

LOUISIANA OFFICE OF STUDENT FINANCIAL ASSISTANCE
DEPARTMENT OF EDUCATION
STATE OF LOUISIANA



PROCEDURAL REPORT
ISSUED JUNE 23, 2010

**LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

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This document is produced by the Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Seven copies of this public document were produced at an approximate cost of \$19.39. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 3393 or Report ID No. 80090073 for additional information.

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

May 24, 2010

**LOUISIANA STUDENT FINANCIAL
ASSISTANCE COMMISSION
LOUISIANA OFFICE OF STUDENT
FINANCIAL ASSISTANCE
DEPARTMENT OF EDUCATION
STATE OF LOUISIANA
Baton Rouge, Louisiana**

As required by Louisiana Revised Statute 24:513, we conducted certain procedures at the Louisiana Office of Student Financial Assistance (OSFA) for the period from July 1, 2008, through June 30, 2009. Our procedures included (1) a review of OSFA's internal controls; (2) tests of financial transactions; and (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities. Our procedures were more limited than would be necessary to give an opinion on internal control and on compliance with laws, regulations, policies, and procedures governing financial activities.

Specifically, we interviewed management personnel and selected OSFA personnel and evaluated selected documents, files, reports, systems, procedures, and policies, as we considered necessary.

The Annual Fiscal Report of OSFA was not audited or reviewed by us, and, accordingly, we do not express an opinion on that report. OSFA's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

While we did not perform an audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, we did perform certain procedures related to compliance with federal laws and regulations in accordance with those standards.

Based on the application of the procedures referred to previously, there are no significant findings to include in this report for management's consideration.

In addition, we have included a Budgetary Comparison Schedule, which was prepared from the Annual Fiscal Report of the OSFA and from additional data in the Integrated Statewide Information System (ISIS), the state's accounting system. This schedule is presented as additional information but has not been subjected to auditing procedures.

This report is intended solely for the information and use of OSFA, its management, and the Louisiana Legislature and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

A handwritten signature in blue ink that reads "Daryl G. Purpera". The signature is fluid and cursive, with the first name being the most prominent.

Daryl G. Purpera, CPA, CFE
Legislative Auditor

CST:BDC:BQD:THC:dl

OSFA09

_____ BUDGETARY COMPARISON SCHEDULE (UNAUDITED)

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UNAUDITED

AGENCY 661 - OFFICE OF STUDENT FINANCIAL ASSISTANCE

**Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2009**

APPROPRIATED REVENUES

	TOTAL BEFORE ADJUSTMENTS	AGENCY ADJUSTMENTS	ADJUSTED TOTAL	REVISED BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
State general revenue	\$128,960,087		\$128,960,087	\$128,960,087	
Federal aid	48,446,719		48,446,719	37,692,884	\$10,753,835
General Fund - SGR	2,801		2,801	120,864	(118,063)
General Fund - IAT	7,652,298		7,652,298	8,000,000	(347,702)
Rockefeller Wildlife Refuge Trust and Protection Fund	60,000		60,000	60,000	
Overcollections Fund	3,259,588		3,259,588	3,259,588	
TOPS Fund	22,308,991		22,308,991	22,308,991	
Total Appropriated Revenues	\$210,690,484	NONE	\$210,690,484	\$200,402,414	\$10,288,070

APPROPRIATED EXPENDITURES

	ADMINISTRATION/ SUPPORT SERVICES	LOAN OPERATIONS	SCHOLARSHIPS/ GRANTS	TOPS TUITION	TOTAL
Salaries	\$3,514,804	\$2,170,918	\$706,992		\$6,392,714
Other compensation	78,800	49,991	10,356		139,147
Related benefits	1,040,943	725,597	204,302		1,970,842
Travel & training	102,817	6,149	252		109,218
Operating services	404,295	495,465	156,952		1,056,712
Supplies	41,757	14,477	10,700		66,934
Professional services	664,446	17,580	238,013		920,039
Other charges	4,438	20,357,268	35,582,007	\$123,032,161	178,975,874
Capital outlay	41,629	108,618			150,247
IAT	810,142	405,870	152,379		1,368,391
Total appropriated expenditures before adjustments	6,704,071	24,351,933	37,061,953	123,032,161	191,150,118
System adjustments	(6,758)	(98)	(3,809)		(10,665)
Total Appropriated Expenditures	6,697,313	24,351,835	37,058,144	123,032,161	191,139,453
Revised Budget	7,193,107	32,140,323	38,036,823	123,032,161	200,402,414
Variance Favorable (Unfavorable)	\$495,794	\$7,788,488	\$978,679	NONE	\$9,262,961

NOTE: This schedule was prepared using information from the Integrated Statewide Information System (ISIS), the state's accounting system.

Additional detail is available on request.

OSFA has participated in the Federal Family Education Loan Program (FFELP) for many years. On March 30, 2010, President Barack Obama signed into law the Health Care and Education Reconciliation Act of 2010 (HCERA, Public Law 111-152). The HCERA mandates that if a federal student loan's first disbursement occurs before July 1, 2010, the first disbursement and all subsequent disbursements may be made under the FFELP. If a federal student loan's first disbursement occurs on or after July 1, 2010, the loan must be originated and fully disbursed under the Federal Direct Loan Program. The impact of this legislation on OSFA's future operations and budget is unknown.

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