are conducted. These deficiencies increase the risk of ineligible client participation and unallowable costs. Adequate monitoring is needed to ensure that errors and/or fraud are prevented or detected timely.

DED management should comply with TANF/DSS regulations and strengthen controls to increase program efficiency. Management concurred in part with the finding and provided plans of corrective action (B-8).

EXECUTIVE DEPARTMENT - GOVERNOR'S OFFICE OF COMMUNITY PROGRAMS

F-08-HHS-EXEC-2 - Inadequate Controls Over the Temporary Assistance to Needy Families Program

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Activities allowed or unallowed

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**None Noted**

The Governor's Office of Community Programs does not have adequate control procedures over the TANF (CFDA 93.558) to ensure that requests for reimbursements are accurate and in compliance with program requirements before submitting those requests to DSS for payment to compliant schools. The Memorandum of Understanding (MOU) between DSS Office of Family Support and the Governor's Office of Community Programs states that compliant schools will be reimbursed a minimum of $500 and a maximum of $600 per month per student depending on classroom staff qualifications provided the student attends 74% of all classes for the month.

Of 24 requests for reimbursements reviewed, three (12.5%) were calculated based on incorrect student attendance resulting in underpayments to the schools totaling $2,175.

The Governor's Office of Community Programs has not placed sufficient emphasis on the review of requests for reimbursements to ensure that the reimbursements are made correctly and in compliance with program requirements. Failure to properly review requests for reimbursement before submission to DSS for payment increases the risk that fraud and/or errors could occur and not be detected and subjects the Governor's Office of Community Programs to noncompliance with the MOU.

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STATE OF LOUISIANA
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Federal Award Findings and Questioned Costs (Continued)

Management should establish procedures to ensure that all requests for reimbursement are reviewed for accuracy before submission to DSS for payment. Management concurred with the finding and recommendation and implemented a plan of corrective action (B-34).

HEALTH AND HOSPITALS, DEPARTMENT OF

F-08-HHS-DHH-1 - Improper Claims by Long Term Personal Care Services Providers

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	
93.778 - Medical Assistance Program	**$5,632**
State Funds	**2,450**
	$8,082

The Department of Health and Hospitals (DHH) paid Medical Assistance Program (Medicaid, CFDA 93.778) claims for Long Term Personal Care Services (LT-PCS) that were not in accordance with established policies and procedures. DHH has established LT-PCS as an optional service under the Medicaid State Plan. DHH policies and procedures require that a plan of care for each recipient be developed, approved, and followed by the LT-PCS providers. The plan of care specifies the units of service to be provided each week. Providers are to maintain time sheets and progress notes for all units of service provided.

Audit procedures performed on 438 claims totaling $133,067 that were paid to three LT-PCS providers during calendar year 2007 identified 47 errors (10.7%). The errors included the following:

- For 33 of 438 claims (7.5%), appropriate units of service were not delivered according to the plan of care. This error was noted for two of three providers tested.

- For 31 of 438 claims (7.1%), the provider did not maintain adequate documentation of the units of service provided. Audit procedures identified time sheets without time shift(s) noted and time sheets with LT-PCS units mislabeled

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Federal Award Findings and Questioned Costs (Continued)

as waiver units and vice versa that made it difficult to determine LT-PCS hours. This error was noted for all three providers tested.

- For 31 of 438 claims (7.1%), the provider billed for more units than those worked. Providers were unable to provide time sheets to substantiate the units billed for the service dates on the claim. This error was noted for all three providers tested.

- For nine of 117 claims (7.7%), the provider did not maintain standardized weekly LT-PCS service logs. The logs are a requirement for all claims with service dates of November 1, 2007, and after.

These conditions occurred because DHH paid LT-PCS claims even though the providers failed to follow established DHH policies and regulations for providing services according to the plan of care and did not adequately document those services. Known questioned costs are $8,082, which include $5,632 of federal funds and $2,450 of state matching funds.

DHH management should establish, implement, and enforce adequate controls to ensure that only appropriate claims for LT-PCS services are paid to providers. Management concurred with the finding and outlined a plan of corrective action (B-48).

F-08-HHS-DHH-2- Improper Payments to Non-Emergency Medical Transportation Service Providers

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	**$10,968**
93.778 - Medical Assistance Program	

DHH paid claims to providers of Non-Emergency Medical Transportation (NEMT) for services billed to the Medical Assistance Program (CFDA 93.778) that were not provided in accordance with established policies. NEMT is defined as transportation provided for Medicaid recipients to and/or from a provider of Medicaid covered services. The NEMT program's *Provider Manual* requires the following:

- Providers maintain copies of all Recipient Verification of Medical Transportation Forms (Form MT-3) as documentation of all trips provided.

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STATE OF LOUISIANA
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Federal Award Findings and Questioned Costs (Continued)

- Providers maintain copies of the Driver Identification Form (MT-8) for each driver. The form is to be completed when drivers are hired and annually thereafter for all current drivers.

- Providers maintain copies of the Vehicle Inspection Form (MT-9) for each vehicle used. The form is to be completed on each vehicle before the vehicle can be used and annually thereafter.

- Providers maintain a daily schedule of transports.

- Effective July 1, 2007, providers bill for capitated (monthly) services at the end of the month. Before July 1, 2007, providers were allowed to bill for capitated (monthly) services at the beginning of the month before any services had been provided. This allowed providers to be paid for services that may not have been provided.

A review of 94 claims totaling $20,683 paid to four providers during calendar year 2007 identified errors for all four providers. The errors noted included the following:

- For 42 of 94 claims (45%), the providers did not maintain adequate documentation of the trips provided. In particular, providers could not provide completed copies of MT-3's to substantiate all trips approved under capitated (monthly) rates. Questioned costs totaled $7,992.

- For 12 of 94 claims (13%), the providers were approved to transport recipients to and/or from a non-Medicaid provider. The total amount paid for these 12 claims was $5,150. Of this amount, $2,174 was already questioned above because of inadequate MT-3 documentation. Questioned costs totaled $2,976.

- For 38 of 94 claims (40%), the providers billed for capitated (monthly) trips before month end. Twelve of the 38 claims (32%) were for service dates after July 1, 2007.

- All four providers tested did not maintain a daily schedule of transports and adequate documentation to support vehicle certifications (MT-9) in their records.

- Three of the four providers did not maintain adequate documentation to support the driver's identification (MT-8) in their records.

These conditions occurred because NEMT providers failed to follow established DHH Bureau of Health Services Financing policies and regulations for providing services and adequately documenting those services, and DHH controls were inadequate in detecting these exceptions. Questioned costs are $10,968, which includes $7,643 of federal funds and $3,325 of state matching funds.

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Federal Award Findings and Questioned Costs (Continued)

DHH management should establish, implement, and enforce adequate controls to ensure that only appropriate claims for NEMT are paid to providers. Management concurred with the finding and outlined a plan of corrective action (B-51).

F-08-HHS-DHH-3 - Improper Payments to Waiver Services Providers

Award Year: 2008
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed,
Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	**None Noted**
93.778 - Medical Assistance Program	

For the second consecutive year, DHH paid Medical Assistance Program (CFDA 93.778) claims for waiver services that were not in accordance with established policies. Waiver services are provided to eligible recipients under the New Opportunities Waiver and the Elderly and Disabled Adult Waiver. These services include individualized and family supports 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. These regulations include providing services consistent with the approved comprehensive plan of care and maintaining adequate documentation to support services billed.

In a test of 615 claims totaling $574,688 filed by six providers for 40 recipients during calendar year 2007, 130 errors (21%) were noted. The errors noted included the following:

- For 129 claims, weekly hours of service were not delivered according to the plan of care approved by DHH. The plan of care specifies the units of service to be provided each week. The recipient record did not contain documentation as to why the services were not provided according to the plan of care.

- For seven claims, the providers did not maintain time sheets and/or progress notes to support and describe the services provided and the units of service billed.

These conditions occurred because DHH paid waiver services claims even though providers failed to follow established DHH policies and regulations for providing services according to the plan of care and adequately documenting those services.

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

DHH should establish, implement, and enforce adequate controls to ensure that only appropriate claims for waiver services are paid to providers in accordance with departmental policies and federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-53).

F-08-HHS-DHH-4 - Inadequate Internal Control Over Cooperative Endeavor Agreements

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Other

	Questioned Costs
93.779 - Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	**$335,000**

DHH failed to establish and enforce adequate internal control over the cooperative endeavor agreements for payments to medical professionals under the Professional Workforce Supply Grant - GNO Health Service Corps Program (CFDA 93.779). The DHH undersecretary identified four agreements where the signature attributed to him was not his signature and appeared to be a forgery. Good internal control and Louisiana law require that adequate supervision and approval processes be established over cooperative endeavor agreements to ensure that agreements are legally enforceable, and payments are authorized only after both parties are obligated to perform under the agreement. If the party contracting with the state is not obligated to perform under the agreement, the payment may be considered gratuitous and would possibly violate Louisiana Constitution, Article VII, Section 14(A), which prohibits donation of state funds. R.S. 14:72 prohibits forgery.

DHH management identified 10 cooperative endeavor agreements, totaling $335,000, in which the signature of one or both parties was questionable and did not match the signatures from the same individuals on other agreements located in the contract file. The DHH undersecretary identified four of those agreements in which the signature attributed to him was not his signature and appeared to be a forgery.

DHH failed to ensure that employees processing the cooperative endeavors were obtaining valid signatures on the agreement from both parties before payments were made under the agreement. Since these 10 identified cooperative endeavor agreements may not legally bind both parties to perform under the agreement, the payments made under these agreements may not be valid and represent questioned costs totaling $335,000. DHH is performing extensive reviews on cooperative endeavor agreements to identify those with questionable signatures and is taking corrective action on those agreements that are identified as questionable.

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Federal Award Findings and Questioned Costs (Continued)

DHH management should establish and enforce adequate internal control over cooperative endeavor agreements to ensure that the agreements include valid signatures from the appropriate parties. DHH should seek the advice of the attorney general and the district attorney as to legal remedies to the possible forgery. Management concurred with the finding and outlined a plan of corrective action (B-56).

F-08-HHS-DHH-5 - Inappropriate Access to the Medicaid Eligibility Data System

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Eligibility

	Questioned Costs
Medicaid Cluster:	**None Noted**
93.778 - Medical Assistance Program	

DHH failed to develop and implement adequate internal control over access to the Medicaid Eligibility Data System (MEDS). MEDS is an integral component for processing claims and payments for the Medical Assistance Program (Medicaid, CFDA 93.778). Good internal control over information technology requires a segregation of duties that restricts programmers from performing incompatible duties including performing end user functions, migrating program changes directly to production, or having access to the security application for the production files. In addition, management should receive and periodically review security reports to determine that all access and related privileges are appropriate and driven by business need.

Since DHH does not have a mainframe computer, the MEDS application resides on a mainframe computer that is owned and maintained by another state agency, DSS. The security software program on the DSS mainframe, RACF, is maintained, controlled, and understood by DSS personnel, not DHH personnel. Complete and comprehensive security reports for the MEDS application user IDs and associated rights have not been readily available to DHH management who is responsible for the transactions.

A review of MEDS security and access revealed the following concerns:

- Seventeen users with access to MEDS were not shown on the RACF security report, which means their actions would not be reflected in this report. Of these, nine user IDs were assigned to MEDS contract programmers, six were assigned to DHH programmers, and two were assigned to database administrators. Based on user groups attached to these user IDs, users could perform update functions for Medicaid production data.

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Federal Award Findings and Questioned Costs (Continued)

- Forty users with access to the RACF security application possessed rights to alter MEDS production data files, including files that interface daily with the Medicaid Management Information System, which are incompatible functions. These RACF users included 14 MEDS contractors, 14 DHH programmers, 2 DHH database administrators, 1 DSS administrator, and 9 DSS production control employees.

- Thirty-two users had access to perform security administrator functions in MEDS. Of these, only four were charged with security administrator functions. The remaining 28 users were either application programmers or Medicaid management personnel. These 28 users were also assigned to transaction groups that are normally granted to functional users of MEDS. This incompatible access would allow programmers to make changes to production data through transactions in MEDS.

Unauthorized or inappropriate system access could adversely affect the integrity and confidentiality of MEDS data. The ability of programmers to migrate changes into production without approval or independent review could allow unauthorized changes to the production environment and misappropriations and/or errors may not be readily detected.

DHH management should establish controls to ensure that access to MEDS is appropriate and given only for a valid business need and that system programmers are restricted from incompatible duties, including migrating program changes to production without authorization and review. In addition, DHH management should obtain access to reliable security reports and perform a periodic review of all user IDs. Management provided corrective action plans for each of the finding recommendations (B-57).

F-08-HHS-DHH-6 - Ineffective Medicaid Eligibility Quality Control System

Award Year: 2008
Award Number: 05-0805LA5028
Compliance Requirement: Eligibility

	Questioned Costs
Medicaid Cluster:	**None Noted**
93.778 - Medical Assistance Program	

For the third consecutive year, DHH did not operate its Medicaid Eligibility Quality Control (MEQC) system in accordance with the guidelines approved by the Centers for Medicare and Medicaid Services (CMS). States are required to operate a MEQC system that redetermines eligibility for individual sampled cases of beneficiary eligibility made by the state Medicaid agencies or their designees in accordance with the requirements in 42 CFR 431.800 through 431.865. DHH is operating a MEQC pilot project approved by CMS that allows the department

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

to perform targeted or focused reviews. The pilot project requires DHH to perform a total of 220 reviews per month, including 80 negative reviews. A negative review is consideration of a case with negative case action--meaning action to deny, suspend, or terminate Medicaid eligibility. DHH policy for MEQC requires assignment of review samples within one to two months depending on case type. DHH policy for MEQC also requires that reviews be completed within 45 days after the review sample has been identified.

In a test of 60 cases assigned for MEQC review, the following were identified:

- Five cases (8%) were not reviewed by the MEQC within 45 days as required by DHH policy. The reviews were completed 13 to 74 days late.
- Twelve cases (20%) were not assigned for review within one to two months as required by DHH policy. The cases were assigned one to two months late.
- Three cases (5%) were not reviewed by MEQC.

Audit procedures also noted that DHH MEQC did not perform any of the monthly negative MEQC reviews for April 2008 through September 2008, resulting in an additional 477 cases not reviewed.

Although DHH is required to operate a MEQC system, the department failed to assign sufficient personnel to perform the reviews required by the system. Failure to operate the MEQC system in accordance with the guidelines approved by CMS results in noncompliance with federal regulations and may allow incorrect eligibility determinations to go undetected. Therefore, payments may be made for recipients who are not Medicaid eligible.

DHH should ensure that eligibility reviews are performed in accordance with the approved pilot project for the MEQC system and should assign sufficient personnel to perform all required reviews timely. Management concurred with the finding and outlined corrective action (B-60).

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

LABOR, DEPARTMENT OF

F-08-HHS-LABR-5 - Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**None Noted**

For the fourth consecutive year, the Department of Labor (DOL) has not performed adequate monitoring reviews of its subrecipients of the Strategies to Empower People (STEP) Program, a sub-program of the TANF Program (CFDA 93.558). In accordance with OMB Circular A-133 and the MOU between DOL and DSS, DOL is required to conduct annual on-site reviews of each of its subrecipients that carry out the STEP Program activities. These reviews should include all applicable OMB Circular A-133 compliance requirements and all program and administrative requirements of the MOU.

Our tests of the 17 STEP Program subrecipients disclosed that all 17 subrecipients tested (100%) had not been monitored as of September 30, 2008, as follows:

- Nine subrecipients (53%) had not been monitored within the last 15 to 24 months.
- Eight subrecipients (47%) had not been monitored within the last 30 to 49 months.

Management has not ensured that its staff is adequately performing subrecipient reviews. Failure to adequately monitor STEP subrecipients results in the department's noncompliance with federal regulations and with the MOU and increases the risk that funds may not be expended in accordance with program requirements.

Management of the department should ensure that subrecipient monitoring procedures for the STEP Program are done annually and include all applicable requirements of OMB Circular A-133 and the MOU between DOL and DSS. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-88).

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Federal Award Findings and Questioned Costs (Continued)

SOCIAL SERVICES, DEPARTMENT OF

F-08-HHS-DSS-3 - Child Care Cluster: Noncompliance With Program Requirements

Award Year: 2007-2008
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles, Eligibility

	Questioned Costs
CCDF (Child Care) Cluster:	**$54,598**
93.575 - Child Care and Development Block Grant	
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	

For the fourth consecutive year, DSS 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. 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 grant provisions. Proper administration would include controls for ensuring expenditures are supported by adequate documentation and eligibility criteria are met.

Audit procedures performed on the child care cluster disclosed the following:

- For 43 of 45 (95.6%) invoices tested, the agency did not maintain sufficient documentation to support the invoice payments. For all 40 child care provider invoices tested, DSS, by policy, did not obtain attendance logs to verify the number of days present and absent on the child care invoices. In addition, in three of five (60%) contract payments reviewed, DSS did not obtain sign-in sheets to support the number of attendees at training programs or did not obtain visit logs to support the number of technical assistance visits made to child care facilities. Questioned costs totaled $52,320.

- For five of 30 (16.7%) children tested, case files did not have documentation verifying the child was age-appropriately immunized in accordance with 45 CFR 98.41(a)(1)(i), Section 6.7 of the State Plan and department policy number 08.B-710. Documentation obtained subsequently indicated that two of the five children were not age-appropriately immunized. Questioned costs for the two children totaled $320, which is included in the questioned cost amount noted above.

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During 2008, the DSS Contract Accountability Review Team (CART) conducted 64 on-site reviews on "Class A" child care providers. For each on-site review, CART selected a sample of approximately five children and compared the attendance logs to the invoiced days for the sampled children. In 10 of the 20 CART on-site reviews that we reviewed, CART identified overpayments to providers because invoiced days did not agree with the attendance logs. However, DSS did not take sufficient action to recover overpayments for seven of the 10 cases. Questioned costs totaled $2,278.

DSS procedures for validating provider reimbursement requests are deficient as the children's attendance is not verified to supporting documentation (attendance logs) before a payment is made. The program included over 3,850 providers that received reimbursements totaling in excess of $110,982,000 during the fiscal year ended June 30, 2008. Considering the agency did not obtain attendance logs to verify invoiced attendance, the risk exists that significant amounts may not be adequately supported, which increases the risk of error, fraud, and/or abuse. In addition, control procedures established for verification of immunization and recovery of provider overpayments were not followed.

DSS management should improve its review and monitoring procedures to ensure provider reimbursement requests are accurate and supported. In addition, DSS personnel should follow established control procedures over verifying immunization and collecting provider over-payments. Management concurred in part with the finding and outlined plans of correction action. In regard to the child care provider invoices, management noted that attendance logs are not required to be submitted with the providers' invoices although providers are required to maintain the attendance logs on-site. See management's response at B-113.

Additional Comments: We acknowledge that DSS policies do not require child care providers to submit attendance logs with their invoices; however, DSS management has not established sufficient internal control to verify that the invoices are supported by adequate documentation. Because DSS management does not require the submission of the attendance logs, management relies instead on the CART reviews to monitor the child care providers. However, as noted in the finding, DSS, including its parish offices, is not taking sufficient action to follow up on the findings of the CART reviews and, therefore, that is not an effective monitoring function to ensure provider reimbursement requests are accurate and supported.

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F-08-HHS-DSS-4 - Foster Care - Title IV-E: Noncompliance With Program Requirements

Award Year: 2008
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Eligibility

	Questioned Costs
93.658 - Foster Care - Title IV-E	**$24,434**
State Funds	**9,282**
	$33,716

For the fourth consecutive year, DSS did not comply with certain requirements for administering the Foster Care - Title IV-E Program (CFDA 93.658). 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 provisions of contracts or grant agreements. R.S. 46:1408 states the department shall issue a Class A license to a facility or agency upon establishment of the fact that minimum requirements for a license as established by the department are met and other state and local laws and regulations have been met.

Audit procedures performed on the Foster Care - Title IV-E Program disclosed the following conditions:

- Two of eight (25%) clients tested were placed in childcare institutions or residential facilities that were fully licensed despite not meeting minimum licensing requirements, including licensing requirements that directly affect safety considerations. The Federal Administration for Children and Families (ACF) policy manual states that a childcare institution becomes eligible for Title IV-E funding when it comes into full compliance with the state's licensing requirements. The DSS Office of the Secretary, Bureau of Licensing is responsible for issuing Class A licenses to childcare facilities housing foster care children.

- Two of 21 (10%) foster care expenditures tested were not properly authorized. The service authorization form was not properly approved or the form was not found in the client's file.

- One of 21 (5%) foster care expenditures tested was made for a time period when the client was not eligible to receive those benefits.

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DSS Office of Community Services personnel did not consistently follow program regulations and existing procedures in the administration of the Foster Care - Title IV-E Program. In addition, the department failed to consistently follow departmental regulations in providing Class A licenses to facilities housing foster care children. Failure to follow adequate control procedures to ensure compliance with federal regulations may result in disallowed costs. As a result of the exceptions noted previously, questioned costs totaled $33,716 ($24,434 - federal funds and $9,282 - state funds).

DSS management should require all employees to adhere to program regulations and established procedures in administering the Foster Care - Title IV-E Program. In addition, management should ensure all fully licensed child care institutions meet minimum standards. Management concurred in part with the finding and provided corrective action plans on those issues where management concurred. Management did not concur with the portion of the finding relating to child care institutions or residential facilities that were fully licensed despite not meeting minimum licensing requirements noting that the facilities are fully licensed and ACF did not sustain the same finding written in fiscal year 2006. See management's response at B-117.

Additional Comments: R.S. 46:1408 states the department shall issue a Class A license to a facility or agency upon establishment of the fact that minimum requirements for a license as established by the department are met. We noted three monitoring visits were performed by DSS on the two entities where the clients were placed. Each monitoring visit identified 13 deficiencies of the minimum requirements. The deficiencies cited included, but were not limited to, failure to provide children with timely medical examinations, immunizations not available to each child, failure to timely report a serious threat to the child's well-being, lack of documentation of an annual fire safety inspection or a sanitation inspection, and inadequate supervision.

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Federal Award Findings and Questioned Costs (Continued)

F-08-HHS-DSS-5 - Fraudulent Billings by Providers

Award Year: 2003-2008
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**$135,050**
CCDF (Child Care) Cluster:	**837,548**
93.575 - Child Care and Development Block Grant	
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	
	$972,598

Based upon work performed by the DSS Fraud and Recovery Section (FRS), DSS identified instances of fraudulent billings by providers in several federal programs. The affected federal programs are the Child Care and Development Fund Cluster (CFDA 93.575 and 93.596) and the TANF Program (CFDA 93.558). Child Care Assistance Program (CCAP) payments are made to daycare centers based in part on attendance provided by the daycare center in monthly invoices. State and federal regulations prohibit the misappropriation of these program funds.

The instances of fraudulent billings identified by FRS are as follows:

- On September 15, 2008, the director of a Baton Rouge child care facility pled guilty to mail fraud. From May 2003 until January 2008, the child care director filed false and fraudulent invoices seeking funds from CCAP. The director inflated the number of days that children eligible for CCAP reimbursement attended the facility by identifying these children as attending on days they were absent. In some instances, entire classes were falsely identified as having perfect attendance. In other instances, former students were identified as current attendees. Questioned costs are $758,075. Sentencing for this individual has not taken place.

- On August 18, 2008, the owner of a Tangipahoa Parish facility that provided parenting training pled guilty to conspiracy to defraud the United States. The owner of the facility had a Quality Childcare Initiative (QCI) contract with DSS. The DSS budget on the contract was funded by TANF and included funds for the purchase of computers and office equipment. From approximately October 2003 through September 2005, the owner submitted invoices to DSS alleging the lease of office equipment and computers which were, in fact, never leased. Total questioned costs are $150,073. On November 20, 2008, the owner was

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sentenced to serve 12 months and one day in prison, three years of supervised release, and restitution of $55,636. DSS had recouped $55,636 and FRS is currently discussing with the Bureau of General Counsel whether to seek civil restitution for the remaining $94,437.

- On August 18, 2008, the owner of a Tangipahoa Parish social services facility that offered tutoring, study skills, and recreation to children pled guilty to conspiracy to defraud the United States. The facility was funded with a TANF QCI contract. Between September 2002 and September 2005, the owner submitted fraudulent vouchers to DSS for services not rendered and expenses not incurred. Questioned costs are $51,450. On January 22, 2009, the owner was sentenced to 15 months' imprisonment, three years of supervised release, and restitution of $51,450.

- On January 22, 2009, an independent contractor, who supplied counseling services to a Tangipahoa Parish social services facility, pled guilty to conspiracy to defraud the United States. The facility was funded with a TANF QCI contract. Between 2002 and 2005, he submitted fraudulent vouchers to DSS for counseling services that were never rendered. Questioned costs are $13,000. Sentencing is scheduled to take place in March 2009.

Certain DSS providers failed to comply with their agreements with DSS by submitting fraudulent vouchers. In addition, existing controls were not sufficient to prevent the fraudulent activity from occurring or to identify the fraudulent activity in a timely manner. Failure to establish and follow adequate internal control procedures increases the risk that federal program benefits are made to ineligible applicants and that errors and/or fraud could occur. For these instances, a total of $55,636 in restitution has been paid as of January 20, 2009.

Management should continue to investigate the possibility of fraudulent activity among DSS providers and strengthen existing controls within the affected federal programs to reduce the likelihood that fraudulent activities occur in the future. In addition, management should work with the grantors to resolve the questioned costs. Management concurred with the finding and provided a corrective action plan (B-118).

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Federal Award Findings and Questioned Costs (Continued)

F-08-HHS-DSS-6 - Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements

Award Year: 2008
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
93.558 - Temporary Assistance for Needy Families	**$303,491**

For the seventh consecutive year, DSS did not comply with certain program requirements for administering the TANF Program (CFDA 93.558). DSS uses TANF funds to operate several programs, including the Family Independence Temporary Assistance Program (FITAP), Strategies to Empower People (STEP), Kinship Care Subsidy Program (KSCP), and TANF Initiatives. 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 grant provisions. Proper administration would include controls for ensuring expenditures are supported by adequate documentation. In addition, OMB Circulars A-87 and A-122 provide that to be allowable under federal awards, costs must be adequately documented, necessary, and reasonable.

In a review of 30 contract payments, eight instances (27%) totaling $303,491 were identified in which expenditures were not for allowable activities/costs or were not adequately supported to determine that the expenditures were properly, accurately, and reasonably charged to the TANF Program.

DSS did not adequately monitor its personnel who did not follow program regulations and existing procedures in the administration of the TANF Program. Failure to follow adequate internal control procedures to ensure compliance with federal regulations can result in costs that are unreasonable and unnecessary to the objectives of the TANF Program and increases the risk of errors, fraud, and/or abuse. As a result of the exceptions noted previously, questioned costs totaled $303,491.

Management should monitor and enforce program regulations and established control procedures in administering the TANF Program. Management concurred with the finding and provided a corrective action plan (B-125).

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Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF HOMELAND SECURITY

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF

F-08-DHS-GOHSEP-1 - Failure to Document Payroll Distribution Costs

Award Year: Various
Award Number: Various
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
	None Noted

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant
Homeland Security Cluster:
97.004 - Homeland Securtiy Grant Program
97.067 - Homeland Security Grant Program

The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) failed to document hours worked by its employees on the following programs that are all federally funded through the U.S. Department of Homeland Security: Disaster Grants - Public Assistance (CFDA 97.036), Hazard Mitigation Grants (CFDA 97.039), and Homeland Security Cluster (CFDA 97.004 and 97.067). OMB Circular A-87, Attachment B, Section 8h requires that (1) if employees are expected to work on a single federal award, charges for their salaries and wages will be supported by periodic certifications (at least semiannually) that the employees worked solely on that program; (2) if employees work on multiple federal awards, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation completed and signed by the employees monthly; and (3) if budget estimates are used for interim accounting purposes, those estimates must be compared to actual activity at least quarterly and adjusted, if necessary, to reflect changes.

In a test of 24 payroll disbursements for the pay period ending May 18, 2008, charged to the federal programs listed above, none of the 24 disbursements were supported by activity reports or semiannual payroll certifications documenting the actual activity for the federal program or project. In addition, management used a budget estimate to determine the payroll allocation but did not perform the quarterly comparison of actual costs to budgeted distributions based on activity reports.

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Federal Award Findings and Questioned Costs (Continued)

Management did not implement policies and procedures to require employees to certify their actual activity for these federal programs. Failure to properly document the actual activity increases the risk that expenditures are not fairly and accurately allocated to federal programs, increases the risk of inaccurate federal reporting, and results in noncompliance with Circular A-87.

Management should establish and enforce policies and procedures for employees to identify and certify the hours devoted to each of the federal programs. Also, if management continues to estimate the payroll distribution for interim accounting purposes, management should implement procedures to perform a quarterly comparison of the estimate to actual activity records. Management concurred with the finding and outlined a plan of corrective action (B-62).

F-08-DHS-GOHSEP-2 - Inadequate Controls Over Cash Management and Noncompliance With CMIA Agreement

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Cash management

	Questioned Costs
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) **97.039 - Hazard Mitigation Grants**	**None Noted**

GOHSEP did not establish adequate controls over cash management for the Public Assistance (CFDA 97.036) and Hazard Mitigation (CFDA 97.039) federal programs, which are funded through the Federal Emergency Management Agency (FEMA). In addition, GOHSEP did not comply with the requirements of the Public Assistance (PA) Program in the Cash Management Improvement Act (CMIA) Treasury-State agreement and OSRAP's *Policy and Procedures Manual* (PPM).

Good internal controls require recipients of federal grant awards to request reimbursements for federal program expenditures as soon as the recipient becomes eligible for reimbursement. In addition, the PA Program is included in the Treasury-State Agreement which establishes a clearance pattern and funding technique in section 6.3.2 for agencies to follow when requesting federal funds. GOHSEP's funding techniques for the PA Program require that funds are received and credited to the state account in a manner designed to be interest neutral. The agreement also requires the state to calculate an interest liability to the federal government on refunds exceeding a $50,000 threshold. Because OSRAP calculates the interest liability for all of the state's CMIA programs, OSRAP's PPM requires the agency to prepare a CMIA spreadsheet and attach supporting documentation showing the amount and date the funds were received.

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Audit procedures revealed the following deficiencies:

- GOHSEP has not submitted an appropriate reimbursement request to FEMA for its salary expenditures covered as state management costs under the PA and Hazard Mitigation programs since fiscal year 2006. In January 2009, GOHSEP prepared a summary of its outstanding salary reimbursements as follows:

Fiscal Year	Public Assistance	Hazard Mitigation	Total
2006	$192,515	$167,333	$359,848
2007	3,684,357	1,390,046	5,074,403
2008	7,558,271	2,017,822	9,576,093
Total	$11,435,143	$3,575,201	$15,010,344

  In fiscal year 2008, GOHSEP borrowed $7 million from the State Treasury to cover costs associated with managing federal programs. At the end of fiscal year 2008, the agency was unable to repay this seed money. GOHSEP also requested an additional $3.5 million in seed money for fiscal year 2009. If GOHSEP had requested and received reimbursement from FEMA for its eligible salary expenses in a timely manner, GOHSEP would have been able to repay the seed money borrowed in fiscal year 2008.

  In addition, the Treasury-State agreement for the PA Program specifies that payroll costs have an “Actual Clearance, ZBA” funding technique which means that requests for reimbursement should be scheduled for the same day the payments are issued. GOHSEP has not complied with the Treasury-State agreement for its fiscal year 2008 payroll costs in the PA Program.

- GOHSEP did not properly calculate and report federal and state interest liabilities for the PA Program on the CMIA spreadsheet submitted to OSRAP. Errors occurred because GOHSEP did not use the correct interest rate, improperly used the annualized interest rate, and did not properly report refunds and adjustments. As a result of these errors, GOHSEP overstated the state interest liability by $1,929,475 and overstated the federal interest liability by $2,674,566 on the fiscal year 2008 CMIA spreadsheets.

- In 13 of 48 (27%) draws tested for the PA Program, GOHSEP did not follow the established clearance pattern in the Treasury-State agreement. These draws were requested between one and 20 days after the scheduled draw date resulting in potential lost interest earnings for the state and noncompliance with the agreement.

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- In 22 of 48 (46%) draws tested for the PA Program, GOHSEP did not properly report revenue and expenditure information on the CMIA spreadsheets submitted to OSRAP. Errors included omitting expenditures for certain disasters, omitting cancelled checks and refunds, reversing expenditure and revenue amounts on the spreadsheet, omitting the refund deposit date from the spreadsheet, and netting refunds and cancelled checks with expenditures or revenue instead of listing them as separate line items so that interest could be properly calculated and reviewed by OSRAP.

- One draw for the PA Program was reduced by $19,457 to return earned interest from an applicant to FEMA. However, the earned interest was returned to FEMA in a separate check as required by GOHSEP's internal procedures. Therefore, reducing the draw amount duplicates the payment to FEMA.

- One refund of $122,696 from an applicant was netted twice against two separate draws for the PA Program resulting in an overpayment to FEMA.

Management has not established adequate controls to ensure that draws are performed timely, interest liabilities are calculated properly, and information on the CMIA spreadsheet provided to OSRAP is reported accurately. Failure to request reimbursements in a timely manner can cause deficits in the agency's budget or potential loss of interest earnings to the state. Failure to draw funds for the PA program on the scheduled draw date results in noncompliance with the CMIA agreement and failure to accurately report the PA program information to OSRAP result in noncompliance with DOA policy and the CMIA agreement.

Management should develop written CMIA policies and procedures to ensure (1) accurate reporting to OSRAP; (2) refunds are handled appropriately to reduce duplicate payments to FEMA; and (3) draws are performed in a timely manner, including salaries. The policies and procedures should include comparisons of actual revenues and actual expenditures for each federal program to ensure that all reimbursements have been requested. In addition, management should recoup the overpayments to FEMA. Management concurred with the finding and outlined a plan of corrective action (B-64).

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Federal Award Findings and Questioned Costs (Continued)

F-08-DHS-GOHSEP-3 - Inadequate Controls Over User Access to LouisianaPA.com System

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles, Reporting, Subrecipient monitoring, Special tests and provisions

	Questioned Costs
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	**None Noted**

For the second consecutive year, GOHSEP did not establish adequate controls over the monitoring and deactivation of user access in the LouisianaPA.com (LAPA), the state's project management database for the PA Program (CFDA 97.036). Good internal controls require security over information systems, which would include the continual monitoring of user access and the timely deactivation of user access to ensure that the integrity of data is maintained.

Audit procedures performed on all user IDs in LAPA with payment approval or document review capability identified that five of 24 (21%) users did not have a legitimate need for the access because they no longer worked in the PA program. GOHSEP does not have written policies or procedures to address the monitoring or deactivation of user access in LAPA. Failure to monitor and properly delete user access to LAPA increases the risk that unauthorized access to LAPA could occur, data could be compromised, and/or assets could be misappropriated.

Management should establish written policies and procedures for the monitoring and deactivation of user access to LAPA. Management concurred with the finding and outlined a plan of corrective action (B-66).

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Federal Award Findings and Questioned Costs (Continued)

F-08-DHS-GOHSEP-4 - No Reconciliation Between Project Database and Financial Records for the Homeland Security Cluster Programs

Award Year: Various
Award Number: Various
Compliance Requirements: Matching, level of effort, earmarking, Reporting

	Questioned Costs
Homeland Security Cluster:	**None Noted**
97.004 - Homeland Security Grant Program	
97.067 - Homeland Security Grant Program	

GOHSEP did not reconcile its Homeland Security project database (project database) to its financial records maintained in ISIS for the Homeland Security Cluster programs (CFDA 97.004 and 97.067). The project database maintains grant and administrative expenditures for the Homeland Security Cluster programs. OMB Circular A-133 *Compliance Supplement*, Part 4 earmarking requirements state that not more than five percent of fiscal year 2006 and 2007 grant funds made available to a state may be used for costs of management and administration. The U.S. Department of Homeland Security Program Guidance and Application Kit states that recipients are required to submit a Biannual Strategy Implementation Report (BSIR) with the obligated and expended grant totals for each award. The grant managers use the project database to monitor the administrative costs of the grants and to prepare the BSIR. Good internal controls would include that the project database be reconciled to financial records on a periodic and timely basis to verify that all transactions are correctly posted.

Audit procedures performed revealed the following deficiencies:

- GOHSEP's grant section maintains a spreadsheet summarizing the grant awards, grant expenditures, and administrative expenditures. This spreadsheet is prepared from the project database and used to ensure that the earmarking requirements have been met. This spreadsheet did not agree to the expenditures recorded in ISIS for the Homeland Security Cluster grants. Management could not readily identify the differences; therefore, we could not determine that GOHSEP complied with the earmarking requirement.

- The BSIR is prepared using the project database. Because the project database did not agree to ISIS and GOHSEP did not maintain other support for the BSIR, the accuracy of amounts reported on the BSIR could not be determined.

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Management has not established procedures to ensure that the data recorded in the project database agrees with expenditure information coded to ISIS. Inaccurate data in the project database may lead to overspending in the Homeland Security Cluster grants, noncompliance with federal earmarking requirements, inaccurate reporting to the federal grantor, and a loss of future funding from the grantor.

Management should develop and implement procedures to reconcile the project database to ISIS on a periodic basis and ensure that the earmarking compliance requirements have been met and reports submitted to the federal grantor are supported by financial records. Management concurred with the finding and outlined a plan of corrective action (B-70).

F-08-DHS-GOHSEP-5 - Noncompliance With Federal Financial Reporting Requirements

Award Year: Various
Award Number: Various
Compliance Requirement: Reporting

	Questioned Costs
Homeland Security Cluster:	**None Noted**
97.004 - Homeland Security Grant Program	
97.067 - Homeland Security Grant Program	

GOHSEP failed to establish internal controls over the SF-269 federal financial status reports for the Homeland Security Cluster (CFDA 97.004 and 97.067) and did not comply with the federal deadlines for those reports. According to Part 4 of OMB Circular A-133 *Compliance Supplement* and the U.S. Department of Homeland Security Program Guidance and Application Kit, a quarterly SF-269 report is required for the Homeland Security Cluster programs. The kit states that (1) a report must be submitted for every quarter a grant is active; (2) for 2006 and 2007 grants, the SF-269 reports are due 30 days following the end of the quarter; and (3) for grants awarded before 2006, the agency must follow the guidelines in the Office of Justice Program's financial guide.

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Federal Award Findings and Questioned Costs (Continued)

Audit procedures performed on the SF-269 reports revealed the following:

- Ten of 21 (48%) SF-269 reports due to the federal grantor in fiscal year 2008 were submitted between six and 29 days after their respective due date.

- GOHSEP submitted a final report for the 2003-MU-T3-0022 grant on February 29, 2008. However, the grant was still active. Audit procedures identified two drawdowns from this grant in subsequent months, totaling $344,891, for expenditures that occurred after February 29, 2008. GOHSEP did not submit a revised report to the federal grantor.

Management did not implement procedures to ensure that the reports were submitted timely and accurately. The Program Guidance and Application Kit states that future awards and drawdowns could be withheld if these reports are delinquent.

Management should establish written procedures to ensure that the SF-269 reports are accurately prepared and submitted by the due date. Management should also resubmit the final report for the 2003-MU-T3-0022 grant. Management concurred with the finding and outlined a plan of corrective action (B-72).

F-08-DHS-GOHSEP-6 - Noncompliance With Subrecipient Monitoring Requirements

Award Year: 2005 - 2008
Award Number: Various
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
	None Noted

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant
Homeland Security Cluster:
97.004 - Homeland Security Grant Program
97.067 - Homeland Security Grant Program

For the second consecutive year, GOHSEP did not comply with subrecipient monitoring requirements for the Disaster Grants - PA Program (CFDA 97.036) and the Homeland Security Cluster (CFDA 97.004 and 97.067). In addition, GOHSEP did not comply with subrecipient monitoring requirements for the Hazard Mitigation Grant Program (CFDA 97.039).

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Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133 requires pass-through entities to perform "during the award" monitoring to provide reasonable assurance that the subrecipient administers federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements and that performance goals are achieved. OMB A-133 also requires the pass-through entity to (1) ensure that subrecipients expending $500,000 or more in federal awards during the subrecipient's fiscal year have a single audit and that the required audits are completed within nine months of the end of the subrecipient's audit period; (2) issue a management decision on audit findings within six months after receipt of the subrecipient's audit report; (3) ensure the subrecipient takes timely and appropriate corrective action on all audit findings; and (4) take appropriate action using sanctions in cases of continued inability or unwillingness of the subrecipient to have the required audits. Furthermore, pass-through entities are responsible for evaluating the impact of subrecipient activities on the pass-through entity's ability to comply with applicable federal regulations.

Although GOHSEP developed monitoring programs in fiscal year 2008, GOHSEP did not fully implement these monitoring programs in fiscal year 2008.

- GOHSEP did not ensure that subrecipients of the PA Program, Homeland Security Cluster, or Hazard Mitigation Grant Program received the required single audits. GOHSEP also did not review any audit reports or issue management decisions on any findings from the single audit reports of subrecipients in fiscal year 2008. GOHSEP sent out a questionnaire to applicants of these programs in May 2008 to determine which applicants from fiscal year 2006 and fiscal year 2007 were required to meet the OMB A-133 audit requirements. However, GOHSEP did not follow up on these reports in fiscal year 2008.

- GOHSEP developed a separate monitoring program for the Homeland Security Cluster Program, but other than two site visits to test the quality of the program that was developed, no monitoring was performed for other compliance requirements including financial-related attributes.

Management's failure to ensure that adequate subrecipient monitoring was performed could result in possible misuse of federal funds by subrecipients and could result in disallowed costs.

Management should implement procedures to ensure that during-the-award monitoring is performed and that subrecipients obtain the required single audits. Management should also implement procedures to review all required single audits from subrecipients, issue a management decision on any relevant findings, and ensure appropriate corrective action is taken. Management concurred with the finding and outlined a plan of corrective action (B-74).

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F-08-DHS-GOHSEP-7 - Untimely Reconciliation Between ISIS and LAPA Systems

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Reporting

	Questioned Costs
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	**None Noted**

For the second consecutive year, GOHSEP did not timely reconcile the payments in ISIS, the state's accounting system, and the payments in LouisianaPA.com (LAPA), the state's project management database used to administer the PA federal program (CFDA 97.036). ISIS is used to process payments for the PA Program and to prepare GOHSEP's AFR. LAPA is used for project management and preparing significant estimates in GOHSEP's financial statements. GOHSEP reported PA program expenditures of nearly $1.1 billion on its Schedule of Expenditures of Federal Awards for the year-end June 30, 2008. Good internal controls should ensure that the systems are reconciled on a periodic and timely basis to verify that all transactions are correctly posted in ISIS and LAPA. GOHSEP's written policy requires a reconciliation to be performed on the 5th day of each month.

Although GOHSEP developed and implemented a reconciliation process between ISIS and LAPA, some of the reconciliations were not performed timely. The reconciliations for July 2007 and June 2008 were not completed until September 2008, while the July 2008 and August 2008 reconciliations were not completed until October 2008. Although the reconciliations were not completed, GOHSEP submitted its AFR to OSRAP by the required date of August 29, 2008. The reconciliations identified discrepancies that resulted in an understatement of expenditures/ payables and revenues/receivables of $1,562,000 that was corrected by an audit adjustment.

Failure to perform a timely reconciliation between ISIS and LAPA could lead to incorrect financial reporting and increase the risk that errors or fraud could occur and remain undetected.

Management should ensure that ISIS and LAPA expenditures are reconciled timely. Management concurred with the finding and outlined a plan of corrective action (B-76).

Schedule C

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

LOUISIANA AGRICULTURAL FINANCE AUTHORITY

F-08-DHS-LAFA-1 - Overdraw of Federal Funds

Award Year: 2008
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles
Pass Through Entity: Louisiana Department of Agriculture and Forestry

	Questioned Costs
Homeland Security Cluster:	**$59,430**
97.067 - Homeland Security Grant Program	

The Louisiana Agricultural Finance Authority (LAFA), through the Louisiana Department of Agriculture and Forestry (LDAF), overdrew $59,430 of Homeland Security Grant Program (CFDA 97.067) funds by not properly adjusting a reimbursement request for applicable credits. OMB Circular A-87, *Cost Principles for State and Local Governments*, states that to be allowable for reimbursement under federal awards, costs must be net of all applicable credits, which include purchase discounts, rebates or allowances, recoveries and adjustments of overpayments or erroneous charges.

During fiscal year 2008, LAFA, through LDAF, requested and received a reimbursement from the Homeland Security Grant Program totaling $112,380 for rental costs of a generator used to supply electricity to the Lacassine Syrup Mill (the mill) after Hurricane Rita. The Lake Charles Cane-Lacassine Mill, LLC (LLC), which leased and subsequently purchased the mill from LAFA, reimbursed LAFA $59,430 for rental of the generator. However, LAFA and LDAF did not adjust the reimbursement request to the Homeland Security Grant Program for LLC's reimbursement to LAFA, resulting in overdrawn federal funds totaling $59,430, which we consider to be questioned costs.

LAFA management should repay the Homeland Security Grant Program for the amount overdrawn and should establish controls to ensure that future requests for reimbursements under federal programs are adjusted for all applicable credits. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-96).

Schedule C

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

FINANCIAL STATEMENT FINDINGS WITH AN IMPACT ON FEDERAL AWARDS

The following findings were reported as financial statement findings in Schedule B, but also have an impact on federal awards. The findings are listed below and referenced to where they are reported in detail in Schedule B.

DIVISION OF ADMINISTRATION
FS-08-DOA-1 - Inadequate Internal Controls Over Financial Reporting (page 16)

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF
FS-08-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (page 19)

SOCIAL SERVICES, DEPARTMENT OF
FS-08-DSS-1 - Inaccurate Annual Fiscal Reports (page 38)
FS-08-DSS-2 - Ineffective Internal Audit Function (page 38)

OTHER REPORTS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Block Grant (CFDA 14.228)

During fiscal year 2008, several reports were issued by the Louisiana Legislative Auditor's Performance Audit and Recovery Assistance Divisions that include findings and recommendations for the Community Development Block Grants/State's Program (CFDA 14.228), a major federal program for the Single Audit of the State of Louisiana. The reports, including recommendations and management's full responses, can be accessed on the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/about/divisions/.

Schedule C

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

U.S. DEPARTMENT OF HOMELAND SECURITY

Disaster Grants - Public Assistance - (Presidentially Declared Disasters) (CFDA 97.036)

Hazard Mitigation Grant (CFDA 97.039)

During fiscal year 2008, several reports were issued by the Louisiana Legislative Auditor's Recovery Assistance Division that includes findings and recommendations for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program (CFDA 97.036) and the Hazard Mitigation Grant Program (CFDA 97.039). Both of these programs are major federal programs for the Single Audit of the State of Louisiana. The reports, including recommendations and management's full responses, can be accessed on the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/about/divisions/.

Schedule D

Schedule of Unresolved
Prior Audit Findings
For the Year Ended June 30, 2008

Schedule D

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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Schedule D

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Schedule D

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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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, 2008

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

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22 -- U.S. Postal Service A-64

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43 -- National Aeronautics and Space Administration A-65

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STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

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81 -- U.S. Department of Energy A-88

84 -- U.S. Department of Education A-93

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90 -- Elections Assistance Commission A-110

93 -- U.S. Department of Health and Human Services A-110

94 -- Corporation for National and Community Service A-147

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STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
EXECUTIVE OFFICE OF THE PRESIDENT		
Office of National Drug Control Policy:		
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services:		
HIDTA Baton Rouge/New Orleans Task Force 1 and 2	07.unknown	$10,374
HIDTA Caddo/Bossier Task Force Initiative	07.I5PGCP501Z	(174)
HIDTA Intel Coordinator Network/16 LA OPS	07.I6PGCP501Z	
New Orleans MDT		202,116
HIDTA Louisiana Operations	07.05I5PGCG501Z	102,202
HIDTA Multiple Initiative	07.I4PGCP501Z	23,794
Total Office of National Drug Control Policy		338,312
Total Executive Office of the President		**$338,312**
U.S. DEPARTMENT OF AGRICULTURE		
Agricultural Research - Basic and Applied Research	10.001	
Direct Awards:		
LSU Agricultural Center		$1,697,898
Southern University and A&M College (Baton Rouge)		25,354
Total Agricultural Research - Basic and Applied Research		1,723,252
Plant and Animal Disease, Pest Control, and Animal Care	10.025	
Direct Awards:		
Department of Agriculture and Forestry		1,396,060
Department of Wildlife and Fisheries		61,217
Total Plant and Animal Disease, Pest Control, and Animal Care		1,457,277
Wildlife Services	10.028	
Direct Awards:		
Department of Wildlife and Fisheries		101,937
Livestock Assistance Program	10.066	
Direct Awards:		
Department of Agriculture and Forestry		594,469
Wetlands Reserve Program	10.072	
Direct Awards:		
Department of Wildlife and Fisheries		25,316

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Tree Assistance Program	10.082	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$3,502
Inspection Grading and Standardization	10.162	
Direct Awards:		
Department of Agriculture and Forestry		3,824
Market Protection and Promotion	10.163	
Direct Awards:		
Department of Agriculture and Forestry		59,327
Specialty Crop Block Grant Program	10.169	
Direct Awards:		
Department of Agriculture and Forestry		105,029
Grants for Agricultural Research, Special Research Grants	10.200	
Direct Awards:		
LSU Agricultural Center		1,675
Through: Mississippi State University Southern Regional Aquaculture Center (#2004-38500-14387)		
LSU Agricultural Center		832
Through: Oceanic Institute		
Nicholls State University		13,319
Through: University of California - Davis (#06000245-01)		
University of Louisiana at Lafayette		14,949
Through: University of Florida (#2007-34383-18180)		
LSU Agricultural Center		66,760
Through: University of Georgia (#2005-38640-15542)		
LSU Agricultural Center		17,109
Total Grants for Agricultural Research, Special Research Grants		114,644
Payments to 1890 Land - Grant Colleges and Tuskegee University	10.205	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		(45,416)

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Grants for Agricultural Research - Competitive Research Grants	10.206	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$65,748
University of Louisiana at Lafayette		90,871
Through: University of Nebraska - Lincoln (#2007-55112-17856)		
LSU Agricultural Center		2,831
Total Grants for Agricultural Research - Competitive Research Grants		159,450
1890 Institution Capacity Building Grants	10.216	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		192,947
Through: South Carolina State University (#04-443621-FCS-SU-LA)		
Southern University and A&M College (Baton Rouge)		3,750
Through: University of Maryland Eastern Shore (#20663882017448)		
Southern University and A&M College (Baton Rouge)		7,032
Through: University of South Carolina (#PO 84892)		
Southern University and A&M College (Baton Rouge)		9,774
Total 1890 Institution Capacity Building Grants		213,503
Higher Education Challenge Grants	10.217	
Through: University of Arkansas (#2007-38411-18117)		
LSU A&M College (Baton Rouge)		7,536
Integrated Programs	10.303	
Through: North Carolina State University (#2003-51101-02106)		
LSU Agricultural Center		17,750
Through: North Carolina State University (#2003-51120-02104)		
LSU Agricultural Center		5,422
Through: Texas A&M University - Texas Cooperative Extension (#2004-51130-03114)		
LSU Agricultural Center		39,495
Total Integrated Programs		62,667

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Homeland Security - Agricultural	10.304	
Direct Awards:		
LSU A&M College (Baton Rouge)		$344,187
Through: Purdue University (#2005-37620-15609)		
LSU Agricultural Center		101,089
Through: University of Florida (#2007-37620-18196)		
LSU Agricultural Center		10,498
Total Homeland Security - Agricultural		455,774
Rural Community Development Initiative	10.446	
Direct Awards:		
Louisiana Technical College		3,212
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475	
Direct Awards:		
Department of Agriculture and Forestry		2,052,550
Cooperative Extension Service	10.500	
Direct Awards:		
LSU Agricultural Center		7,049,698
Southern University and A&M College (Baton Rouge)		540,346
Through: Kansas State University (#2003-48558-01716)		
LSU Agricultural Center		13,485
Through: Kansas State University (#2007-48661-03868)		
LSU Agricultural Center		35,452
Through: North Carolina State University (#2005-48642-03345)		
LSU Agricultural Center		25,917
Through: North Carolina State University (#2006-48642-03728)		
LSU Agricultural Center		71,926
Through: Texas A&M University - Texas Cooperative Extension (#2004-49200-03126)		
LSU Agricultural Center		14,427
Through: Texas A&M University - Texas Cooperative Extension (#2004-48616-03116)		
LSU Agricultural Center		25,781

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Cooperative Extension Service (Cont.)	10.500	
Through: Texas A&M University - Texas Cooperative Extension (#S4079036101)		
LSU Agricultural Center		$55,400
Through: University of Georgia (#2006-47001-03368)		
LSU Agricultural Center		340
Through: University of Georgia (#2004-47001-01844)		
LSU Agricultural Center		644
Through: University of Georgia (#2007-47001-03376)		
LSU Agricultural Center		3,631
Through: University of Georgia (#RE6751493504)		
Southern University and A&M College (Baton Rouge)		3,821
Through: University of Nebraska - Lincoln (#4-98-2-23)		
LSU Agricultural Center		4,178
Total Cooperative Extension Service		7,845,046
Food Donation	10.550	
Direct Awards:		
Department of Agriculture and Forestry		16,985,871
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	
Direct Awards:		
Office of Public Health		108,502,536
Child and Adult Care Food Program	10.558	
Direct Awards:		
Department of Education		56,708,485
State Administrative Expenses for Child Nutrition	10.560	
Direct Awards:		
Department of Agriculture and Forestry		250,092
Department of Education		4,093,192
Total State Administrative Expenses for Child Nutrition		4,343,284
Commodity Supplemental Food Program	10.565	
Direct Awards:		
Office of Public Health		21,882,615

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
WIC Farmers' Market Nutrition Program	10.572	
Direct Awards:		
Department of Agriculture and Forestry		$4,429
Team Nutrition Grants	10.574	
Direct Awards:		
Department of Education		38,702
Senior Farmers Market Nutrition Program	10.576	
Direct Awards:		
Department of Agriculture and Forestry		125,817
Cooperative Forestry Assistance	10.664	
Direct Awards:		
Department of Agriculture and Forestry		6,493,175
Rural Development, Forestry, and Communities	10.672	
Direct Awards:		
Department of Agriculture and Forestry		1,121
Forest Products Lab: Technology Marketing Unit (TMU)	10.674	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		31,288
Urban and Community Forestry Program	10.675	
Direct Awards:		
LSU Agricultural Center		14,620
Southern University and A&M College (Baton Rouge)		34,071
Total Urban and Community Forestry Program		48,691
Forest Land Enhancement Program	10.677	
Direct Awards:		
Department of Agriculture and Forestry		222,181
Wood Education and Resource Center (WERC)	10.681	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		4,732

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Rural Business Enterprise Grants	10.769	
Direct Awards:		
LSU A&M College (Baton Rouge)		$43,484
University of Louisiana at Lafayette		135,092
University of Louisiana at Monroe		22,543
Total Rural Business Enterprise Grants		201,119
Denali Commission Grants and Loans	10.858	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		128,689
Research Conservation and Development	10.901	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		153,532
Soil and Water Conservation	10.902	
Direct Awards:		
Department of Agriculture and Forestry		424,826
LSU Agricultural Center		40,665
Total Soil and Water Conservation		465,491
Agricultural Statistics Reports	10.950	
Direct Awards:		
Department of Agriculture and Forestry		44,250
Southern University and A&M College (Baton Rouge)		120,034
Total Agricultural Statistics Reports		164,284
Technical Agricultural Assistance	10.960	
Direct Awards:		
LSU Agricultural Center		493,135
Southern University and A&M College (Baton Rouge)		496
Total Technical Agricultural Assistance		493,631

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Cochran Fellowship Program - International Training - Foreign Participant	10.962	
Direct Awards:		
LSU Agricultural Center		$12,577
Ag Outlook 2008 Conference	10.69-7217-08-001	
Direct Awards:		
LSU Agricultural Center		1,329
Classic Swine Fever Surveillance	10.07-9419-0084-CA	
Direct Awards:		
LSU A&M College (Baton Rouge)		80,034
Cooperative Agreement with U.S. Forest Service	10.08-PA-11080600-008	
Through: Kisatchie National Forest		
Northwestern State University		969
Diagnostic Network	10.2002-30001-12085	
Direct Awards:		
LSU A&M College (Baton Rouge)		(2,095)
Federal Reimbursement	10.unknown	
Direct Awards:		
Department of Agriculture and Forestry		108,474
Kisatchie National Forest	10.07-PA-11080600-004	
Direct Awards:		
Department of Culture, Recreation and Tourism		1,500
LSU: SAMS Terminal Markets	10.58-3148-7-145	
Direct Awards:		
LSU Agricultural Center		16,016
WIC Breastfeeding Peer Counseling	10.6LA700523	
Direct Awards:		
Office of Public Health		301,017

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Child Nutrition Cluster:		
School Breakfast Program	10.553	
Direct Awards:		
Department of Education		$52,692,484
National School Lunch Program	10.555	
Direct Awards:		
Department of Education		161,441,061
Special Milk Program for Children	10.556	
Direct Awards:		
Department of Education		33,121
Summer Food Service Program for Children	10.559	
Direct Awards:		
Department of Education		7,924,610
Total Child Nutrition Cluster		222,091,276
Emergency Food Assistance Cluster:		
Emergency Food Assistance Program (Administrative Costs)	10.568	
Direct Awards:		
Department of Agriculture and Forestry		529,310
Emergency Food Assistance Program (Food Commodities)	10.569	
Direct Awards:		
Department of Agriculture and Forestry		3,032,464
Total Emergency Food Assistance Cluster		3,561,774
Food Stamp Cluster:		
Supplemental Nutrition Assistance Program	10.551	
Direct Awards:		
Department of Social Services		780,495,944
State Administrative Matching Grants for the Special Nutrition Assistance Program	10.561	
Direct Awards:		
Department of Social Services		55,567,642
Total Food Stamp Cluster		836,063,586

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster:		
Agricultural Research - Basic and Applied Research	10.001	
Direct Awards:		
LSU Agricultural Center		$523,060
LSU A&M College (Baton Rouge)		79,221
Nicholls State University		17,396
Pennington Biomedical Research Center		501,712
Southern University and A&M College		337,233
University of New Orleans		44,312
Through: University of Alaska, Fairbanks (#58-5341-4-591)		
LSU Agricultural Center		8,422
Grants for Agricultural Research, Special Research Grants	10.200	
Direct Awards:		
LSU Agricultural Center		646,524
Louisiana Tech University		25,618
Pennington Biomedical Research Center		159,885
Through: HUBBS-Sea World Research Institute (#2006-34561-17592)		
LSU A&M College (Baton Rouge)		16,368
Through: Mississippi State University (#2004-38640-14341)		
LSU Agricultural Center		4,834
Through: Mississippi State University - Southern Regional Aquaculture Center (#2004-38500-14387)		
LSU Agricultural Center		1,692
Through: Mississippi State University - Southern Regional Aquaculture Center (#2005-38500-15815)		
LSU Agricultural Center		55,453
Through: Mississippi State University - Southern Regional Aquaculture Center (#2006-38500-16977)		
LSU Agricultural Center		37,522
Through: Prairie View A&M Research Foundation (#2006-34136-17246)		
LSU Agricultural Center		10,254
Through: Research Corporation of the University of Hawaii (#2004-34135-15168)		
LSU Agricultural Center		19,190

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Grants for Agricultural Research, Special Research Grants (Cont.)	10.200	
Through: Texas A&M University - Texas Agricultural Experiment Station (#2006-38824-03528)		
LSU Agricultural Center		$113,355
Through: University of Florida (#2006-34383-16867)		
LSU Agricultural Center		14,000
Through: University of Georgia (#2005-38640-15542)		
LSU Agricultural Center		7,561
Through: University of Georgia (#2006-38640-16713)		
LSU A&M College (Baton Rouge)		3,537
Cooperative Forestry Research	10.202	
Direct Awards:		
Louisiana Tech University		222,681
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	
Direct Awards:		
LSU Agricultural Center		5,103,169
Through: Iowa State University (#2007-31100-06019)		
LSU A&M College (Baton Rouge)		9,948
Payments to 1890 Land - Grant Colleges and Tuskegee University	10.205	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		55,532
Grants for Agricultural Research - Competitive Research Grants	10.206	
Direct Awards:		
LSU Agricultural Center		60,554
LSU A&M College (Baton Rouge)		340,789
Southern University and A&M College (Baton Rouge)		2,698
Through: East Carolina University (#2002-35204-12218)		
LSU Agricultural Center		(19)
Through: North Carolina State University (#2004-35212-14882)		
LSU Agricultural Center		74,008

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Grants for Agricultural Research - Competitive Research Grants (Cont.)	10.206	
Through: North Carolina State University (#2004-35212-14882)		
LSU A&M College (Baton Rouge)		$27,273
Through: Texas A&M Research Foundation (#2006-35401-17432)		
LSU A&M College (Baton Rouge)		70,225
Through: University of Arkansas (#2004-35317-14867)		
LSU Agricultural Center		81,427
Through: University of Massachusetts - Amherst (#2005-35107-15278)		
LSU A&M College (Baton Rouge)		54,872
Animal Health and Disease Research	10.207	
Direct Awards:		
LSU A&M College (Baton Rouge)		50,436
1890 Institution Capacity Building Grants	10.216	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		117,449
Through: Fort Valley State University (#2007-38814-18518)		
LSU A&M College (Baton Rouge)		11,769
Through: University of Maryland Eastern Shore (#2006-38814-17525)		51,852
LSU Agricultural Center		
Agricultural and Rural Economic Research	10.250	
Direct Awards:		
LSU Agricultural Center		502
Through: University of Southern Mississippi		
LSU Health Sciences Center (New Orleans)		(201)

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Integrated Programs	10.303	
Direct Awards:		
LSU A&M College (Baton Rouge)		$26,089
Through: North Carolina State University (#2003-51120-02104)		
LSU Agricultural Center		(315)
Through: North Carolina State University (#2003-51101-02106)		
LSU Agricultural Center		74,856
Through: Texas A&M University - Texas Agricultural Experiment Station (#2007-51101-18407)		
LSU Agricultural Center		1,589
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		101,145
Partnership Agreements to Develop Non-Insurance Risk Management Tools for Producers (Farmers)	10.456	
Through: University of Kentucky Research Foundation (#05IE08310215)		
LSU Agricultural Center		25,658
Cooperative Extension Service	10.500	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		81,103
Through: Auburn University (#2004-49200-03126)		
LSU Agricultural Center		3,071
Cooperative Forestry Assistance	10.664	
Through: Purdue University (#05-DG1124425-150)		
LSU Agricultural Center		35,510
Through: Texas A&M University - Texas Cooperative Extension (#2004-49200-03126)		
LSU Agricultural Center		16,589

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Forestry Research	10.652	
Direct Awards:		
LSU Agricultural Center		$168,745
LSU at Alexandria		24,377
LSU A&M College (Baton Rouge)		33,268
Louisiana Tech University		36,641
Southern University and A&M College (Baton Rouge)		596
Soil and Water Conservation	10.902	
Direct Awards:		
LSU Agricultural Center		(1,108)
Watershed Surveys and Planning	10.906	
Through: Trailblazers RC and D		
Louisiana Tech University		8,945
Scientific Cooperation and Research	10.961	
Direct Awards:		
LSU A&M College (Baton Rouge)		(4,094)
Pennington Biomedical Research Center		704
Acquisition of Goods and Services	10.RD.58-6413-7-118/119	
Direct Awards:		
LSU Agricultural Center		5,580
Acquisition of Goods and Services - Utilities	10.RD.58-6413-8-119	
Direct Awards:		
LSU Agricultural Center		2,161
Decision Analysis Guidelines	10.RD.AG-9A72-C-07-0019	
Direct Awards:		
Louisiana Tech University		8,385
The Development of a Supply and Demand Model for Hardwood Lumber	10.RD.SRS 06-CA-11330143-161	
Direct Awards:		
LSU Agricultural Center		33,037

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Estimation of Sugarcane Economic Losses Under the 2005 Louisiana Sugarcane Disaster Program	10.RD.AG-3151-P-07-0061	
Direct Awards:		
LSU Agricultural Center		$12,000
Moisture Performance of Insulated Raised Floor Systems in Southern Louisiana	10.RD.07-JV-11111136-128	
Direct Awards:		
LSU Agricultural Center		7,651
Operation of UVB Monitoring Site	10.RD.unknown	
Through: Colorado State University		2,500
LSU Agricultural Center		
Soil and Water Research Unit - Utilities	10.RD.58-6401-2-0003/T664131010	
Direct Awards:		
LSU Agricultural Center		(216)
Sustainable Control of Gastrointestinal Nematodes	10.RD.RD309-061/9039947	
Through: Fort Valley State University (#2005-38640-15542)		
LSU A&M College (Baton Rouge)		5,048
A Systemic Study of the Synergistic Effects of Blueberry Phytochemicals	10.RD.unknown	
Through: U.S. Highbush Blueberry Council		10,500
LSU Agricultural Center		
Thermoplastics Composites Reinforced with Natural Fibers and Inorganic Nano-Particles	10.RD.68-3A75-6-508	
Direct Awards:		
LSU Agricultural Center		155,381
LSU A&M College (Baton Rouge)		73,519

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Use of Condensed Tannin-Containing Plants to Control	10.RD.CANFVSU-06-009	
Gastrointestinal Nematodes in Sheep and Goats		
Through: Fort Valley State University (#2005-38814-16429)		
LSU A&M College (Baton Rouge)		$36,740
Total Research and Development Cluster		9,947,768
Schools and Roads Cluster:		
Schools and Roads - Grants to States	10.665	
Direct Awards:		
Department of the Treasury		3,893,848
Total U.S. Department of Agriculture		**$1,308,020,645**
U.S. DEPARTMENT OF COMMERCE		
Economic Development - Technical Assistance	11.303	
Direct Awards:		
University of New Orleans		$107,894
Fishery Products Inspection and Certification	11.413	
Direct Awards:		
Department of Agriculture and Forestry		72,379
Sea Grant Support	11.417	
Direct Awards:		
LSU A&M College (Baton Rouge)		40,003
Department of Wildlife and Fisheries		11,608
Total Sea Grant Support		51,611

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Coastal Zone Management Administration Awards	11.419	
Direct Awards:		
Department of Natural Resources		$5,050,995
Through: University of New Hampshire (#05-935)		
University of Louisiana at Lafayette		19,624
Total Coastal Zone Management Administration Awards		5,070,619
Cooperative Fishery Statistics	11.434	
Direct Awards:		
Department of Wildlife and Fisheries		849,275
Regional Fishery Management Councils	11.441	
Direct Awards:		
Department of Wildlife and Fisheries		37,500
Unallied Industry Projects	11.452	
Direct Awards:		
Department of Wildlife and Fisheries		126,105
Unallied Management Projects	11.454	
Direct Awards:		
Department of Wildlife and Fisheries		11,085,720
Habitat Conservation	11.463	
Direct Awards:		
Department of Natural Resources		1,978,800
Through: The Nature Conservancy		
Nicholls State University		28,266
Total Habitat Conservation		2,007,066
Meteorologic and Hydrologic Modernization Development	11.467	
Through: University Corporation for Atmospheric Research (#S06-58386)		
University of Louisiana at Lafayette		619

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Unallied Science Program	11.472	
Direct Awards:		
Department of Wildlife and Fisheries		$4,333
Through: University of Rhode Island (#1224)		
University of Louisiana at Lafayette		49,226
Total Unallied Science Program		53,559
Coastal Services Center	11.473	
Direct Awards:		
University of New Orleans		32,456
Measurement and Engineering Research and Standards	11.609	
Direct Awards:		
LSU A&M College (Baton Rouge)		800
Southern University and A&M College (Baton Rouge)		3,496
University of New Orleans		8,407
Total Measurement and Engineering Research and Standards		12,703
Department of Commerce - Program Income	11.unknown	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,593
Intergovernmental Personnel Act for Nicole Vollmer	11.CBLAM56P00	
Direct Awards:		
University of Louisiana at Lafayette		29,732
Intergovernmental Personnel Act for Scott France	11.28L4SOMPFB	
Direct Awards:		
University of Louisiana at Lafayette		25,135
IPA Assignment Agreement	11.USPTO IAA 2008-296-016	
Direct Awards:		
LSU A&M College (Baton Rouge)		12,780
IPA for Dr. Michael Liffmann, Assigned to National Sea Grant Office/NOAA	11.32261	
Direct Awards:		
LSU A&M College (Baton Rouge)		128,697

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Manufacturing Extension Partnership	11.70NANB5H1156	
Direct Awards:		
University of Louisiana at Lafayette		$505,171
Molecular DNA Analysis of Coral Specimens	11.HC133F07SE4786	
Direct Awards:		
University of Louisiana at Lafayette		160
National Marine Fisheries Service - Characterization of Fisheries Operating in State Waters of LA	11.NFFN5300-6-00128	
Direct Awards:		
Department of Wildlife and Fisheries		24,995
National Marine Fisheries Service - Cooperative Enforcement Agreement	11.unknown	
Direct Awards:		
Department of Wildlife and Fisheries		1,500,027
National Marine Fisheries Services	11.40WC133F07SE4734	
Direct Awards:		
McNeese State University		16,969
Oyster Vibrio Vulnificus Education Program	11.96-01-45360/0	
Through: Gulf and South Atlantic Fisheries Foundation, Inc. (#NA03NMF4270393-96)		
LSU Agricultural Center		43,442
Regional Climate Services Support in the Southern Region	11.EA133E07CN0084	
Direct Awards:		
LSU A&M College (Baton Rouge)		352,083
Public Works and Economic Development Cluster:		
Economic Adjustment Assistance	11.307	
Direct Awards:		
Department of Economic Development		1,058,747

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster:		
Economic Development - Technical Assistance	11.303	
Direct Awards:		
Louisiana Tech University		$97,110
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	11.400	
Direct Awards:		
LSU A&M College (Baton Rouge)		526,933
Interjurisdictional Fisheries Act of 1986	11.407	
Direct Awards:		
Department of Wildlife and Fisheries		241,429
Sea Grant Support	11.417	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,684,490
University of New Orleans		22,609
Through: Colorado State University (#NA07OAR4170428)		
LSU Agricultural Center		5,859
Through: University of Southern Mississippi (#NA06OAR4170204)		
LSU A&M College (Baton Rouge)		602
Coastal Zone Management Administration Awards	11.419	
Through: University of New Hampshire (#NA06NOS4190167)		
LSU A&M College (Baton Rouge)		81,181
Undersea Research	11.430	
Through: University of Alaska Fairbanks (#NA03OAR4300104)		
LSU A&M College (Baton Rouge)		204
Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes	11.432	
Through: Mississippi State University (#NA06OAR4320264)		
LSU A&M College (Baton Rouge)		361,220

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Marine Fisheries Initiative	11.433	
Direct Awards:		
LSU A&M College (Baton Rouge)		$31,565
Through: University of West Florida (#NA05NMF4331072)		
LSU A&M College (Baton Rouge)		37,190
Cooperative Fishery Statistics	11.434	
Direct Awards:		
Department of Wildlife and Fisheries		135,305
Southeast Area Monitoring and Assessment Program	11.435	
Direct Awards:		
Department of Wildlife and Fisheries		213,700
Marine Mammal Data Program	11.439	
Through: Institute for Marine Mammal Studies, Inc.		
LSU A&M College (Baton Rouge)		154
Special Oceanic and Atmospheric Projects	11.460	
Direct Awards:		
LSU A&M College (Baton Rouge)		43,606
Through: Harvard Public		
Louisiana Universities Marine Consortium		418
Habitat Conservation	11.463	
Direct Awards:		
Louisiana Universities Marine Consortium		574,261
University of New Orleans		1,334,532
Through: Coalition to Restore Coastal Louisiana		
LSU A&M College (Baton Rouge)		28
Through: Mississippi State University (Sub#01900-320528-04)		
University of New Orleans		41,221

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Coastal Services Center	11.473	
Direct Awards:		
University of New Orleans		$44,599
Through: Southeastern Universities Research Association (#NA04NOS4730254)		
LSU A&M College (Baton Rouge)		159,745
Through: Texas A&M Research Foundation (#NA07NOS4730199)		
LSU A&M College (Baton Rouge)		3,894
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	
Direct Awards:		
LSU A&M College (Baton Rouge)		621,301
Louisiana Universities Marine Consortium		754,131
Through: Texas A&M Research Foundation (#NA06NOS4780198)		
LSU A&M College (Baton Rouge)		198
Through: University of Texas at Austin (#NA06NOS47080131)		
LSU A&M College (Baton Rouge)		59,533
Measurement and Engineering Research and Standards	11.609	
Direct Awards:		
LSU A&M College (Baton Rouge)		537
Manufacturing Extension Partnership	11.611	
Direct Awards:		
University of Louisiana at Lafayette		1,013,936
Assessment of Chemical Hazards Associated With Oil		
Direct Awards:		
LSU A&M College (Baton Rouge)	11.RD.50ABNC200041	6,078
LSU A&M College (Baton Rouge)	11.RD.50ABNC200041/TO #1	83,845

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Data Gathering for the GSMFC Bottom Mapping Project	11.RD.NA05NMF433107	
Through: Gulf States Marine Fisheries Commission (#Bottom Mapping - 0002-2006)		
University of New Orleans		$14,578
Garden Island Bay Pollution Investigation	11.RD.50ABNC200041/TO #21	
Direct Awards:		
LSU A&M College (Baton Rouge)		4,995
Investigation of Littleneck Clam Status in PWS	11.RD.50ABNC200041/TO #22	
Direct Awards:		
LSU A&M College (Baton Rouge)		20,248
IPA for Daniel Laurent	11.RD.19612	
Direct Awards:		
LSU A&M College (Baton Rouge)		80,886
Marine Debris Survey Sediment Sample Analysis	11.RD.50ABNC200041/TO #20	
Direct Awards:		
LSU A&M College (Baton Rouge)		30,269
Product Characterizations to Advance the Use of Post-Harvests Treatment	11.RD.5720-563-12, 00032641	
Through: University of Florida (#NA16RG-2195)		
LSU Agricultural Center		23,545
Puerto Rico Spill	11.RD.50ABNC200041/TO #23	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,688
Real-Time Quantitative Measurement of Dispersed and Non-Dispersed Oils Using an In-Situ Multiple Simultaneous Scattering and Fluorescence Sensor	11.RD.FP244-06-0045	
Through: Department of Fisheries and Oceans - Canada (#NA04N0S4190063)		
LSU A&M College (Baton Rouge)		22,408
Total Research and Development Cluster		8,380,031
Total U.S. Department of Commerce		**$31,587,068**

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE		
Procurement Technical Assistance for Business Firms	12.002	
Direct Awards:		
Executive Department		$194,234
University of Louisiana at Lafayette		240,925
Total Procurement Technical Assistance for Business Firms		435,159
Planning Assistance to States	12.110	
Direct Awards:		
Executive Department		13,290
Payments to States in Lieu of Real Estate Taxes	12.112	
Direct Awards:		
Department of the Treasury		141,129
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	
Direct Awards:		
Department of Environmental Quality		37,041
Basic and Applied Scientific Research	12.300	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		165,915
Through: Earth Tech, Inc. (#0639378H16)		
Southern University and A&M College (Baton Rouge)		53,600
Through: North Carolina A&T State University		
LSU A&M College (Baton Rouge)		41,619
Through: Tetra Tech, Inc. (#1020877)		
Southern University and A&M College (Baton Rouge)		167,723
Total Basic and Applied Scientific Research		428,857
Military Construction, National Guard	12.400	
Direct Awards:		
Department of Military Affairs		229,209,157

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
National Guard Military Operations and Maintenance (O&M) Projects	12.401	
Direct Awards:		
Department of Military Affairs		$19,801,493
National Guard Civilian Youth Opportunities	12.404	
Direct Awards:		
Department of Military Affairs		10,485,024
Basic, Applied, and Advanced Research in Science and Engineering	12.630	
Direct Awards:		
University of Louisiana at Lafayette		77,540
Through: CH2 MHill, Inc. (#PO 909752)		
Southern University and A&M College (Baton Rouge)		620,421
Through: Cornell University (#46637-8405)		
University of Louisiana at Lafayette		52,667
Through: Michael Baker, Jr., Inc. (#111626-412)		
Southern University and A&M College (Baton Rouge)		16,502
Through: Shaw Environmental and Infrastructure, Inc. (#IDIQ-102014)		
Southern University and A&M College (Baton Rouge)		17,383
Total Basic, Applied, and Advanced Research in Science and Engineering		784,513
Air Force Defense Research Sciences Program	12.800	
Direct Awards:		
LSU A&M College (Baton Rouge)		22,257
Through: Clarkson Aerospace Corp. (#SUSE06S56707C2/SUO6S00107C2)		
Southern University and A&M College (Baton Rouge)		270,180
Total Air Force Defense Research Sciences Program		292,437
Mathematical Sciences Grants Program	12.901	
Through: The Shaw Group (#PO 291616/PO29744OP)		
Southern University and A&M College (Baton Rouge)		128,546

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
3rd Generation Omni-Directional Treadmill	12.W911NF-07-2-0025	
Direct Awards:		
University of Louisiana at Lafayette		$728,290
Genetic Approaches for Assisting in Management of Species	12.W912HZ-07-C-0043	
Direct Awards:		
University of Louisiana at Lafayette		81,817
Guidelines and Rules Instrument for Displays in 3D	12.N00014-06-M-0314	
Through: Aptima, Inc. (#0373-1305)		
University of Louisiana at Lafayette		9,000
Guidelines and Rules Instrument for Displays in 3D - Phase II	12.N66604-08-C081	
Through: Aptima, Inc. (#0468-1403)		
University of Louisiana at Lafayette		2,700
Hydrologic and Hydrodynamic Study Chenier Plain II	12.DFS61422262	
Direct Awards:		
University of Louisiana at Lafayette		127,833
Joint Readiness Training Center	12.MIPR6/AOPSNN012	
Direct Awards:		
Department of Military Affairs		216,539
Junior Reserve Officer's Training Corps	12.JR0TC	
Direct Awards:		
Department of Education		329,713
Long-Term Genetic Viability of TES that Live Within Fragmented Scrub Habitat	12.W912HZ-05P-0093	
Direct Awards:		
University of Louisiana at Lafayette		19,349
Louisiana Junior Science and Humanities Symposium 2007-2008	12.32688	
Through: Academy of Applied Science (#W911NF-04-1-0001)		
LSU A&M College (Baton Rouge)		11,631

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Luminescent Tracers	12.W15QKN-07-R-0206	
Direct Awards:		
University of Louisiana at Lafayette		$28,560
Provide Geographical Information Support for NWRC	12.unknown	
Direct Awards:		
University of Louisiana at Lafayette		8,830
Schools and Roads/Sale of Timber	12.10 USC 2665	
Direct Awards:		
Department of the Treasury		92,219
Research and Development Cluster:		
Emergency Operations Flood Response and Post Flood Response	12.103	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		600,304
Flood Plain Management Service	12.104	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		98,906
Collaborative Research and Development	12.114	
Direct Awards:		
LSU A&M College (Baton Rouge)		278,646
Louisiana Universities Marine Consortium		291,381
Southern University and A&M College (Baton Rouge)		10,266
Basic and Applied Scientific Research	12.300	
Direct Awards:		
LSU A&M College (Baton Rouge)		236,715
LSU Health Sciences Center (New Orleans)		(86)
Louisiana Universities Marine Consortium		332,443
Southern University and A&M College (Baton Rouge)		104,484
University of New Orleans		730,026
Through: Advanced Technology Institute (#N00014-04-C-0139)		
University of New Orleans		54,350

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Basic and Applied Scientific Research (Cont.)	12.300	
Through: Advanced Technology Institute (#N00024-98-9-2310)		
University of New Orleans		$46,727
Through: eVenture Technologies, Inc. (#N69250-07-D-0300)		
University of New Orleans		891,633
Through: North Carolina Agricultural and Technical State University (#N00014-04-1-0369)		
University of New Orleans		9,048
Through: Pittsburgh State University (#N000140510532)		
University of New Orleans		80,895
Through: Surface Treatment Technologies, Inc. (#N00014-05-C-0159)		
University of New Orleans		49,500
Through: University of Connecticut (#N00014-04-1-0079)		
University of New Orleans		8,780
Through: University of Mississippi (#N00014-07-1-1010)		
University of New Orleans		11,149
Through: Woods Hole Oceanographic Institution (#N00014-06-1-0387)		
LSU A&M College (Baton Rouge)		74,404
Military Medical Research and Development	12.420	
Direct Awards:		
LSU Agricultural Center		92,839
LSU Health Sciences Center (New Orleans)		201,988
LSU Health Sciences Center (Shreveport)		431,725
Pennington Biomedical Research Center		941,773
University of Louisiana at Monroe		42,977
Through: University of North Carolina		
LSU Health Sciences Center (New Orleans)		814,900

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Basic Scientific Research	12.431	
Direct Awards:		
LSU A&M College (Baton Rouge)		$1,351
Louisiana Tech University		113,073
Southern University and A&M College (Baton Rouge)		863,756
University of New Orleans		70,873
Through: SHOT, Inc. (#SHOT, Inc.)		
Louisiana Tech University		26,567
Through: University of Illinois at Urbana - Champaign (#W911NF-05-1-0397)		
LSU A&M College (Baton Rouge)		181,665
Basic, Applied, and Advanced Research in Science and Engineering	12.630	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		245,594
University of New Orleans		37,759
Through: ASEE		
Louisiana Tech University		4,556
Air Force Defense Research Sciences Program	12.800	
Direct Awards:		
LSU A&M College (Baton Rouge)		753,175
Louisiana Tech University		22,030
Through: Clarkson Aerospace Corp. (#05-0002-C1)		
Grambling State University		211,446
Through: Clarkson Aerospace Corp. (#06-S567-07-C1/06-C2)		
Louisiana Tech University		211,729
Through: Georgia Institute of Technology (#FA8650-07-C-774)		
LSU A&M College (Baton Rouge)		84,267
Through: Radiance Technologies (#07S-0782/0783)		
Louisiana Tech University		244,502
Mathematical Sciences Grants Program	12.901	
Direct Awards:		
LSU A&M College (Baton Rouge)		25,790

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Information Security Grant Program	12.902	
Direct Awards:		
University of New Orleans		$33,485
Research and Technology Development	12.910	
Direct Awards:		
Louisiana Tech University		161,652
University of New Orleans		2,791,782
Ability of Bio-Aerosol MS to Accurately Identify and Quantify Bio-Aerosols	12.RD.W911S6-07-P-0063	
Direct Awards:		
LSU A&M College (Baton Rouge)		37,500
Anti Tamper	12.RD.08S-0469	
Through: Radiance Technologies		
Louisiana Tech University		866
Bioaerosol Ion Mobility Mass Spectrometer (BIMMS)	12.RD.210584	
Through: Battelle Memorial Institute (#240619, 2503107)		
LSU A&M College (Baton Rouge)		196,420
A Dendrochronological Fire History of the Avon Park Air Force Range and Surrounding Central Florida	12.RD.W81XWH-04-2-0034-0001	
Direct Awards:		
LSU A&M College (Baton Rouge)		71,457
Dynamic Adaptive Execution Model for High Productivity Computing	12.RD.H98230-08-C-0269/R3-07-0202	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,428
Electrical Modeling of Nano-Fets for Designing of Emerging Integrated Circuits	12.RD.FA9401-06-P-0231	
Direct Awards:		
LSU A&M College (Baton Rouge)		24,998

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
General Interoperability Tool: Migrating Shipbuilding Inoperability Tools to Cross-Domain Functionality	12.RD.W911QX-07-C-0068	
Through: Atlantic Enterprise Solutions (#W911QX-07-C-0068)		
University of New Orleans		$20,464
Hypervelocity Impact Gauge Mitigation and Wear Prediction	12.RD.FA8601-07-P-0302	
Direct Awards:		
LSU A&M College (Baton Rouge)		6,250
Landscape Fire Models for the Avon Park Air Force Range	12.RD.W81XWH-04-2-0034	
Direct Awards:		
LSU A&M College (Baton Rouge)		119,824
LYTIC - Peptide Conjugates for Treatment of Metastases	12.RD.DAMD17-03-1-0150	
Direct Awards:		
Pennington Biomedical Research Center		(65)
Military Health Behaviors	12.RD.DAMD17-03-2-0030	
Direct Awards:		
Pennington Biomedical Research Center		580,275
Military Nutrition Research: Four Tasks to Address	12.RD.W81XWH-05-2-0081	
Direct Awards:		
Pennington Biomedical Research Center		1,055,186
Modeling the Natural Distribution and Forecasting Disease Spread of Pathogens	12.RD.W81XWH-05-C-0088	
Direct Awards:		
LSU A&M College (Baton Rouge)		(1,118)
NanoStructured Ammo	12.RD.GeorgiaNanoFab	
Through: Georgia NanoFab		
Louisiana Tech University		91,396

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Network Rocket Bullet	12.RD.GeorgiaNanoFab	
Through: Georgia NanoFab		
Louisiana Tech University		$41,148
A Novel Approach to Managing Invasive Termite Species	12.RD.W912HQ-06-P-0041	
Direct Awards:		
LSU Agricultural Center		24,986
Novel High Energy Materials and Processes for Counter WMD Applications	12.RD.FONR0007DR00G	
Direct Awards:		
University of New Orleans		78,405
Operational Effects Program Office (PMW-150) Intergovernmental Personnel Act Agreement (John Shea)	12.RD.FONR0004DF00A	
Direct Awards:		
University of New Orleans		177,702
Performance Evaluation Modeling for Multi-Sensor ATR and Track System	12.RD.FA8650-07-M-1161	
Through: Intelligent Automation, Inc. (#FA 8650-07-M-1161)		
University of New Orleans		30,000
Photonic-Crystal Satellite Reflectors & Radiators: A New Approach to Satellite	12.RD.NRO000-06-C-0074	
Direct Awards:		
LSU A&M College (Baton Rouge)		44,444
Platform Routing and Data Fusion Technologies for Cooperative ISR	12.RD.FA9550-07-C	
Through: Charles River Analytics, Inc. (Sub #SC0709501)		
University of New Orleans		30,990
RDX Degration Program	12.RD.W912HZ-05-P-0145	
Direct Awards:		
University of Louisiana at Monroe		23,567

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Robust Track Association and Fusion with Extended Feature Matching	12.RD.W9113M-07-C-0008	
Through: Intelligent Automation, Inc. (Sub #547-1)		
University of New Orleans		$15,000
Scalable Proactive Fault Tolerance	12.RD.H98230-08-C-0262	
Direct Awards:		
Louisiana Tech University		95,117
Status and Challenges of Socioeconomic Research in Coastal Systems	12.RD.unknown	
Direct Awards:		
LSU Agricultural Center		(9,113)
SURA Coastal Ocean Observation and Prediction Project (SCOOP)	12.RD.SURA-2006-308	
Through: Southeastern Universities Research Association (#N00014-05-1-0831)		
LSU A&M College (Baton Rouge)		(5,604)
Task Order CLIN0001,2,3, and 4	12.RD.N00178-05-D-4290	
Through: Diamond Data Systems, Inc.		
University of New Orleans		463,835
Technical Support for Project UZ-2: Viral Diagnostics in Uzbekistan	12.RD.DTRA07-054	
Through: \U.S. Civilian Research and Development Foundation (#DTRA01-03-C-0055)		
LSU A&M College (Baton Rouge)		20,000
TNT, 4A-DNT, 2A-DNT, and 26-DNT Toxicity in Rats	12.RD.W912HZ-08-C-0017	
Direct Awards:		
University of Louisiana at Monroe		14,498

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Training Identification and Management Process	12.RD.N69250-07-D-0300	
Through: Telamon Technologies, LLC (#N69250-07-D-0300)		
University of New Orleans		$13,000
Volume Protection	12.RD.08S-0469	
Through: Radiance Technologies		
Louisiana Tech University		11,156
Total Research and Development Cluster		15,798,837
Total U.S. Department of Defense		**$279,211,964**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Manufactured Home Construction and Safety Standards	14.171	
Direct Awards:		
Executive Department		$75,636
Community Development Block Grants/State's Program	14.228	
Direct Awards:		
Executive Department		4,589,022,205
Emergency Shelter Grants Program	14.231	
Direct Awards:		
Department of Social Services		1,520,687
Supportive Housing Program	14.235	
Direct Awards:		
Mental Health Area A		478,319
Southeastern Louisiana University		111,066
Total Supportive Housing Program		589,385

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
Shelter Plus Care	14.238	
Direct Awards:		
Metropolitan Human Services District		$813,551
Housing Opportunities for Persons with AIDS	14.241	
Direct Awards:		
Office of Public Health		827,084
Opportunities for Youth - Youthbuild Program	14.243	
Direct Awards:		
Louisiana Technical College		537,680
Community Development Block Grants/Brownfields Economic Development Initiative	14.246	
Direct Awards:		
Nicholls State University		1,472
Fair Housing Assistance Program - State and Local	14.401	
Direct Awards:		
Department of Justice		325,435
Fair Housing Initiatives Program	14.408	
Through: Advocacy Center		
LSU Heath Sciences Center (New Orleans)		14,351
Community Outreach Partnership Center Program	14.511	
Direct Awards:		
LSU A&M College (Baton Rouge)		76,377
Southern University at Shreveport-Bossier City		56,704
Total Community Outreach Partnership Center Program		133,081
Historically Black Colleges and Universities Program	14.520	
Direct Awards:		
Grambling State University		160,990
Southern University and A&M College (Baton Rouge)		291,934
Southern University at New Orleans		141,683
Southern University at Shreveport-Bossier City		321,934
Total Historically Black Colleges and Universities Program		916,541

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
Research and Development Cluster:		
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	
Through: Tulane University		
LSU Heath Sciences Center (New Orleans)		$31,859
Universities Rebuilding America Program - Community Design	14.521	
Through: University of Washington (#URAP-05-WA-006)		
University of New Orleans		33,182
Total Research and Development Cluster		65,041
Total U.S. Department of Housing and Urban Development		**$4,594,842,149**
U.S. DEPARTMENT OF THE INTERIOR		
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250	
Direct Awards:		
Department of Natural Resources		$163,931
Abandoned Mine Land Reclamation (AMLR) Program	15.252	
Direct Awards:		
Department of Natural Resources		89,732
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423	
Direct Awards:		
University of New Orleans		58,736
Marine Minerals Activities	15.424	
Direct Awards:		
Department of Natural Resources		260,427
Coastal impact Assistance Program (CIAP)	15.426	
Direct Awards:		
Department of Natural Resources		8,839,517

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Fish and Wildlife Management Assistance	15.608	
Direct Awards:		
Department of Wildlife and Fisheries		$163,973
Coastal Wetlands Planning, Protection and Restoration Act	15.614	
Direct Awards:		
Department of Wildlife and Fisheries		97,058
Clean Vessel Act	15.616	
Direct Awards:		
Department of Wildlife and Fisheries		61,721
North American Wetlands Conservation Fund	15.623	
Direct Awards:		
Department of Wildlife and Fisheries		727,018
Coastal Program	15.630	
Direct Awards:		
University of Louisiana at Lafayette		13,590
Conservation Grants Private Stewardship for Imperiled Species	15.632	
Direct Awards:		
Department of Wildlife and Fisheries		26,528
U.S. Geological Survey - Research and Data Collection	15.808	
Direct Awards:		
Department of Environmental Quality		5,315
University of Louisiana at Lafayette		161,543
Total U.S. Geological Survey - Research and Data Collection		166,858
Historic Preservation Fund Grants-in-Aid	15.904	
Direct Awards:		
Department of Culture, Recreation and Tourism		9,796,941
Outdoor Recreation - Acquisition, Development and Planning	15.916	
Direct Awards:		
Department of Culture, Recreation and Tourism		1,248,040
National Center for Preservation Technology and Training	15.923	
Direct Awards:		
Department of Culture, Recreation and Tourism		13,769

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Comparing Predicted Storm Surge Elevations of the Updated Standard Project Hurricane (SPH) to Predictions to the Traditional SPH Using ADCIRC (National Wetlands Research Center/US Army Corps of Engineers)	15.W42HEM70815772	
Direct Awards:		
University of New Orleans		$65,755
Cooperative Agreements with National Park Service		
Direct Awards:		
Northwestern State University	15.H2210050410	403,883
Northwestern State University	15.2005-02	114,941
Northwestern State University	15.H5729060041	13,544
Total Cooperative Agreements with National Park Service		532,368
Data Regional Ecosystem Restoration Implementation Plan (DRERIP) Adaptive Management Planning Team (U.S. Geological Survey)	15.06WRSA0354	
Direct Awards:		
University of New Orleans		41,876
Hydrodynamic and Water Quality Modeling Study	15.401814M204	
Direct Awards:		
University of Louisiana at Lafayette		88,911
National Park Service - Lease Office Space and Student Interns	15.H5000020430	
Direct Awards:		
University of Louisiana at Lafayette		10,861
Site Modification/Landscaping	15.1443 CX001 94-09	
Direct Awards:		
Northwestern State University		92,594
U.S. Fish and Wildlife Service	15.701816M258	
Direct Awards:		
McNeese State University		240

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
U.S. Geological Survey	15.06LASA0098	
Direct Awards:		
McNeese State University		$3,850
U.S. Geological Survey - Characterization of Epiphytes and Drift Algae	15.0035CS0010	
Direct Awards:		
University of Louisiana at Lafayette		698
U.S. Geological Survey - National Wetlands Research Center Interns	15.99CRBA0001	
Direct Awards:		
University of Louisiana at Lafayette		72,823
U.S. Geological Survey - Wetlands Center Security	15.01CRC.0023	
Direct Awards:		
University of Louisiana at Lafayette		21,382
Fish and Wildlife Cluster:		
Sport Fish Restoration Program	15.605	
Direct Awards:		
Department of Wildlife and Fisheries		6,348,890
Wildlife Restoration	15.611	
Direct Awards:		
Department of Wildlife and Fisheries		3,802,829
Total Fish and Wildlife Cluster		10,151,719

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster:		
Louisiana State University (LSU) Coastal Marine Institute (CMI)	15.422	
Direct Awards:		
LSU Agricultural Center		$108,040
LSU A&M College (Baton Rouge)		111,199
Louisiana Universities Marine Consortium		103,450
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423	
Direct Awards:		
LSU A&M College (Baton Rouge)		220,232
Cooperative Endangered Species Conservation Fund	15.615	
Direct Awards:		
LSU A&M College (Baton Rouge)		18,470
Department of Wildlife and Fisheries		272,396
Wildlife Conservation and Restoration	15.625	
Direct Awards:		
Department of Wildlife and Fisheries		2,230
Hunter Education and Safety Program	15.626	
Direct Awards:		
Department of Wildlife and Fisheries		1,194,914
Partners for Fish and Wildlife	15.631	
Direct Awards:		
LSU Agricultural Center		3,000
Conservation Grants Private Stewardship for Imperiled Species	15.632	
Direct Awards:		
Department of Wildlife and Fisheries		8,627
Landowner Incentive Program	15.633	
Direct Awards:		
Department of Wildlife and Fisheries		43,889
State Wildlife Grants	15.634	
Direct Awards:		
University of New Orleans		19,522
Department of Wildlife and Fisheries		758,826

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Migratory Bird Joint Ventures	15.637	
Through: Ducks Unlimited Inc. (#201814J870)		
LSU Agricultural Center		$40,712
Marine Turtle Conservation Fund	15.645	
Direct Awards:		
Southeastern Louisiana University		30,429
Assistance to State Water Resources Research Institutes	15.805	
Direct Awards:		
LSU A&M College (Baton Rouge)		86,001
U.S. Geological Survey - Research and Data Collection	15.808	
Direct Awards:		
LSU Agricultural Center		225,122
LSU A&M College (Baton Rouge)		135,649
University of New Orleans		355,115
Through: Tulane University (#LUMCON-LEAG)		
Louisiana Universities Marine Consortium		73,155
National Spatial Data Infrastructure Cooperative Agreements Program	15.809	
Direct Awards:		
LSU A&M College (Baton Rouge)		(11,283)
National Cooperative Geologic Mapping Program	15.810	
Direct Awards:		
LSU A&M College (Baton Rouge)		79,634
Cooperative Research Units Program	15.812	
Direct Awards:		
LSU Agricultural Center		50,216
LSU A&M College (Baton Rouge)		28,150

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Rivers, Trails and Conservation Assistance	15.921	
Through: Texas A&M University (#GCCESU H5000 02 0271)		
University of New Orleans		$35,231
Analysis of the Real-Time MMS ADCPS From Oil Platforms and the Effects of Loop Current and Loop Current Eddies	15.RD.M08AX12686	
Direct Awards:		
LSU A&M College (Baton Rouge)		49,926
Assessing Trophic Linkage Between Platforms and Pelagic Fish	15.RD.M08AX12684	
Direct Awards:		
LSU A&M College (Baton Rouge)		22,671
An Assessment of the Opportunities for Alternative Uses of the Hydrocarbon Infrastructure in the Gulf of Mexico	15.RD.M05AC12278	
Direct Awards:		
LSU A&M College (Baton Rouge)		86,945
A Collaborative Investigation of Baseline and Scenarion Information	15.RD.30951/#85248	
Direct Awards:		
LSU A&M College (Baton Rouge)		121,237
Computerized Sperm Analysis	15.RD.06LASA0096/06-8343-0289	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,470
The Continuing Repatriation of the Louisiana Black Bear	15.RD.1448-40181-02-G-078	
Direct Awards:		
LSU Agricultural Center		(47)
A Continuous Monitoring, Shallow Water Hydrodynamic and Meteorological Station	15.RD.1443CA532097010	
Direct Awards:		
LSU A&M College (Baton Rouge)		(2)

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Cooperative Agreement Between the National Park Service and LSU School of Architecture	15.RD.H2210070290/TO#1/J2210070290	
Direct Awards:		
LSU A&M College (Baton Rouge)		$9,619
Deep-Water Coral Distribution and Abundance on Active Offshore Oil and Gas Platforms	15.RD.32806/TO#39929	
Direct Awards:		
LSU A&M College (Baton Rouge)		137,824
Determination of Net Flux of Reactive Volatile Organic Compounds at the Air-Water Interface in the Gulf of Mexico	15.RD.32806/TO#36186	
Direct Awards:		
LSU A&M College (Baton Rouge)		90,239
Determining the Geographical Distribution, Maximum Depth, and Genetic Affinities	15.RD.32806/TO#36188	
Direct Awards:		
LSU A&M College (Baton Rouge)		72,749
Digital Conversion and Selected Analysis of Dive Video From Fifteen Dive Seasons	15.RD.32806/TO#36183	
Direct Awards:		
LSU A&M College (Baton Rouge)		20,053
Diversifying Energy Industry Risk in the Gulf of Mexico	15.RD.M08AX12687	
Direct Awards:		
LSU A&M College (Baton Rouge)		129,868
Diversifying Energy Supply Investments in Post Katrina in the Gulf of Mexico	15.RD.32806/TO#39902	
Direct Awards:		
LSU A&M College (Baton Rouge)		9,685
Environmental Investigation of the Long-Term Use of Ship Shoal Sand Resources	15.RD.1435-01-04-CA-35162	
Direct Awards:		
LSU A&M College (Baton Rouge)		253,021

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Evaluating and Collecting Acid Precipitation	15.RD.06HQSA0031	
Direct Awards:		
LSU Agricultural Center		$3,150
An Examination of the Development of Liquefied Natural Gas Facilities on the Gulf of Mexico	15.RD.M08AX12688	
Direct Awards:		
LSU A&M College (Baton Rouge)		39
Factors Affecting Petroleum Exploration and Development and Their Impacts on the Attractiveness and Prospectivity of the Gulf of Mexico Deepwater	15.RD.32806/TO#39305	
Direct Awards:		
LSU A&M College (Baton Rouge)		22,336
Gulf Coast Subsidence and Wetland Loss: A Synthesis of Recent Research		
Direct Awards:		
LSU A&M College (Baton Rouge)	15.RD.32806/TO#39904	(3,745)
LSU A&M College (Baton Rouge)	15.RD.M08AX12683	15,287
High Resolution Model of Current Topographic Interaction in the Gulf of Mexico	15.RD.30951/#18180	
Direct Awards:		
LSU A&M College (Baton Rouge)		(22,702)
History of Offshore Oil Development in the Gulf of Mexico	15.RD.1435-01-02-CA-85169	
Direct Awards:		
LSU A&M College (Baton Rouge)		61,274
Inventory of Vascular Plants on Gulf Islands National	15.RD.J2115040014/H5000030400	
Direct Awards:		
LSU A&M College (Baton Rouge)		51,881
Landscape - Level Impact of Invasive Smooth Brome on a Native Prairie Plant	15.RD.G246-06-W0094	
Through: Montana State University (#ESA04FF33 ESF04FF01)		
LSU A&M College (Baton Rouge)		1,180

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Literature Review and Bibliography of the Environmental Impacts of Disinfection Byproducts Formed During the Offshore Regasification of Liquefied Natural Gas	15.RD.32806/TO#39264	
Direct Awards:		
LSU A&M College (Baton Rouge)		$31,450
Local and Long-Range Movements, Habitat Use, and Survival of Female Mallards within the Lower Mississippi Alluvial Valley and along the Gulf Coast Chenier Plain	15.RD.LA-85-1	
Through: Ducks Unlimited Inc. (#201814J870)		
LSU Agricultural Center		11,121
The LSU Intra-University Colloquia on Cumulative Socioeconomic Side Effects	15.RD.30951/#74301	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,631
Management of the Coastal Marine Institute at LSU		
Direct Awards:		
LSU A&M College (Baton Rouge)	15.RD.30951/#16800	(8,249)
LSU A&M College (Baton Rouge)	15.RD.M08AX12678	58,822
Multicomponent and Multifrequency Seismic for Assessment of Fluid-Gas Expulsion Geology and Gas Hydrate Deposits	15.RD.1435-01-05-CA-39076	
Direct Awards:		
LSU A&M College (Baton Rouge)		115,386
National Park Service	15.RD.AAV	
Direct Awards:		
Nicholls State University		8,962
New Remote Sensing Methodologies for the Surveillance of Ocean Features	15.RD.30951/#85247	
Direct Awards:		
LSU A&M College (Baton Rouge)		54,339

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
New Wave Current Information System (WAVCIS)	15.RD.32806/TO#39273	
Ocean Observing Station on Ship Shoal		
Direct Awards:		
LSU A&M College (Baton Rouge)		$140,125
Phase 2, Ethnographic Study of Fazendeville Community	15.RD.H5000030400/J7530030007	
Direct Awards:		
LSU A&M College (Baton Rouge)		3,752
Platform Debris Fields - Extent, Composition, and Biological Utilization	15.RD.30951/#72406	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,072
Platform Recruited Reef Fish, Phase II	15.RD.M08AX12679	
Direct Awards:		
LSU A&M College (Baton Rouge)		60,841
Post Hurricane Assessment of OCS - Related Infrastructure and Communities in the Gulf of Mexico Region	15.RD.32806/TO#39641	
Direct Awards:		
LSU A&M College (Baton Rouge)		88,638
Ship Shoal: Sand, Shrimp, and Sea Trout	15.RD.M05AZ10660	
Direct Awards:		
LSU A&M College (Baton Rouge)		39,331
Short-Term Movement, Home Range, and Behavior of Red Snapper Around Petroleum	15.RD.30951/#73515	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,542
Simultaneous Measurements of Atmospheric Visibility	15.RD.M08AR12731	
Direct Awards:		
LSU A&M College (Baton Rouge)		284
Social Capital and Offshore Oil Development	15.RD.32806/TO#M05AZ10576	
Direct Awards:		
LSU A&M College (Baton Rouge)		55,564

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Spatial Restructuring and Fiscal Impacts in the Wake of Disaster: The Case of the Oil and Gas Industry Following Hurricanes Katrina and Rita	15.RD.M05AC12279	
Direct Awards:		
LSU A&M College (Baton Rouge)		$55,848
A Study of Long-Term Trends in Environmental Parameters Along the Louisiana/Mississippi Outer Continental Shelf Using Ocean Floor Remote Sensing Data	15.RD.M08AX12685	
Direct Awards:		
LSU A&M College (Baton Rouge)		35,520
Variability of Deep Water Mass Properties	15.RD.32806/TO#36189	
Direct Awards:		
LSU A&M College (Baton Rouge)		125,290
Wave-Bottom Interaction and Bottom Boundary Dynamic	15.RD.30951/#85245	
Direct Awards:		
LSU A&M College (Baton Rouge)		11,068
Total Research and Development Cluster		6,024,221
Total U.S. Department of the Interior		**$38,835,137**
U.S. DEPARTMENT OF JUSTICE		
Asset Forfeiture	16.000	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$767,263
Prisoner Reentry Initiative Demonstration (Offender Reentry)	16.202	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		235,391

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Comprehensive Approaches to Sex Offender Management Discretionary Grant (CASOM)	16.203	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		$119,132
Services for Trafficking Victims	16.320	
Direct Awards:		
Executive Department		46,894
Through: City of New Orleans		
LSU Health Sciences Center (New Orleans)		36,033
Total Services for Trafficking Victims		82,927
Juvenile Accountability Block Grants	16.523	
Direct Awards:		
Executive Department		832,756
Education, Training, and Enhanced Services to End Violence Against and Abuse of Women with Disabilities	16.529	
Direct Awards:		
Executive Department		22,227
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	
Direct Awards:		
Executive Department		909,869
Missing Children's Assistance	16.543	
Direct Awards:		
Department of Justice		99,136
Title V - Delinquency Prevention Program	16.548	
Direct Awards:		
Executive Department		114,379
Part E - State Challenge Activities	16.549	
Direct Awards:		
Executive Department		32,130

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
State Justice Statistics Program for Statistical Analysis Centers	16.550	
Direct Awards:		
Executive Department		$66,085
National Criminal History Improvement Program (NCHIP)	16.554	
Direct Awards:		
Executive Department		440,737
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	
Direct Awards:		
Executive Department		169,265
Crime Victim Assistance	16.575	
Direct Awards:		
Executive Department		5,748,303
Crime Victim Compensation	16.576	
Direct Awards:		
Executive Department		900,662
Edward Byrne Memorial Formula Grant Program	16.579	
Direct Awards:		
Executive Department		522,617
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	
Direct Awards:		
Executive Department		25,000
Crime Victim Assistance/Discretionary Grants	16.582	
Direct Awards:		
Executive Department		79,949

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Violent Offender Incarceration and Truth in Sentencing Incentive Grants	16.586	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		$4,059,558
Violence Against Women Formula Grants	16.588	
Direct Awards:		
Executive Department		1,814,488
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	
Direct Awards:		
Executive Department		187,384
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	
Direct Awards:		
Executive Department		731,036
Residential Substance Abuse Treatment for State Prisoners	16.593	
Direct Awards:		
Executive Department		545,929
Corrections - Training and Staff Development	16.601	
Direct Awards:		
Louisiana Technical College		145,298
State Criminal Alien Assistance Program	16.606	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		286,549
Community Prosecution and Project Safe Neighborhoods	16.609	
Direct Awards:		
Executive Department		129,706

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Public Safety Partnership and Community Policing Grants	16.710	
Direct Awards:		
Executive Department		$782
Northwestern State University		223,614
Total Public Safety Partnership and Community Policing Grants		224,396
Enforcing Underage Drinking Laws Program	16.727	
Direct Awards:		
Department of Revenue		476,417
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		982,565
Edward Byrne Memorial Justice Assistance Grant Program	16.738	
Direct Awards:		
Executive Department		39,087,938
Statewide Automated Victim Information Notification (SAVIN) Program	16.740	
Direct Awards:		
Executive Department		25,000
Forensic DNA Backlog Reduction Program	16.741	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		(45,047)
Forensic Casework DNA Backlog Reduction Program	16.743	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		242,567
Anti-Gang Initiative	16.744	
Direct Awards:		
Executive Department		140,582

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Drug Enforcement Administration:		
Direct Awards:		
Department of Public Safety and Corrections -		
Public Safety Services:		
Cannabis Eradication	16.2005-69	$1,083
Cops Tech	16.2002CKWX0388	(1,149)
Drug Enforcement Administration	16.SE-LAW-103H	(102)
Drug Enforcement Administration	16.unknown	216,158
New Orleans HIDTA Task Force Group 1	16.CCGP107	5,738
Organized Crime Drug Enforcement Task Force	16.SE-LAE-269/270	7,566
Organized Crime Drug Enforcement Task Force	16.SE-LAE-272H	4,153
Organized Crime Drug Enforcement Task Force	16.SE-LAM-039H	850
Organized Crime Drug Enforcement Task Force	16.SE-LAW-111H/113H	6,609
Total Drug Enforcement Administration		240,906
Federal Bureau of Investigation:		
Direct Awards:		
Department of Public Safety and Corrections -		
Public Safety Services:		
2008 Louisiana Joint Terrorism Task Force	16.unknown	4,242
Louisiana Joint Terrorism Task Force	16.JTTF-CRA3MOU	1,206
Northwest Louisiana Violent Crime Task Force	16.166E-NO-54661	16,081
Total Federal Bureau of Investigation		21,529
Hurricane Katrina Fraud Task Force (HKFTF)	16.20087	
Direct Awards:		
LSU A&M College (Baton Rouge)		188,212
Law Enforcement Online Infragard Phase VII	16.6968/30863	
Direct Awards:		
LSU A&M College (Baton Rouge)		968,777
Law Enforcement Online (LEO) Infragard VIII	16.6968/32214	
Direct Awards:		
LSU A&M College (Baton Rouge)		932,639

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Law Enforcement Online (LEO) - Various	16.6968	
Direct Awards:		
LSU A&M College (Baton Rouge)		$1,957,847
Law Enforcement Online (LEO) VICAP	16.6968/32254	
Direct Awards:		
LSU A&M College (Baton Rouge)		914,120
LEO - Law Enforcement Intelligence Linguist Access (LEILA)	16.6968/TO#2004-003	
Direct Awards:		
LSU A&M College (Baton Rouge)		58,979
LEO - Operations and Maintenance FY 2006 - Phase XII	16.6968/20010	
Direct Awards:		
LSU A&M College (Baton Rouge)		7,217,893
LEO - Operations and Maintenance FY 2007 - Phase XIII	16.6968/32169	
Direct Awards:		
LSU A&M College (Baton Rouge)		7,158,366
LEO - Phase X Task Order 2004-001	16.6968/TO#2004-001	
Direct Awards:		
LSU A&M College (Baton Rouge)		467,318
New Orleans Violent Crime Reduction Initiative	16.2007-DD-BX-0673	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		731
Statewide Drug Court Enhancement Grant	16.2004-DC-BX- 0062	
Direct Awards:		
Supreme Court of Louisiana		34,804

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
U.S. Attorney's Office Support for LSU Computer Forensic Lab	16.32550	
Direct Awards:		
LSU A&M College (Baton Rouge)		$2,423
U.S. Marshall's Service	16.MS-88-L-0014	
Direct Awards:		
Department of Military Affairs		512,847
Total U.S. Department of Justice		**$80,879,585**
U.S. DEPARTMENT OF LABOR		
Labor Force Statistics	17.002	
Direct Awards:		
Department of Labor		$1,407,732
Compensation and Working Conditions	17.005	
Direct Awards:		
Department of Labor		99,850
Unemployment Insurance	17.225	
Direct Awards:		
Department of Labor		223,475,004
Senior Community Service Employment Program	17.235	
Direct Awards:		
Governor's Office of Elderly Affairs		1,388,533
Through: The National Council on the Aging, Inc.		
University of Louisiana at Monroe		722,460
Total Senior Community Service Employment Program		2,110,993
Trade Adjustment Assistance	17.245	
Direct Awards:		
Department of Labor		2,968,299

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
WIA Pilots, Demonstrations, and Research Projects	17.261	
Direct Awards:		
Department of Labor		$86,021
L. E. Fletcher Technical Community College		1,298,014
Louisiana Community and Technical College System		2,757,090
Southern University at Shreveport-Bossier City		521,963
Total WIA Pilots, Demonstrations, and Research Projects		4,663,088
Work Incentive Grants	17.266	
Direct Awards:		
Department of Labor		672,937
Incentive Grants - WIA Section 503	17.267	
Direct Awards:		
Executive Department		485,972
Reintegration of Ex-Offenders	17.270	
Direct Awards:		
Louisiana Technical College		301,022
Work Opportunity Tax Credit Program (WOTC)	17.271	
Direct Awards:		
Department of Labor		434,631
Temporary Labor Certification for Foreign Workers	17.273	
Direct Awards:		
Department of Labor		96,423
Youthbuild	17.274	
Direct Awards:		
Louisiana Technical College		31,978
Occupational Safety and Health - Susan Harwood Training Grants	17.502	
Direct Awards:		
Louisiana Technical College		45,353

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
Consultation Agreements	17.504	
Direct Awards:		
Department of Labor		$611,970
Mine Health and Safety Education Training	17.602	
Direct Awards:		
Louisiana Technical College		82,201
Employment Service Cluster:		
Employment Service/Wagner-Peyser Funded Activities	17.207	
Direct Awards:		
Department of Labor		12,137,309
Disabled Veterans' Outreach Program (DVOP)	17.801	
Direct Awards:		
Department of Labor		1,167,479
Local Veterans' Employment Representative Program	17.804	
Direct Awards:		
Department of Labor		1,238,521
Total Employment Service Cluster		14,543,309
WIA Cluster:		
WIA Adult Program	17.258	
Direct Awards:		
Department of Labor		18,528,917
WIA Youth Activities	17.259	
Direct Awards:		
Department of Labor		17,827,617
Louisiana Technical College		67,063
Through: The Coordinating and Development Center		
Bossier Parish Community College		44,848
Through: EBR Parish, BR Workforce Investment Board		
LSU A&M College (Baton Rouge)		199,727
Through: Tangipahoa Parish School System		
LSU A&M College (Baton Rouge)		360,371

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
WIA Cluster: (Cont.)		
WIA Dislocated Workers	17.260	
Direct Awards:		
Department of Labor		$30,290,254
Through: First Planning District Consortium (#000103)		
University of New Orleans		82,323
Through: Goodwill Industries of Southeast LA (06-01NEG, 06-02NEG, 06-03NEG)		
University of New Orleans		213,583
Total WIA Cluster		67,614,703
Total U.S. Department of Labor		**$319,645,465**
U.S. DEPARTMENT OF STATE		
Animation Collaboration with iEARN and the Red Stick International Animation Festival	19.32806	
Through: iEarn USA		
LSU A&M College (Baton Rouge)		$286
Anti-Terrorism Assistance Program	19.S-DSASD-92-CA-001	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		55,804
Antiterrorism Training Program	19.SDSASD92CA002	
Direct Awards:		
LSU A&M College (Baton Rouge)		53,527
Total U.S. Department of State		**$109,617**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION		
Airport Improvement Program	20.106	
Direct Awards:		
Department of Transportation and Development		$1,256,123
Highway Training and Education	20.215	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		4,775
National Motor Carrier Safety	20.218	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		1,017,672
Recreational Trails Program	20.219	
Through: Baton Rouge Green (#04LRT-EBR-9801/745 1)		
LSU Agricultural Center		36,103
Commercial Driver License State Programs	20.232	
Direct Awards:		
Supreme Court of Louisiana		376,540
Commercial Motor Vehicle Operator Training Grants	20.235	
Direct Awards:		
Louisiana Technical College		48,559
Formula Grants for Other Than Urbanized Areas	20.509	
Direct Awards:		
Department of Transportation and Development		6,557,614
Public Transportation Research	20.514	
Direct Awards:		
Executive Department		44,045
State Planning and Research	20.515	
Direct Awards:		
Department of Transportation and Development		909,136

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Alcohol Open Container Requirements	20.607	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$4,562,053
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		4,562,053
Pipeline Safety Program Base Grants	20.700	
Direct Awards:		
Department of Natural Resources		694,724
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		103,179
2008 MCSAP Basic Grant/New Entrant Grant Program	20.unknown	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		2,578,257
Commercial Vehicle Analysis Reporting System	20.21115TND	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		205,341
Intermodal Unit	20.LA004000900	
Direct Awards:		
Southeastern Louisiana University		825,199

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Federal Transit Cluster:		
Federal Transit - Capital Investment Grants	20.500	
Direct Awards:		
Department of Transportation and Development		$983,221
University of Louisiana at Monroe		871,168
Federal Transit - Formula Grants	20.507	
Direct Awards:		
Department of Transportation and Development		1,690,577
Total Federal Transit Cluster		3,544,966
Highway Planning and Construction Cluster:		
Highway Planning and Construction	20.205	
Direct Awards:		
Department of Transportation and Development		742,722,490
Highway Safety Cluster:		
State and Community Highway Safety	20.600	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		(10,163)
Department of Public Safety and Corrections - Public Safety Services		3,382,131
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		2,876,736
Occupant Protection	20.602	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		403,576
Safety Belt Performance Grants	20.609	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		1,798,498

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Highway Safety Cluster: (Cont.)		
State Traffic Safety Information System Improvement Grants	20.610	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$176,317
Incentive Grant Program to Increase Motorcyclist Safety	20.612	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		55,990
Child Safety and Child Booster Seats Incentive Grants	20.613	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		6,350
Total Highway Safety Cluster		8,689,435
Research and Development Cluster:		
Highway Research and Development Program	20.200	
Through: National Academy of Sciences (#HR-14-19)		
Louisiana Tech University		3,242
Public Transportation Research	20.514	
Direct Awards:		
University of New Orleans		91,604
Research Grants	20.762	
Through: National Academy of Sciences (#SHFP-R-01)		
Louisiana Tech University		187,490
Advanced Technology for Biodiesel Production	20.RD.AB-5-61770.LSU1	
Through: Oklahoma State University (#DTOS59-07-G-00053)		
LSU Agricultural Center		17,536
Application of TRANSIMS for the Multimodal Microscale Simulation of the New Orleans Emergency Evacuation Plan	20.RD.DTFH61-06-C-00044	
Direct Awards:		
LSU A&M College (Baton Rouge)		206,801

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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 TRANSPORTATION (CONT.)		
Research and Development Cluster: (Cont.)		
Differential Impedance Obstacle Detection	20.RD.K143260	
Through: Gas Technology Institute (#DTPH56-06-T-0005)		
Louisiana Tech University		$4,858
Total Research and Development Cluster		511,531
Transit Services Programs Cluster:		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	
Direct Awards:		
Department of Transportation and Development		1,991,977
Total U.S. Department of Transportation		**$781,241,772**
U.S. DEPARTMENT OF THE TREASURY		
Asset Forfeiture	21.000	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$79,771
Low-Income Taxpayer Clinics	21.008	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		74,032
Total U.S. Department of the Treasury		**$153,803**
U.S. POSTAL SERVICE		
U.S. Postal Service - Fixed Price Contract	22.216565-89-P-0444	
Direct Awards:		
Nicholls State University		$6,000
Total U.S. Postal Service		**$6,000**

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION		
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	
Direct Awards:		
Executive Department		$59,535
Total Equal Employment Opportunity Commission		**$59,535**
GENERAL SERVICES ADMINISTRATION		
Donation of Federal Surplus Personal Property	39.003	
Direct Awards:		
Executive Department		$1,968,465
Total General Services Administration		**$1,968,465**
U.S. LIBRARY OF CONGRESS		
Teaching with Primary Sources	42.GA08C0022	
Direct Awards:		
Southeastern Louisiana University		$32,325
Total U.S. Library of Congress		**$32,325**
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		
Aerospace Education Services Program	43.001	
Through: Iowa State University (#NNG-5G146G14222501)		
Southern University and A&M College (Baton Rouge)		$32,180
Technology Transfer	43.002	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		45,729
Through: Tulane University (#TUL1460203)		
Southern University and A&M College (Baton Rouge)		23,801
Total Technology Transfer		69,530

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Adapting and Validating Precision Technologies for Cotton Production in the Mid-Southern United States	43.NCC13-02003	
Direct Awards:		
LSU Agricultural Center		($56)
Development of a CFD Model for Predicting Performance	43.NNC05GA35G	
Direct Awards:		
University of Louisiana at Lafayette		24,994
Louisiana Space Grant Consortium	43.NNG05GH22H	
Direct Awards:		
LSU A&M College (Baton Rouge)		78,945
Molecular Mechanisms for the Persistence, Protection, and Repair of DNA	43.NNG05GN49G	
Direct Awards:		
LSU A&M College (Baton Rouge)		9,086
The Swift Redshift Catalog and Rapid Redshift Notification Service (Limin Xiao)	43.NNX07AT08H	
Direct Awards:		
LSU A&M College (Baton Rouge)		23,084
Research and Development Cluster:		
Aerospace Education Services Program	43.001	
Direct Awards:		
Board of Regents for Higher Education		398,830
Southern University and A&M College (Baton Rouge)		60,952
Technology Transfer	43.002	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		721,753
Through: Clark Atlanta University (#03-04-30403-001)		
Grambling State University		6,491
Through: Diamond Data Systems, Inc. (#NNS06AA09C)		
University of New Orleans		35,769

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
Accretion Rates of Recurrent Novae	43.RD.NNG06GD08G	
Direct Awards:		
LSU A&M College (Baton Rouge)		$3,242
Adapting and Validating Precision Technologies for Cotton Production in the Mid-Southern United States	43.RD.NCC13-02003	
Direct Awards:		
LSU Agricultural Center		(27,267)
The Advanced Thin Ionization Calorimeter Balloon	43.RD.NNG04WC12G	
Direct Awards:		
LSU A&M College (Baton Rouge)		56,856
Collaborative: Rotation Periods and Opposition Surges of Small Icy Bodies	43.RD.NAG5-13533	
Direct Awards:		
LSU A&M College (Baton Rouge)		7,771
Development of Advanced Fluid Structures Interaction (FSI) Methods	43.RD.NNX08AI95A	
Direct Awards:		
LSU A&M College (Baton Rouge)		18,772
Digging for Interstellar Rare Elements in Archival UV Spectra	43.RD.HST-AR-10643.01-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		18,789
Dust Formation and Evolution in SN 1987A	43.RD.HST-AR-10944.01-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		31,919
Earth Occultation Analysis of the Glast Gamma Ray Burst Monitor	43.RD.SUB2007-382	
Through: University of Alabama in Huntsville (#NAG5-11606)		
LSU A&M College (Baton Rouge)		59,213

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
Echo - Mapping a Quiescent Black Hole	43.RD.NNG06GB64G	
Direct Awards:		
LSU A&M College (Baton Rouge)		$1,830
Echo - Tomography of Cygnus X-2	43.RD.NNX06AG87G	
Direct Awards:		
LSU A&M College (Baton Rouge)		3,335
The Effects of Microgravity on Protein-Ligand Interactions	43.RD.NAG2-1511	
Direct Awards:		
LSU A&M College (Baton Rouge)		104
From Stars to Genes: An Integrated Study of the Prospects of Life in the Cosmos	43.RD.2090GGB117/4-443869-EY-23204	
Through: University of California, Los Angeles		
LSU A&M College (Baton Rouge)		58
A Gulf-Coast Monitoring and Hazards Decision Support Tool	43.RD.NNA07CN12A	
Direct Awards:		
LSU A&M College (Baton Rouge)		169,896
High Temperature Accretion Flows and Reprocessing in X-ray Binaries	43.RD.HST-GO-10535.03-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		1,808
A Large Scale Multi-Color Photometric Survey of Trans-Neptunian Objects	43.RD.NNX07AK67G	
Direct Awards:		
LSU A&M College (Baton Rouge)		46,967
Littoral Acoustic Demonstration Center: Acoustics to Detect Beached Whales	43.RD.NNS07AA65T	
Through: University of Southern Mississippi (#USM-GR02884-01)		
University of New Orleans		11,866

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
Louisiana Research Consortium	43.RD.NNS05AA95C	
Direct Awards:		
Board of Regents for Higher Education		$842,341
Louisiana Space Grant Consortium	43.RD.NNG05GH22H	
Direct Awards:		
LSU A&M College (Baton Rouge)		467,225
Molecular Mechanisms for the Persistence, Protection, and Repair of DNA and Proteins Under Extreme Radiation, UV Light, and Desiccating Conditions	43.RD.NNG05GN49G	
Direct Awards:		
LSU A&M College (Baton Rouge)		126,732
NASA, Stennis Space Center Intergovernmental Personnel Act Agreement	43.RD.unknown	
Direct Awards:		
University of New Orleans		160,135
NASA Training Grant	43.RD.NNS05AB23H/24H	
Direct Awards:		
University of New Orleans		32,679
National Center for Advanced Manufacturing	43.RD.NNM07AA14A	
Through: UNO Research and Technology Foundation (Sub #58732-S1)		
University of New Orleans		416,356
Numerical Simulations of Interacting Binaries	43.RD.NNX07AG84G	
Direct Awards:		
LSU A&M College (Baton Rouge)		78,161
Research Opportunities in Space and Earth Sciences - 2006	43.RD.NNX07AC65G	
Direct Awards:		
LSU A&M College (Baton Rouge)		344,673

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
The Shadow Echoes of the Unique R Coronae Borealis	43.RD.HST-GO-10267.01-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		$16,525
The Shell of the Recurrent Nova T PYX	43.RD.HST-GO-10834.01-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		6,230
Spatial and Temporal Variability in Chlorophyll, Primary Production and Carbon Export in the Bering Sea Linked to Climate Change	43.RD.2008-6	
Through: Bigelow Laboratory for Ocean Sciences (#NNX07AR15G)		
LSU A&M College (Baton Rouge)		37,909
The Swift Redshift Catalog and Rapid Redshift Notification Service (Limin Xiao)	43.RD.NNX07AT08H	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,768
Two New Gamma-Ray Burst Luminosity Indicators	43.RD.NNG06GH07G	
Direct Awards:		
LSU A&M College (Baton Rouge)		10,150
A UV Survey of Quiescent Black Holes and Neutron Stars	43.RD.HST-GO-10253.05-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		1,391
Total Research and Development Cluster		4,171,229
Total National Aeronautics and Space Administration		**$4,408,992**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL ENDOWMENT FOR THE ARTS		
Promotion of the Arts - Grants to Organizations and Individuals	45.024	
Direct Awards:		
Department of Culture, Recreation and Tourism		$25,000
LSU A&M College (Baton Rouge)		14,998
University of New Orleans		121,161
Total Promotion of the Arts - Grants to Organizations and Individuals		161,159
Promotion of the Arts - Partnership Agreements	45.025	
Direct Awards:		
Department of Culture, Recreation and Tourism		597,081
Promotion of the Arts - Leadership Initiatives	45.026	
Direct Awards:		
University of Louisiana at Lafayette		3,412
Total National Endowment for the Arts		**$761,652**
NATIONAL ENDOWMENT FOR THE HUMANITIES		
Promotion of the Humanities - Federal/State Partnership	45.129	
Through: Louisiana Endowment for the Humanities		
LSU A&M College (Baton Rouge)		$16,449
Louisiana State University in Shreveport		27,208
Total Promotion of the Humanities - Federal/State Partnership		43,657
Promotion of the Humanities - Division of Preservation and Access	45.149	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,878
Promotion of the Humanities - Research	45.161	
Direct Awards:		
Northwestern State University		15,608

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL ENDOWMENT FOR THE HUMANITIES (CONT.)		
Promotion of the Humanities - Teaching and Learning Resources and Curriculum Development	45.162	
Direct Awards:		
Grambling State University		$9,607
Promotion of the Humanities - Public Programs	45.164	
Direct Awards:		
University of New Orleans		64,000
Research and Development Cluster:		
Promotion of the Humanities - Division of Preservation and Access	45.149	
Through: Alliance for American Quilts (#American Quilts)		
Louisiana Tech University		3,235
Promotions of the Humanities - Public Programs	45.164	
Direct Awards:		
Louisiana Tech University		295
Total Research and Development Cluster		3,530
Total National Endowment for the Humanities		**$142,280**
INSTITUTE OF MUSEUM AND LIBRARY SERVICES		
Grants to States	45.310	
Direct Awards:		
Department of Culture, Recreation and Tourism		$2,284,626
National Leadership Grants	45.312	
Direct Awards:		
Department of Culture, Recreation and Tourism		109,744
LSU A&M College (Baton Rouge)		60,836
Total National Leadership Grants		170,580

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
INSTITUTE OF MUSEUM AND LIBRARY SERVICES (CONT.)		
Research and Development Cluster:		
National Leadership Grants	45.312	
Direct Awards:		
LSU A&M College (Baton Rouge)		$26,315
Total Institute of Museum and Library Services		**$2,481,521**
NATIONAL SCIENCE FOUNDATION		
Engineering Grants	47.041	
Direct Awards:		
University of Louisiana at Lafayette		$224,979
Through: Michigan Technological University (#02109Z)		
Southern University and A&M College (Baton Rouge)		17,489
Total Engineering Grants		242,468
Mathematical and Physical Sciences	47.049	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,576,741
Southern University and A&M College (Baton Rouge)		371,885
University of Louisiana at Lafayette		39,769
Total Mathematical and Physical Sciences		1,988,395
Geosciences	47.050	
Direct Awards:		
LSU A&M College (Baton Rouge)		(2,517)
University of Louisiana at Lafayette		106,201
Total Geosciences		103,684

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Computer and Information Science and Engineering	47.070	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$174,185
University of Louisiana at Lafayette		385,905
Through: Iowa State University (#420-25-19A)		
University of Louisiana at Lafayette		25,920
Total Computer and Information Science and Engineering		586,010
Biological Sciences	47.074	
Direct Awards:		
LSU A&M College (Baton Rouge)		(435)
University of Louisiana at Lafayette		298,151
Through: Harvey Mudd College		
University of Louisiana at Lafayette		9,536
Total Biological Sciences		307,252
Social, Behavioral, and Economic Sciences	47.075	
Direct Awards:		
University of Louisiana at Lafayette		51,238
Education and Human Resources	47.076	
Direct Awards:		
Baton Rouge Community College		10,205
LSU A&M College (Baton Rouge)		1,150,184
Louisiana Technical College		211,163
McNeese State University		324,098
Southern University and A&M College (Baton Rouge)		1,256,886
Southern University at New Orleans		164,923
University of Louisiana at Lafayette		119,003
University of Louisiana at Monroe		130,077
Through: Houston Community Advance Technology Education College		
McNeese State University		29,221
Through: Iowa State University (#420-21-11)		
University of Louisiana at Lafayette		19,497

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Education and Human Resources (Cont.)	47.076	
Through: Michigan Technological University (#02109Z)		
Southern University and A&M College (Baton Rouge)		$182,301
Through: Texas A&M (#S070028)		
University of Louisiana at Lafayette		94,254
Through: Tulane University (#HRD-0202178)		
Southern University at New Orleans		55,588
Total Education and Human Resources		3,747,400
Polar Programs	47.078	
Through: University of Wisconsin Madison (#G067933)		
Southern University and A&M College (Baton Rouge)		213,253
International Science and Engineering (OISE)	47.079	
Direct Awards:		
University of Louisiana at Lafayette		12,786
Evolution of Species and Signal Diversity in the Neotropical Fish	47.DEB-0614334	
Through: University of Central Florida (#24036040)		
University of Louisiana at Lafayette		21,987
IPA for Dr. Luigi Marzilli at the Division of Chemistry, Directorate for Mathematical and Physical Sciences	47.CHE-0737195	
Direct Awards:		
LSU A&M College (Baton Rouge)		316,291
IPA - Pius Egbelu	47.IRM-0547335	
Direct Awards:		
LSU A&M College (Baton Rouge)		6,799

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster:		
Engineering Grants	47.041	
Direct Awards:		
LSU A&M College (Baton Rouge)		$1,330,638
Louisiana Tech University		855,274
University of New Orleans		351,932
Through: Women in Engineering Programs and Advocates Network (# WEPAN)		
Louisiana Tech University		24,229
Mathematical and Physical Sciences	47.049	
Direct Awards:		
LSU A&M College (Baton Rouge)		3,943,504
Louisiana Tech University		218,291
Southeastern Louisiana University		42,913
Southern University and A&M College (Baton Rouge)		113,010
University of New Orleans		671,268
Through: Ohio State University Research Foundation (#CHE - 012 1676)		
LSU A&M College (Baton Rouge)		18,175
Through: University of Pittsburgh (#CHE-0581253)		
Southeastern Louisiana University		8,000
Geosciences	47.050	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,067,953
Louisiana Universities Marine Consortium		519,652
Southeastern Louisiana University		69,197
University of New Orleans		106,347
Through: Florida State University (#ATM-0435628)		
LSU A&M College (Baton Rouge)		7,614
Through: Montana State University (#EAR-0525567)		
LSU A&M College (Baton Rouge)		55,378
Through: Oregon State University (#OCE-0624092)		
LSU A&M College (Baton Rouge)		43,437
Through: University of Arizona (#ATM-0611320)		
LSU A&M College (Baton Rouge)		23,410

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Geosciences (Cont.)	47.050	
Through: University of Minnesota (#EAR-0120914)		
LSU A&M College (Baton Rouge)		$119,225
Through: University of New Hampshire (#GEO-0631377)		
LSU A&M College (Baton Rouge)		3,432
Through: University of North Carolina at Wilmington		
Louisiana Universities Marine Consortium		12,213
Through: University of Southern Mississippi (#GR02399-B10)		
Louisiana Universities Marine Consortium		27,065
Computer and Information Science and Engineering	47.070	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,389,419
Louisiana Tech University		6,002
Southern University and A&M College (Baton Rouge)		46,252
University of New Orleans		275,573
Through: Purdue University (#CCF-0621457)		
LSU A&M College (Baton Rouge)		48,638
Through: University of Kentucky Research Foundation (#SCI-0438312)		
LSU A&M College (Baton Rouge)		44,070
Biological Sciences	47.074	
Direct Awards:		
LSU Agricultural Center		262,886
LSU A&M College (Baton Rouge)		2,466,472
LSU Health Sciences Center (Shreveport)		179,891
Southeastern Louisiana University		94,316
University of New Orleans		550,430
Through: Florida International University (#DBI-0620409)		
LSU A&M College (Baton Rouge)		29,923
Through: Marine Biological Laboratory (#DEB-0213767)		
LSU A&M College (Baton Rouge)		10,161

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Biological Sciences (Cont.)	47.074	
Through: University of Florida (#DBI-0445712)		
LSU A&M College (Baton Rouge)		$33,869
Through: University of Miami (#667707)		
University of New Orleans		33,853
Through: University of Texas at Austin (#DBI-0624077)		
University of New Orleans		54,112
Social, Behavioral, and Economic Sciences	47.075	
Direct Awards:		
LSU A&M College (Baton Rouge)		600,667
Louisiana Tech University		73,380
McNeese State University		106,754
University of New Orleans		194,154
Education and Human Resources	47.076	
Direct Awards:		
Board of Regents for Higher Education		3,739,459
Grambling State University		434,793
LSU A&M College (Baton Rouge)		937,565
Louisiana Tech University		978,170
Southern University and A&M College (Baton Rouge)		788,127
University of New Orleans		38,233
Polar Programs	47.078	
Direct Awards:		
LSU A&M College (Baton Rouge)		229,427
Through: Northern Illinois University (#ANT-0342484)		
LSU A&M College (Baton Rouge)		9,412
Through: University of Nebraska-Lincoln (#ANT-0342484)		
LSU A&M College (Baton Rouge)		27,784
International Science and Engineering (OISE)	47.079	
Direct Awards:		
LSU A&M College (Baton Rouge)		22,362
Louisiana Tech University		178,252
McNeese State University		4,207
University of Louisiana at Monroe		33,530

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Office of Cyberinfrastructure	47.080	
Direct Awards:		
Board of Regents for Higher Education		$764,685
LSU A&M College (Baton Rouge)		156,728
IPA Agreement for Roy Goodrich	47.RD.DMR-0503948	
Direct Awards:		
LSU A&M College (Baton Rouge)		30,838
A Molecular Approach to Larval Ecology	47.RD.OCE.0326383	
Direct Awards:		
University of Louisiana at Lafayette		1,927
Paleotempestology of the Caribbean Region	47.RD.CRN II 2050	
Through: Inter-American Institute for Global Change Research (#GEO-0452325)		
LSU A&M College (Baton Rouge)		100,670
PEET: Monographic Research and Phylogenetic Investigations of the Ceramiales	47.RD.DEB.0328491	
Direct Awards:		
University of Louisiana at Lafayette		146,951
Total Research and Development Cluster		24,756,099
Total National Science Foundation		**$32,353,662**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
SMALL BUSINESS ADMINISTRATION		
Bienville Corridor Stipend Program	59.SBAHQ-05-1-0044	
Direct Awards:		
Southern University at New Orleans		$40,000
Latin American Commercial Law Program	59.SBAHQ-05-I-0080	
Direct Awards:		
Paul M. Hebert Law Center		134,063
Research and Development Cluster:		
Small Business Development Centers	59.037	
Direct Awards:		
University of Louisiana at Monroe		1,701,062
Total Small Business Administration		**$1,875,125**
U.S. DEPARTMENT OF VETERANS AFFAIRS		
Grants to States for Construction of State Home Facilities	64.005	
Direct Awards:		
Department of Veterans Affairs		$439,854
Veterans State Nursing Home Care	64.015	
Direct Awards:		
Department of Veterans Affairs		11,590,084
State Cemetery Grants	64.203	
Direct Awards:		
Department of Veterans Affairs		409,948
Reimbursement Contract	64.V101 (223B)	
Direct Awards:		
Department of Veterans Affairs		213,252

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF VETERANS AFFAIRS (CONT.)		
VA - Disbursement Agreement - Fellow Stipends	64.unknown	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		$758,680
VA - Disbursement Agreement - House Staff Stipends	64.unknown	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		1,527,743
VA - Neurosurgery, IPA	64.V667P-1615	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		251,565
VA - Orthopedic IPA	64.VAMC	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		149,146
Total U.S. Department of Veterans Affairs		**$15,340,272**
ENVIRONMENTAL PROTECTION AGENCY		
Air Pollution Control Program Support	66.001	
Direct Awards:		
Department of Environmental Quality		$241,220
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	
Direct Awards:		
Department of Environmental Quality		358,440
Department of Health and Hospitals		22,933
University of Louisiana at Lafayette		83,640
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		465,013
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	
Direct Awards:		
Department of Environmental Quality		64,425

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
State Public Water System Supervision	66.432	
Direct Awards:		
Office of Public Health		$1,656,150
State Underground Water Source Protection	66.433	
Direct Awards:		
Department of Natural Resources		411,901
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of Clean Water Act	66.436	
Direct Awards:		
Grambling State University		80,958
Department of Natural Resources		851,312
Total Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of Clean Water Act		932,270
Water Quality Management Planning	66.454	
Direct Awards:		
Department of Environmental Quality		116,183
Capitalization Grants for Clean Water State Revolving Funds	66.458	
Direct Awards:		
Department of Environmental Quality		7,864,232
Nonpoint Source Implementation Grants	66.460	
Direct Awards:		
Department of Agriculture and Forestry		1,930,780
Department of Environmental Quality		3,374,360
Total Nonpoint Source Implementation Grants		5,305,140
Water Quality Cooperative Agreements	66.463	
Direct Awards:		
Department of Environmental Quality		18,050

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Wastewater Operator Training Grant Program (Technical Assistance)	66.467	
Direct Awards:		
University of Louisiana at Lafayette		$29,299
Capitalization Grants for Drinking Water State Revolving Funds	66.468	
Direct Awards:		
Office of Public Health		11,026,669
State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	66.471	
Direct Awards:		
Office of Public Health		33,991
Beach Monitoring and Notification Program Implementation Grants	66.472	
Direct Awards:		
Office of Public Health		514,816
Water Protection Grants to the States	66.474	
Direct Awards:		
Office of Public Health		101,981
Gulf of Mexico Program	66.475	
Direct Awards:		
Department of Environmental Quality		23,124
Science to Achieve Results (STAR) Research Program	66.509	
Direct Awards:		
University of Louisiana at Lafayette		14,612
Performance Partnership Grants	66.605	
Direct Awards:		
Department of Environmental Quality		10,309,045

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Surveys, Studies, Investigations and Special Purpose Grants	66.606	
Direct Awards:		
Department of Environmental Quality		$511,463
Department of Natural Resources		8,756,173
Total Surveys, Studies, Investigations and Special Purpose Grants		9,267,636
Environmental Information Exchange Network Grant Program and Related Assistance	66.608	
Direct Awards:		
Department of Environmental Quality		14,928
Office of Pubic Health		84,819
Total Environmental Information Exchange Network Grant Program and Related Assistance		99,747
Consolidated Pesticide Enforcement Cooperative Agreements	66.700	
Direct Awards:		
Department of Agriculture and Forestry		459,634
Toxic Substances Compliance Monitoring Cooperative Agreements	66.701	
Direct Awards:		
Department of Environmental Quality		150,000
Multi-Media Capacity Building Grants for States and Tribes	66.709	
Direct Awards:		
Department of Environmental Quality		55,000
Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	66.716	
Direct Awards:		
LSU Agricultural Center		12,867
National Community-Based Lead Outreach and Training Grant Program	66.718	
Through: National Center for Healthy Housing		
LSU Agricultural Center		16,505

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Hazardous Waste Management State Program Support	66.801	
Direct Awards:		
Department of Environmental Quality		$16,839
Superfund State, Political Subdivision, and Indian Tribe Site - Specific Cooperative Agreements	66.802	
Direct Awards:		
Department of Environmental Quality		288,168
Leaking Underground Storage Tank Trust Fund Program	66.805	
Direct Awards:		
Department of Environmental Quality		2,299,371
Brownfield Job Training Cooperative Agreements	66.815	
Direct Awards:		
Southern University at Shreveport-Bossier City		102,285
State and Tribal Response Program Grants	66.817	
Direct Awards:		
Department of Environmental Quality		349,337
Environmental Policy and State Innovation Grants	66.940	
Direct Awards:		
Department of Environmental Quality		1,275

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Research and Development Cluster:		
Congressionally Mandated Projects	66.202	
Direct Awards:		
Louisiana State University in Shreveport		$103,750
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act	66.436	
Direct Awards:		
Louisiana State University in Shreveport		144,657
Through: Lake Pontchartrain Basin Foundation		
Southeastern Louisiana University		24,834
Targeted Watersheds Grants	66.439	
Through: Lake Pontchartrain Basin Foundation (#06-788)		
University of New Orleans		29,920
National Estuary Program	66.456	
Direct Awards:		
Louisiana Universities Marine Consortium		405,462
Gulf of Mexico Program	66.475	
Direct Awards:		
LSU A&M College (Baton Rouge)		82,280
Louisiana Universities Marine Consortium		617,091
Through: State of Florida EPA (G0226)		
Louisiana Universities Marine Consortium		9,569
Environmental Protection - Consolidated Research	66.500	
Direct Awards:		
LSU A&M College (Baton Rouge)		65,914
McNeese State University		67,443

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Research and Development Cluster: (Cont.)		
Science to Achieve Results (STAR) Research Program	66.509	
Direct Awards:		
LSU Agricultural Center		$81,690
Through: University of Texas at Austin		
LSU A&M College (Baton Rouge)		(26)
Office of Research and Development	66.511	
Consolidated Research/Training/Fellowships		
Through: University of South Alabama (#R-83065101-2)		
LSU A&M College (Baton Rouge)		1,238
Science to Achieve Results (STAR) Fellowship Program	66.514	
Direct Awards:		
University of New Orleans		3,808
Surveys, Studies, Investigations and Special Purpose Grants	66.606	
Direct Awards:		
Southeastern Louisiana University		339,109
Research, Development, Monitoring, Public Education,	66.716	
Training, Demonstrations, and Studies		
Direct Awards:		
LSU Agricultural Center		37,104
Through: Buried Asset Management Institute -		
International, Inc. (#BAMI-1)		
Louisiana Tech University		3,522
Brownfields Training, Research, and Technical Assistance	66.814	
Grants and Cooperative Agreements		
Direct Awards:		
LSU A&M College (Baton Rouge)		65,826

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Research and Development Cluster: (Cont.)		
EPA Fellowship	66.RD.unknown	
Direct Awards:		
Louisiana Tech University		$83,924
Intergovernmental Personnel Act Agreement for Bing Guan	66.RD.HQ5540809N	
Direct Awards:		
University of New Orleans		21,875
Rehab of Wastewater	66.RD.215934	
Through: Battelle Memorial Institute (#215934)		
Louisiana Tech University		44,715
Total Research and Development Cluster		2,233,705
Total Environmental Protection Agency		**$54,480,490**
U.S. DEPARTMENT OF ENERGY		
State Energy Program	81.041	
Direct Awards:		
Department of Natural Resources		$611,999
Office of Science Financial Assistance Program	81.049	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		167,673
Through: Battelle Memorial Institute, Pacific Northwest Division		
Nicholls State University		24,477
Total Office of Science Financial Assistance Program		192,150
Conservation Research and Development	81.086	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		18,805
Through: Howard University (#633254192525)		
Southern University and A&M College (Baton Rouge)		14,161
Total Conservation Research and Development		32,966

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Renewable Energy Research and Development	81.087	
Through: BWXT-Y-12, LLC (#430056337-38)		
Southern University and A&M College (Baton Rouge)		$64,373
Fossil Energy Research and Development	81.089	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		338
National Industrial Competitiveness through Energy, Environment, and Economics	81.105	
Direct Awards:		
Department of Natural Resources		7,383
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions	81.106	
Through: Southern States Energy Board (#DE-FC04-93AL82966)		
Department of Environmental Quality		28,035
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	
Through: Midwest Research Institute (#ACQ433623-01)		
Southern University and A&M College (Baton Rouge)		26,061
State Energy Program Special Projects	81.119	
Direct Awards:		
Department of Natural Resources		77,340
Through: Houston Advanced Research Center (#20-5206-ULL0607)		
University of Louisiana at Lafayette		55,608
Total State Energy Program Special Projects		132,948
Detection and Tracking of Plumes by Sensor Networks	81.DE-AC05-00OR22725	
Through: UT Battelle, LLC (Sub #4000051494)		
University of New Orleans		20,000

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Development of an Extension Building Sciences Community of Practice for the Southeast Region	81.00070708	
Through: University of Florida (#00067348)		
LSU Agricultural Center		$7,820
Grant for 4-H Energy Project #3	81.unknown	
Through: NASULGC - National Association of State Universities and Land Grant Colleges (#DE-FG36-04GO14269)		
LSU Agricultural Center		8,988
Industrial Assessment Center	81.DE-FC36-06GO16074	
Direct Awards:		
University of Louisiana at Lafayette		145,105
LITE: Enabling Coastal Stewardship and Reliable Energy	81.DE-FG02-06ER64268	
Direct Awards:		
University of Louisiana at Lafayette		147,006
Petroleum Violation Escrow Funds		
Direct Awards:		
Department of Natural Resources:		
Exxon	81.E2029	1,660,368
OHA	81.OHA2030	376,457
Stripper Well	81.SW2027	158,445
Warner	81.W2031	201,765
Total Petroleum Violation Escrow Funds		2,397,035

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster:		
Office of Science Financial Assistance Program	81.049	
Direct Awards:		
Board of Regents for Higher Education		$538,332
LSU A&M College (Baton Rouge)		1,437,068
Louisiana Tech University		423,419
Southeastern Louisiana University		8,196
Through: The Pennsylvania State University (#DE-FG02-07-ER46414)		
Southeastern Louisiana University		225
Through: The Research Foundation of State University of New York (#DE-FG02-06ER41416)		
LSU A&M College (Baton Rouge)		108,341
Through: University of Oregon (#234151F)		
Louisiana Tech University		5,877
Renewable Energy Research and Development	81.087	
Direct Awards:		
LSU Agricultural Center		405,790
Through: Consortium for Plant Biotechnology Research (#DE-FG36-02G012026)		
LSU A&M College (Baton Rouge)		52,905
Fossil Energy Research and Development	81.089	
Direct Awards:		
Grambling State University		52,817
LSU A&M College (Baton Rouge)		601,210
Through: University of Alabama (#DE-FC26-03NT15395)		
LSU A&M College (Baton Rouge)		80,692
Defense Nuclear Nonproliferation Research	81.113	
Direct Awards:		
LSU A&M College (Baton Rouge)		146,845
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	
Direct Awards:		
Nicholls State University		16,213

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster: (Cont.)		
National Nuclear Security Administration (NNSA)	81.123	
Minority Serving Institutions (MSI) Program		
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$54,053
Building Support Cancer Research and Prevention	81.RD.DE-FG02-02CH11117	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		79,527
Characterization of Hexaluminate Catalysts	81.RD.06-485I-LSU	
Through: West Virginia University Research Corporation		
LSU A&M College (Baton Rouge)		43,037
Community Resilience to Natural Disasters: New Orleans	81.RD.4000064703	
and Southeast Louisiana		
Through: UT-Battelle, LLC (#DE-AC05-00OR22725)		
LSU A&M College (Baton Rouge)		20,000
Improved Biorefinery for the Production of Ethanol,	81.RD.DE-FG36-04GO14236	
Chemicals, Animal Feed, and Biomaterials from Sugar Cane		
Direct Awards:		
LSU Agricultural Center		140,378
Iron-Based Mixed Metal Carbide Fischer-Trophs Catalysis	81.RD.980-7558-215-2094689	
Through: Clemson University (#DE-FC36-03G013026)		
LSU A&M College (Baton Rouge)		96,022
Jefferson Lab Assistantship	81.RD.JSA-06-P0013	
Through: Jefferson Science Associates		
LSU A&M College (Baton Rouge)		44,096
Performance Modeling for Explosively Actuated Valves	81.RD.15238-001-05	
Through: The Regents of the University of California -		
Los Alamos National Laboratory (#W-7405-ENG-36)		
LSU A&M College (Baton Rouge)		19,336

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster: (Cont.)		
PTTC Phase II	81.RD.0495	
Through: Petroleum Technology Transfer Council		
LSU A&M College (Baton Rouge)		$24,959
Sensor Fusion Methods for Detection and Identification for Dispersions	81.RD.4000057148	
Through: UT-Battelle, LLC (#DE-AC05-00OR22725)		
LSU A&M College (Baton Rouge)		44,389
Sequestration and Bioconversion of Carbon Dioxide to Methane	81.RD.DEFG0203ER86172	
Through: MECOM, Inc. (#DE-FG02-03-ER86172)		
Southeastern Louisiana University		32,377
Total Research and Development Cluster		4,476,104
Total U.S. Department of Energy		**$8,298,311**
U.S. DEPARTMENT OF EDUCATION		
Adult Education - Basic Grants to States	84.002	
Direct Awards:		
Department of Education		$9,846,013
Title I Grants to Local Educational Agencies	84.010	
Direct Awards:		
Department of Education		287,559,099
Migrant Education - State Grant Program	84.011	
Direct Awards:		
Department of Education		2,385,252
Title 1 Program for Neglected and Delinquent Children	84.013	
Direct Awards:		
Department of Education		1,666,311

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Higher Education - Institutional Aid	84.031	
Direct Awards:		
Delgado Community College		$404,022
Grambling State University		4,329,375
Louisiana State University at Alexandria		251,331
Louisiana Technical College		656,812
Northwestern State University		442,629
Southern University and A&M College (Baton Rouge)		7,197,943
Southern University at New Orleans		1,976,340
Southern University at Shreveport-Bossier City		3,186,647
Total Higher Education - Institutional Aid		18,445,099
Federal Family Education Loans	84.032	
Direct Awards:		
Office of Student Financial Assistance (Guaranty Agency)		66,008,964
Career and Technical Education - Basic Grants to States	84.048	
Direct Awards:		
Louisiana Community and Technical College System		21,527,361
Leveraging Educational Assistance Partnership	84.069	
Direct Awards:		
Office of Student Financial Assistance		797,607
Fund for the Improvement of Postsecondary Education	84.116	
Direct Awards:		
LSU A&M College (Baton Rouge)		148,995
McNeese State University		108,752
Paul M. Hebert Law Center		902
University of Louisiana at Lafayette		1,296
University of New Orleans		259,491
Through: Online Louisiana, Inc. (#P116Z030207)		
LSU A&M College (Baton Rouge)		121,470
Total Fund for the Improvement of Postsecondary Education		640,906

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Minority Science and Engineering Improvement	84.120	
Direct Awards:		
Southern University at New Orleans		$108,050
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	
Direct Awards:		
Department of Social Services		49,515,524
Rehabilitation Long-Term Training	84.129	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		143,346
Southern University and A&M College (Baton Rouge)		381,500
Total Rehabilitation Long-Term Training		524,846
National Institute on Disability and Rehabilitation Research	84.133	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		359,365
Migrant Education - Coordination Program	84.144	
Direct Awards:		
Department of Education		43,751
Business and International Education Projects	84.153	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		61,015
Independent Living - State Grants	84.169	
Direct Awards:		
Department of Social Services		347,031
Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind	84.177	
Direct Awards:		
Department of Social Services		461,387

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Special Education - Grants for Infants and Families	84.181	
Direct Awards:		
Department of Health and Hospitals		$5,674,280
Office of Public Health		322,361
Total Special Education - Grants for Infants and Families		5,996,641
Safe and Drug-Free Schools and Communities - National Programs	84.184	
Direct Awards:		
Department of Education		631,397
Byrd Honors Scholarships	84.185	
Direct Awards:		
Department of Education		654,068
Safe and Drug-Free Schools and Communities - State Grants	84.186	
Direct Awards:		
Department of Education		5,112,627
Executive Department		1,489,941
Total Safe and Drug-Free Schools and Communities - State Grants		6,602,568
Supported Employment Services for Individuals with Significant Disabilities	84.187	
Direct Awards:		
Department of Social Services		557,074
Bilingual Education - Professional Development	84.195	
Direct Awards:		
Southeastern Louisiana University		189,129
Education for Homeless Children and Youth	84.196	
Direct Awards:		
Department of Education		1,278,307

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Graduate Assistance in Areas of National Need	84.200	
Direct Awards:		
LSU A&M College (Baton Rouge)		$142,377
Even Start - State Educational Agencies	84.213	
Direct Awards:		
Department of Education		2,027,914
Fund for the Improvement of Education	84.215	
Through: Monroe City School Board		
University of Louisiana at Monroe		20,000
Assistive Technology	84.224	
Direct Awards:		
Department of Health and Hospitals		341,249
Tech-Prep Education	84.243	
Direct Awards:		
Louisiana Community and Technical College System		2,086,719
Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training	84.265	
Direct Awards:		
Department of Social Services		126,554
Charter Schools	84.282	
Direct Awards:		
Department of Education		1,116,973
Twenty-First Century Community Learning Centers	84.287	
Direct Awards:		
Department of Education		16,532,019
State Grants for Innovative Programs	84.298	
Direct Awards:		
Department of Education		1,916,475

(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
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Capacity Building for Traditionally Underserved Populations	84.315	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$254,599
Education Technology State Grants	84.318	
Direct Awards:		
Department of Education		6,703,017
Special Education - State Personnel Development	84.323	
Direct Awards:		
Department of Education		942,297
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		21,474
University of New Orleans		169,720
Total Special Education - Personnel Development to Improve Services and Results for Children with Disabilities		191,194
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	
Direct Awards:		
Department of Education		114,562
Through: University of Tennessee (#H326D060003)		
LSU A&M College (Baton Rouge)		4,325
Through: University of Tennessee (#H326D060003-07)		
LSU A&M College (Baton Rouge)		8,716
Total Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities		127,603

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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 EDUCATION (CONT.)		
Advanced Placement Program	84.330	
Direct Awards:		
Department of Education		$228,195
Through: Ouachita Parish School Board		
University of Louisiana at Monroe		4,006
Total Advanced Placement Program		232,201
Grants to States for Incarcerated Youth Offenders	84.331	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		815,260
Comprehensive School Reform Demonstration	84.332	
Direct Awards:		
Department of Education		1,393,437
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,364,011
Southeastern Louisiana University		199,278
Total Gaining Early Awareness and Readiness for Undergraduate Programs		1,563,289
Teacher Quality Enhancement Grants	84.336	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		194,141
Underground Railroad Educational and Cultural Program	84.345	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		2,902

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Transition to Teaching	84.350	
Direct Awards:		
LSU A&M College (Baton Rouge)		$186,735
University of Louisiana at Monroe		1,192,420
University of New Orleans		281,880
Total Transition to Teaching		1,661,035
Arts in Education	84.351	
Through: VSA Arts of Louisiana		
University of Louisiana at Monroe		4,869
Reading First State Grants	84.357	
Direct Awards:		
Department of Education		21,829,953
Rural Education	84.358	
Direct Awards:		
Department of Education		4,720,278
School Leadership	84.363	
Direct Awards:		
LSU A&M College (Baton Rouge)		55,396
English Language Acquisition Grants	84.365	
Direct Awards:		
Department of Education		3,186,518

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Mathematics and Science Partnerships	84.366	
Direct Awards:		
Department of Education		$3,667,003
Through: Central Community Schools (#S366B070019)		
LSU A&M College (Baton Rouge)		4,829
Through: East Baton Rouge Parish School System (#S366B040019/S366B050)		
LSU A&M College (Baton Rouge)		56,722
Through: East Baton Rouge Parish School System (#S366B050019)		
LSU A&M College (Baton Rouge)		23,477
Through: East Baton Rouge Parish School System (#S366B050019/S366B060)		
LSU A&M College (Baton Rouge)		99,569
Through: East Baton Rouge Parish School System (#S366B060019)		
LSU A&M College (Baton Rouge)		165,310
Through: East Baton Rouge Parish School System (#S366B070019)		
LSU A&M College (Baton Rouge)		30,667
Through: Iberville Parish School Board (#S366B050019)		
LSU A&M College (Baton Rouge)		32,100
Through: Iberville Parish School Board (#S366B060019)		
LSU A&M College (Baton Rouge)		109,001
Through: Concordia Parish School Board		
University of Louisiana at Monroe		30,962
Through: Franklin Parish School Board		
University of Louisiana at Monroe		52,240
Through: Monroe City School Board		
University of Louisiana at Monroe		3,305
Through: Morehouse Parish School Board		
University of Louisiana at Monroe		72,136
Through: Tensas Parish School Board		
University of Louisiana at Monroe		40,876
Total Mathematics and Science Partnerships		4,388,197

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Improving Teacher Quality State Grants	84.367	
Direct Awards:		
Department of Education		$58,332,568
Grants for State Assessments and Related Activities	84.369	
Direct Awards:		
Department of Education		6,648,158
National Writing Project	84.928	
Through: National Writing Project Corporation (#94-3130846)		
Northwestern State University		46,038
Through: National Writing Project Corporation (#92-LA-05)		
Southeastern Louisiana University		53,795
Through: National Writing Project Corporation, University of California at Berkeley (#92-LA01/Amd No.16)		
University of New Orleans		56,608
Through: University of California - Berkley (#92-LA04)		
University of Louisiana at Lafayette		67,583
Total National Writing Project		224,024
Hurricane Education Recovery	84.938	
Direct Awards:		
Board of Regents for Higher Education		17,187,552
Delgado Community College		1,061,662
Department of Education		166,838,449
LSU Health Sciences Center (New Orleans)		1,327,356
Louisiana Technical College		329,870
McNeese State University		241,730
Nunez Community College		16,430
Southeastern Louisiana University		2,000
Sowela Technical Community College		12,460
University of New Orleans		400,000
Total Hurricane Education Recovery		187,417,509
Hurricane Katrina Foreign Contributions	84.940	
Direct Awards:		
Delgado Community College		1,528,160
Department of Education		7,231,163

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Hurricane Katrina Foreign Contributions (Cont.)	84.940	
Direct Awards: (Cont.)		
Nunez Community College		$3,541
University of New Orleans		2,159,822
Total Hurricane Katrina Foreign Contributions		10,922,686
National Writing Project Models and Programs	84.92-LA02	
Through: National Writing Project Corp.		
LSU A&M College (Baton Rouge)		34,703
Task Order for National Assessment of Educational Programs (FPC)	84.ED-03-CO-0041	
Direct Awards:		
Department of Education		10,500
Title IV Katrina Support	84.unknown	
Direct Awards:		
University of New Orleans		1,123,007
Research and Development Cluster:		
Fund for the Improvement of Postsecondary Education	84.116	
Through: University of Colorado		
LSU Health Sciences Center (New Orleans)		(17,342)
Rehabilitation Long-Term Training	84.129	
Direct Awards:		
Louisiana Tech University		111,593
Fund for the Improvement of Education	84.215	
Direct Awards:		
Louisiana Tech University		22,836
Research in Special Education	84.324	
Direct Awards:		
LSU A&M College (Baton Rouge)		58,076
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		496,746

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Research and Development Cluster: (Cont.)		
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	
Direct Awards:		
Board of Regents for Higher Education		$2,156,164
Mathematics and Science Partnerships	84.366	
Through: Monroe City School Board (#2806 MP-65)		
Louisiana Tech University		47,730
Through: Ouachita Parish School System (#TEAMS)		
Louisiana Tech University		29,166
Improving Teacher Quality State Grants	84.367	
Direct Awards:		
Board of Regents for Higher Education		1,795,240
Special Education - Technical Assistance on State Data Collection	84.373	
Through: Westat, Inc.		
LSU Health Sciences Center (New Orleans)		483,600
Annual Interest Grant	84.RD.R-7-00375	
Direct Awards:		
Louisiana Tech University		113,349
Total Research and Development Cluster		5,297,158
Special Education Cluster (IDEA):		
Special Education - Grants to States	84.027	
Direct Awards:		
Department of Education		197,104,358
Special Education - Preschool Grants	84.173	
Direct Awards:		
Department of Education		5,823,840
Total Special Education Cluster (IDEA)		202,928,198

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster:		
Federal Supplemental Educational Opportunity Grants	84.007	
Direct Awards:		
Baton Rouge Community College		$239,245
Bossier Parish Community College		105,901
Delgado Community College		698,834
Grambling State University		382,129
Louisiana State University at Alexandria		147,296
LSU A&M College (Baton Rouge)		666,338
Louisiana State University at Eunice		89,443
Louisiana State University in Shreveport		174,070
LSU Health Sciences Center (New Orleans)		174
LSU Health Sciences Center (Shreveport)		16,800
Louisiana Tech University		303,791
McNeese State University		332,021
Nicholls State University		162,479
Northwestern State University		386,680
Nunez Community College		167,300
Southeastern Louisiana University		642,924
Southern University and A&M College (Baton Rouge)		768,436
Southern University at New Orleans		154,241
Southern University at Shreveport-Bossier City		49,550
University of Louisiana at Lafayette		422,627
University of Louisiana at Monroe		298,610
University of New Orleans		708,355
Federal Work-Study Program	84.033	
Direct Awards:		
Baton Rouge Community College		298,716
Bossier Parish Community College		128,829
Delgado Community College		233,321
Grambling State University		1,122,777
L. E. Fletcher Technical Community College		40,903
Louisiana State University at Alexandria		166,350
LSU A&M College (Baton Rouge)		924,781
Louisiana State University at Eunice		89,410
Louisiana State University in Shreveport		162,026
Louisiana Tech University		483,056
McNeese State University		257,632
Nicholls State University		231,765
Northwestern State University		269,031
Nunez Community College		73,286

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
Federal Work-Study Program (Cont.)	84.033	
Direct Awards: (Cont.)		
Southeastern Louisiana University		$685,495
Southern University and A&M College (Baton Rouge)		598,576
Southern University at New Orleans		271,195
Southern University at Shreveport-Bossier City		125,876
University of Louisiana at Lafayette		489,442
University of Louisiana at Monroe		789,535
University of New Orleans		468,502
Federal Perkins Loan Program - Federal Capital Contributions	84.038	
Direct Awards:		
LSU A&M College (Baton Rouge)		4,050
Louisiana State University at Eunice		92
McNeese State University		415,425
Northwestern State University		27,203
Southeastern Louisiana University		37,467
University of New Orleans		77,491
Federal Pell Grant Program	84.063	
Direct Awards:		
Baton Rouge Community College		4,993,179
Bossier Parish Community College		5,039,140
Delgado Community College		16,534,312
Grambling State University		11,271,820
L. E. Fletcher Technical Community College		908,011
Louisiana Delta Community College		26,235
Louisiana State University at Alexandria		3,477,243
LSU A&M College (Baton Rouge)		11,618,160
Louisiana State University at Eunice		3,326,578
Louisiana State University in Shreveport		3,559,383
LSU Health Sciences Center (New Orleans)		420,488
LSU Health Sciences Center (Shreveport)		69,299
Louisiana Tech University		5,815,398
Louisiana Technical College		17,246,183
McNeese State University		6,932,747
Nicholls State University		6,090,417
Northwestern State University		8,812,433
Nunez Community College		1,815,778
River Parishes Community College		967,574

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
Federal Pell Grant Program (Cont.)	84.063	
Direct Awards: (Cont.)		
South Louisiana Community College		$1,653,909
Southeastern Louisiana University		12,664,493
Southern University and A&M College (Baton Rouge)		14,343,613
Southern University at New Orleans		5,137,770
Southern University at Shreveport-Bossier City		4,642,116
Sowela Technical Community College		1,625,052
University of Louisiana at Lafayette		12,683,560
University of Louisiana at Monroe		8,549,456
University of New Orleans		8,224,172
Academic Competitiveness Grants	84.375	
Direct Awards:		
Baton Rouge Community College		89,389
Bossier Parish Community College		109,925
Delgado Community College		117,363
Grambling State University		306,446
L. E. Fletcher Technical Community College		23,300
Louisiana State University at Alexandria		8,150
LSU A&M College (Baton Rouge)		718,538
Louisiana State University at Eunice		139,314
Louisiana State University in Shreveport		102,356
Louisiana Tech University		329,065
Louisiana Technical College		5,050
McNeese State University		148,495
Nicholls State University		254,866
Northwestern State University		379,309
Nunez Community College		20,400
River Parishes Community College		14,875
Southeastern Louisiana University		387,635
Southern University and A&M College (Baton Rouge)		369,375
South Louisiana Community College		24,275
Sowela Technical Community College		22,900
University of Louisiana at Lafayette		480,892
University of Louisiana at Monroe		480,545
University of New Orleans		257,286

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	
Direct Awards:		
Grambling State University		$126,118
LSU A&M College (Baton Rouge)		441,518
Louisiana State University in Shreveport		148,452
Louisiana Tech University		220,470
McNeese State University		74,559
Nicholls State University		57,902
Northwestern State University		159,246
Southeastern Louisiana University		112,305
Southern University and A&M College (Baton Rouge)		109,312
University of Louisiana at Lafayette		186,679
University of Louisiana at Monroe		50,506
University of New Orleans		80,834
Total Student Financial Assistance Cluster		200,395,645
TRIO Cluster:		
TRIO - Student Support Services	84.042	
Direct Awards:		
Grambling State University		365,295
LSU A&M College (Baton Rouge)		310,191
Louisiana State University at Eunice		332,674
Northwestern State University		387,856
Southeastern Louisiana University		330,778
Southern University and A&M College (Baton Rouge)		(124)
Southern University at New Orleans		330,757
Southern University at Shreveport-Bossier City		327,118
University of Louisiana at Lafayette		586,423
University of New Orleans		273,901
TRIO - Talent Search	84.044	
Direct Awards:		
Southeastern Louisiana University		651,454
Southern University and A&M College (Baton Rouge)		478,484
Southern University at New Orleans		626,954
Southern University at Shreveport-Bossier City		366,487
University of Louisiana at Lafayette		737,018
University of Louisiana at Monroe		333,328
University of New Orleans		876,478

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
TRIO Cluster: (Cont.)		
TRIO - Upward Bound	84.047	
Direct Awards:		
Baton Rouge Community College		$148,532
Delgado Community College		208,587
Grambling State University		68,182
Louisiana State University at Eunice		472,410
McNeese State University		346,057
Nicholls State University		208,021
Southeastern Louisiana University		1,658,157
Southern University and A&M College (Baton Rouge)		833,605
Southern University at New Orleans		412,010
Southern University at Shreveport-Bossier City		851,168
University of Louisiana at Lafayette		1,264,447
University of Louisiana at Monroe		70,912
University of New Orleans		909,777
TRIO - Educational Opportunity Centers	84.066	
Direct Awards:		
Southeastern Louisiana University		334,435
Southern University at Shreveport-Bossier City		216,595
TRIO - McNair Post-Baccalaureate Achievement	84.217	
Direct Awards:		
LSU A&M College (Baton Rouge)		242,848
Southern University and A&M College (Baton Rouge)		167,267
University of Louisiana at Lafayette		254,897
Total TRIO Cluster		15,982,979
Total U.S. Department of Education		**$1,238,100,366**
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION		
National Historical Publications and Records Grants	89.003	
Direct Awards:		
LSU A&M College (Baton Rouge)		$59,321
Total National Archives and Records Administration		**$59,321**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
ELECTIONS ASSISTANCE COMMISSION		
Help America Vote Act Requirements Payments	90.401	
Direct Awards:		
Department of State		$2,591,440
Total Elections Assistance Commission		**$2,591,440**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Public Health and Social Services Emergency Fund	93.003	
Direct Awards:		
Department of Health and Hospitals		$13,339,280
Through: Center for Public Service Communications		
Southern University and A&M College (Baton Rouge)		23,378
Through: Louisiana Hospital Association		
LSU Health Sciences Center (Shreveport)		39,695
LSU Health Sciences Center (Shreveport) -		
E. A. Conway Medical Center		30,699
LSU Health Sciences Center (Shreveport) -		
Huey P. Long Medical Center		32,887
Total Public Health and Social Services Emergency Fund		13,465,939
Cooperative Agreements to Improve the Health Status of the Minority Populations	93.004	
Through: Biomedical Research Foundation of Northwest Louisiana		
Louisiana State University in Shreveport		30,705
State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program	93.006	
Through: Brotherhood, Inc.		
LSU Health Sciences Center (New Orleans)		(10,394)
HIV Prevention Programs for Women	93.015	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		88,386
Through: International Resource Group Limited (#942289908)		
Grambling State University		21,631
Total HIV Prevention Programs for Women		110,017

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	
Direct Awards:		
Governor's Office of Elderly Affairs		$65,461
Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	
Direct Awards:		
Governor's Office of Elderly Affairs		207,820
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	
Direct Awards:		
Governor's Office of Elderly Affairs		294,874
Special Programs for the Aging - Title IV and Title II - Discretionary Projects	93.048	
Direct Awards:		
Governor's Office of Elderly Affairs		12,650
Alzheimer's Disease Demonstration Grants to States	93.051	
Direct Awards:		
Governor's Office of Elderly Affairs		15,955
National Family Caregiver Support, Title III, Part E	93.052	
Direct Awards:		
Governor's Office of Elderly Affairs		2,106,160
Chronic Diseases: Research, Control, and Prevention	93.068	
Direct Awards:		
Northwestern State University		529,541
Public Health Emergency Preparedness	93.069	
Direct Awards:		
Office of Public Health		11,341,580
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		213,320

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Food and Drug Administration - Research	93.103	
Direct Awards:		
Department of Agriculture and Forestry		$2,574
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	
Direct Awards:		
Department of Health and Hospitals		1,799,647
Model State - Supported Area Health Education Centers	93.107	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		179,438
LSU Health Sciences Center (Shreveport)		167,301
Through: Southeast Louisiana Area Health Education Center		
Southeastern Louisiana University		10,516
Total Model State - Supported Area Health Education Centers		357,255
Maternal and Child Health Federal Consolidated Programs	93.110	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		39,009
LSU Health Sciences Center (Shreveport)		6,146
Office of Public Health		292,279
Total Maternal and Child Health Federal Consolidated Programs		337,434
Environmental Health	93.113	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		22,149
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	
Direct Awards:		
Office of Public Health		1,208,684

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Emergency Medical Services for Children	93.127	
Direct Awards:		
Office of Public Health		$93,093
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	
Direct Awards:		
Department of Health and Hospitals		151,194
Injury Prevention and Control Research and State and Community-Based Programs	93.136	
Direct Awards:		
Office of Public Health		866,020
NIEHS Hazardous Waste Worker Health and Safety Training	93.142	
Through: Dillard University (#5U45ES0106640)		
Southern University and A&M College (Baton Rouge)		167,414
AIDS Education and Training Centers	93.145	
Direct Awards:		
University Medical Center		64,410
Projects for Assistance in Transition from Homelessness (PATH)	93.150	
Direct Awards:		
Department of Health and Hospitals		414,554
Grants to States for Loan Repayment Program	93.165	
Direct Awards:		
Department of Health and Hospitals		351,565
Nursing Workforce Diversity	93.178	
Direct Awards:		
Northwestern State University		65,611

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Childhood Lead Poisoning Prevention Projects - State and Local	93.197	
Childhood Lead Poisoning Prevention and Surveillance of		
Blood Lead Levels in Children		
Direct Awards:		
Office of Public Health		$354,248
Surveillance of Hazardous Substance Emergency Events	93.204	
Direct Awards:		
Office of Public Health		66,402
Family Planning - Services	93.217	
Direct Awards:		
Office of Public Health		4,435,416
Abstinence Education Program	93.235	
Direct Awards:		
Executive Department		597,752
Grants for Dental Public Health Residency Training	93.236	
Direct Awards:		
Office of Public Health		222,834
Cooperative Agreements for State Treatment Outcomes and		
Performance Pilot Studies Enhancement	93.238	
Direct Awards:		
Department of Health and Hospitals		(13)
Policy Research and Evaluation Grants	93.239	
Through: University of Kentucky Research Foundation (#UKRF30481040)		
Southern University and A&M College (Baton Rouge)		8,000
State Rural Hospital Flexibility Program	93.241	
Direct Awards:		
Department of Health and Hospitals		542,157

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	
Direct Awards:		
Department of Health and Hospitals		$2,187,776
Through: Morehouse School of Medicine (#TI-17165)		
Grambling State University		1,467
Total Substance Abuse and Mental Health Services - Projects of Regional and National Significance		2,189,243
Universal Newborn Hearing Screening	93.251	
Direct Awards:		
Office of Public Health		106,124
Poison Control Stabilization and Enhancement Grants	93.253	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		299,472
State Planning Grants Health Care Access for the Uninsured	93.256	
Direct Awards:		
Department of Health and Hospitals		27,211
Rural Access to Emergency Devices Grant	93.259	
Direct Awards:		
Office of Public Health		16,633
Occupational Safety and Health Program	93.262	
Through: University of Maryland (#CG 0515)		
University of Louisiana at Lafayette		81,876
Immunization Grants	93.268	
Direct Awards:		
Office of Public Health		2,084,705
Substance Abuse and Mental Health Services - Access to Recovery	93.275	
Direct Awards:		
Department of Health and Hospitals		4,525,558

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Mental Health National Research Service Awards for Research Training	93.282	
Direct Awards:		
Grambling State University		$252,714
LSU A&M College (Baton Rouge)		20,647
Total Mental Health National Research Service Awards for Research Training		273,361
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	
Direct Awards:		
Department of Health and Hospitals		1,807,740
Through: National Black Women's Health Project (#U501CCU32218602)		
Southern University and A&M College (Baton Rouge)		10,411
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance		1,818,151
Small Rural Hospital Improvement Grant Program	93.301	
Direct Awards:		
Department of Health and Hospitals		371,086
Office of Public Health		7,993,614
Total Small Rural Hospital Improvement Grant Program		8,364,700
Advanced Education Nursing Traineeships	93.358	
Direct Awards:		
McNeese State university		30,900
Northwestern State University		31,859
Southeastern Louisiana University		31,594
Southern University and A&M College (Baton Rouge)		23,726
University of Louisiana at Lafayette		24,432
Total Advanced Education Nursing Traineeships		142,511

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
National Center for Research Resources	93.389	
Direct Awards:		
LSU A&M College (Baton Rouge)		$205,962
Through: University of Washington (#PO#524917)		
University of Louisiana at Lafayette		736,718
Total National Center for Research Resources		942,680
Cancer Research Manpower	93.398	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		54,019
Promoting Safe and Stable Families	93.556	
Direct Awards:		
Department of Social Services		12,275,465
Through: Volunteers of America of Greater New Orleans, Inc.		
LSU Agricultural Center		28,550
Total Promoting Safe and Stable Families		12,304,015
Temporary Assistance for Needy Families	93.558	
Direct Awards:		
Department of Social Services		150,867,382
Child Support Enforcement	93.563	
Direct Awards:		
Department of Social Services		44,300,976
Child Support Enforcement Research	93.564	
Direct Awards:		
Department of Social Services		333,805
Refugee and Entrant Assistance - State Administered Programs	93.566	
Direct Awards:		
Department of Social Services		119,920
Community Services Block Grant	93.569	
Direct Awards:		
Department of Labor		15,358,105

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Community Services Block Grant - Discretionary Awards	93.570	
Through: National Youth Sports Corporation (#NYSP 05:1045)		
Grambling State University		$18,275
Through: National Youth Sports Corporation (#NYS PF05-1123)		
Southern University and A&M College (Baton Rouge)		3,835
Total Community Services Block Grant - Discretionary Awards		22,110
Community Services Block Grant Formula and Discretionary Awards Community Food and Nutrition Programs	93.571	
Direct Awards:		
Department of Labor		(2,566)
State Court Improvement Program	93.586	
Direct Awards:		
Supreme Court of Louisiana		460,654
Community-Based Child Abuse Prevention Grants	93.590	
Direct Awards:		
Department of Social Services		557,284
Grants to States for Access and Visitation Programs	93.597	
Direct Awards:		
Department of Social Services		292,781
Chafee Education and Training Vouchers Program (ETV)	93.599	
Direct Awards:		
Department of Social Services		369,825
Head Start	93.600	
Direct Awards:		
Department of Social Services		30,082
Southern University and A&M College (Baton Rouge)		116,352
Through: Regina Coeli Child Development Center		
Southeastern Louisiana University		1,253
Total Head Start		147,687

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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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Child Support Enforcement Demonstrations and Special Projects	93.601	
Through: South Baton Rouge Christian Children's Foundation (#90FI0069)		
LSU A&M College (Baton Rouge)		$5,076
Voting Access for Individuals with Disabilities - Grants to States	93.617	
Direct Awards:		
Department of State		120,943
Basic Center Grant	93.623	
Direct Awards:		
Executive Department		126,358
Developmental Disabilities Basic Support and Advocacy Grants	93.630	
Direct Awards:		
Department of Health and Hospitals		1,499,471
Children's Justice Grants to States	93.643	
Direct Awards:		
Department of Social Services		316,340
Child Welfare Services - State Grants	93.645	
Direct Awards:		
Department of Social Services		4,917,326
Foster Care - Title IV-E	93.658	
Direct Awards:		
Department of Social Services		54,667,887
Adoption Assistance	93.659	
Direct Awards:		
Department of Social Services		16,199,291
Social Services Block Grant	93.667	
Direct Awards:		
Department of Social Services		99,164,796

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Child Abuse and Neglect State Grants	93.669	
Direct Awards:		
Department of Social Services		$945,929
Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes	93.671	
Direct Awards:		
Executive Department		1,386,133
Chafee Foster Care Independence Program	93.674	
Direct Awards:		
Department of Social Services		1,341,633
State Children's Insurance Program	93.767	
Direct Awards:		
Department of Health and Hospitals		155,347,651
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities	93.768	
Direct Awards:		
Department of Health and Hospitals		637,786
Medicare - Hospital Insurance	93.773	
Direct Awards:		
Department of Veterans Affairs		1,625,819
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	
Direct Awards:		
Governor's Office of Elderly Affairs		249,100
Department of Health and Hospitals		67,329,818
Department of Insurance		313,455
Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		67,892,373
Health Careers Opportunity Program	93.822	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		290

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Cardiovascular Diseases Research	93.837	
Direct Awards:		
Southeastern Louisiana University		$50,805
Biomedical Research and Research Training	93.859	
Direct Awards:		
Grambling State University		410,378
Southeastern Louisiana University		88,344
Southern University and A&M College (Baton Rouge)		48,706
Total Biomedical Research and Research Training		547,428
Grants for Training in Primary Care Medicine and Dentistry	93.884	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		457,063
Health Care and Other Facilities	93.887	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		442,359
University of Louisiana at Monroe		355,698
Total Health Care and Other Facilities		798,057
Specially Selected Health Projects	93.888	
Through: Southeastern Louisiana AHEC Foundation, Inc.		
LSU Health Sciences Center (New Orleans)		158,863
Grants to States for Operation of Offices of Rural Health	93.913	
Direct Awards:		
Department of Health and Hospitals		160,256
HIV Emergency Relief Project Grants	93.914	
Through: City of New Orleans (#PC210-00000028974)		
Medical Center of Louisiana at New Orleans		1,789,411

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
HIV Care Formula Grants	93.917	
Direct Awards:		
Office of Public Health		$19,116,856
Through: HIV/AIDS Alliance Region II, Inc.		
LSU Health Sciences Center (New Orleans)		53,207
Total HIV Care Formula Grants		19,170,063
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		239,391
Medical Center of Louisiana at New Orleans		762,195
Through: Greater Ouachita Coalition		
LSU Health Sciences Center (Shreveport) - E.A. Conway Medical Center		303,607
Total Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease		1,305,193
Special Projects of National Significance	93.928	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		324,484
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	
Direct Awards:		
Department of Education		253,498
HIV Prevention Activities - Health Department Based	93.940	
Direct Awards:		
Office of Public Health		5,973,722

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
HIV Demonstration, Research, Public and Professional Education Projects	93.941	
Direct Awards:		
Office of Public Health		$25,988
Through: McFarland and Associates (#MCF&A)		
Southern University and A&M College (Baton Rouge)		72,340
Total HIV Demonstration, Research, Public and Professional Education Projects		98,328
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	
Direct Awards:		
Office of Public Health		2,107,774
Assistance Programs for Chronic Disease Prevention and Control	93.945	
Direct Awards:		
Department of Health and Hospitals		428,386
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	
Direct Awards:		
Office of Public Health		126,476
Block Grants for Community Mental Health Services	93.958	
Direct Awards:		
Department of Health and Hospitals		6,473,799
Block Grants for Prevention and Treatment of Substance Abuse	93.959	
Direct Awards:		
Department of Health and Hospitals		22,839,949
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	
Direct Awards:		
Office of Public Health		2,445,214

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Mental Health Disaster Assistance and Emergency Mental Health	93.982	
Direct Awards:		
Department of Health and Hospitals		$33,313,449
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	
Direct Awards:		
Department of Health and Hospitals		166,678
Preventive Health and Health Services Block Grant	93.991	
Direct Awards:		
Office of Public Health		2,435,430
Maternal and Child Health Services Block Grant to the States	93.994	
Direct Awards:		
Office of Public Health		11,108,230
Adult Blood Lead Surveillance	93.211-2007-M-21220	
Direct Awards:		
Office of Public Health		10,243
Chimpanzee Hepatitis Vaccine Research	93.unknown	
Direct Awards:		
University of Louisiana at Lafayette		19,530
Dendritic Cell Mediated Induction of Anti-HCV Immunity	93.R01A1061684	
Through: Nationwide Children's Hospital (#341906)		
University of Louisiana at Lafayette		60,487
Family Domestic Violence Prevention Services	93.90EV0339/01-03	
Direct Awards:		
Southern University at New Orleans		125,332
Food Inspection	93.F223-2006/2007-400-58C/50C	
Direct Awards:		
Office of Public Health		82,111

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Gulf Coast Addiction Technology Transfer Center	93.UTA03-223	
Through: University of Texas at Austin		
Northwestern State University		$41,990
Hansen's Disease National Ambulatory Care Program	93.unknown	
Direct Awards:		
Department of Military Affairs		250,972
HCV-Specific T Cell Responses in Chimpanzees	93.R37-A147367	
Through: Nationwide Children's Hospital (#220807)		
University of Louisiana at Lafayette		20,352
Immunological Strategies for Curing Hepatitis Virus Infections	93.unknown	
Through: Nationwide Children's Hospital (#358305)		
University of Louisiana at Lafayette		227,739
LSU Hurricane Center Shelter Assessment Training Course for Coastal Louisiana	93.HHSP233200600553P	
Direct Awards:		
LSU A&M College (Baton Rouge)		42,208
NN/LM SCR Resource Library Outreach		
Through: Houston Academy of Medicine		
LSU Health Sciences Center (New Orleans)	93.OTHN01LM63505	11,679
Through: Houston Academy Medicine - Texas Medical Center Library		
LSU Health Sciences Center (Shreveport)	93.N01-LM-6-3505	34,646
Total NN/LM SCR Resource Library Outreach		46,325
Seafood Inspection	93.F223-2006/2007-400-58C/50C	
Direct Awards:		
Office of Public Health		106,871
Vital Stat Coop	93.00005/200-2000-07218	
Direct Awards:		
Office of Public Health		253,532

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Aging Cluster:		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	
Direct Awards:		
Governor's Office of Elderly Affairs		$5,434,046
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	
Direct Awards:		
Governor's Office of Elderly Affairs		7,555,444
Nutrition Services Incentive Program	93.053	
Direct Awards:		
Governor's Office of Elderly Affairs		3,027,375
Total Aging Cluster		16,016,865
CCDF Cluster:		
Child Care and Development Block Grant	93.575	
Direct Awards:		
Department of Social Services		81,163,971
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	
Direct Awards:		
Department of Social Services		44,526,349
Total CCDF Cluster		125,690,320

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Medicaid Cluster:		
State Medicaid Fraud Control Units	93.775	
Direct Awards:		
Department of Justice		$3,018,420
Hurricane Katrina Relief	93.776	
Direct Awards:		
Louisiana Technical College		97,760
State Survey and Certification of Health Care Providers and Suppliers	93.777	
Direct Awards:		
Department of Health and Hospitals		8,721,143
Medical Assistance Program	93.778	
Direct Awards:		
Department of Health and Hospitals		4,255,156,477
Total Medicaid Cluster		4,266,993,800
Research and Development Cluster:		
Innovations in Applied Public Health Research	93.061	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		77,223
Centers for Genomics and Public Health	93.063	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		214,171
Maternal and Child Health Federal Consolidated Programs	93.110	
Direct Awards:		
Office of Public Health		37,147

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Environmental Health	93.113	
Direct Awards:		
LSU A&M College (Baton Rouge)		$396,312
LSU Health Sciences Center (New Orleans)		581,193
LSU Health Sciences Center (Shreveport)		23,830
Southern University and A&M College (Baton Rouge)		67,134
Through: Sensor Development Corp. (#07-SDC-P1)		
University of New Orleans		10,000
Through: University of Alabama at Birmingham (#5 P01 ES011617-06)		
LSU A&M College (Baton Rouge)		31,333
Oral Diseases and Disorders Research	93.121	
Direct Awards:		
LSU A&M College (Baton Rouge)		212,854
LSU Health Sciences Center (New Orleans)		747,605
LSU Health Sciences Center (Shreveport)		490,369
Pennington Biomedical Research Center		2,729
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		17,176
Through: University of Kentucky		
LSU Health Sciences Center (New Orleans)		35,973
Nurse Anesthetist Traineeships	93.124	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		34,373
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		(21,257)
Community Programs to Improve Minority Health Grant Program	93.137	
Through: Biomedical Research Foundation of NW Louisiana (#93 BRF)		
Louisiana Tech University		13,255
NIEHS Superfund Hazardous Substances - Basic Research and Education	93.143	
Direct Awards:		
LSU A&M College (Baton Rouge)		467,842

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
AIDS Education and Training Centers	93.145	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$1,426,697
Health Program for Toxic Substances and Disease Registry	93.161	
Direct Awards:		
University of Louisiana at Monroe		3,186
Human Genome Research	93.172	
Direct Awards:		
LSU A&M College (Baton Rouge)		7,998
Through: Children's Hospital: The Research Institute for Children (#R01HG003703)		
University of New Orleans		9,000
Research Related to Deafness and Communication Disorders	93.173	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		36,041
Nursing Workforce Diversity	93.178	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		195,386
Immunization Research, Demonstration, Public Information and Education - Training and Clinical Skills Improvement Projects	93.185	
Through: Association of Teachers of Preventive Medicine		
LSU Health Sciences Center (New Orleans)		724
Research and Training in Complementary and Alternative Medicine	93.213	
Direct Awards:		
LSU Agricultural Center		147,298
Pennington Biomedical Research Center		1,391,689
Through: Rutgers, The State University of New Jersey (#P50AT002776)		
LSU Agricultural Center		78,966

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Research on Healthcare Costs, Quality and Outcomes	93.226	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$340,968
State Capacity Building	93.240	
Direct Awards:		
Office of Public Health		260,721
Mental Health Research Grants	93.242	
Direct Awards:		
LSU A&M College (Baton Rouge)		150,774
LSU Health Sciences Center (New Orleans)		238,761
LSU Health Sciences Center (Shreveport)		159,024
University of New Orleans		181,739
Through: Social and Scientific Systems, Inc.		
LSU Health Sciences Center (New Orleans)		2,837
Through: Tulane University Health Sciences Center (#1 R34 MH070827-01A1/Tulane Sub 544132)		
University of New Orleans		5,285
Through: University of North Carolina at Charlotte (#1 R03 MH078197-01)		
LSU A&M College (Baton Rouge)		8,820
Through: University of Pennsylvania		
LSU Health Sciences Center (New Orleans)		597
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	
Through: Brotherhood, Inc.		
LSU Health Sciences Center (New Orleans)		26,963
Advanced Education Nursing Grant Program	93.247	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		248,647
Public Health Training Centers Grant Program	93.249	
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		9,225

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Occupational Safety and Health Program	93.262	
Direct Awards:		
Office of Public Health		$52,661
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		204,527
Alcohol National Research Service Awards for Research Training	93.272	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		268,935
Alcohol Research Programs	93.273	
Direct Awards:		
LSU A&M College (Baton Rouge)		143,153
LSU Health Sciences Center (New Orleans)		1,533,687
LSU Health Sciences Center (Shreveport)		324,551
Through: Oakwood Labs, LLC		
LSU Health Sciences Center (New Orleans)		5,225
Through: Mississippi State University (#182090-311302-01)		
LSU Health Sciences Center (Shreveport)		42,740
Through: Rand Corporation		
LSU Health Sciences Center (New Orleans)		4,248
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		42,594
Through: Xavier University		
LSU Health Sciences Center (New Orleans)		(3,254)
Drug-Free Communities Support Program Grants	93.276	
Direct Awards:		
Louisiana Tech University		99,330

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Drug Abuse and Addiction Research Programs	93.279	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$788,158
LSU Health Sciences Center (Shreveport)		432,756
Pennington Biomedical Research Center		2,542
University of New Orleans		365,784
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		20,431
Through: Virginia Commonwealth University (#7P01DA019398-03)		
Pennington Biomedical Research Center		64,112
Mental Health National Research Service Awards for Research Training	93.282	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,063
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		2,177,564
Through: Association of American Medical Colleges		
LSU Health Sciences Center (New Orleans)		75,794
Through: Mississippi State Department of Health		
LSU Health Sciences Center (New Orleans)		20,874
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		11,172
Through: University of California, Los Angeles		
LSU Health Sciences Center (New Orleans)		11,000
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	
Direct Awards:		
LSU A&M College (Baton Rouge)		588,518
Through: Portland State University (#2R01EB002044-06A1)		
LSU A&M College (Baton Rouge)		28,504

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Comparative Medicine	93.306	
Direct Awards:		
University of New Orleans		$9,207
Through: University of California, Davis (#K-980472-02)		
University of New Orleans		616
Minority Health and Health Disparities Research	93.307	
Direct Awards:		
Southern University at Shreveport-Bossier City		322,217
Advanced Education Nursing Traineeships	93.358	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		50,530
National Center for Research Resources	93.389	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,261,189
LSU Health Sciences Center (New Orleans)		7,389,985
LSU Health Sciences Center (Shreveport)		1,582,412
Pennington Biomedical Research Center		1,474,390
University of Louisiana at Lafayette		1,702,767
University of New Orleans		59,511
Through: Illinois State University (#1 R25 RR020425-01A1)		
University of New Orleans		20,597
Through: Pennington Medical Foundation		
LSU Health Sciences Center (New Orleans)		20,590
Through: Texas State University - San Marcos (#1R24RR024790-1)		
LSU Agricultural Center		498
Through: Texas State University - San Marcos (#5P40RR17072-05)		
LSU Agricultural Center		11,208
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		671,501

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Cancer Construction	93.392	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$241,416
Cancer Cause and Prevention Research	93.393	
Direct Awards:		
LSU A&M College (Baton Rouge)		141,462
LSU Health Sciences Center (New Orleans)		586,936
LSU Health Sciences Center (Shreveport)		1,135,710
Pennington Biomedical Research Center		302,692
Through: H. Lee Moffit Cancer Center		
LSU Health Sciences Center (New Orleans)		(18,993)
Through: University of Cincinnati		
LSU Health Sciences Center (New Orleans)		10,518
Through: University of Miami		
LSU Health Sciences Center (New Orleans)		(669)
Through: University of Michigan		
LSU Health Sciences Center (New Orleans)		28,307
Through: Vanderbilt University		
LSU Health Sciences Center (New Orleans)		193,369
Cancer Detection and Diagnosis Research	93.394	
Direct Awards:		
LSU A&M College (Baton Rouge)		299,895
Through: Stanford University		
LSU Health Sciences Center (New Orleans)		(4,023)
Direct Awards:		
LSU A&M College (Baton Rouge)		523,160
LSU Health Sciences Center (New Orleans)		868,961
LSU Health Sciences Center (Shreveport)		242,281
Through: National Childhood Cancer Foundation		
LSU Health Sciences Center (New Orleans)		25,270
Through: National Surgical Adjuvant Breast and Bone		
LSU Health Sciences Center (New Orleans)		1,101

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Cancer Detection and Diagnosis Research (Cont.)	93.394	
Through: Southwest Oncology Group		
LSU Health Sciences Center (Shreveport)		$92,715
Through: Wayne State University (#5 RO1 CA023378-27)		
LSU A&M College (Baton Rouge)		43,159
Cancer Biology Research	93.396	
Direct Awards:		
LSU A&M College (Baton Rouge)		59,468
LSU Health Sciences Center (New Orleans)		862,048
LSU Health Sciences Center (Shreveport)		492,800
University of Louisiana at Monroe		124,036
Through: Florida Atlantic University (#R01 CA098799)		
LSU A&M College (Baton Rouge)		52,170
Cancer Research Manpower	93.398	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		133,142
LSU Health Sciences Center (Shreveport)		153,387
Through: University of South Alabama		
LSU Health Sciences Center (New Orleans)		65,161
Cancer Control	93.399	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		312,583
LSU Health Sciences Center (Shreveport)		275,307
University of Louisiana at Monroe		52,125
Through: Sloan-Kettering Center Institute for Cancer Research (# CA79572-03LSU-2)		
LSU Health Sciences Center (Shreveport)		148,125
Through: Southwest Oncology Group (#PCPT-9323)		
LSU Health Sciences Center (Shreveport)		(465)
Through: University of Texas (#5 R01 CA109919 03)		
Pennington Biomedical Research Center		7,417

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$708,201
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	
Through: Louisiana Public Health Institute		
LSU Health Sciences Center (New Orleans)		311,996
Health Careers Opportunity Program	93.822	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		164,203
Basic/Core Area Health Education Centers	93.824	
Through: American Medical Student Association Foundation		
LSU Health Sciences Center (New Orleans)		3,394
Cardiovascular Diseases Research	93.837	
Direct Awards:		
LSU A&M College (Baton Rouge)		312,781
LSU Health Sciences Center (New Orleans)		1,066,323
LSU Health Sciences Center (Shreveport)		1,432,665
Pennington Biomedical Research Center		1,423,469
Through: Rand Corporation		
LSU Health Sciences Center (New Orleans)		(2,297)
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		(9,383)
Through: University of Texas Houston, HSC		
LSU Health Sciences Center (New Orleans)		(11,233)
Through: University of Wisconsin (#1 R01 HL076238-01)		
Pennington Biomedical Research Center		79,673
Through: Wake Forest University HSC		
LSU Health Sciences Center (New Orleans)		126,901

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Lung Diseases Research	93.838	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$2,168,163
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		639,917
Through: University of Alabama		
LSU Health Sciences Center (New Orleans)		280
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	
Direct Awards:		
LSU A&M College (Baton Rouge)		166,771
Pennington Biomedical Research Center		200,106
Through: University of South Florida		
LSU Health Sciences Center (New Orleans)		5,613
Diabetes, Endocrinology and Metabolism Research	93.847	
Direct Awards:		
LSU A&M College (Baton Rouge)		210,102
LSU Health Sciences Center (New Orleans)		21,805
LSU Health Sciences Center (Shreveport)		366,306
Pennington Biomedical Research Center		3,424,034
Through: University of Pittsburgh		
LSU Health Sciences Center (New Orleans)		78,705
Digestive Diseases and Nutrition Research	93.848	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		2,798,420
Pennington Biomedical Research Center		4,609,234
Kidney Diseases, Urology and Hematology Research	93.849	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		790,960
LSU Health Sciences Center (Shreveport)		34,495
Pennington Biomedical Research Center		40,998

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	
Direct Awards:		
LSU Agricultural Center		$67,659
LSU Health Sciences Center (New Orleans)		2,252,525
LSU Health Sciences Center (Shreveport)		463,336
Pennington Biomedical Research Center		1,105,344
Through: University of Medicine and Dentistry of New Jersey		
LSU Health Sciences Center (New Orleans)		6,758
Through: University of Medicine and Dentistry, New Jersey (#PO152374)		
LSU Health Sciences Center (Shreveport)		32,679
Through: University of Rochester		
LSU Health Sciences Center (New Orleans)		540
Through: Yale University (#A05648)		
LSU Health Sciences Center (Shreveport)		40,110
Allergy, Immunology and Transplantation Research	93.855	
Direct Awards:		
LSU A&M College (Baton Rouge)		456,435
LSU Health Sciences Center (New Orleans)		1,064,069
LSU Health Sciences Center (Shreveport)		399,971
Through: Battelle Memorial Institute		
LSU Health Sciences Center (New Orleans)		16,273
Through: Children's Hospital: The Research Institute for Children (#A1059376)		
University of New Orleans		65,367
Through: Drexel University (#232250)		
LSU Health Sciences Center (Shreveport)		15,950
Through: Geo Vax, Inc.		
LSU Health Sciences Center (New Orleans)		30,791
Through: Harvard University		
LSU Health Sciences Center (New Orleans)		31,910
Through: Social and Scientific Systems, Inc.		
LSU Health Sciences Center (New Orleans)		12,604
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		722

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Microbiology and Infectious Diseases Research	93.856	
Direct Awards:		
LSU A&M College (Baton Rouge)		$44,534
LSU Health Sciences Center (New Orleans)		3,130,264
LSU Health Sciences Center (Shreveport)		695,109
Through: Children's Hospital Research Institute		
LSU Health Sciences Center (New Orleans)		30,689
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		170
Through: University of Florida		
LSU Health Sciences Center (New Orleans)		81,638
Through: University of Texas Medical Branch (#05-065, 06-063)		
LSU Health Sciences Center (Shreveport)		371,385
Biomedical Research and Research Training	93.859	
Direct Awards:		
LSU A&M College (Baton Rouge)		794,386
LSU Health Sciences Center (New Orleans)		1,110,040
LSU Health Sciences Center (Shreveport)		373,658
Southern University and A&M College (Baton Rouge)		196,824
University of New Orleans		208,187
Through: Massachusetts General Hospital (#5 R01 GM071345-03)		
LSU A&M College (Baton Rouge)		182,617
Through: Regents of New Mexico State University (#5S06GM008136-33)		
LSU A&M College (Baton Rouge)		10,143
Through: University of Utah (#R01 GM059290)		
LSU A&M College (Baton Rouge)		236,741
Through: University of Wisconsin-Madison (#1 R01 GM067085-01)		
LSU A&M College (Baton Rouge)		1,179

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Child Health and Human Development Extramural Research	93.865	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$801,472
LSU Health Sciences Center (Shreveport)		187,970
Pennington Biomedical Research Center		1,307,496
Southern University at Shreveport-Bossier City		777
University of New Orleans		191,991
Through: Ponce School of Medicine		
LSU Health Sciences Center (New Orleans)		9,517
Aging Research	93.866	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		525,306
Pennington Biomedical Research Center		1,748,849
Through: Tulane University		
LSU Health Sciences Center (New Orleans)		206,497
Through: University of Georgia		
LSU Health Sciences Center (New Orleans)		26,091
Through: University of Kentucky Research Foundation (#2P01 AG005119-20A1)		
Pennington Biomedical Research Center		18,408
Through: University of South Carolina (#U01 AG022376)		
Pennington Biomedical Research Center		60,809
Vision Research	93.867	
Direct Awards:		
LSU A&M College (Baton Rouge)		128,110
LSU Health Sciences Center (New Orleans)		2,609,757
LSU Health Sciences Center (Shreveport)		162,018
Through: Doheny Eye Institute		
LSU Health Sciences Center (New Orleans)		(1,082)
Through: Johns Hopkins University		
LSU Health Sciences Center (New Orleans)		352,769
Through: Keramed Company		
LSU Health Sciences Center (New Orleans)		22,324

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Medical Library Assistance	93.879	
Direct Awards:		
LSU A&M College (Baton Rouge)		$58,450
LSU Health Sciences Center (New Orleans)		96,215
Through: Children's Hospital: The Research Institute for Children (#1 K22 LM008794-01 (LOG #3092) GM073617)		
University of New Orleans		127,842
Grants for Training in Primary Care Medicine and Dentistry	93.884	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		(1,970)
Health Care and Other Facilities	93.887	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		1,032,649
Alcohol Research Center Grants	93.891	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		1,947,149
Rural Health Care Services Outreach and Rural Health Network Development Program	93.912	
Direct Awards:		
Louisiana Tech University		175,546
Through: Area Health Education Center (#Better Health)		
Louisiana Tech University		60,158
Through: Southeastern Louisiana Area Health Education Center Foundation, Inc.		
LSU Health Sciences Center (New Orleans)		168,420
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups	93.943	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		(4,118)

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Preventive Health Services - Sexually Transmitted Diseases Research, Demonstrations, and Public Information and Education Grants	93.978	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$13,492
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	
Through: FCGC Foundation, Inc.		
LSU Health Sciences Center (New Orleans)		6,748
Albuminin Acute Stroke Trial	93.RD.5-U01-NS040406	
Through: University of Miami (#M0104944)		
LSU Health Sciences Center (Shreveport)		29,213
Animal Holding and Care of Animals . . . Intramural Research	93.RD.N02-NS-4-2358	
Direct Awards:		
University of Louisiana at Lafayette		293,029
Attenuation of Brucella Using Dominant Repair Mutans	93.RD.1.R21A1055964.01	
Direct Awards:		
University of Louisiana at Lafayette		24,219
Breeding/Housing/Maintenance of Rhesus in Support of AIDS Vaccines Development	93.RD.N01.AO-22751	
Direct Awards:		
University of Louisiana at Lafayette		47,859
Cancer Information Service	93.RD.N02-CO-51106	
Through: University of Kentucky		
LSU Health Sciences Center (New Orleans)		58,422
Clinical Research Network for Treatment	93.RD.N268200536172C	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		263,989

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Collaboration Agreement Genetic Polymorphism	93.RD.263.MD.2164912	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		$783
DCRI Heart Failure and Controlled Trial (HF-Action)	93.RD.U01-HL-63747	
Through: Duke University (#SPS-117161)		
LSU Health Sciences Center (Shreveport)		6,150
Determine Genetic Susceptibility to Lung Cancer	93.RD.N01-HG-65404	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		211,365
Development of an Assay for the Early Diagnosis of Preclinical Leprosy	93.RD.HHSH258200870001I/TO #5	
Direct Awards:		
LSU A&M College (Baton Rouge)		9,903
Effects of Antipsychotic Medication Schizophrenia	93.RD.N01MH90001	
Through: University of North Carolina at Chapel Hill		
LSU Health Sciences Center (Shreveport)		123,289
Evaluation of the Coping Skills Program	93.RD.31413	
Through: Iberville Parish Substance Abuse Center (#Tracking #740-D)		
LSU A&M College (Baton Rouge)		18,600
Flood Risk Determination and Evaluation of Louisiana Nursing Homes	93.RD.HHSP233200700141P	
Direct Awards:		
LSU A&M College (Baton Rouge)		24,654
Generic Polymorphism Superoxide Dismustate in Placenta	93.RD.263.MQ.306627	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		4,672

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Hexahydropyurrolo 3, Indole-Based Compounds	93.RD.263-MA-602288	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		$4,461
HRSA: Newborn Hearing Screening	93.RD.03-MCHB-052B	
Direct Awards:		
LSU Health Sciences Center (Shreveport)		45,365
Hurricane Sheltering in Nursing Homes	93.RD.HHSP233200600988P	
Direct Awards:		
LSU A&M College (Baton Rouge)		57,632
Identifying New Biomarkers for Breast Cancer Using Antibody Microarray Staining	93.RD.BCTR0601144	
Through: Susan G. Komen Breast Cancer Foundation		
LSU A&M College (Baton Rouge)		142,266
Immunology Research Design Support Services	93.RD.258-03-0001/TO #11	
Direct Awards:		
LSU A&M College (Baton Rouge)		51,857
Immunology Research Functional Support Services	93.RD.258-03-0001/TO #13	
Direct Awards:		
LSU A&M College (Baton Rouge)		14,189
Leprosy Research Support and Maintenance of an Armadillo Colony		
Direct Awards:		
LSU A&M College (Baton Rouge)	93.RD.HHSH258200870001I/TO #1, #3, #4	24,660
LSU A&M College (Baton Rouge)	93.RD.258-03-0001/TO #6	27,628
Maintenance and Support of a Specific Pathogen Free . . .		
Direct Awards:		
University of Louisiana at Lafayette	93.RD.HHSN272200800017C	199,713
University of Louisiana at Lafayette	93.RD.HHSN272200700039C	929,683

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Maintenance of a SPF Pigtail Breeding Colony	93.RD.No1.AO-12747	
Direct Awards:		
University of Louisiana at Lafayette		$703,949
Microbiology Research Design Support Services	93.RD.258-03-0001/TO #1	
Direct Awards:		
LSU A&M College (Baton Rouge)		49,854
Microbiology Research Functional Support Services	93.RD.258-03-0001/TO #9, #10	
Direct Awards:		
LSU A&M College (Baton Rouge)		70,737
Phase 2 Clinical Trial of CELECOXIB	93.RD.N01-CN-85186-05	
Through: M. D. Anderson Cancer Center - University of Texas (#15820/9-25470)		
LSU Health Sciences Center (Shreveport)		130,226
Precancerous Lesions Among Cancer Registries in MIHPV	93.RD.200-2003-01926-0011	
Through: Macro International, Inc.		
LSU Health Sciences Center (New Orleans)		4,959
Project Director Oversight	93.RD.258-03-0001/TO G6428/F6497	
Direct Awards:		
LSU A&M College (Baton Rouge)		13,659
The Role of Faith-Based and Community Organizations in Post Hurricane Human Services	93.RD.07417-017-00-LSU-01	
Through: The Urban Institute (#HHSP2332006003T, TO)		
LSU A&M College (Baton Rouge)		7,500
Screening Colonoscopy Feasibility	93.RD.R01-CA-79572	
Through: Sloan-Kettering Institute for Cancer Research		
LSU Health Sciences Center (Shreveport)		40,151
SEER Expansion Program	93.RD.N01PC54402	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		1,743,732

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Sexually Transmitted Infections Clinical Trials GRP	93.RD.N01AI40073	
Through: University of Alabama		
LSU Health Sciences Center (New Orleans)		$19,427
Studies on HIV Infected Women and HIV Exposed Infants	93.RD.200-2005-M-14836	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		(1,553)
West Nile Virus - Protocol 210	93.RD.N01AI30025	
Through: University of Alabama at Birmingham (#NIH CASG 210-1CF)		
LSU Health Sciences Center (Shreveport)		16
Total Research and Development Cluster		93,835,193
Student Financial Assistance Cluster:		
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		28,340
Northwestern State University		208,963
Southern University and A&M College (Baton Rouge)		91,579
University of Louisiana at Lafayette		49,100
Total Student Financial Assistance Cluster		377,982
Total U.S. Department of Health and Human Services		**$5,309,499,760**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		
Retired and Senior Volunteer Program	94.002	
Direct Awards:		
University of Louisiana at Monroe		$83,633
State Commissions	94.003	
Direct Awards:		
Office of the Lieutenant Governor		270,438
Learn and Serve America - School and Community-Based Programs	94.004	
Direct Awards:		
Department of Education		220,207
Through: Institute for Global Education and Service Learning		
Louisiana Campus Compact		20,925
Through: Institute for Global Education and Service Learning (#04KSHPA001)		
Southeastern Louisiana University		9,722
Total Learn and Serve America - School and Community-Based Programs		250,854
Learn and Serve America - Higher Education	94.005	
Direct Awards:		
University of Louisiana System		251,701
Through: Brown University (#03LHHHR1001)		
Louisiana Campus Compact		5,463
Through: North Kentucky Research Foundation (#06LHHKY001)		
Louisiana Campus Compact		74,902
Through: Xavier University (#05-02638)		
Grambling State University		3,048
Total Learn and Serve America - Higher Education		335,114

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CONT.)		
AmeriCorps	94.006	
Direct Awards:		
Office of the Lieutenant Governor		$6,019,615
Through: Jumpstart for Young Children, Inc. (#JS-Site#17)		
Southeastern Louisiana University		58,933
Through: Jumpstart for Youth Children, Inc. (#JS-SITE #66 #660100)		
University of New Orleans		57,624
Total AmeriCorps		6,136,172
Planning and Program Development Grants	94.007	
Direct Awards:		
Office of the Lieutenant Governor		41,388
Training and Technical Assistance	94.009	
Direct Awards:		
Office of the Lieutenant Governor		40,606
Volunteers in Service to America	94.013	
Direct Awards:		
Executive Department		28,925
Office of the Lieutenant Governor		231,138
Total Volunteers in Service to America		260,063
Foster Grandparent/Senior Companion Cluster:		
Foster Grandparent Program	94.011	
Direct Awards:		
Department of Health and Hospitals		273,133
Total Corporation for National and Community Service		**$7,691,401**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
SOCIAL SECURITY ADMINISTRATION		
Social Security - Work Incentives Planning and Assistance Program	96.008	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		$217,286
Disability Insurance/SSI Cluster:		
Social Security - Disability Insurance	96.001	
Direct Awards:		
Department of Public Safety and Corrections - Youth Services		307,550
Department of Social Services		32,604,606
Supplemental Security Income	96.006	
Direct Awards:		
Department of Public Safety and Corrections - Youth Services		112,438
Total Disability Insurance/SSI Cluster		33,024,594
Research and Development Cluster:		
Social Security - Research and Demonstration	96.007	
Direct Awards:		
LSU Health Sciences Center (New Orleans)		100,586
Total Social Security Administration		**$33,342,466**
U.S. DEPARTMENT OF HOMELAND SECURITY		
Pilot Demonstration or Earmarked Projects	97.001	
Direct Awards:		
LSU Agricultural Center		$136,619
State and Local Homeland Security Training Program	97.005	
Direct Awards:		
LSU A&M College (Baton Rouge)		19,601,292

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Urban Areas Security Initiative	97.008	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		$1,880,139
Boating Safety Financial Assistance	97.012	
Direct Awards:		
Department of Wildlife and Fisheries		2,165,088
Pre-Disaster Mitigation (PDM) Competitiveness Grants	97.017	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		6,667
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	
Direct Awards:		
Department of Transportation and Development		182,108
Flood Mitigation Assistance	97.029/83.536	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness	97.029	9,375
Governor's Office of Homeland Security and Emergency Preparedness	83.536	22,500
Total Flood Mitigation Assistance		31,875
Crisis Counseling	97.032	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		275,974
Disaster Unemployment Assistance	97.034	
Direct Awards:		
Department of Labor		(689,976)

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		$1,077,541,574
Hazard Mitigation Grants	97.039	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		16,351,626
National Dam Safety Program	97.041	
Direct Awards:		
Department of Transportation and Development		33,393
Emergency Management Performance Grants	97.042	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		2,849,990
State Fire Training Systems Grants	97.043	
Direct Awards:		
LSU A&M College (Baton Rouge)		23,178
Pre-Disaster Mitigation	97.047/83.557	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness	97.047	44,901
Governor's Office of Homeland Security and Emergency Preparedness	83.557	73,524
Southern University and A&M College (Baton Rouge)	97.047	(723)
Total Pre-Disaster Mitigation		117,702
Emergency Operations Centers	97.052	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		32,856

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Competitive Training Grants	97.068	
Through: University of Tennessee (#2005-GT-T5-K010)		
LSU A&M College (Baton Rouge)		$423,550
Rail and Transit Security Grant Program	97.075	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		6,987
Buffer Zone Protection Program (BZPP)	97.078	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		1,292,119
Alternative Housing Pilot Program	97.087	
Direct Awards:		
Executive Department		998,024
Disaster Assistance Projects	97.088	
Direct Awards:		
Department of Health and Hospitals		(391,495)
Campus Public Safety Response to WMD Incidents Course Management Support and Course Delivery	97.20027	
Through: International Association of Campus Law Enforcement (#2003-TG-TX-0001)		
LSU A&M College (Baton Rouge)		(329)
Development and Delivery of an Agricultural Vulnerability Assessment Course	97.007456-005	
Through: University of Tennessee (#2005-GT-T5-K007)		
LSU A&M College (Baton Rouge)		9,270
Emergency Response to Weapons of Mass Destruction	97.1999-MU-CX-K006	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,366,709

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Immigration and Customs Enforcement	97.unknown	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$5,853
Sociology Extern - Anna Cutlip	97.30843	
Through: Ascension Parish Office of Homeland Security and Emergency Preparedness		
LSU A&M College (Baton Rouge)		2,274
United States Secret Service	97.unknown	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		11,983
Homeland Security Cluster:		
State Homeland Security Program (SHSP)	97.004	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		1,005,161
Homeland Security Grant Program	97.004	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		1,947,401
Homeland Security Grant Program	97.067	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		21,389,305
Total Homeland Security Cluster		24,341,867

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Research and Development Cluster:		
Pilot Demonstration or Earmarked Projects	97.001	
Direct Awards:		
LSU A&M College (Baton Rouge)		$141,011
University of New Orleans		266,994
Flood Mitigation Assistance	97.029	
Direct Awards:		
University of New Orleans		268,808
Centers for Homeland Security	97.061	
Through: University of Minnesota (#2007-ST-061-000003)		
LSU Agricultural Center		28,827
Total Research and Development Cluster		705,640
Total U.S. Department of Homeland Security		**$1,149,312,557**
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT		
Cooperative Development Program (CDP)	98.002	
Through: Opportunity Industrialization CTR International (#EDH-A-00-03-0002)		
Southern University and A&M College (Baton Rouge)		$2,871
Higher Education for Development	98.AEG-A-00-05-00007-00	
Through: American Council on Education		
University of Louisiana at Lafayette		50,941
Meat, Seafood and Poultry Expansion into Southern Africa Program	98.690-A-00-04-00249-00	
Direct Awards:		
LSU Agricultural Center		332,349
Partnerships for Food Industry Development	98.PCE-A-00-01-00012-09	
Direct Awards:		
LSU Agricultural Center		419,859
Total U.S. Agency for International Development		**$806,020**
TOTAL EXPENDITURES OF FEDERAL AWARDS EXCLUDING LOANS		**$15,298,477,478**

(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, 2008

	CFDA OR OTHER NUMBER	ACTIVITY
LOAN ACTIVITY		
Federal Family Education Loans	84.032	$1,874,402,041
Perkins Loan Cancellations	84.037	1,241,474
Student Financial Assistance Cluster:		
Federal Family Education Loans	84.032	471,577,077
Federal Perkins Loan Program - Federal Capital Contributions	84.038	49,786,100
Federal Direct Student Loans	84.268	189,889
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	5,786,161
Nursing Student Loans	93.364	1,598,642
Total Student Financial Assistance Cluster		528,937,869
Total Loan Activity		**$2,404,581,384**
TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS		**$17,703,058,862**

(Concluded)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

A. PURPOSE OF THE SCHEDULE

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the State of Louisiana to prepare a schedule of expenditures of federal awards for the period covered by the state's financial statements. The schedule is required to include total federal awards expended for each federal program, the program name, 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 Office of Statewide Reporting and Accounting Policy within the Division of Administration requires each state agency, hospital, and university to prepare a schedule of expenditures of federal awards. These individual schedules are combined and reported in the accompanying Schedule of Expenditures of Federal Awards (SEFA) for the State of Louisiana.

B. REPORTING ENTITY

The SEFA 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, 2008. Pass-through entities include other states, local governments, or nonprofit organizations 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 accounting principles generally accepted in the United States of America. Therefore, except as explained in the following paragraphs, expenditures of federal awards presented in the SEFA 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 SEFA is not intended to present federal program expenditures in conformity with accounting principles generally accepted in the United States of America.

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 SEFA.

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 SEFA for fixed price contracts represents federal funds received on the cash basis of accounting. Consequently, expenditures (activity) are recognized in the amount of the federal funds received rather than in the amount of the obligation.

Donations - Activity of the Donation of Federal Surplus Personal Property Program (CFDA 39.003) is reported in the SEFA 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.

Supplemental Nutrition Assistance Program (also known as the Food Stamp Program) - Expenditures of the Food Stamp Program (CFDA 10.551) are reported in the SEFA at the amount of food stamp benefits expended for food purchases by 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 SEFA at the federally assigned value of the commodities when they are issued to state agencies, hospitals, and universities. Issues of chemicals and supplies for the state's Boll Weevil Eradication Program (Plant and Animal Disease, Pest Control, and Animal Care - CFDA 10.025) are reported in the SEFA at cost.

D. TRANSFERS OF FEDERAL FUNDS AMONG STATE AGENCIES, HOSPITALS, AND UNIVERSITIES

The SEFA presents expenditures (activity) of federal awards for the state agencies, including hospitals and universities that initially received the federal 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, the expenditures (activity) of federal awards are reflected for the agency that initially received the assistance from a federal, local, or other state government.

E. LOANS, LOAN GUARANTEES OUTSTANDING, AND NON-CASH ASSISTANCE

The SEFA and related notes include certain loans, loan guarantees outstanding, and non-cash assistance as presented in the following schedule.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Loans, Cancellations and Loan Guarantees	Loans Disbursed/ Cancelled During the Year Ended June 30, 2008	Loans and Loan Guarantees Outstanding June 30, 2008
84.032	Federal Family Education Loans (note F)	$471,577,077	$1,919,362,075 (a)
84.037	Perkins Loan Cancellations (note L)	1,241,474	
84.038	Federal Perkins Loan Program - Federal Capital Contributions (note K)	10,465,495	57,702,014
84.268	Federal Direct Student Loans (note G)	189,889	
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (note J)	549,134	5,516,246
93.364	Nursing Student Loans (note J)	136,644	1,491,173
	Total Loan Activity	$484,159,713	$1,984,071,508
	Other Non-Cash Assistance		
10.025	Plant and Animal Disease, Pest Control, and Animal Care	$1,212,828	
10.550	Food Donation	16,985,871	
10.565	Commodity Supplemental Food Program	17,792,915	
10.569	Emergency Food Assistance Program (Food Commodities)	3,032,464	
39.003	Donation of Federal Surplus Personal Property	1,968,465	
	Total Other Non-Cash Assistance	$40,992,543	

(a) As of June 30, 2008, the original principal on outstanding loan guarantees under the Federal Family Education Loans Program, which are guaranteed by the Office of Student Financial Assistance, amounted to $1,919,362,075 (note F).

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 and should be reported separately.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

The Office of Student Financial Assistance (OSFA) is a guaranty agency that is a component unit of the State of Louisiana. OSFA guarantees 100% of the loans it makes 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, 2008, OSFA paid lending institutions $86,722,347 for defaulted student loans, and the average federal participation in these default payments was 90.668%. New loans and consolidations of existing loans to students during the year ended June 30, 2008, which are guaranteed by OSFA, amounted to $300,890,543. Only new loans made by universities are included as part of the SFA cluster. As of June 30, 2008, the original principal on outstanding loan guarantees under the FFEL Program, which are guaranteed by OSFA, amounted to $1,919,362,075.

The amounts of loans disbursed by public institutions of higher education during the year under the FFEL 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. These loans are considered activity of the SFA cluster of programs.

Hospital/University	Loans Disbursed During the Year Ended June 30, 2008
Bossier Parish Community College	$7,904,808
Delgado Community College	22,698,274
Grambling State University	32,807,333
LSU A&M College (Baton Rouge)	76,053,280
LSU at Alexandria	8,982,395
LSU at Eunice	5,122,009
LSU in Shreveport	11,205,896
LSU Health Sciences Center (New Orleans)	35,491,931
LSU Health Sciences Center (Shreveport)	14,931,731
Louisiana Tech University	19,649,777
McNeese State University	18,618,699
Nicholls State University	919,367
Northwestern State University	27,018,865
River Parishes Community College	1,574,081
Southeastern Louisiana University	34,525,535
Southern University and A&M College (Baton Rouge)	55,179,125
Southern University at New Orleans	12,141,949
Southern University at Shreveport-Bossier City	5,149,980
University of Louisiana at Lafayette	28,476,872
University of Louisiana at Monroe	25,327,557
University of New Orleans	27,797,613
Total	$471,577,077

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

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 Student Loans Program (CFDA 84.268). During the year ended June 30, 2008, loans totaling $189,889 were made to students at Nunez Community College.

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 SEFA, 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, 2008, is presented in the following schedule.

State Portion (Benefits Paid)	$188,920,588
Federal Portion (Administrative Costs)	34,554,416
Total	$223,475,004

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, Office of Hearings and Appeals (OHA) 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, 2008, are presented in the following schedule.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Hospital/University	Nursing Student Loans: Loans Made During the Year Ended June 30, 2008	Nursing Student Loans: Outstanding Balance June 30, 2008	Health Professions Student Loans: Loans Made During the Year Ended June 30, 2008	Health Professions Student Loans: Outstanding Balance June 30, 2008
Grambling State University		$5,569		
LSU at Eunice		5,352		
LSU Health Sciences Center (New Orleans)	$136,644	1,363,331	$300,900	$4,029,488
LSU Health Sciences Center (Shreveport)				16,649
McNeese State University		4,471		
Southeastern Louisiana University		18,024		
University of Louisiana at Lafayette		71,356		
University of Louisiana at Monroe		23,070	248,234	1,470,109
Total	$136,644	$1,491,173	$549,134	$5,516,246

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, 2008, are presented in the following schedule.

Hospital/University	Perkins Loans: Loans Made During the Year Ended June 30, 2008	Perkins Loans: Outstanding Balance June 30, 2008
Delgado Community College		$8,375
LSU A&M College (Baton Rouge)	$3,796,283	15,314,630
LSU at Eunice	74,031	567,245
LSU Health Sciences Center (New Orleans)	653,304	3,339,679
LSU Health Sciences Center (Shreveport)		1,607,218
Louisiana Tech University	1,595,005	7,882,798
McNeese State University	415,425	3,030,538
Nicholls State University		12,313
Northwestern State University	478,000	2,361,566
Southeastern Louisiana University	749,337	2,846,203
Southern University and A&M College (Baton Rouge)		1,596,732
Southern University at Shreveport-Bossier City		450,245
University of Louisiana at Lafayette	1,004,904	9,584,067
University of Louisiana at Monroe	789,212	3,834,442
University of New Orleans	909,994	5,265,963
Total	$10,465,495	$57,702,014

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

L. 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 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, 2008, are presented in the following schedule.

Hospital/University	Principal and Interest Canceled
LSU A&M College (Baton Rouge)	$139,227
LSU at Eunice	17,308
LSU Health Sciences Center (New Orleans)	106,364
LSU Health Sciences Center (Shreveport)	13,800
Louisiana Tech University	171,787
McNeese State University	136,586
Nicholls State University	1,416
Northwestern State University	82,032
Southeastern Louisiana University	24,882
University of Louisiana at Lafayette	360,826
University of Louisiana at Monroe	177,446
University of New Orleans	9,800
Total	$1,241,474

M. 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, 2008, the outstanding loan balance was $2,190,475. Principal and interest payments totaling $177,754 were made during the year.

N. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC PROGRAM)

During the fiscal year ended June 30, 2008, the Louisiana Office of Public Health received cash rebates from infant formula manufacturers in the amount of $39,514,008 from sales of formula to participants in the WIC Program (CFDA 10.557). Rebate contracts with infant formula

manufacturers are authorized by 7 CFR 246.16a 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 802,135 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 540,897 less participants than were actually served during the fiscal year.

O. MAJOR FEDERAL AWARD PROGRAMS

The State of Louisiana's major federal award programs for the year ended June 30, 2008, were determined by the Louisiana Legislative Auditor 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-157) and the outstanding loan balances for certain loan programs as of and for the year ended June 30, 2007. The state's Type A federal award programs for the year ended June 30, 2008, were all federally assisted programs for which program activity and the federal government's risk in the outstanding loan balances as of June 30, 2007, was equal to or greater than $30,000,000.

The major programs cumulatively account for approximately 94% of the state's expenditures/ issues/loans of federal award programs for the year ended June 30, 2008. The major programs and total federal awards expended per program as presented in the accompanying SEFA and notes are as follows:

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
10.550	Food Donation		$16,985,871	$16,541,350
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children		108,502,536	2,554,053
14.228	Community Development Block Grants/ State's Program		4,589,022,205	78,103,271
17.225	Unemployment Insurance		223,475,004	
84.010	Title 1 Grants to Local Educational Agencies		287,559,099	272,208,884
84.031	Higher Education - Institutional Aid		18,445,099	
84.032	Federal Family Education Loans (Guaranty Agency):			
	Administrative Expenditures		66,008,964	
	Loan Activity		1,874,402,041	
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States		49,515,524	
84.367	Improving Teacher Quality State Grants		58,332,568	56,425,554
84.938	Hurricane Education Recovery		187,417,509	42,599,911
93.558	Temporary Assistance for Needy Families		150,867,382	49,370,663
93.563	Child Support Enforcement		44,300,976	11,769,528
93.658	Foster Care - Title IV-E		54,667,887	1,073,990

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
93.667	Social Services Block Grant		$99,164,796	$12,246,638
93.767	State Children's Insurance Program		155,347,651	
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		67,892,373	15,000
93.982	Mental Health Disaster Assistance and Emergency Mental Health		33,313,449	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)		1,077,541,574	710,302,037
97.039	Hazard Mitigation Grant		16,351,626	10,032,935
Food Stamp Cluster:				
10.551	Supplemental Nutrition Assistance Program	$780,495,944		
10.561	State Administrative Matching Grants for the Special Assistance Nutrition Program	55,567,642	836,063,586	1,278,687
Child Nutrition Cluster:				
10.553	School Breakfast Program	52,692,484		51,202,711
10.555	National School Lunch Program	161,441,061		157,826,798
10.556	Special Milk Program for Children	33,121		25,979
10.559	Summer Food Service Program for Children	7,924,610	222,091,276	7,467,840
WIA Cluster:				
17.258	WIA Adult Program	18,528,917		15,238,427
17.259	WIA Youth Activities	18,499,626		16,114,889
17.260	WIA Dislocated Workers	30,586,160	67,614,703	21,956,816
Highway Planning and Construction Cluster:				
20.205	Highway Planning and Construction	742,722,490	742,722,490	4,065,711
Special Education Cluster (IDEA):				
84.027	Special Education - Grants to States	197,104,358		179,206,629
84.173	Special Education - Preschool Grants	5,823,840	202,928,198	4,859,642
CCDF (Child Care) Cluster:				
93.575	Child Care and Development Block Grant	81,163,971		2,652,295
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	44,526,349	125,690,320	
Medicaid Cluster:				
93.775	State Medicaid Fraud Control Units	3,018,420		
93.776	Hurricane Katrina Relief	97,760		
93.777	State Survey and Certification of Health Care Providers and Suppliers	8,721,143		
93.778	Medical Assistance Program	4,255,156,477	4,266,993,800	

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	$6,917,244		
84.032	Federal Family Education Loans:			
	Loan Activity	471,577,077		
84.033	Federal Work-Study Program	7,910,504		
84.038	Federal Perkins Loan Program - Federal Capital Contributions:			
	Administrative Expenditures	561,728		
	Loan Activity	49,786,100		
84.063	Federal Pell Grant Program	178,448,519		
84.268	Federal Direct Student Loan:			
	Loans Disbursed	189,889		
84.375	Academic Competitiveness Grant	4,789,749		
84.376	National Science and Mathematics Access to Retain Talent Grant	1,767,901		
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students:			
	Loan Activity	5,786,161		
93.364	Nursing Student Loans:			
	Loan Activity	1,598,642		
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds	377,982	$729,711,496	
Homeland Security Cluster:				
97.004	State Domestic Preparedness Equipment Support Program	2,952,562		$1,184,997
97.067	Homeland Security Grant Program	21,389,305	24,341,867	14,213,021
Research and Development Cluster:				
	U.S. Department of Agriculture	9,947,768		372,977
	U.S. Department of Commerce	8,380,031		361,970
	U.S. Department of Defense	15,798,837		2,408,884
	U.S. Department of Housing and Urban Development	65,041		
	U.S. Department of the Interior	6,024,221		63,208
	U.S. Department of Transportation	511,531		
	National Aeronautics and Space Administration	4,171,229		78,701
	National Endowment for the Humanities	3,530		
	Institute of Museum and Library Services	26,315		
	National Science Foundation	24,756,099		454,218
	Small Business Administration	1,701,062		174,031
	Environmental Protection Agency	2,233,705		552,869
	U.S. Department of Energy	4,476,104		523,156
	U.S. Department of Education	5,297,158		825,721
	U.S. Department of Health and Human Services	93,835,193		6,433,910
	Social Security Administration	100,586		80,413
	U.S. Department of Homeland Security	705,640	178,034,050	200,255
	Total Expenditures (Activity) of Major Programs		$16,575,305,920	$1,753,068,569

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

P. COMPONENT UNITS AUDITED BY EXTERNAL AUDITORS OTHER THAN THE LEGISLATIVE AUDITOR

External auditors other than the Louisiana Legislative Auditor audited certain entities included in the State of Louisiana's *Comprehensive Annual Financial Report* for the year ended June 30, 2008. To obtain the latest audit report of a particular entity, you may search the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/. At the top of the home page, click "Reports & Data"; then select "Audit Reports." At the top right corner, click the "Search" box. In the "Agency Name Contains": box, enter some words from the agency name, and then click "Search." Select the audit report with the appropriate fiscal year ending date. The fiscal year may end December 31, 2007, or June 30, 2008.

Amite River Basin Drainage and Water Conservation District

Atchafalaya Basin Levee District

Beef Industry Council

Bossier Levee District

Caddo Levee District

Custodian of Notarial Records of Orleans Parish

Fifth Louisiana Levee District

Foundation for Excellence in Louisiana Public Broadcasting

Greater Baton Rouge Port Commission

Greater New Orleans Expressway Commission

Jefferson Parish Human Services Authority*****

Lafourche Basin Levee District

Lake Borgne Basin Levee District*****

Louisiana Cancer Research Center

Louisiana Citizens Property Insurance Corporation

Louisiana Economic Development Corporation

Louisiana Educational Television Authority

Louisiana Housing Finance Agency*****

Louisiana Motor Vehicle Commission

Louisiana Naval War Memorial Commission

Louisiana Professional Engineering and Land Surveying Board

Louisiana Public Employees Deferred Compensation Plan

Louisiana Public Facilities Authority

Louisiana Real Estate Appraisers Board

Louisiana Real Estate Commission

Louisiana Recreational and Used Motor Vehicle Commission

Louisiana Relay Administration Board

Louisiana Retirement Systems Building Management Partnership

Louisiana Rice Promotion Board

Louisiana Rice Research Board

Louisiana School Employees' Retirement System

Louisiana Soybean and Grain Research and Promotion Board

Louisiana State Board of Architectural Examiners

Louisiana State Board of Barber Examiners

Louisiana State Board of Dentistry

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Concluded)

Louisiana State Board of Embalmers and Funeral Directors

Louisiana State Board of Medical Examiners

Louisiana State Board of Nursing

Louisiana State Board of Pharmacy

Louisiana State Board of Practical Nurse Examiners

Louisiana State Board of Private Security Examiners

Louisiana State Employees' Retirement System

Louisiana State Police Pension and Retirement System

Louisiana Tax Free Shopping Commission

Millennium Port Authority

North Lafourche Conservation, Levee and Drainage District

Pontchartrain Levee District

Red River, Atchafalaya and Bayou Boeuf Levee District

Sabine River Authority

South Lafourche Levee District

Southeast Louisiana Flood Protection Authority - East*****

Southeast Louisiana Flood Protection Authority - West

State Plumbing Board

Teachers' Retirement System of Louisiana

Tensas Basin Levee District

***** = Single Audit

Appendix B

Management's Corrective Action Plans and Responses to the Findings and Recommendations

Appendix B

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Management's Corrective Action Plans and
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Delgado COMMUNITY COLLEGE

Education that Works!

CHANCELLOR'S OFFICE
615 City Park Avenue
New Orleans, LA 70119
(504) 762-3000 FAX (504) 361-6697
www.dcc.edu

October 23, 2008

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70802

Dear Mr. Theriot:

Management of Delgado Community College concurs in part with the finding and recommendations related to Unlocated and Stolen Movable Property. It is important to note that the total unlocated property in fiscal year 2008 has decreased by $547,532 or 37.59% over prior year which totaled $1,456,516. Also, subsequent to Delgado Community College submitting its 2008 Certification of Annual Property Inventory Report dated June 20, 2008, additional searches were conducted for unlocated property which has resulted in the total unlocated inventory being further reduced from $908,984 to $869,875. This decreases the current year unlocated by 4.30% over what had been originally reported with the 2008 inventory.

Since the prior year, we have taken the following strategic actions:

- The College reviewed its existing policies and procedures regarding the management and control of its state property. It was determined that the immediate need was enforcement of the policies through improved training and stronger procedural communications to the employees responsible for conducting the annual inventory – the property location supervisors. Procedural communication and training for property location supervisors was conducted which included an emphasis on their increased responsibilities and the College's commitment to enforcing sanctions for improper or negligent performance of property control reporting duties. Future updates to the college-wide policies are being discussed by the Business and Administrative Affairs Department in an effort to continue to strengthen procedural enforcement.

- Campus Police staff continue to conduct security reviews on each campus to recommend general and specific improvements to lighting, physical security, and monitoring. These reviews are conducted on a regular basis as a deterrent to potential property thefts and in response to reported concerns. Following such a review, Campus Police issues a follow-up email to the responsible maintenance personnel or college staff member with details of the recommended corrective action.

- Further, the College has implemented an effort to improve the lighting across its campuses in an effort to reduce the possibility of theft or crime. Lighting for the Charity School of Nursing Campus has been enhanced by adding wall packs to the perimeter of the building and the outside patio area to reduce and/ or eliminate dark spots, and non-operational recessed lighting on the campus has been replaced. Lighting for the City Park Campus has been improved, especially along its walkway areas and throughout parking lots, as well as to the perimeter of the campus.

Property Control staff will continue to conduct necessary training with college personnel that are responsible for property, in order to communicate any necessary changes in policies and procedures. College management will continue to assist Property Control staff to mandate adherence with property control policies and procedures. Property Control staff will continue to work with the Director of Campus Police to determine what improvements can be made that may possibly help to further reduce the risk of inventory thefts.

The person responsible for corrective action is A.C. Eagan, Vice Chancellor of Business and Administrative Affairs.

Sincerely,

A.C. Eagan, III
Vice Chancellor for Business and Administrative Affairs

Ron D. Wright, Ph.D.
Chancellor

BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of the Commissioner

Mr. Steve Theriot, CPA
Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Inadequate Internal Controls over Financial Reporting

Dear Mr. Theriot:

The Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP), concurs in part with your finding that the office's internal controls did not detect errors and omissions in the compilation of the state's Comprehensive Annual Financial Report (CAFR).

Our response to the errors and omissions that you have cited in your finding are addressed below:

1. We concur.
2. We concur.
3. We do not concur that this was a compilation error made by OSRAP. OSRAP considers this to be a compilation error made by the Department of Public Safety, Office of Motor Vehicles (OMV), which did not follow OSRAP's reporting instructions. OSRAP's instructions state that when aggregate adjustments exceed $100,000, the agency must adjust lead schedules (which are generated by the statewide accounting system). OSRAP then posts adjusting journal entries based on the agencies' manual entries during the CAFR compilation process. The Department of Public Safety, Office of Motor Vehicles did not adjust the lead schedules. This was the first time that OSRAP has been notified that an OMV schedule of receipts entitled "Modified Accrual Reported" actually represents accounts receivable that are not included in the receivable and revenue schedules in accordance with OSRAP's instructions.
4. We concur in part with this condition. We agree that compilation errors occurred when an adjusting entry was posted backwards and when protested tax deletions were posted for the wrong amount. However, OSRAP considers the FEMA reimbursement-related transactions to be compilation errors made by the Department of Public Safety, Office of State Police. The Office of State Police did not include the FEMA transaction information in its financial reporting package in accordance with OSRAP's reporting instructions. OSRAP's compilation process relies on the accuracy of information submitted in each agency's reporting package to identify transactions to be posted during the CAFR compilation.
5. We do not concur with this condition. OSRAP adequately reviewed the generally accepted accounting principles related to interest rate swap agreements and discussed the research with the Legislative Auditor representatives before the CAFR compilation process was complete. No authoritative guidance was provided to OSRAP to support the Legislative Auditor's position that the swap agreements required disclosure in the CAFR. Regardless of the professional difference of opinion, OSRAP included the interest rate swap agreement disclosures in the CAFR before submitting the final version to the auditor for his opinion.

As you know, the compilation process within this office includes four levels of review, with comparisons made to the prior year compilation, audit adjustments and working papers to ensure completeness of journal entries and that amounts are reasonable when compared to the prior year. Furthermore, OSRAP accountants must rely on the financial reports prepared by state agency accountants and independent certified public accountants to provide reliable financial information for inclusion in the CAFR.

OSRAP does not agree that delays in the issuance of the CAFR are due to the identification and correction of errors and omissions. Delays in the issuance of the CAFR are due to untimely receipt of annual financial reports from agencies that are not under the control of the Division of Administration and untimely receipt of adjustments from auditors of those agencies.

As part of the compilation procedures, OSRAP will continue to review the adjustments proposed by auditors of state agencies and other entities that are included in the CAFR. Procedures will be updated as needed to reduce the risk that the same compilation errors will occur in the future. In addition, OSRAP will assist agencies that may not understand the reporting instructions to improve the reliability of information received from those agencies.

Mr. Afranie Adomako, Director of the Office of Statewide Reporting and Accounting Policy (225-342-0708), will be responsible for ensuring that the corrective action described above is performed.

Thank you for this opportunity to respond to your observations about the CAFR compilation process. Please contact me if you have any questions about this response.

Sincerely,

Barbara Goodson
Deputy Commissioner

BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of the Commissioner

February 26, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Lack of Internal Audit Function Over IT Controls

Dear Mr. Theriot:

Thank you for the opportunity to submit our response. We concur with your finding that our Internal Audit Section has not performed an IT-specific audit to monitor, assess, and report on the effectiveness of the state's centralized information technology (IT) controls. While this is a very important concern that will be addressed at some time in the future, we are directing our limited auditing resources to higher risk areas.

As has been noted by your staff each year in their exit interview, our IT staff has worked to implement recommendations and suggestions aimed at strengthening the existing controls within the various applications and systems. With the implementation of La Gov, the state's new business enterprise solution, most of the old applications and systems will be completely replaced. This new system has extensive audit trails built into it to help its users and auditors to better monitor and track internal activities.

Should you have any further questions or concerns, please feel free to contact me or Ms. Sharon Robinson, Internal Audit Administrator.

Sincerely,

Angele Davis
Commissioner

c: Ms. Barbara Goodson
Ms. Sharon B. Robinson

State of Louisiana

LOUISIANA ECONOMIC DEVELOPMENT

Bobby Jindal
Governor

Stephen Moret
Secretary

28 August 2008

Diane Genre
Office of the Legislative Auditor

RE: Audit Findings, TANF – CFDA 93.558

Dear Miss Genre,

This is a response to the above mentioned audit findings. Below are Louisiana Economic Development's responses to the findings.

1. Finding: Two of the seven participants tested were not eligible for the TANF MED Program. Questioned costs totaled $1,025.
   RESPONSE: DISAGREE: The decision on eligibility was made upon advice from the Department of Social Services. In the future, all eligibility issues will be formally submitted to DSS for advice prior to program enrollment pursuant to the 2008-2009 MOU with DSS and with LED's contractors. Furthermore, all verification of eligibility will be required before payment, pursuant to the 2008-2009 MOU with DSS and with LED's contractors.

2. Finding: Three of the 18 participants tested did not attend all the required class hours. Additional payments totaling $1,315 were noted for class hours that 15 participants did not attend. Questioned costs totaled $1,655.
   RESPONSE: AGREE: All questioned costs have been recouped. In the future, LED will require that contractors submit training costs specific to each training component indentifying total hours for validation before processing and payment. It will be implemented through contractual language in the 2008-2009 MOU with LED's Training Providers. In addition, LED will audit all invoices for supporting documentation prior to payment.

3. Finding: For two of the participants tested, payments were made to contractors prior to the supporting documentation being received.
   RESPONSE: AGREE: All documents have been received. In the future, LED will require that contractors submit training costs specific to each training component indentifying total hours for validation before processing and payment. It will be implemented through contractual language in the 2008-2009 MOU with LED's Training Providers. In addition, LED will audit all invoices for supporting documentation prior to payment.

4. Finding: DED has not placed sufficient emphasis to ensure that contractors submit adequate supporting documentation.
   RESPONSE: DISAGREE Standard procedures call for informing contractors of eligibility documentation and comments on desk audit findings. Furthermore, contractors come to an orientation in the first quarter of every

Post Office Box 94185, Baton Rouge, Louisiana 70804-9185
1051 N. 3rd St. - 70802
Phone (225) 342-3000 http://led.louisiana.gov
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contract year, in which they discuss new procedures and policies and any changes from the previous contract year.

5. Finding: (paraphrase) Quarterly site visits are not conducted per the MOU.
RESPONSE: AGREE: There are several contractors that, because of other funding sources, do not find the need to send an invoice to LED more than several times a year. Although LED requests invoices every month, some contractors do not send them. These contractors also have been with the program for many years and are keenly familiar with program requirements. For these contractors, it is impractical to visit them to discuss classes and procedures that LED is aware of already. Instead of a visit, LED maintains constant telephone and email conversations with such contractors. Let it be noted that for those that consistently send invoices and those that are new to the program, consistent site visits and audits are conducted. The MOU for 2008-2009 has been changed to allow for quarterly conference calls for those contractors that do not need as much face to face monitoring. Our intent is not to reduce site visits and monitoring, but to make the monitoring mechanism more flexible.

Louisiana Economic Development appreciates the Legislative Auditors' comments as we are constantly striving to ensure the program is in compliance with all regulations.

Sincerely,

Fran Gladden

Fran Gladden
Undersecretary

RBA

CC: Stephen Moret
Don Pierson
Pat Witty
John Matthews
Doug Kopp
Kathy Blankenship
Drew Murray
Terry Williams

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

March 24, 2009

Mr. Steve Theriot, CPA
Office of Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Re: Failure to Maintain Public Control Over Restart Program Funds

The Louisiana Department of Education (DOE) does not concur with the audit finding entitled Failure to Maintain Public Control Over Restart Program Funds.

Item number 9 in the guidance of April 24, 2006, regarding the Allowable Uses of Restart Funds for Private Schools states, "The SEA, LEA, or other public agency is considered to have maintained sufficient control over the Restart funds if it determines that the private school's expenditures represent allowable Restart expenses, that the private school has sufficient documentation supporting such expenditures, and that the school actually received the services or assistance related to those expenditures." The DOE asserts that it has met this requirement. Specifically, the Department established a process that allowed for an audit on the front-end of the Restart expenditures of the private schools.

Regarding the first bullet – "DOE did not compile an inventory of items purchased for non-public entities. Materials, equipment, and property purchased by DOE under $1,000 were not identified or tracked separately."

- The United States Department of Education (USDE) asked the DOE to serve as fiscal agent for the non-public entities. When the DOE agreed to act as the fiscal agent for the non-public funds, the USDE only expected DOE to integrate the non-public processes into our established processes and did not intend to place more cumbersome requirements on the DOE regarding the nonpublic funding.
- The primary fiscal control is the fact that we are the fiscal agent and follow the processes instituted within the agency per state regulations regarding procurement, payment and inventory operations.

- The federal government defines equipment as tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. However, lower limits may be established consistent with recipient policy. The state of Louisiana has the lower limit of $1,000. Supplies are defined as all tangible property other than equipment. Supplies are assets that are expensed to the project at the time acquired, and when used, are not covered by further federal requirements. Since the state of Louisiana has the lower threshold of $1,000, we are tagging and inventorying all items with a cost of $1,000 or more.

Regarding the second bullet – "When nonpublic entities were reimbursed directly for previously incurred costs, DOE did not obtain adequate documentation to determine that costs were allowable and that the public agency was not required to contract the service."

- Non-public schools were trained regarding what constituted previously incurred costs.
- Non-public schools were instructed to maintain sufficient documentation to substantiate these costs.
- Reimbursement for previously incurred costs (for items such as utilities) were made only where payment had already taken place and the non-public schools submitted requests for these allowable costs as evidenced with the name of the vendor (example – Entergy) and a check and/or invoice number.
- These expenses will be reviewed in the scheduled fiscal monitoring.

Also noted in the second bullet – "In addition, DOE did not perform follow-up monitoring to verify the validity of data submitted by non-public entities, even though the Restart program is in its third year."

The DOE instituted front-end controls for the Restart Program rather than wait to monitor the program once it had begun. This process was instituted to allow for an audit process on the front-end for this program. This level of pre-audit does not exist for any other program administered by the Department. This pre-audit process is described below.

- Non-public schools provided DOE with budgets that LDE fiscal staff reviewed for program allowability.
- Non-public schools prepare purchase requisitions for materials, supplies, equipment, and property and forward to DOE fiscal staff
- Purchase requisitions are audited by DOE fiscal staff for program allowability and for available funding prior to forwarding these requests to the purchasing staff.
- The DOE purchasing staff then places these orders per state purchasing laws and requests revisions or deletions from the non-public school to the requisitions where they are not compatible with program requirements or state law.
- For purchased items, the nonpublic school must supply the packing slip and indicate receipt of all items with the claim for payment to ensure they have taken possession and control of the property on behalf of the state.

- For items purchased by the DOE via purchase order, the nonpublic school must confirm that they have taken possession and control of the property on behalf of the state prior to the payment of an invoice. All receiving reports and packing slips are submitted to DOE as documentation of receipt.
- Finally, appropriation control staff reviews claims for allowability and budget compliance.
- The non-public school must maintain documentation to support the payment.
- The DOE, through the purchasing system and the ISIS system, has a complete record of all items purchased on behalf of the non-public schools.

Beginning in August of 2007, the USDOE Office of Inspector General began an audit of the Hurricane Education Recovery Act (HERA) Restart Program in the State of Louisiana. Audits were conducted by USDE for both district and non-public schools in Louisiana of subrecipients with the highest dollar amounts of expenditures (highest risk factors). This process resulted in no findings for our state. Due to the pre-audit process combined with the lack of findings in the subrecipients monitored by USDE, the Department made the decision to focus its resources on other entities with lower expenditures of HERA Program funds (lower risk factors). A contract with a CPA firm has been established to begin monitoring the HERA Restart Program in these other entities. The monitoring will be inclusive of expenditures since the start of the program.

Contact person for this issue is Charlotte Stevens, Director of the Division of Education Finance, at 225-342-4989 or via email at charlotte.stevens@la.gov.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

BS:CS:jh

c: Ollie S. Tyler, Deputy Superintendent of Education
Elizabeth C. Scioneaux, Deputy Superintendent for Management and Finance
Charlotte Stevens, Acting Division Director
Dudley J. Garidel, Jr., Director
Patrick Weaver, Deputy Undersecretary
Wesley Gooch, CPA
Carmen Victoria, CPA

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

March 11, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

RE: Inadequate Control Over Coding for Federal Expenditures

The Department does not concur with the finding regarding the inadequate control over coding of federal expenditures. It should be noted that according to the finding, the Department appears to have valid expenditures to support the revenue received through the Disaster Grants – Public Assistance (FEMA) and the Hurricane Education Recovery Act – Immediate Aid to Restart School Operations (RESTART).

There continues to be a challenge to reclassifying the multiple funding streams such as Community Development Block Grants, Immediate Aid to Restart Schools Operations funding and other sources of funds given to help build our schools in the affected areas. The Department contends that the avenue of not moving any of the initial posting of expenditures is the correct way to proceed for the simple fact that trying to maximize reimbursement from one particular funding source and utilizing additional sources takes a considerable amount of time due to all the channels and federal regulations that need to be followed. This has not allowed the Department to fully complete a particular project in the amount of time that has elapsed since the storms devastated the affected areas. The magnitude of the reconstructive effort requires the maximization of all of the fund sources that will eventually support the total rebuilding costs. The projected time of completion is anywhere from ten to fifteen years by some industry estimates, and closing out a project of this size will be a challenge in itself. Only after exhausting every possible avenue can we get the final and full picture as to which funds will be covering the enormous cost of rebuilding the public school system.

Furthermore, FEMA's initial estimates of the damages were greatly underestimated in the initial phase of the program. Efforts to get FEMA to a reversion of the final obligation to the total eligible costs have been a slow and methodical task. This plays a part in our efforts not to move expenditures, including questioned out-of-scope costs, until FEMA has a chance to review projects and make a final determination as to each project worksheet's obligated value. It has been determined that the value of some project worksheets can be four-fold of its initial estimate. Consequently, in order to have a clear audit trail, expenditures cannot be moved until FEMA has made it final determinations.

The Department takes very seriously its obligations to properly charge all federal programs and is continuing to work diligently to accomplish this objective. We appreciate the assistance your staff provides on a daily basis in the process of continually improving our operations.

The contact person related to this finding is Susie Buchmann, and she can be reached at (225) 342-3830.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

PGP:sb

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux, Deputy Superintendent for Management and Finance
Patrick Weaver
Susie Buchmann
Cedric Lewis
Wesley D. Gooch, CPA
Carmen R. Victorian , CPA

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DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

March 11, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, La 708-9397

Dear Mr. Theriot:

The Louisiana Department of Education's Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to "Inadequate Controls over Payroll – Recovery School District" and appreciates the assistance that the legislative auditors have provided in improving RSD processes. The RSD has reviewed the finding and concurs with the finding. During the time period reviewed, there were issues with payroll controls; however, the majority of those issues have since been addressed and corrected.

During the 2008 fiscal year, the RSD opened thirteen (13) new schools, doubled the total number of staff and significantly restructured operations. Because of ongoing fluctuations with school configurations and staffing, the organizational management structure in Integrated Statewide Information System for Human Resources (ISIS-HR) was not adequately maintained. Ongoing challenges relating to those initiatives hindered the RSD in implementing necessary policies, procedures and system controls. The RSD struggled in establishing adequate controls over payroll during the period of start-up that continued through a significant portion of the 2007-08 school year. Since then, the RSD has made significant strides to tighten the controls over payroll, including: restructuring payroll functions, converting to a positive time entry system, and implementing policies to increase control. The RSD intends to continue to emphasize compliance with previously established internal control policies and procedures related to processing personnel transactions and documentation of payroll charges.

Procedures have already been implemented to improve timeliness and accuracy of separation of employees and will be reinforced with all RSD staff. Prior to September 25, 2008, the RSD was not permitted to separate probationary employees without the written consent of the Department of Education (DOE). The RSD has since received delegated authority to separate employees, allowing the RSD to continue to implement improved controls. All employees will be separated within 24 hours of receipt of the separation notification. If an employee does not report to work or provide notification of absence for five consecutive business days, the RSD will separate the employee immediately. This will increase the timeliness of termination entries in ISIS-HR and decrease the occurrence of overpayments and retroactive separations.

Several professional development activities will occur to address the issues identified in the audit. All ISIS-HR users at the RSD will receive staff development and written notification regarding policies and procedures for documenting hiring, payroll actions and separations. The RSD will send all supervisors a memorandum reflective of the procedures to follow regarding securing adequate documentation for payroll. This memo will include information concerning the proper completion of RSD timesheets. Additionally, supervisors will be trained regarding proper

timekeeping procedures and held accountable for monitoring payroll activity within their department. The RSD will provide Professional Development and training for all RSD employees who enter data into the ISIS-HR payroll system. This training will be provided for timekeepers as well as central office staff who access ISIS-HR. By March 23, 2009, these trainings will occur and all employees will be notified that any violation of the Department of Education's mandates will result in a written reprimand and possible termination.

Payroll staff will conduct ongoing audits of school and central office departments to ensure that adequate documentation regarding the payroll of all employees is maintained according to the Office of Management and Budget circular A-87. Payroll records will be reviewed by payroll staff on a biweekly basis to verify the accuracy of payroll records.

Human Resources (HR) will continuously run Office of State Uniform Payroll (OSUP) reports to determine the hire status of active versus terminated employees to ensure and prevent future and ongoing overpayments. When an employee is identified as being active, but HR determines that the employee isn't working, communication will be made with the school/department to determine the employee's status and last day of work and then to move aggressively to request immediate termination from the appointing authority.

When errors resulting in overpayments occur, HR will investigate to determine the cause of the overpayment (i.e., paid in error as a result of late/retroactive termination, payroll spread in error, etc.) and follow OSUP's recoupment policy #2007-3 which includes direct deposit reversal requests. Once a response is received from OSUP stating that the funds are not available to offset the overpayment(s), HR will issue a letter to the employee, detailing the cause of the overpayment instructing him/her of payment options with a deadline to pay the district directly. If the employee does not honor HR's request, HR will work with the RSD's general counsel to pursue external collection actions, which includes but is not limited to submitting request for assistance from the state Attorney General.

Notification of the RSD's right to recoup overpayments has been disseminated to all current employees with a signature letter, and potential new employees will receive this notification in the RSD new hire packet. The signed document will be maintained in the employee's personnel file.

The contact persons for this finding are Cedric Lewis (504) 373-6200 and Elizabeth Shaw (504) 218-7338.

Sincerely,

Paul G. Pastorek
State Superintendent

PGP:cl

c: Ollie S. Tyler, State Deputy Superintendent of Education
Paul Vallas
Beth Scioneaux
Patrick Weaver
Susie Buchmann
Cedric Lewis
Elizabeth Shaw
Karen Burke
Tammy Age
Wesley D. Gooch, CPA
Carmen Victorian, CPA
Dudley Garidel

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

March 18, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, La 70804-9397

Dear Mr. Theriot:

RE: Inadequate Control Over Relocation and Retention Incentive Payments – Recovery School District

The Louisiana Department of Education's (DOE) Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to "Inadequate Control Over Relocation and Retention Incentive Payments" and appreciates the assistance that the legislative auditors have provided in improving the RSD processes. The RSD has reviewed the finding and concurs with certain aspects of the finding.

The RSD concurs with the finding that signed commitments were not obtained for every teacher who received incentives paid with the Hurricane Educators Assistance Program (HEAP) funds. There are educators paid with HEAP funds who are currently working in the RSD despite not yet having signed three-year commitments. The RSD is in the process of obtaining signed commitments from these educators. Significantly, these educators remain employed by the RSD and are clearly dedicated to providing services for a period of at least three years despite either not having signed a commitment or not having signed a commitment at the outset of employment.

The HEAP program requires a three-year commitment from educators who receive funds; however, the HEAP program is silent on how the commitment should be obtained and if the funds should be recouped in the event that the three-year commitment is not fulfilled. The RSD has the option of either attempting to recoup the funds or to place the employee on a "do not rehire" list. The RSD has opted to go with the latter option and has created a "do not rehire" list inclusive of any employees who received HEAP funds and resigned or were dismissed prior to fulfilling their three-year commitment.

The RSD concurs with the finding that there was no evidence on file that 14 of 18 employees received satisfactory performance evaluations for work provided during the 2006-2007 school session, nor evidence that one of ten employees tested had proper certification on file. The RSD also concurs with the finding that those employees tested who received out-of-state signing and retention incentives had no evidence on file that the employees were non-residents of Louisiana for the 2007-2008 school year.

The RSD does not concur with the finding that employees who received the retention incentive were not employed through the first grading period of the 2007-2008 school year. Employees who received the retention incentive for 2006-2007 were paid in December of 2007. Only current

employees as of December of 2007 received the incentive. This ensured that all employees who received the retention incentive were employed through the first grading period of the 2007-2008.

The RSD recognizes that errors were made in the handling of the retention and relocation incentives, but has worked diligently with the DOE staff to implement processes to eliminate any instances of administrative or programmatic errors. The RSD, in collaboration with the DOE, has developed and implemented a Corrective Action Plan. This Corrective Action Plan will provide internal controls over the payment of relocation and retention incentives. To ensure compliance with the Corrective Action Plan, the DOE is conducting quarterly site visits to the RSD.

The contact person for this finding at the Recovery School District is Elizabeth Shaw (225)-218-7338.

Sincerely,

Paul G. Pastorek
Superintendent of Education

PGP:bs

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux
Paul Vallas
Patrick Weaver
Susie Buchmann
Andrew Vaughan
Karen Burke
Cedric Lewis
Elizabeth Shaw
Karen Burke
Tammy Age
Wesley D. Gooch, CPA
Carmen Victorian, CPA

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

March 2, 2009

Mr. Steve Theriot, CPA
Office of Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Re: Inadequate Fiscal Monitoring

The Department of Education concurs with the audit finding entitled Inadequate Fiscal Monitoring.

The Department takes very seriously its responsibility for fiscal monitoring and has taken the following corrective actions regarding this finding:

- Beginning in August of 2007, the USDOE Office of Inspector General began an audit of the HERA Restart Program in the State of Louisiana. Audits were conducted by USDOE for both district and non-public schools in Louisiana of subrecipients with the highest dollar amounts of expenditures (highest risk factors). This process resulted in no findings for our state. Because of the lack of findings in the subrecipients monitored by USDOE, the Department made the decision to focus its resources on other entities with lower expenditures of HERA Program funds (lower risk factors). A contract with a CPA firm has been established to begin monitoring the HERA Restart Program in these other entities. These monitorings are scheduled to be completed by September 30, 2009.

- The Department has contracted with a CPA firm to conduct fiscal monitoring of Consolidated Admin, IDEA Part B, IDEA Preschool, Carl Perkins, Adult Education, TANF, and 21st Century grants, for selected school districts. These monitorings are scheduled to be completed by September 30, 2009. This work will supplement the work of the Federal audit staff who will conduct fiscal monitorings of additional school districts and other subrecipients.

Of the subrecipients identified as not monitored in 4 years, note the following:

School Districts

- 14 are scheduled for monitoring in 2008-2009.
- 9 are in the 2009-2010 plans for fiscal monitoring.
- Orleans is still considered high risk and claims are reviewed by the Department prior to being paid. This situation is being evaluated on an ongoing basis.

Other Subrecipients

- 3 entities are included in the 2008-2009 monitoring.
- 4 are duplicate entities: the names are different but the entity is the same. (Ex. Milestone Academy is also Innovators of Milestone).
- Livingston Parish School District was duplicated on both the District list and the Other Entities list on the Summary Audit Plan.
- 6 entities with total expenditures under $50,000 per year.
- 17 entities have no expenditures in the last 4 years and 6 entities have no expenditures in the last 3 years.
    - Unlike school districts, other subrecipients may not expend federal funds on a yearly basis; they are kept on the risk assessment until there are no expenditures for 4 consecutive years.

- Federal regulations do not require a minimum/maximum period of time for completing a cycle in which all subrecipients must be monitored. The Department has set goals to complete a review of LEAs/subrecipients within a four-year term. The federal regulations allow the Department to set these parameters.
    - Given our limited resources in recent years and the prospect of greater limitations on resources in coming years, we are re-evaluating our monitoring cycle.
    - The risked-based audit plan includes an assessment of risk factors, total federal funds expended, complexity and size of programs, program history, and the time of the LEAs' last monitoring.

Contact person for this issue is Charlotte Stevens, Director of the Division of Education Finance at 342-4989 or via email at charlotte.stevens@la.gov .

Sincerely,

Paul G. Pastorek
State Superintendent of Education

BS:CS:jh

c: Ollie S. Tyler, Deputy Superintendent of Education
Elizabeth C. Scioneaux, Deputy Superintendent for Management and Finance
Charlotte Stevens, Acting Division Director
Dudley J. Garidel, Jr., Director
Patrick D. Weaver, Deputy Undersecretary

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

February 20, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

RE: Noncompliance with A-87 Payroll Certification Regulations

The Department concurs with the finding regarding the "Noncompliance with A-87 Payroll Certification Regulations" and has already implemented corrective action as outlined below. Ms. Susie Buchmann, Director, Division of Appropriation Control, is responsible for corrective action.

The Department implemented the conversion of divisional units to utilize the State's SAP payroll system for recording A-87 Payroll Certification the beginning of FY 2009. However, the two items tested at the Department that were noncompliant occurred for the period January 2008 through June 2008. The reporting change moved the A-87 reporting from a bi-weekly and semi-annual basis to a daily reporting mechanism and eliminated the separate completion of a paper form. This A-87 model was demonstrated to the appropriate federal agencies and received their praise and recommendation for use. With the SAP payroll model, financial adjustments are done automatically at the time of payroll entry, and the quarterly adjustments are no longer required.

The Recovery School District (RSD) will eliminate the separate completion of a paper form for the A-87 Payroll Certifications by utilizing the State's SAP payroll system by May 1, 2009. RSD will move to the daily reporting mechanism so that financial adjustments are done automatically at the time of payroll entry, and the quarterly adjustments will no longer be required. RSD will train all employees on completing the daily recording of their time for A-87 Payroll Certification Regulations compliance, and RSD will train its timekeepers on entry to the State's SAP payroll system.

The Department takes very seriously its obligation to properly charge all federal programs and is continuing to work diligently to accomplish this objective. We appreciate the assistance your staff provides on a daily basis to assist us in the process of continual improvement of our operations.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

PGP/sb

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux
Paul Vallas
Rayne Martin
Karen Burke
Patrick Weaver
Susie Buchmann, CIA
Cedric Lewis
Wesley D. Gooch, CPA
Carmen R. Victorian, CPA

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January 9, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

RE: Noncompliance with the Cash Management Improvement Act

The Department concurs with the finding that DOE management did not ensure that refunds of $50,000 or more were properly reported to the Office of Statewide Reporting and Accounting Policy (OSRAP) for calculation of interest liabilities under the Cash Management Improvement Act of 1990 (CMIA). Ms. Susie Buchmann, Division Director, Division of Appropriation Control, is responsible for corrective action at the Department level.

Corrective action has already begun to strengthen internal controls to ensure that refunds of $50,000 or greater are reported to OSRAP in a timely manner. The revenue procedures of the Division have been revised related to the refunds of federal funds, and the appropriate revenue staff will receive training regarding the reporting of federal refunds by January 15, 2009.

In the review of checks received, the revenue manager will flag refund checks over $50,000 or greater pertaining to federal grants that will be reported on the CMIA Report. After completion, the CMIA Report will be reviewed by the revenue manager for accuracy and the proper reporting of any flagged refunds along with the documentation on the use and timing of the offset of those refunds.

The Department takes very seriously its obligation to properly report federal funds and is continuing to work diligently to accomplish this objective. We appreciate the assistance your staff provides on a daily basis to assist us in the process of continual improvement of our operations.

Thank you for your continued assistance.

Sincerely,

Paul Pastorek
State Superintendent of Education

PP/sb

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux
Patrick Weaver
Susie Buchmann, CIA
Wesley D. Gooch, CPA
Carmen R. Victorian, CPA

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February 27, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

RE: Noncompliance with Federal and State Equipment Management Regulations

The Department concurs with the finding regarding the "Noncompliance with Federal and State Equipment Management Regulations" and will implement corrective action as outlined below by April 1, 2009. Ms. Susie Buchmann, Director, Division of Appropriation Control, is responsible for corrective action.

The Department will require the non-public schools to strengthen their compliance with the required reporting of inventory locations. While inventory training was provided initially, the non-public schools will be required to attend additional training with a focus on equipment location and the proper tagging of all equipment.

For FY 2008, there were 5,490 items in 108 school sites entered by one employee of the Department to the Protégé system. Currently, non-public schools are required to submit copies of receiving documentation and invoices received to the Department's moveable property manager for entry to the Protégé system. There have been delays in getting these documents from the non-public schools which may cause an item to be entered into Protégé after the 60-day time period. In addition to further training, the Department will run a Protégé report quarterly to identify/target the non-public schools in noncompliance with the reporting requirement to assess further action by the Department.

Currently, when the Department's accounts payable section receives from the non-public schools the original invoices and receiving documentation, a copy of these documents is sent to the moveable property management once payment has been made. Effective immediately, the accounts payable staff will scan copies of the invoices and receiving documentation to the moveable property manager when received thereby reducing delays within the Department.

A workflow system, Metastorm, as been implemented where an item purchased for the Department can be tracked from its purchase through payment. The final stage of the system, the payment process, will be operational by the end of March 2009. This will enable the property manager to access invoices and receiving reports online to reduce time delays of entry into Protégé.

Due to the size of the Recovery School District (RSD), the acquisition and distribution of a large number of moveable property items occurs each year. While the RSD increased its staff for asset management, it must create two additional positions to adequately monitor its moveable property inventory. The RSD will have Principles and Managers certify fixed assets in their respective locations on or by June 30, which will increase accountability, and ongoing training modules will be conducted for the RSD and school principles.

The contact person related to this finding for the Louisiana Department of Education is Susie Buchmann, at (225) 342-3830, and Cedric Lewis, Recovery School District, at (504) 913-7112.

The Department takes very seriously its obligation to properly account for all items procured with public funds and is continuing to work diligently to accomplish this objective. We appreciate the assistance your staff provides on a daily basis to assist us in the process of continual improvement of our operations.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

PGP/sb

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux
Paul Vallas
Rayne Martin
Karen Burke
Patrick Weaver
Susie Buchmann, CIA
Cedric Lewis
Wesley D. Gooch, CPA
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February 12, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

RE: Theft of Computers – Recovery School District

The Louisiana Department of Education, Recovery School District (RSD), appreciates the opportunity to respond to the reportable audit finding for the RSD related to "Theft of Computers- Recovery School District." RSD management concurs with this finding. Mr. Cedric Lewis, Chief Financial Officer (RSD), is responsible for corrective action at the RSD level.

Because of extenuating circumstances post-Katrina and the urgency of the RSD mission for recovery of the devastated educational system in New Orleans, the acquisition and distribution of thousands of pieces of property occurred before leadership or support staff were hired to manage the property control function. This repeat finding correlates to those assets that were purchased prior to documenting the distribution process of fixed assets.

Corrective Action Plan

1. While the RSD did increase staff for asset management, it was not enough. The RSD will create two additional positions to support full implementation.
2. The RSD will also have Principals and Managers certify fixed assets in their respective locations on or by June 30, which will increase accountability.
3. Ongoing training modules will be conducted by the Fixed Asset Personnel for the RSD and school Principals.

The contact person related to this finding for the Recovery School District is Cedric Lewis at (504) 913-7112.

Thank you for your continued assistance.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

PGP/sb

c: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux
Paul Vallas
Rayne Martin
Karen Burke
Patrick Weaver
Susie Buchmann, CIA
Cedric Lewis
Wesley Gooch, CPA
Carmen Victorian, CPA

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ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

March 24, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
Office of the Louisiana Legislative Auditor
1600 N. Third St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

As per your letter dated March 10, 2009, the Division of Administration, Office of Community Development (OCD) is providing the Louisiana Legislative Auditor (LLA) with its response to the A-133 audit finding of inadequate controls over *The Road Home* Homeowner Assistance Program. OCD notes that this audit is based on work performed by other LLA sections, initiated at the request of OCD. In fact, one of the LLA sections is paid by OCD, as part of the control environment, to conduct agreed-upon procedures.

We appreciate the LLA's acknowledging the need behind the State's decision, early on, to redesign *The Road Home* Program. The change in design made it possible for homeowners to receive grant awards more quickly than initially planned. As a result, also acknowledged by the auditors, the State necessarily accepted certain tradeoffs inherent in a faster process. Essentially, it was viewed by State and Federal officials that it is better in an unprecedented disaster recovery operation for all homeowners to receive their funds quickly, with the attendant risk of problems in some awards made, than to delay all homeowners their receipt of funds simply to avoid problems in some awards.

This redesign of the Program to accelerate awards was made possible largely by shifting "downstream," after closing, many of the important but necessarily time-consuming activities that had earlier been planned to be performed "upstream," or prior to issuing an award letter. The Program's post-closing function was expanded beyond its original role of essentially archiving files to address the many situations where additional activities were required to

complete files or reconcile applicant data, given awards were being made on an expedited basis. The LLA, in fact, acknowledges this important shifting of many of the Program's processing activities, including verification, documentation, and compliance, from pre-closing to post-closing, as follows:

> "... [T]he State of Louisiana initially made a decision to accept additional risk associated with expedited payments with the understanding that any ineligible or unallowable payments would be detected and corrected in post-close reviews."
>
> "...[I]t has been OCD's intent to make final verifications of eligibility and award amounts post-closing, rather than pre-closing and to resolve all eligibility and award calculation issues through post-closing procedures."

Given the importance attributed to the Program's post-closing activities, both by OCD and the LLA, any audit of OCD's controls over *The Road Home* Program naturally must extend through post-closing, to be accurate, complete, and consistent with the State's goals for the Program. **Until the LLA includes the Program's grant review and other important post-closing controls within its A-133 audit, it can not fully assess the control environment or draw a conclusion whether or not OCD has fully implemented adequate controls over the administration of *The Road Home* Program.**

By disregarding the Program's post-closing controls in arriving at its finding, the LLA essentially is subjecting the *Road Home* to a double standard. On one hand, the auditors acknowledge the important need for post-closing activities to allow the Program to make grant awards faster, based on the Program's redesign by the State, recognizing that some risks will be incurred in the process. On the other hand, when the expected risks materialize, the LLA criticizes OCD for having such problems and indicates that it lacks controls, all while overlooking the Program's compensating controls in post-closing.

As it happens, it was through innovative efforts such as establishing post-closing controls that the State was able to award 100,000 *Road Home* grants by February 2008, ten months earlier than the originally projected date of December 2008. The Program's numerous back-end controls, particularly within the grant review process, are intended to detect and correct problems associated with the risks inherent in making these expedited awards to homeowners. Through these controls, it is possible for OCD to accomplish the dual objectives of disbursing funds as rapidly as possible in a post-disaster environment and also ensure the integrity of the ultimate outcome of the process.

OCD does not concur with the LLA's finding of "inadequate controls over the Road Home Homeowner Assistance Program." Simply put, such a finding is not based on the Program's actual design.

LLA Reports Cited To Support the A-133 Finding of Inadequate Controls

The auditors, in support of their finding of inadequate controls, rely on the Recovery Assistance Division (RAD) of the Louisiana Legislative Auditor agreed-upon procedures report to base their opinion that the controls over the Road Home Homeowner Assistance Program are inadequate. **The RAD report dated April 23, 2008, states that based on a sample of program disbursements from May to September, 2007, 97% (261 of 269 award recipients sampled) of grant funds were awarded in accordance with program policy.** Despite this definitive statement the auditors elect to draw upon the less definitive language of the report which states, "conflicting documentation *suggests* that 74 awards (28%) *could* have been calculated differently or *may* need adjustment" as the basis for determining that the controls are inadequate. The *Road Home* was expected to adhere to Program policies as established by the Louisiana Recovery Authority (LRA) and OCD. While the LLA may disagree with some of these policies, this audit is not the forum to raise such issues.

The auditors also support their finding by relying on the RAD Agreed-Upon Procedures Report issued December 3, 2008, which states, "OCD paid $10,688,681 of CDBG funds to ICF for administrative expenses which were not adequately supported and/or unreasonable." It should be noted that while $10.7 million is a large dollar amount it represents only a little more than one percent of the expected total amount to be paid to ICF. In January 2008, OCD elected to pay ICF invoices in full with the understanding that ICF would issue credits to OCD for any unallowable costs. This was done because of the length of time between OCD receiving an ICF invoice, the RAD's review of the invoice and subsequent payment. There is virtually no risk to OCD that at contract conclusion it will have paid the contractor for undocumented and/or unreasonable administrative expenses. Based on the past history, the majority of expenses initially questioned by the RAD as being inadequately supported; adequate supporting documentation was obtained or OCD concluded that the expense was adequately supported. For those expenses that could not be supported, credits were issued by ICF. For those expenses that in the opinion of the RAD were questionable because they were unreasonable, the majority of those have been resolved; and for those that OCD concurred were unreasonable, credits were issued or OCD offset the amount against subsequent contractor invoiced amounts.

Currently, $7.4 million of the $10.7 million OCD has paid ICF for administrative expenses that the RAD concludes are not adequately supported and/or unreasonable remain unresolved. This amount will be resolved prior to the conclusion of the ICF contract.

The Performance Audit Division (PAD) of the LLA issued an audit on January 14, 2009, on the reliability of certain data used in *The Road Home* Program stored in ICF's data warehouse. The LLA uses the finding of this report in support of its A-133 finding of inadequate controls.

This report cites that the *Road Home* contractor loaded homestead exemption tax data into its data warehouse using an outdated file specification; as a result, certain data to determine an applicant's occupancy was not accurate. The LLA omits the important fact that the contractor loaded the tax data exactly as instructed, on two occasions, by the Louisiana Tax Commission, following the file layout specification that it provided. Related, the LLA leaves out of its audit that of the approximately 12,000 applicants initially "mismatched" for occupancy, the vast majority - all but about 2,000 - have since been re-verified for occupancy using the other means available to the Program. So far, none of the approximately 10,000 applicants that the contractor has re-verified for occupancy has proven to be ineligible due to this issue. The contractor has reported that they do not expect that this outcome will be any different for the remaining 2,000 applicants still in the process of being re-verified for occupancy.

The LLA also indicates that by not considering $69 million in insurance proceeds paid to grant recipients who carried insurance with the Louisiana Citizens Property Insurance Corporation (Citizens), there is a risk that these applicants were overpaid in their grant awards. In response to this concern, it is important to keep in mind that the Program can only utilize third-party insurance information, such as from Citizens, if it is provided to the Program. Third party verification of insurance payments continues to plague this program. Insurance companies are slow to non-responsive to requests to verify payments. In fact, the PAD audit report confirms the non-responsiveness of insurance companies, specifically Citizens. The PAD report states that, "according to ICF data, between July 2007 and October 2007, a total of 24,194 verification requests were sent to Citizens insurance for claim payment verification. As of March 1, 2008, only 1,126 or 5% of these requests were verified and returned by Citizens to ICF." At this rate it would have taken Citizens 10 years to verify insurance payments. The State and the *Road Home* contractor have gone to great lengths to request information from insurance companies, but the companies are not required to cooperate with the Program and have not always done so.

The LLA states in the A-133 finding that: "The reliability and accuracy of the data in the data warehouse, including insurance benefit data, is questionable." In its A-133 conclusion, the LLA similarly points out "...the lack of reliable information in ICF's data warehouse..." **Yet, the PAD data warehouse audit report cited by the LLA seems to indicate a different conclusion of the auditors: "With the exception of data on insurance payments, the data from the warehouse ICF uses to calculate an applicant's award amount *is* generally reliable."**

Lastly, the LLA states that 350 of the contractor staff working on the *Road Home* also were applicants to the Program, with many of them having access to the Program's IT systems. The State and ICF were concerned about the ability of employees of *Road Home* contractors who also are applicants being able to access eGrants and work on their own applications. For example, all contractor personnel working on the Program must certify that they have read, understand, and will abide by the Program's *Standards of Ethical Conduct*, which provides: "A *Road Home* team member must never process or review his or her own application." Contractor employees are required to make a similar certification in the Program's related *Conflict of Interest Agreement.* The contractor has reported to OCD that they have reviewed all of the employee-applicants that have access to eGrants and have not found any instances of an employee fraudulently self-processing his or her own grant award. In addition, the HUD-OIG is in the process of finalizing its review of all *Road Home* employees who received an additional compensation grant. The HUD-OIG preliminary draft report does not contain a finding that a *Road Home* employee fraudulently or improperly self-processed their own grant award. In fact, the HUD – OIG in its assessment of relevant internal controls concludes, as stated in the draft report, that, "we, [HUD-OIG], did not identify any significant weaknesses."

Disbursements Without a Valid Subrecipient Agreement

The A-133 finding states that OCD made net disbursements of $7,381,000 of CDBG funds to the Road Home Corporation (Louisiana Land Trust), a subrecipient, without a valid subrecipient agreement in place. OCD had in place a Loan and Regulatory Compliance Agreement in place prior to any Community Development Block Grant (CDBG) funds being disbursed to the Louisiana Land Trust (LLT). When this program first started it was envisioned that OCD would loan funds to the LLT and as the LLT sold properties it would repay the loan; hence, the need for the Loan and Regulatory Compliance Agreement. This Agreement was specific in that the Road Home Corporation was to expend CDBG funds in compliance with HUD regulations. When the program plan changed from a loan repayment arrangement to what it is now, OCD was aware that a subrecipient agreement was required. OCD and the LLT began negotiating the subrecipient agreement but encountered difficulties in the negotiating process. OCD and the LLT fully executed a subrecipient agreement in May 2008. HUD was made fully aware of this issue by OCD.

Pre-closing Monitoring

The A-133 finding is critical of OCD's pre-closing monitoring process stating:

> "...[E]ven though ICF conducted two levels of pre-closing reviews prior to OCD, OCD's reviews resulted in a cumulative error rate of 12.5% for the period July 2007 to June 2008. Despite the significant errors noted, OCD did not increase its level of review above its normal range of 5% to 10%, nor did OCD perform additional follow-up reviews on noted errors to ensure that ICF adequately corrected those awards prior to payment."

OCD began its pre-closing reviews on July 2, 2007, as an eligibility, compliance and procedure review with OCD checking over 75 items. In July, OCD set 30% as a tolerable error rate to transition into the pre-closing review process. The error rate was 27% in July. However, the average monthly error rate decreased by approximately 10% in the following three months: August, 15.6%; September, 16.9%; and October, 13.9%. On October 15, 2007, OCD reduced the tolerable error rate from 30% to 5%. From November 2007 through June 2008 the average monthly error rates ranged from a low of 0% to a high of 5.2%. In our view, it is misleading for the LLA to refer to a cumulative error rate of 12.5% since the error rates in the first four months were high, skewing the cumulative error rate. A truer representation is an error rate of 3% to 4%, based on the error rates experienced from November 2007 through June 2008.

Conclusion

In the A-133 report, the LLA concludes that it is not able to determine whether Program disbursements were in substantial compliance with Program regulations. Specifically, the auditors state:

> "...[D]ue to the significant errors being disclosed by OCD's pre-closing reviews, the lack of adequate follow up regarding the correction of noted errors, the lack of reliable information in ICF's data warehouse, and the lack of completed files through final post-close reviews, we are unable to determine whether program disbursements as of June 30, 2008, were in substantial compliance with program regulations."

In response to this conclusion of the auditors, OCD believes that Program disbursements as of June 30, 2008, are in substantial compliance with Program regulations. As discussed above, OCD believes a more accurate depiction of the pre-closing error rate is between 3% to 4%; the error rate experienced by the Program for the period November 2007 through June 2008, rather than the skewed 12.5% rate cited by the LLA. In addition, a RAD agreed-upon procedures report states that 97% of grant funds were awarded in accordance with Program policy. Regarding the assertion of a lack of reliable information in the data warehouse, the LLA in its audit of the data warehouse stated, in fact, that it is generally reliable (with the exception of data on insurance payments). Lastly, as the Program began completing grant review of closed files in April 2008, three months prior to the end of the A-133 audit period (June 30, 2008), there were an ample number of files for the LLA to examine through the post-closing review process. In our opinion, Program disbursements are in substantial compliance with Program regulations.

Recommendation

OCD generally concurs with the recommendation and feels that it has and will continue to establish controls over *The Road Home* Homeowners Assistance program.

Corrective Action Plan

Lara Robertson and Richard Gray, both OCD/Disaster Recovery Unit Directors, are the contact persons responsible for corrective action.

OCD has implemented the following improvements to the Program.

- Instituted the final file review process. The *Road Home* contractor is completing this process.
- Contracted with the RAD to review the final file review. The RAD review is ongoing.
- Developed a Recapture and Charge-Off policy. OCD is developing the procedures and working with the Louisiana Office of Attorney General and others to provide resources for the process. This is ongoing.
- The *Road Home* contractor has made two additional requests to insurance providers for insurance verification, one in August 2008 and the other in January 2009.
- Seeking HUD's guidance on what constitutes due diligence with regard to insurance duplication of benefits. This is ongoing.
- Executed a subrecipient agreement in May 2008 with the LLT.
- Brought on new contractors as ICF's contract expires. This is ongoing.

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Paul Rainwater
Senior Executive Director
Office of Community Development/DRU

PR/SU

c: Ms. Angele Davis
Ms. Sharon Robinson
Mr. Thomas Brennan
Ms. Lara Robertson
Mr. Richard Gray
Ms. Susan Pappan
Mr. Stephen Upton

BOBBY JINDAL
GOVERNOR

NATALIE ROBOTTOM
DIRECTOR
OFFICE OF COMMUNITY PROGRAMS

State of Louisiana
Office of the Governor

February 19, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

In response to the findings identified in the Legislative Audit conducted during October 2008, the Nonpublic School Early Childhood Development (NSECD) Program has worked closely with your office to remedy the issue of inadequate control over the Temporary Assistance for Needy Families Program (TANF).

We concur with the finding that the current process for issuing reimbursements allows for human error. Currently, verification of provider attendance logs and reimbursement statements is completed by matching attendance data against enrollment data collected by the NSECD office. Statements are reviewed by the Administrative Coordinator and the Program Manager prior to signature of authority required by the NSECD Program Director and the Director of the Office of Community Programs. On three occasions, human error occurred with the monthly submission of paper-based documents resulting in underpayments.

Petrouchka Moise, the NSECD Program Director, will be the contact person responsible for the corrective action needed. During the 2007-2008 academic year, the NSECD Program designed an automated web-based system to process schools' monthly invoices, tied to the 74% pupil attendance. This system is currently in the final testing phase.

For the current year, we have worked closely with our providers in assisting in the transition to our electronic billing system. Our test pool consists of five schools with a total of 13 classrooms. These schools will operate completely from the NSECD website for the attendance tracking and the end of the month invoicing. The process will be launched statewide for the 2009-2010 academic year.

Sincerely,

Natalie Robottom

Natalie Robottom, Director
Office of Community Programs

cc: Petrouchka Moise, NSECD Program Director
Sharon Robinson, Internal Audit Administrator
Jeannathan Anderson, Special Services, DSS Office of Family Support

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

OFFICE OF THE
VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

January 16, 2009

Mr. Sean Bruno, CPA
BRUNO & TERVALON LLP
Certified Public Accountants
4298 Elysian Fields Avenue

Dear Mr. Bruno:

Attached is Grambling State University's Management's Corrective Action Plan to the 2008 Single Audit Findings.

If additional information is needed, please contact me.

Sincerely,

Leon Sanders for Daarel E. Burnette
Associate Vice President for Finance
and Administration

LS/mll

Attachment

Finding 2008 – 01 – Verification

Conditions and Perspectives

During our audit we noted that four (4) students out of twenty-five (25) tested whose verification information was conflicting with the verified documentation, the verification information was not verified or the required signatures were not obtained.

Management's Response

The Office of Student Financial Aid and Scholarships concur with the finding. We accept the Auditor's recommendation. To avoid reoccurrences, the following will be implemented in the Counseling unit:

1. A self-audit will be conducted each semester, including the summer sessions. In the self-audit, all items that are required to be verified and have been obtained by the Financial Aid Counselors will be reviewed prior to disbursing of financial aid to students. The Financial Aid Counselors will exchange at least fifteen (15) folders with other Counselors in the office. The self-audit will be conducted within two (2) months of the semester.

Finding 2008-2

Conditions and Perspectives

During our audit of the federal work-study program, we noted the following conditions:

- Eleven (11) students out of fifteen (15) students tested who worked while scheduled to be in class. This resulted in excess wages paid totaling $503;
- Seven (7) students out of fifteen (15) students tested whose total hours per the timesheet did not agree to the total hours paid. This condition is the result of there being two timesheets, one manual and one electronic, with their being differences that were not reconciled by student supervisors prior to the approval of students timesheet. This resulted in a total net under-payment to the students totaling $291;
- Two (2) students out of fifteen (15) students tested who received college work study in excess of the amount awarded. This resulted in excess wages paid totaling $2,565;
- One (1) student out of fifteen (15) students tested who worked in excess of the required number of hours allowed per week; and
- One (1) student out of fifteen (15) students tested whose timesheet did not have the total number of hours work recorded on the time sheet.

Management's Response

The Office of Student Financial Aid and Scholarships concurs with the finding. We accept the Auditor's recommendations. The Financial Aid Office and Payroll will work together to establish policies and procedures to prevent this finding from reoccurring before student employees are paid with Federal College Work-Study funds.

The following will be implemented:

1. Effective immediately, Student Sign In/Out Logs will not be submitted to the Payroll Office or kept in the various departments. Student employees will be paid strictly from the web timesheet.
2. Monthly reconciliations will be conducted between the Payroll Office and the Student Financial Aid Office.
3. The Payroll Office will provide the Student Financial Aid Office with class conflict reports PRIOR to paying the student employee.

Management's Response Cont'd

4. Student employees will be required to sign in and out on Banner Web daily.

5. A functionality will be added to the Banner system to prevent Supervisors of student employees from approving timesheets if there is a class conflict.

Finding 2008-3 – Student Eligibility

Condition and Perspective

The University's Internal Auditor performed an audit at the request of the University's President to determine the propriety of allegations regarding possible misappropriations of a federal financial aid ward administered by the University's Student Financial Aid Office. As a result of the internal auditor's audit, the following conditions were noted for one (1) out of the six (6) students tested. The student was a relative of the Student Financial Aid Director of the University.

- The student was awarded two (2) academic scholarships requiring a 3.00 grade point average but the Registrar's official records reflected a 2.54 grade point average;

- The student had an in-state residency status but was an out-of-state transfer student. The University's Admissions Office accepted a Louisiana Residence Application and granted the in-state residency without adequate documentation. The student indicated on the application that she lived with the SFA Director, and she was not her legal guardian. This resulted in an increase in the student's cost of attendance which allowed the student to receive additional Title IV aid that the student would not have otherwise been able to receive.

- The student incorrectly completed the Free Application for Federal Student Aid stating that she was an "orphan or ward of the court"; however, the student admitted that the information was incorrect.

- Prior to disbursement of the aid, the Dependency Override Committee did not review or approve the student's request for classification as an independent student prior to the beginning of the semester;

- The student was given an increase in their cost of attendance budget for transportation costs for the fall 2007 although, the student was not enrolled. No other student received an increase in their transportation cost. Professional judgment was used by the SFA Director because the relative flew home frequently; and

- The SFA Director made entries to the relative's financial aid records without explanations.

Management's Response

The Office of Student Financial Aid and Scholarships concur with the finding. We accept the Auditor's recommendations. To avoid reoccurrence of this finding, the following policies have been established in the Office of Student Financial Aid and Scholarships:

Management's Response Cont'd

1. Employees in the Student Financial Aid Office must notify the Director of Student Financial Aid that they have a relative attending Grambling State University. This information will be documented in the Policies and Procedural manual.

2. Employees in the Student Financial Aid Office cannot process any financial aid of a relative attending Grambling State University.

3. Employees in the Student Financial Aid Office who are enrolled at Grambling State University cannot process their financial aid. Another staff member must process the financial aid and notify the Director of Student Financial Aid of the transaction.

Finding 2008-4 – Matching

Condition and Perspective

We noted during our audit that grant personnel failed to properly document the match that is required by the grant agreement for the period July 1, 2007 through June 30, 2008.

Management's Response

The Grants and Contracts' staff documented the matching component of each grant that has matching requirement according to the policies that were in place during fiscal year 2008. At that time, the practice was to have principal investigators provide time and effort certification reports, at two points in the year, for services rendered in the past. As a result, the time and effort reports did not bear dates of the period when the services were actually rendered. Starting from January 1, 2009, the grants and contract director will ensure that time and effort reports are dated and submitted at the end of each pay period. During six (6) months functional review process, the Accounts Receivable staff will review the time and effort certification report to ensure that they are dated and submitted on a timely basis.

Finding 2008-5 – Allowable Cost

Condition and Perspective

We noted during our audit that grant personnel failed to follow prescribed procedures to ensure that indirect costs charged to grant program conform to guidelines contained in the grant agreement. We noted instances whereby amounts charged to grant programs exceeded the amounts allowed per grant agreements, as well as instances where amounts charged to grant programs was less than amounts allowed per the grant agreement.

Management's Response

We do not agree with this finding because our Indirect Cost Rate agreement is based on salaries and wages only. This provision implies that we can only apply our Indirect Cost Rate if there are salaries and wages on the grant and contract. In the grant that was referenced, there was no Indirect Cost because there were no charges to salaries and wages. We apply Indirect Cost Rate to applicable grants and contracts where there are salaries and wages.

Condition and Perspective Cont'd

We also noted that $1275 of costs that were overdrawn by the University appeared to have been repaid but charged back to the program and subsequently drawn down again.

Cause

Grant personnel failed to follow established procedures which requires indirect cost charged to grant programs to be reconciled on a monthly basis to amounts per grant agreements.

Management's Response

We have reviewed the practice in the past fiscal year and do not see evidence to suggest otherwise; hence, we concur with this finding and starting January 31, 2009, the director of grants will review on a monthly basis the indirect cost amount charged to each relevant program to ensure that the amount is accurate. In cases where there is discrepancy, the director of grants will resolve this discrepancy and document how the discrepancy was resolved.

Finding 2008-6 – Federal Financial Reports/Cash Management

Conditions and Perspective

We noted that for the Fossil Energy Research and Development Grant, grant personnel failed to monitor draw downs and as such no funds were drawn down during the year.

We noted for the Higher Education-Institutional Aid program, that the difference between the drawn downs as reflected in the Grants Administration and Payment System (GAPS) did not reconcile to grant expenditures when considering accrued receivables. Grant receivables appear to be overstated by $55,264.

Management's Response

We concur with this finding and have designed a measure that would ensure that appropriate cash draw downs are made in a timely manner. This measure will require the grant accountant to review the accounts receivable balances of each grant on a monthly basis and ensure that cash drawn downs are made at the instance of the principal investigators. Also, the principal investigators will be trained on cash management of their budgets which will include requesting the grant accountant to draw down funds as the revenue is earned. The training of the principal investigators will take place on the 27th of January 2009, and the grants accountant will start reviewing accounts receivable balances as a month-end closing procedure starting January 31, 2009.

Finding 2008-7 – Sub-Recipient Monitoring

Conditions and Perspective

During our audit, we noted that University personnel failed to monitor the activities of one (1) of one (1) sub-recipient selected for testing as a result of there being no monitoring plan in place.

Cause

The University failed to have procedures which require all sub-recipients to be fiscally and programmatically monitored during the year.

Management's Response

We concur with this finding, as a result, the vice president for finance and administration has asked the director of grants and contracts administration to review the requirements of all sub-recipient grants and contracts and develop a contract monitoring plan. This monitoring plan will take effect March 1, 2009.

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

December 17, 2008

Mr. Steve J. Theriot, CPA
Office of the Legislative Auditor
State of Louisiana
1600 North Third Street
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Re: Unlocated Movable Property – Management Response

Management concurs that Grambling State University (GSU) continues to experience unlocated movable property. It is clearly evident for the fourth consecutive year, as a repeat finding, we have been unsuccessful in accounting for all movable property residing on campus. In turn, we are reengineering our entire approach to receiving, delivering, inventorying and tracking movable property on campus. The corrective actions being administered are as follows:

- GSU will write a desk guide to provide general guidelines and references to assist university personnel and inventory specialists in the administration of the fixed assets program. These guidelines will help ensure that all department heads and supervisors are knowledgeable of the procedures for maintaining control and accountability of the university's fixed assets under their purview.

- The University Property Management Office must have accurate and current inventory records of all equipment and other non-consumable property, as well as the information associated with the individual and responsible department. In early December 2008, GSU developed a contract to engage The Valuation Advisory Group to provide the following services:

    - Conduct a complete inventory of all furniture, fixtures and equipment items with historical cost greater than $1,000.

    - Review existing recorded data to ascertain historical costs. The historical costs not identified during the cost-finding phase will be developed using accepted appraisal methodology, including the use of catalogs, pricing services and internally developed databases.

- Assign acquisition dates to the inventory items, when necessary.

- Calculate depreciation, both current and accumulated.

- Ensure that all items maintained on the University inventory list are properly tagged and labeled.

- Ensure that the major logistical components are populated in the applicable tracking systems (Banner and Protégé). As a minimum, the following elements will be captured:

    - Item number within report
    - Asset class
    - Description including generic name, model, number, etc.
    - Serial number
    - Asset tag number, if applicable
    - Department
    - Building
    - Room
    - Contract Specialist's Name
    - Primary Equipment User's Name
    - Funding source, as available
    - Acquisition date
    - Historical cost
    - Useful life
    - Depreciation, both current and accumulated

- The report produced by The Valuation Advisory Group will be useful as internal management tools with regard to accounting, budgeting, planning and purchasing, and will serve to enhance general fixed asset control. The property records will be designed to assist the university in complying with Generally Accepted Accounting Principles (GAAP) and reporting requirements included in Government Accounting Standards Board (GASB) Statement No. 34.

- Once the database is populated with current and accurate information, the respective departmental chairpersons, deans and directors will be encouraged to maintain accountability of their assigned assets. Periodic contract specialist sessions will be hosted by the University Property Management Office. The University Property Management Office will also, over the course of the fiscal year, conduct random checks of all areas containing inventories without prior notices:

- If an item is unaccounted for during an inventory inspection, the individual officially accountable for the property will be given 24 hours to produce the item.

- If the missing property cannot be accounted for, the responsible individual will be required to pay the full cost of the property.

We remain firmly committed to safeguarding Grambling State University's assets. Our anticipated completion date is March 31, 2009. It is our belief that the deployment and implementation of these procedures will be a more succinct response to the audit issues, both externally and internally.

If you have any questions, do not hesitate to call me or my primary point of contact, Mr. Daarel E. Burnette, Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Horace A. Judson
President

HAJ:jj

Bobby Jindal
GOVERNOR

Alan Levine
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

February 16, 2009

Mr. Stephen J. Theriot, C.P.A.
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Re: Single Audit Finding—Improper Claims by Long Term Personal Care Service Providers

Please accept this letter as a response to the Legislative Auditor finding regarding Improper Claims by Long Term Personal Care Service Providers dated February 6, 2009. It is our understanding that the Legislative Auditor's position is that this finding occurred because providers of Long Term Personal Care Service (LT-PCS) submitted claims that were not in accordance with established policies and procedures.

DHH's official response is attached as requested. Rick Henley of the Office of Aging and Adult Services (OAAS) is the contact person responsible for corrective action. You may contact Mr. Henley at 225-219-0209.

Sincerely,

Jerry Phillips
Medicaid Director

JLP/HE:rh

Attachment

cc: Charles Castille
Hugh Eley
Kay Gaudet
Jeff Reynolds

FINDING: Improper Claims by Long Term Personal Care Service Providers

DEPARTMENT RESPONSE: The Department of Health and Hospitals concurs with the finding.

Error Noted: Appropriate units of service were not delivered according to the plan of care.

Corrective Action: It is anticipated that there may be some deviation from the plan of care. This may occur due to a number of factors such as the worker not showing up, recipient refusing services, etc. However, while some deviation is expected, it is not acceptable for a provider to deviate from the plan of care without good cause. When cause is present, it must be documented.

LTPCS services use a very restrictive resource allocation guide. In 2007, OAAS began its current resource allocation initiative to address problems with the existing system of allocation of LTPCS service hours. The current system allows for very little flexibility of scheduling task performance. Providers complained about the rigid documentation process. Numerous legislative audit findings were noted, many times based on the providers' service logs.

OAAS has implemented a resource allocation method called Service Hour Allocation of Resources (SHARe) to allow recipients feeedom for flexibility of service delivery within each week, which allows for individual differences or preferences. The time allowed for each task would no longer be restrictive, and could be adjusted for daily changes in recipients' needs. The support coordinators would benefit from the changes in the care planning process. They would no longer have 15 minute increments of time to assign for specific tasks, and instead would be able to take a more person-centered approach to care planning. The providers would also have less complicated documentation requirements allowing them to respond to recipients' changes in needs throughout the week without the fear of violating rules or procedures.

Over the past year OAAS has conducted research on the current approval and utilization of services for LTPCS. The goal of this research was to revise the existing, rigid level of service guide for LTPCS and to establish acuity based tiered caps for the total cost of EDA recipients' care plans. SHARe is scheduled for implementation on March 1, 2009.

DHH will continue to reinforce provider compliance with service delivery and documentation requirements through training and technical assistance. Correspondence will be re-issued by OAAS to all service providers that will reiterate the requirement that services should be provided in accordance with the service plan (and properly documented when services are not). We anticipate this training to occur within the next 90 days.

Error Noted: Failing to maintain adequate documentation of the units of service provided.

Corrective Action: As part of its SHARe initiative, OAAS has developed a service log that allows for documentation of both LT-PCS and companion services provided under the Elderly and Disabled Adult Waiver. Units between the two services will have to be divided and the requirement that separate timesheets must be maintained will remain.

DHH will continue to reinforce provider compliance with proper documentation and correct billing practices through training and technical assistance. Additionally, correspondence will be issued by OAAS to all service providers that will reiterate documentation requirements. We anticipate that this training will occur within the next 90 days.

Error Noted: Billing for more units than worked.

Corrective Action: Where appropriate, providers will be referred to Medicaid SURS for review, and if required, referral to the Medicaid Fraud Control Unit within the Attorney General's office for criminal prosecution.

Additionally, effective March 1, 2009, all LT-PCS providers will be prior authorized through Statistical Resources Inc. (SRI). Units will be prior authorized on a weekly basis and though this will not ensure that providers bill with adequate documentation, it will ensure that prior authorization is not exceeded since any attempt to bill in excess of the weekly prior athorization will be denied.

DHH will continue to reinforce provider compliance with proper documentation and correct billing practices through training and technical assistance. Additionally, correspondence will be issued by OAAS to all service providers that will reiterate documentation requirements. We anticipate that this training will occur within the next 90 days.

Error Noted: Failure to use standardized weekly service logs.

Corrective Action:
DHH will continue to reinforce provider compliance with proper billing practices through training and technical assistance. Additionally, correspondence will be issued by OAAS to all service providers that will reiterate that payment for LT-PCS for participants who are inpatients hospital is not allowable. We anticipate that this training will occur within the next 90 days. During this training, OAAS will train on the new standardized service log that allows for documentation of LT-PCS and companion care on the same form and will reiterate that this is a mandatory form.

Bobby Jindal
GOVERNOR

Alan Levine
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

March 2, 2009

Mr. Steve J. Theriot, CPA,
Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

Below is the response from The Department of Health and Hospitals, Bureau of Health Services Financing related to the finding dated February 19, 2009 regarding **Improper Claims by Non-Emergency Transportation Service Providers:**

- DHH concurs with the findings. We agree that the providers and claims reviewed were not in accordance with Medicaid policies and procedures. Providers must maintain all MT-3's, MT-8's and MT-9's for all trips reimbursed by Louisiana Medicaid. Failure to do so is not acceptable. DHH will continue to re-educate providers of these requirements and issue sanctions when appropriate.

- The issue regarding transportation to non-enrolled providers is something that is allowed by CMS with certain qualifications, a copy of the guidance is attached. BHSF staff is reviewing these criteria to see if these claims apply.

- Corrective Action:

  - Contact: Randy Davidson at 225/342-4818

  - Program Integrity is taking action for recoupment of the inappropriately paid claims. Joe Kopsa (225/342-4150) is the contact for Program Integrity.

    - A letter will be sent in March 2009 to the appropriate providers regarding the action to be taken.

    - This action is subject to due process which could delay the completion of this action.

Bienville Building • 628 North 4th Street • P.O. Box 91030 • Baton Rouge, Louisiana 70821-9030
Phone #: 225/342-3891 or #225/342-4072 • Fax #: 225/342-9508 • *WWW.DHH.LA.GOV*
"An Equal Opportunity Employer"

Waiver Assistance and Compliance has implemented procedural and systematic changes to Capitated trip methodology to prevent payment until after all scheduled services are to have been provided. As a result of the finding that some claims paid incorrectly:

- BHSF staff will ask our contractors, Unisys and First Transit, to conduct testing to identify and correct lapses in programming.
- Completion date is expected to be by March 31, 2009.

DHH has controls in place to ensure that only appropriate claims are paid. All NEMT trips must be prior authorized and are issued a prior authorization number. Without this prior authorization number the MMIS system will not pay the claim. However, DHH recognizes that just because a trip is prior authorized and billed that does not guarantee the service was provided. DHH systematically performs post pay review to ensure services billed were actually provided. Mechanisms are in place to collect money paid to providers for inappropriately paid claims.

You may contact Randy Davidson at 225/342-4818 regarding the action to be taken related to this finding.

Sincerely,

Jerry Phillips
Medicaid Director

JP/rd

CC: Charles Castille
Jeff Reynolds
Joe Kopsa

Bobby Jindal
GOVERNOR

Alan Levine
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

February 23, 2009

Mr. Stephen J. Theriot, C.P.A.
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Re: Single Audit Finding—Improper Claims by Waiver Services Providers

Please accept this letter as a response to the Legislative Auditor finding regarding Improper Claims by Waiver Services Providers dated February 11, 2009. It is our understanding that the Legislative Auditor's position is that this finding occurred because providers of waiver services submitted claims that were not in accordance with established policies and procedures.

DHH's official response is attached as requested. Rick Henley of the Office of Aging and Adult Services (OAAS) is the contact person responsible for corrective action relative to claims under the Elderly and Disabled Adult Waiver. You may contact Mr. Henley at 225-219-0209. For corrective action relative to claims under the New Opportunities Waiver (NOW), you may contact either Ms. Jean Melancon at 225-342-8877, or Mr. Charles Ayles at 225-342-6822. Both Ms. Melancon and Mr. Ayles are with the Office for Citizens with Developmental Disabilities (OCDD).

Sincerely,

Jerry Phillips
Medicaid Director

JLP/LAO

Attachment

cc: Charles Castille
Hugh Eley
Kathy Kliebert
Kay Gaudet
Jeff Reynolds

Bienville Building • 628 North 4th Street • P.O. Box 91030 • Baton Rouge, Louisiana 70821-9030
Phone #: 225/342-3891 or #225/342-4072 • Fax #: 225/342-9508 • *WWW.DHH.LA.GOV*
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FINDING: Improper Claims by Waiver Services Providers

Error Noted: Weekly units of service were not delivered according to the plan of care.

DHH Response: DHH concurs with this finding.

Some deviation from the Plan of Care is to be expected due to factors such as the worker not showing up, the recipient refusing services, and the like, thus prohibiting delivery of the weekly service hours in strict accordance with the Plan of Care. However, while some deviation is expected, it is not acceptable for a provider to deviate from the Plan of Care without cause, and when cause is present, documentation should exist in the record explaining the reason for deviation in the schedule.

Corrective Action through OAAS:

OAAS has implemented a resource allocation method called Service Hour Allocation of Resources (SHARe) to allow recipients freedom for flexibility of service delivery. A task list will be developed with the recipient which will list individual needs and preferences, but the time allowed for each task will not be restrictive, and thus, allow for daily adjustment to reflect changes in the recipients' needs. This will allow for a more person-centered approach to care planning. Part of the SHARe initiative was also to establish acuity-based tiered caps for the total cost of EDA recipients' care plans. SHARe is scheduled for implementation on March 1, 2009.

DHH through OAAS will continue to reinforce provider compliance with service delivery and documentation requirements through training and technical assistance. Memoranda will be re-issued by OAAS to all service providers that will reiterate the requirement that services should be provided in accordance with the service plan (and properly documented when services are not). We anticipate this training to occur within the next 90 days.

Corrective Action through OCDD:

OCDD will continue to reinforce provider compliance with documentation requirements through electronic notifications, training and technical assistance. OCDD will conduct its own internal programmatic audit of the providers in question to review all of the documentation or lack thereof and make recommendations for any further administrative action based on the following criteria:

1. Review all policies to determine if revisions are needed.
2. Issue letters to providers with errors noted in this category requiring plans of correction.
3. Require the providers who were found to be out of compliance to attend training provided by the Program Office(s).
4. Re-issue the policy statement to all providers reiterating our policy and expectations on the documentation of schedule deviation.
5. Include documentation policy statements in the Medicaid Waiver Service Provider enrollment packets to insure that all new providers are aware of the documentation requirements.

6. Post the February 6, 2008 memorandum to direct service providers on the OCDD Waiver Supports and Services Publications website.
7. If there is suspicion of fraudulent activities or abuse, referral will be made to the Medicaid Waiver Compliance Section for Notification to the appropriate entity.

Anticipated completion date is June 15, 2009.

Error Noted: Providers did not maintain time sheets and/or progress notes to support and describe the services provided and the units of service billed.

DHH Response: DHH concurs with this finding.

Corrective Action Plan:

DHH through OCDD will continue to reinforce provider compliance with documentation requirements through training and technical assistance. OCDD will establish an audit schedule for the providers sampled to review both programmatic and fiscal activities. We will specifically look for documentation which supports all activity and review for any inappropriate non-delivery of services.

In addition, OCDD will:

1. Issue letters to providers with errors noted in this category requiring plans of correction.
2. Require the providers who were found to be out of compliance to attend training provided by the Program Office(s).
3. Re-issue the policy statement to all providers reiterating our policy and expectations on the documentation of schedule deviation.
4. Include documentation policy statements in the Medicaid Waiver Service Provider enrollment packets to insure that all new providers are aware of the documentation requirements.
5. Post the August 31, 2007 memorandum to direct service providers on the OCDD Waiver Supports and Services Publications website
6. Review all records cited in the audit and take appropriate action.

Anticipated completion date is June 15, 2009.

OCDD will begin the process to recoup all funds paid to providers who did not maintain the required supporting documentation for payment. Providers who fail to return monies owed will be referred to DHH Program Integrity for recoupment.

Bobby P. Jindal
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS

LOUISIANA
Department of HEALTH and HOSPITALS
Alan Levine
SECRETARY

February 20, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

RE: Legislative Audit Finding
Inadequate Internal Control Over Cooperative Endeavor Agreements

Dear Mr. Theriot,

The Bureau of Primary Care and Rural Health concurs with the above named finding. The Bureau agrees that ten identified cooperative endeavor agreements were processed and paid with forged signatures and may not legally bind both parties to perform under the agreements. The Bureau does feel that internal controls were in place but failed due to the apparent collusion between employees involved in the approval process.

Since the problem was identified, the employees involved have been terminated. It is cost prohibitive for the Department to implement fail safe controls, but the Bureau has implemented an additional step in the approval process in an attempt to prevent this for occurring again. The Program Monitor verifies all information in the files before it is sent to the Secretary's office for signature. After the proper signatures are received, the agreements are sent to DHH Contracts and Procurement Support. All signatures are checked again. Once the agreements are submitted for the Office of Contractual Review approval, they are returned to the Bureau for payment authorization. Before payment is authorized, the signatures will again be verified by Mr. Don Parker, Program Manager.

Mr. Don Parker, Program Manager will be responsible for monitoring this process in the future. All involved staff members have been counseled on the importance of signature validation and we do not anticipate future issues. All of the implemented changes and checks are complete.

Our investigation into the matter found no evidence of criminal intent or fictitious persons receiving payments.

Thank you for your offices' efforts in this matter. If you have any further questions, please feel free to contact Don Parker at 225.342.9361.

Sincerely,

Gerrelda Davis

Gerrelda Davis, Director
Bureau of Primary Care and Rural Health

Bobby Jindal
GOVERNOR

Alan Levine
SECRETARY

State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing

December 17, 2008

Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: DHH Information Technology Audit Inappropriate Access to MEDS Production Files

Dear Mr. Theriot:

Below is the response from the Department of Health and Hospitals (DHH), Medical Vendor Administration (MVA), related to the finding number PF 17-D-4-a and PF 17-D-6-a regarding inappropriate access to the Medicaid Eligibility Data System (MEDS) production files.

Recommendation:

Access rights to production programs and files should be restricted to those individuals on a business need basis. We recommend that DHH management take the following actions to enhance the security over the MEDS application:

- Remove (where appropriate) or change to READ only access for the application programmers currently having RACF ALTER access to the MEDS production datasets.

Corrective Action:

Changes will be made to existing MEDS User Access Security to ensure that all user ID's other than MAU (DHH staff) and TIU (DSS/OCS staff) are set up for "inquiry only" access user group. Since contract staff and DHH IT staff have distinct user ID's, it will be easy to identify and change the access for these users.

A MEDS security training is being planned for January 2009 in order for contractor to train two MEDS unit staff members, along with MEDS Program Managers, on administration of security subsystem. These two staff members will take over full responsibility of security administration, which includes access to MEDS production data. Only these security administrators will have capability of providing access to production data and controlling who

has update vs inquiry access. The Legislative Auditors will be notified once training is held and security is handed over to MEDS unit staff.

- Restrict access to make changes through the MEDS application to the MEDS production data by application programmers and non-functional users to emergency situations only with additional mitigating controls.

  Corrective Action:
  Changes planned in #1 above will resolve some access issues. If contractor assistance is needed on an emergency basis (i.e. eligibility for individual must be transmitted to MMIS for immediate services but system edits are preventing transmittal of eligibility), MEDS unit security administrators would update security to allow production update access to contractor for resolution and immediately change access back to inquiry only. The MEDS audit trails would display any system changes. When this happens, this will also trigger a change request so that a new user group can be created to allow MEDS unit staff to make future changes, without the assistance of contractor staff. The user group would be controlled by MEDS unit security staff only. The Legislative Auditors will be notified when this procedure is implemented.

- Develop comprehensive reports over user accounts and related privileges and review the report on a periodic basis to ensure those user accounts and access rights remain current and reflect the appropriate business need for the MEDS application.

  Corrective Action:
  The MEDS unit contractor is currently working on a job specification document at the request of the MEDS unit Program Manager. Once the job specifications are complete and approved, the contractor will begin work on a set of comprehensive reports which will be available in our ViewDirect reporting system. The reports will be available as needed and will be monitored by MEDS unit security staff and MEDS Program Managers. The Legislative Auditors will be notified as soon as the reports are available in ViewDirect.

- Establish procedures and on-going communications with DSS and other related parties (such as the contractor) so that access changes related to the MEDS users within those entities can be notified to DHH and changed by DHH in a timely manner.

  Corrective Action:
  As described in #1 above, two staff members will take over full responsibility of security administration. These security administrators will have capability of providing access to production data and controlling who has update vs inquiry access. They will also have responsibility for maintaining

communication with DSS to ensure that changes are promptly reported and acted upon.

- Develop review procedures to examine the relevant MEDS application audit logs on a periodic basis.

  Corrective Action:
  As described in #3 above, MEDS unit staff will be assigned to monitor all security reports and MEDS audit trails periodically.

- Develop procedures to prevent application programmers from migrating changes into production without documented managerial review and approval.

  Corrective Action:
  Currently, code is only migrated into MEDS production at the request of one of the MEDS unit Program Managers. The requests are made via e-mail and information regarding the move is entered into an Access database by MEDS unit Program Managers. A more formal process will be implemented in the near future, similar to what is used today for sign off and approval for contractor to begin work on a user request. MEDS unit staff will use this same process for changes to MEDSWeb (web-based reporting system) and Shadow Direct (middleware). The documents and procedures will be shared with the Legislative Auditors upon implementation.

Should you have additional questions or concerns regarding this finding, please feel free to contact Diane Batts or Robynn Schifano at (225) 342-6398.

Sincerely,

Jerry Phillips
Medicaid Director

JP:DSB

cc: Jeff Reynolds
J. Ruth Kennedy
Don Gregory
Robynn Schifano
Diane Batts

Bobby Jindal
GOVERNOR

Alan Levine
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

November 26, 2008

Mr. Steve J. Theriot, CPA
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please refer to your correspondence dated October 16, 2008 reporting a Department of Health and Hospitals audit finding of an Ineffective Medicaid Eligibility Quality Control system. The Department concurs with the finding that some reviews were not assigned nor reviewed within 45 days and no negative QC reviews were conducted for April, 2008 through September, 2008.

The majority of the findings for this audit occurred when the agency was in the final stages of catching up on the backlogged reviews (cited in FY06/07 findings) and simultaneously working the current month's reviews. Please recall in the agency's response dated October 29, 2007 to Legislative Audit findings for FY 06/07, where we indicated that we would not clear out the all the backlog of cases until after the New Year (2008).

In response to this recent audit for FY07/08, steps were taken immediately to implement a correction action plan for compliance effective November 1, 2008.

Corrective Action Plan

Staff changes within the Eligibility Policy Section since April, 2008 have resulted in the Quality Control Section now being under complete new management from the direct supervisor, intermediate supervisor up to the Section Chief.

The case review process is highly reliant on client contact, cooperation and ability to secure documentation from clients to verify eligibility determinations. Despite staff's best efforts, some cases cannot be completed timely, irrespective of processing timeframes. The new management team implemented procedures in November, 2008 to ensure that reviews are assigned timely and cases are reviewed within 45 days. The the Quality Control manager now monitors assignments and reviews processing timeframes for each review month. Reports are required at the 30 day point in the review process to monitor the number of cases completed and identify issues with incomplete cases. These procedures provide 15 days for issues to be resolved before the processing deadline. This emphasis on assignment date, processing timeframes and

monitoring will place necessary attention to the importance of timeliness and deter future deficiencies. It will also serve as a check point to ensure that the quantity and the required monthly quota for reviews are regularly being met. Also, since the completion of the audit period, steps have been taken to automate many of the steps in the review process. All review forms and findings are scanned and maintained electronically, eliminating the need to retain hard copies of each case reviewed. These efficiencies will enable staff additional time to devote to processing of reviews timely.

The Qualify Control Unit has resumed conducting Quality Control negative action cases starting with the October, 2008 review month which were assigned in November, 2008. The current supervisor will monitor assignment dates of negative action cases and also require status reporting on the 30th day of the 45-day processing timeframe.

All of the above actions will be used to monitor workload activities and will assist in identifying throughout the process whether sufficient staff is assigned to conduct timely reviews required by the Quality Control system.

If you have any questions or concerns regarding this finding and corrective action plan, please contact Darlene Hughes at 225-342-7628.

Sincerely,

Jerry L. Phillips
Medicaid Director

JLP:DGDH

Cc: Charles Castille, Undersecretary
Jeff Reynolds, Director, Fiscal Services

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 9, 2009
Failure to Document Payroll Distribution Costs

Dear Mr. Theriot:

I have reviewed your report dated February 9, 2009 which covers activities for fiscal year 2008. During the covered period, the Governor's Office of Homeland Security and Emergency Preparedness was experiencing a change in management. I, as the new Director, came on board about 7 months into the new fiscal year. Your 2007 audit report was just being reviewed and answered. The agency was in a period of reorganization.

In accordance with your guidance we are providing separate letters for each of the findings.

Failure to Document Payroll Distribution Costs

Finding: GOHSEP failed to document hours worked by its employees on the following programs that are federally funded through the U.S. Department of Homeland Security : Disaster Grants – Public Assistance, Hazard Mitigation Grants, and Homeland Security cluster

Response: GOHSEP Management concurs with the finding. OMB circular A-87 states that it is required to document the hours each employee works on each separate grant. GOHSEP was using a percentage for each disaster and all of the Homeland Security cluster grants. GOHSEP did not track when employees spent more time on one grant than may have been in the recorded percentage. GOHSEP did not have supporting documentation because it was relying on the percentage method of allocating time.

Corrective Action: GOHSEP has put in place policies and procedures to have the Finance Section and Human Resources accurately track where GOHSEP employees are working, which grants they are working, and the time that they spend directly attributable to each grant. GOHSEP is also putting in place processes and writing procedures to properly

perform comparisons of the estimated time to the actual time. This change in procedures will ensure that GOHSEP is in compliance with the requirements of OMB circular A-87

I thank you for providing this report on GOHSEP's failure to document payroll distribution costs in accordance with OMB Circular A-87.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,

Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

March 11, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 15, 2009
Inadequate Controls Over Cash Management and Noncompliance with CMIA Agreement

Dear Mr. Theriot:

I have reviewed your report dated February 15, 2009 which covers activities for fiscal year 2008, which began on July 1, 2007 and concluded on June 30, 2008. During the fiscal year covered, the Governor's Office of Homeland Security and Emergency Preparedness underwent a change in management because of the new administration and was seven months into the fiscal year when these changes occurred.

In accordance with your guidance we are providing separate letters for each of the findings.

Inadequate Controls Over Cash Management and Noncompliance with CMIA Agreement

Finding: GOHSEP did not establish adequate controls over cash management for the Public Assistance and Hazard Mitigation federal programs

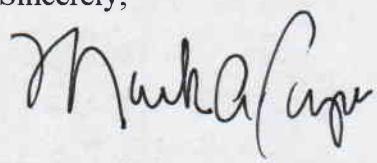
Response: GOHSEP concurs with the auditor's finding. GOHSEP did not properly request in a timely manner the funds from FEMA. GOHSEP did, in July of 2008, start a process to request and receive these funds from the Public Assistance leadership at the FEMA TRO. GOHSEP sent the first request for reimbursement in August 2008. GOHSEP was required to deal with Hurricanes Gustav and Ike which delayed the follow-up process. The process was revisited around Thanksgiving and another package of information was submitted. FEMA, because of the transition of personnel, sometimes will send mix signals. This has an effect on receiving these funds. The Hazard Mitigation Program also has some of the same issues. GOHSEP has submitted, what all believe is a package to bring much needed cash to the state of Louisiana in support of the Public Assistance and Hazard Mitigation programs. GOHSEP management is meeting with FEMA representatives to try and eliminate road blocks to receiving these funds.

Corrective Action: GOHSEP management has put in place a process which will request these needed funds on a quarterly basis. The Finance Section of GOHSEP is taking measures to ensure that the request for these funds are requested, tracked, and received in a timely manner. This also applies to the Hazard Mitigation Program. GOHSEP is preparing the supporting documentation for federal reimbursement in accordance with the policies of the federal entity reviewing and paying the reimbursement request. GOHSEP is meeting regularly with its federal partners to ensure that items which may not be accepted are corrected before submission to FEMA in an effort to speed up the reimbursement to the state. GOHSEP follows the guidance of CMIA and the Treasury-State Agreement. GOHSEP is preparing procedures to ensure that actual revenues are compared to actual expenses and that proper reimbursement is received in a timely manner. GOHSEP management is reviewing all of the interest payments made to FEMA against the draw request to ensure all double payments are requested returned.

I thank you for providing this report on GOHSEP's inadequate controls over Cash Management and Noncompliance with CMIA Agreement.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 5, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 21 2009
Inadequate Controls over User Access to Louisiana PA.com (LAPA) System

Dear Mr. Theriot:

I have reviewed your report dated January 21, 2009 which covers activities for fiscal year 2008, which began on July 1, 2007 and concluded on June 30, 2008. During the fiscal year covered, the Governor's Office of Homeland Security and Emergency Preparedness underwent a change in management because of the new administration and was seven months into the fiscal year when these changes occurred.

In accordance with your guidance we are providing separate letters for each of the findings.

Inadequate controls over user access to Louisiana PA.com (LAPA) System

Finding: For the second consecutive year GOHSEP did not establish adequate controls over the monitoring and deactivation of user access in LAPA.com

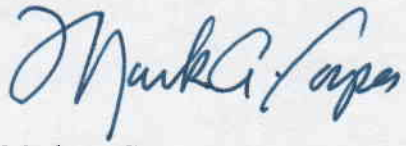
Response: GOHSEP Management concurs with the finding that there is a need to have controls over user access to LAPA and that procedures need to be in place to provide monitoring for the deactivation of users.

Corrective Action: GOHSEP has developed a procedure which requires periodic revalidation as a user of the system. GOHSEP has also limited the approval process for new users enabling better internal control. GOHSEP is also writing procedures to cover the termination of employees who are users and to require contractors who are users and no longer have a need to participate to be removed from the system. GOHSEP has put in place a periodic review to ensure that the procedures are being followed. GOHSEP has put procedures in place to insure that those users with read only capability can not make changes or enter documentation to the system.

I thank you for providing this report on user controls over LAPA.com.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 5, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 21 2009
Inadequate Preparation of the Annual Fiscal Report

Dear Mr. Theriot:

I have reviewed your report dated January 21, 2009 which covers activities for fiscal year 2008, which began on July 1, 2007 and concluded on June 30, 2008. During the fiscal year covered, the Governor's Office of Homeland Security and Emergency Preparedness underwent a change in management because of the new administration and was seven months into the fiscal year when these changes occurred.

In accordance with your guidance we are providing separate letters for each of the findings.

Inadequate Preparation of the Annual Fiscal Report

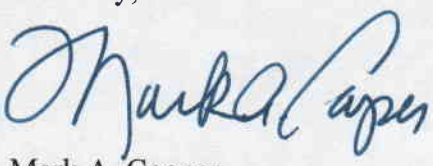
Finding: For the second consecutive year GOHSEP did not submit an accurate Fiscal Report (AFR) to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP)

Response: GOHSEP Management concurs with the finding that the accuracy of the Agency's Annual Fiscal Report is a must, and should be submitted timely. The wrong data disks were used in the preparation of the Annual Fiscal Report (AFR). The AFR was in the process of being reviewed when Hurricane Gustav occurred and was forecasted as a Category 5 hurricane. All internal GOHSEP resources were focused on our response to the hurricane. In addition, the wrong data for calculating the AFR was supplied by Offices of Statewide Reporting and Accounting Policy (OSRAP). The data supplied did not include all of the applicants. Given these factors, some of information used in the preparation of the AFR was inaccurate; however, given that many of the State's year-end reports are due in the heart of hurricane season, we will need to look at implementing contingencies, that in the event of a hurricane, we have processes in place to address special projects and reports due to the State during an activation when all agency resources are required.

Corrective Action: GOHSEP is updating its procedures for this critical task. Additional training opportunities have been provided to all of those who participate in the Annual Fiscal Report process. Procedures are in place to provide a thorough review of the Annual Fiscal Report data as well as a review of the final product before submission to OSRAP.

If you have any questions or need further assistance, please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 9, 2009
No Reconciliation between Project Database and Financial Records for the Homeland Security Cluster Programs

Dear Mr. Theriot:

I have reviewed your report dated February 9, 2009 which covers activities for fiscal year 2008. During the covered period, the Governor's Office of Homeland Security and Emergency Preparedness was experiencing a change in management. I, as the new Director, came on board about 7 months into the new fiscal year. Your 2007 audit report was just being reviewed and answered. The agency was in a period of reorganization.

In accordance with your guidance we are providing separate letters for each of the findings.

Finding: GOHSEP did not reconcile its Homeland Security project database to its financial records maintained in the State's Integrated Statewide Information System (ISIS) for the Homeland Security Cluster Programs

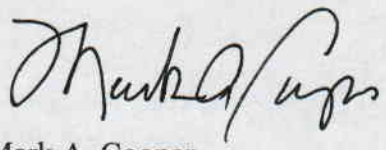
Response: GOHSEP Management concurs with the finding. GOHSEP was under staffed in the Homeland Security Cluster Programs and the time constraints were a challenge. The financial decisions were not always made at the program level. This is why the financial data did not always match the program data. Many of the grants were under the Military Department and the procedures used by them were different then the procedures used by GOHSEP. GOHSEP did not take over the complete handling of the Homeland Security Cluster Grants until July 1, 2006. Some of the grants identified had expenditures from the Military Department and transitions over the past few years have made it difficult to get source documentation.

Corrective Action: GOHSEP has developed and implemented policies and procedures to ensure the Grant Specialist for the Federal Homeland Security Grant Programs approve and record in Lotus Notes every project prior to obligation and disbursement of funds made on the respective grants. The finance section will obligate and disburse funds only upon pre approval and recording in Lotus Notes by the Grants Specialist. To ensure GOHSEP reconciles its program database (Lotus Notes) to the State's financial database (ISIS), the program Grant Specialist will reconcile each of the Federal Homeland Security Grant Programs on a monthly basis. Financial reports required by the Federal Department of Homeland Security will be submitted timely and accurately. The reports will be prepared in Finance and reviewed by the program Grant Specialist prior to submission.

I thank you for providing this report on GOHSEP not being able to reconcile the Homeland Security Cluster Database to the State's Financial Database.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana

Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 15, 2009
Noncompliance with Federal Financial Requirements

Dear Mr. Theriot:

I have reviewed your report dated February 15, 2009 which covers activities for fiscal year 2008. During the covered period, the Governor's Office of Homeland Security and Emergency Preparedness was experiencing a change in management. I, as the new Director, came on board about 7 months into the new fiscal year. Your 2007 audit report was just being reviewed and answered. The agency was in a period of reorganization.

In accordance with your guidance we are providing separate letters for each of the findings.

Noncompliance with Federal Financial Reporting Requirements

Finding: GOHSEP failed to establish internal controls over the SF-269 Federal Financial Status Reports for the Homeland Security Cluster and did not comply with the federal deadlines for those reports

Response: GOHSEP Management concurs with the finding. OMB circular A-133 Compliance Supplement and the U.S. Department of Homeland Security Program Guidance and Application Kit requires a quarterly SF -269. GOHSEP does submit the SF 269 for the Homeland Security Cluster. GOHSEP did not submit a representative number on time. GOHSEP has experienced several changes in personnel in the area of Homeland Security Cluster Grants.

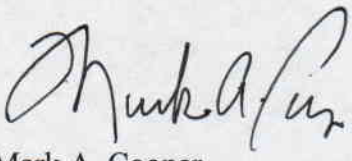
Corrective Action: GOHSEP has put in place policies and procedures to have the Finance Section set up a tracking system which will facilitate early preparation and review of SF-269's. These procedures will help to ensure that GOHSEP is meeting the requirements of OMB Circular A-133. SF-269's will be reviewed by the Assistant Deputy Director or his designee before being sent to the federal entity which has oversight for the respective grants. For grants

before 2006, GOHSEP will follow the guidance in the Office of Justice Program Financial Guide. GOHSEP believes these changes will be effective in preventing future findings.

I thank you for providing this report on GOHSEP's failure to comply with Federal Financial Reporting Requirements.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 7, 2009
Noncompliance with Sub-Recipient Monitoring Requirements

Dear Mr. Theriot:

I have reviewed your report dated February 7, 2009 which covers activities for fiscal year 2008. During the covered period, the Governor's Office of Homeland Security and Emergency Preparedness was experiencing a change in management. I, as the new Director, came on board about 7 months into the new fiscal year. Your 2007 audit report was just being reviewed and answered. The agency was in a period of reorganization.

In accordance with your guidance we are providing separate letters for each of the findings.

Non compliance with Sub-Recipient Monitoring Requirements

Finding: For the second consecutive year GOHSEP did not comply with the Sub-Recipient Monitoring Requirements for the Disaster Grants-Public Assistance Program and the Homeland Security cluster. In addition, GOHSEP did not comply with the Sub-Recipient Monitoring Requirements for the Hazard Mitigation Grant Program.

Response: GOHSEP Management concurs with the finding that the need for monitoring the sub-recipients is important and required by OMB circular A-133. GOHSEP did contract the services of an accounting firm to help with this process. The final product was not completed in time to meet the requirement of this fiscal year's audit. GOHSEP did develop a monitoring plan, which was tested, but not implemented agency wide for al federal programs. The program was started, but due to timing and the two back to back hurricanes, it was not continued in a timely manner.

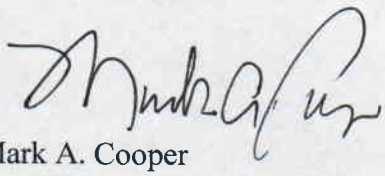
Corrective Action: Procedures have been put in place to use the regional coordinators and the grant managers to complete and record the sub-recipient monitoring program. The policy for handling of the grant sub-recipient monitoring requirement for the Homeland Security

cluster has been initiated and is being carefully tracked. The single audit review requirement of OMB A-133 has been answered with two new programs. The Assistant Deputy Director for Support Services and Interoperability has reviewed the processes and has communicated to his staff the importance of meeting this requirement. The Assistant Deputy Director for Homeland Security has reviewed the processes and has communicated to the grant staff the importance of compliance.

I thank you for providing this report on GOHSEP's failure to comply with the sub-recipient monitoring requirement for grants..

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 5, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 21 2009
Untimely Reconciliation between ISIS AND LAPA Systems

Dear Mr. Theriot:

I have reviewed your report dated January 21, 2009 which covers activities for fiscal year 2008, which began on July 1, 2007 and concluded on June 30, 2008. During the fiscal year covered, the Governor's Office of Homeland Security and Emergency Preparedness underwent a change in management because of the new administration and was seven months into the fiscal year when these changes occurred. .

In accordance with your guidance we are providing separate letters for each of the findings.

Untimely Reconciliation between ISIS and LAPA Systems

Finding: For the second consecutive year GOHSEP did not timely reconcile the payments in the State's Integrated Statewide Information System (ISIS), the state's accounting system, and the payments in Louisiana PA.com (LAPA), the state's project management database.

Response: GOHSEP Management concurs with the finding that there is a need to reconcile the payments in ISIS with LAPA.com in a timely manner. This will also aid in the preparation of the annual reports. GOHSEP contracted with an accounting firm to assist in the reconciliation process. The fact that LAPA.com is not a financial system makes the process extremely complex. LAPA.com does not identify an accounting period and current transactions affect prior reconciliations. This makes researching items to reconcile complex and time consuming. GOHSEP requested that the accounting firm perform the reconciliation. The timing of this request was late and although they did it as quickly as possible, it could not be completed in a timely manner.

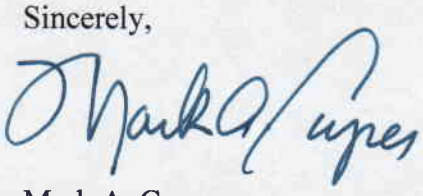
Corrective Action: Procedures will be written to ensure that the process is performed in a timely manner and prior to the recording of the numbers in the annual financial reports.

GOHSEP will conduct additional training for personnel responsible for the performance of the reconciliation.

I thank you for providing this report on timely reconciliation of payments in ISIS to the payments in LAPA.com.

If you have any questions or need further assistance please contact me or our Internal Auditor, George Schmidt, at (225) 925-7345

Sincerely,



Mark A. Cooper

LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

June 19, 2008

The Hon. Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

HAND DELIVERY

Re: June 4, 2008, Legislative Auditor's finding of Improper Adjustments to Citizens' November, 2006 Residential Rate Filing

Dear Mr. Theriot:

This is to advise you that I do not concur with the finding that our staff improperly adjusted the residential rate filing of Louisiana Citizens Property Insurance Corporation (LCPIC) made in November of 2006. In fact, not only did my staff act appropriately and in accordance with statute, we also acted in the public's best interest with respect to that rate filing.

Despite the nature of LCPIC as a close-to-government entity, my actuarial staff held LCPIC's rate filing to the same degree of scrutiny and statutory standards as it holds all other insurance companies. The standard is that no proposed rating plan shall be inadequate, excessive, or unfairly discriminatory.

We support the additional statutory requirement, as does LCPIC, that LCPIC's rates are to be non-competitive in the marketplace, but this does not mean LCPIC rates should be grossly excessive, based on erroneous actuarial assumptions, or based on erroneous market data. My staff identified problems with the proposed LCPIC rates and advised the Louisiana Insurance Rating Commission (LIRC) of those problems, and the LCPIC's filing was amended to remove grossly excessive market data and correct faulty actuarial assumptions.

P. O. BOX 94214 • BATON ROUGE, LOUISIANA 70804-9214
PHONE (225) 342-5900 • FAX (225) 342-3078
http://www.ldi.state.la.us

Let me set forth a few facts that were either unknown to or misunderstood by your staff:

- Though my staff assisted LCPIC in gathering market data, LCPIC was and is responsible for verification of data and documentation of the rate filing procedures leading up to the submission of the rate filing. It is clear by statute and LCPIC's Plan of Operation that LCPIC has this responsibility.

- My staff notified LCPIC of potential problems with the market data months before the November 2006 rate filing was submitted to the LIRC. LCPIC acknowledged that it was its intent to investigate potential problems and verify the market data. It was discovered after LCPIC made the filing that LCPIC did not investigate or verify the market data.

- The filing package was put together solely by LCPIC staff and presented to LIRC by LCPIC.

- In accordance with La. R.S. 22:1401 (E) *(repealed effective Jan. 1, 2008)*, my staff supported the LIRC by reviewing all submitted insurance company rate filings, including filings of LCPIC.

- With respect to the November 2006 LCPIC rate filing, my staff notified the LIRC (and LCPIC, again) of problems with the market data after the rate filing was submitted to the LIRC, problems which by now my staff had documented. Also relative to the November 2006, LCPIC rate filing, my staff notified the LIRC (and LCPIC and its actuary) of problems with the selected actuarial methodology and actuarial assumptions after the rate filing was submitted to the LIRC.

- The decision to amend the rate filing was solely LCPIC's decision.

- The decision to approve the rate filing, in an amended form or otherwise, was solely LIRC's decision.

I cannot emphasize enough that the rates originally submitted to the LIRC for approval were excessive for this insurer of last resort, due to the errors present in the market data and due to the flawed actuarial assumption in the actuarially indicated rates. LCPIC's decision to amend the rate filing was an appropriate decision.

The LIRC and my staff discussed with LCPIC's management various means by which the documented errors in market data could be addressed. Three possible corrective methods were considered: (1) Reissue the survey; (2) Audit all market data responses, and (3) Remove erroneous and suspect data. Because

the first two alternatives would have taken two to four months to complete, complicated by the fact that market data to be audited was almost two years old, my staff and LCPIC agreed to pursue the removal of erroneous and suspect data, as the third remedial approach significantly improved the timeline in that it could be documented and presented to the LIRC in a matter of a few days.

The procedure was to "toss" the highest of the market rates in each parish for each line of business, use the second-highest rate in LCPIC's rate methodology, and then proceed with the amended rate filing before the LIRC. This method did not actually remove the highest rate, but rather corrected it. LDOI staff audited the highest rate for most parish and line combinations and determined that all such audited rates were improperly calculated. The audit revealed that there were common errors in the market data for a few key companies that dominated the highest rate category. These audited rates, after correction, fell to the middle of the top ten companies, i.e., falling from the highest rank to below the second-highest market rate. That left the second-highest rate as the new highest market rate.

By following this method, LCPIC was able to amend its rate filing with the LIRC rather than to postpone the rate filing for months. The LCPIC was already a year behind in making this rate filing.

Your finding further states: "The result of this action is that the entire citizenry of Louisiana and state government is more exposed in the event of ordinary losses and is potentially critically exposed in the event of a catastrophic occurrence, such as a Katrina-like storm." First, let me correct this statement. State government is not exposed for LCPIC's losses, as state law (L.R.S. 22:1430.16(J)) states that LCPIC is not backed by the full faith and credit of the State of Louisiana. The conclusion regarding "ordinary losses" is also not true. LCPIC's rates are actuarially justified or higher, and if based on market rates, more than actuarially sufficient to cover ordinary losses. The statement that "...(T)he entire citizenry... critically exposed in the event of a catastrophic occurrence" is opinion, not fact. I have repeatedly stated that following the storms of 2005, the insurance marketplace and the citizens of Louisiana were better situated because LCPIC was in place, as the mechanism to fund FAIR and Coastal Plan losses prior to the creation of LCPIC would have severely handicapped Louisiana's voluntary property market and, therefore, the state's recovery. Also note that the "reduction of 24.9%" statement in your finding is a miscalculation and should be a reduction of 23.3%.

As the regulator of the insurance industry, I know that Louisiana consumers are better served if the market of last resort is priced above the private market, and I have said so repeatedly in many public settings. For the Department of Insurance to perform its legislatively mandated role in depopulating LCPIC, the corporation's coverages must be priced above the private market's. For that reason, I testified last year in the House Committee on Insurance in opposition to suspending the ten percent add on of LCPIC rates when that legislation passed in 2007, and I will

continue to discourage lawmakers and my staff from actions that make LCPIC competitive with the private market.

In conclusion, I am amazed that your office finds fault with my staff and the LIRC's review of the originally submitted LCPIC rate filing. Staff reviewed the submitted filing in a manner consistent with how all rate filings are reviewed. Upon finding actuarial issues and market rate errors, staff appropriately brought these matters to the attention of LCPIC and LIRC in a timely manner. It was LCPIC's decision to amend the rate filing, and it was LIRC's action to approve the amended rate filing. In light of the issues raised by my actuarial staff, these actions were an appropriate and expedient resolution to LCPIC's statutory requirement to file rates that are actuarially sound, that are ten percent (10%) above the highest of the top ten writers (or 3% market share writers as changed by the Louisiana Legislature in 2005) in each parish, and that are filed on an annual basis. Lastly, given the rates are for the market of last resort, based on the highest market rate, and generally above the actuarially indicated rate in each parish, the rates approved by the LIRC are consistent with the LCPIC's statutory ratemaking requirements while not being inadequate, excessive, or unfairly discriminatory.

With best wishes and kindest personal regards, I remain

Very truly yours,

James J. Donelon
Commissioner of Insurance

SDB/JJD:dtd

JJDJUN2008.2426

LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

July 25, 2008

HAND DELIVERY
The Honorable Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Response to Legislative Auditor's reportable finding that the Department of Insurance is in Noncompliance with State Audit Law

Dear Mr. Theriot:

The Louisiana Department of Insurance (LDOI) appreciates the opportunity to respond to the Legislative Auditor's reportable audit finding (Reportable Finding) of LDOI dated June 20, 2008. LDOI disagrees with the Louisiana Legislative Auditor's (LLA) finding that LDOI is in noncompliance with state audit law and with the auditor's disclaimer of opinion. The LDOI and its personnel believe they are in full compliance with all applicable laws. LDOI and its personnel have made good faith efforts consistent with LSA-R.S. 24:513 *et seq*. to facilitate the LLA's full scope financial and compliance audit of LDOI and for certain agencies created under the Louisiana Insurance Code, namely Louisiana Citizens Property Insurance Corporation (Citizens), the Property Insurance Association of Louisiana (PIAL), the Louisiana Automobile Insurance Plan (LAIP), and all other entities enumerated under LSA-R.S. 36:686 as agencies transferred to the LDOI.

The Reportable Finding states that the Legislative Auditor "was not able to obtain complete, unfettered access to audit evidence and...we are unable to apply other auditing procedures to ensure completeness of the LDOI records affecting the audit...." This conclusion appears to be contrary to the evidentiary support required under Generally Accepted Governmental Auditing Standards and Generally Accepted Auditing Standards. Further, it fails to take into account the Confidentiality Agreement dated March 12, 2008, between LDOI and LLA that resolved the disputes over document access. Your office has all the evidentiary material necessary to render an unqualified audit opinion.

Moreover, it is unclear from the Reportable Finding whether the Legislative Auditor is only seeking "unfettered" access to certain Emails that are of a clearly personal nature and which your staff has already reviewed, or whether the Legislative Auditor is effectively ignoring the Confidentiality Agreement and is now insisting on the scope of production as originally sought in the subpoena duces tecum of the Legislative Audit Advisory Council dated November 7, 2007. In addition, the Reportable Finding is also directly contrary to the Motion of the Legislative Audit Advisory Council dated March 20, 2008, in which it is stated and found that "[i]t is the opinion of the Legislative Auditor that the Confidentiality

Agreement has resolved the problems regarding the Auditor's access to the records maintained by the LDOI for the completion of its audits."

The LDOI did, indeed, allow the Legislative Auditor's representatives "to examine, audit, or review (its) books and accounts." Additionally, the LDOI gave the Legislative Auditor's representatives access to all papers, books, accounts, records, files, instruments, documents, films, tapes, and other forms of recordation, including information stored on individual computers and the LDOI's backup disks. The LDOI provided these records in a manner agreed upon by the Legislative Auditor and, when disagreement arose relative to providing copies of privileged and confidential documents and information, including Emails, the parties jointly crafted a binding Confidentiality Agreement which was executed by both parties on March 12, 2008. It was clear that the Legislative Auditor understood and made a predetermination that six (6) types of privileged and confidential documents and information itemized in the Confidentiality Agreement, including certain categories of Emails, were not relevant to his stated audit objective and/or were otherwise not discoverable pursuant to applicable law. The limitations agreed to by the Legislative Auditor and LDOI were not disruptive of the Legislative Auditor's goal of auditing all relevant documentation. At no time during the negotiating and drafting of the Confidentiality Agreement did the Legislative Auditor indicate that the limited exclusions set forth therein were relevant to his stated audit objectives, would prevent his obtaining the evidentiary matter required for the stated objectives of the audit or would limit his scope in such a manner that it would impair his audit or restrict his ability to render an unconditional audit report.

In order to expedite the Legislative Auditor's process, the LDOI, in conjunction with the input of the Legislative Auditor, developed a system to conduct detailed searches of specified persons' Email archives and exchange accounts focused on specific terms that were intended to capture all relevant documents. Searches were conducted on the following terms: pial, pail, "property insurance association of," citizen, lcpic, "property insurance corporation," laip, "automobile insurance plan," as well as names of key personnel and a consultant for Citizens. These searches, conducted under the auditors' oversight, were intended to assist the auditors by reducing the volume of irrelevant records for their examination and were never intended to limit the auditors' access. Although invited to do so, the Legislative Auditor has not provided additional words or search terms which might generate additional relevant information.

At no time during the audit has LDOI withheld any document from examination by the Legislative Auditor. The only restriction was that some documents could not be copied and taken off the LDOI premises, and this restriction was not as all encompassing as the letter of June 20, 2008, and the Reportable Finding describe. All documents relative to Citizens, PIAL and LAIP were allowed to be copied and removed, and were provided without any redaction whatsoever. Copies of any other requested documents were provided

after redactions were made in conformity with the Confidentiality Agreement. Redactions were limited to Email communications or parts of Email communications protected by the attorney-client privilege; Email communications or parts of Email communications protected by the deliberative process privilege; Emails containing fraud related information maintained by LDOI's Fraud Division, except fraud information relating to Citizens, PIAL and LAIP; personal Email messages of LDOI employees; personnel information within LDOI, and personal health information of LDOI employees and health information submitted to LDOI by citizens of the state for assistance in consumer complaints. All of these six (6) exclusions were set forth in the Confidentiality Agreement agreed to by the Legislative Auditor. Further, the LDOI has continually offered to allow the Court to perform in-camera reviews of any disputed Email in order to determine the relevancy of redacted portions to the audit.

Without more specific information, I have no idea what the Legislative Auditor is referring to when he states: "Other copies of Emails and attachments besides those mentioned in the Commissioner's letter were also removed from the auditors' access." To the contrary, the Legislative Auditor has had unfettered access to inspect and review all LDOI documents and information, including all Email messages, with the copying restrictions set forth in the Confidentiality Agreement exclusions and redactions accompanied by logs detailing the specific privilege asserted. In fact, as previously set forth, I understand that your office has reviewed the Emails in question, that there is no dispute that the Emails are unrelated to the scope of your audit, and that the Emails are clearly within the items exempted under the Confidentiality Agreement. Your office has not shown that those particular Emails have any relevance to your audit or are not exempt under the Confidentiality Agreement.

The Legislative Auditor has my complete assurance that no concealment, removal from access or deletion of records of interest to the Legislative Auditor or his staff has ever taken place or is now taking place. Throughout this audit, the LDOI has followed its standard chain of custody procedure for all records sought and reviewed by the Legislative Auditor, a procedure that has been relied on numerous times by federal and state law enforcement agencies and federal and state courts. (See Exhibit A – Report of Security of Records and Other Records-Related Issues.)

In addition to the Legislative Auditor's misrepresentation of what was and what was not made available for examination, the LDOI takes exception to his position that he was deprived of material information such that he disclaims the ability to express an opinion on the fair presentation of the financial statements of the LDOI and its Title 22 agencies. Every document requested was available for the auditors' review; all Citizens, PIAL and LAIP documents were permitted to be copied and brought to the Legislative Auditor's office. The only information not permitted to be copied and transported to the Legislative Auditor's office was information the auditor had already deemed, under the terms and

conditions of the Confidentiality Agreement, not relevant to his stated audit objectives. (See Exhibit B - Confidentiality Agreement.) Further, you have already been furnished with the Privilege Logs that have been prepared to date (Exhibit C) indicating those items withheld from further review by the Legislative Auditor in accordance with the Confidentiality Agreement. LDOI has not received any response or challenge to the items listed on the Privilege Logs.

The LDOI's request that the parties enter into and abide by the Confidentiality Agreement is well founded based on two cases involving the Legislative Auditor's office. In *Kyle v. Perrilloux*, 868 So.2d 27, (La. App. 1 Cir. 2003), the court held that confidential records which the Legislative Auditor sent to a district attorney became public records once the district attorney completed his investigation. In *Kyle v. Louisiana Public Service Commission,* 878 So. 2d 650, (La. App. 1 Cir. 2004), the court found, under the separation of powers doctrine, no authority for the Legislative Auditor to conduct investigative audits or to evaluate, verify and analyze communications between employees of a particular agency, the entities they regulate and the citizens as a whole when the agency is an executive branch office.

The power of the Legislative Auditor is limited by statute, and the scope of its examination includes "financial accountability, legal compliance and evaluations of the economy, efficiency, and effectiveness of the auditee's programs or any combination of the foregoing." The access rights of the Legislative Auditor granted in LSA-R.S. 24:513 are not only subject to the scope limitation of the statute, but also by applicable United States and Louisiana Constitutional protections, particularly (but not exclusively) the Fourth Amendment of the United States Constitution and the Fifth Amendment of the Louisiana Constitution. Employees have constitutionally protected expectations of privacy, which in this instance appear reasonable. It is abundantly clear that governmental employees do not shed their constitutional rights at the office door. I believe that the breadth of documents seemingly now sought (as referred to in the Reportable Finding) by the Legislative Auditor would constitute unconstitutional searches and seizures and an invasion of privacy subjecting LDOI as well as the Legislative Auditor to possible damages. Without doubt you are aware of the substantial and extensive legal authorities governing this subject. I have always and will always comply with the laws governing the operation of my office, those being the laws of the state of Louisiana, the United States Constitution, and the Louisiana Constitution.

As Commissioner of Insurance, it is my duty to enforce the terms of the Confidentiality Agreement to which we both agreed and which was accorded judicial notice by the Nineteenth Judicial District Court. In addition, if necessary, I am prepared to set aside or seek modification to the Confidentiality Agreement and seek a determination by the Court regarding a department head's obligation to protect confidential and privileged information under his or her control as well as the scope of the rights of the Legislative

Auditor under Louisiana law and the United States and Louisiana Constitutions. It is an issue of paramount importance to the heads of all public entities subject to review by the Legislative Auditor.

LDOI has complied and will continue to fulfill it obligations to cooperate with the Legislative Auditor within the scope of the Legislative Auditor's statutory authority and the LDOI's own rights and responsibilities. The LDOI will continue to provide to the Legislative Auditor, as it has done at all times, unfettered access to its electronic data and records necessary for the auditor to perform his statutory duty. What the LDOI takes exception to is the Legislative Auditor's unfounded insistence that by being deprived of mere copies of communications and parts of communications which fall under the exclusions of the consensual Confidentiality Agreement he is unable to fulfill his statutory audit functions. None of the information redacted from documents which have been provided the Legislative Auditor bears any relevance to the financial statements of the LDOI or its affiliated agencies and none of the information has evidentiary value to the audit process.

With best wishes and kindest personal regards, I remain

Very truly yours,

James J. Donelon
Commissioner of Insurance

SDB/JJD:dtd

Attachments:
Exhibit A - Report of Security of Records and Other Records-Related Issues
Exhibit B - Confidentiality Agreement
Exhibit C - Privilege Logs

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
PO Box 94397
Baton Rouge, La. 70804-9397

Re: Legislative Audit Finding – Inadequate Internal Controls Over
Unemployment Insurance (UI) System Access.

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with the finding and will comply with established LWC policies to ensure that user access to the UI system is deleted or changed timely.

The Commission has security policies in place to regulate access to UI data but acknowledges that the policy was not follow in the instances noted in the finding. Management will immediately reissue the security policy to remind employees of its content and provide training to all LWC personnel who are assigned responsibility for system access control. Periodic system security reports will be distributed to responsible employees to monitor and govern system access.

Sincerely,

Bennett J. Soulier
Chief Financial Officer

cc: Tim Barfield, Executive Director

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2008

Mr. Steve J. Theriot, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding – Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with the finding as presented.

The Commission has created a Compliance Division within the Office of Workforce Development with its primary responsibility to perform sub-recipient monitoring for all federal programs administered by the Local Workforce Investment Areas.

Immediate steps have also been taken to change the manner in which sub-recipient monitoring is accomplished. The monitoring process has been streamlined and redesigned into a more comprehensive monitoring process that allows a simultaneous review of all federally funded programs administered by the sub- recipient. The implementation of this methodology will ensure the timeliness of compliance monitoring for all federally funded programs administered by each sub recipient.

All TANF sub-recipients monitoring will be completed by June 30, 2009.

Sincerely,

Bennett J. Soulier
Chief Financial Officer

cc: Tim Barfield, Executive Director

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2008

Mr. Steve J. Theriot, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding – Inadequate Subrecipient Monitoring
for Workforce Investment Act (WIA) Cluster

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with the finding as presented.

The Commission has created a Compliance Division within the Office of Workforce Development with its primary responsibility to perform sub-recipient monitoring for all federal programs administered by the Local Workforce Investment Areas.

Immediate steps have also been taken to change the manner in which sub-recipient monitoring is accomplished. The monitoring process has been streamlined and redesigned into a more comprehensive monitoring process that allows a simultaneous review of all federally funded programs administered by the sub-recipient. The implementation of this methodology will ensure the timeliness of compliance monitoring for all federally funded programs administered by each sub-recipient.

All WIA Cluster sub-recipient monitoring that was not completed for PY 07/08 have been included in the PY 08/09 cycle and will be completed by June 30, 2009.

Sincerely,

Bennett J. Soulier
Chief Financial Officer

cc: Tim Barfield, Executive Director

| Equal Opportunity Employer/Program | Auxiliary aids and services are available upon request to individuals with disabilities • TDD# 800-259-5154 |

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
PO Box 94397
Baton Rouge, La. 70804-9397

Re: Legislative Audit Finding – Ineffective Internal Audit Function.

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with the finding as presented.

An accounting firm was hired to conduct a quality assessment (QA) of the internal audit unit. The principle objectives of the QA were to assess IA department's conformity to the IIA's Standards, evaluate the IA department's effectiveness in carrying out its mission and identify opportunities to enhance its management and work processes. The findings and recommendations provided by that report will help address noted deficiencies.

The unit has also been reorganized to allow greater focus and attention to the formal internal audit function by transferring the responsibility for federal program compliance monitoring to a new division within the agency. Thus far, this transfer of responsibility has resulted in the recent completion of five (5) internal audits, six (6) new audits and three (3) follow up audits in process.

A new Risk Assessment for FY 2009 will be completed by January 31, 2009. That assessment will be the basis for the Audit Plan for the remainder of Fiscal Year 2009.

Sincerely,

Bennett J. Soulier
Chief Financial Officer

cc: Tim Barfield, Executive Director

| Equal Opportunity Employer/Program | Auxiliary aids and services are available upon request to individuals with disabilities • TDD# 800-259-5154 |

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
PO Box 94397
Baton Rouge, La. 70804-9397

Re: Legislative Audit Finding – Lack of Controls over Movable Property.

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with this finding as presented.

All policies and procedures that control movable property have been completely revised and proper internal controls put into practice to track and locate movable property. Employees were assigned responsibility for property inventory and attended mandatory training sessions to insure that policies were adequately understood and implemented.

These corrective measures have proven to be very successful. The property inventory conducted for the last two years show a significant reduction in the amount of un-located movable property.

LWC management is committed to the protection of the agency's moveable property and will continue to emphasize compliance with LPAA guidelines as set forth in state law.

Sincerely,

Bennett J. Soulier
Chief Financial Officer

cc: Tim Barfield, Executive Director

| Equal Opportunity Employer/Program | Auxiliary aids and services are available upon request to individuals with disabilities • TDD# 800-259-5154 |

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3011
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Executive Director

March 10, 2009

Mr. Steve J. Theriot
Legislative Auditor
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

This is in response to your correspondence of February 23, 2009, concerning audit findings from the Single Audit of Louisiana.

Non-compliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments:

Finding #1: There is no method in place to notify employers of potential claims liability when an individual files in a different state from where wages were primarily earned.

We concur with this finding and we are currently programming the needed changes which will be in effect by July 15, 2009.

Finding #2: Claimants appear to have been employed while receiving unemployment benefits, violating program eligibility requirements which may be an indication of potentially fraudulent claims.

We concur that in a portion of the UI Interstate claims reviewed claimants appear to have been employed while receiving benefits.

We are submitting claims records to the U. S. Department of Labor, Office of Inspector General, (USDOL/OIG) for further review. We will continue to work closely with the USDOL/OIG to identify overpayments and fraudulent activity on these claims. Every reasonable effort will be made to prosecute and recover funds from claimants found to be in violation of state or federal laws. All recovered funds will be returned to the UI Trust Fund.

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We are utilizing the current control in place, the National New Hire Directory, to identify individuals who are working in Louisiana or another state and drawing benefits in Louisiana. This system is based on monthly reports from employers identifying all new hires.

We are also working with the USDOL Regional Office to ensure that the Interstate billing for FY 2008 is correct based upon the current guidelines of the Combined Wage Interstate Benefits Program.

If any additional information is needed, please contact Marianne Sullivan, Office of Unemployment Insurance Administration Director at (225) 342-7103.

Sincerely,

Tim Barfield
Executive Director

MS:ae

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3110
(F) 225-342-4528
www.laworks.net

Bobby Jindal, Governor
Tim Barfield, Executive Director

Office of the Chief Financial Officer

January 16, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third Street
PO Box 94397
Baton Rouge, La. 70804-9397

Re: Legislative Audit Finding - Noncompliance with Record Retention Policy.

Dear Mr. Theriot:

Management of the Louisiana Workforce Commission concurs with the finding as presented.

The Commission acknowledges that in some instances wage records were mistakenly returned to employers with no record retained on site. Immediate steps have been taken to retain a copy of all employer wage records. All files are now maintained on site and are organized in a manner that will allow immediate access. This practice will be continued until the new imaging system and comprehensive UI redesign project is operational. Once implemented, all electronic source documents will be automatically stored and will be retrievable from the imaging system.

Sincerely,

Bennett J. Soufer
Chief Financial Officer

cc: Tim Barfield, Executive Director

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LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY
MIKE STRAIN DVM
COMMISSIONER

February 25, 2009

Mr. Steve J. Theriot, CPA
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804

Dear Mr. Theriot:

Re: Inaccurate and Incomplete Annual Fiscal Report

The Louisiana Agricultural Finance Authority (LAFA) is in receipt of the reportable audit finding pursuant to your letter dated December 22, 2008. The authority concurs with the finding that the LAFA did not submit an accurate and complete Annual Fiscal Report to the Division of Administration for the fiscal year ended June 30, 2008. Further, the authority offers the following corrective action.

The authority will review current procedures and take action to ensure that the Annual Fiscal Report will be properly prepared to eliminate errors and misclassifications.

The authority will review fiscal control processes and take the necessary steps to strengthen internal fiscal review of its financial statements.

Sincerely,

Craig Gannuch
Assistant Commissioner for
Management and Finance

Agricultural & Environmental Sciences
P.O. Box 3596
Baton Rouge, LA 70821
(225) 925-3770
Fax: 925-3760

Agro-Consumer Services
P.O. Box 3098
Baton Rouge, LA 70821
(225) 922-1341
Fax: 923-4877

Animal Health Services
P.O. Box 1951
Baton Rouge, LA 70821
(225) 925-3962
Fax: 925-4103

Forestry
P.O. Box 1628
Baton Rouge, LA 70821
(225) 925-4500
Fax: 922-1356

Management & Finance
P.O. Box 3481
Baton Rouge, LA 70821
(225) 922-1255
Fax: 925-6012

Marketing
P.O. Box 3334
Baton Rouge, LA 70821
(225) 922-1277
Fax: 922-1289

Soil & Water Conservation
P.O. Box 3554
Baton Rouge, LA 70821
(225) 922-1269
Fax: 922-2577

LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY
MIKE STRAIN DVM
COMMISSIONER

February 25, 2009

Mr. Steve J. Theriot, CPA
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804

Dear Mr. Theriot:

Re: Overdraw of Federal Funds

The Louisiana Agricultural Finance Authority is in receipt of the reportable audit finding pursuant to your letter dated January 13, 2009.

The authority concurs with the finding that the authority, through the Louisiana Department of Agriculture and Forestry, overdrew $59,430 of the Homeland Security Grant Program (CFDA 97.067).

The following corrective action is offered:

- The authority will repay the Homeland Security Grant Program for the amount overdrawn.
- The authority and the department will review current procedures and take action to ensure that future requests for reimbursements under federal programs are adjusted for all applicable credits.

Sincerely,

Craig Gannuch

Craig Gannuch
Assistant Commissioner for
Management and Finance

Agricultural & Environmental Sciences
P.O. Box 3596
Baton Rouge, LA 70821
(225) 925-3770
Fax: 925-3760

Agro-Consumer Services
P.O. Box 3098
Baton Rouge, LA 70821
(225) 922-1341
Fax: 923-4877

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P.O. Box 1951
Baton Rouge, LA 70821
(225) 925-3962
Fax: 925-4103

Forestry
P.O. Box 1628
Baton Rouge, LA 70821
(225) 925-4500
Fax: 922-1356

Management & Finance
P.O. Box 3481
Baton Rouge, LA 70821
(225) 922-1255
Fax: 925-6012

Marketing
P.O. Box 3334
Baton Rouge, LA 70821
(225) 922-1277
Fax: 922-1289

Soil & Water Conservation
P.O. Box 3554
Baton Rouge, LA 70821
(225) 922-1269
Fax: 922-2577

Louisiana State University System
3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Office of the Executive Vice President

225 / 578-6935
225 / 578-5524 fax

February 19, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: Audit Finding - Energy Efficiency Contract Contrary to State Law

Dear Mr. Theriot:

On Tuesday, February 17, 2009 the LSU System received final audit findings from your office relative to performance-based energy efficiency contracts that several LSU System Institutions have entered into with Johnson Controls, Inc. (JCI). Specifically, the University of New Orleans, Louisiana State University, Louisiana State University Health Sciences Center Shreveport, University Medical Center and Lallie Kemp Medical Center received audit findings related to contracts with JCI.

The findings state that the agreements "include stipulated savings and therefore do not comply with state laws" because the operational savings are not verified or measured, and, as such, the savings truly guaranteed under the contract are less than the cost of the contract.

In the findings for these facilities, it is stated that "management should revise its energy efficiency contracts to ensure that savings components are verifiable and that the guaranteed savings have been realized."

Your office has requested an official response to the audit findings. Based upon a review of available contract documents, the LSU System concurs with these findings in that it appears that the savings under these contracts are not truly guaranteed as required by Louisiana law. In response to these findings, the LSU System is fully investigating this matter. The LSU System institutions are unable to unilaterally revise or amend the contracts to comply with state law. As such, the LSU System is in the process of extensively reviewing each contract, discovering all facts relevant to the status of the contracts and preparing for litigation to remedy the situation by nullifying the agreements, forcing amendments to the agreements or recovering for breach of the agreements should this be determined to be the appropriate course of action.

We are unable to provide an anticipated completion date for the estimated resolution of these findings at this time as we are currently performing extensive reviews of the contracts and focusing ongoing efforts on determining the appropriate course of action.

Sincerely,

John Antolik
Assistant Vice President

cc: General Counsel P. Raymond Lamonica

Office of the Chancellor
Tel: (318) 473-6444 • FAX: (318) 473-6480

LOUISIANA STATE UNIVERSITY at ALEXANDRIA

8100 Highway 71 South
Alexandria, LA 71302-9121

January 27, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
Post Office Box 94397
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

Enclosed you will find Louisiana State University Alexandria's response to the findings indicated in the January 16, 2009 letter from Nicole Martin.

If you have any questions or need additional information please feel free to contact me.

Sincerely,

David P. Manuel
Chancellor

Enclosure

cc: Mr. David Wesse
Ms. Teresa Seymour

LSUA Management Response to Legislative Audit from letter of January 16, 2009.

Finding Title: Weaknesses in the Administration of Student Financial Aid at LSU at Alexandria

Recommendation: *LSUA's management should establish procedures to ensure that disbursements of Pell are timely reported to the U.S. DOE and should ensure that adequate documentation is maintained to support the accuracy of data included in all parts of the FISAP.*

LSUA concurs with the finding and recommendations. Pell reporting was previously handled by the executive director of enrollment management. This individual was in a newly created role (07-08) with additional duties. In late Spring, 2008, this individual resigned.

Corrective Action: Pell Reporting. Since that time, the department has been re-organized, duties for reporting have been reassigned, and checks are being put in place to ensure timely reporting of Pell disbursements and adjustments. Ms. Gwen Andress, Compliance Coordinator, is now the staff member responsible for reporting Pell disbursements. Pell reports are submitted at least weekly. In the event that Ms. Andress is absent from work for more than one week, Mr. Paul Monteleone will conduct Pell reporting until her return or another staff member is trained and assigned that task. Ms. Andress took over Pell reporting April 2008. We are in the process of conducting a self-review of Pell reporting to identify late transmissions and corrective actions. Of the cases reviewed thus far from Summer 2008 – Fall 2008, all initial Pell reporting was transmitted to DOE through COD within 30 days. Software setup changes are being made to improve accuracy and efficiency with Pell reporting. It is expected these improvements will be complete by April 1, 2009. Mr. Deron Thaxton, Executive Director Information and Educational Technology, and Mr. Paul Monteleone, Interim Director Financial Aid and Scholarships, are responsible for implementing these setup changes.

Processes are being reviewed to appropriately handle Pell disbursements and reporting where modifications have been made based on ISIR corrections, comment flags, etc. These processes will be implemented by April 1, 2009. Mr. Monteleone will be responsible for implementing these processes.

Documentation. LSUA administration has reviewed all documentation related to the FISAP for the audited year. LSUA has taken steps to ensure that data and reports are appropriately documented. A snapshot of the PowerFaids and PowerCampus is taken on October 1 of each year at the time the FISAP is submitted. Although that information was available, management was unable to reproduce the amount reported on the FISAP. Given that all documentation is correct except the reported amount for line 24, we submit this was an error in submission rather than poor documentation. The information submitted for IPEDs matched the documentation on file. The individual reporting the information for FISAP is no longer employed at LSUA and documentation could not be located that would explain the reported amount. To prevent this in the future, not only will databases have snapshots at the time of the report, but the actual FISAP report from PowerFaids will be printed and approved by review prior to online submission of the report. The Office of Institutional Research will create reports from the PowerCampus system to compare to the PowerFaids system and review the reports prior to submission. The approved reports will be scanned and stored on the shared drive, as well as in the Office of Financial and Administrative Services. Mr. Monteleone will be responsible for reporting FISAP and will secure approval from the Office of Institutional Research prior to submitting.

LSU HEALTH SYSTEM
HEALTH CARE SERVICES DIVISION

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February 3, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding
Inadequate Control Over Financial Reporting
LSU Health Care Services Division
Fiscal Year Ended June 30, 2008

Dear Mr. Theriot:

The LSU Health Care Services Division (HCSD) concurs in part with the referenced audit finding. We concur that there were some errors and adjustments necessary in the HCSD FY2008 Financial Statements. We do not agree that we have inadequate control over our annual financial reporting process in general. As evidence of the due diligence and the processing in place, HCSD utilizes an annual close schedule and an Annual Financial Report (AFR) checklist which provide evidence that there is a logical, managed process for the preparation and submission of the AFR.

The HCSD consists of eight separate entities. Separate financial statements are prepared for each entity and then consolidated at the HCSD level. The HCSD consolidated AFR is then combined with those of the LSU Health Sciences Center-New Orleans (HSC-NO) and its affiliated organizations, which is subsequently submitted to the LSU System's Office and combined with all LSU campuses. Due to these multi-level consolidations, the HCSD generally submits its consolidated AFR to HSC-NO approximately three weeks prior to the Office of Statewide Reporting and Accounting Policy (OSRAP) due date for Colleges and Universities, and HSC-NO submits its AFR approximately one week later, as do the other LSU campuses. The total LSU System report is not final until submitted to OSRAP.

As a courtesy, the HCSD has traditionally provided an advance copy of the AFR to the Office of the Legislative Auditor (OLA) at the same time the report is submitted to HSC New Orleans. Because some entries/balances may not be finalized until elimination/consolidation entries take effect at the HSC-NO or LSU Systems Office level, the copies provided to the OLA are essentially in draft form. Additionally, early submission of the AFR to HSC a full week prior to other campus deadlines limits the available time for more in-depth review. It will be prudent in the future for HCSD to delay distribution of our financial statements to the OLA staff until the

OSRAP due date in order to affect additional quality review and validation. This will allow additional time to correct any errors that may have occurred prior to the date when the draft copies are submitted to HSC and the official submission date.

Inherent in the preparation process for the FYE June 30, 2008 AFR, there were numerous extenuating circumstances that affected the process.

- The required blending of two foundation financial statements for the first time in FY2008 was a contributing factor to the audit exceptions cited. The Health Care Services Foundation was not timely with their audited financial statements for the HCS Foundation or the BCMC Foundation. The MCL Foundation was not required to be reported in HCSD's AFR, but was also not timely with their audited financial statements to allow the auditors the opportunity to test in accordance with GASB's 14 and 39. As of this response, all three of these foundation financial statements remain outstanding issues.

- The transfer of Huey P. Long Medical Center from HCSD to LSU HSC-Shreveport and removal from HCSD's AFR required additional year-end transactions that were not typical to other year ends.

- Continuity of audit staff was also a contributing factor to the difficulty encountered during this audit period and financial statement cycle. During the course of the FY 2008 audit, no less than four (4) senior auditors cycled through our agency which caused excessive time to familiarize them with our operations and repeated coverage of the same activity and background.

While HCSD concurs that the referenced errors were made, we believe that none of the errors cited in the audit finding were significant in relation to the total agency activity. None of the errors constituted significant misreported financial data and undetected errors or fraud. Specific comments about each exception cited are outlined below:

- The current/noncurrent liabilities for compensated absences error was caused by an idiosyncrasy in Excel's average formula function. Furthermore, since the current portion of compensated absences is an *estimate* and cannot be precisely calculated, since the difference of $186,225 was not material or significant, and since the error had no effect on the total liabilities reported on the AFR, HCSD did not agree to make the audit adjustment. This error occurred at MCLNO due to the fact that for the past three fiscal years, the termination pay that was used in their formula to determine the current portion varied significantly each year due to the downsizing and restoration of services over this time. The calculation was reviewed, but because the amount fluctuated significantly over the past three years, it did not appear to be an unreasonable variance.

- The referenced $48,944 on the capital assets note was a misclassification between the equipment and building lines. Revised financial statements issued by one of the foundations and the new blending requirement contributed to this error. The change was not detected because of its insignificance and the fact that it did not affect the total capital assets reported in the statements or in the note disclosure.

- The referenced $4,977,075 on the capital assets note is the result of not reporting the transfer of the Huey P. Long Medical Center (HPLMC) to LSU-Shreveport as of July 1, 2007 in the beginning balance column and eliminating them in the prior period

adjustment column. The restated FY2007 column and the ending Note E balance as reported in the AFR was correctly stated and balanced to the financial statements.

- The $2,461,424 long-term liabilities note error was part of the new foundation blending process. One of the foundations had a capital lease and a note payable at June 30, 2007 that was paid out during FY2008. These liabilities were not included in the beginning balance column and removed in the reduction column. However, the ending balance in the long-term liabilities note was correctly stated and balanced to the statements.

- The cash flow error involves reporting the net of the purchases of capital assets and principal paid on capital debt amount on one line instead of on separate lines within the same section of the cash flow statement. While the $27,585,405 amount seems significant, it did not impact the total amount of net cash used by capital financing activities.

In order to further strengthen quality control measures, the following actions are planned by HCSD Finance Management:

- Contract with a CPA firm to modify the cash flow template for HCSD and build the template in the financial accounting system to map activity by account code to each line in the cash flow template.

- Strengthen the annual check list for specific procedures and review activity.

- Re-evaluate the date wherein HCSD Finance Staff releases the AFR to the Legislative Auditor taking into consideration the official submission date established by OSRAP. This action will provide additional quality review procedures at the HCSD level, the HSC-NO level, and the LSU System level.

In conclusion, as mentioned above, we agree that the errors cited did occur. However, none of the items mentioned affected the bottom line of any of the financial statements. We do not feel that the impact as described above in our specific comments about each cited exception is significant.

The staff members responsible for the corrective actions cited above and available for discussion on these issues include, Clay Dunaway, HCSD Chief Financial Officer, Art Landry Director of Finance and Judy Albin, HCSD Comptroller.

Please contact me should you have additional questions or need further clarifications.

Sincerely,

Michael K. Butler, MD, MHA, CPE, FACPE
Acting Chief Executive Officer

LSU HEALTH SYSTEM
HEALTH CARE SERVICES DIVISION

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January 14, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
Office of the Legislative Auditors
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding
Un-located Movable Property
LSU Health Care Services Division
Medical Center of Louisiana at New Orleans (MCLNO),
Earl K. Long Medical Center, Baton Rouge LA (EKLMC)
University Medical Center, Lafayette LA (UMCLA)
Fiscal Year Ended June 30, 2008

Dear Mr. Theriot:

The Louisiana State University Health Care Services Division (HCSD) concurs with the referenced legislative audit finding.

All three hospitals have shown dramatic reductions in un-located inventory. In comparing the un-located assets in FY 2008 with those un-located in FY 2007, MCLNO had a 77% reduction, EKLMC a 50% reduction, and UMCLA a 90% reduction from the prior year amounts. While we fully agree that any loss is unacceptable, the systems put in place by the three hospitals as well as the greatly increased emphasis on asset control have obviously resulted in significant improvement in this area.

As the finding is based upon the total of the past three years worth of un-located property, not just the un-located property of fiscal year 2008 as mentioned above, the impact of Hurricane Katrina will continue to impact MCLNO. However, the progress made by this institution cannot be over emphasized. In 2008, the un-located asset for that year was only .9% of the total asset inventory. An asset tracking system has been installed with radio frequency infrared devices placed on beds and other frequently moved assets. This system continuously monitors and records the physical location of these assets. Monthly in-services and emails emphasize to everyone the importance of inventory control. Property management issues are also discussed in the monthly hospital directors' meeting. While HCSD acknowledges prior years turn over in the MCLNO property manager's position, currently the MCLNO property management department is fully staffed.

LEGISLATIVE AUDIT FINDING
UN-LOCATED MOVABLE PROPERTY
JUNE 30, 2008

EKLMC has implemented an inventory bar code and scanning system. The inventory scanning system has allowed EKL to produce accurate inventory data and the process has helped in reducing un-located assets. New procedures have also been introduced by the IT Department to track computer repairs and transfers. EKLMC administration continues to emphasize to its staff the importance of safeguarding its property.

UMCLA, as well, continues to improve by emphasizing the importance of asset management. Evidence of this is the hiring of a full time asset manager. The other audit comment concerned the failure of UMCLA to file the Asset Management Monthly Checklist with LSUHSC-HCSD. This has been completely resolved as a Checklist has been filed timely for each of the first 5 months of fiscal year 2009.

The HCSD-Asset Management Staff will continue to review and validate the monthly reconciliations and reports submitted by each business unit and provide the necessary management support to each business unit as required.

In summary, while we acknowledge that our task is not complete, great progress has been made. Emphasis will continue to be made on asset management through better tracking methods and enforcement of our policies and procedures. HCSD-Asset Management Staff will monitor the progress of each business unit in completing their corrective action plan, as outlined on the attached monitoring plan.

The specific hospital's Property Manager, Chief Financial Officer, Administrator and the HCSD Financials Asset Manager, are responsible for follow up and adherence to the corrective actions already in place.

Please contact me should you have additional questions or need further clarifications.

Sincerely,

Michael K. Butler, MD, MHA, CPE, FACPE
Acting Chief Executive Officer

Attachment

Louisiana State University Health System – Health Care Services Division
Summary of Monitoring Roles and Responsibilities
For June 30, 2008 Legislative Audit Un-located Movable Property Finding

January 14, 2009

MCLNO Property Manager

- Send monthly emails to MCLNO staff updating the staff on property management issues.
- Participates in-service training for hospital personnel as part of the hospital's leadership training program.
- Attend the monthly hospital director's meeting to discuss property management issues.
- Report problem areas and issues to CFO and hospital management immediately.

EKLMC Property Manager

- In-service hospital staff on property control policies and procedures.
- Perform random movable property inventories on selected test assets.
- Work with department managers to resolve property issues.
- Report problem areas and issues to CFO and hospital management immediately.

UMCLA Property Manager

- Submit timely monthly reconciliation reports to HCSD-Asset Management.
- Report problem areas and issues to CFO and hospital management immediately.

HCSD Asset Management

- Review and validate monthly reconciliations and reports prepared by each business unit and provide a status report to the HCSD Director of Financial Services.
- Provide support to each business unit as required.
- Report failure to comply with the corrective action plans to HCDS Senior and Executive Management including but not limited to the specific hospital administrators and HCSD CFO.

LSU Health Sciences Center
SHREVEPORT
Administration and Finance

School of Medicine in Shreveport
School of Allied Health Professions
School of Graduate Studies

January 30, 2009

Mr. Steve Theriot, CPA
Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

LSUHSC-Shreveport concurs with the Unlocated Movable Property audit finding.

The institution continues to put forth efforts to improve the equipment inventory process, increase the accuracy of property tagging and valuation, and to provide a complete reconciliation of assets with the valuation vendor. In addition to the corrective actions put in place from the previous year's finding, the following will be performed:

1) Develop a new query of expenditures to identify movable property to be capitalized using transaction date.
2) Discussions with the Purchasing Department to improve the accuracy of identification of assets on purchase orders.
3) Validate and adjust items in the accounting system with the valuation vendor prior to year end.
4) Complete the campus reconciliations of property schedules with the valuation vendor for all asset categories.

LSUHSC-Shreveport Asset Management has enforced and consistently applied policies and procedures for tracking property and conducting the annual inventory. Compliance with movable property laws and regulations will continue to be strengthened at all three campuses.

Sincerely,

Harold White
Vice Chancellor
for Business and Reimbursements

HW:bp

cc: Dr. Chesson
John Antolik
Janie Binderim

Louisiana State University Health Sciences Center in Shreveport · Administration and Finance
1501 Kings Highway · P.O. Box 33932 · Shreveport, Louisiana 71130-3932
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January 24, 2009

Steve J. Theriot, CPA
Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Re: LTC Official Response "Inadequate Control over Pell Grant"

Management of Louisiana Technical College concurs with the finding related to inadequate control over Pell grant funds.

The LTC will continue to invest time and effort into policy and procedure development along with professional development for financial aid staff and fiscal office staff throughout the colleges. Strategies have been identified to restructure and improve the efficiency of the Financial Aid system processes. Appropriate measures have been taken to eliminate delay of returns. Management has implemented training and procedures for FAOs. There will be detailed instructions for returns, voids and re-issuing of checks distributed to all involved in the process of packaging financial aid. The LTC will have streamlined processes to improve our returns to USDOE to ensure accuracy and timeliness in returning and voids of funds.

A new automation refund system has been put into operation to enable the LTC to refund and return funds timely. This project will automate pell refunds processes and R2T4 (Return to Title IV). This will prove to be beneficial in real time returns, voids and disbursements of funds. This will again save both time and paper while giving FAOs the continuous ability to return, void and re-issue funds timely.

A compliance task force is being formulated in an effort to undertake several projects that will address compliance issues. This Compliance Committee will be compiled of FAOs who will be a representative for each of their Regions. They will monitor each campus in their region for compliance. The campuses will also be visited by the System Office for compliance as well. Several other projects will address compliance issues independently.

This procedure has produced positive results; therefore, we will continue to implement this process along with additional training for all LTC Financial Aid Personnel and Accounting Personnel that will be specific to the management of Title IV funds. This training will be held on an annual basis to reinforce the federal requirements and college procedures so that the college will continue to work toward improvement and remain in compliance with federal guidelines.

Sincerely,

Jim Henderson,
Senior Vice President for Career and Technical Education

Louisiana Technical College ♦ Region 4 ♦ *"World Class Technology in Your Own Backyard"*

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Phyllis A. Dupuis
Regional Director

May 10, 2008

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Enclosed please find an official response for Louisiana Technical College, Region 4 – Lafayette Campus related to the audit finding for our agency. The response includes all of the required elements as indicated in your letter. Should you have questions about this response or need additional information, please do not hesitate to contact me.

Sincerely,

Phyllis Dupuis
Regional Director

PD/jh

Enclosure

Weakness Over Return of Federal Pell Grant Program Funds

Management of LTC, Region 4 concurs with the finding and recommendation set forth during the audit of this agency.

Management within LTC, Region 4 will require all employees to adhere to program regulations and established procedures to ensure that the appropriate funds are returned when a student officially withdraws or ceases attending class.

A corrective action plan to address this finding includes:

I. Person responsible: India Powell
Connie Chopin
Campus administrator: Phyllis Dupuis

II. Corrective action plan:

The following activities have been initiated since the evaluation by auditors:

1. Instructors have participated in an inservice activity including steps for informing the student affairs office of student exits.
2. Student eligibility for receipt of Financial aid (Pell) checks received during the Spring 2008 semester were verified by each instructor for disbursement prior to distribution. Instructors were asked to verify student attendance after which checks were distributed.
3. An audit of student progress/eligibility was conducted at the campus at the end of the Spring 2008 semester to identify potential student issues related to financial aid.
4. Beginning Summer 2008, instructors will be required to verify their students attendance prior to requesting Pell funds.

III. Anticipated completion date: August 2008

BOBBY JINDAL
Governor

CYNTHIA BRIDGES
Secretary

State of Louisiana
Department of Revenue

February 20, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Inaccurate Annual Fiscal Report

Dear Mr. Theriot:

The Louisiana Department of Revenue concurs in part with your finding that the agency submitted an "Inaccurate Annual Fiscal Report." Basically, we agree with your finding in that Net Refunds Payable were overstated by $32 million; Net Receivables were understated by $28 million; and Net Revenues were understated by $60 million. Our concurrence in part is due primarily to statements in the finding suggesting that "management has not ensured that reports from its claims processing system that support the amounts in the AFR are properly designed, and management has not ensured that its AFR was properly prepared and reviewed for errors."

LDR management accepts full responsibility for all errors reported in its financial reports. However, when unintentional errors occur (similar to those identified in the finding), they should be presented in the appropriate perspective. The inaccuracies noted in the finding are primarily the result of errors in calculation and/or oversight during compilation. As it relates to the overstatement of Net Refunds and understatement of Net Receivables, the amounts reported in the financials are the result of several computations and data from a number of reports. These errors are inadvertent and occurred as a result of an oversight by our Financial Services' staff. The impact of the understatement of Net Revenues on the financial report was approximately six-tenths-of-one-percent of the $9.1 billion dollars in cash deposits accounted for by the Department of Revenue. Rarely are miscalculations of this nature ever considered material enough to warrant any type of notification to the user of the financial data.

As a result of your finding, however, we have reviewed our compilation and review processes. Specifically, procedures have been added to reduce, and hopefully eliminate, errors like those noted in your finding. LDR management believes that reports from our claims system are

accurately designed. Nevertheless, we recognize the benefits associated with continuously evaluating and improving our processes and systems and are committed to this principle.

As is customary, consideration will also be given to the findings' specific recommendations as we review the process for possible improvements. We invite and encourage your staff to offer any recommendations they may have for improving our procedures.

The LDR staff member responsible for the improvements mentioned above is Joyce Anderson, Controller.

Sincerely,

Clarence J. Lymon, CPA
Undersecretary

CL/kb

c: Cynthia Bridges
Joyce Anderson
Mark Ott
Phyllis Perry

BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Risk Management

October 9, 2008

Mr. Steve J. Theriot
Legislative Auditor
Office of the Legislative Auditor
State of Louisiana
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Office of Risk Management Audit Findings

Dear Mr. Theriot:

Finding: No Internal Audit Function

The Office of Risk Management (ORM) concurs with the finding.

ORM does not have the T.O. to fill an Internal Audit position.

ORM management met with representatives from Postlewaite and Netterville, a local CPA firm, early in fiscal year 2008 to solicit a proposal for a contract with that firm to provide audit services to ORM. Prior to receiving the proposal, representatives from the DOA Internal Audit Section met with ORM management and proposed that they take on the responsibility of fulfilling the ORM internal audit requirements. It was agreed that the DOA auditors were to present a plan to complete audits covering all ORM sections over a period of time. Since then, only an audit of a specific vendor providing services to Workers Compensation claimants and an audit of state auto use by a specific employee have been performed by the DOA audit section. These audits were performed as a result of inquiries from private citizens. No audit plan has been presented to ORM.

The DOA Audit Section has now advised that they do not have the resources to perform the internal audit function for ORM. Therefore, ORM will resume contact with the CPA firm.

The contact person for this finding is J. S. "Bud" Thompson, Jr.

Sincerely,

J. S. "Bud" Thompson, Jr.
State Risk Director

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KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of Undersecretary

February 23, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana

RE: Child Care Cluster: Noncompliance With Program Requirements

Dear Mr. Theriot:

Please refer to your letter of February 10, 2009, regarding audit findings of the Department of Social Services' Child Care Cluster part of your Single Audit of Louisiana. Your findings address Noncompliance with Program Requirements.

We concur in part that the agency did not comply with certain federal and state requirements for administering the federal child care cluster. In your review you tested 40 child care invoices and called 40 in non-compliance due to lack of attendance logs with the invoices. Agency policy does not require child care providers to send in their attendance logs monthly with their invoices. Policy does require that attendance logs must be maintained onsite. We requested all the attendance logs associated with the review. Of those reviewed, 22 revealed correct payment made and 8 of the providers did not have attendance logs available. We concur with the findings related to immunization documentation.

We also concur in part with the finding regarding visit logs/sign-in sheets not supporting the number of technical assistance visits made to child care facilities.

We concur in part with the finding regarding the recoupment of overpayments to providers identified from CART reviews. We requested Parish Offices review the CART Reviews identified and found that only one of the seven identified had been received by the Fraud and Recovery Section. Due to an ongoing investigation of the Provider in question, recoupment of overpayment to provider is pending result of criminal investigation.

Listed below are the actions the agency will take to address the deficiencies cited:

- A Corrective Action Memorandum will be issued alerting staff of the audit findings and requiring review of appropriate Chapter 8 Policy in supervisory staff meetings.

- Corrective Action Memorandum C-078-00 Checking Child Care Assistance Program time and Attendance Logs Issued March 24, 2008, Effective April 1, 2008 required Parish Offices responsibility to randomly select one Class A Child Care Provider and compare the providers monthly CCAP invoice with the time and attendance logs for the month being reviewed prior to the invoice being validated for payment on CAPS. An Addendum will be issued to this memorandum that will require a random review of 5 attendance logs per month.

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- Contract Accountability Review Team (CART) Staff will continue to review a random sample of day care attendance logs. Procedures will be put in place to ensure that noted findings are acted upon timely by parish office staff.

- DSS/OFS will assemble a Task Force to randomly review day care center attendance logs. Centers found in non-compliance will face recoupment and possible suspension, termination and prosecution when warranted.

- Contracted Resource and Referral Agencies (R&R's) will be reminded of their responsibility of maintaining attendance logs on all technical assistance provided to CCAP providers.

- A mandatory training will be conducted for all CCAP providers of proper maintenance of attendance logs and supporting documentation for CCAP invoices.

- The Department has plans to implement an automated Time and Attendance system utilizing Card Swipe technology and/or Finger Imaging, or similar technology as a means of providing an electronic system for accurate and timely capturing, tracking and reporting of time and attendance data. An RFP is currently being worked on and we expect implementation in early 2010.

- Effective November 1, 2008, Executive Bulletin 2376 – Provider Disqualification was issued November 1, 2008. Child Care Assistance Program (CCAP) providers will be subject to disqualification periods when certain acts or violations have been committed. The disqualification periods will result in termination of CCAP payments for specified periods of time. The effective date of the disqualification will be the close of business on the first workday after the Agency has made the decision to apply the disqualification. Providers will remain ineligible for CCAP payments until the mandatory disqualification period has been served and/or the corrective action is complete. An automated notice informing providers of these disqualification periods was sent on October 31, 2008, to all active CCAP providers explaining the disqualification periods.

- The agency will continue to have supervisors and specialist specifically check for documentation of immunizations when they review cases. The agency will also continue to stress the use of the Louisiana Immunization Network for Kids Statewide (LINKS) to verify immunizations.

Please advise if further information or explanation is needed.

Sincerely,

Ruth Johnson
Undersecretary

RJ/AKN/DDS/TP/chl

c: Kristy Nichols
Alison Neustrom
Sammy Guillory
David Sigue
Cathy Lockett

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

February 23, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits

Dear Mr. Theriot:

Please refer to your letter of February 15, 2009, regarding audit findings on the Department of Social Services' Disaster Food Stamp Program (DSS DFSP), administered by the Office of Family Support (OFS).

We concur that DSS identified ineligible benefits in the DFSP program as intentional program violations dating back to Hurricanes Katrina and Rita. DSS/OFS independently initiated the review of DSS employee DFSP applications. It was in consultation with FNS after we began the review process that we were advised that all employee DFSP cases must be reviewed. In addition, the agency initiated reviews of non-employee DFSP applications where possible fraud was indicated.

- Appropriate disciplinary action is currently under consideration for the four employees referenced in your report. Of the 9 former and current employees, 3 have made total restitution and 6 are currently making payments back to the agency. The agency is actively seeking restitution on all cases that are identified as Intentional Program Violation.

- As of February 16, 2009 the OFS Fraud & Recovery Section has completed full reviews of 1,398 employee cases. The remaining 30 cases are at different stages of completion. In accordance with Federal Regulations (7FUSC 273.18), all DFSP recipients, including employees, who are determined to have received ineligible benefits are required to repay the Agency. Where warranted, other steps are being pursued, such as disciplinary action and/or referral for consideration of criminal charges.

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- OFS Fraud & Recovery Section will continue to also investigate additional DFSP benefits paid, and continue to investigate non-employee cases. The agency is obligated to recover any ineligible benefits that were issued except where those benefits fall below certain thresholds as outlined in USDA-FNS regulations. As of February 16, 2009, $314,846.66 has been recouped by the Department from employees. Recoupment of ineligible benefits from non-employees and employees continues via repayment agreements and/or tax intercepts.

- For future DFSP programs, the agency has developed strategies, improved policy/procedures, developed specific guidance and procedures for processing of employee DFSP applications to prevent fraud and to ensure program integrity:

    - Created specific guidance for the operation of a DFSP in agency manual Chapter 4, Section O.
    - Employee DFSP applications can only be taken and processed by designated staff at each site location.
    - To ensure the integrity of any future administered DFSP program, the OFS, Division of Quality Assurance Fraud and Quality Control Staff will monitor each disaster site during the entire DFSP timeframe. The QA Team will be present to observe the internal processes of the Disaster Food Stamp sites, monitor data entry of applications, monitor issuance of EBT cards, and provide guidance and direction to site managers to identify any questionable or suspected fraudulent applications.
    - All OFS staff received mandatory training on the agency's DFSP policy and procedures in 2006, 2007 and 2008. DFSP training is scheduled for 2009 prior to the start of hurricane season.
    - Disaster Data System upgraded to include identifying information on all household members.

DSS/OFS continues to investigate cases where ineligible DFSP benefits have been paid and are taking appropriate actions.

Please advise if further information is needed.

Sincerely,

Ruth Johnson
Undersecretary

RJ/AKN/DDS/TP/chl

cc: Kristy H. Nichols
Suzy Sonnier
Alison K. Neustrom
David Sigue
Sammy Guillory
Cathy Lockett

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

March 16, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Foster Care – Title IV-E: Noncompliance with Program Requirements

Dear Mr. Theriot:

We concur in part that DSS did not comply with certain requirements for administering the Foster Care—Title IV-E program.

We do not concur that clients were placed in childcare institutions or residential facilities that were fully licensed despite not meeting minimum licensing requirements, including licensing requirements that directly affect safety considerations. The childcare institutions were granted full licenses by the Bureau of Licensing and therefore met Federal criteria for Title IV-E funding to be used. In a letter dated July 3, 2008, ACF responded to same finding in audit period July 1, 2005 – June 30, 2006. ACF did not sustain the finding by the Legislative Auditor, stating "In reviewing the State statute and State licensing standards, this office finds that the facilities were fully licensed and does not sustain this finding." We disagree with the finding of the Legislative Auditor based on the facilities being fully licensed and ACF's response to same finding.

We concur that foster care expenditures were not properly authorized. Fiscal adjustments will be reflected on the March 2009 Title IV-E-1 quarterly report. A memo will be sent out directing all staff to comply with policy reflected in Chapter 20 - TIPS Procedural Manual relating to the completion of the TIPS 106b, Client Authorization Form. As part of the corrective action plan, all supervisory staff will be required to cover this requirement at the next monthly unit meeting or at least before May 31, 2009.

We concur that foster care expenditures were made for a time period when a client was not eligible to receive benefits. Fiscal adjustments will be reflected on the March 2009 Title IV-E-1 quarterly report. On March 2, 2009, Eligibility staff was reminded to complete fiscal adjustments whenever a child's eligibility changes. The fiscal adjustment process for Eligibility staff is described in the Financial Assessment Manual which has been rewritten and is in process of being approved. OCS is also piloting a process that will notify Eligibility staff more timely of changes in a child's case which could affect eligibility.

If additional information is needed please contact Debbie Johnson, OCS Division of Financial Management, at 342-2766.

Sincerely,

Ruth Johnson
Undersecretary

RJ/DJ/chl

C: Kristy H. Nichols
Suzy Sonnier
Kaaren Hebert
Debbie Johnson
Cathy Lockett

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

February 25, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Fraudulent Billings by Providers

Dear Mr. Theriot:

Please refer to your letter of February 13, 2009, regarding audit findings of the Department of Social Services' Fraudulent Billings by Providers of your Single Audit of Louisiana. We concur with all of the findings that address instances of fraudulent billings identified by the Fraud and Recovery Section.

Listed below are the actions the agency will take to address the deficiencies cited:

- The Fraud and Recovery Section is incorporating Child Care provider information and invoices into TINA-GIS which allow us to research billings and develop possible signatures of fraud. We also map providers to recipients. The mapping aspect allows an investigator to see if distance between provider and recipients provide any clues to possible fraudulent activity.

- Fraud and Recovery has shifted a major portion of their investigative efforts to child care fraud. Fraud and Recovery is a founding partner in a joint Federal-State Child Care Provider Fraud Task Force that is actively investigating several Class A providers for over-billing. We are confident that this will have a positive result on provider fraud.

- DSS/OFS will assemble a Task Force to randomly review day care center attendance logs. Centers found in non-compliance will face recoupment and possible suspension, termination and prosecution when warranted.

- The Department has plans to implement an automated Time and Attendance system utilizing Card Swipe technology, Finger Imaging, or similar technology as a means of providing an electronic system for accurate and timely capturing, tracking and reporting of time and attendance data. An RFP is currently being worked on and we expect implementation in early 2010.

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- Effective November 1, 2008, Executive Bulletin 2376 – Provider Disqualification was issued November 1, 2008. Child Care Assistance Program (CCAP) providers will be subject to disqualification periods when certain acts or violations have been committed. The disqualification periods will result in termination of CCAP payments for specified periods of time. The effective date of the disqualification will be the close of business on the first workday after the Agency has made the decision to apply the disqualification. Providers will remain ineligible for CCAP payments until the mandatory disqualification period has been served and/or the corrective action is complete. An automated notice informing providers of these disqualification periods will be sent on October 31, 2008, to all active CCAP providers explaining the disqualification periods.

- Contract Services staff will be instructed to not pay invoices from contractors without receipt and review of the signed participation log of services from the provider.

- It is the Department's intention to reduce the number of TANF contracts to streamline services and reduce duplication of effort.

- Contract and Review Team (CART) will continue monitoring participant attendance logs on selected TANF contracts. Now in addition, Community Specialists will be randomly monitoring the programmatic aspect of the TANF contracts, including review of participant attendance logs.

Please advise if further information or explanation is needed.

Sincerely,

Ruth Johnson
Undersecretary

RJ/AKN/DDS/TP

Cc: Kristy H. Nichols
Alison Neustrom
Sammy Guillory
Cathy Lockett
David D. Sigue

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

February 23, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Improper Employee Activity in Federal Programs

Dear Mr. Theriot:

Since the Department of Social Services, Office of Family Support, Fraud and Recovery Section identified said instance of fraudulent activity by an OFS employee in the Food Stamp and the TANF Programs, we concur with this finding and provide the following corrective action measures:

- The agency is working to develop an identity pattern (signature of fraud) based on the activities of fraud identified in this case that will automatically alert us when such activity is taking place. The system would query active OFS employee files against the LAMI system for possible matches.

- A Corrective Action Memo will be issued regarding DSS, OFS Policy I-510 and OFS Policy G-310 to remind staff that compliance with internal policy is mandatory and the possible consequences for failure to abide by said policy. In order for management to assure this policy is understood by staff, every staff member must sign a document that indicates his understanding of the policy along with the consequences that result if the policies are violated. The acknowledgment form will be filed in the employee's personnel folder.

- Regarding theft of Food Stamp Electronic Benefit Transaction (EBT) cards, the local offices have incorporated provisions into office procedures to monitor and document activities of staff that have benefit authorization and EBT card issuance capabilities. INFOPAC Report, LACUOOP7, Daily EBT Card Issuance Report, allows a parish manager to see every card issued on a given day and the USER ID of the person performing the activity. The report also shows the mailing address of the card which gives management a method to monitor if an employee is mailing cards to the parish office or their home address in an attempt to commit fraud. Parish office procedures include a review of the report to monitor staff activities.

The Office of Family Support will continue to investigate where needed and strengthen existing controls to reduce fraudulent activities. The agency is obligated to recover any ineligible benefits that were issued except where those benefits fall below certain thresholds as outlined in USDA-SNAP regulations.

If further information is needed, please contact David D. Sigue by calling 342-3877.

Sincerely,

Ruth Johnson
Undersecretary

RJ/AKN/DDS/TP/chl

cc: Kristy H. Nichols
Suzy Sonnier
Alison K. Neustrom
David Sigue
Sammy Guillory
Cathy Lockett

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

February 18, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: Inaccurate Annual Fiscal Reports

Dear Mr. Theriot:

We concur that the Department did not submit accurate Annual Fiscal Reports to the Division of Administration.

Schedule 8-4 was understated as cited by the auditor. Prior to state fiscal year 2008, Support Enforcement Services contracts were posted in CFMS as governmental contracts (GOV) and were included on Schedule 8-4. Unaware to staff, in state fiscal year 2008, these contracts were posted as cooperative endeavors (COP) in CFMS. In previous years, cooperative endeavors were not included on Schedule 8-4. In full awareness of the change, this error will not occur again.

Procedures for the preparation of Schedule 8-5 were not followed by staff resulting in an inaccurate report. The gravity of their actions has been made clear to the Accountant Manager, the Assistant Administrator and the Administrator. Procedures for preparation of Schedule 8-5 by the Manager and review by the Administrator will be followed from hence forth.

Sincerely,

Ruth Johnson, Undersecretary
Office of Management and Finance

RJ/CHL

c: Kristy Nichols
Suzy Sonnier
Cathy Lockett

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BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
INTERIM SECRETARY

State of Louisiana

Department of Social Services
Office of the Secretary

January 26, 2009

Mr. Steve J. Theriot, CPA
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Legislative Audit Finding: Internal Audit Function

Dear Mr. Theriot:

The following is in response to your letter of January 15, 2009 in reference to the above.

We concur that the Department of Social Services should have an effective internal audit function. The steps necessary to achieve this goal are being taken.

The Bureau of Audit Services has completed an Audit Plan and an Audit Work Plan, which are based on an assessment that identifies and prioritizes areas that pose the greatest risk to the Department. The Audit Plan and Audit Work Plan have been approved by me. The methodology used in developing the plan is set forth on pages 51 – 52 of the attached document and the Work Plan immediately follows on pages 53 – 55. Support documentation is included in the second section of the document. The plan also included assessment of information technology risks and we are currently considering contracting for audits to be performed. The status of work being done to implement the Audit Work Plan is being reported to me and is being discussed with the executive staff team on a monthly basis. In addition, the Bureau of Audit Services has made a presentation to the executive management team relative to audit suggestions in the areas of Code of Ethics, Conflict of Interest, Ethics Hotline, and Employee Surveys which are important audit areas under the *International Standards for the Professional Practice of Internal Auditing*. Members of the executive management team are to respond to these suggestions.

The Audit Manager position, which is currently vacant, has been announced by Civil Service. Appropriate actions toward filling the position will be taken once we receive the results of the Civil Service announcements. Staff auditors have received additional information on what is to be included in audit work papers and their Performance, Planning and Review forms have been updated to stress the importance of high quality audit work, thorough knowledge and application of *the International Standards for the Professional Practice of Internal Auditing* and specifically that work paper files are to contain all required documents; that documents are properly completed and that evidence is sufficient, competent, relevant and useful for matters related to the scope and objectives of the audit and the conclusions reached. Audit work is being reviewed on an on-going basis.

Included in the Audit Work Plan are audits to be conducted on the following federal programs: Food Stamp Program, Family Independence Temporary Assistance Program (FITAP), Strategies to Empower People (STEP), and Kinship Care (KC). Staff has attended training on the Family Independence Temporary Assistance Program, Strategies to Empower People, Kinship Care and the Food Stamp

Program. They are in the process of developing audit programs and planning to conduct field work. A sample of cases to be reviewed for each of these programs has been selected.

In addition to the above, the Audit Work Plan includes a review of payments for the following federal programs: Emergency Shelter Grants, Promoting Safe and Stable Families, Community-Based Family Resource and Support Grant, Chafee Education and training Voucher Program, Children's Justice Grants to States, Adoption Assistance, Child Abuse and Neglect State Grant, John Chafee Foster Care Independent Living Program, Child Support Enforcement Research, Grants to States for Access and Visitation Program, and Social Service Block Grant.

Please be assured that we are making every effort to achieve an effective internal audit function that can provide management with assurances that assets of the Department are properly safeguarded, internal controls are established and operating in accordance with applicable laws and regulations, and procedures are sufficient to detect errors and/or fraud in a timely manner.

If I can provide additional information, let me know.

Sincerely,

Kristy H. Nichols
Secretary

KN:JS:sr

c: Suzy Sonnier
Ruth Johnson
Janet Slaybaugh
Cathy H. Lockett

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

March 16, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Temporary Assistance for Needy Families Program:
Internal Control Weaknesses over Program Requirements

Dear Mr. Theriot:

We concur that the agency did not adequately monitor and enforce certain program regulations and establish control procedures in administering the TANF Program in relation to a number of contracts. In your review of 30 contract payments, eight instances were identified in which the agency did not obtain signed participant logs to support invoiced expenditures. Of the 8 instances cited, the agency has obtained the signed participant logs for 7 of the 8 contracts.

Listed below are the actions the agency will take to address the deficiencies cited:

- An email was sent to all Regional Administrators asking them to have Parish Managers review Administrative Memo 1742-02. Effective April 1, 2009 the following procedures will be followed according to the listed Administrative Memo 1742-02:
    - Contract Managers will advise transportation contractors to provide the authorizing parish district office with a copy of the invoice, the STEP Transportation Monthly Log Sheet and copies of the signed boarding logs. Contractors will also be advised that a payment will not be approved without parish receipt of required information.
    - Contract Managers will contact the Parish Manager or designee when the invoice is received from the contractor. The Contract Manager will be required to validate transportation authorizations on a monthly basis. No invoice will be paid without the parish office authorization. If there are any discrepancies, the Contract Manager will be required to notify the contractor and a corrected invoice must be submitted.
    - Parish Offices will maintain and provide upon request copies of the STEP Transportation Monthly Log and copies of the signed boarding log to Contract Services. Invoices will not be paid until validated by the parish office.
- Contract Services Staff have been instructed not to pay invoices from contractors without receipt and review of the signed participation log of services from the provider.

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- All cited contracts are being reviewed and/or compared to the participant logs. Any identified overpayments will be recouped by the agency. In addition, any provider suspected of fraudulent activity will be referred to the OFS Fraud Section for investigation.

Please advise if further information or explanation is needed.

Sincerely,

Ruth Johnson
Undersecretary

AKN/DDS/TP/chl

Cc: Kristy H. Nichols
Suzy Sonnier
Alison Neustrom
Sammy Guillory
Cathy Lockett
David D. Sigue

SOUTHEASTERN
LOUISIANA UNIVERSITY

January 12, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804 – 9397

Re: Energy Efficiency Contract contrary to law

Dear Mr. Theriot,

I am in receipt of your letter of December 4, 2008 regarding a possible audit finding relating to the energy efficiency contract Southeastern has entered into with Sempra Energy Services. This response is being provided as requested in your letter, but based on the revised finding received from your office on January 7, 2009. After reviewing the finding, the entire Attorney General's Opinion 07-0002, as well as other supporting documentation, the University concurs in part to the finding received on January 7, 2009.

Your office indicated in the finding that Southeastern's contract with Sempra Energy Services "includes stipulated savings and, therefore, does not comply with state law." In reviewing the Attorney General's Opinion Number 07-0002, the opinion states, "To be clear, it is not our opinion that stipulated savings can't be included in performance–based energy efficiency contracts. However, for the stipulated operational savings to be included in the total guaranteed savings, those savings must actually be guaranteed. In order for operational savings to the guaranteed, the Contract would have to provide for some type of measurement and/or verification of the operational savings …" As outlined in your finding, you indicated during the first two years of the contract the energy savings, mechanical maintenance material savings and lighting material savings were calculated and monitored. However, since October 2005 these savings have not been calculated or monitored. Therefore, based upon my understanding of the law, the Attorney General's Opinion and your finding, Southeastern was in compliance with state law through October 2005. Transitional issues then occurred which caused the measurement and verification reporting to be interrupted.

First, there was turnover in key personnel in the Physical Plant Department. The Director of Physical Plant retired and the Assistant Director/Engineer involved in the implementation and monitoring of this project transferred to another state agency. The new staff was not totally aware of the requirements of the performance-based contract. Second, Honeywell began the process of buying Sempra Energy Services, during this time. This acquisition occurred in March of 2006. A number of employees involved with administering this contract for Sempra were no longer employed by Honeywell/SES. In addition, in an effort to save the University money, the

Vice President for Administration & Finance • SLU 10709 • Hammond, LA 70402 • 985-549-2282 • Fax: 985-549-5095

new Physical Plant director made a request of Sempra to discontinue monitoring services not realizing this would cause a problem with the total implementation of the performance contract. Since he was not the official contact noted in the contract, he should not have initiated a request of this nature. During the current fiscal year, the University has had a number of meetings with Honeywell/SES in order to re-implement the measurement and verification services for the 2008-2009 monitoring cycle as originally outlined in the contract. The measurement and verification for the first two years of the contract and for future fiscal years are in accordance with the International Performance Measurement and Verification Protocols as outlined in the revised statues.

You also indicate in your finding there was inappropriate language in the performance-based contract that allowed excess savings to be carried over as a credit from one year to the next for the first three years of the contract. The University will work with Honeywell/SES, as well as the University of Louisiana System/Southeastern's attorney in order to correct the language involving this section of the contract.

I will assume the responsibility to ensure the appropriate action as outlined above is completed no later than May 31, 2009.

If you require additional information regarding this audit issue, please feel free to contact me.

Sincerely,

Stephen Smith
Vice President for Administration
and Finance

SOUTHERN UNIVERSITY AND A&M COLLEGE SYSTEM
J.S. CLARK ADMINISTRATION BUILDING
BATON ROUGE, LOUISIANA 70813

Office of the President
(225) 771-4680

Fax Number:
(225) 771-5522

February 5, 2009

Mr. Steve J. Theriot
Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

Attached are the responses of the following campuses in the Southern University System, to the finding concerning ***"Inaccurate Annual Fiscal Report Preparation"***:

- **Southern University Baton Rouge**
- **Southern University at New Orleans**
- **Southern University at Shreveport**

Please let me know if additional information is needed.

Sincerely,

Ralph Slaughter, Ph.D.
President
Southern University System

RS/hac

Enclosures

xc: Mr. Tolor E. White

SOUTHERN UNIVERSITY
And
Agricultural & Mechanical College

Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

February 2, 2009

Mr. Steve J. Theriot
Legislative Auditor
Office of Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: INACCURATE ANNUAL FISCAL REPORT PREPARATION

Dear Mr. Theriot:

The following response applicable to the Baton Rouge Campus is submitted in reply to the reportable finding entitled, ***"Inaccurate Annual Fiscal Report Preparation."***

Specific findings for the Baton Rouge Campus along with the University's response are discussed below:

- **The Baton Rouge Campus misclassified $1,167,501 of state grant funds as other operating revenues.**

Southern University - Baton Rouge Campus concurs with this finding. The funds in question represent monies received under the Louisiana GO Grant Program. The 2007-08 fiscal year represented the first year funds were awarded under this program. Despite our best efforts to receive professional and proper guidance well in advance of the Annual Fiscal Report (AFR) due date, the University was provided guidance contrary to the auditor's recommended classification. The funds were classified based on the professional guidance received. Furthermore, because the University did not sign a grant agreement and was not given a formal award document, the nature and method of receiving the funds did not portray the true characteristics of a state grant. For future reporting, the University will yield to the auditor's recommended classification.

- **In the financial statement's related note disclosures, the Baton Rouge, New Orleans, and Shreveport campuses erroneously reported termination benefits totaling $557,780 for 148 employees.**

Southern University - Baton Rouge Campus does not concur with this finding. The University followed the Office of Statewide Reporting and Accounting Policy for completing the note disclosure for inclusion in the AFR.

- **In the schedule of changes to capital assets, the Baton Rouge campus and the Law Center overstated the beginning balances for library books and the related accumulated depreciation by $774,780 and $1,287,230, respectively.**

Although Southern University - Baton Rouge Campus concurs with this finding, we acknowledge that the ending library capitalization and related accumulated depreciation were correctly reported in the financial statements. Additional controls will be put in place in the preparation and review process to ensure that the prior year audited balances agree with the amount reported on the schedule of capital assets beginning balance.

- **The Baton Rouge and Shreveport campuses made errors amounting to $25,520,641 when reporting the capital lease agreement with its Foundation.**

Although Southern University - Baton Rouge Campus concurs with this finding, we acknowledge that the capital lease obligation on the Statement of Net Assets (SNA) and the cumulative cash balance on the cash flow statement were correctly reported for the University's stand-alone SNA and the corresponding account balances on the Foundation's stand-alone SNA. The SNA error occurred when the reports were combined and the interagency eliminations were not made. The cause of this error is attributed to a new capital lease agreement that the University was required to report for the first time in fiscal year 2008. The capital lease agreement that the University entered into was intricate. In fact, the agreement was so convoluted, the University had to seek professional guidance from the legislative auditors, AICPA, the Foundation auditor, bank trustee and bond attorney. There was no guidance pertaining specifically to a lease arrangement of this nature. This, coupled with the late submission of the Foundation's audit, made the reporting process more cumbersome. The University received the final adjustments from the Foundation auditor on October 29, 2008. In an effort to process these adjustments, finalize the combined statements, and get the report to the Office of Statewide Reporting and Accounting Policy by October 30, 2008, the interagency eliminations and other omissions were not detected in a timely manner. The error in the statement of cash flow resulted in a misapplication in two cash categories, but the net cash balance on the statement of cash flow was correctly reported.

The University will document procedures for the accounting and reporting on a bond agreement of this nature. Internal controls will be strengthened to ensure appropriate levels of supervisory review. The University will work closely with its foundation to ensure that the required audit report is completed and submitted in a timely manner to allow for a detailed review.

Plan for Corrective Action

Southern University at Baton Rouge will continue to strengthen and monitor existing controls over the preparation of the annual fiscal report. The corrective actions outlined above will be monitored on a regular and continuing basis to ensure both accuracy and timeliness in the preparation of the annual fiscal report.

The point of contact for corrective action is the Associate Vice Chancellor for Financial Operations, Ms. Gwendolyn Bennett. The Office of the Vice Chancellor for Finance and Administration will provide administrative oversight in the implementation of the corrective actions.

Please contact Vice Chancellor Flandus McClinton, Jr. at (225) 771-5021, if you have questions or need further assistance regarding the University's response to this finding.

Sincerely,

Kofi Lomotey
Chancellor

SOUTHERN UNIVERSITY AT NEW ORLEANS
6801 Press Drive
New Orleans, LA 70126-0002
(504) 286-5311
FAX (504) 284-5500
www. suno.edu

OFFICE OF THE CHANCELLOR

February 5, 2009

Mr. Steve J. Theriot
Legislative Auditor
Office of Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Inaccurate Annual Fiscal Report Preparation

Dear Mr. Theriot:

Regarding the above referenced finding, my response to the items applicable to the Southern University at New Orleans Campus is as follows.

- The New Orleans campus overstated accounts payable and expenses by $640,445 because it included the unspent balances on purchase orders even though the goods and services had not been received.

  Management concurs with this statement. We will ensure that accruals for expenses will only include purchase orders for which goods and services have been received.

- The New Orleans campus overstated other operating revenues by $2,608,353. Included in this error is the misclassification of gifts and investment income by $377,147 and $20,765, respectively. In addition, operating expenses should have been reduced by $2,210,441 for the reimbursement of salaries and related benefits for the Sophie B. Wright School.

  Management concurs with this statement. Management will make revisions to our current processes that will increase accountability measures by adding two (2) additional levels of approval.

- The New Orleans campus overstated other non-operating revenues by $727,713 rather than reducing operating expenses when it recorded the capitalization of equipment and library holdings.

Management concurs with this statement. Management will institute a process to perform the timely supervisory review and approval of all journal entries to ensure accuracy in the preparation and compiling of financial information.

- The New Orleans campus misclassified federal revenues from FEMA totaling $440,785 as other non-operating revenues and overstated FEMA receivables and revenues by $344,617.

  Management concurs with this statement. We will review our current processes and as previously stated increase our accountability measures by instituting two (2) levels of approval, (1st level Chief Accountant, 2nd level Comptroller) for journal vouchers and cash receipt journals.

- The New Orleans campus reported the receipt of $1,517,934 in federal funds as other non-operating revenue instead of deferring its recognition since the funds had not been earned as of the fiscal year end.

  Management concurs with this statement. We will modify our Cash Receipt Procedures to ensure that all funds received are properly recorded. This will be done through increased measures of accountability by, 1) The Chief Accountant being the First level of Approval, and) The Comptroller being the Second level of approval.

- The New Orleans campus misclassified capital debt proceeds of $2,088,463 as cash received for the amount of principal paid on capital debt and leases

  Management concurs with this statement. We will institute quarterly monitoring through the office of the Comptroller and the Vice Chancellor for Administration and Finance.

- The New Orleans campus overstated the net appreciation for donor restricted endowments by $1,795,454 due mainly to reporting the endowment corpus as the expendable balance.

  Management concurs with this statement. Management will institute procedures to ensure the accuracy in the preparation of notes disclosures and compiling of financial information.

- Each campus erroneously reported termination benefits totaling $557,780 for 148 employees even though none of the terminations met the reporting requirements of GASB 47, *Accounting for Termination Benefits*.

Management does not concur with this finding. The University followed the Office of Statewide Reporting and Accounting Policy for completing the note disclosure for inclusion in the AFR.

Management will immediately begin to review its current processes and revise as necessary to include the development and implementation of written policies, procedures and standard journal entries. Management will also provide for the timely preparation and supervisory review of transactions, journal entries, and financial statements to ensure both consistency and accuracy in the preparation of financial information and note disclosures and the timely submission of the AFR.

The aforementioned corrective actions will be closely monitored to ensure compliance as well as our ability to produce timely and accurate reports.

Any questions or concerns regarding these corrective actions can be directed to Woodie White, Interim Vice Chancellor for Administration and Finance (504 286-5117). The responsibility and implementation of these actions will be provided by him.

Sincerely,

Victor Ukpolo, Ph.D.
Chancellor

SOUTHERN UNIVERSITY
AT SHREVEPORT

OFFICE OF THE CHANCELLOR

Memorandum

TO: Dr. Ralph Slaughter, President
Southern University System

FROM: Dr. Ray Belton, Chancellor
Southern University at Shreveport

DATE: February 5, 2009

RE: **Audit Response – Annual Fiscal Report Preparation**

I am transmitting for your perusal the attached audit response for the fiscal year ending June 30, 2008 for the Southern University-Shreveport campus.

Should you have questions or comments concerning this response, please contact me at (318) 670-6312.

Att.

3050 MARTIN LUTHER KING, JR. DRIVE • SHREVEPORT, LOUISIANA 71107
PHONE: (318) 674-3312 • FAX: (318) 674-3374
TOLL FREE: 1-800-458-1472, EXT. 312
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Southern University – Shreveport

Response to Legislative Audit Findings
FY 2007-2008

Finding:

Inaccurate *Annual Fiscal Report* (AFR) preparation.

Corrective Action:

Southern University–Shreveport (SUSLA) concurs with the reportable finding listed above relative to preparation of the Annual Fiscal Report (AFR).

The University will work with System management and other Southern University campus fiscal officers to develop written procedures and a timetable for preparation and compilation of the AFR. It is important to note that two of the three errors cited by the auditors for SUSLA were associated with the first time recording of bond-related transactions. Additionally, the University will modify and strengthen internal procedures regarding preparation and review of all journal entries. The University also plans to hire a Comptroller to assume supervisory responsibility for all accounting personnel and to ensure day-to-day monitoring of all financial activity.

SOUTHERN UNIVERSITY
And
Agricultural & Mechanical College

Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

February 11, 2009

Bruno and Tervalon, LLP
Certified Public Accountants
4298 Elysian Fields Avenue
New Orleans, LA 70122

Attention: Sean Bruno

Dear Mr. Bruno:

I am transmitting the University's response to the audit findings cited in document entitled, ***"Federal Awards Financial and Compliance Audit for the year ended June 30, 2008."***

The University is deeply appreciative to you and your staff for the cooperation and professional manner in which this audit was conducted. Please contact **Mr. Flandus McClinton, Jr., Vice Chancellor for Finance and Administration,** at (225) 771-5021 if you have questions or need additional assistance regarding the University's response.

Sincerely,

Kofi Lomotey
Chancellor

Attachment

cc: Flandus McClinton, Jr.

SOUTHERN UNIVERSITY AT BATON ROUGE
RESPONSE TO FEDERAL AWARDS FINANCIAL AND COMPLIANCE AUDIT
FOR THE YEAR ENDED JUNE 30, 2008

Audit Finding Reference Number

2008-01 – Davis Bacon

RESPONSE:

The University will work closely with the System Office of Facilities Planning and the Office of Facilities Services to establish procedures for monitoring federally funded construction projects to ensure compliance with the Davis Bacon requirement.

Audit Finding Reference Number

2008-02 – Federal Work Study

RESPONSE:

The University will adhere to established procedures which require supervisors of federal work-study students to monitor all hours worked by students to ensure that students do not work while scheduled to be in class. The University will strengthen its internal controls, provide additional training, and conduct workshops with work-study supervisors to stress the importance of careful monitoring of hours worked to ensure that students do not work during scheduled class time.

SOUTHERN UNIVERSITY AT NEW ORLEANS
6801 Press Drive
New Orleans, Louisiana 70126-0002
(504) 286-5311
FAX (504) 284-5500
www.suno.edu

OFFICE OF THE CHANCELLOR

February 12, 2009

Bruno & Tervalon
4298 Elysian Fields Ave
New Orleans, LA 70122

RE: Southern University at New Orleans
Responses to the Findings of the Single Audit for FYE June 30, 2008

Dear Mr. Bruno:

Regarding the above referenced audit, my response to the finding is as follows.

Audit Finding

2008-03 Verification

Condition and Perspective

During our audit we noted two (2) students out of twenty-eight (28) tested whose verification information was conflicting with the verified documentation.

Recommendation

We recommend that management of **the University** adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

Management Response

Management will ensure that all required information is obtained and verified prior to the disbursement of financial aid and maintained in the student file.

Audit Finding

2008-04 Entrance Counseling

Condition and Perspective

We noted during our audit two (2) students out of seven (7) students tested were first-time borrowers and received a FFEL loan without have an entrance counseling session.

Recommendation

We recommend that management of **the University** take immediate steps to ensure that entrance counseling is administered to all recipients prior to their first loan disbursement.

Management Response

Management will ensure that effective immediately, entrance counseling is administered to all recipients prior to their first loan disbursement as required.

Audit Finding

2008-05 Student Credit Balance

Condition and Perspective

We noted during our audit that thirty-two (32) out of fifty (50) students tested had student financial aid credit balances but **the University** did not refund the credit balances to the students within the fourteen (14) day requirement.

Recommendation

We recommend that management of **the University** take immediate steps to ensure that students receive their refund checks within the required timeframes as required by Title IV regulations.

Management Response

Management will review the current processes for applying funds to a student's account, and revise as necessary to ensure that disbursements to students are made in accordance with the required time frames.

Audit Finding

2008-06 Student Status Confirmation Report

Condition and Perspective

During our audit we noted three (3) students out of ten (10) tested whose enrollment status was not properly reported on the student status confirmation reports.

Recommendation

We recommend that the University determine the student's proper enrollment status and report the accurate status to the guarantee agency.

Management Response

Management has revised its reporting procedures to ensure that the student's enrollment status is properly reported to the guarantee agency.

Audit Finding

2008-07 Federal Work-Study

Conditions and Perspectives

During our audit of the federal work-study program, we noted the following conditions:

- Seven (7) students out of ten (10) students tested who worked while scheduled to be in class; and
- Seven (7) students out of ten (10) students tested whose hours reported on the timesheet did not agree to the hours paid.

Recommendation

We recommend that management of **the University** adhere to established policies and procedures regarding the work-study program.

Management Response

Management will develop and implement incentives to ensure all participants in the federal work-study program adhere to established policies and procedures.

Any questions or concerns regarding these corrective actions can be directed to Woodie White, Interim Vice Chancellor for Administration and Finance (504 286-5117). The responsibility and implementation of these actions will be provided by him.

Sincerely,

Victor Ukpolo, Ph.D.
Chancellor

"An Equal Educational Opportunity Institution"

SOUTHERN UNIVERSITY
AT SHREVEPORT

OFFICE OF THE CHANCELLOR

February 12, 2009

Bruno & Tervalon, LLP
Mr. Sean Bruno, CPA
4298 Elysian Fields Avenue
New Orleans, LA 70122

Dear Mr. Bruno:

I am transmitting, per your request, responses to audit findings for Southern University-Shreveport for the fiscal year ending June 30, 2008. We are most appreciative to your staff for the cooperation and professionalism in which these audits have been conducted.

Should you have questions or require additional information, please contact Mr. Benjamin Pugh at (318) 670-6481.

Sincerely,

Ray L. Belton, Ph.D.
Chancellor

xc: Tolor White, V.P. for Finance/Business Affairs & Comptroller – SUS
Benjamin Pugh, Vice Chancellor for Finance & Administration – SUSLA

3050 MARTIN LUTHER KING, JR. DRIVE • SHREVEPORT, LOUISIANA 71107
PHONE: (318) 674-3312 • FAX: (318) 674-3374
TOLL FREE: 1-800-458-1472, EXT. 312
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Southern University - Shreveport

Audit Finding Reference Number

2008-09 Return of Title IV Funds

Conditions and Perspectives

During our audit of *Return to Title IV Funds*, we noted the following conditions:

- Twelve (12) students had a PELL grant overpayment in the prior year that was required to be returned by the student before any additional Title IV aid could be disbursed to the student in the current year. **The University** did not properly report the student's grant overpayment to the Department of Education and we were unable to verify that the grant overpayment funds were returned by the student; and,

- Nineteen (19) students out of twenty (20) students tested whose funds to be returned by **the University** were not returned within the prescribed forty-five (45) days.

Response

The University concurs with this finding. However, we believe it should be noted that substantial progress has been made toward resolving this finding. In FY 2007-2008, **the University** accurately calculated "Return of Title IV Funds" and submitted payment to the Department of Education. Funds were not returned within the prescribed 45-day timeline due to a personnel change within the Financial Aid Office.

The University has modified its procedures to ensure timely return of Title IV funds and proper notification to the Department of Education of students with grant overpayments. The University is in the process of preparing notifications at this time.

Southern University - Shreveport

Audit Finding Reference Number	Questioned Costs
2008-08 Federal Work Study	$2,905

Conditions and Perspectives

During our audit of the Federal Work-Study Program, we noted the following conditions:

- Three (3) students out of ten (10) students tested who received college work study in excess of the amount awarded. This resulted in excess wages paid totaling $923; and,

- Eight (8) students out of ten (10) students tested whose total hours, per the timesheet, did not agree to the total hours paid. This resulted in total under-payment to the students totaling $198; and,

- Nine (9) students out of ten (10) students tested who worked while scheduled to be in class. This resulted in wages paid totaling $2,180 to students while working in class.

Response

The University will review and strengthen internal control procedures relative to its Federal Work-Study program. The Office of Financial Aid has already assigned personnel to reconcile fiscal records on a monthly basis and verify the accuracy of timesheets submitted for payment. Additionally, Federal Work Study supervisors will be required to attend mandatory training sessions to ensure compliance with federal regulations.

BOBBY JINDAL
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov

WILLIAM D. ANKNER, Ph.D.
SECRETARY

February 16, 2009

Mr. Steve Theriot
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, La. 70804-9397

Re: Legislative Auditor Report
Department of Transportation and Development
Inadequate Preparation of the Annual Fiscal Report

Dear Mr. Theriot:

Although the Department of Transportation and Development (Department) did strive for perfection in the preparation of both of the Annual Fiscal Reports within the time frame allowed, the Department acknowledges some errors and responds to the finding regarding Inadequate Preparation of the Annual Fiscal Report (AFR) as noted below.

DOTD Capital Outlay AFR

Bullet #1 - We concur with the understatement of cooperative endeavors in the amount of $28,853,642. It should be noted that DOTD's error rate is a 90% improvement over last year due to the significant improvements in this area. Our goal is to reach 100% accuracy in FY 09 and to that end DOTD has initiated a system of requesting quarterly reports to better capture cooperative endeavor data from within the department. In addition, a quality improvement team is working on a system to archive all DOTD contracts, including cooperative endeavors.

Bullet #3 - We concur in part with the statements related to the overstatement of DOTD's infrastructure. We would like to clarify that the Department has always been aware of the LTA expenditures which has always been included in and audited as a part of the Department's infrastructure in the past. The Department did provide a schedule identifying all of the expenditures for the LTA project (LA-1) from the implementation of the project until the current fiscal year. The accounting for the LA-1 project was handled in this manner in the past because the Department pays the LA-1 expenditures and is reimbursed by LTA which provides only approximately 37% of the total revenue for the entire LA-1 project. Unfortunately, when a decision was reached by all parties involved to include 100% of the asset on the LTA AFR, it was two weeks prior to the AFR deadline and the Department had to request an extension from OSRAP which was granted.

During this extension period the Department had to restate the 2006, 2007 and 2008 LTA AFRs (even though the 2006 and 2007 LTA AFRs were not required for the CAFR) and make the necessary revisions to the DOTD capital outlay and operating related AFR schedules. Based on several meetings conducted after the close of the 2008 fiscal year between your staff, OSRAP and the Department, we were able to resolve the LTA outstanding issue and make the necessary revisions to the Department and LTA AFRs.

Bullet #4 - We concur with the overstatement of the accounts payable expenditures in the amount of $7,143,250. It should be noted that due to DOTD's legacy systems a manual process is required to produce this report. It is envisioned that implementation of the state ERP will automate this process.

DOTD Operating AFR.

Bullet #2 - We concur with the overstatement of the contingent liability note in the amount of $57,786,057. Cooperative endeavors are considered contingent liabilities; however, cooperative endeavors are reported in a separate schedule which was prepared by a different employee and resulted in a duplication of contingent liabilities. Although we did much better than last year's understatement of $116,413,867, our goal for FY 09 is to be error-free. To that end, this process will be modified so that the contingent liability note and cooperative endeavor schedule will be prepared by same employee and reviewed and approved by the same manager.

Although I agree with your general concern as it relates to good internal control, in the spirit of fairness, the Department would like to recognize the current Financial Services Administrator for the tremendous effort put forth in a short period of time related to the training of the staff; the preparation of the AFR procedures; the preparation of support documentation; and the implementation of the review and approval process related to the preparation of six AFRs. There has been a notable improvement in the Financial Services Section and all except two of the prior year issues (which showed notable improvement in the error rate), were corrected in their entirety this current fiscal year. I have every confidence that the current Financial Services Administrator will continue to receive the Department's support in an effort to correct the remaining issues. Also, the Department continues to hire competent staff within the Financial Services Section which will contribute to the Department's effort to provide accurate and reasonable AFRs.

My staff and I would like to take this opportunity to thank you and your staff for their continued cooperation.

Thanks

Sincerely,

William Ankner, Ph.D.
Secretary

c: Michael Bridges, Undersecretary
Kirt A. Clement, Deputy Undersecretary
Monica Mealie, Financial Services Administrator
John Lyon, External/Internal Audit Supervisor

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov

BOBBY JINDAL
GOVERNOR

WILLIAM D. ANKNER, Ph.D.
SECRETARY

March 12, 2009

Steve J. Theriot, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-3800

Dear Mr. Theriot:

In answer to your letter of February 25, 2009, we offer the following in respect to Overdraw of Federal funds:

- ***The Department of Transportation and Development (DOTD failed to properly recognize local matching funds received which caused an overdraw of $454,709 in federal funds from the Highway Planning and Construction Program (CFDA 20.205) which we consider to be questioned costs.***

In reference to the Audit finding on Overdraw of Federal Funds we concur. The following is a recap of the cause:

The original agreement (dated 5/28/98) listed the state project numbers as 053-09-00053 and 420-01-0033 for construction with DOTD contributing the 20% match. Supplemental Agreement No. 1 (dated 8/2/05) added the corresponding project numbers 053-09-0071 and 420-01-0038 for right of way and utility issues. The city committed to the 20% match ($815,000) based on an estimated total cost of $4,075,000. The entity was invoiced for the match; however the invoice erroneously reflected the construction projects nos. (053-09-00053 & 420-01-0033). The funds were received by the department and credited to the construction projects numbers. When the right-of-way and utility projects were funded, they reflected the 80% ratio of federal funds without the city's match. Payments were made for 100% of the invoiced cost within the 80% of federal funds obligated to the project.

This project funding issue was discovered in our Financial Services Section in November 2008. DOTD corrected the issue and credited FHWA within the same month.

The corrective actions to minimize future potential errors of this type are as follows:

1. In future invoicing for matching funds, particular attention will be given to accurately listing the proper project numbers relating to the work category (i.e. Right-of-Way). An additional quality review will be performed in the Consultant Services Section. When funds are received the Financial Services Section will notify the Project Finance Section, which will encumber the funds to the project, thus closing the funding cycle.

2. Project payments will be reviewed by the Financial Services Contracts Payable unit to ensure that the proper ratio is being paid and if a question of match arises the issue will be directed to Project Finance for research.

3. The Enterprise Resource Planning (LaGov) to be implemented 2010 will significantly reduce the probability of this type of issue by tying designated funding to existing and future projects and having one point of entry in one system rather than multiple entries. All project phases and funding will be tied to an overall project number.

We appreciate your bringing this matter to our attention so that it could be corrected. If you have any questions or need assistance concerning the above, please contact us,

Sincerely,

William D. Ankner, Ph.D.
Secretary

c: J. Michael Bridges
John Lyon

UNIVERSITY OF LOUISIANA
Lafayette

Financial Aid Office

P.O. Box 41206
Lafayette, LA 70504-1206
Office: (337) 482-6506

Université des Acadiens

February 17, 2009

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find below our management response to the FY 2007-2008 audit finding of "Failure to Provide Proper Loan Notice".

The University concurs with the finding.

The Corrective Action Plan created by the University is as follows:

> Cindy Perez, Financial Aid Director is responsible to verify the implementation of action plan.
>
> The University has begun to implement procedures and computer programs to create notification of loan disbursements and the borrower's right to cancel all or a portion of the loan proceeds. Full implementation is expected to be April 1, 2009.

Sincerely,

Cindy S. Perez
Financial Aid Director

E. Joseph Savoie
President

UNIVERSITY OF LOUISIANA
Lafayette

Financial Aid Office

P.O. Box 41206
Lafayette, LA 70504-1206
Office: (337) 482-6506

Université des Acadiens

February 12, 2009

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find below our management response to the FY 2007-2008 audit finding of "Untimely and Inaccurate Federal Reporting".

The University concurs with the finding.

The Corrective Action Plan created by the University is as follows:

Cindy Perez, Financial Aid Director is responsible to verify the implementation of action plan.

Effective immediately Pell Grant Changes are updated on the Student Aid Management (SAM) System when a student's Pell Grant is adjusted on ISIS. A comparison of SAM and ISIS will be run monthly to reconcile the two different systems. Pell Data will be reported to COD every 25 days.

Effective immediately the program used to calculate the tuition and fees amount for the FISAP has been corrected to include all tuition and fees for the fiscal year.

Sincerely,

Cindy S. Perez
Financial Aid Director

E. Joseph Savoie
President

UNIVERSITY OF LOUISIANA
Lafayette

Financial Aid Office

P.O. Box 41206
Lafayette, LA 70504-1206
Office: (337) 482-6506

Université des Acadiens

February 17, 2009

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find below our management response to the FY 2007-2008 audit finding of "Weakness in Collection Procedures Over Defaulted Loans".

The University concurs with the finding.

The Corrective Action Plan created by the University is as follows:

Cindy Perez, Financial Aid Director is responsible to verify the implementation of action plan.

Effective immediately, the University implemented procedures to ensure that once due diligence has been performed on defaulted Perkins Student Loans with no success, the defaulted loans will be referred to a collection firm within the prescribed time to remain in compliance with federal regulations.

Sincerely,

Cindy S. Perez
Financial Aid Director

E. Joseph Savoie
President

Appendix C

Findings and Recommendations
Index by State Agency

Appendix C

STATE OF LOUISIANA
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STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

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Findings Covering More Than One Federal Agency				
Education, Department of:				
2007	2007	51	F-07-CC-EDUC-1	Inadequate Control Over Coding of Federal Expenditures
2007	2007	52	F-07-CC-EDUC-2	Inadequate Controls Over Payroll - Recovery School District
2007	2006	54	F-07-CC-EDUC-3	Untimely Completion of A-87 Payroll Certifications
Executive Department (Office on Women's Policy):				
2002	2002	85	F-02-CC-OWS-1	Improper Expenditures for Promotional Items
Grambling State University:				
2007	2007	60	F-07-CC-GSU-1	Matching
Louisiana State University and A&M College (Baton Rouge):				
2007	2007	55	F-07-CC-LSUA&M-BR-1	Noncompliance With Subrecipient Monitoring Requirement
Social Services, Department of:				
2007	2007	56	F-07-CC-DSS-1	Control Weaknesses Over Information Technology
2007	2007	58	F-07-CC-DSS-2	Improper Employee Activity in Federal Programs
Southern University at Shreveport-Bossier City:				
2004	2004	35	F-04-CC-SUSH-1	Allowable Cost
University of New Orleans:				
2006	2006	31	F-06-CC-UNO-2	Inadequate Subrecipient Monitoring
2006	2006	32	F-06-CC-UNO-3	Inadequate Support and Untimely Reimbursement Requests
U.S. Department of Agriculture				
Education, Department of:				
2007	2007	61	F-07-USDA-EDUC-4	Inappropriate Charges for Free and Reduced Price Student Meals - Recovery School District

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.938/97.036	Education	N/A	Partially corrected; Repeat in 2008, p. 51	D-17
84.010/027/938/93.558	Education	$427,695	Partially corrected; QC unresolved; Repeat in 2008, p. 74	D-18
84.010/027/367/93.558	Education	N/A	Partially corrected; Repeat in 2008, p. 52	D-19
17.255/20.205	Executive Department	$6,346	Fully corrected; QC unresolved	D-20
17.259/47.049/93.658	Grambling State University	N/A	Partially corrected; Repeat in 2008, p. 58	D-21
43.RD.NNG05GH22H/47.074	LSU and A&M College (BR)	N/A	Fully corrected	D-22
10.551/93.558	Social Services	N/A	Partially corrected	D-23
10.551/561/93.558/575/596	Social Services	$44,667	Partially corrected; QC unresolved; Repeat in 2008, p. 55	D-24
84.048/93.859	Southern (Shreveport)	$700	Fully corrected; QC unresolved	D-25
11.463/12.910	UNO	$1,610,003	Fully corrected; QC unresolved	D-26
Various	UNO	$500,571	Fully corrected; QC unresolved	D-27
10.553/555	Education	N/A	Partially corrected	D-28

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Agriculture (Cont.)				
Social Services, Department of:				
2007	2007	62	F-07-USDA-DSS-3	Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
2006	2006	35	F-06-USDA-DSS-2	Deficiencies in the Operation of the Disaster Food Stamp Program
2006	2006	37	F-06-USDA-DSS-3	Food Stamp Cluster: Destroyed Records and Ineligible Benefits
U.S. Department of Housing and Urban Development				
Economic Development, Department of:				
2007	2007	64	F-07-HUD-DED-1	Inadequate Subrecipient Monitoring
Executive Department:				
2007	2007	65	F-07-HUD-EXEC-OCD-1	Inadequate Controls Over the Road Home Homeowner Assistance Program
Public Safety and Corrections - Public Safety Services, Department of:				
2007	2007	69	F-07-HUD-DPS-1	Failure to Document Payroll Costs
U.S. Department of the Interior				
Wildlife and Fisheries, Department of:				
2002	2002	92	F-02-INTERIOR-DWLF-1	Federal Funds Expended on Defective Fish Hatchery
U.S. Department of Justice				
Baton Rouge Community College:				
2006	2005	38	F-06-DOJ-BRCC-1	Noncompliance With Public Safety and Community Policing Grant
2005	2005	67	F-05-DOJ-BRCC-1	Noncompliance With Public Safety Partnership and Community Policing Grant
U.S. Department of Labor				
Executive Department (Office on Women's Policy):				
2002	2002	94	F-02-USDOL-OWS-2	Improper Expenditure of Federal Funds

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
10.551/561	Social Services	$248,825	Partially corrected; QC unresolved; Repeat in 2008, p. 59	D-29
10.551/561	Social Services	$122,110	Partially corrected; QC unresolved	D-30
10.551/561	Social Services	$2,796	Partially corrected; QC unresolved	D-31
14.228	Economic Development	N/A	Fully corrected	D-32
14.228	Executive Department	N/A	Fully corrected; Auditor determined status is misrepresented; Repeat in 2008, p. 61	D-33
14.228	Public Safety	$12,551	Fully corrected; QC unresolved	D-36
15.F-80	Wildlife and Fisheries	$12,454,421	No further action needed; No further action needed on QC	D-37
16.710	BRCC	$81,097	Fully corrected; QC resolved	D-39
16.710	BRCC	$126,251	Fully corrected; QC resolved	D-40
17.255	Executive Department	$647,060	Fully corrected; QC unresolved	D-41

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Labor (Cont.)				
Labor, Department of:				
2007	2004	70	F-07-USDOL-LABR-1	Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster
2006	2004	42	F-06-USDOL-LABR-3	Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster
2007	2007	71	F-07-USDOL-LABR-2	Noncompliance With Record Retention Policy
2007	2006	72	F-07-USDOL-LABR-3	Overdraw of Unemployment Insurance Extended Benefits
2006	2006	46	F-06-USDOL-LABR-5	Overdraw of Unemployment Insurance Extended Benefits
2006	2006	40	F-06-USDOL-LABR-2	Inadequate Controls Over Administrative Costs Charged to Workforce Investment Act Dislocated Workers Program
2006	2005	44	F-06-USDOL-LABR-4	Lack of Controls Over Payroll/Leave Administration
2006	2006	47	F-06-USDOL-LABR-6	Unemployment Insurance Benefit Payments
U.S. Department of Transportation				
Executive Department (Office on Women's Policy):				
2002	2002	98	F-02-DOT-OWS-4	Noncompliance With State Procurement Regulations
Transportation and Development, Department of:				
2007	2007	73	F-07-USDOT-DOTD-1	Overdraw of Federal Funds
2006	2006	50	F-06-USDOT-DOTD-2	Noncompliance With the Cash Management Improvement Act
U.S. Department of Education				
Baton Rouge Community College:				
2007	2007	74	F-07-ED-BRCC-1	Inadequate Controls Over Federal Work-Study Program
2007	2005	75	F-07-ED-BRCC-2	Inadequate Control Over Pell Grant
2006	2005	51	F-06-ED-BRCC-2	Inadequate Control Over Pell Grant
2005	2005	35	F-05-ED-BRCC-2	Inadequate Control Over Pell Grant
Board of Regents for Higher Education:				
2007	2007	76	F-07-ED-BOR-1	Deficiencies in Subrecipient Monitoring

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
17.260	Labor	N/A	Partially corrected; Repeat in 2008, p. 67	D-42
17.258/259/260	Labor	$12,397	Fully corrected; QC resolved	D-43
17.225	Labor	$17,928	Partially corrected; QC unresolved; Repeat in 2008, p. 69	D-44
17.225	Labor	$12,101	Fully corrected; No further action needed	D-45
17.225	Labor	$1,353,954	Fully corrected; QC resolved	D-46
17.260	Labor	$152,130	Fully corrected; QC resolved	D-47
17.207/225	Labor	$31,305	Fully corrected; QC resolved	D-48
17.225	Labor	$108,707,173	Fully corrected; QC resolved	D-49
20.205	Executive Department	$135,250	Fully corrected; QC unresolved	D-50
20.205	DOTD	$43,680	Fully corrected; QC resolved; Repeat in 2008, p. 70	D-51
20.205	DOTD	N/A	Partially corrected	D-52
84.033	BRCC	$55,711	Fully corrected; QC unresolved	D-53
84.063	BRCC	$1,610	Partially corrected; QC unresolved	D-54
84.063	BRCC	$4,499	Partially corrected; QC unresolved	D-55
84.063	BRCC	$8,831	Partially corrected; QC unresolved	D-56
84.938	Board of Regents	N/A	Fully corrected	D-57

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Education (Cont.)				
Education, Department of:				
2007	2007	77	F-07-ED-EDUC-5	Inadequate Controls Over Movable Property - Recovery School District
2007	2006	79	F-07-ED-EDUC-6	Inadequate Fiscal Monitoring
2007	2005	80	F-07-ED-EDUC-7	Inadequate Subrecipient Monitoring Over Single Audits
2007	2007	81	F-07-ED-EDUC-8	Noncompliance With Federal Equipment Management Regulations
2007	2007	82	F-07-ED-EDUC-9	Theft of Computers - Recovery School District
2005	2005	37	F-05-ED-EDUC-3	Inadequate Controls Over the Migrant Education State Grant Program
2005	2005	39	F-05-ED-EDUC-4	Untimely Fiscal Monitoring and Reporting
Grambling State University:				
2007	2007	87	F-07-ED-GSU-2	Federal Work Study
Louisiana State University at Alexandria:				
2007	2007	83	F-07-ED-LSUALEX-1	Weaknesses in the Administration of Student Financial Aid
Louisiana Technical College:				
2007	2002	84	F-07-ED-LTC-1	Inadequate Control Over Pell Grant
Northwestern State University:				
2005	2005	44	F-05-ED-NSU-1	Over-Award of Federal Family Education Loans
2005	2005	44	F-05-ED-NSU-2	Satisfactory Academic Progress Not Met by Transfer Students
Social Services, Department of:				
2007	2002	86	F-07-ED-DSS-4	Vocational Rehabilitation: Weaknesses Over Program Requirements
2006	2002	56	F-06-ED-DSS-4	Vocational Rehabilitation: Weaknesses Over Program Expenditures
2004	2002	45	F-04-ED-DSS-2	Vocational Rehabilitation: Noncompliance With Federal Requirements
Southeastern Louisiana University:				
2005	2005	46	F-05-ED-SLU-1	Failure to Obtain Waiver and Meet Matching Requirements

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.938	Education	N/A	Partially corrected	D-58
84.010/027/173/367/938	Education	N/A	Partially corrected; Repeat in 2008, p. 77	D-59
84.027/173/367/938	Education	N/A	Partially corrected	D-60
84.938	Education	N/A	Partially corrected; Repeat in 2008, p. 80	D-61
84.938	Education	N/A	Partially corrected; Repeat in 2008, p. 82	D-62
84.011	Education	$34,357	No further action needed; QC unresolved	D-63
84.various	Education	$821,702	No further action needed; QC unresolved	D-64
84.033	Grambling	N/A	Partially corrected; Repeat in 2008, p. 89	D-65
84.007/032/033/063	LSU at Alexandria	N/A	Partially corrected; Repeat in 2008, p. 83	D-66
84.063	LTC	N/A	Partially corrected; Repeat in 2008, p. 84	D-67
84.032	Northwestern	$84,353	Fully corrected; QC unresolved	D-68
84.032/063	Northwestern	$33,319	Fully corrected; QC unresolved	D-69
84.126	Social Services	N/A	Fully corrected	D-70
84.126	Social Services	$3,461	Fully corrected; QC unresolved	D-71
84.126	Social Services	$997	Fully corrected; No further action needed on QC	D-72
84.033	Southeastern	$60,950	No further action needed; QC resolved	D-73

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Education (Cont.)				
Southern University and A&M College (Baton Rouge):				
2007	2006	88	F-07-ED-SUBR-1	Return of Title IV Funds
2007	2007	89	F-07-ED-SUBR-2	Satisfactory Academic Progress
2005	2005	49	F-05-ED-SUBR-3	Satisfactory Academic Progress
2007	2007	90	F-07-ED-SUBR-3	Verification
2006	2005	58	F-06-ED-SUBR-2	Federal Work Study
2005	2005	47	F-05-ED-SUBR-1	Federal Work Study
Southern University at New Orleans:				
2007	2006	91	F-07-ED-SUNO-1	Student Account Balance
2007	2007	92	F-07-ED-SUNO-2	Student Status Confirmation Report
Southern University at Shreveport-Bossier City:				
2007	2006	93	F-07-ED-SUSH-1	Crediting Student Account
2007	2005	94	F-07-ED-SUSH-2	Return of Title IV Funds
2007	2005	95	F-07-ED-SUSH-3	Satisfactory Academic Progress
2006	2005	63	F-06-ED-SUSH-3	Satisfactory Academic Progress
2005	2005	52	F-05-ED-SUSH-2	Satisfactory Academic Progress
2007	2006	96	F-07-ED-SUSH-4	Verification
2006	2006	64	F-06-ED-SUSH-4	Verification
U.S. Department of Health and Human Services				
Elderly Affairs, Department of:				
2007	2007	97	F-07-HHS-ELDAFF-1	Inadequate Subrecipient Monitoring for the Aging Cluster
Executive Department:				
2006	2006	65	F-06-HHS-EXEC-1	Inadequate Controls Over the Temporary Assistance for Needy Families Program
Executive Department (OSRAP):				
2002	1998	122	F-02-HHS-CAFR-1	Inappropriate Billing of Insurance Premiums

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.007/032	Southern - BR	N/A	Fully corrected	D-74
84.032/063	Southern - BR	$14,668	Not corrected; QC unresolved	D-75
84.032/063	Southern - BR	$6,836	Fully corrected; QC resolved	D-76
84.032/063	Southern - BR	$4,700	Not corrected; QC unresolved	D-77
84.033	Southern - BR	$159	Fully corrected; QC resolved	D-78
84.033	Southern - BR	$87	Fully corrected; QC resolved	D-79
84.007/032/033/063	Southern - NO	N/A	Fully corrected; Repeat in 2008, p. 97	D-80
84.032	Southern - NO	N/A	Fully corrected; Repeat in 2008, p. 98	D-81
84.007/063	Southern - Shreveport	N/A	Fully corrected	D-82
84.007/032	Southern - Shreveport	$464,175	Partially corrected; QC unresolved; Repeat in 2008, p. 101	D-83
84.007/032/033/063	Southern - Shreveport	$89,100	Not corrected; QC unresolved	D-84
84.032/063/268	Southern - Shreveport	$46,710	Not corrected; QC unresolved	D-85
84.032/063	Southern - Shreveport	$16,680	Not corrected; QC resolved	D-86
84.007/032/033/063	Southern - Shreveport	$52,743	Not corrected; QC unresolved	D-87
84.007/032/063/268	Southern - Shreveport	$26,405	Not corrected; QC unresolved	D-88
93.044/045/053	Elderly Affairs	N/A	Fully corrected	D-89
93.558	Executive	$2,200	Fully corrected; QC unresolved	D-90
93.778 (and all majors)	Executive (OSRAP)	N/A	Part 1 - Fully corrected; QC resolved Part 2 - Partially corrected; QC unresolved	D-91

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Health and Human Services (Cont.)				
Health and Hospitals, Department of:				
2007	2005	99	F-07-HHS-DHH-1	Improper Claims by Waiver Services Providers
2006	2005	70	F-06-HHS-DHH-5	Improper Claims by Waiver Services Providers
2005	2005	53	F-05-HHS-DHH-1	Improper Claims by Waiver Services Providers
2007	2006	100	F-07-HHS-DHH-2	Ineffective Medicaid Eligibility Quality Control System
2006	2006	68	F-06-HHS-DHH-3	Improper Claims by Long Term Personal Care Service Providers
2006	2006	69	F-06-HHS-DHH-4	Improper Claims by Non-Emergency Transportation Service Providers
2004	2004	53	F-04-HHS-DHH-1	Improper Claims Paid to a Social Work Provider
2002	2002	127	F-02-HHS-DHH-3	Improper Disproportionate Share Payments
Labor, Department of:				
2007	2005	101	F-07-HHS-LABR-4	Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program
LSU Health Sciences Center (New Orleans):				
2006	2006	75	F-06-HHS-LSUHSC-NO-1	Inadequate Internal Controls Over Social Services Block Grant
Social Services, Department of:				
2007	2005	102	F-07-HHS-DSS-5	Child Care Cluster: Noncompliance With Program Requirements
2006	2005	76	F-06-HHS-DSS-5	Child Care Cluster: Destroyed Records and Noncompliance With Program Requirements
2005	2005	61	F-05-HHS-DSS-3	Child Care Cluster: Noncompliance With Program Requirements
2007	2000	104	F-07-HHS-DSS-6	Child Support Escrow Fund Not Reconciled
2007	2006	105	F-07-HHS-DSS-7	Control Weaknesses Over the LaCarte Purchasing Card Program
2006	2006	80	F-06-HHS-DSS-8	Control Weaknesses Over the LaCarte Purchasing Card Program
2007	2005	106	F-07-HHS-DSS-8	Foster Care - Title IV-E: Noncompliance With Program Requirements
2006	2005	81	F-06-HHS-DSS-9	Foster Care - Title IV-E: Noncompliance With Program Requirements
2005	2001	63	F-05-HHS-DSS-5	Foster Care - Title IV-E: Noncompliance With Program Regulations
2007	2005	108	F-07-HHS-DSS-9	Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements
2006	2005	83	F-06-HHS-DSS-10	Temporary Assistance for Needy Families: Destroyed Records and Noncompliance With Program Requirements
2005	2005	66	F-05-HHS-DSS-7	Temporary Assistance for Needy Families Program: Noncompliance With Program Requirements
Southern University and A&M College (Baton Rouge):				
2006	2006	85	F-06-HHS-SUBR-4	Scholarship for Disadvantaged Students (SDS)

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
93.778	Health and Hospitals	$2,619	Fully corrected; QC unresolved; Repeat in 2008, p. 107	D-94
93.778	Health and Hospitals	$46,272	Fully corrected; QC unresolved	D-95
93.778	Health and Hospitals	$64,175	Fully corrected; QC unresolved	D-96
93.778	Health and Hospitals	N/A	Partially corrected; Repeat in 2008, p. 110	D-97
93.778	Health and Hospitals	$49,608	Fully corrected; QC unresolved	D-98
93.778	Health and Hospitals	$22,488	Fully corrected; QC unresolved	D-99
93.778	Health and Hospitals	$816	Fully corrected; QC unresolved	D-100
93.778	Health and Hospitals	$185,605,936	Fully corrected; QC unresolved	D-101
93.558	Labor	N/A	Not corrected; Repeat in 2008, p. 112	D-102
93.667	LSUHSC (NO)	$31,190	Fully corrected; QC resolved	D-103
93.575/596	Social Services	$84,781	Partially corrected; QC unresolved; Repeat in 2008, p. 113	D-104
93.575/596	Social Services	$12,359	Partially corrected; QC resolved	D-105
93.575/596	Social Services	$57,432	Partially corrected; QC resolved	D-106
93.563	Social Services	N/A	Partially corrected	D-107
93.667/669	Social Services	$9,300	Not corrected; QC unresolved	D-108
93.558/658	Social Services	$2,630	Not corrected; QC resolved	D-109
93.658	Social Services	$214,753	Partially corrected; QC resolved; Repeat in 2008, p. 115	D-110
93.658	Social Services	$307,079	Partially corrected; QC resolved	D-111
93.658	Social Services	$110,715	Partially corrected; QC resolved	D-112
93.558	Social Services	$259,540	Partially corrected; QC unresolved; Repeat in 2008, p. 119	D-113
93.558	Social Services	$80,175	Partially corrected; QC resolved	D-114
93.558	Social Services	$271,058	Partially corrected; QC resolved	D-115
93.925	Southern (Baton Rouge)	$5,398	Fully corrected; QC resolved	D-116

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Homeland Security				
Executive Department:				
2007	2007	109	F-07-DHS-EXEC-FPC-1	Inadequate Controls Over Capital Outlay Transactions
Homeland Security and Emergency Preparedness, Governor's Office of:				
2007	2007	112	F-07-DHS-GOHSEP-1	Noncompliance With Federal Earmarking Requirement
2007	2006	113	F-07-DHS-GOHSEP-2	Noncompliance With Federal Reporting Requirements
2007	2007	115	F-07-DHS-GOHSEP-3	Noncompliance With Federal Subrecipient Monitoring Requirements
2007	2007	116	F-07-DHS-GOHSEP-4	Noncompliance With Movable Property Regulations
2007	2007	118	F-07-DHS-GOHSEP-5	Noncompliance With Subrecipient Monitoring Requirements Over the Homeland Security Cluster Programs
2006	2006	87	F-06-DHS-MIL/GOHSEP-1	Noncompliance With Procurement and Suspension and Debarment Requirements
Labor, Department of:				
2006	2006	86	F-06-DHS-LABR-8	Disaster Unemployment Assistance Payments
Public Health, Office of:				
2006	2006	90	F-06-DHS-OPH-1	Insufficient Documentation of Program Expenditures
2006	2006	91	F-06-DHS-OPH-2	Lack of Internal Control Over Movable Property
Public Safety and Corrections - Public Safety Services, Department of:				
2007	2007	120	F-07-DHS-DPS-2	Inadequate Subrecipient Monitoring

(Concluded)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
97.036	Executive Department	N/A	Fully corrected; QC unresolved	D-117
97.067	GOHSEP	N/A	Fully corrected	D-118
97.036	GOHSEP	N/A	Fully corrected	D-119
97.036	GOHSEP	N/A	Partially corrected; Repeat in 2008, p. 127	D-120
97.004/036/067	GOHSEP	N/A	Fully corrected	D-121
97.004/067	GOHSEP	N/A	Partially corrected	D-122
97.036	GOHSEP	$264,912	Fully corrected; QC unresolved	D-123
97.034	Labor	$1,294,650	Partially corrected; QC unresolved	D-124
97.036	Public Health	$38,533	Fully corrected; QC unresolved	D-125
97.036	Public Health	N/A	Partially corrected	D-126
97.004/067	Public Safety	N/A	Fully corrected	D-127

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Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Control Over Coding of Federal Expenditures

Reference Number(s): F-07-CC-EDUC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 51

Program Name(s): Hurricane Education Recovery; Disaster Grants – Public Assistance (Presidentially Declared Disaster

Federal Grantor Agency: US Department of Education; FEMA

CFDA Number(s): 84.938; 97.036

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Controls Over Payroll – Recovery School District

Reference Number(s): F-07-CC-EDUC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ $427,695

Page Number (from Single Audit Report): 52

Program Name(s): Title 1 Grants to Local Educational Agencies; Hurricane Education Recovery; Temporary Assistance for Needy Families; Special Education – Grants to States

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010; 84.938; 93.558; 84.027

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
There has not been any contact from the USDOE relative to the Questioned Costs.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Untimely Completion of A87 Payroll Certifications

Reference Number(s): F-07-CC-EDUC-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 54

Program Name(s): Various

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010, 84.027, 84.367, 93.558

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Executive Department

Finding Title: Improper Expenditures for Promotional Items

Reference Number(s): F-02-CC-OWS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2002

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ 6,346

Page Number (from Single Audit Report): 85

Program Name(s): Highway Planning and Construction/Workforce Investment Act

Federal Grantor Agency: Federal Highway Administrataion, Department of Transportation/ Employment &Training Adminstration, Department of Labor

CFDA Number(s): 20.205/17.255

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

OWP renders the following: "The agency anticipates negotiation of these costs, as correspondence to grantor agencies requesting no further action as referenced in OMB No. A-133 section 315 b I; as correspondence to address this matter was sent in the 2007-2008 fiscal year."

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):

OWP has submitted written communication to the Department of Labor requesting a resolution to the audit 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 form. 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 Name: JUDITH MORRIS Phone Number: (225) 342-0700

Grambling State University

For the Year Ended June 30, 2008

Finding Title: **Matching**

Reference Number(s): **F-07-CC-GSU-1**
(from attached schedule of findings, may include more than one)

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding: **$ 0**

Status of Questioned Costs (check one): Resolved ___X___ Resolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
N/A

Page Number (from Single Audit Report): **60**

Program Name(s): **Foster Care Title IV-E, WIA Youth Activities, Center for Mathematics Achievement in Science & Technology.**

Federal Grantor Agency: **U. S. Department of Education, US Dept of Labor, National Science Foundation**
CFDA Number(s): **93.658, 17.259, 47.049**

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 Grants Administration Office will change the procedure for collecting time and effort certification forms. The procedure for recording non-payroll matching expense will be revised to insure that non-payroll matching expenses are specifically identifiable. (Note: corrective action was implemented mid-year)

NOTE: Preparer's Signature:

Phone Number: 318-274-6170

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name: Louisiana State University and A&M College (Baton Rouge)
Hospital/College/University
For the Year Ended June 30, 2008

Finding Title: Noncompliance With Subrecipient Monitoring Requirement

Reference Number(s): F-07-CC-LSUA&M-BR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 55

Program Name(s): Louisiana Space Grant Consortium & Biological Sciences

Federal Grantor Agency: NASA & NSF

CFDA Number(s): 43.000 & 47.074

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

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):
The subawards cited in the Single Audit Report have been amended to incorporate the "right to audit" clause. Further, since March, 2008 (i) all subawards amended for any reason (e.g. adding incremental funding, no cost extensions, etc.) have been and are being reviewed to assure the "right to audit" clause is included and (ii) the "right to audit" clause has been included in all new subawards. Finally, the following documents have been requested from subrecipients that received subawards from LSU during FY 06-07: (i) notification of no audit findings as described in Section 320(e)(2) of OMB Circular A-133, or (ii) reporting packages as required by Section 320(e)(1) of OMB Circular A-133 in the event of audit findings.

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 form. 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 Name: Patricia Territo, Director, Sponsored Program Accounting
Phone Number: (225) 578-2204

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Control Weaknesses Over Information Technology

Reference Number(s): F-07-CC-DSS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $0

Page Number (from Single Audit Report): 56

Program Name(s): Food Stamps; Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Agriculture, U. S. Department of Health and Human Services

CFDA Number(s): 10.551; 93.558

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected __X__	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):

Control procedures have been implemented.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Improper Employee Activity in Federal Programs

Reference Number(s): F-07-CC-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $44,667

Page Number (from Single Audit Report): 58

Program Name(s): Food Stamp Cluster; Child Care and Development Fund Cluster;
Temporary Assistance for Needy Families
Federal Grantor Agency: U. S. Department of Agriculture; U. S. Department of Health and Human Services

CFDA Number(s): 10.551; 10.561; 93.558; 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected__X__	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):
Internal control procedures have been implemented in local offices to monitor and document activities of staff who have benefit authorization and EBT card issuance capabilities. Daily reports will be used to track where every card is mailed. For future DFSP, the agency has developed strategies, improved policies and procedures and issued specific guidance on processing employee DFSP applications to prevent fraud and to ensure program integrity.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Allowable Cost

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-04-CC-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2004

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable): $ 700.00

Page Number (from Single Audit Report): 35

Program Name(s): Vocational Education-Basic Grants

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.048

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Contacted Department of Education and is awaiting invoicing to remit payment.

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):

The University has received additional training to ensure that program costs are allowable per federal guidelines.

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 form. 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 Name: Bill Pugh Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: University of New Orleans

Finding Title: **Inadequate Subrecipient Monitoring**

Reference Number(s): **F-06-CC-UNO-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **FYE 06/30/2008**

Initial Year of Finding: **FYE 06/30/2006**

Amount of Questioned Costs in Finding (if applicable): $ **1,610,003.00**

Page Number (from Single Audit Report): **31**

Program Name(s): **Habitat Conservation & Research and Technology Development**

Federal Grantor Agency: **Dept. of Commerce & Dept. of Defense**

CFDA Number(s): **11.463 and 12.910**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: ✓ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

03/26/2008 US Department of Commerce, Office of Inspector General, Office of Audits questioned $144,000 of expenditures relaed to NOAA's Habitat Conservation Program, award number FNOA0001DR014G. The University submitted its response on 04/25/2008. Final determiniation from Dept. of Commerce and NOAA are still in negotiation.

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):
Corrective action disclosed in FY2007. No additional corrective action to disclose.

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 form. 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 Name: [signature] Phone Number: 504.280.7478

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **University of New Orleans**

Finding Title: **Inadequate Support and Untimely Reimbursement Requests**

Reference Number(s): **F-06-CC-UNO-3**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **FYE 06/30/2008**

Initial Year of Finding: **FYE 06/30/2006**

Amount of Questioned Costs in Finding (if applicable): $ **500,571**

Page Number (from Single Audit Report): **32**

Program Name(s): Rehabilitation Services-Vocational Rehabiliation Grants to States, Special Education-Grant to States, Basic and Applied Scientific Research, Aerospace Education Services Program, Mathematical and Physical Sciences, Biological Sciences, National Center for Research Resources, and Hazard Mitigation Grant

Federal Grantor Agency: **DOE, DOD, NASA, NSF, DHH, Dept. of Homeland Security**

CFDA Number(s): **84.126, 84.027, 12.300, 43.001, 47.049, 47.074, 93.389, & 97.039**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: ✓ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

On 02/04/2008, NSF questioned $94,813.34 in costs related to 47.049 and 47.074. UNO responded on 03/04/2008. NSF contacted the University on 08/06/2008 for additional supporting documentation which UNO provided on 08/27/2008. No final outcome. Still in negotiation.

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):
Corrective action disclosed in FY2007. No additional corrective action to disclose.

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 form. 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 Name: Michelle Hotz Phone Number: 504.280.7478

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inappropriate Charges for Free and Reduced Price Student Meals – Recovery School District

Reference Number(s): F-07-USDA-EDUC-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 61

Program Name(s): Child Nutrition Cluster

Federal Grantor Agency: US Department of Agriculture

CFDA Number(s): 10.553, 10.555

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Disaster Food Stamps Program: Intentional Program Violations and Ineligible Benefits

Reference Number(s): F-07-USDA-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $248,825

Page Number (from Single Audit Report): 62

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Collection of all questioned cost will be pursued; a significant portion has been repaid or recouped.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected__X__	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):
Specific guidance for the operation of a DFSP has been developed. All staff received training and further training will take place each year prior to hurricane season. In addition, the Division of Quality Assurance will monitor each disaster site during the entire DFSP time frame.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Deficiencies in the Operation of the Disaster Food Stamp Program

Reference Number(s): F-06-USDA-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $122,110

Page Number (from Single Audit Report): 35

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The Department is in the process of recouping the ineligible benefits. As they are recouped, they are being refunded to the feds on the FNS 209 report.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected __X__	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 cases of all DSS employees who received disaster benefits continue to be reviewed. To date less than 10% have not been reviewed. Ineligible benefits will be identified and appropriately addressed.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Food Stamp Cluster: Destroyed Records and Ineligible Benefits

Reference Number(s): F-06-USDA-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $2,796

Page Number (from Single Audit Report): 37

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The Department is pursuing recovery of the overpayments. As they are recovered, they are being refunded to the feds on the FNS 209 report.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected __X__	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 agency is scanning case records in Lake Charles. The agency is planning to implement electronic case records statewide.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Economic Development

Finding Title: Inadequate Subrecipient Monitoring

Reference Number(s): F-07-HUD-DED-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ Unable to Determine

Page Number (from Single Audit Report): 64

Program Name(s): Community Development Block Grant - Business Recovery Grant and Loan Program

Federal Grantor Agency: U.S. Department of Housing and Urban Development (through LA Office of Community Development)

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

No specific amount determined for Questioned Costs.

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):

Additional staff were hired and corrective action was implemented to 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 form. 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 Name: Kathy Blankenship Phone Number: 342-9658

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Division of Administration
For the Year Ended June 30, 2008

Finding Title: **Inadequate Monitoring Over the Road Home Homeowner Assistance Program**

Reference Number(s): **F-07-HUD-EXEC-OCD-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **Unable to determine**

Page Number (from Single Audit Report): **65**

Program Name(s): **Community Development Block Grant**

Federal Grantor Agency: **U.S. Department of Housing and Urban Development**

CFDA Number(s): **14.228**

Status of Questioned Costs (check one): **N/A**
Resolved: **Unresolved:** **No Further Action Needed:**
Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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 ATTACHMENT

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 form. 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 Name: **Wanda Walton** **Phone Number:** **(225) 342-0700**

Attachment - Schedule 8-3

With regard to the Road Home Assistance Program many changes to the Program have occurred since June 30, 2007. As of May 22, 2008, over 160,000 benefits have been calculated, and awards have been made to 108,997 homeowners. As stated in the HUD s OIG report dated December 19, 2007; OCD has made a number of improvements to its monitoring processes and procedures that include a performance measurement plan with objective and measurable performance parameters, along with corresponding incentives and penalties. The report further says that OCD has:

- Hired additional staff - More than 10 additional monitoring staff persons were hired;
- Drafted policies and procedures - Written monitoring policies and procedures were drafted;
- Designated staff to track deliverables - The designated staff tracks the receipt of deliverables, ensures that deliverables are reviewed and approved within 20 days of receipt, and ensures that ICF responds to rejected deliverables within 20 days;
- Developed a performance plan - The fourth amendment to the contract requires ICF to follow a performance measurement plan on a quarterly basis, including performance credits for noncompliance;
- Designated staff to monitor policy changes - Two administrators were designated to oversee the review of policy changes, coordinate those changes for each program area, and hold weekly meetings related to the policy changes; and
- Developed a process to track policy changes - The new process tracks policy changes by program area and requires ICF to submit all policy changes to OCD for its review and approval. The policy change process also involves a weekly meeting of OCD, the Louisiana Recovery Authority, and ICF to discuss the proposed changes.

OCD has implemented the following improvements to the Program in addition to those cited by the HUD - OIG:

- Instituted a pre-closing monitoring process on July 2, 2007.
- Continues to conduct bi-weekly meetings with ICF on evaluating the aging of files to find ways to move open applications to closing.
- Continues to conduct monthly meetings to review PAL case management activities and to identify issues that need to be resolved to move applications to closing.

Attachment - Schedule 8-3

- Continues to conduct bi-weekly quality control meetings with ICF to identify potential problem areas that need to be addressed.
- Continues to conduct weekly fraud, waste, and abuse meetings.
- Continues to conduct bi-weekly meetings with ICF's long-term monitoring and subcontractor monitoring staff to discuss issues related to covenant and subcontractor programmatic compliance.
- Continues to review state appeals from applicants to ensure that appeals are properly addressed and to evaluate ICF's appeals process and results.
- Is instituting a process to evaluate all active grants that have not gone to closing to determine, through a committee process, what decisions are needed from OCD to move applications to closing. This will involve regular on-site visits to four Housing Assistance Centers to consult with case managers and to ICF's constituent services staff.
- Continues to conduct a weekly review of the Pipeline Report that provides overall Program statistics and accomplishments.
- Has developed a grant recovery policy and process to recapture overpayments.
- Has penalized ICF for failure to correct errors found by OCD and their own staff in the cash draw reviews. This penalty will be added to quarterly performance goals.
- Continues to require ICF to meet quarterly performance goals with penalties attached for failing to achieve the performance goals.

Name of Entity: Public Safety and Corrections - Public Safety Services, Department of
Finding Title: Failure to Document Payroll Costs

Reference Number(s): F-07-HUD-DPS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 12,551

Page Number (from Single Audit Report): 69

Program Name(s): Community Development Block Grants/State's Program

Federal Grantor Agency: Dept. of Housing & Urban Development/ Community Planning & Development

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

At this time the Dept. of Public Safety has not received any contact from HUD regarding questioned costs

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):

The hours devoted to UCCE are being properly recorded on timesheets and in Payroll 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 form. 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 Name: Tara Pocorello Phone Number: (225) 925-6400

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Wildlife and Fisheries

Finding Title: Federal Funds Expended on Defective Fish Hatchery

Reference Number(s): F-02-INTERIOR-DWLF-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: _____

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ 12,454,421

Page Number (from Single Audit Report): 92

Program Name(s): Dire Emergency Fund

Federal Grantor Agency: U.S. Department of Interior (Fish and Wildlife Service)

CFDA Number(s): 15.F-80

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The federal government has not requested a refund.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	X
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):

Repairs were completed by December 31, 2007. The U.S. Fish and Wildlife Services is aware of the repairs and have not requested further information. Documentation is on file at the Louisiana Department of Wildlife & Fisheries to support the additional expenditures of $1.9 million. A timeline for repairs is included.

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 form. 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 Name: Paula Breaux Phone Number: (225)763-3525

(Timeline Dire Emergency Funds Corrected Schedule 8-3)

1992- Hurricane Andrew
1993- Dire Emergency Funds from Andrew for a fish Hatchery ($12.3M)
1995- February, Construction of fish hatchery
1996- August, Completion of hatchery
1997- July 25th -Warranty Punch List-Walk thru and inspection by Professional Engineering Corporation (PEC) and Facility Planning and Control (FP&C). 62 ponds out of 73 were documented to have water underneath the liner.
2001- March, Department initiated suit against designer and contractor
2003- October, Settlement of suit thru mediation for $1.9 M
2006- September-New Construction Contract Date for mediation monies.
2006- October, Began construction fix with settlement funding ($1.5M to be used for construction). Remainders of funds were used by Facility Planning and Control (FP&C) as required by state law for planning and design.

Scope of work consisted of:

1. Demolish structures in designated sixteen 1-ac rearing ponds and remove liner.
2. Construct new catch basins for 12 of the 16 designated rearing ponds.
3. Install French drains in each of the 12 designated rearing ponds.
4. Lay new liner (reinforced polypropylene instead of low linear density polyethylene) in the 12 designated rearing ponds.
5. 4 in. refresher lines in each of the 12 ponds.
6. Resurface levee tops around each of the 12 refurbished ponds.
7. Replace and install new 36 water main.
8. Address any water main or air line leaks.

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Noncompliance With Public Safety and Community Policing Grant

Reference Number(s): F-06-DOJ-BRCC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 81,097.00

Page Number (from Single Audit Report): 38

Program Name(s): Public Safety Partnership and Community Policing Grants

Federal Grantor Agency: United States Department of Justice

CFDA Number(s): 16.710

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Funds have been refunded to the federal government as of December 23, 2008.

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 form. 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 Name: Helen Harris Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Noncompliance With Public Safety Partnership and Community Policing Grant

Reference Number(s): F-05-DOJ-BRCC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 126,251.00

Page Number (from Single Audit Report): 67

Program Name(s): Public Safety Partnership and Community Policing Grants

Federal Grantor Agency: United Stated Department of Justice

CFDA Number(s): 16.710

Status of Questioned Costs (check one):
Resolved: x Unresolved: _____ No Further Action Needed: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Per an August 7, 2008 letter from the U.S. Dept. of Justice to the Deputy Commissioner of Administration, the audit report for the State of Louisiana for the fiscal year ending June 30, 2005 pertaining to these funds has been officially closed.

Status of Finding (check one):

Fully Corrected	x	Not Corrected	
Partially Corrected		No Further Action Needed	x
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):

This audit report is closed.

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 form. 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 Name: Helen Harris Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Executive Department**

Finding Title: Improper Expenditures of Federal Funds

Reference Number(s): F-02-USDOL-OWS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2002

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ 647,060

Page Number (from Single Audit Report): 94

Program Name(s): Workforce Investment Act

Federal Grantor Agency: Employment &Training Adminstration, Department of Labor

CFDA Number(s): 17.255

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

OWP renders the following: "The agency anticipates negotiation of these costs, as correspondence to grantor agencies requesting no further action as referenced in OMB No. A-133 section 315 b l; as correspondence to address this matter was sent in the 2007-2008 fiscal year."

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):

OWP has submitted written communication to the Department of Labor requesting a resolution to the audit 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 form. 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 Name: JUDITH MORRIS Phone Number: (225) 342-0700

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

Reference Number(s): F-07-USDOL-LABR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable): $ -

Page Number (from Single Audit Report): 70

Program Name(s): Workforce Investment Act

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.258, 17.259, 17.260

Status of Questioned Costs (check one): Resolved: ____ Unresolved: ____
No Further Action Needed: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	x	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):
Monitoring reviews have been completed for subreceipients receiving $21 of the $30 million in NEG funds cited in the Legislative Audit report. NEG monitoring reviews currently started or currently underway will account for another $9 million and will be completed by Nov 1, 2008.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

Reference Number(s): F-06-USDOL-LABR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable): $ 12,397

Page Number (from Single Audit Report): 42

Program Name(s): Workforce Investment Act

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.258, 17.259, 17.260

Status of Questioned Costs (check one): Resolved: x Unresolved: ____
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The grant officer final determination letter was received August 28, 2008. The disallowed cost was determined to be $12,397 but stand in cost was accepted in lieu of repayment.

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):

While many improvements were made in the unit, we recognize the need to continue to enhance our monitoring program. A spreadsheet was created to match actual subgrantee reported expenditures to actual book expenditures for Adult, Youth, Dislocated Worker and Administrative Costs for a complete month. The monitors were reminded and instructed to obtain and utilize expenditure reports reports initialed by a member of the Fiscal Unit.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Noncompliance With Record Retention Policy

Reference Number(s): F-07-USDOL-LABR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 17,928

Page Number (from Single Audit Report): 71

Program Name(s): Unemployment Insurance

Federal Grantor Agency: U. S. Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one): Resolved: ____ Unresolved: x
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Final determination letter has not been received.

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	x	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):

In our current system, we make every effort to properly index all microfiche (approx. 100,000 per QTR) of employer wage data. The vendor is currently in the implementation phase for our new imaging/scanning system. Upon completion in April 2009, we will be assured that all records are available and readily retrievable.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Overdraw of Unemployment Insurance Extended Benefits

Reference Number(s): F-07-USDOL-LABR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 12,101

Page Number (from Single Audit Report): 72

Program Name(s): Unemployment Insurance

Federal Grantor Agency: U. S. Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one): Resolved: ____ Unresolved: ____
No Further Action Needed: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The agency has repaid U. S. Department of Labor the full amount of $12,101.

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):

As part of the quarterly benefit charge run, a summary of extended benefit payments made on a reimbursable employer account is forwarded to UI Accounting, so that a timely refund can be made to the federal government.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Overdraw of Unemployment Insurance Extended Benefits

Reference Number(s): F-06-USDOL-LABR-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 1,353,954

Page Number (from Single Audit Report): 46

Program Name(s): Unemployment Insurance Program

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one): Resolved: x Unresolved: ____
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The agency has repaid the federal government the full amount of $1,353,594.00.

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):

The U. S. Department of Labor has issued its final determination in which this finding is considered to be corrected.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Inadequate Controls Over Administrative Costs Charged to Workforce Investment Act Dislocated Workers Program

Reference Number(s): F-06-USDOL-LABR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 152,130

Page Number (from Single Audit Report): 40

Program Name(s): WIA Dislocated Workers

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.260

Status of Questioned Costs (check one): Resolved: x Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The grant officer final determination letter was received August 28, 2008. The disallowed cost was determined to be $67,368 and was repaid .

Status of Finding (check one):

Fully Corrected	x	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed (See OMB A-133 Section 315(b)(4))	_____
Change of Corrective Action	_____		

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Cingular Wireless cards have been deactivated and control procedures have been implemented to control activation of wireless cards as needed. The IT unit tracks and maintains the deactivation of cards. The U. S. Department of Labor has issued its final determination in which this finding is considered to be corrected.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Lack of Controls Over Payroll / Leave Administration

Reference Number(s): F-06-USDOL-LABR-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 31,305

Page Number (from Single Audit Report): 44

Program Name(s): Unemployment Insurance ; Employment Service Cluster

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.225, 17.207

Status of Questioned Costs (check one): Resolved: x Unresolved: ____
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The grant officer final determination letter was received August 28, 2008. The full amount of the questioned cost was allowed.

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):

Policies and procedures are continuously being updated. Bi-annual training classes are offered, monitoring of ISIS-HR data, personnel action forms, and work practices are continuously being reviewed. The U. S. Department of Labor has issued its final determination in which this finding is considered to be corrected.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Unemployment Insurance Benefit Payments

Reference Number(s): F-06-USDOL-LABR-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 108,707,173

Page Number (from Single Audit Report): 47

Program Name(s): Unemployment Insurance Program

Federal Grantor Agency: U.S. Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one): Resolved: x Unresolved: ____
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The grant officer final determination letter was received August 28, 2008. The disallowed cost was determined to be $41,444,146 and is being recouped from the overpaid benefit recipients. The disallowed cost is not subject to repayment to the Federal government.

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):

All overpayments that have been discovered have been addressed. Investigations are continuous. Fraud cases have been referred to the USDOL-OIG, U.S. Attorney General and State Attorney General.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Executive Department - Office on Women's Policy
Finding Title: Noncompliance With State Procurement Regulations

Reference Number(s): F-02-DOT-OWS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2002

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ 135,250

Page Number (from Single Audit Report): 98

Program Name(s): Highway Planning and Construction

Federal Grantor Agency: Federal Highway Administration, Department of Transportation

CFDA Number(s): 20.205

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

OWP renders the following: "The agency anticipates negotiation of these costs, as correspondence to grantor agencies requesting no further action as referenced in OMB No. A-133 section 315 b I; as correspondence to address this matter was sent in the 2007-2008 fiscal year."

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):

OWP has submitted written communication to the Department of Transportation and Development requesting a resolution to the audit 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 form. 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 Name: JUDITH MORRIS Phone Number: (225) 342-0700

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Transportation and Development,Department of

Finding Title: Overdraw of Federal Funds

Reference Number(s): F-07-USDOT-DOTD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 43,680

Page Number (from Single Audit Report): 73

Program Name(s): Highway Planning and Construction / Highway Planning and Construction Cluster

Federal Grantor Agency: Department of Transportation

CFDA Number(s): 20.205

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Correction documents were processed in February, 2008 and credit/refund was sent to the federal government.

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):

The correcting entries were processed in February, 2008 and credit/refund was sent to the federal government on the next progress billing. Corrective action: To strengthen internal control over Federal Awards and provide additional training to the staff as it relates to Federal, State and Local Government cost sharing to assist in preventing future billing errors including timely resolution of issues. The manager's supervisor will monitor the review of the FAID system report in the future by approving the report on a monthly 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 form. 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 Name: Terry Meliet Phone Number: 225-379-1681

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Transportation and Development, Department of

Finding Title: Noncompliance With the Cash Management Improvement Act

Reference Number(s): F-06-USDOT-DOTD-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 50

Program Name(s): Highway Planning and Construction / Highway Planning and Construction Cluster

Federal Grantor Agency: Department of Transportation

CFDA Number(s): 20.205

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 for reporting refunds were implemented immediately and remain in progress. In regard to the finding, "failure to draw funds on the scheduled receipt date", the Department has adequate controls in place over program draws and follows procedures to the letter regarding the calculation of the scheduled draw and receipt dates to CMIA requirements. The same procedures are still in place at this time and legacy system enhancements are being made to gain efficiencies to complete billings more timely, thereby, making most receipt deadlines. In addition, Department of Transportation and Development is reviewing current billing schedules with Division of Administration and Louisiana Legislative Auditors to ensure the most effective means to ensure 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 form. 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 Name: Terry Meliet Phone Number: 225-379-1681

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Inadequate Control Over Federal Work-Study Progam

Reference Number(s): F-07-ED-BRCC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 55,711.00

Page Number (from Single Audit Report): 74

Program Name(s): Federal Work StudyProgram

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: ___x___ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
The questioned costs were returned to the grantor. A federal program review was conducted by the USDOE in August 2008. Final action regarding this finding is pending.

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):
The college has obtained a five year Title III waiver that eliminates the requirement for matching funds. The above questioned costs have been returned to the grantor. Also, the Financial Institution Shared Assessments Program (FISAP) has been updated.

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 form. 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 Name: Helen Harris Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Inadequate Control Over Pell Grants

Reference Number(s): F-07-ED-BRCC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 1,610.00

Page Number (from Single Audit Report): 75

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: x No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
A program review was conducted by the USDOE in August 2008. Final action regarding this finding is pending.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	x	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 college has established procedures to identify all unofficial and official withdrawals by PELL recipients. Those procedures include requiring faculty to take attendance and input data into a computerized grade system. Once students withdraw, these students are identified, the amount refundable to the grantor agency is calculated and refunded within the required timeframe by the college.

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 form. 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 Name: Steve Parker Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Inadequate Control Over Pell Grants

Reference Number(s): F-06-ED-BRCC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 4,499.00

Page Number (from Single Audit Report): 51

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: x No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? A program review was conducted by the USDOE in August 2008. Final action regarding this finding is pending.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	x	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 college has established procedures to identify all unofficial and official withdrawals by PELL recipients. Those procedures include requiring faculty to take attendance and input data into a computerized grade system. Once students withdraw, these students are identified, the amount refundable to the grantor agency is calculated and refunded within the required timeframe by the college.

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 form. 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 Name: Steve Parker Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Baton Rouge Community College**

Finding Title: Inadequate Control Over Pell Grants

Reference Number(s): F-05-ED-BRCC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 8,831.00

Page Number (from Single Audit Report): 35

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: x No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? A program review was conducted by the USDOE in August 2008. Final action regarding this finding is pending.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	x	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 college has established procedures to identify all unofficial and official withdrawals by PELL recipients. Those procedures include requiring faculty to take attendance and input data into a computerized grade system. Once students withdraw, these students are identified, the amount refundable to the grantor agency is calculated and refunded within the required timeframe by the college.

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 form. 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 Name: Steve Parker Phone Number: (225) 216-8089

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Louisiana Board of Regents For Higher Education
For the Year Ended June 30, 2008

Finding Title: **Deficiencies in Subrecipient Monitoring**

Reference Number(s): **F-07-ED-BOR-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **0**

Page Number (from Single Audit Report): **76**

Program Name(s): **Hurricane Education Recovery Act (HERA) Program**

Federal Grantor Agency: **U.S. Department of Education**

CFDA Number(s): **84.938D**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
Although the Board of Regents had previously insured that requested expenditure reimbursements were not also reimbursed by FEMA, in response to the Single Audit Finding F-07-ED-BOR-1 the Board of Regents (BOR) Audit Department has added an additional step to the audit program for the Hurricane Education Recovery Act (HERA) Program. Based on discussions with the Louisiana Legislative Auditor, the BOR now inquires of management whether any expenses reimbursed by the HERA program were funded by any other funding source. This includes all expenditures reimbursed by the BOR for the HERA program that were audited subsequent to the finding noted above. As agreed to by the LLA the BOR did not go back and add an additional step in the audit program to funds already audited prior to the finding.

In addition, all invoices submitted to the BOR for reimbursement are signed by institution management stating that they certify that all expenditures reported or payments requested are for appropriate, allowable purposes and in accordance with the provisions of the guidelines for proposal submission and the provisions of the award document. Based on the additional step in the audit program, the finding has been resolved.

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 form. 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 Name: **Judith Morris** Phone Number: **(225) 342-0700**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Controls Over Movable Property – Recovery School District

Reference Number(s): F-07-ED-EDUC-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 77

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Fiscal Monitoring

Reference Number(s): F-07-ED-EDUC-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 79

Program Name(s): Various

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010, 84.367, 84.938, 84.027, 84.173

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Subrecipient Monitoring Over Single Audit Reports

Reference Number(s): F-07-ED-EDUC-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 80

Program Name(s): Improving Teacher Quality State Grants; Hurricane Education Recovery Act; Special Education Cluster

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.367, 84.938, 84.027, 84.173

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Noncompliance With Federal Equipment Management Regulations

Reference Number(s): F-07-ED-EDUC-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 81

Program Name(s): Hurricane Education Recovery Act

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Theft of Computers – Recovery School District

Reference Number(s): F-07-ED-EDUC-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 82

Program Name(s): Hurricane Education Recovery Act

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Inadequate Controls Over the Migrant State Education Program

Reference Number(s): F-05-ED-EDUC-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005 Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 34,357

Page Number (from Single Audit Report): 37

Program Name(s): Migrant Education

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.011

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The USDOE contacted us in April 2007 and requested information which we Provided. Since that time, there has been no further contact with the USDOE.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	X
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):

This finding resulted from a report issued by the SDE Bureau of Internal Audit 12/9/2004. The Bureau of Internal Audit (BIA) issued a follow-up audit report 10/20/2005. The BIA reported it believed all corrective action would be complete by 12/31/2005. The reported questioned costs were expected to be resolved by the Migrant Education Program.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana Department of Education
FYE June 30, 2008

Finding Title: Untimely Fiscal Monitoring and Reporting

Reference Number(s): F-05-ED-EDUC-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005 Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 821,702

Page Number (from Single Audit Report): 39

Program Name(s): Various

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.010; 84.027; 84.173; 84.186; 84.281; 84.298; and 84.340

Status of Questioned Costs (check one): Resolved: ____ Unresolved: X
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
At this time, there has not been any contact from the USDOE regarding questioned costs.

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	____	No Further Action Needed	X
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 corrective action implementation process was begun and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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 Name: Patrick Weaver Phone Number: 342-2098

Grambling State University

For the Year Ended June 30, 2008

Finding Title: **Federal Work Study**

Reference Number(s): **F-07-ED-GSU-2**
(from attached schedule of findings, may include more than one)

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding: **$ 0**

Status of Questioned Costs (check one): Resolved ___X___ Resolved:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
N/A

Page Number (from Single Audit Report): **87**

Program Name(s): **Work Study**

Federal Grantor Agency: **U. S. Department of Education**
CFDA Number(s): **84.033**

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	___X___	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 Payroll Office provides a copy of the class schedule conflict report to the Financial Aid Office and where conflicts exist the payments are charged to the department's budget.(Note: corrective action was implemented mid-year)

NOTE: Preparer's Signature:

Phone Number: 318-274-6170

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name: Louisiana State University at Alexandria
Hospital/College/University
For the Year Ended June 30, 2008

Finding Title: Weaknesses in the Administration of Student Financial Aid

Reference Number(s): F-07-ED-LSUALEX-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 83

Program Name(s): Federal Supplemental Educational Opportunity Grants, Federal Family Education Loans, Federal Work-Study Program, Federal Pell Grant Program

Federal Grantor Agency: US Dept of Education

CFDA Number(s): 84.007, 84.032, 84.033, 84.063

Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 circumstances of this finding occurred because LSUA is in transition to a new student administration software system. The pending full implementation of this new software system will prevent reoccurrence of this Federal Pell Grant/FISAP 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 form. 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 Name: David Wesse

Phone Number: 318-473-6409

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Technical College**

Finding Title: Inadequate Control Over Pell Grant

Jun-08

Reference Number(s): F-07-ED-LTC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ $0

Page Number (from Single Audit Report): 84

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? No Question Costs Involved

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	x	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 LTC has implemented procedures to improve these practices. There have been improvements. Trainings have been done to correct these findings.

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 form. 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 Name: Jim Henderson Phone Number: (225) 922-2373

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name: Northwestern State University
University
For the Year Ended June 30, 2008

Finding Title: Over-Award of Federal Family Education Loans

Reference Number(s): F-05-ED-NSU-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 84,353

Page Number (from Single Audit Report): 44

Program Name(s): Federal Family Education Loans

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

NSU was sent a final determination letter from the U.S. Department of Education however, NSU did not agree with the amount to be paid. NSU appealed the determination and is waiting on a final decision and new final determination letter.

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):

University personnel are familiar with interpretation and application of Federal Regulations. Policy and procedures have also been updated to reflect how summer loans will be processed for all students, including Nursing Clinical students. All lenders were also notified of incorrect aid processing for students who received loan funds in error. All updates were complete as of March 2006.

Preparer's Name: Thomas Hanson Thomas Hanson

Phone Number: 318-357-5361

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name: Northwestern State University
University
For the Year Ended June 30, 2008

Finding Title: Satisfactory Academic Progress Not Met by Transfer Students

Reference Number(s): F-05-ED-NSU-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 33,319

Page Number (from Single Audit Report): 44

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 Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

NSU was sent a final determination letter from the U.S. Department of Education however, NSU did not agree with the amount to be paid. NSU appealed the determination and is waiting on a final decision and new final determination letter.

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):

Management has created a report to identify ISIRs loading with school codes other than NSU's listed. The report is worked to identify students who are transfer students. Transcripts are then requested and reviewed for Satisfactory Academic Progress prior to aid being awarded. Polices and procedures are in place for these processes. This was put into place as of August 2005.

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 form. 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 Name: Thomas Hanson Thomas Hanson

Phone Number: 318-357-5361

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Vocational Rehabilitation: Weaknesses Over Program Requirements

Reference Number(s): F-07-ED-DSS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $0

Page Number (from Single Audit Report): 86

Program Name(s): Rehabilitation Services - Vocational Rehabilitation Grants to States

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s):84.126

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
Staff training was conducted statewide on required support documentation and timeliness of the determination of services. The agency implemented review of all timing cases at the end of each semester to ensure proper documentation.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Vocational Rehabilitation: Weaknesses Over Program Expenditures

Reference Number(s): F-06-ED-DSS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $3,461

Page Number (from Single Audit Report): 56

Program Name(s): Rehabilitation Services - Vocational Rehabilitation Grants to States

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s):84.126

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending.

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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Vocational Rehabilitation: Noncompliance With Federal Requirements

Reference Number(s): F-04-ED-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2004

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $997

Page Number (from Single Audit Report): 45

Program Name(s): Rehabilitation Services - Vocational Rehabilitation Grants to States

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s):84.126

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: __X__

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are considered resolved if not required to repay the federal granting agency within two years of the audit findings.

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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Southeastern Louisiana University**

For the Year Ended June 30, 2008

Finding Title: **Failure to Obtain Waiver and Meet Matching Requirements**

Reference Number (from attached schedule of findings): **F-05-ED-SLU-1**

Single Audit Report Year: **2005**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding: $ **60,950**

Status of Questioned Costs Resolved **X** Unresolved _____

No Further Action Needed **X**

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

See note below.

Page Number (from Single Audit Report): *46*

Program Name(s): **Federal Work-Study Program**

Federal Grantor Agency: **U.S. Department of Education**

CFDA Number(s): **84.033**

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected		No Further Action Needed	**X**
Change of Corrective Action		See OMB A-133 Section 315(b)(4)	

Description of Status: **Southeastern submitted a request for an administrative review regarding these costs. The U.S. Department of Education reviewed the documentation submitted and determined that the liabilities should not be imposed in this instance. Because there were no other contested issues in the appeal, the matter is fully resolved.**

Preparer's Signature: **Marie Weathersby**
Phone Number: **(985) 549-5588**
DUNS Number: **883227324**
EIN Number: **72-6000816**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Southern University and A&M College (BR)**

Finding Title: Return of Title IV Funds

Reference Number(s): F-07-ED-SUBR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 88

Program Name(s): FFEL & Federal PELL

Federal Grantor Agency: U S Department of Education

CFDA Number(s): CFDA 84.032 and CFDA 84.063

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Questions costs have been refunded

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):

The University has updated our procedures and processing times for calculation of the Title IV Return of Funds due when students withdraw from the Univesity. The updated procedures have been implemented to ensure the calculation and return of Title IV Funds are in compliance with federal regulations.

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 form. 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 Name: Demetria Craig Phone Number: 225-771-2811

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Satisfactory Academic Progress

Reference Number(s): F-07-ED-SUBR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 14,668.00

Page Number (from Single Audit Report): 89

Program Name(s): Federal Pell Grant Program and Federal Family Education Loans (FFEL)

Federal Grantor Agency:

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Awaiting final determination letter form the U.S. Department of Education.

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):
The University has updated the Satisfactory Academic Progress (SAP) policy and procedures, effective Fall 2007, to accurately monitor student eligibility.

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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Satisfactory Academic Progress

Reference Number(s): F-05-ED-SUBR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 6,836.00

Page Number (from Single Audit Report): 49

Program Name(s): Federal Pell Grant Program and Federal Family Education Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Federal Pell Grant funds have been refunded to the U.S. Department of Eduaction.

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):

The University has updated its Satisfactory Academic Progress (SAP) policy and procedures to accurately monitor student eligibility, effective Fall 2007.

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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Verification

Reference Number(s): F-07-ED-SUBR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 4,700.00

Page Number (from Single Audit Report): 90

Program Name(s): Federal Pell Grant Program and Federal Family Education Loan(FFEL) Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Awaiting final determination letter from the U.S. Department of Education.

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):

The University will adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Federal Work-Study

Reference Number(s): F-06-ED-SUBR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 159.00

Page Number (from Single Audit Report): 58

Program Name(s): Federal Work Study Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Funds regarding this item were refunded to the U.S. Department of Education.

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):

The University updated its payroll procedures for the 2007-2008 award year to accurately monitor and report student payroll information.

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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Federal Work-Study

Reference Number(s): F-05-ED-SUBR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 87.00

Page Number (from Single Audit Report): 47

Program Name(s): Federal Work Study Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Funds were restored to the FWS account.

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):

The University updated its payroll procedures for the 2007-2008 award year to accurately monitor and report student payroll information.

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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at New Orleans

Finding Title: Student Account Balance

Reference Number(s): F-07-ED-SUNO-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 0.00

Page Number (from Single Audit Report): 91

Program Name(s): Federal Pell Grant, Family Educational Loans, Supplemental Education Opportunity Grant and Work Study Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063, 84.032, 84.007 and 84.033

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Zero Questioned Costs

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):

Enhanced the processing of student refund checks by initiating the processing earlier to allow for down time for computing their checks.

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 form. 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 Name: Linda Williams Phone Number: (504) 286-5117

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at New Orleans

Finding Title: Student Status Confirmation Report

Reference Number(s): F-07-ED-SUNO-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 0.00

Page Number (from Single Audit Report): 92

Program Name(s): Federal Family Educational Loan

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Zero Questioned Costs.

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):

The University automated the process for collecting, verifying and submitting student status to the guarantee agency.

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 form. 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 Name: Susan Williams Phone Number: (504) 286-5117

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Crediting Student Account

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-07-ED-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 0.00

Page Number (from Single Audit Report): 93

Program Name(s): Federal Pell Grant; Federal Supplementsl Educational Opportunity Grant

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):

The University will adhere to established policies and procedures regarding the appropriate timetable for disbursement of Title IV funding to students prior to the first day of class. The University miscalculated the official date to begin credit of student accounts. The rationale for this oversight was an effort to improve customer service and comply with Title IV mandates requiring prompt disbursement of student refunds. Procedures have been revised and disseminated to appropriate staff to ensure future compliance with this regulation.

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 form. 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 Name: Bill Pugh Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Return of Title IV Funds

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-07-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 464,175.00

Page Number (from Single Audit Report): 94

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; Federal Direct Student Loan; Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University is reviewing documentation to reduce potential liability. The Department of Education has not billed the agency.

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	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 University's Management, in recognition of the seriousness of this finding, has appointed a committee to provide recommendations and an actionn plan to bring final resolution to this issue.

The University has begun the process of determining whether students unofficially withdrew from the University or not. Faculty members have been requested to assist management in this determination
Additionally, Return of Title IV Fund Calculations will be prepared for all required students. The University will endeavor to return appropriate funds due to the Department of Education in an expedited 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 form. 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 Name: _____ Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Satisfactory Academic Progress

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-07-ED-SUSH-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 89,100.00

Page Number (from Single Audit Report): 95

Program Name(s): Federal Pell Grant; Federal Family Education Loan (FFEL); Federal Supplemental Educational Opportunity Grant; Federal Work Study Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University has not received an invoice from the Department of Education which is required before payment can be made.

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):

The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding financial aid.

All members of the University's Appeals Committee will be required to attend a mandatory workshop to ensure compliance with the University's satisfactory academic progress policy.

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 form. 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 Name: _____ Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Satisfactory Academic Progress

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-06-ED-SUSH-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 46,710.00

Page Number (from Single Audit Report): 63

Program Name(s): Federal Pell Grant; Federal Family Education Loan (FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University has not received an invoice from the Department of Education which is required prior to payment.

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):

The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding student financial aid. All members of the University's Appeals Committee will be required to attend a mandatory workshop to ensure compliance with the University's satisfactory academic progress policy.

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 form. 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 Name: Barbara Pugh Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City
Finding Title: Satisfactory Academic Progress
Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-05-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 16,680.00

Page Number (from Single Audit Report): 52

Program Name(s): Federal Pell Grant; Federal Family Educatino Loan (FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University has remitted payment to the Department of Education for the Pell amount; however, the loan amount is still outstanding.

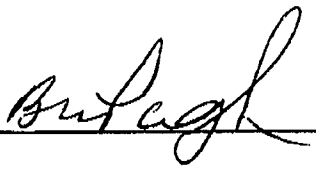
Status of Finding (check one):

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):

The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding financial aid. All members of the University's appeals Committee will be required to attend a mandatory workshop to ensure compliance with the University's satisfactory academic progress policy.

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 form. 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 Name:  Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Verification

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-07-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 52,743.00

Page Number (from Single Audit Report): 96

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; Federal Direct Student Loan; Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University has not received an invoice from the Department of Education which is required prior to payment.

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):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34 CFR, Sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory charges.

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 form. 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 Name: Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University at Shreveport-Bossier City

Finding Title: Verification

Southern University-Shreveport: FY Ending June 2008

Reference Number(s): F-06-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 26,405.00

Page Number (from Single Audit Report): 64

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; Federal Direct Student Loan; Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.007, 84.268, 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? The University has not received an invoice from the Department of Education which is required prior to payment.

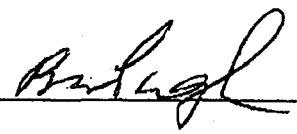
Status of Finding (check one):

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):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34 CFR, Sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory charges.

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 form. 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 Name:  Phone Number: (318) 670-6481

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Elderly Affairs, Governor's Office of

Finding Title: Inadequate Subrecipient Monitoring for the Aging Cluster

Reference Number(s): F-07-HHS-ELDAFF-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 97

Program Name(s): Aging Cluster

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.044 93.045 93.053

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):

HCBS will conduct a Program Audit of each Area Agency each Area Plan cycle. They are currently in the process of conducting these audits.

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 form. 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 Name: James R. Fontenot Phone Number: (225) 342-7100

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Executive Department
Finding Title: Inadequate Controls over the Temporary Assistance for Needy Families Program

Reference Number(s): F-06-HHS-EXEC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 2,200.00

Page Number (from Single Audit Report): 65

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U S Department of Health & Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

The $2,200 were overpayments . In the process to recoup the outstanding funds, OFSS has processed a J4 document returning $550.00 to DSS. This amount represents the difference between the $2,200 overdrawn and the $1,650 underdrawn. The NSECD Program is reviewing the previous documentation and will be contacting the providers and informing them of the discrepancies. With the assistance of DOA, our office will be reconciling the funds.

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):

The NSECD Program has designed an automated system which is currently being tested and is scheduled for launch in FY 09.

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 form. 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 Name: Anita Minor Phone Number: (225) 342-0700

Schedule 8-3: Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Executive Department (OSRAP)**

Finding Title: Inappropriate Billing of Insurance Premiums

Reference Number(s): F-02-HHS-CAFR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2002

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding (if applicable): $ cannot be determined

Page Number (from Single Audit Report): 122

Program Name(s): Medicaid cluster-Medical Assistance Program (and all major programs)

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.778

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Part 1 of the Finding: ($50.3 million refunded to federal government
Part 2 of the Finding: still in negotiation (see attached).

Status of Finding (check one):

Fully Corrected	X Part 1	Not Corrected	_____
Partially Corrected	X Part 2	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 Finding is divided into two parts:

1. Billing of Property and Casualty Premimums.
2. Inequitable Distribution of Premium Billings Between State and Federal Funding Sources (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 form. 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 schedulle, write NONE above.

Preparer's Name: Barbara Goodson Phone Number: 225-342-7000

Summary Schedule of Prior Federal Audit Findings
Attachment - Description of Questioned Costs

Billing of Property and Casualty Insurance Premiums (described as "Part 1 of the Finding" on the Summary Schedule). Based on a single audit finding by the state's Legislative Auditor, the federal Department of Health and Human Services ("HHS"), Division of Cost Allocation ("DCA") issued two demands for repayment in cash of amounts that DCA alleged were improperly billed to federal programs for fiscal years 1997 through 2000, and for fiscal year 2001. The State, through the Division of Administration, with the assistance of Covington & Burling LLP of Washington, D.C., contested the federal demands. The HHS Departmental Appeals Board and the U.S. District Court for the Middle District of Louisiana ruled in the federal government's favor, and the U.S. Court of Appeals for the Fifth Circuit (*State of Louisiana Division of Administration vs. U.S. Department of Health and Human Services*, No. 05-30927, Nov. 17, 2006) affirmed the district court's decision. It was determined after consultation with attorneys that further appeal would be pointless. On June 29, 2007, the Division of Administration repaid in full the amount of the disallowance, $27,997,512, plus interest. The payment totaled $50,335,485.00.

Inequitable Distribution of Premium Billings Between State and Federal Funding Sources (described as "Part 2 of the Finding" on the Summary Schedule). In the 2002 statewide single audit report, the state's Legislative Auditor issued a finding stating that premium billings were inequitably distributed between state and federal funding sources for Fiscal Year 2001-2002 due to the payment of claims for the road hazard line of insurance offered through the Division of Administration, Office of Risk Management ("ORM"). The Legislative Auditor noted that because of constitutional and statutory provisions prohibiting the use of the Louisiana Transportation Trust Fund to pay directly or indirectly for any judgments, settlements and road hazard insurance premiums, no billings were issued for road and bridge hazard insurance coverage during Fiscal Year 2001-2002, as well as other years. Road hazards are damages resulting from the establishment, design, construction, existence, ownership, maintenance, use, extension, improvement, repair, or regulation of any state bridge, tunnel, dam, street, road, highway, or expressway. The Legislative Auditor noted that while premiums were paid in some years during the 1991-2002 period, "premium costs for Road and Bridge Hazard coverage have not been fully funded."

Based on this single audit finding and on additional analysis, DCA on November 6, 2007, issued a demand for repayment in cash of $199,777,393, the purported federal share of the collected self-insurance fund premiums that were used to pay road hazard claims and claims for several other "deficit" insurance lines, plus debt interest of 11-7/8%, accruing as of February 2, 2005. (The disallowance letter states that the debt interest rate is 12.625%, but the attached calculation reflects a debt interest rate of 11-7/8%. The latter rate appears more consistent with DCA's position regarding the date of delinquency.) The November 6, 2007, letter reflected a downward adjustment from an initial February 2, 2005, DCA demand letter in the amount of $223,854,000, plus debt interest. If the State had repaid the adjusted disallowance by December 6, 2007, the total amount owed would be $268,114,441. Debt

interest continues to accrue at the rate of $65,898.79 per day. If DCA ultimately prevailed in full in this matter, the amount owed, including interest, would total $281,755,491 as of June 30, 2008.

ORM has responded to the Legislative Auditor's findings on a prospective basis, by ceasing to pay claims on the road hazard line of insurance, since ORM does not collect premiums for this line. However, whether ORM owes a refund to the federal government, and if so, in what amount, are still disputed issues.

This matter currently is pending before the HHS Departmental Appeals Board. The Board issued stays over a period of two years and nine months to allow the parties to engage in discovery and to allow settlement discussions to continue. DCA's November 6, 2007, revised demand letter, containing a reduced repayment amount, resulted from settlement discussions between the Division of Administration (with the assistance of Covington & Burling LLP) and DCA.

In the first half of 2008, the Division of Administration submitted briefs in support of its appeal of the disallowance before the Departmental Appeals Board. Among other things, the briefs argued that the disallowance is unfounded because neither the premium billing mechanisms used nor the resulting utilization of premiums violated any provision of Office of Management and Budget Circular A-87 and that non-payment of road hazard premiums did not adversely affect the federal government, since premiums were always less than actuarially determined amounts and all claims were paid. The briefs also argued that, assuming any disallowance is appropriate, the disallowance amount is overstated, and that pre-disallowance interest is not authorized.

In August 2008, the Departmental Appeals Board called for scheduling of an informal conference in connection with this appeal. Since that time, the Board has granted several stays to permit settlement discussions involving the Governor's office, which encompass this disallowance. The current stay will expire on January 2, 2009.

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Claims by Waiver Services Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-07-HHS-DHH-1**

Single Audit Report Year: **2007**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): **$2,619**

Page Number (from Single Audit Report): **Page 99**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: __X__
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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:
DHH will continue to reinforce provider compliance with documentation requirements through training and technical assistance.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Claims by Waiver Service Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-06-HHS-DHH-5**

Single Audit Report Year: **2006**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): **$46,272**

Page Number (from Single Audit Report): **Page 70**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: __X__
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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:
DHH has mandated that all Type 82 (Personal Care Services – Waiver) providers attend a provider training course taking place in the fall 2007. Providers will be instructed on proper service delivery documentation. All direct care provider types, are now mandating the end of span-date billing. This means providers will have to put actual date of service and actual number of units provided on a particular day on the CMS 1500 claim form rather than submitting a date range of services and total amounts of units.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Claims by Waiver Service Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-05-HHS-DHH-1**

Single Audit Report Year: **2005**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): **$64,175**

Page Number (from Single Audit Report): **Page 53**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one) Resolved: _____ Unresolved: __X__
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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:
DHH has mandated that all Type 82 (Personal Care Services – Waiver) providers attend a provider training that will take place in the fall 2007. Providers will be instructed on proper service delivery documentation. All case have been referred to Program Integrity an remain open.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Department of Health and Hospitals - Medical Vendor Payments**

Finding Title: **Ineffective Medicaid Eligibility Quality Control System**

Reference Number(s): **F-07-HHS-DHH-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **0N/A**

Page Number (from Single Audit Report): **Page 100**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: **X**

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	**X**	No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status:

The MEQC unit is now fully staffed and reviews should be completed in a timely fashion in the future.

Preparer's Name: **Thomas Schulze**

Phone Number: **225-342-4208**

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Claims by Long Term Personal Care Services Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-06-HHS-DHH-3**

Single Audit Report Year: **2006**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): **$49,608**

Page Number (from Single Audit Report): **Page 68**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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 2, 2007 the four providers identified were placed on prepayment review. An estimated $74,083.50 has been denied for various policy violations. All cases are ongoing. DHH has mandated that all type 24 (Long –Term Person Care Service) providers attend a training course that will take place in the fall of 2007. Provider will be instructed on proper delivery documentation. Furthermore DHH has re-written the LT-PSC Provider Manual in a attempt to make more clear service documentation requirements.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Claims by Non-Emergency Transportation Service Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-06-HHS-DHH-4**

Single Audit Report Year: **2006**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): **$22,488**

Page Number (from Single Audit Report): **Page 69**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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 July 1, 2007 providers are not allowed to bill until all trips have been provided. Providers must wait until the month of service is over before payment will be made. Providers At random will be asked to provide copies of MT-3s and daily log forms. This will be done on monthly basis. Dispatchers will report any suspicious finding to DHH for further investigation. Two of the four providers identified in the audit have had there fines reduced because DHH has agreed that payment should be affected but instead more education required.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Department of Health and Hospitals - Medical Vendor Payments**

Finding Title: **Improper Claims Paid to a Social Work Providers**

Reference Number (from attached schedule of findings, may include more than one): **F-04-HHS-DHH-1**

Single Audit Report Year: **2004**

Initial Year of Finding: **2004**

Amount of Questioned Costs in Finding (if applicable): $**816**

Page Number (from Single Audit Report): **Page 53**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: ___X___
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

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):
Because the Medicaid payments were for Medicare co-insurance, Medicaid Program Integrity is still awaiting an OIG determination on the primary payment.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Name of Entity: Department of Health and Hospitals - Medical Vendor Payments

Finding Title: **Improper Disproportionate Share Payments**

Reference Number (from attached schedule of findings, may include more than one): **F-02-HHS-DHH-3**

Single Audit Report Year: **2002**

Initial Year of Finding: **2002**

Amount of Questioned Costs in Finding (if applicable): **$185,605,936**

Page Number (from Single Audit Report): **Page 127**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one): Resolved: _____ Unresolved: X
No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Negotiations with the Department of Health and Human Services are still pending.

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):

Negotiations are still pending with the Department of Health and Human Services and Centers for Medicare and Medicaid to resolve the matter.

Preparer's Name: **Thomas Schulze**
Phone Number: **225-342-4208**

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program

Reference Number(s): F-07-HHS-LABR-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007 Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ -

Page Number (from Single Audit Report): 101

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one): Resolved: ____ Unresolved: ____
No Further Action Needed: x

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
The monitoring section has been re-organized and should complete the required monitoring this 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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Louisiana State University Health Sciences Center (New Orleans)

Finding Title: Inadequate Internal Controls over Social Services Block Grant (SSBG)

Reference Number(s): F-06-HHS-LSUHSC-NO-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 31,190

Page Number (from Single Audit Report): 75

Program Name(s): SSBG Program

Federal Grantor Agency: Health & Human Services

CFDA Number(s): 93.667

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Questioned Costs were refunded to the Department of Social Services.

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 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 form. 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 Name: Lori Ferro Phone Number: 504-568-5135

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Child Care Cluster: Noncompliance With Program Requirements

Reference Number(s): F-07-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $84,781

Page Number (from Single Audit Report): 102

Program Name(s): Child Care and Development Block Grant
Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

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):

Control procedures have been implemented to achieve compliance with record keeping guidelines by providers. Rulemaking has been initiated to implement disqualification periods for providers who don't abide by the terms of their provider agreement. The agency is in the planning stages of implementing an electronic time and attendance system. Additional controls are also in place to ensure proper immunization documentation is obtained.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Child Care Cluster: Destroyed Records and Noncompliance With Program Requirements

Reference Number(s): F-06-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $12,359

Page Number (from Single Audit Report): 76

Program Name(s): Child Care and Development Block Grant
Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
DHHS-ACF letter dated February 6, 2008 considers this audit finding closed and the financial reporting complete. The Department was not required to refund the questioned costs.

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):

Additional control procedures were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Child Care Cluster: Noncompliance With Program Requirements

Reference Number(s): F-05-HHS-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $57,432

Page Number (from Single Audit Report): 61

Program Name(s): Child Care and Development Block Grant
Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
DHHS-ACF made a final determination and did not request return of questioned costs.

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):

Additional control procedures were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Child Support Escrow Fund Not Reconciled

Reference Number(s): F-07-HHS-DSS-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2000

Amount of Questioned Costs in Finding (if applicable): $0

Page Number (from Single Audit Report): 104

Program Name(s): Child Support Enforcement

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.563

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected ___X___	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):

A reconciliation process has been developed. Monies in the escrow account can be identified by client.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Control Weaknesses Over the LaCarte Purchasing Card Program

Reference Number(s): F-07-HHS-DSS-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $9,300

Page Number (from Single Audit Report): 105

Program Name(s): Social Services Block Grant, Child Abuse and Neglect State Grants

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.667; 93.669

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending. The federal share of questioned cost is $6,548 and $2,752 are state funds.

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):

Additional training has been instituted; technology will be used to ensure client signatures are obtained and to restrict purchases of more than $1,000; disciplinary action and cancellation of cards is also being implemented for repeat violations of policy.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Control Weaknesses Over the LaCarte Purchasing Card Program

Reference Number(s): F-06-HHS-DSS-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $2,630

Page Number (from Single Audit Report): 80

Program Name(s): Temporary Assistance for Needy Families; Foster Care-Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558; 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
DHHS-ACF letter dated February 15, 2008 states that the questioned cost for the TANF program is not considered significant. The Department was not required to refund the questioned costs.

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):

Corrective action includes increased unannounced random reviews of cardholder records; progressive notification announcements of violations to the supervisor and agency Assistant Secretary.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Foster Care - Title IV-E: Noncompliance With Program Requirements

Reference Number(s): F-07-HHS-DSS-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $214,753

Page Number (from Single Audit Report): 106

Program Name(s): Foster Care - Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Adjustments for questioned costs were made on the IV-1 for the quarter ending 6/30/08.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected X	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):
Policy review was conducted; Field Staff reviewed all records to ensure proper documentation; and procedures are in place to allow residential facility employees to use an electronic fingerprint-based national criminal records clearance process.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Foster Care - Title IV-E: Noncompliance With Program Requirements

Reference Number(s): F-06-HHS-DSS-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $307,079

Page Number (from Single Audit Report): 81

Program Name(s): Foster Care - Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Adjustments for questioned costs were made on the IV-E 1 for the quarter ending 6/30/08.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected X	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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Schedule 8-3 Form

Finding Title: Foster Care - Title IV-E: Noncompliance With Program Regulations

Reference Number(s): F-05-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2001

Amount of Questioned Costs in Finding (if applicable): $110,715

Page Number (from Single Audit Report): 63

Program Name(s): Foster Care - Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Quarterly adjustments were done on the IV-E 1 in the March 2006 quarter refunding the questioned cost.

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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements

Reference Number(s): F-07-HHS-DSS-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $259,540

Page Number (from Single Audit Report): 108

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: __X__ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected __X__	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):
Controls have been implemented to ensure that contractors provide required documentation. Contractors must sign a list of "Contract of Assurances" which specifies contract regulations and procedures that must be adhered to.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Temporary Assistance for Needy Families: Destroyed Records and Noncompliance With Program Requirements

Reference Number(s): F-06-HHS-DSS-10
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $80,175

Page Number (from Single Audit Report): 83

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
DHHS/ACF letter dated February 15, 2008 states that this audit finding is closed and the financial reporting is complete. The Department was not required to refund the questioned cost.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected X	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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Social Services, Department of

Finding Title: Temporary Assistance for Needy Families Program: Noncompliance With Program Requirements

Reference Number(s): F-05-HHS-DSS-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2005

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $271,058

Page Number (from Single Audit Report): 66

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):
Resolved: __X__ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
DHHS-ACF letter dated April 3, 2007 states that this audit finding is closed and the financial reporting complete. The Department was not required to refund the questioned costs.

Status of Finding (check one):

Fully Corrected	Not Corrected
Partially Corrected __X__	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):

Additional controls were implemented in 2008.

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 form. 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 Name: Cathy Lockett Phone Number: 225-342-0863

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Southern University and A&M College (BR)

Finding Title: Scholarship for disadvantaged Students (SDS)

Reference Number(s): F-06-HHS-SUBR-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 5,398.00

Page Number (from Single Audit Report): 85

Program Name(s): Scholarship for Disadvantaged Students

Federal Grantor Agency: U.S. Department of Health and Human Services

CFDA Number(s): 93.925

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation? Funds in the amount of $5,398.00 were refunded to the Department of Health and Human Services.

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):

Item resloved. The financial aid office will ensure that students are not awarded in excess of their 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 form. 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 Name: Ursula J. Shorty Phone Number: (225) 771-2012

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Executive Department**

Finding Title: Inadequate Controls Over Capital Outlay Transactions

Reference Number(s): F-07-DHS-EXEC-FPC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ Unable to determine

Page Number (from Single Audit Report): 109

Program Name(s): Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Federal Grantor Agency: US Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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 form. 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 Name: Monty Mills Phone Number: 343-0834

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Federal Earmarking Requirement**

Reference Number(s): **F-07-DHS-GOHSEP-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **0.00**

Page Number (from Single Audit Report): **112**

Program Name(s): **Homeland Security Cluster**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.067 / 97.004**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
GOHSEP has added two additional staff to provide additional support to the Homeland Security Grant Program. With the addition of the new staff, GOHSEP was able to award all FY07 HLS grants within the alloted 60 window. GOHSEP is prepared to award the FY08 HLS grants within 45 days of receipt.

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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Federal Reporting Requirements**

Reference Number(s): **F-07-DHS-GOHSEP-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **0.00**

Page Number (from Single Audit Report): **113**

Program Name(s): **Public Assistance**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.036**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
GOHSEP timely submits quarterly reports. GOHSEP closely monitors quarterly reporting by applicants to ensure timely reporting.

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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Federal Subrecipient Monitoring Requirements**

Reference Number(s): **F-07-DHS-GOHSEP-3**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **0.00**

Page Number (from Single Audit Report): 115

Program Name(s): **Public Assistance**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.036**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	**XX**	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):
GOHSEP has created a Compliance Section to Ensure that the Requirements of A-133 are met. GOHSEP contracted with a consulting firm to provide a monitoring plan. Implementation of the plan began during FY2008 and will continue 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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Movable Property Regulations**

Reference Number(s): **F-07-DHS-GOHSEP-4**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **0.00**

Page Number (from Single Audit Report): **116**

Program Name(s): **Homeland Security Cluster and Public Assistance**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.004 & 97.067 & 97.036**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

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):
GOHSEP has written procedures to correct this deficiency. Monthly reconciliations were begun in FY2008.

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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Subrecipient Monitoring Requirements Over the Homeland Security Cluster Programs**

Reference Number(s): **F-07-DHS-GOHSEP-5**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2007**

Amount of Questioned Costs in Finding (if applicable): $ **0.00**

Page Number (from Single Audit Report): **118**

Program Name(s): **Homeland Security Cluster**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.004 and 97.067**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	**XX**	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):

A program for monitoring was developed for the Regional Coordinators to assist with the compliance monitoring requirements. In addition, GOHSEP has created a Compliance Section to ensure that the Requirements of A-133 are met. The monitoring program developed by a consulting firm for the Public Assistance program will also be used for the Homeland Security Grants Program. Implementation of the plan began during FY2008 and will continue 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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Governor's Office of Homeland Security and Emergency Preparedness**

Finding Title: **Noncompliance with Procurement and Suspension and Debarment Requirements**

Reference Number(s): **F-06-DHS-MIL/GOHSEP-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **264,912.00**

Page Number (from Single Audit Report): **87**

Program Name(s): **Public Assistance**

Federal Grantor Agency: **Department of Homeland Security**

CFDA Number(s): **97.036**

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: **XX** No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Still in negotiation

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):
Procedures have been instituted for checking payments against EPLS. GOHSEP now maintains appropriate documentation in our 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 form. 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 Name: Gaye Smith Phone Number: 225-925-1800

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: **Louisiana Department of Labor - Workforce Development**
FYE June 30, 2008

Finding Title: Disaster Unemployment Assistance Payments

Reference Number(s): F-06-DHS-LABR-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 1,294,650

Page Number (from Single Audit Report): 86

Program Name(s): Disaster Unemployment Assistance Payments

Federal Grantor Agency: U. S. Department of Homeland Security

CFDA Number(s): 97.034

Status of Questioned Costs (check one): Resolved: ____ Unresolved: x
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Initial determination letter has not been received.

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	x	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 agency has corrected and will continue to correct any determination made in error. We are currently charging funding sources correctly.

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 Name: Wayne J. Knight Phone Number: 225-342-3103

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Office of Public Health
FYE June 30, 2008

Preparer's Name: Larry Bader Phone Number: 504-568-5935

Finding Title: Insufficient Documentation of Program Expenditures

Reference Number(s): F-06-DHS-OPH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 38,533

Page Number (from Single Audit Report): 90

Program Name(s): Public Assistance Program

Federal Grantor Agency: Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one): Resolved: ____ Unresolved: ___X___
No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The status is unresolved pending final closeout of the claim. This credit will be applied to the claim when settled.

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 action was entered into ISIS-HR to recoup the overpayments.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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.

Name of Entity: Office of Public Health
FYE June 30, 2008
Preparer's Name: Larry Bader Phone Number: 504-568-5935
Finding Title: Lack of Internal Control Over Movable Property
Reference Number(s): F-06-DHS-OPH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006 Initial Year of Finding: 2006
Amount of Questioned Costs in Finding (if applicable): $ ----------
Page Number (from Single Audit Report): 91
Program Name(s): Public Assistance Program
Federal Grantor Agency: Department of Homeland Security
CFDA Number(s): 97.036
Status of Questioned Costs (check one): Resolved: _____ Unresolved: _____
No Further Action Needed: _____
Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	__X__	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133 Section 315(b)(4)}	

Description of Status: Office of Public Health – Operations & Support Services has conducted a Property Control training for its Statewide Programs and each employee has received a copy of the Agency's Property Policy (PM 802) . Fully Corrected

Due to the fact that a complete audit was not completed on Emergency Response. OSS plans to audit Emergency Response and All OPH HQ sections beginning Oct 3, 2007. Effective the quarter ending 12/30/07 OSS will begin submitted quarterly an Asset listing of Unlocated Property to the Regional Administrators Regional Administrator's Managers and the designated Property Coordinators.

This audit has been partially corrected due to the change/ shortage in staff and change in programs locations. Effective July 1, 2008, it is mandatory that each program scan all property at its location costing $1000.00 or more during the annual physical inventory. This will aide in.

maintaining the amount of unlocated property to a minimum. OSS will also be providing a listing of all unlocated property to each program on a quarterly basis. This will assist in finding unlocated property.

NOTE: Use this form to present the status of any findings that are listed for your agency in the attached Excel worksheet. You should only present 1 finding per form. 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.

Schedule 8-3 - Summary Schedule of Prior Federal Audit Findings

Name of Entity: Department of Public Safety and Corrections - Public Safety Services

Finding Title: **Inadequate Subrecipient Monitoring**

Reference Number(s): **F-07-DHS-DPS-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 120

Program Name(s): Homeland Security Cluster

Federal Grantor Agency: Dept. of Homeland Security , FEMA

CFDA Number(s): 97.067

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

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):

Site visits will be completed.

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 form. 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 Name: Tara Pocorello Phone Number: (225) 925-6400

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