

STATE OF LOUISIANA



SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2009
STATE OF LOUISIANA

DARYL G. PURPERA, CPA
TEMPORARY LEGISLATIVE AUDITOR

State of Louisiana

Single Audit Report
For the Year Ended June 30, 2009

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STATE OF LOUISIANA

Single Audit Report For the Year Ended June 30, 2009

The Auditor's Report on the State of Louisiana's Basic Financial Statements dated December 31, 2009, 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, 2010



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

March 31, 2010

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, 2009.

The state's June 30, 2009, basic financial statements were issued on December 31, 2009. 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 2009 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 105 reported findings, 43 are repeat findings from previous audits. Findings related to federal programs include total questioned costs of approximately \$23,920,692. The respective federal grantors will ultimately determine the resolution of the questioned costs. For fiscal year 2009, we were not able to obtain sufficient evidence to support an opinion on compliance with the allowable costs/cost principles, activities allowed or unallowed, eligibility, and reporting requirements of the CDBG - State-Administered Small Cities Program Cluster and with the allowable costs/cost principles, eligibility, and reporting requirements applicable to the CCDF Cluster. In addition, we issued an adverse opinion on the state's compliance with the subrecipient monitoring requirements applicable to the Hazard Mitigation Grant Program, the Homeland Security Cluster, and the CDBG - State-Administered Small Cities Program Cluster. We also qualified our opinion on the state's compliance with various program requirements applicable to the Unemployment Insurance Program, the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program, and the Workforce Investment Act Cluster.

Material weaknesses were identified in the internal control over preparing complete and accurate annual fiscal reports and for the lack of an effective internal audit function for several entities. Material weaknesses in controls over compliance were also identified relating to the opinion modifications noted above.


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

March 31, 2010

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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,



Daryl G. Purpera, CPA
Temporary Legislative Auditor

THC:DGP:dl

TRANSMITTAL 2009

STATE OF LOUISIANA
SINGLE AUDIT REPORT
For the Fiscal Year Ended June 30, 2009

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Executive Summary

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

Introduction

The Single Audit Report for the fiscal year ended June 30, 2009, 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 105 findings were reported within this year's Single Audit Report. This total includes 43 findings (41%) that were repeat findings from a prior audit.

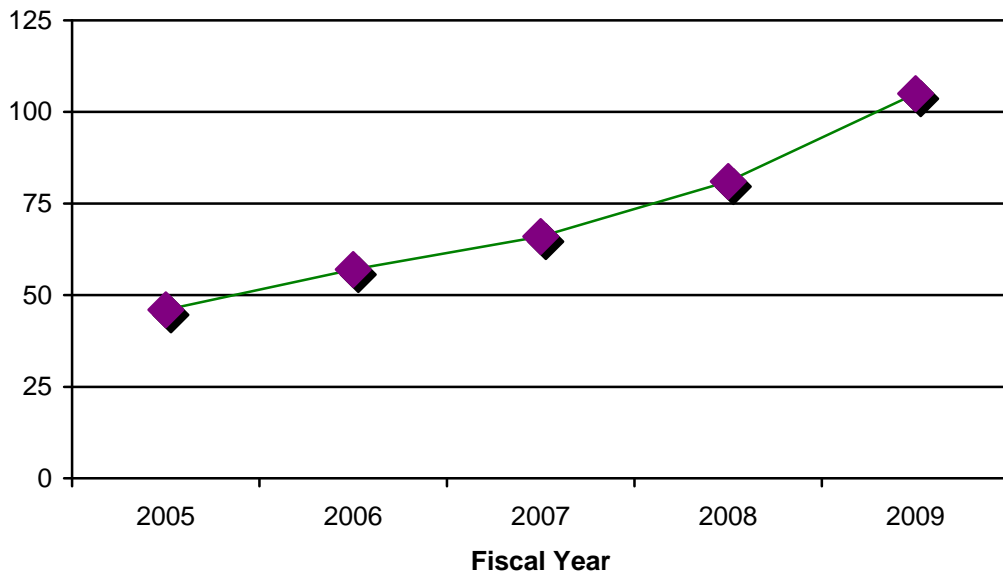
The 2009 Single Audit Report discloses questioned costs of \$23,920,692, which are detailed within the findings that are presented in the Schedule of Federal Award Findings and Questioned Costs (Schedule C) of the accompanying report. The resolution of these questioned costs will be determined by the 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.

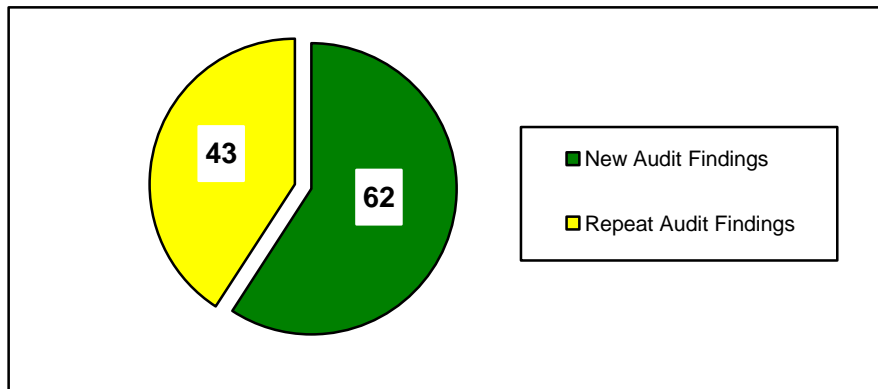
EXECUTIVE SUMMARY
For the Fiscal Year Ended June 30, 2009

**Trend of Findings
Over the Past Five Years**

Findings



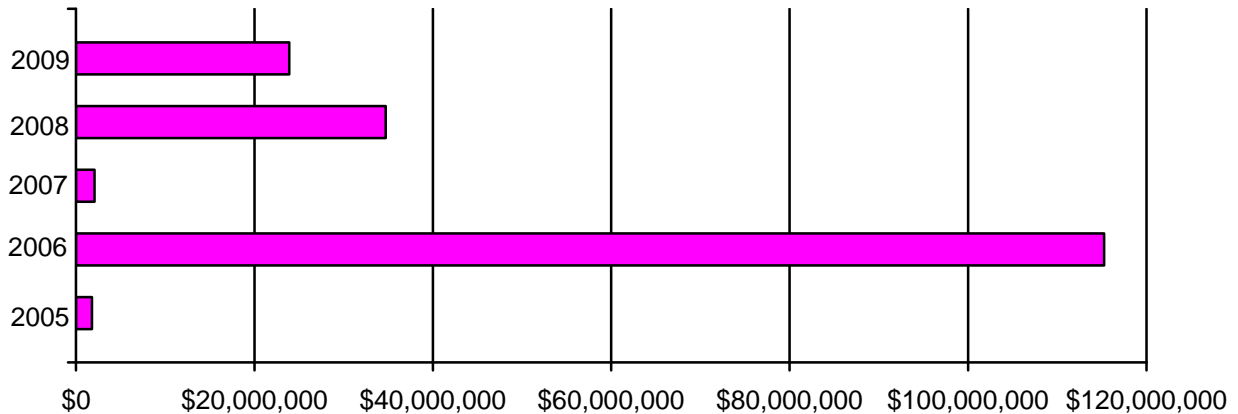
**Fiscal Year 2009
Comparison of Repeat Findings
to New Findings**



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

Trend of Questioned Costs Over the Past Five Years



Material Weaknesses in Internal Control Financial Statement Findings

As a result of the 2009 Single Audit, the following 27 findings were considered to be material weaknesses in internal control over financial reporting and are reported in detail in Schedule B or Schedule C.

FS-09-BRCC-1 - Inadequate Controls Over Financial Reporting (Baton Rouge Community College, Schedule B, page 15)

FS-09-DOA-1 - Lack of Internal Audit Function Over Information Technology Controls (Division of Administration, Schedule B, page 17)

FS-09-GSU-1 - Inaccurate Annual Financial Report (Grambling State University, Schedule B, page 18)

FS-09-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (Governor's Office of Homeland Security and Emergency Preparedness, Schedule B, page 21)

F-09-DHS-GOHSEP-2 - Inadequate LAPA Program Change Management (Governor's Office of Homeland Security and Emergency Preparedness, Schedule C, page 158)

F-09-DHS-GOHSEP-5 - Lack of Information Technology Audits (Governor's Office of Homeland Security and Emergency Preparedness, Schedule C, page 162)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

FS-09-LCPIC-1 - December 2008 Rate-Filing Did Not Comply With State Law (Louisiana Citizens Property Insurance Corporation, Schedule B, page 22)

FS-09-LCPIC-2 - Inaccurate and Incomplete Annual Fiscal Report (Louisiana Citizens Property Insurance Corporation, Schedule B, page 23)

FS-09-LCPIC-3 - Inaccurate Calculation of Emergency Assessments on Premium Changes (Louisiana Citizens Property Insurance Corporation, Schedule B, page 26)

FS-09-LCPIC-4 - Inadequate Loss Reserve Development Process (Louisiana Citizens Property Insurance Corporation, Schedule B, page 27)

FS-09-LCPIC-5 - Inadequate Program/System Change Controls (Louisiana Citizens Property Insurance Corporation, Schedule B, page 32)

FS-09-LCPIC-6 - Lack of an Internal Audit Function (Louisiana Citizens Property Insurance Corporation, Schedule B, page 33)

FS-09-LCPIC-7 - Lack of Controls Over Administering and Monitoring User Access (Louisiana Citizens Property Insurance Corporation, Schedule B, page 34)

FS-09-LCPIC-8 - Lack of Monitoring Over Service Providers (Louisiana Citizens Property Insurance Corporation, Schedule B, page 36)

FS-09-LCPIC-9 - Noncompliance With Policy Take-Out Program Requirements (Louisiana Citizens Property Insurance Corporation, Schedule B, page 38)

FS-09-LCPIC-10 - Noncompliance With State Eligibility Requirements (Louisiana Citizens Property Insurance Corporation, Schedule B, page 40)

FS-09-LCPIC-11 - Uncertainty in Premiums Receivable (Louisiana Citizens Property Insurance Corporation, Schedule B, page 41)

FS-09-LSUHSC(HCSD)-1 - Inadequate Control Over Financial Reporting (LSU Health Sciences Center [Health Care Services Division], Schedule B, page 49)

FS-09-RSD-1 - Inaccurate Annual Fiscal Report (Recovery School District, Schedule B, page 57)

FS-09-DOR-1 - Inaccurate Annual Fiscal Report (Department of Revenue, Schedule B, page 59)

FS-09-ORM-1 - Inaccurate and Incomplete Annual Fiscal Report (Office of Risk Management, Schedule B, page 60)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

FS-09-ORM-2 - Ineffective Internal Audit Function (Office of Risk Management, Schedule B, page 62)

FS-09-DSS-1 - Inaccurate Annual Fiscal Reports (Department of Social Services, Schedule B, Page 62)

FS-09-DSS-2 - Ineffective Internal Audit Function (Department of Social Services, Schedule B, page 63)

FS-09-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation (Southern University System, Schedule B, page 64)

FS-09-SOUTHERN SYSTEM-2 - Ineffective Internal Audit Function (Southern University System, Schedule B, page 67)

FS-09-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report (Department of Transportation and Development, Schedule B, page 68)

Opinions on Compliance With Compliance Requirements Applicable to Major Federal Programs

As a result of the 2009 Single Audit, auditors issued unqualified opinions on all of the major programs except for the following:

17.225 - Unemployment Insurance (Qualified on Cash management and Eligibility) (Schedule C, page 103)

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Qualified on Subrecipient monitoring) (Schedule C, page 164)

97.039 - Hazard Mitigation Grant (Adverse on Subrecipient monitoring) (Schedule C, page 164)

CDBG - State-Administered - Small Cities Program Cluster (Adverse on Subrecipient monitoring, Disclaimer on Activities allowed or unallowed, Allowable costs/cost principles, Eligibility, and Reporting) (Schedule C, pages 97 and 101)

WIA Cluster - (Qualified on Subrecipient monitoring) (Schedule C, page 102)

CCDF Cluster - (Disclaimer on Allowable costs/cost principles, Eligibility, and Reporting) (Schedule C, page 149)

Homeland Security Cluster - (Adverse on Subrecipient monitoring) (Schedule C, page 164)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

Material Weaknesses in Internal Control

Federal Award Findings

As a result of the 2009 Single Audit, the following 21 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-09-CC-GSU-2 - Equipment and Real Property Management (Grambling State University) (page 88)

F-09-CC-GSU-3 - Federal Schedules of Expenditures (Grambling State University) (page 89)

F-09-CC-GSU-6 - Procurement and Suspension and Debarment (Grambling State University) (page 93)

F-09-CC-RSD-3 - Noncompliance With Federal and State Equipment Management Regulations (Recovery School District) (page 85)

F-09-HUD-EXEC-OCD-2 - Inadequate Controls Over the Road Home Homeowner Assistance Program (Executive Department - Office of Community Development) (page 97)

F-09-HUD-EXEC-OCD-3 - Inadequate Subrecipient Monitoring of the CDBG Disaster Recovery Programs (Executive Department - Office of Community Development) (page 101)

F-09-USDOL-LWC-2 - Inadequate Monitoring of Subrecipient Findings and A-133 Audits (Louisiana Workforce Commission) (page 102)

F-09-USDOL-LWC-3 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments (Louisiana Workforce Commission) (page 103)

F-09-USDOL-LWC-5 - Weaknesses in Controls Over Remittance Processing System (Louisiana Workforce Commission) (page 106)

F-09-ED-EDUC-2 - Noncompliance With Federal and State Equipment Management Regulations (Department of Education) (page 109)

F-09-ED-GSU-10 - Federal Financial Reports/Cash Management (Grambling State University) (page 129)

F-09-ED-GSU-14 - Verification (Grambling State University) (page 132)

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

F-09-ED-SUBR-1 - Return of Title IV Funds (Southern University and A&M College - Baton Rouge) (page 133)

F-09-ED-SUNO-2 - Procurement, Suspension, and Debarment (Southern University at New Orleans) (page 136)

F-09-ED-SUSH-1 - Davis-Bacon Act (Southern University at Shreveport-Bossier City) (page 139)

F-09-HHS-DSS-2 - Child Care Cluster: Noncompliance With Program Requirements (Department of Social Services) (page 149)

F-09-DHS-EXEC-OCD-4 - Inadequate Controls Over the Hazard Mitigation Program (Executive Department - Office of Community Development) (page 156)

F-09-DHS-GOHSEP-2 - Inadequate LAPA Program Change Management (Governor's Office of Homeland Security and Emergency Preparedness) (page 158)

F-09-DHS-GOHSEP-5 - Lack of Information Technology Audits (Governor's Office of Homeland Security and Emergency Preparedness) (page 162)

F-09-DHS-GOHSEP-6 - Lack of Proper LAPA Access and Segregation of Duties (Governor's Office of Homeland Security and Emergency Preparedness) (page 163)

F-09-DHS-GOHSEP-7 - Noncompliance With Subrecipient Monitoring Requirements (Governor's Office of Homeland Security and Emergency Preparedness) (page 164)

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, 2009, the State of Louisiana reported over \$16.0 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, 2009, 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, 2009.

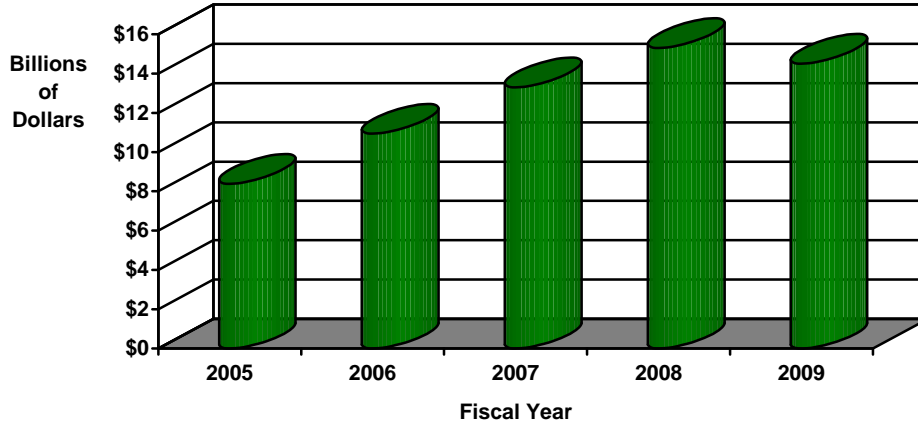
The following graphs illustrate total expenditures of federal awards disbursed by the state. Illustrations include the trend of expenditures (excluding loan programs) over the past five years, total major versus other programs, and the percentage of total federal awards by federal agency.

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

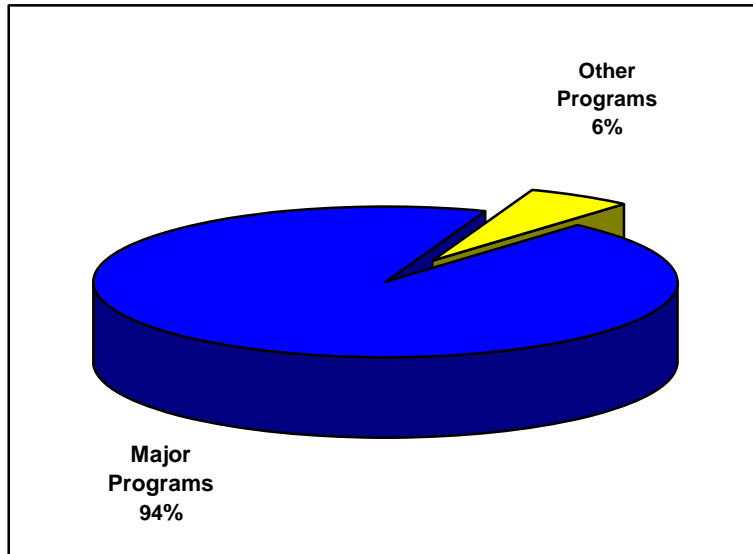
Trend of Expenditures of Federal Awards Over the Past Five Years

Fiscal Year 2009 Total Expenditures of Federal Awards
(Appendix A)
\$14,468,906,548
(excluding loan programs)



Fiscal Year 2009 Activity of Major vs. Other Programs

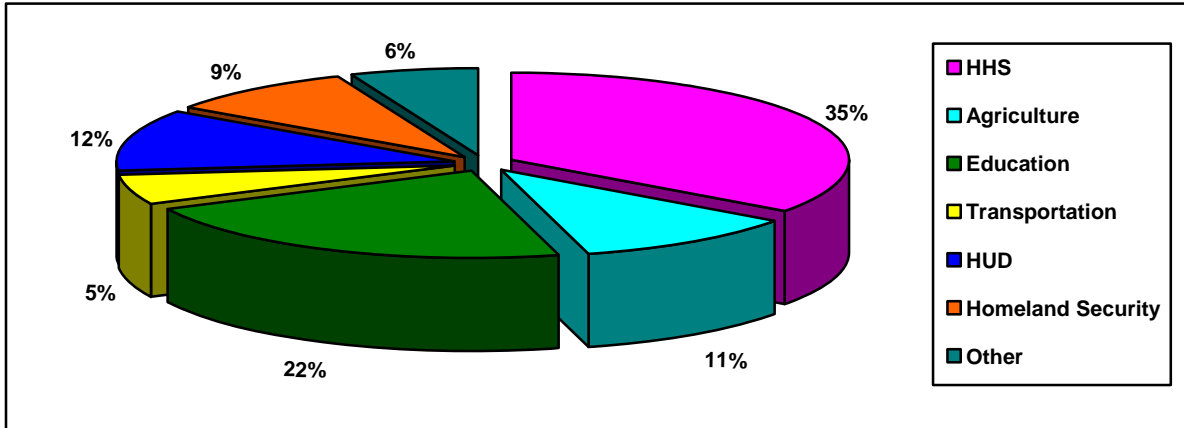
\$16,964,044,236
(including loan programs)



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2009

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



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Audit Reports



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

December 31, 2009

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, 2009, which collectively comprise the state's basic financial statements and have issued our report thereon dated December 31, 2009. 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 an explanatory paragraph for the implementation of a new accounting standard. 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 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*.

LEGISLATIVE AUDITOR

**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, 2009

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As discussed in our audit report on the financial statements issued December 31, 2009, 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. We consider the deficiencies described in Schedule B of the accompanying schedule of findings and questioned costs (pages 13 to 71) to be significant deficiencies in internal control over financial reporting.

LEGISLATIVE AUDITOR

HONORABLE BOBBY JINDAL, GOVERNOR
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STATE OF LOUISIANA

December 31, 2009

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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-09-BRCC-1 (page 15), FS-09-DOA-1 (page 17), FS-09-GSU-1 (page 18), FS-09-GOHSEP-1 (page 21), FS-09-LCPIC-1 through FS-09-LCPIC-11 (pages 22 through 41), FS-09-LSUHSC(HCSD)-1 (page 49), FS-09-RSD-1 (page 57), FS-09-DOR-1 (page 59), FS-09-ORM-1 (page 60), FS-09-ORM-2 (page 62), FS-09-DSS-1 (page 62), FS-09-DSS-2 (page 63), FS-09-SOUTHERN SYSTEM-1 (page 64), FS-09-SOUTHERN SYSTEM-2 (page 67), FS-09-DOTD-1 (page 68), F-09-DHS-GOHSEP-2 (Schedule C, page 158), and F-09-DHS-GOHSEP-5 (Schedule C, page 162) to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Louisiana's 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 71) and Schedule C (pages 73 through 168) of the accompanying schedule 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.

LEGISLATIVE AUDITOR

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

December 31, 2009

Page Four

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,



Daryl G. Purpera, CPA
Temporary Legislative Auditor

RRR:BQD:THC:dl

AUDIT REPORTS 099



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

**March 31, 2010, except for the
Schedule of Expenditures of Federal Awards,
dated December 31, 2009**

Report on Compliance With Requirements Applicable to Each
Major Program, on Internal Control Over Compliance in
Accordance With OMB Circular A-133, and on the
Schedule of Expenditures of Federal Awards

**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, 2009. 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 schedule 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-160). During the year ended June 30, 2009, four of these entities expended a total of \$193,279,173 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.

LEGISLATIVE AUDITOR

**HONORABLE BOBBY JINDAL, GOVERNOR
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STATE OF LOUISIANA**

March 31, 2010, except for the Schedule of
Expenditures of Federal Awards,
dated December 31, 2009
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Except as discussed in the following paragraph, 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-09-HUD-EXEC-OCD-2 (page 97) and F-09-HHS-DSS-2 (page 149) 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 regarding allowable costs/cost principles, activities allowed or unallowed, eligibility, and reporting applicable to the CDBG - State-Administered Small Cities Program Cluster (CFDA 14.228, 14.255) and the requirements regarding allowable costs/cost principles, eligibility, and reporting applicable to the CCDF 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-09-USDOL-LWC-3 (page 103), F-09-DHS-GOHSEP-7 (page 164), F-09-USDOL-LWC-2 (page 102), and F-09-HUD-EXEC-OCD-3 (page 101) 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 the Unemployment Insurance Program and the ARRA - Unemployment Insurance Program (CFDA 17.225) and the requirements regarding subrecipient monitoring applicable to the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA 97.036), the Hazard Mitigation Grant Program (CFDA 97.039), the Homeland Security Cluster (CFDA 97.004, 97.067), the WIA Cluster (CFDA 17.258, 17.259, 17.260), and the CDBG - State-Administered Small Cities Program Cluster (CFDA 14.228, 14.255). Compliance with such requirements is necessary, in our opinion, for the State of Louisiana to comply with requirements applicable to those programs.

LEGISLATIVE AUDITOR

**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, 2010, except for the Schedule of
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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 Hazard Mitigation Grant Program (CFDA 97.039), the Homeland Security Cluster (CFDA 97.004, 97.067) and the CDBG - State-Administered Small Cities Program Cluster (CFDA 14.228, 14.255).

In our opinion, except for the noncompliance described in the two preceding paragraphs and except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the State of Louisiana's compliance with the requirements of the CDBG - State-Administered Small Cities Program Cluster (CFDA 14.228, 14.255) regarding allowable costs/cost principles, activities allowed or unallowed, eligibility and reporting and with the requirements of the CCDF Cluster (CFDA 93.575, 93.596) regarding allowable costs/cost principles, eligibility, and reporting, 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, 2009. 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 73 through 168) of the accompanying schedule 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.

LEGISLATIVE AUDITOR

**HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
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STATE OF LOUISIANA**

March 31, 2010, except for the Schedule of
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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 73 through 168) of the accompanying schedule 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-09-HUD-EXEC-OCD-2 (page 97), F-09-HUD-EXEC-OCD-3 (page 101), F-09-USDOL-LWC-2 (page 102), F-09-USDOL-LWC-3 (page 103), F-09-USDOL-LWC-5 (page 106), F-09-CC-RSD-3 (page 85), F-09-ED-EDUC-2 (page 109), F-09-DHS-GOHSEP-2 (page 158), F-09-DHS-GOHSEP-5 (page 162), F-09-DHS-GOHSEP-6 (page 163), F-09-DHS-GOHSEP-7 (page 164), F-09-DHS-EXEC-OCD-4 (page 156), F-09-HHS-DSS-2 (page 149), F-09-ED-SUNO-2 (page 136), F-09-ED-SUSH-1 (page 139), F-09-CC-GSU-2 (page 88), F-09-CC-GSU-3 (page 89), F-09-CC-GSU-6 (page 93), F-09-ED-GSU-10 (page 129), F-09-ED-GSU-14 (page 132), and F-09-ED-SUBR-1 (page 133) 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, 2009, and have issued our report thereon dated December 31, 2009.

LEGISLATIVE AUDITOR

**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, 2010, except for the Schedule of
Expenditures of Federal Awards,
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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 \$205,075,660, which comprise approximately 1.21% 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, 2009. 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, 2009, 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.

LEGISLATIVE AUDITOR

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

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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,



Daryl G. Purpera, CPA
Temporary Legislative Auditor

RRR:BQD:THC:dl

AUDIT REPORTS 099

Schedule A

Summary of Auditor's Results
For the Year Ended June 30, 2009

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

Summary of Auditor's Results
For the Year Ended June 30, 2009

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? yes X 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:

| <u>Unqualified for all major programs except for:</u> | Opinion |
|--|---------------------|
| 17.225 - Unemployment Insurance | Qualified |
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | Qualified |
| 97.039 - Hazard Mitigation Grant | Adverse |
| CDBG - State-Administered Small Cities Program Cluster | Adverse, Disclaimer |
| WIA Cluster | Qualified |
| CCDF Cluster | Disclaimer |
| Homeland Security Cluster | Adverse |

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)

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

- 10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children
 SNAP Cluster
 Child Nutrition Cluster
- 11.454 - Unallied Management Projects
 CDBG - State-Administered Small Cities Program Cluster
- 17.225 - Unemployment Insurance
 WIA Cluster
 Highway Planning and Construction Cluster
- 84.031 - Higher Education - Institutional Aid
- 84.032 - Federal Family Education Loans
- 84.367 - Improving Teacher Quality State Grants
- 84.938 - Hurricane Education Recovery
 Title I, Part A Cluster
 Special Education Cluster (IDEA)
 Vocational Rehabilitation Cluster
- 93.563 - Child Support Enforcement
- 93.658 - Foster Care - Title IV-E
- 93.667 - Social Services Block Grant
- 93.767 - Children's Health Insurance Program
- 93.779 - Centers for Medicare and Medicaid Services (CMS) Research,
 Demonstrations and Evaluations
 TANF Cluster
 CCDF Cluster
 Medicaid Cluster
 Disability Insurance/SSI Cluster
 Student Financial Assistance Cluster
- 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
- 97.039 - Hazard Mitigation Grants
 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, 2009

STATE OF LOUISIANA
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(HEALTH CARE SERVICES DIVISION)**

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

BATON ROUGE COMMUNITY COLLEGE

FS-09-BRCC-1 - Inadequate Controls Over Financial Reporting

For the second consecutive year, Baton Rouge Community College's (BRCC) internal controls over the financial reporting process did not detect errors and omissions timely. The Louisiana Community and Technical College System (LCTCS) requires its colleges, including BRCC, to prepare and submit an Annual Fiscal Report (AFR) for inclusion in the LCTCS AFR. LCTCS provided a template and required the colleges to submit their AFR's for the fiscal year ended June 30, 2009, by August 25, 2009. Good internal controls over financial reporting include an effective compilation and review process to ensure the accuracy and completeness of information reported to LCTCS.

BRCC provided its AFR to LCTCS on August 25, 2009, but was not able to provide the supporting roll-up schedule to the auditors until September 22, 2009. During our audit procedures, we noted differences between the general ledger and the AFR and notified management so corrections could be made. The final revision of the AFR with correcting journal entries was provided to the auditors on October 19, 2009.

The following adjustments were made to BRCC's Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; and notes to the financial statements because of errors and accounts not included in the AFR.

The Statement of Net Assets included the following errors:

- Cash and cash equivalents and the related note were understated by \$333,282 because of errors in payroll accruals.
- Receivables and the related note were understated by a net \$24,217 because student government receivables were omitted.
- Accounts payable and accrued liabilities and the related note were understated by a net \$701,348 because of omissions.
- Deferred revenues and the related note were understated by \$49,372 because of classification errors.
- Unrestricted net assets were overstated and restricted net assets understated by \$1,156,990 because of classification errors, which also required an adjustment to the related note.

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

Financial Statement Findings (Continued)

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

- Operating revenues - Tuition and fees were understated by \$87,793 because of an error in recording a prior year deferral.
- Operating revenues - Federal grants and contracts were overstated by \$155,195 because of misclassification of a private grant.
- Operating revenues - State and local grants and contracts and nongovernmental grants and contracts were understated by \$89,599 and \$195,139 respectively, because of the misclassification of grants.
- Operating expenses - Institutional support expenses were understated by \$572,321 for errors in recording bad debt and depreciation expense.

Some of these same errors caused related adjustments to the Statement of Cash Flows, resulting in a net adjustment of \$363,565 to net cash provided (used) by operating activities and \$30,287 to net cash provided (used) by noncapital financing sources.

Additional adjustments to the notes to the financial statements included the following:

- The carrying amount for office space, as disclosed in the lease note disclosure, was overstated by \$73,357 because of an incorrect calculation of the bookstore square footage.
- LASERS employer contributions, as disclosed in the pension note disclosure, were overstated by \$301,000.

As evidenced by errors and omissions of certain accounts detected by BRCC and the auditors, management did not accurately compile or review its AFR before submitting it to the System office. Failure to ensure accurate preparation of the AFR could result in misstatements because of error or fraud.

BRCC's management should strengthen its internal controls over the financial reporting process, to include a comprehensive review, to ensure the accuracy and completeness of information reported in the AFR before submitting it to the System office. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-3).

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

Financial Statement Findings (Continued)

Additional Comments: Although BRCC concurred with the finding and recommendation, management's response indicated that it found the errors as a part of its ongoing review process. Management did find many of the errors, but we communicated differences noted between the general ledger and the AFR to BRCC staff before receiving notification that the AFR was under further review by management. Adequate controls over financial reporting should ensure a thorough review of the AFR for accuracy before submission to the System office.

DIVISION OF ADMINISTRATION**FS-09-DOA-1 - Lack of Internal Audit Function Over
Information Technology Controls**

For the second consecutive year, the Division of Administration (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 (ISACA) 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, 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-6).

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

GRAMBLING STATE UNIVERSITY

FS-09-GSU-1 - Inaccurate Annual Financial Report

For the third consecutive year, Grambling State University (university) did not compile an accurate AFR. As authorized by Louisiana Revised Statute (R.S.) 39:79, the commissioner of administration through the DOA's OSRAP prescribes the content and format for the preparation of the university's AFR, which is then submitted to the Office of Legislative Auditor for audit and to the University of Louisiana System (System) office for inclusion in the AFR for the System. To maintain the university's accreditation with the Southern Association of Colleges and Schools (SACS), it was required to provide SACS with a review report on its AFR by the middle of September. To comply with this requirement, the university submitted its AFR to auditors for review earlier than the prescribed deadline established by the System.

Good internal control and sound business practices require that (1) accounting records and reports reflect all financial transactions incurred by an entity for the reporting cycle; (2) subsidiary records be routinely reconciled to control records for consistency; and (3) reports be reviewed by competent members of management for accuracy and compliance with applicable requirements.

A review of the university's AFR for the fiscal year ended June 30, 2009, disclosed the following errors which resulted in significant adjustments to the financial statements:

- Management inaccurately classified net assets resulting in a net overstatement of restricted expendable net assets and a net understatement of unrestricted net assets totaling \$2,093,387 on its Statement of Net Assets (SNA). The correction of these errors also required a related adjustment to the note disclosure for restricted net assets.
- Management overstated the noncurrent liability for other postemployment benefits by \$77,657 on the SNA which also resulted in overstatements to several operating expense accounts on the Statement of Revenues, Expenses, and Changes in Net Assets (SRECNA) and an understatement of unrestricted net assets.
- Management overestimated the current portion of compensated absences by \$329,964 causing an overstatement of the current portion of compensated absences and an understatement of the noncurrent portion of compensated absences. This also required adjustment to the related note disclosures for compensated absences and long-term liabilities.

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

Financial Statement Findings (Continued)

- Management incorrectly used \$6,915,275 of contract revenues to reduce the related expenses, resulting in the understatement of auxiliary revenues and expenses by \$5,587,817 and of state and local grants and contract revenues and academic support expenses by \$1,327,458 on the SRECNA.
- Management incorrectly classified \$377,895 of Federal Supplemental Educational Opportunity Grant revenues, resulting in an overstatement of federal grants and contract revenues and an understatement of federal nonoperating revenues on the SRECNA.
- Management incorrectly classified \$2,587,558, resulting in the overstatement of operations and maintenance of plant expenses and the understatement of loss on disposal of capital assets on the SRECNA.
- Management implemented a new automated reporting module in its financial reporting system and did not map \$669,270 of expenses to the correct expense accounts, resulting in the overstatement of institutional support expenses and the understatement of operations and maintenance of plant expenses on the SRECNA.
- Management did not use the correct beginning net assets balance on the SRECNA, resulting in an overstatement of beginning net assets and auxiliary expenses of \$44,356.

Seven different versions of the Statement of Cash Flows (SCF) were provided by management to the auditors. While some of the errors noted above resulted in adjustments to the SCF, other errors in the numerous revisions required additional adjustments. The following is a summary of errors of \$1 million or more in the initial SCF provided to the auditors, which required subsequent audit and/or agency adjustments:

- Grants and contracts were overstated by \$10,003,937.
- Auxiliary enterprise receipts were understated by \$5,588,417.
- Payments for employee compensation were understated by \$1,495,785.
- Payments for supplies and services were understated by \$2,931,288.
- Other noncapital financing receipts were understated by \$12,706,495.
- Capital appropriations received were overstated by \$5,551,284.
- Purchases of capital assets were overstated by \$2,963,726.

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

Financial Statement Findings (Continued)

- Proceeds from sales and maturities of investments were understated by \$87,937,420.
- Purchases of investments were overstated by \$89,103,916.
- Operating loss was understated by \$9,996,924.
- Deferred revenue was understated by \$1,378,296.
- Noncash investing, noncapital financing, and capital and related financing transactions were understated by \$8,138,842.

Other adjustments were also necessary to correct the presentation in the Deposits with Financial Institutions and Investments notes and the Debt Service Reserve note. Investments totaling \$28,362,419 were incorrectly reported as having concentrated credit risk. Management failed to disclose \$928,047 of deposits that were uninsured and uncollateralized and failed to correctly disclose the interest rate risk for investments totaling \$6,837,984. Management did not disclose the \$5,370,766 reserve requirement or the \$6,000,255 reserves available for maintenance revenue bonds.

Two additional proposed adjusting entries were identified for the financial statements and notes that we did not consider material or significant. The proposed adjusting entries were prepared and presented to management for consideration.

Management of the university does not adequately analyze and adjust the accounts in its accounting system prior to closing the system and preparing its AFR. In addition, supporting schedules and work papers are not prepared and agreed to the supporting accounting records prior to the preparation of the financial statements. As a result, the university's financial information submitted to the auditors for the review engagement and to the System required significant time and effort by the auditors to identify and correct errors which should have been detected by management. Furthermore, failure to timely analyze accounts and identify errors subjects university assets to potential fraud and/or abuse.

Once again, we recommend that university management should immediately begin analyzing and reconciling all accounts and should make all adjustments necessary to the records to reflect current, accurate financial information. In addition, management should develop a compilation process that requires the timely reconciliation of all general ledger accounts to subsidiary or supporting records and schedules. The compilation process should include the performance of analytical procedures and a high level supervisory review of financial information and note disclosures to detect and correct errors in a timely manner before submitting that information to the System and the Louisiana Legislative Auditor. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-40).

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

Financial Statement Findings (Continued)

**HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
GOVERNOR'S OFFICE OF**

FS-09-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report

For the third consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit an accurate AFR and Schedule of Expenditures of Federal Awards (SEFA) to the 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 adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR, including the SEFA; adequate training and supervision of staff; and a review process that will identify preparation errors and correct those errors before submitting the reports to OSRAP for inclusion in the state's Comprehensive Annual Financial Report (CAFR) and the Single Audit.

GOHSEP submitted an AFR packet to OSRAP by the original due date of August 31, 2009, but the AFR contained several material and significant errors in the accrual calculations. GOHSEP revised the accruals on September 2, 2009, and again on September 16, 2009. Audit procedures revealed that the revised AFRs still contained significant and material errors in the accruals and note disclosures that necessitated correction by audit adjustments.

| <u>Account Balance</u> | <u>Original AFR</u> | <u>9/2 Version</u> | <u>9/16 Version</u> | <u>Audit Adjustments</u> | <u>Final Adjusted Version</u> |
|----------------------------|---------------------|--------------------|---------------------|--------------------------|-------------------------------|
| Receivables: | | | | | |
| Modified accrual | \$125,788,830 | \$125,788,830 | \$124,971,056 | | \$124,971,056 |
| Adjustment to full accrual | 886,606,955 | 886,606,955 | 1,000,061,483 | \$112,028,079 | 1,112,089,562 |
| Payables: | | | | | |
| Modified accrual | (6,853,960) | 87,722,557 | 87,722,557 | | 87,722,557 |
| Adjustment to full accrual | 1,156,151,613 | 1,156,151,613 | 1,192,412,327 | (75,204,765) | 1,117,207,562 |

GOHSEP submitted the SEFA to OSRAP by the due date of September 4, 2009; however, errors with the pass-through entity information and recap form were noted by OSRAP and a revised schedule was submitted on November 2, 2009. Audit procedures revealed that the revised SEFA still contained the following errors: (1) the amount reported for the Public Assistance program was understated by \$2.4 million; (2) the recap of the Schedule 8 was not prepared in accordance with OSRAP's instructions; and (3) the reconciliation between the SEFA and the financial statements included unsupported adjustments.

Management has not adequately trained its accounting staff in the OSRAP format, Governmental Accounting Standards Board (GASB) requirements, or the U.S. Office of Management and Budget (OMB) A-133 reporting requirements. In addition, management has not developed an adequate review process to ensure that the AFR is accurately presented. The lack of adequate review may allow misstatements from errors or fraud to occur and remain

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undetected. The failure to submit an accurate AFR could 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 and SEFA are properly prepared and reviewed to identify and correct errors before submitting these reports to OSRAP, and ensure that its accounting staff is adequately trained in OSRAP, GASB, and OMB A-133 reporting requirements. Management concurred with the finding and provided a corrective action plan (B-60).

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

FS-09-LCPIC-1 - December 2008 Rate-Filing Did Not Comply With State Law

The Louisiana Citizens Property Insurance Corporation's (Citizens) December 2008 rate-filing did not comply with all requirements in state law. R.S. 22:2303 provides the requirements for the board's role in rate-setting; the commissioner of insurance's role in rate-setting; the frequency of rate changes; the noncompetitive nature of the rates; and the actuarial requirements of the rates. Citizens' rates are not intended to compete with private insurance company rates and must be at least 10% higher than those of the largest insurers with certain exemptions.

As described in the Performance Audit Division's report *Louisiana Citizens Property Insurance Corporation 2008 Rate-Filing* issued May 13, 2009, several aspects of law were not complied with in the December 2008 rate-filing. In October 2008, Citizens submitted a rate-filing to the commissioner requesting an overall average rate increase of 13.7%.

Citizens paid approximately \$104,000 for an actuarial consultant to assist in its rate determination and used that information in its initial rate-filing. The commissioner notified Citizens' management that he would not approve the actuarially indicated rates because of pervasive data integrity issues and other deficiencies in the actuarial analysis. Then, without board approval, Citizens' staff submitted a revised rate-filing with a lower average rate increase of 7%, which was then approved by the commissioner and subsequently approved by the board. Since the board did not pre-approve the formulas used by Citizens' staff in setting the revised rates, the board did not fulfill its statutory duty of adopting rate-setting formulas before determining rates.

Citizens used the market survey conducted by the Department of Insurance in setting its rates without evaluating the responses from the surveyed companies. Consequently, Citizens could not have determined if the information was reliable. Because the actuarial information was not used and the survey responses were not evaluated, this process may have inappropriately resulted in noncompetitive rates in noncompliance with state law.

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Financial Statement Findings (Continued)

As recommended in the Performance Audit, the Citizens board should vote to adopt rate-setting formulas before determining rates. Citizens' management should perform its own market survey for future rate-filings or obtain and evaluate survey responses from the Department of Insurance if the department does the survey. Citizens should ensure that its rate-filings are actuarially justified as required by law to further ensure they remain noncompetitive. Management concurred, in part, with our finding noting that it agreed the Citizens board needed to review and approve rates and rating formulas before their effective date. Citizens' management disagreed that the commissioner disapproved the actuarial data because of "pervasive data integrity issues," and provided that instead, the commissioner's disapproval was that the data was unaudited at that time. See management's response at B-73.

Additional Information: In a letter dated December 4, 2008, to Mr. John Wortman, CEO, regarding Citizens FAIR and Coastal Plans residential rate revision, the commissioner of insurance included, in part, the following statements:

With regard to the actuarial concerns, there are two categories that have been identified by my actuarial staff. The first actuarial category of concern identifies pervasive data integrity issues underlying the filing's entire actuarial analysis. The second actuarial category of concern deals with specific actuarial methods and assumptions.

The pervasive data integrity issues are significant and overriding to the entire actuarial analysis presented in this filing.

The second category of actuarial concerns, though not as pervasive as the data integrity issue, is significant to the actuarial analysis that determines the rates by parish for each program.

However, without reliable historical data and supporting actuarial analysis, my staff and I are unable to validate or agree with LCPIC's actuarial calculations and assumptions set forth in this rate filing.

The overall statewide rate change for residential programs was approved based on the market survey data.

FS-09-LCPIC-2 - Inaccurate and Incomplete Annual Fiscal Report

Citizens did not submit an accurate and complete AFR to the DOA for the fiscal year ended December 31, 2008. As authorized by R.S. 39:79, the commissioner of administration through the DOA's OSRAP prescribes the content and format for the preparation of each entity AFR, which is then used in the compilation of the state's CAFR 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.

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Financial Statement Findings (Continued)

Citizens' AFR submitted to OSRAP in September 2009 included the following errors and omissions:

- Assets and liabilities were understated by \$76,227,692 and had to be increased to report reinsurance receivable as an asset as required by generally accepted accounting principles, instead of netting it against liabilities.
- Assets and liabilities were overstated by \$47,234,072 as Citizens incorrectly included inter-fund balances due to and from other funds. These inter-company accounts should have been eliminated from the combined financial statements.
- Assets and liabilities were overstated by \$7,847,305 because of an erroneous adjustment made by Citizens as part of a prior period adjustment.
- Current liabilities were overstated by \$6,668,920 as Citizens recorded current liabilities for collections of emergency assessments on its own policies. In addition, current assets were overstated by \$2,774,363 and revenue was understated by \$3,894,557 as Citizens failed to reduce receivables and increase revenues for the emergency assessment collections.
- Assets and revenues were overstated by \$960,344 as a Citizens' computer consultant erroneously removed premium payments thought to be duplicate payments causing the payments not to be reflected in the financial statements.
- Citizens did not report \$48,150,000 for the current portion of the bonded debt as a current payable. The entire amount of bonded debt was reported as a long-term liability.
- Citizens failed to report net assets as restricted for debt service of \$74,322,314 and invested in capital assets net of related debt of \$5,161,302. These amounts were incorrectly included in the unrestricted net asset amount.
- Revenues were overstated by \$7,847,305 as Citizens included a transaction in prior period adjustments that should have netted to zero, but instead created \$7,847,305 current year revenue. In addition, Citizens included an additional \$4,161,064 prior period adjustment that was in error. Citizens incorrectly included a line item on its operating statement for prior period surplus adjustments, which should have restated the beginning net assets account balance.
- The account "Net assets at beginning of the year, restated" was understated by \$14,887,127 as Citizens recorded transactions that affected beginning net assets as change in allowance for doubtful accounts and prior period surplus adjustments.

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Financial Statement Findings (Continued)

- Citizens recorded \$6,677,528 separately, as change in allowance for doubtful accounts, instead of netting it against premiums earned.
- Prior period adjustments were not disclosed in the prior periods adjustment note of the AFR (note AA) but were instead described in the accounting changes note of the AFR (note N).
- Operating revenues of \$7,924,541 were reported as nonoperating revenues.
- Operating revenues should have reported premiums earned of \$282,311,752, less premiums ceded of \$96,549,785. Instead Citizens reported net premiums written (direct less ceded) of \$162,135,619 and changes in unearned premiums (direct less ceded) of \$23,626,348.
- Citizens recorded a Service Provider Fee payable of \$6,548,606 separately, instead of allocating the portion related to unpaid loss adjustment expenses to the loss and loss adjustment expense liability and the portion related to unpaid underwriting expenses to the accrued expenses, taxes, licenses, and fees liability.
- Citizens' Statement of Cash Flows included numerous adjustments; did not use the correct amount of operating loss, which should have agreed to the amount reported on the Statement of Revenues, Expenses, and Changes in Net Assets, in the reconciliation of operating loss to net cash used by operating activities; and reported five amounts totaling \$2,667,349 as noncash activities for items that were cash transactions.

In addition to these errors, two areas of concern were identified and are described as follows:

- Citizens did not verify the completeness and accuracy of premium and policy data during 2008. As noted in the fiscal year 2007 audit finding titled "Premiums & Claims," Citizens did not have a testing, balancing, and reconciliation function in place for the premium and claims cycles. Citizens did not use the Operational Reporting and Balancing System (ORBS) to independently balance and reconcile data until June 2009, after Citizens' statutory financial statements had been prepared, and approximately six months after the end of the year.
- Citizens did not correctly account for the financing arrangements on the settlement of a legal claim during 2008. The December 31, 2008, financial statements include a current (short-term) receivable for \$15,000,000, which is not correctly classified and reported. The recorded receivable has not been received at December 11, 2009. Citizens did not report the settlement funds as amounts held in trust in the custody of the court. The settlement funds (which include the \$15 million recorded as a receivable) should have been reported as restricted assets held in trust, with off-setting liabilities for the amount of the settlement

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Financial Statement Findings (Continued)

losses to be paid. Citizens did not recognize the activity of the court during the year, if any, which affected the balance of the settlement funds at December 31, 2008. If funds, such as the \$15 million Citizens recognized as a receivable, would have appropriately reduced the unfavorable outcome to Citizens, such transaction should have been recorded as a reduction in the payable of the funds in trust, not as a current receivable.

Citizens' personnel made miscalculations, misclassified transactions, excluded transactions, incorrectly adjusted prior year amounts, and used inaccurate data in their preparation of the financial statements and the notes to the financial statements. In addition, the supervisory review process was not effective in identifying the errors and/or omissions in the current and long-term claims liabilities and related notes to the financial statements. Failure to submit an accurate AFR can delay the compilation, issuance, and accuracy of the state's CAFR. Furthermore, misstatements from errors or omissions may occur and remain undetected.

Citizens' 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 and the legislative auditor. Management concurred in part with the finding. See management's response at B-74.

**FS-09-LCPIC-3 - Inaccurate Calculation of Emergency
Assessments on Premium Changes**

Citizens did not adjust the emergency assessment surcharge on its policies accurately and in compliance with R.S. 22:2301(E). This statute requires that upon changes to a policy of insurance during the term of the policy that results in an increase or decrease in premium, the emergency assessment is to be adjusted and the amount the insurer shall owe or be owed is to be computed on a pro rata basis for the term of the policy. Citizens is required to levy an emergency assessment surcharge on policies written. The amount collected is a uniform, statewide percentage that is determined annually and approved by the Louisiana Department of Insurance. For 2008, this was 5% of the total written premiums.

Citizens did not update its Louisiana Plan Management System (LPMS) until February 2009 to properly reflect the changes in statute that were effective January 1, 2008. Citizens' noncompliance with R.S. 22:2301(E) has resulted in policyholders not being charged or refunded emergency assessment amounts on policy premium changes. Because of LPMS limitations, auditors could not determine the amount of the financial misstatement caused by the noncompliance.

Management noted that it became aware mid-2008 that the system was not making the proper emergency assessment adjustments. However, because of the complicated nature of the calculations, the volume of transactions, and LPMS' limitations, management was not able to make any overall retrospective changes to correct the problem. Because Citizens did not update its system in 2008, Citizens placed the burden on the policyholders to discover and seek correction of the emergency assessment amount for their policies.

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Financial Statement Findings (Continued)

Management should ensure the calculation and monitoring procedures over emergency assessments result in emergency assessment surcharges that are accurate and in compliance with state law. Management concurred in part to the finding. Management acknowledged that system issues regarding emergency assessments remained in its LPMS until corrected in early 2009, but believes the impact of the error is approximately \$220,000. See management's response at B-76.

Additional Comments: Citizens' estimate of the approximate error amount of \$220,000 does not relate to the problems identified in the finding. The \$220,000 is a net amount that was derived from renewal policies that were cancelled before the effective date of the policy. This finding relates to policies with changes to premiums during the term of the policy. We could not determine the extent of the error.

FS-09-LCPIC-4 - Inadequate Loss Reserve Development Process

Citizens does not have an adequate process to develop loss and loss adjustment expense (LAE) reserve liabilities. Citizens is required to estimate the ultimate cost of settling insurance claims, including costs related to claims that were incurred but not reported, using past experience adjusted for current trends. Management is responsible for its estimates and the implementation of controls to ensure that the data used in deriving these estimates are complete and accurate. Citizens engages an outside actuary to assist in the estimation of the loss and LAE reserve liabilities based on data provided by Citizens.

Although an unfavorable judgment of \$95 million was issued to Citizens on March 20, 2009, on a class action suit related to prior years' hurricane claims, there was no evidence that Citizens made any provision in the reserve amount for this case or the other pending class action suits and mass joinders. The appointed actuary's Statement of Actuarial Opinion as of December 31, 2008, noted that the loss reserves carried by Citizens do not include provision for possible unfavorable outcomes concerning four pending class action suits and 16 mass joinders against Citizens. The actuary's opinion states in part, "The scope of my opinion does not include any provisions for these (or possible future) class action suits and mass joinders. Therefore, my opinion is qualified in this regard." In addition, during tests of loss claims and loss reserves, auditors did not find any items within the recorded reserves tested that made provision for amounts related to these class action suits and mass joinders.

Audit procedures identified various errors and deficiencies in the data that was relied on by the appointed actuary to develop the estimate of reserves at December 31, 2008, as follows:

1. Case basis loss reserves related to system claims do not appear to include all appropriate amounts at year-end. Auditors ran a query on loss payments issued in the first three months of 2009 related to claims with (1) a loss occurrence date prior to the end of 2008; (2) a loss report date prior to the end of 2008; and (3) no reserve amount in the outstanding claim register. This procedure identified 4,257 payments totaling approximately \$23 million. A review of the transactions

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Financial Statement Findings (Continued)

identified errors indicating that case basis loss reserves did not include all appropriate claims at December 31, 2008. Specific errors included the following:

- Reserves associated with several claims appear to have been closed out as a result of advance (partial) payments coded as “final” payments in the claims system.
 - Reserves were not reestablished for claims with payments that were issued and voided prior to year-end and were reissued subsequent to year-end.
 - Reserve balances were not established for certain claims although documentation in the claim file at December 31, 2008, indicated that the amount of the loss was known.
 - Amounts related to off-system, manually processed claims were excluded from direct case basis loss reserves for all accident years. At December 31, 2008, these amounts were approximately \$2.8 million for case basis loss reserves and approximately \$60,000 for LAE reserves.
2. Case basis loss reserve balances included approximately \$1.4 million on claims that were closed and had no loss reserves as of December 31, 2008.
 3. Citizens did not appropriately classify paid LAE and LAE case reserves as defense and cost containment (DCC) expenses or adjusting and other (A&O) in accordance with the *Statement of Statutory Accounting Principle* (SSAP) No. 55. As a result, DCC paid and case basis reserve data relied on by the appointed actuary is inaccurate.
 4. During a review of case reserves related to litigated claims, the following discrepancies between reserves recorded by Citizens and the value of the loss represented to the auditors by Citizens’ outside legal counsel were identified:
 - One claim with a recorded reserve at December 31, 2008, of \$220,000 was settled in 2007 and therefore should not have had a reserve balance at December 31, 2008.
 - Two claims with recorded reserves of \$16,000 had probable outcomes estimated in the range of \$700,000 and \$1.3 million based on information from legal counsel.
 - Seven claims with total recorded reserves at December 31, 2008, of approximately \$2 million were settled or tentatively settled in 2009 for approximately \$334,000. Citizens’ recorded reserves for these seven cases ranged from \$206,000 to \$450,000 per claim, and the settlement

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Financial Statement Findings (Continued)

(or tentative settlement) amounts ranged from \$5,000 to \$130,000 per claim.

- Four claims with total recorded reserves of \$1.2 million had probable outcomes estimated in the range of \$290,000 to \$400,000 based on information from legal counsel.

These conditions are the result of inadequacies in Citizens' information systems and inadequate procedures to ensure that loss information is complete and accurate. Furthermore, Citizens is not timely updating case reserves to reflect the best available information. Failure to maintain accurate and complete information related to losses and loss adjustment expenses hampers the estimation process and increases the risk of material misstatement of liabilities and expenses reported in the financial statements.

Management should establish an adequate process to develop and report estimated liabilities for losses and loss adjustment expenses. This process should include formal procedures to identify and fully compensate for inadequacies in Citizens' information system that affect the data used to develop the estimate of loss and LAE reserves. In addition, Citizens should provide for the timely update of reserves to reflect the most complete and accurate available information. Management did not concur with the finding and noted that the loss and LAE reserves of \$170 million were in the range of a detailed analysis conducted by the contracted actuarial firm. Management stated in part that (1) the payments were made after the reserves were established and the reserve is always different than the payment; (2) there have always been manual commercial claims without case reserves included in the overall reserve process; (3) the DCC and A&O classifications relate to timing; (4) the items mentioned in 4. in the finding are very small misclassifications; and (5) lawyers do not set reserves for insurance companies. See management's response at B-79.

Additional Comments: Auditing standards require auditors to obtain and evaluate sufficient appropriate audit evidence to support significant accounting estimates. Reviewing transactions and events subsequent to the financial statement date are included among the procedures prescribed by the auditing standards for auditors to use in evaluating management's estimates.

The loss and LAE reserves reported in the financial statements are an estimate of the future payments for claims related to insurable events that have occurred as of the balance sheet date. These liabilities include provisions for claims that have been reported as of the balance sheet date (case basis reserves) and provisions for claims that have not yet been reported as of the balance sheet date (incurred but not reported reserves). The ultimate reserve liabilities reported in the financial statements are actuarial estimates based on historical loss and loss adjustment expense development adjusted for current trends. In 2008, an independent actuary was engaged to assist in the estimation of the reserve liabilities.

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In the Actuarial Report on *Unpaid Claim and Claim Expense Estimates* as of December 31, 2008, the independent actuary stated in part that the actuarial firm relied upon the accuracy of the Citizens' data provided for their analysis and if the data is inaccurate or incomplete, their estimates may need to be revised.

The independent actuary represented that he relied on Citizens' case basis loss reserve and paid loss data to determine loss development factors and that he applied these development factors to Citizens' case basis loss reserves and paid loss data to derive the estimate of loss reserves reported in the financial statements. Because case basis loss reserves and paid loss data are significant to the estimate of loss reserves, we performed procedures to determine whether case basis loss reserves and paid loss data were reasonably complete and accurate. The conditions identified in our finding demonstrate deficiencies and inaccuracies in the data relied upon by the actuary.

Regarding class action lawsuits, management asserts that the "settlement of the *Orrill* class, by law, eliminates the other classes" and therefore the settlement and IBNR reserves are adequate for the outcomes related to class action suits. Based on our review of the existing information on the cases, management's assertion is incorrect. There are different plaintiffs in the cases in different parishes and different outcomes may occur. In March 2009, a trial court granted the plaintiff's motions for summary judgment filed in December 2008 stipulating monetary damages in excess of \$92.8 million in the *Oubre* case.

Regarding numbered items in management's response:

1. It is a common and prudent practice for auditors to determine the reasonableness of accounting estimates and estimation methods by comparing the estimate to actual results. Although we do not consider the \$23 million at-risk population identified in our test work to be a known error, we do consider such a large population to indicate that case loss reserves are most likely incomplete. Moreover, management states that ". . . many insurers do not develop case reserves; instead, they use bulk or factor reserves." We acknowledge that it is an acceptable practice in the industry to use other methods when statistical analysis indicates that the ultimate development of the original reserves will be lacking. However, management does not use this methodology.
2. Regarding the exclusion of off-system, manually processed commercial claims, management asserts that these amounts are included in the IBNR portion of loss reserves. While payments related to manually processed commercial claims are included in paid loss development data submitted to the actuary, unpaid amounts related to manually processed claims are excluded from case basis loss reserves that are submitted to the actuary. Since the actuary considered case basis loss reserves to be significant to his estimate of the ultimate loss liability, we consider this condition to be an example of an inadequate process to prepare and submit critical data to the actuary.

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3. Management asserts that the inclusion of reserve amounts related to claims that were closed as of December 31, 2008 “. . . is a typical situation that relates to timing . . .” However, this statement directly conflicts with actions taken by management to correct this condition. In February and March of 2009, Citizens investigated each of these claims to determine whether the claims were actually closed at December 31, 2008. According to management, the results of this undertaking indicated that substantially all of these claims should not have had a reserve balance as of December 31, 2008, and the reserves on these claims were subsequently closed in March 2009. While management contends that this condition is “typical,” it seems unlikely that such corrective actions would have been taken if this were the case. Because this condition represents an inaccuracy in data that was significant to the actuary’s reserve estimate, we consider this evidence that management’s process needs revision.
4. Regarding the misclassification of LAEs, we believe that this error provides further evidence to indicate that management’s process is inadequate. SSAP No. 55, *Unpaid Claims, Losses and Loss Adjustment Expense* requires insurers to classify LAEs as either DCC expenses or A&O expenses. The actuary relies on both paid and case reserve DCC to derive his estimate of LAE reserves. Citizens’ information system does not have the capability to provide for these classifications in accordance with SSAP No. 55. Given this system limitation and the absence of other compensating controls, we believe this to be a deficiency in management’s process to submit complete and accurate data to the actuary.
5. Management states that outside legal counsel is not responsible for Citizens’ reserve-setting process. This process is management’s responsibility. However, communication should routinely occur among service providers, Citizens’ staff, outside counsel, and actuarial consultants when reserves are established and adjusted. Based on our audit procedures, we believe management’s current process is insufficient. At any time, case basis reserves should reflect the best information available, including information from outside legal counsel.

In a 2007 Louisiana Legislative Auditor Performance Audit Division report, it was noted that reserves were not adjusted in a regular and consistent manner. In many cases, the reserves were increased immediately before payment and decreased immediately after payment. Reserves should reflect the most timely and relevant information to date.

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Financial Statement Findings (Continued)

FS-09-LCPIC-5 - Inadequate Program/System Change Controls

Citizens lacks adequate control over changes to its IT programs and systems. Good internal controls would require that management monitor change requests to IT system applications and ensure that program changes are properly evaluated, prioritized, authorized, documented, monitored, and tested prior to implementation. In addition, the roles, tasks, and responsibilities of service providers and customers should be defined; logs of all program/system changes should be maintained; and program changes should be moved into production only when approved by management and persons independent of the programmer.

Audit procedures identified the following:

- Citizens has not properly segregated duties over changes to programs and systems and has not provided proper oversight and review of these changes. The two vendors who maintain the Louisiana Plan Management System (LPMS), Operational Reporting and Balancing System (ORBS), and the Louisiana Citizens Data Mart (Datamart) have the ability to make changes to source code and data and can have those changes moved into production without Citizens' knowledge.
- Citizens does not have formal, documented procedures in place to ensure that all changes to systems and data are authorized, prioritized, planned, tested, reviewed, and approved prior to moving into the production environment.
- Citizens and its vendors do not adequately document reported problems and related system changes and do not close all problems or change orders with documented evidence of resolution.

Citizens has not placed sufficient emphasis on the creation, documentation, and enforcement of formal change control procedures. The lack of program/system change controls increases the risk that vendors may make unauthorized, erroneous, malicious, or fraudulent changes to programs or data and move those changes to production without Citizens' knowledge; data errors and system downtime may occur because of inadequate planning, testing, and reviewing changes; and changes to systems, programs, or data may not be known, understood, or reparable by anyone except the person making the change. In addition, without current contractual agreements, Citizens is unable to require these vendors to follow formal policies and procedures.

Citizens' management should implement procedures to ensure changes made to key programs and systems are appropriately authorized, prioritized, planned, developed, tested, reviewed, approved, and documented. In addition, management should require complete documentation of all reported problems and change requests, monitor the progress, and ensure timely and documented evidence of resolution. Management responded that all program changes are reviewed, tested, and approved before changes are made to the system; there were no

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unauthorized changes; and the LPMS policy management system does not provide adequate requirements for separation of duties. See management's response at B-81.

Additional Comments: Our review and testing of Citizens' procedures provided no evidence to support management's assertion that all program changes are reviewed, tested, and approved by Citizens.

If unauthorized changes have occurred, the lack of monitoring, inadequate segregation of duties, inadequate access controls, and lack of documentation would not allow for their detection. Therefore, Citizens' management cannot support its statement that there have been no such occurrences of unauthorized program changes.

Our review of the security capabilities within LPMS indicated that the system could support adequate requirements for separation of duties if Citizens' management dedicated adequate resources to properly configure the system.

FS-09-LCPIC-6 - Lack of an Internal Audit Function

Citizens did not have an effective internal audit function in place 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. An effective internal audit function is an independent appraisal activity within an entity for the review of accounting, financial, and other operations. The overall objective is to carry out a program of tests of the financial and operational activities and transactions to provide management with information about the effectiveness (and efficiency) of established accounting and operational policies, procedures, and controls and the extent to which they are being followed. Another objective is to prevent and detect fraud through the performance of internal audit tests and procedures.

Management did not establish the internal audit function as a priority in 2008. An effective internal audit function could assist Citizens in the following areas: (1) developing and testing information technology controls; (2) establishing and testing financial reporting controls; (3) testing compliance with applicable laws and regulations; (4) monitoring service providers; and (5) identifying significant risk areas. Failure to establish an internal audit function increases the risk that Citizens' assets are not safeguarded and its policies and procedures are not uniformly applied.

Management should establish an effective internal audit function to ensure that assets are safeguarded and that management's policies, procedures, and controls are applied consistently in accordance with management's intentions. Management concurred, in part, with the finding. Management noted that Citizens has made progress in developing formal written policies and procedures and internal controls and will continue to examine the benefits of a formal internal audit function. See management's response at B-85.

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**FS-09-LCPIC-7 - Lack of Controls Over Administering and
Monitoring User Access**

Citizens granted employees and nonemployees excessive, inappropriate access to the LPMS and Fiserv, which allowed users the access to make changes to critical data, exposing Citizens to potential error and fraud. LPMS is used for maintaining insurance policies and claims processing. Fiserv is the general ledger system used for disbursements and financial statement preparation. Citizens lacked proper controls over the granting and termination of user IDs in its systems, lacked proper segregation of duties, and did not properly review and monitor accesses granted.

Good internal controls require segregation of duties to reduce the ability of a single individual to compromise a critical process. Also, personnel should perform only authorized duties relevant to their respective jobs and positions, and only appropriately authorized individuals should be granted access to system resources. In addition, when employees are transferred or terminated, their access privileges to system and application resources should be removed immediately.

Although it may be appropriate for a few designated employees to have “change” access to all data in a particular system, this level of access should be granted on a strict business-need-only basis and should be very tightly controlled and monitored. Most of the accesses listed below have been in place since October 2005.

LPMS

As of May 2009, 137 active user IDs were granted “Consultants-SBS” role in the LPMS database, allowing users the ability to make changes to any data in the system, including, but not limited to, policies, agents, claims, claim payments, percentage commissions paid to agents, policyholder addresses, billing history, and premium amounts received or owed.

Of the 137 user IDs with these broad access rights:

- 77 belonged to Citizens’ employees;
- 15 could not initially be identified by Citizens; however, after several months Citizens identified seven [two Property Insurance Association of Louisiana (PIAL) employees, two PIAL employees who terminated, two Department of Insurance employees, and an American Insurance Association Board member] and labeled the other eight IDs as former Citizens’ temporary employees;
- 22 were generic IDs;

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- 14 belonged to the service providers Bankers Insurance Group and First Premium Insurance Group who are contractors assigned policies for underwriting and claims administration;
- 7 belonged to employees of PIAL, three of whom have terminated employment with PIAL; and
- 2 belonged to terminated Citizens' employees. At the test date, one employee had been terminated for nine months and the other for 12 months.

In addition, employees and nonemployees with LPMS user IDs were assigned the "SBS Consultants" job title that enables the user to approve claims over \$25,000 using the LPMS claim approval screen. These included four unidentified users; one employee who does not have a valid business need; five generic user IDs; one terminated PIAL employee; and one service provider user.

We could not determine who had access to one generic user ID titled "Mail Clerk Claims" that was inappropriately assigned the "Claims Manager" job title and can approve claim payments totaling \$25,000 or less and approve all loss adjustment expenses. This user ID has existed since January 2006.

Fiserv

Within Citizens' accounting section, job functions assigned and accesses granted to employees did not appropriately segregate the functions of authorization, data entry, generation, and review of disbursements. Because of excessive access granted to the Fiserv application, users were allowed access to make unauthorized changes to accounting data that included, but were not limited to, payee names, addresses, disbursement amounts, and journal entries. Of the 18 active user IDs:

- 14 had full administrative access allowing any change in the Fiserv system and 13 of the 14 also had full access to LPMS through the Consultants-SBS role, and
- 4 had profiles with rights to change vendors, claimants, and disbursement data and three of the four also had full access to LPMS through the Consultants-SBS role.

In addition, all 13 employees in the accounting section plus seven additional users had access to a shared directory on the network that gave them the ability to alter bank reconciliations and unencrypted batch files used to post payments and process disbursements.

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Citizens' management allowed numerous users to work around LPMS malfunctions in the period surrounding hurricanes Katrina and Rita in 2005 by assigning the Consultants-SBS role, and thereafter continued to grant this access because of a lack of formal procedures and a limited technical knowledge of LPMS. Citizens has not adequately defined its security administrator function and has no formal written security policies and procedures for granting user IDs. In addition, Citizens does not have an adequate definition of authority and responsibility to use as a basis for defining security permissions and roles and for designing forms to be used to approve access rights.

Although Citizens has certain controls to detect unauthorized payments and errors, most of the users with these accesses granted could potentially bypass these controls undetected. Also, because Citizens does not monitor the logs in these systems for unauthorized activity, the risk of error or fraud increases for claim payments, adjustment of premiums, policy issuance, and bank and system reconciliations. Without formal procedures for granting and removing access rights, Citizens may be unable to effectively track, appropriately assign, and remove accesses for employees and nonemployees to prevent future unauthorized access.

Citizens' management should (1) review job descriptions to develop or identify appropriate system access profiles; (2) assign system and network accesses according to job function based on business need and classification of data; (3) create a detailed system access request form for use in granting and revoking access; (4) develop, implement, and follow appropriate access policies and procedures; (5) produce user access reports for supervisors to routinely search for inappropriate access; and (6) consider minimizing or eliminating the use of the Consultants-SBS role. Management concurred in part with the finding. Management concurred that the Consultants-SBS role was too broad and noted that all but three users have been eliminated. In addition, management provided that Fiserv job descriptions and needs have been reviewed and access has been reduced. See management's response at B-83.

Additional Comments: Given the broad accesses granted to user IDs and the lack of system monitoring controls, neither Citizens nor the auditors could support management's assertion that it has never had any unauthorized access or changes made to programs or data in its systems.

FS-09-LCPIC-8 - Lack of Monitoring Over Service Providers

Citizens did not perform adequate monitoring or internal audits on the procedures, controls, and transactions processed at the three service providers that Citizens used to perform insurance policy administration and the related claims services for policyholders. Citizens also did not obtain Type II, *Statement on Auditing Standards No. 70: Service Organizations* (SAS 70) reports on its service providers. Good internal controls require an entity to monitor, review, test, and evaluate the transactions controlled or affected by its service providers to ensure data integrity, completeness, and accuracy. One means of gaining assurance on the controls within a service organization is through Type II, SAS 70 reports.

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SAS 70 is an auditing statement issued by the American Institute of Certified Public Accountants (AICPA). Service organizations are typically entities that provide outsourcing services that impact the control environment of the company using the service. Citizens had contracts with three service providers in 2008 to provide policy administration and policyholder claims-related services. SAS 70 provides guidance to service auditors when assessing the internal controls of a service organization and issuing a service auditor's report. SAS 70 also provides guidance to auditors of financial statements of an entity that uses one or more service organization. A Type II service auditor's report, as per SAS 70, includes the service auditor's opinion on the fairness of the presentation of the service organization's description of controls that had been placed in operation and the suitability of the design of the controls to achieve the specified control objectives and whether the specific controls were operating effectively during the period under review. The contracts between Citizens and its service providers do not require that the service providers obtain Type II, SAS 70 reports.

Citizens' employees were not required by internal policy to review transactions in amounts less than the Service Provider Authority Threshold, which include general claims under \$25,000 and catastrophic claims up to \$75,000. The claims that were less than the service provider's authority threshold comprised 60,547 out of 61,229 claims (99%) in 2008. The lack of review and approval of these transactions by Citizens' employees increases the risk that there may be errors or fraudulent activity related to claims loss payments within the service provider's authority threshold amounts and could result in misstatements to the financial statements. This risk emphasizes the need for monitoring of the service centers.

Although the contracts with the service providers do not require Type II, SAS 70 reports, the contracts do provide that Citizens can perform operational audits at the service centers. Citizens did not conduct operational audits of the service centers in 2008. Although Citizens did contract for some review services in 2009 after the fiscal year under audit, those procedures were not an adequate substitute for obtaining Type II, SAS 70 reports on the service providers.

Citizens placed its faith in the performance of the service providers without externally monitoring that performance. Failure to perform sufficient operational audits or to obtain Type II, SAS 70 reports on each of its service providers results in the inability to ensure that procedures and controls are being applied in accordance with Citizens' intentions and regulations and increases the risk that contract terms are not being followed, which could result in errors, overpayments, financial misstatements, or fraud.

Management should institute controls to monitor, review, internally audit, and evaluate the performance of its service providers. Citizens should prepare, sign, and enforce contracts with all service providers that clearly define Citizens' expectations from its service providers and require Type II, SAS 70 audits from those service providers. Management concurred in part with the finding. Management concurred that Type II, SAS 70 reports were not obtained on the service providers, but noted that Type I, SAS 70 reports were available for two service providers and operational reviews were conducted in 2007, 2008, and 2009. See management's response at B-86.

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Additional Comments: Type II, SAS 70 reports were not obtained and operational reviews were not performed in the year under audit, 2008.

In response to our requests for copies of all SAS 70 audits, Citizens' management provided one Type I, SAS 70 report on BinTech Partners, Inc., which according to Citizens' management is wholly owned and one of the new companies under Bankers Insurance Group (a Citizens' service provider). We were not informed of or provided a second Type I, SAS 70.

In the Type I report we were given, the service auditor noted that he did not perform procedures to determine the operating effectiveness of controls for any period and expresses no opinion on the operating effectiveness of any aspects of BinTech's controls. His opinion addressed the "description of controls." A Type I, SAS 70 report does not provide Citizens' management with assurance that service providers' controls are operating effectively. Considering the extent of the transactions processed by service providers that are also not reviewed or approved by Citizens' employees, this lack of assurance is critical.

Our review and testing of Citizens' procedures provided no evidence to support management's assertion that monitoring procedures at the service centers were in place for 2008. The examples of operational reviews provided by management included a follow-up by the service provider itself for concerns Citizens determined in 2007, and two chartered property casualty underwriter's reports on limited procedures performed on the three service providers.

One chartered property casualty underwriter's report was related to two service providers and described limited procedures that included samples of 16 Hurricane Gustav claims for one provider and 29 claims from the other provider to review "claim performance." The report described claims handling capabilities and performance but provided no assurances to Citizens' management regarding the operating effectiveness of service providers' controls.

The other report related to the third service provider and described limited procedures that included a sample of 45 claims to review performance and to identify and assess any unresolved claim exposure. While this report related to performance measurement against best claims practices, the purpose of the report was not to provide assurances relating to the operating effectiveness of service provider's controls, as would be the case in a Type II, SAS 70 audit.

FS-09-LCPIC-9 - Noncompliance With Policy Take-Out Program Requirements

Citizens did not comply with the requirements of R.S. 22:2314 regarding the required depopulation of Citizens' policies referred to as the Policy Take-Out Program. R.S. 22:2314 provides that the legislature created Citizens to operate insurance plans as a residual market for residential and commercial property and intends that Citizens work toward the ultimate depopulation of these residual market plans. The Policy Take-Out Program was developed to encourage the depopulation. The statute requires that at least once per calendar year, Citizens shall offer policies for removal to the voluntary market in bundles of at least 500 policies, which include both Coastal and FAIR Plan policies. Citizens shall include policies in the bundle with

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geographic and risk characteristics that serve to reduce the exposure of the corporation. Each insurer in Louisiana admitted to write residential or commercial policies who desires to participate must submit a take-out plan to Citizens. An insurer shall not be qualified to submit a take-out plan unless that insurer is admitted to write homeowners or commercial insurance in the state of Louisiana. Citizens must submit the plans to the Louisiana Department of Insurance (DOI) for review and approval. If the plan is approved by DOI, Citizens shall submit the plan to its board. The Citizens' board shall develop guidelines for the program and file these with the Senate and House committees on Insurance and the commissioner of insurance for approval.

Citizens conducted two rounds of depopulation in 2008, resulting in seven Take-Out companies assuming 39,936 of approximately 170,000 policies (23%). Those policies represented approximately \$68 million out of approximately \$260 million in premiums (26%), which followed the policies, also reducing Citizens' exposure by an estimated \$9 billion.

In testing compliance with R.S. 22:2314, we identified the following noncompliance and weaknesses:

- Citizens offered the total population of in-force policies for take-out but did not bundle them in any way. Instead, the Take-Out companies were given a database of the policies and allowed to selectively determine the policies each company wanted to assume. Citizens then contacted the insurance agents, or producers, to obtain approval to assume those policies. Consequently, Citizens failed to comply with specific bundle criteria outlined in the revised statute that included offering policies in bundles that represented the geographical and risk characteristics of its overall population of policies.
- Although 75,683 (45%) of Citizens' in-force policies had been selected by Take-Out companies, only 39,936 (53%) of these policies were actually depopulated. Citizens interpreted R.S. 22:23 (Exclusive use of expirations) to mean that a policy could not be depopulated unless authorized by the insurance agent. This interpretation may have caused a lesser number of policies to be depopulated since R.S. 22:2314 has no language requiring an insurance agent's authorization.
- Citizens did not collect and submit to DOI any formal Take-Out plans from interested insurance companies as required by R.S. 22:2314. Compliance with this requirement would have ensured that all seven companies that participated in the two rounds of depopulation would have met the eligibility criteria described in the statute. As a result, one company that was not admitted to write policies in Louisiana and another company that did not have a financial rating were allowed to participate and assume 12,382 (31%) of the 39,936 policies.
- Citizens' board did not prepare and submit guidelines for the Take-Out Program to the Senate and House committees on Insurance and the commissioner of insurance for approval.

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Citizens' management believes that there is a statutory conflict between R.S. 22:23 and R.S. 22:2314 and performed the depopulation process by complying with the latter criteria that could be reasonably met while complying with the constraints set up by R.S. 22:23. In addition, management noted that compliance with the bundling requirement could have resulted in none of the bundles being selected since each bundle would likely include "unwanted" policies. However, since R.S. 22:2314 is specific legislation related to Citizens-only, there is no statutory language in R.S. 22:2314 cross referencing R.S. 22:23, and R.S. 22:2314 is a more recent expression of the legislative will, the latest statute would prevail.

The fiscal impact of Citizens noncompliance with statutory requirements and the resulting effect on premium revenues, claim expenses, and exposure cannot be determined because the number of policies that would have been depopulated if Citizens complied with R.S. 22:2314 is unknown. In addition, failure to have Take-Out plans approved by DOI increases the risk that ineligible companies may be allowed to participate and that these companies could potentially find themselves unable to meet their obligations to the insurance agent or to the policyholder. Also, failure to submit required Take-Out Program guidelines to the commissioner of insurance and the legislature means that there is no written documentation of approval for the procedures followed by Citizens.

Management should review its implementation of the Policy Take-Out Program and develop formal practices that would ensure compliance with all the requirements specified in R.S. 22:2314 to meet the latest expression of legislative intent. Management concurred in part with the finding. Management acknowledged that two ineligible companies were allowed to participate in the Policy Take-Out Program in 2008. However, management believes that R.S. 22:23 does apply and there is a statutory conflict between R.S. 22:23 and R.S. 22:2314. See management's response at B-87.

Additional Comments: Citizens did not follow R.S. 22:2314, which represents specific legislation related to Citizens and is the latest expression of the legislature's will. As a result, Citizens is in noncompliance with state law.

FS-09-LCPIC-10 - Noncompliance With State Eligibility Requirements

Citizens did not follow state law to ensure that all applicants were eligible to be insured by Citizens. R.S. 22:2302(A) provides that any person having an insurable interest in insurable property and who has been denied coverage by one or more insurers authorized to write property insurance in this state is eligible to apply for insurance through Citizens directly or through a representative. R.S. 22:2302(A) further provides that every application form shall require that the applicant disclose each insurance carrier who denied property insurance coverage to the applicant.

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During our test of direct written premiums, 35 applications for policies written in 2008 were reviewed. Of these 35 applications, 34 (97%) did not disclose on the application that the applicant was denied coverage or list each insurance carrier who denied property insurance coverage to the applicant. "No" was checked on the applications for the question "Has insurance been cancelled, declined, or non-renewed in the voluntary market?"

Management expressed that it did not have the means to implement a control to ensure compliance with this provision. Failure to ensure that all policyholders are eligible to be insured by Citizens causes Citizens to be in noncompliance with state law and could result in policies being issued to ineligible applicants, which could lead to payment of losses to an ineligible insured. This also increases the risk of misstatement of premiums earned and claim losses on the financial statements. In addition, the legislation creating Citizens explicitly states that the legislature intends for Citizens to work to reduce the number of policy holders until Citizens is no longer needed. If Citizens issues coverage to those who could get coverage elsewhere, then legislative intent for Citizens to be the insurer of last resort would not be met.

Management should ensure that policies are issued only to those applicants whose application information demonstrates eligibility for coverage as prescribed by state law. Management concurred with the finding and provided that the new policy management system that will be installed in the spring of 2010 will prohibit the issuance of new policies to property owners that have not been denied coverage by another company. See management's response at B-89.

FS-09-LCPIC-11 - Uncertainty in Premiums Receivable

Citizens did not adequately support premiums receivable. Citizens could not provide an accurate and complete aging of premiums receivable, and the results of our tests indicate an uncertainty of the premiums receivable (uncollected premiums) balance at December 31, 2008. Good business practices require that accurate and complete financial records be maintained to ensure that the amounts recorded in the financial statements are materially correct.

Citizens uses its LPMS to process and record premium transactions. However, because of the limitations and unreliability of LPMS, Citizens contracted with a computer consultant, I.T. By Design, to design the Louisiana Citizens Data Mart (Datamart) as a method of obtaining data from LPMS. Datamart reports are used to create the manual general ledger entries to generate financial reports. The aging of uncollected premiums was also determined using the Datamart. Management reported admitted premiums receivable of approximately \$23.4 million.

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During our testing of admitted uncollected premiums at December 31, 2008, 24 transactions totaling \$413,313 were examined. In seven (29%) of 24 transactions tested, the premium balance outstanding at December 31, 2008, was overstated in total by \$309,508. Upon further evaluation of the exceptions, the following deficiencies were noted:

- In five exceptions noted above, all or part of the premium payments totaling \$225,636 were removed (suppressed) from the receivables balance. While generating the aging of premiums receivable, the computer consultant erroneously removed premium payments thought to be duplicate payments. A total of \$960,345 in premiums payments were removed from the premiums receivable balance, which resulted in an overstatement to premiums receivable of \$960,345. The monies were appropriately deposited into Citizens' bank accounts.
- In two exceptions, the premium balance in the aging report was incorrect and there should have been no balance (zero) at December 31, 2008. The computer consultant generates the aging report by pulling the balance from the LPMS policy balance table. When a change is made to the premium amount via an endorsement, LPMS does not process the amounts correctly in the policy balance table, which Datamart uses to create the aging report. Auditors could not determine why LPMS is calculating the amounts incorrectly in the table and therefore cannot determine the extent of the misstatement.
- For one exception, the balance in the aging report was incorrect; the balance should have been zero at December 31, 2008. When a renewal policy cancels before the effective date of the policy, Citizens refunds the entire premium and fees paid by the applicant. However, for such an event, the emergency assessment fee does not zero out in the LPMS policy balance table, which results in a false receivable in the amount of the emergency assessment fee. In each case, the receivable amount should be zero. Based upon the available information, auditors could not determine the extent of the misstatement.

Failure to maintain an accurate and complete aging of premiums receivable has resulted in an uncertainty of the premiums receivable balance reported on the financial statements at December 31, 2008. This increases the risk of material misstatement of premiums receivable on the financial statements.

Management should resolve system errors and/or establish control procedures to provide an accurate and complete aging of premiums receivable and eliminate the uncertainty of the premiums receivable (uncollected premiums) balance at year-end caused by system problems. Management did not concur with the finding, but acknowledged that there are some issues in the LPMS that impact premiums receivable balances. Management expressed that the \$960,345 was corrected; the incorrect balances in the aging report had minimal impact; and the emergency assessment differences were only \$220,000. See management's response at B-90.

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Additional Comments: Management reported admitted premiums receivable of approximately \$23.4 million. Our sample identified a 29% error rate. Further evaluation of the exceptions identified inaccuracies in how the receivable balance was determined. With a high sample error rate and the nature of the problems we found, it is likely that additional errors exist and would have significantly higher dollar impact for the whole population.

In regard to the error resulting in false receivables, Citizens' management noted that the differences have been quantified to be approximately \$220,000. However, supporting documentation for this amount shows that the amount is netted between negative and positive receivables and includes additional errors not quantified in our finding.

FS-09-LCPIC-12 - Inadequate Controls for Securing and Monitoring Systems

Citizens has not implemented appropriate controls for securing and monitoring its systems. Good internal controls include policies for application security and availability requirements in response to identified risks; performing security monitoring and periodic testing to minimize and identify security weaknesses and incidents, as well as evaluating their potential impact; and developing and maintaining password requirements that would improve security over systems.

Audit procedures identified the following weaknesses:

- Citizens has not configured its systems to ensure that login requirements for LPMS, Fiserv, and its internal network are adequately complex to help prevent inappropriate access. In addition, Citizens has not prohibited the sharing of user IDs and passwords.
- Citizens has not formally determined what data should be classified as sensitive and has not protected such data by using accepted security techniques.
- Citizens has not appropriately granted and monitored remote access to its internal network. No formal process exists for authorizing remote access, which leads to the lack of an audit trail.
- Citizens has not monitored logs within LPMS or Fiserv for unauthorized access to its systems or unauthorized changes to key financial data.
- Citizens has not implemented a security awareness program that would inform and train users regarding current information security risks.

Citizens' management has not placed sufficient emphasis on information security. Citizens has not committed resources to sufficiently manage password changes, monitor its networks, and identify and protect sensitive data. Without proper controls for securing and monitoring its systems, Citizens' systems may be susceptible to unauthorized access and change, as well as theft or destruction of Citizens' data without detection. In addition, management may not be able to hold users accountable for unauthorized use of an ID.

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Citizens' management should require that passwords for all systems meet industry standards for complexity, expiration, and login attempts and disallow the sharing of user IDs. Management should also establish a data classification policy to identify and protect sensitive data, ensure remote access is appropriately authorized and monitored, review access log reports for both Fiserv and LPMS on a regular basis to search for inappropriate or unauthorized changes to data, and implement a security administration function. Management described corrective action plans relating to implementing a new, more complex systems access process, adding levels of security to remote access, and publishing formal written IT security policies. Management stated that Citizens does not capture sensitive policyholder data. It also expressed that remote access was limited to senior management and technical support. See management's response at B-77.

Additional Comments: Our review of Citizens' data shows that it does contain sensitive information.

Citizens could not provide evidence to support its statement that remote access to its systems was limited to only senior management and technical support.

Logs are not a means of controlling access to systems. Logs are a key detective control in which history is maintained for monitoring system activity. Because Citizens does not actively monitor access logs for unauthorized activity, Citizens cannot timely detect unauthorized transactions. Furthermore, without adequate controls and monitoring neither Citizens nor the auditor can assert whether or not there were any unauthorized accesses or changes to data in Citizens' systems.

FS-09-LCPIC-13 - Inadequate Documentation of Information Systems

Citizens does not have adequate current documentation on the design and functions of its critical IT systems. The IT systems were developed by vendors specifically for Citizens, including LPMS, Datamart, and the Operational Reporting and Balancing System (ORBS). In addition, Citizens' management and personnel are critically dependent on vendors to manage, operate, and maintain LPMS and Datamart because of a lack of knowledge transfer between the vendors and Citizens. LPMS is Citizens' main system for supporting its insurance operations. Citizens uses the vendor-developed Datamart as a method of obtaining data from LPMS to develop its manual general ledger entries. ORBS is another vendor-developed system used by Citizens to independently balance and reconcile LPMS data to the Datamart.

Although Citizens is very dependent on its vendors for its IT systems, the vendors were not required to obtain SAS 70 (service organization) audits to provide Citizens with some assurance that adequate controls were in place for those contractors. In fact, management did not have current contracts with these vendors. The primary vendor maintaining LPMS has refused to sign a contract. Efforts to sign a contract with this vendor only appear to have been made after the auditor brought the issue to Citizens' attention. The lack of current contracts means that the vendors could abruptly stop providing services and Citizens would not be able to manage its own data.

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Control and management objectives over IT systems require that software should be developed in accordance with design specifications, development and documentation standards, quality assurance requirements, and approval standards and that a management plan should be implemented and include documentation of the roles, responsibilities, procedures, documentation requirements, appropriate systems documentation, and guidance that is appropriate for personnel with varying levels of skills and experience. Also, critical reliance on vendors for basic system knowledge should be minimized.

Citizens' staff could not provide the auditors with updated or complete documentation of LPMS, Datamart, and/or ORBS, which are key systems relied on for internal control over financial reporting. Citizens has no process in place with regard to the production of user documentation, operations manuals, and training material for LPMS, Datamart, or ORBS. Also, there are no current data dictionaries for LPMS or Datamart on hand.

- The technical LPMS manual provided to the auditor has been a "draft" version since 2005 with no evidence of management review, edit, or approval. In addition, Citizens lacked current documentation explaining security roles and profiles and their appropriate assignments to users in LPMS.
- The original documentation given to the auditor for the Datamart consisted of a "Process Flow Diagram" flowchart that was over 1 ½ years old. The flowchart did not represent the current configuration of the Datamart for 2008.
- The ORBS executive and project overviews and related database table schematics do not accurately portray the current use of the ORBS database.

Citizens has not adequately trained its IT personnel to manage, operate, and maintain LPMS or Datamart without substantial vendor assistance. The lack of documentation and knowledge of their own systems, as well as no contracts, leaves Citizens vulnerable to losing control and availability for those information systems in the event a vendor no longer agrees to provide services to Citizens.

Without proper system documentation and knowledge, Citizens may be unable to determine the nature of data, IT controls, or programs that are critical for its financial reporting needs. As a result, the IT function may not adequately support the financial reporting process and financial reporting errors could likely occur and remain undetected.

Without proper system documentation and knowledge, especially on highly customized systems such as these, systems are subject to errors because:

- Certain control points and specific tables/data are not identified.
- Risk assessments and vulnerability assessments have not been adequately performed.

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- A transfer of knowledge and training has not occurred.
- Output and reports are not sufficiently defined.
- Security roles, profiles, and their appropriate assignments to users have not been clearly interpreted or maintained.
- Data could be manipulated without management's knowledge by both the vendor and Citizens' staff who have inappropriate access.

Citizens' management should develop a process and dedicate the necessary internal resources for maintaining up-to-date system documentation, such as operation manuals, training materials, data dictionaries, and other documentation. Management should also provide training to its personnel sufficient to keep LPMS and Datamart operational in the event vendors no longer provide their services. Citizens' management should ensure its vendors maintain proper internal controls and current, detailed documentation on all systems and related changes. This documentation should be readily available to necessary Citizens' personnel, auditors, and other appropriate individuals. Current contracts should be obtained for all vendors and Type II, SAS 70 audits should be required for all vendors who are service organizations. Management concurred that system documentation was inadequate. Management expressed that it would not be prudent to utilize Citizens' personnel to document systems that are scheduled to be replaced. See management's response at B-78.

Additional Comments: Because LPMS will be used until 2011, management's lack of documentation of its information systems creates a risk that system errors could occur and remain undetected and/or unresolved. In addition, without proper documentation, the knowledge and understanding of Citizens' personnel of their own systems is hampered.

At the onset of the audit, we asked for all contractual agreements. Management did not inform us of any ongoing negotiations with ITBD, a vendor that provides critical services. In late July 2009, Citizens' personnel provided us a "DRAFT" of a proposed contract, which remained unsigned in November 2009.

The documentation supporting the Datamart was outdated and inadequate for use in gaining an in-depth understanding of Datamart's current system configuration.

FS-09-LCPIC-14 - Lack of Contracts for Information Technology Services

Citizens did not have contracts in place during 2008 for services rendered by information technology vendors, I.T. By Design (ITBD) and I4 Integrated Services (I4). Citizens paid ITBD approximately \$2.5 million and I4 approximately \$558,000 for services between January 2008 and May 2009 without contracts for either vendor.

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Good business practices, including those governing information technology, require contract expenditures to be paid based on the terms and conditions of an approved, written contract. In addition, the roles, responsibilities, and expectations between the contracting parties should be well-defined, and a process should be established to monitor service delivery to ensure that the vendor is meeting current business requirements and that performance is acceptable. Contracts with service organizations should include provisions to require the vendors to provide reports on policies and procedures placed in operation and tests of operating effectiveness in accordance with *Statement on Auditing Standards No. 70* (Type II, SAS 70 report).

Citizens did not take adequate measures to ensure that information technology service contracts were current and applicable to the ongoing business at Citizens after its separation from the Property Insurance Association of Louisiana (PIAL). The lack of contracts with information technology vendors prevents Citizens from measuring/monitoring the services provided by the vendors with deliverables included in a defined, agreed-upon service agreement. The lack of an agreement increases the risk that the vendor may make unauthorized changes to systems and data that are not in accordance with a mutually understood agreement. This further allows the vendors to have less accountability and exposes Citizens to a lack of recourse if vendors do not perform or perform improperly.

Citizens' management should develop written contracts with all of its information technology vendors and include a clause requiring a Type II, SAS 70 report when the vendor is a service organization. Management noted that a valid contract was in place in 2008 for I4 and that ITBD was honoring and working with Citizens under the original PIAL contract. See management's response at B-82.

Additional Comments: Citizens had no current contract with I4 during 2008 and early 2009 to continue ongoing financial support services. The contract with I4 in effect in 2008 was to support the compilation of financial statements for previous years, and the contract had no provision for processing 2008 transactions or for the preparation of 2008 financial statements.

The contract between PIAL and ITBD is not a valid contract between Citizens and ITBD. In addition, the services provided to PIAL according to the terms of that contract are not the same services provided to Citizens. For example, the Statement of Work in the PIAL contract addresses the implementation and maintenance of only PIAL's "network" and has no provision for ITBD's continued support of the LPMS "application."

Without valid contracts, Citizens exposes itself to a lack of recourse if vendors do not perform or perform improperly and reduces vendor accountability.

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FS-09-LCPIC-15 - Lack of Information Technology Policies and Procedures

During 2008, Citizens lacked the following policies and procedures concerning its use of IT:

- A logical access policy with standardized procedures for the issuance, revocation, and periodic review of system and network user IDs
- A physical access security policy
- A policy that classifies data for confidentiality, integrity, availability, and retention requirements
- An acceptable usage policy defining appropriate business use
- A network policy and “remote access” policy for granting outside users access to the internal network
- A policy for IT procurement

According to *Control Objectives for Information and Related Technology* published by the IT Governance Institute, entities should:

- Develop and communicate policies and procedures to ensure the achievement of IT objectives and awareness of business and IT risks.
- Establish and maintain IT security roles and responsibilities.
- Establish data ownership, define appropriate security levels and protection controls, and define data retention and destruction requirements.
- Develop and follow a set of procedures that is consistent with the organization’s overall procurement process to acquire needed IT-related infrastructure, hardware, software, and services.

Management has not placed sufficient emphasis on the creation and enforcement of IT policies and procedures. Without appropriate IT policies and procedures, there is an increased risk that (1) management may grant inappropriate access to its systems, data, and physical assets; (2) management is not effectively managing and safeguarding the confidentiality, integrity, and availability of data; and (3) management may not timely and cost efficiently acquire IT services and/or equipment. In addition, inadequate IT policies and procedures could also result in a lack of recourse if a negative event would occur.

Citizens’ management should develop, implement, and follow appropriate IT policies and procedures and make them available to appropriate Citizens’ personnel. Management expressed that Citizens does have IT policies and procedures and is in the process of strengthening and documenting those IT policies and procedures. See management’s response at B-84.

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

Additional Comments: Citizens' personnel neither provided us with formalized IT policies and procedures nor were its informal policies clear and consistently applied.

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

FS-09-LSUHSC(HCSD)-1 - Inadequate Control Over Financial Reporting

For the second consecutive year, the Louisiana State University Health Sciences Center - Health Care Services Division (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 Louisiana State University (LSU) System AFR.

Audit procedures disclosed the following significant deficiencies:

- HCSD failed to develop an estimate methodology for professional services provided during the fiscal year that had not been entered or billed by June 30. Unrecorded professional services resulted in audit adjustments increasing accounts receivable and hospital income by a gross amount of \$14,100,809 and net of contractual allowances of \$1,949,870.
- Uncompensated Care Costs (UCC) and Medicare payments and recoupments were recorded inconsistently. HCSD's policy is to net UCC, Medicare, and Medicaid receivables and payables on the Statement of Net Assets.
 - HCSD received a \$9,773,326 UCC payment for fiscal year 2009 after June 30 but did not set up a UCC receivable, causing accounts payable and accounts receivable to be overstated by \$9,773,326.
 - The 2008 UCC receivable and payable was settled during fiscal year 2009. HCSD eliminated the 2008 receivable and payable but also applied the recoupment against fiscal year 2009 UCC payments, causing accounts payable to be understated by \$20,082,513.
 - Supporting documentation prepared by the Cost Reports section indicated a 2006 Medicare receivable had been settled; however, a receivable balance of \$384,452 was recorded in the financial statements, causing accounts payable to be understated by \$384,452.
- The prior period adjustment column on the Schedule of Capital Assets note disclosure was understated by \$293,576. The additions column was overstated by \$8,968,104 and the transfers column was understated by \$8,674,528.

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

Financial Statement Findings (Continued)

- HCSD hired a contractor to create a Statement of Cash Flow (SCF) template to assist in the rollup of the eight individual campus' financial information. Because of problems encountered during the implementation of the template and time constraints, HCSD relied on the contractor to prepare the SCF. However, HCSD could not provide sufficient supporting documentation and explanations when requested by auditors. In addition, HCSD did not adequately review the contractor prepared SCF to ensure account balances used were the final per campus amounts and properly classified.

As a result of significant deficiencies reported in the prior audit, HCSD implemented a corrective action plan that included, in part, extending the submission date of financial information to the auditors to allow additional quality review and validation procedures. Management expressed that the additional time would also allow the LSU Health Sciences Center - New Orleans (LSUHSC-NO) and LSU System offices to perform roll-up reviews of the HCSD financial statements. The significant deficiencies detailed previously were not discovered during roll-up reviews but could have been discovered through additional reviews by HCSD management. Failure to establish an adequate review process could result in undetected material misstatements in the financial statements.

HCSD management should ensure its financial statements are adequately supported and should review the financial statements to identify and correct errors before submitting them to LSUHSC-NO. In addition, the review process should involve higher levels of financial management and should also ensure financial statements are prepared in accordance with the state's OSRAP and LSU System instructions. Management concurred in part with the finding and provided a plan of corrective action. Management did not agree that there was inadequate review over the contractor who prepared the SCF. In addition, management emphasized that the financial statements were provided to the auditors earlier than the agreed-upon date. See management's response at B-99.

FS-09-LSUHSC(HCSD)-2 - Failure to Bill and Record Professional Services

Medical Center of Louisiana at New Orleans (MCLNO), University Medical Center at Lafayette (UMCLA), and Lallie Kemp Regional Medical Center (LAKRMC) failed to adequately bill and record certain hospital professional services. Hospital professional services include, but are not limited to, Certified Registered Nurse Anesthetists (CRNAs) services, physician services, and advanced practice nurse services. A proper system of internal control over revenues should include procedures to ensure that all services provided are properly documented, coded, billed, recorded, and collected in a timely manner.

Medical Center of Louisiana at New Orleans

MCLNO failed to bill and record certain professional services provided to patients. In addition, MCLNO did not have controls in place to collect and accurately record revenues for professional services. MCLNO began outsourcing professional billings and collections in March 2007

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

Financial Statement Findings (Continued)

through Healthcare Financial Services, LLC (HFS), but changed vendors to Acadiana Computer Systems, Inc. (ACS) in April 2009. However, MCLNO did not implement procedures to ensure that amounts being billed and collected were accurate and complete. A proper system of internal control over revenues should include procedures to ensure that all services provided are properly documented, coded, billed, recorded, and collected in a timely manner.

During the period March 2007 through April 2009, HFS was responsible for the billing and collection of services including CRNAs, physician-clinic visits, physician-inpatient stay visits, anesthesiology, pathology, radiology, cardiovascular surgery, and orthopedics. In early 2008, MCLNO discovered that HFS had improperly billed commissions from patient receipts as well as professional services fees causing an overpayment to HFS of \$346,715. For example, HFS duplicated an invoice, and HFS billed for acute patient revenue when that service should not include a commission to HFS.

In April 2009, MCLNO terminated the contract with HFS and has since recouped \$135,021 in overpayments. As of December 2009, \$211,694 remains outstanding. Management expressed that it plans to file a default judgment to pursue payment, but that has not yet occurred as of January 26, 2010. The Louisiana Secretary of State's Commercial Database identifies HFS as an active company in good standing. MCLNO management acknowledged that it could not produce the procurement file/contract for HFS or provide an explanation of the professional fee billing process that occurred before 2007, which was requested by the auditor on December 9, 2009. MCLNO located the contract on February 4, 2010, approximately two months after the initial request by the auditor.

ACS was able to import certain billing information back to 2007 that was obtained from HFS for payments not collected. Based upon the available information, ACS estimated that charges totaling \$219,430, with a net collectible amount of \$37,319, were not billed. A lack of documentation and limited availability of older data prohibits a more accurate estimate.

Additional audit procedures disclosed the following:

- For fiscal year 2009, MCLNO estimates that approximately \$8.2 million of services were not billed. MCLNO offered services through the Interim Hospital of Louisiana, the Interim Public Hospital Outpatient Clinic, and five other community or school-based health clinics. Within these facilities, five services (Psychiatry, Pathology, HIV Outpatient Clinic, Radiology, and Cardio Vascular Thoraic) that should have been billed were not billed. After considering contractual allowances (difference between covered charges and the plan benefit) and uncollectibles, MCLNO estimates that approximately \$1,032,000 (\$853,000 from Medicaid/Medicare and \$179,000 from insurance/self-pay) of the \$8.2 million is still collectible. These amounts were recorded in the financial information through an audit adjustment.

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

Financial Statement Findings (Continued)

- MCLNO failed to properly ensure that all professionals providing billable services were properly credentialed and linked in the Medicare and/or Medicaid systems. MCLNO had 77 non-credentialed doctors providing professional services. If Medicaid or Medicare does not receive charges for a doctor in a year, Medicaid/Medicare will terminate or deactivate the doctor. Once re-credentialed, Medicare will only allow back-billing up to 30 days from the re-credentialed date. Medicaid will allow one year of back-billing. As of November 2009, actual denials of charges by Medicare/Medicaid because of late back-billing totaled approximately \$420,000 with approximately \$115,000 representing amounts considered collectible.
- Auditors performed a test on data contained in an ACS vendor file used to record amounts as professional fee revenues and the associated accounts receivable. In a test of 15 sample items, eight (53%) items were not properly recorded as fiscal year 2009 financial transactions. Further audit procedures resulted in an audit adjustment to record hospital income of \$3,347,243; contractual allowances of \$2,620,464; and a net receivable of \$726,779.

MCLNO did not properly monitor medical billings performed by its contractor. MCLNO also failed to establish adequate control procedures to ensure all services provided were properly documented, coded, billed, recorded, and collected.

University Medical Center at Lafayette

UMCLA has failed to bill certain professional contract services and certain professional services provided by its own employees since fiscal year 1997. UMCLA personnel provided estimates of the charges for the services provided that were not billed timely for fiscal years 2008 and 2009. However, no estimate for services performed before fiscal year 2008 was calculated because of a lack of documentation and limited availability of older data. In addition, since the professional services billing function was outsourced in April 2009, UMCLA has not implemented procedures to ensure amounts being billed and collected are complete. Audit procedures disclosed the following deficiencies:

- For fiscal year 2009, UMCLA estimated that approximately \$397,000 of services was not billed or was not billed timely. After considering contractual allowances, UMCLA estimated that approximately \$60,000 (\$49,000 from Medicaid/Medicare and \$11,000 from insurance/self-pay patients) of the \$397,000 is collectible. During fiscal year 2009, UMCLA did not have procedures in place to timely capture, bill, collect, or record revenues for six contract physicians or one staff Psychiatric Nurse Specialist. As of October 2, 2009, the vendor contracted to perform the billing function had not billed for \$203,000 of the \$397,000 fiscal year 2009 services.

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

Financial Statement Findings (Continued)

- For fiscal year 2008, UMCLA estimated that approximately \$45,000 of services was not billed. After considering contractual allowances, UMCLA estimated that approximately \$10,000 (\$9,000 from Medicaid/Medicare and \$1,000 from insurance/self-pay patients) of the \$45,000 is collectible. As noted previously, a lack of documentation and limited availability of older data prohibits a more accurate 2008 estimate. As of October 2, 2009, the vendor contracted to perform billing has not billed for any of the unbilled fiscal year 2008 services.

UMCLA entered into a contract with a vendor in April 2009 to perform billing for these services. The vendor began billing in June 2009. The vendor retrieves physician slips/notes and logs from UMCLA on a daily basis and performs coding, billing, and collection for professional services from patients or third party payers. The vendor is paid an administrative fee based on collections. UMCLA does not have procedures in place to monitor what is submitted to the vendor and cannot ensure that what is being billed and collected is complete.

UMCLA hired employees and carried out contracts for professional services from fiscal year 1997 to fiscal year 2009. During this time, UMCLA did not develop charge sheets to capture the services provided by some of the professionals and/or did not use charge sheets that were developed for others to perform billing.

Lallie Kemp Regional Medical Center

LAKMC failed to timely bill an estimated \$700,000, billed other charges more than 300 days late, and has no controls to ensure that all charges are billed and collected for professional services. Audit procedures disclosed the following deficiencies:

- For the seven-month period between September 2008 and March 2009, no professional services were billed or coded. LAKMC management estimates unrecorded revenue of approximately \$700,000, net of indigent care charges and disallowances, for professional services during this time.
- In a test of 10 professional service charges, which were billed by LAKMC before September 2008, the number of days between the service date and the date that service was coded ranged between 306 to 320 days for four (40%) self-pay patients.
- Since April 2009, LAKMC has sent professional slips/notes to a vendor and the vendor performs the coding and billings. Since LAKMC has no procedures in place to monitor what is submitted to the vendor for the services performed by the professionals, LAKMC cannot ensure that what is being billed and collected is complete.

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

Financial Statement Findings (Continued)

LAKMC failed to establish adequate control procedures to ensure all services provided are properly documented, coded, billed, recorded, and collected.

Failure to implement controls to timely bill professional services results in loss of revenue to the hospital and the state and increases the risk that errors and/or fraud could occur and remain undetected.

Management should implement controls to ensure all services provided are properly documented, billed, recorded, and collected timely. In addition, management should develop a monitoring process to routinely test the accuracy and completeness of current billings. Finally, management should seek to collect on prior billings that are still collectible, as well as amounts owed from the prior contractor HFS. Management concurred with the finding and provided a corrective action plan (B-97).

**LOUISIANA STATE UNIVERSITY HEALTH SCIENCES CENTER
(SHREVEPORT)****FS-09-LSUHSC(SH)-1 - Failure to Capture and Bill for All Services Provided**

Louisiana State University Health Sciences Center in Shreveport (LSUHSC-S) failed to establish the procedures necessary to capture and bill for all emergency room charges for inpatients admitted through the Emergency Room and for certain physician services provided to inpatients at Huey P. Long Medical Center (HPLMC). Good internal controls and sound business practices require that adequate procedures be in place to ensure that all charges for hospital and physician services are captured and billed timely. Tests of inpatient charges at HPLMC revealed the following:

- Emergency Room charges were not captured and billed for 22 of 50 inpatients tested that were admitted to the hospital through the Emergency Room.
- Physician service charges were not captured and billed for 26 of 44 inpatients tested.

Management of HPLMC identified \$768,748 of emergency room charges for inpatients that were admitted through the Emergency Room that had not been captured or billed. After considering contractual allowances, HPLMC estimated that approximately \$17,519 (which is from insurance/self-pay patients) of the \$768,748 is collectible.

For fiscal year 2009, HPLMC estimated that approximately \$1,756,693 of unrecorded revenue attributable to certain inpatient physician charges for services were not captured and billed. After considering contractual allowances, HPLMC estimated that approximately \$315,053 (\$280,179 from Medicaid/Medicare and \$34,874 from insurance/self-pay patients) of the \$1,756,693 is collectible. For fiscal year 2008, HPLMC identified \$573,437 of actual inpatient physician charges for services that had not been captured and billed. After considering

**STATE OF LOUISIANA
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Financial Statement Findings (Continued)

contractual allowances, management estimated that approximately \$163,609 (\$148,294 from Medicaid/Medicare and \$15,315 from insurance/self-pay patients) of the \$573,437 is collectible. As of October 4, 2009, only \$27,600 of the \$163,609 had been billed and none of the estimated \$315,053 had been billed.

HPLMC became a part of LSUHSC-S on July 1, 2008. Before July 1, 2008, charges for physician services were captured and billed by another medical facility. During the transition, management of LSUHSC-S failed to develop and implement the procedures necessary to capture and bill for all physician service charges for inpatients and for all emergency room charges for patients admitted through the Emergency Room. Failure to capture and bill for the services provided results in lost revenues for the center and the state and increases the risk that errors and/or fraud could occur and remain undetected.

Management of LSUHSC-S should immediately identify and bill all allowable charges for physician services for fiscal years 2008 and 2009. It should also immediately develop and implement the procedures necessary to capture and bill all hospital and physician charges for inpatients. Furthermore, management should review the policies and procedures for HPLMC to ensure that there are no other areas where charges are not being captured and billed timely. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-103).

LOUISIANA STATE UNIVERSITY SYSTEM**FS-09-LSU-1 - Energy Efficiency Contract Contrary to State Law**

Three campuses and two hospitals within the 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. This is the second consecutive year for the finding. 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.

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

Financial Statement Findings (Continued)

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 HCSD provided that operational savings are agreed by the parties to be achieved (stipulated) and will not be additionally measured or monitored during the contract 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 approximately \$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 consists 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.

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Financial Statement Findings (Continued)

- LAKMC 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 consists of measurable savings of \$1,550,162 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 expected payment obligation exceeds the measurable cost savings.

The LSU System is in the process of conducting extensive investigations and evaluations of the agreements in preparation for litigation to remedy the situation by possibly nullifying the agreements, forcing amendments, or recovering for breach of the agreements. In doing so, the LSU System has retained outside counsel to assist in the resolution of these issues. Counsel has requested and obtained information from JCI and has engaged, on behalf of the LSU System, an industry expert to assist in the detailed and comprehensive review of the technical materials and calculations related to each of the contracts.

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 management concurred with the finding in the prior year and is addressing the issue as described previously (B-92).

RECOVERY SCHOOL DISTRICT

FS-09-RSD-1 - Inaccurate Annual Fiscal Report

The Recovery School District (RSD) did not submit an accurate and complete AFR to the DOA for the fiscal year ended June 30, 2009. As authorized by R.S. 39:79, the commissioner of administration through the 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 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, RSD's AFR submitted to OSRAP and the Louisiana Legislative Auditor on August 31, 2009, included the following omissions and errors:

Full Accrual Receivables and Payables

- RSD did not record receivables totaling \$32,976,284. The receivables represent fiscal years 2007 and 2008 amounts that were determined by the state's Department of Education (DOE) according to House Concurrent Resolution (HCR) 290 of 2006 and HCR 208 of 2007. This amount is owed to RSD by the

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Financial Statement Findings (Continued)

Orleans Parish School Board (OPSB). An audit adjustment was proposed for this amount as a result of the documentation provided to the auditors.

- RSD did not record a payable totaling \$12,994,192 to OPSB. The payable represents the fiscal year 2009 amount that was determined by the state's DOE according to HCR 207 of 2008. This amount was calculated near the end of calendar year 2009 and has not yet been proposed as an adjustment by the department.
- RSD did not record a payable to OPSB for \$17,443,363 for services including, but not limited to, utilities, insurance, and staff support provided following Hurricane Katrina. The superintendent of education asserts that while an obligation does exist for approximately this amount, other unresolved financial issues between RSD and OPSB will affect the ultimate repayment of this amount. No adjustment was made by the department for this amount.

Schedule of Interagency Receipts

- RSD misclassified monies totaling \$20,112,138 received before June 30, 2009, as receivables.

Management did not adequately review its AFR resulting in excluded transactions and misclassified transactions in its preparation of the AFR. Failure to submit an accurate AFR can delay the compilation, issuance, and accuracy of the state's CAFR. Also, without adequate review, misstatements from errors or omissions may occur and remain undetected.

RSD 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 and the legislative auditor. Management concurred in part with the finding. Management noted that there is uncertainty with the full accrual receivables and payables and did not concur that the amounts should be reported in RSD's AFR. See management's response at B-122.

Additional Comments: Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. The receivable amounts totaling \$32,976,284 and the payable amount of \$12,994,192 were determined by the state's DOE according to HCRs. Based upon reconciliations of local revenues, the HCRs require the DOE to determine the amount owed to RSD from the district of prior jurisdiction or the amount RSD owes to that district. Since the reconciliations result in amounts earned by RSD or obligations incurred by RSD, the amounts should be recorded in RSD's AFR.

In a letter dated November 20, 2009, to the state Legislative Auditor, DOE acknowledged that RSD has a current obligation to OPSB estimated to be \$17,443,363 for services including, but not limited to, utilities, insurance, and staff support provided following Hurricane Katrina. Since

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

Financial Statement Findings (Continued)

this amount is reasonably estimated and represents a valid obligation that has been incurred, the amount should be recorded in RSD's AFR.

Implicit approval was not provided by the Legislative Auditor as noted in management's response. Footnote 1 in management's response quotes a comment extracted from an e-mail from the audit manager who supervises the state DOE audit. The comment was taken out of context from an e-mail sent during discussion of a separate finding in the state DOE audit, "Failure to Perform Local Tax Reconciliations for the Recovery School District." The correspondence did not relate to this RSD finding. The comment was made in answer to a direct question from a DOE contractor. The e-mail further explained that the DOE audit team would consider additional support provided and would then contact the department to continue the discussion. The quoted comment, "I see no action required of the department at this time," only referred to the time while consideration of the new information was completed and additional correspondence with the department on the issue was resumed.

Management's response indicated that two amounts in the finding were errors. The first amount relates to the \$32,976,284 receivable. The amount in the finding was based upon DOE's initial determination for fiscal year 2007 that OPSB owed RSD \$41,056,187. After OPSB paid RSD \$23,612,824 in fiscal year 2008, it was determined that OPSB owed RSD an additional \$9,757,212 based upon final fiscal year 2007 revenue numbers. The total local revenue obligation for 2007 is \$27,200,575. This amount, along with the fiscal year 2008 amount of \$5,775,709, results in the receivable amount disclosed in the finding. The second amount relates to OPSB services provided to RSD. Management's response footnotes an amount from an October 28, 2009, letter from Superintendent Pastorek. The amount in the finding of \$17,443,363 was obtained from a letter dated November 20, 2009, regarding the valid obligation of the RSD signed by Superintendent Pastorek.

REVENUE, DEPARTMENT OF**FS-09-DOR-1 - Inaccurate Annual Fiscal Report**

For the third consecutive year, the Louisiana Department of Revenue (LDR) did not submit an accurate AFR to the DOA. As authorized by R.S. 39:79, the commissioner of administration through the DOA's OSRAP prescribes the content and format for the preparation of each agency's AFR, which is then used in the compilation of the state's CAFR. Good internal control includes establishing a process to ensure that these financial statements are accurately prepared and reviewed. Our audit procedures disclosed that net refunds payable reported in note CC of the AFR for the fiscal year ended June 30, 2009, which was submitted to OSRAP on August 28, 2009, were overstated by \$25 million.

Although we noted that LDR had made significant improvements in the preparation and review of its financial statements and related note disclosures, LDR did not ensure that refunds payable information obtained by its Financial Services Division from other divisions was accurate. Failure to submit an accurate AFR can delay the compilation and issuance of the state's CAFR. Furthermore, misstatements from errors and/or fraud may occur and remain undetected.

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

Management should strengthen its control procedures designed to ensure that its AFR is accurately prepared and adequately reviewed for errors.

Management concurred in part with the finding and recommendation and outlined a plan of correction action. In its response, management stated that the finding suggests the entire AFR as submitted was inaccurate, and explained that the reported error was the result of a single transaction that was incorrectly recorded on a compilation worksheet, resulting in "a 7.8% overstatement of refunds due to taxpayers." See management's response at B-136.

Additional Comments: We agree that the error was limited to the overstatement of refunds due to taxpayers, which represented 7.8% of total refunds due. 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 the one identified above. Because this error was not detected by management's review of LDR's AFR, we believe that this is indicative of a significant control deficiency that could result in additional future misstatements if the controls over financial reporting are not improved.

RISK MANAGEMENT, OFFICE OF

FS-09-ORM-1 - Inaccurate and Incomplete Annual Fiscal Report

The Office of Risk Management (ORM) did not submit an accurate and complete AFR to the DOA for the fiscal year ended June 30, 2009. As authorized by R.S. 39:79, the commissioner of administration through the 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 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, ORM's AFR submitted to OSRAP and the Louisiana Legislative Auditor on August 31, 2009, included the following errors and omissions:

Schedule 14 - Governmental Accounting Standards Board (GASB) 34 Revenue Accruals:

- The Prior Year Full Accrual Adjustments section was not completed. The gross adjustment to revenue/receivables of \$26,964,318 and the allowance amount of \$11,137,011 were omitted.
- The modified accrual agency revenue adjustment of \$12,838,835 was omitted.
- The modified accrual interagency receivable per the statewide computer system (ISIS) of \$1,371,011 was omitted.

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Financial Statement Findings (Continued)

Statement A - Other Liabilities:

- The current claims liability and claims expenditures were both overstated by \$20,474,150.

Addendum to the Notes to the CAFR:

- The claim payments and claims and changes in estimate columns included in the changes in aggregate claims liabilities schedule were both understated by \$10,779,160.
- Annuity balances that do not release ORM from future liability were overstated by \$988,187.
- Note DD - Liability for Claims and Claims Expenses:
 - Claims liabilities (long-term gross) and total GASB 34 accruals (gross) were both understated by \$17,350,910.
 - The allowance for estimated recoveries (long-term) was overstated by \$3,123,241.
 - The GASB 34 liability net of estimated recoveries and amount not expected to be paid in one year were both understated by \$20,474,150.

Claims and Liabilities Handled by the ORM in the Letter to the Attorney General:

- Actual cash balance with transit items was overstated by \$38,907,859.
- The liability reserve valuation for claims in litigation was omitted from the original letter. ORM submitted a revised letter reflecting a reserve valuation of \$269,966,233. The revised reserve amount was understated by \$1,805,430.

Department personnel made miscalculations, misclassified transactions, excluded transactions, overlooked prior year audit adjustments, and used inaccurate data in their preparation of the financial statements and the notes to the financial statements. In addition, the supervisory review process was not effective in identifying the errors and/or omissions in the current and long-term claims liabilities, related notes to the financial statements, and the GASB 34 revenue accruals. Failure to submit an accurate AFR can delay the compilation, issuance, and accuracy of the state's CAFR. Furthermore, misstatements from errors or omissions may occur and remain undetected.

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

Financial Statement Findings (Continued)

ORM 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 and the legislative auditor. Management concurred with the finding and outlined a plan of corrective action (B-138).

FS-09-ORM-2 - Ineffective Internal Audit Function

For the fifth consecutive year, 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 49 of the 2008 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 the DOA completed one internal audit at ORM, which related to an alleged misuse of a state vehicle and designated hours not worked by an employee. This internal audit report was not sufficient to constitute an effective internal audit function. Considering ORM's reported assets of approximately \$248 million and revenues of approximately \$206 million, 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 a plan of corrective action (B-139).

SOCIAL SERVICES, DEPARTMENT OF

FS-09-DSS-1 - Inaccurate Annual Fiscal Reports

For the third consecutive year, the Department of Social Services (DSS) did not submit accurate AFRs to the DOA. As authorized by R.S. 39:79, the commissioner of administration through the 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 Schedule of Expenditures of Federal Awards (SEFA). Good internal control includes establishing a process to ensure that these fiscal reports are accurately prepared and reviewed. In addition, Federal Regulations [2 CFR 176.210(b)] require that expenditures funded by the American Recovery and Reinvestment Act (ARRA) be separately identified on the SEFA.

The AFRs for the Office of Family Support and the Office of Community Services that were submitted to OSRAP on September 4, 2009, included the following errors:

- The department's combined SEFA (Schedule 8) did not separately identify expenditures funded by ARRA from the regular grant award expenditures as required by federal regulations and OSRAP. The ARRA funding totaled

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Financial Statement Findings (Continued)

\$33,698,143 for the Supplemental Nutritional Assistance Program; \$11,330,969 for the Child Support Enforcement program; \$1,685,569 for the Foster Care - Title IV-E program; and \$1,039,213 for the Adoption Assistance Program. The department also incorrectly included \$100,083 of expenditures in the Child Support Enforcement program instead of the Child Support Enforcement Research program on the department's SEFA and on the Office of Family Support's Schedule 8.

- The Schedules of State Agency, Hospital, College, and University Sub-recipients of Federal Programs (Schedule 8-5) were understated by \$5,825,434 (or 6%) in the aggregate as follows:
 - The Office of Family Support understated the funds disbursed by \$5,040,364.
 - The Office of Community Services understated the funds disbursed by \$785,070.
- The department misstated its Schedule of GASB 34 Revenue Accruals (Schedule 14) and Schedule of GASB 34 Expenditure Accruals (Schedule 14A) for the Office of Family Support and did not prepare Schedule 14 or Schedule 14A for the Office of Community Services even though it reported elsewhere in its AFR revenues and expenses totaling \$7,217,113 and \$11,627,720, respectively, that met the requirements for inclusion. The Office of Family Support failed to reverse the prior year receivable modified accrual adjustment totaling \$16,824,076 and the prior year accounts payable modified accrual adjustment totaling \$15,622,102.

Department personnel made errors in interpreting the payment data in its system reports when determining the disbursements to be reported on 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 CAFR and Single Audit Report, which includes the SEFA. 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 corrective action plan (B-148).

FS-09-DSS-2 - Ineffective Internal Audit Function

For the third 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

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

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:

- In a review of two audits completed by the Bureau of Audit Services during fiscal year 2009, the audit documentation was incomplete, reflecting an insufficient review of the working papers.
- The Bureau of Audit Services did not adequately address federal financial and compliance issues for the department's 28 federal programs that total approximately \$1.9 billion of expenditures at June 30, 2009.
- No information technology audits were performed during the year.

The Bureau of Audit Services was not adequately staffed with audit personnel, did not adequately document or review the test work that supported audit conclusions, and failed to adequately address federal financial and compliance issues as well as information technology. Considering the department's reported assets of approximately \$155 million and revenues of approximately \$2.2 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 the Bureau of Audit Services is sufficiently staffed; 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 correction action plan (B-149).

SOUTHERN UNIVERSITY SYSTEM**FS-09-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation**

For the third consecutive year, the Southern University System (System) did not have adequate controls over the New Orleans and Shreveport campuses' financial information included in the System's AFR to ensure that the System's AFR and 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. 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.

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

Financial Statement Findings (Continued)

OSRAP designed the AFR to obtain financial information and required a signed affidavit from each agency or university system that the financial statements present fairly the financial information of the system. OSRAP uses the AFRs during its compilation of the state's CAFR.

For the fiscal year ended June 30, 2009, the System's AFR was due to OSRAP by September 21, 2009. The System's AFR was submitted 44 days late on November 4, 2009. A review of the New Orleans and Shreveport campuses' financial information included the following errors and omissions:

The Statement of Net Assets included the following errors:

- The New Orleans campus overstated receivables and notes payable by \$581,400 for funds it intended to draw on its line of credit for construction costs incurred as of June 30, 2009.
- The New Orleans campus overstated the value of its buildings by \$1,780,270. The Clark Hall and the Central Plant buildings are considered to be over 50% damaged making them eligible for total replacement under the Federal Emergency Management Agency's guidelines. Therefore, the buildings are considered to be permanently impaired.
- The New Orleans campus understated capital assets by \$412,473 because it did not include three buildings that were under construction and miscalculated the construction costs on two other construction projects.
- The New Orleans campus misclassified \$1,733,908 as expendable net assets instead of unrestricted. The campus incorrectly reported \$4,933,761 of facility maintenance funds as unrestricted. In addition, student insurance fees and other unrestricted funds were incorrectly reported as restricted. Therefore, in the related note disclosure for expendable net assets, the campus overstated restricted funds by \$3,199,853 and unexpended plant funds by \$767,016 and understated retirement of indebtedness funds by \$5,700,777.
- The New Orleans and Shreveport campuses overstated the value of their equipment by \$251,589 and 236,313, respectively, because the campuses recorded depreciation expense only for items purchased in the current year.
- The Shreveport campus overstated federal receivables by \$1,431,690. The receivables have been outstanding for over two years and it is doubtful that these receivables can be collected since the period of availability has elapsed.

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

Financial Statement Findings (Continued)

- The Shreveport campus overstated capital assets by \$830,601 because it double counted \$1,090,236 of prior year construction costs for three buildings as additional construction costs incurred in the current year and excluded \$259,635 of current year construction costs for another building.
- The Shreveport campus understated claims payable and the related note disclosure by \$682,939 for disallowed costs on federal programs. The campus did not include the amounts owed under the repayment plan with the U.S. Department of Education.

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

- The New Orleans campus understated capital appropriations by \$291,196 related to construction performed by the Division of Administration, Office of Facility Planning and Control.
- The Shreveport campus incorrectly reduced instructional expenses by \$1,200,000 for the donation of a plane instead of reporting this as a capital gift. This also misstated the statement of cash flows by understating payments for supplies and services and overstating capital asset purchases by \$1,200,000.
- The Shreveport campus incorrectly reported \$120,000 of endowment contributions as investment income. This also misstated the statement of cash flows by understating private gifts for endowments and purchases of investments by \$120,000.

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

- The New Orleans campus reported \$15,777,133 in noncash capital transactions as capital appropriations instead of as capital gifts and grants.
- The Shreveport campus included noncash capital appropriations as cash transactions which overstated capital appropriations and the purchases of capital assets by \$5,166,075.
- The Shreveport campus reported the investment transactions of its blended component unit at net, thereby understating the proceeds from sales and maturities of investments by \$2,026,122; understating the purchases of investments by \$1,595,992; and overstating interest received on investments by \$430,130.

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

The related note disclosures included the following errors:

- The Shreveport campus did not disclose its related party transaction with its blended component unit (SUSLA Facilities, Inc). In addition, the campus did not disclose the bond reserve requirements of \$948,488 and available funds of \$971,105 for SUSLA Facilities, Inc.

Management of the System and of these institutions has not placed sufficient emphasis on ensuring that financial information included in the AFR is properly prepared and reviewed for errors or omissions. Currently, each campus is responsible for its own financial statements and note disclosure preparation and each uses different Financial Record System reports and/or different methods for compiling the information in those reports. Failure to provide accurate and timely financial information for inclusion in the System's AFR that is submitted to OSRAP could result in a misstatement of the state's CAFR.

System management should develop procedures to include written instructions, a timetable for compiling the required financial information, detailed supporting schedules that each campus uses to support AFR information, and a system-level supervisory review of the financial information and note disclosures submitted by each campus to detect and correct material errors in the campuses' financial information before it is included in the System's AFR. Management concurred with the finding and provided corrective action plans (B-151).

FS-09-SOUTHERN SYSTEM-2 - Ineffective Internal Audit Function

The System does not have an effective internal audit function to examine, evaluate, and report on compliance with the policies and procedures that comprise the internal controls. An effective internal audit function should identify high risk areas and evaluate and report on whether internal controls have been implemented to properly safeguard assets and prevent or detect errors and fraud in those areas.

During fiscal year ended June 30, 2009, the following were noted about the System's internal audit function:

- Board and System internal auditors issued one report that addressed a high risk area even though the internal audit plan identified 17 high risk areas.
- Southern University - New Orleans internal auditors issued two reports that addressed high risk areas even though the internal audit plan identified 21 high risk areas.
- Southern University - Shreveport internal auditors issued one report that addressed a high risk area even though the internal audit plan identified 25 high risk areas.

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

Financial Statement Findings (Continued)

- Southern University Law Center and Southern University Agricultural Research and Extension Center share the same internal auditor. Because the internal auditor position was vacant from July 2008 through March 2009, an internal audit plan was not developed and no internal audit reports were issued during the fiscal year.

These institutions report over \$126 million in total assets and over \$118 million in total revenues. Even though there is no requirement to address each high risk area identified in the internal audit plan or even a specific number of them, the lack of significant progress toward addressing them diminishes the System's ability to identify and address potential weaknesses that could result in the loss of assets, fraud, and errors going undetected and/or funds not being properly expended or accounted for.

Management should allocate sufficient resources and planning to effectively address and report on the high risk areas identified in the audit plans. Management concurred that it did not have an internal auditor for the Southern University Law Center and Southern University Agricultural Research and Extension Center and provided correction action plans. However, management of the other campuses either did not concur or partially concurred with the finding stating that there are no standards or requirements that mandate a specific number of formal audit reports, that not all work performed results in a report, and that they addressed the most crucial needs with the limited staff they had after positions were eliminated because of budget cuts. See management's response at B-154).

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

FS-09-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report

For the third consecutive year, the Department of Transportation and Development (DOTD) did not submit an accurate AFR to the 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 prior to submission of the AFR to OSRAP for inclusion in the state's CAFR.

The department's AFR for the fiscal year ended June 30, 2009, included numerous errors requiring adjustment as follows:

- The outstanding net liability for cooperative endeavors was understated by \$146,985,033 on Schedule 16 of the AFR. 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.

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

Financial Statement Findings (Continued)

- Total infrastructure (note H) was understated by \$10,867,140, net of depreciation totaling \$158,358, as a result of the following errors:
 - Net additions for infrastructure (note H) were understated by \$11,672,906, net of depreciation totaling \$692,561.
 - The reduction in infrastructure for abandoned and turned over roads (notes H and J) was understated by \$542,705, net of depreciation totaling \$850,919.
 - The reduction in infrastructure for impairment losses (notes H and K) was understated by \$263,061.
- Total land and land improvements (note I) included in right-of-way expenditures was overstated by \$54,462.
- We noted the following errors for contingent liabilities (note G):
 - Contingent liabilities were understated for federal funds and overstated for statutory dedicated funds by \$2,362,749 because of an error in classification.
 - Contingent liabilities were overstated by \$126,467 because of incorrect adjustments for cooperative endeavors causing an overstatement of the reported liability for statutory dedicated funds totaling \$150,248 and an understatement of the liability for other funding sources totaling \$23,781.
 - The Schedule of Expenditures of Federal Awards (Schedule 8), Schedule 8-1, the Recap of Schedule 8, and the Reconciliation of Schedule 1 to Schedule 8 were incorrectly prepared. Two federal award programs totaling \$178,358 were omitted from Schedule 8, and one federal award program was overstated by \$60,992. In addition, DOTD reported an incorrect program and cluster name and the incorrect agency number for one program on Schedule 8. DOTD omitted one federal award totaling \$57,417 on Schedule 8-1. These errors affected the Recap of Schedule 8 and the Reconciliation of Schedule 1 to Schedule 8 and resulted in a net understatement totaling \$174,783.

Management of DOTD has not established adequate internal controls over financial reporting 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.

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

Financial Statement Findings (Continued)

Failure to establish adequate internal controls over financial reporting, to include the proper supervision of employees who prepare the AFR and an adequate supervisory review of the AFR, increases the risk of material misstatements in the financial statements, whether caused by error or fraud, that may remain undetected. In addition, an incomplete or inaccurate AFR may cause misstatements in the state's CAFR or delay the CAFR's issuance.

Management of DOTD should establish a 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 concurred in part with the finding and recommendations, stating it does not concur with the portion of the finding related to the understatement of the liability for cooperative endeavors. Management's response indicates that it believes the auditor misinterpreted the information provided to support reported liabilities from cooperative endeavors. See management's response at B-175.

Additional Comment: DOTD management contends in its response that the original number of \$56,774,000 is correct; however, management did not provide any supporting documentation to the auditors that would support that amount. In addition, DOTD management signed an audit adjustment indicating its concurrence with the proposed adjustment to correct the reported understatement of \$146,985,033.

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

Financial Statement Findings (Concluded)

**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-09-ED-EDUC-2 - Noncompliance With Federal and State Equipment Management Regulations (page 109)

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F-09-CC-GSU-3 - Federal Schedules of Expenditures (page 89)
F-09-CC-GSU-4 - Grant Management Procedures (page 91)

**HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
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F-09-DHS-GOHSEP-2 - Inadequate LAPA Program Change Management (page 158)
F-09-DHS-GOHSEP-3 - Inadequate Reconciliation Between Project Database and Financial Records (page 160)
F-09-DHS-GOHSEP-5 - Lack of Information Technology Audits (page 162)
F-09-DHS-GOHSEP-6 - Lack of Proper LAPA Access and Segregation of Duties (page 163)

LOUISIANA WORKFORCE COMMISSION

F-09-USDOL-LWC-5 - Weaknesses in Controls Over Remittance Processing System (page 106)

PUBLIC HEALTH, OFFICE OF

F-09-USDA-OPH-1 - Improper Rate Charged (page 94)

RECOVERY SCHOOL DISTRICT

F-09-CC-RSD-1 - Inadequate Controls Over Coding of Federal Expenditures (page 82)
F-09-CC-RSD-3 - Noncompliance With Federal and State Equipment Management Regulations (page 85)
F-09-ED-RSD-4 - Inadequate Controls Over Payroll (page 119)

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Schedule C

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

FINDINGS COVERING MORE THAN ONE FEDERAL AGENCY

EDUCATION, DEPARTMENT OF

F-09-CC-EDUC-1 - Inadequate Fiscal Monitoring

Award Year: 2004-2009
 Award Number: Various
 Compliance Requirements: Subrecipient monitoring

Questioned
 Costs
 None Noted

- 84.367 - Improving Teacher Quality State Grants
- Title I, Part A Cluster
- 84.010 - Title I Grants to Local Educational Agencies
- Special Education Cluster (IDEA)
- 84.027 - Special Education - Grants to States
- 84.173 - Special Education - Preschool Grants

- TANF Cluster
- 93.558 - Temporary Assistance for Needy Families

For the fourth consecutive year, the Department of Education (DOE) did not perform adequate fiscal monitoring of federal awards. Office of Management and Budget (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 five years. DOE failed to monitor 12 of 71 (17%) local educational agencies at least once within the past five years.

Management did not adequately emphasize the importance of fiscal monitoring to its program managers. Without adequate identification and 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), Special Education - Preschool Grants (CFDA 84.173), and Temporary Assistance for Needy Families (CFDA 93.558). Failure to identify and monitor subrecipients could also result in possible misuse of federal funds by subrecipients.

Management should perform adequate fiscal monitoring on all federal awards as required by federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-7).

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

EXECUTIVE DEPARTMENT

F-09-CC-EXEC-OCD-1 - Noncompliance With A-87 Allowable Cost Principles

Award Year: 2009
Award Number: FEMA-1607, FEMA-1603-DR-LA, project 0050
Compliance Requirements: Allowable costs/cost principles

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 97.039 - Hazard Mitigation Grant | \$18,468 |
| <u>CDBG - State-Administered Small Cities Program Cluster:</u> | |
| 14.228 - Community Development Block Grants/State's Program | 59,436 |
| | <u>\$77,904</u> |

The Division of Administration (DOA), Office of Community Development (OCD) has not established uniform policies for the payment of overtime reimbursed by federal programs and is therefore in violation of federal regulations. OMB Circular A-87 provides guidelines for determining the allowability of costs charged to federal programs. One of the basic guidelines is that costs must be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the governmental unit. Compensation for personal services is allowable if the total compensation for employees is reasonable for services rendered and conforms to the established policy of the governmental unit consistently applied to both federal and nonfederal activities.

The DOA Personnel Policy No. 22, *Overtime, Compensation for Overtime, and Fair Labor Standards Act Status (Exempt and Non-Exempt)*, states that “. . . all or part of a balance of time and one-half and/or straight time compensatory leave may be paid to the employee at the discretion of the Appointing Authority at any time.” The DOA, OCD has received approval and pays overtime by pay period for employees working on federal programs that are 100% federally funded; however, other employees accumulate compensatory leave balances and can be paid upon approval of the Appointing Authority, which is typically done twice each year. This causes an inconsistency in the application of this policy.

In fiscal year 2009, OCD paid \$18,468 in overtime to employees working on the Hazard Mitigation Grant Program (HMGP, CFDA 97.039) and \$59,436 in overtime to employees working on disaster recovery programs under the Community Development Block Grants Program and Non-Entitlement Grants in Hawaii (CDBG, CFDA 14.228). These costs, which were subsequently reimbursed by the federal government, are not allowable costs per the guidelines established in OMB Circular A-87 and are considered questioned costs.

DOA management should ensure the uniform application of its overtime policies across all federal programs and other activities of the division in accordance with OMB Circular A-87 when requesting reimbursement for overtime charged to federal programs. Management concurred in

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

part with the finding and recommendation and outlined a plan of corrective action. Management does not concur with the conclusion that amounts paid in overtime are considered questioned costs. See management’s response at B-21.

Additional Comments: As mentioned previously, OMB Circular A-87 provides guidelines for determining the allowability of costs charged to federal programs. Because overtime costs have not been charged using a consistent policy applied uniformly to federal awards and other activities of the DOA, we believe this causes the allowability of those costs to be in question and have therefore questioned the amount of those payments.

LOUISIANA WORKFORCE COMMISSION

F-09-CC-LWC-1 - Improper Charging of Administrative Expenditures to Federal Awards

Award Year: Unknown

Award Number: Unknown

Compliance Requirement: Activities allowed or unallowed, Allowable costs/cost principles

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| 17.225 - Unemployment Insurance | <u>\$536,304</u> |
| 17.225 - ARRA - Unemployment Insurance | None Noted |
| 97.034 - Disaster Unemployment Assistance Program | <u>None Noted</u> |
| | <u><u>\$536,304</u></u> |

The Louisiana Workforce Commission (LWC) incorrectly charged expenditures of the Disaster Unemployment Assistance (DUA) Program (CFDA 97.034) to the Unemployment Insurance (UI) Program (CFDA 17.225). OMB Circular A-87 states that costs are allowable if they are reasonable and necessary for the proper and efficient performance and administration of the program, are allocated to a particular program to the extent of the relative benefits received, and are appropriately documented.

Based on our audit procedures, we identified expenditures totaling \$1,586,176, which represent fees paid to contractors to process UI and DUA unemployment claims after Hurricane Gustav. Of this amount, \$536,304 should have been allocated to DUA but was incorrectly charged to UI and is therefore considered questioned costs.

LWC procedures require the program personnel to approve costs charged to their programs. The program personnel did not verify the correct federal coding based on the description of work provided on the invoice. This increases the risk that expenditures could be improperly charged to the wrong federal program when more than one federal program is involved.

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

Management should ensure that costs charged to a program are properly reviewed and approved by program personnel. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-114).

RECOVERY SCHOOL DISTRICT

F-09-CC-RSD-1 - Inadequate Controls Over Coding of Federal Expenditures

Award Year: Unknown

Award Number: Unknown

**Compliance Requirement: Activities allowed or unallowed,
 Allowable costs/cost principles**

| | Questioned Costs |
|---|-----------------------------|
| 84.938 - Hurricane Education Recovery | None Noted |
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | \$187,868 |
| <u>Title I, Part A Cluster:</u> | |
| 84.010 - Title I Grants to Local Educational Agencies | None Noted |
| <u>TANF Cluster:</u> | |
| 93.558 - Temporary Assistance for Needy Families | None Noted |
| | <u>\$187,868</u> |

For the third consecutive year, the Recovery School District (RSD) failed to maintain adequate control over the coding of federal program expenditures in the state's accounting system, ISIS, for federal programs. Expenditures for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA 97.036), the Hurricane Education Recovery Act (CFDA 84.938) Immediate Aid to Restart School Operations (Restart), Title I Grants to Local Educational Agencies (CFDA 84.010), Temporary Assistance for Needy Families (TANF, CFDA 93.558), and Career and Technical Education Basic Grants to States (CFDA 84.048) 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.

In a test of 30 expenditure transactions tested relating to the Public Assistance (PA) program, the following problems were noted:

- Four (13%) invoices were coded in ISIS to the Restart program even though reimbursement was received from the PA program.
- One reimbursement request included numerous transactions that were coded in ISIS to various programs including the Restart program, Title I Grants to Local

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

Educational Agencies, TANF, and the Minimum Foundation Program (a state-funded program) even though reimbursement was received from the PA program.

- Five of 30 (17%) invoices tested included ineligible program costs totaling \$187,868 that were coded to the PA program. This amount represents questioned cost.

Management of RSD 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 should resolve the questioned costs with the grantor. 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-125.

Additional Comments: While the ongoing recovery projects do present a challenge, RSD and the state are required to accurately report financial and program information by fiscal year. RSD and the state cannot accomplish accurate financial reporting without controls to ensure that federal revenue and expenditures are coded and matched accurately in ISIS.

F-09-CC-RSD-2 - Noncompliance With A-87 Payroll Certification Regulations

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

84.938 - Hurricane Education Recovery
Child Nutrition Cluster:
 10.559 - Summer Food Service Program for Children
Special Education Cluster (IDEA):
 84.027 - Special Education - Grants to States
TANF Cluster:
 93.558 - Temporary Assistance for Needy Families

| Questioned Costs |
|---------------------|
| None Noted |

For the second consecutive year, RSD did not ensure that certifications for payroll expenditures charged to federal programs were completed as required by federal regulations. OMB Circular A-87, *Cost Principles for State and Local Governments*, requires that when 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, signed by the employee, and based on the work performed and not on budget. If employees work

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

solely on a single federal award or cost objective, the certifications must be prepared at least semiannually.

Audit procedures were performed on five biweekly certifications and 25 semiannual certifications. For the 30 certifications tested, the following exceptions were identified:

- For six certifications (20%), no certification was provided for the employee.
- For eight certifications (27%), the certification was not completed at least monthly as required.
- For two certifications (7%), no date was written on the certification, so compliance with submission requirements could not be determined.
- For 13 certifications (43%), 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.

Management's response to the prior year audit finding stated in part that "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 . . ."

In a test of 15 certifications, during a pay period ending subsequent to May 1, 2009, the following exceptions were noted:

- For two certifications (13%), no certification was provided for the employee.
- For nine certifications (60%), 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.

RSD'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 A-87 payroll certifications that comply with federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-131).

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

**F-09-CC-RSD-3 - Noncompliance With Federal and State
 Equipment Management Regulations**

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Equipment and real property management

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| 84.938 - Hurricane Education Recovery | None Noted |
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | |
| <u>Title I, Part A Cluster:</u> | |
| 84.010 - Title I Grants to Local Educational Agencies | |

For the third consecutive year, RSD did not comply with federal and state equipment management regulations. RSD did not tag and report equipment as 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 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 within 60 calendar days after receipt of these items.

Tests performed on RSD’s movable property noted the following exceptions:

- Fourteen of 20 (70%) items selected that were purchased during the year were not entered into Protégé within 60 days. The delays in entering the equipment ranged from 35 to 180 days.
- Six of 34 (18%) items selected from movable property records were not located.

A review of the Protégé late additions report as of June 30, 2009, disclosed 1,241 items totaling \$1,948,567 were not entered into Protégé within 60 days. The delays in entering the equipment ranged from 69 to 701 days late.

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

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

- Twenty of 30 (67%) items were not located.
- Twenty-nine of 30 (97%) items were not entered into Protégé within 60 days. The delays in entering the equipment ranged from 20 to 69 days.
- During the test of 30 items, auditors identified three Dell invoices that together comprised 45 laptop computers with a total value of \$83,391, which had not been entered into the Protégé system and were not located. The invoices were paid with Public Assistance (CFDA 97.036) funds.

RSD also reported 32 items of movable property with an approximate value of \$53,755 as missing/stolen to the legislative auditor and the Orleans Parish District Attorney's Office in the current fiscal year.

RSD failed to comply with federal and state regulations because the district has not implemented and enforced adequate internal controls over movable property. Failure to comply with federal and state equipment management regulations increases the risk that assets may be misreported, lost, or stolen.

Management should ensure that equipment is tagged and reported accurately and timely in accordance with federal and state regulations. Management should continue to search for unlocated property. Management concurred in part with the finding and outlined a plan of corrective action. Management expressed concern about the discrepancy between federal and state property thresholds for movable property. See management's response at B-133.

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

SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2009

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, 2009. The following findings were provided based on their audit.

F-09-CC-GSU-1 - Allowable Cost

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Allowable costs/cost principles

| | Questioned Costs |
|---|-----------------------------|
| 93.658 - Foster Care Title IV-E Program | <u>\$1,965</u> |
| <u>Research and Development Cluster:</u> | |
| 12.800 - Air Force Defense Research Sciences Program | <u>4,682</u> |
| | <u><u>\$6,647</u></u> |

For the second consecutive year, 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 agreement. The grant programs for which the conditions were noted include the Air Force Defense Research Sciences Program (CFDA 12.800) and the Foster Care Title IV-E Program (CFDA 93.658). Auditors noted instances whereby amounts charged to grant programs exceeded the amounts allowed per the grant agreement, as well as instances where amounts charged to grant programs were less than the amount allowed per the grant agreement. Auditors also noted that indirect cost calculations were not being reviewed by management.

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.

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

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 \$4,682 for the Air Force Defense Research Sciences Program (CFDA 12.800) and \$1,965 for 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 and reviewed by management on a monthly basis. Management concurred with the finding and provided a corrective action plan (B-32).

F-09-CC-GSU-2 - Equipment and Real Property Management

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Equipment and real property management

**Questioned
Costs**

None Noted

84.031 - Higher Education Institutional Aid Program

93.859 - Biomedical Research and Research Training Program

WIA Cluster:

17.259 - WIA Youth Activities

Auditors noted that a campus-wide physical inventory of equipment was not being completed and reconciled to the equipment records. In addition, university personnel were unable to provide a listing of equipment by federal program. The grant programs for which the conditions were noted include the Workforce Investment Act - Youth Activities Program (CFDA 17.259), Higher Education Institutional Aid Program (CFDA 84.031), and Biomedical Research and Research Training Program (CFDA 93.859).

Institutions of higher education, hospitals, and other nonprofit organizations shall follow the provisions of OMB Circular A-110. OMB Circular A-110 requires that equipment be used in the program for which it was acquired or, when appropriate, other federal programs. Equipment records shall be maintained, a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained.

The university failed to follow federal regulations, which require a complete physical inventory to be taken at least every two years. Management's inventory consisted of sampling fixed assets throughout the campus. In addition, the inventory system used by the university was not set up to allow inventory to be tracked by program. The conditions reported as described previously resulted in noncompliance with applicable federal rules and regulations.

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

The auditors recommended that university personnel responsible for inventory control complete a physical inventory of equipment at least once every two years and reconcile data noted during the inventory to the equipment records. The auditors also noted that an appropriate control system should be used where equipment acquired with federal funds is easily identifiable. Management partially concurred with the finding and provided a corrective action plan. See management's response at B-35.

F-09-CC-GSU-3 - Federal Schedules of Expenditures

Award Year: 2009
Award Number: Various
Compliance Requirement: Reporting

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 84.031 - Higher Education Institutional Aid | None Noted |
| 93.658 - Foster Care Title IV-E | None Noted |
| 93.859 - Biomedical Research and Research Training | None Noted |
| <u>Research and Development Cluster:</u> | None Noted |
| 12.800 - Air Force Defense Research Sciences Program | |
| <u>Student Financial Assistance Cluster:</u> | None Noted |
| 84.007 - Federal Supplemental Educational Opportunity Grants | |
| 84.032 - Federal Family Education Loans | |
| 84.033 - Federal Work-Study Program | |
| 84.038 - Federal Perkins Loan Program - Federal Capital Contributions | |
| 84.063 - Federal Pell Grant Program | |
| 84.375 - Academic Competitiveness Grants | |
| 84.376 - National Science and Mathematics Access to Retain Talent (SMART) Grants | |
| <u>Temporary Assistance for Needy Families Cluster:</u> | None Noted |
| 93.558 - Temporary Assistance for Needy Families | |
| <u>WIA Cluster:</u> | None Noted |
| 17.259 - WIA Youth Activities | |

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

Auditors noted significant weaknesses in internal control over compliance relating to the preparation of the Schedule of Expenditures of Federal Awards, identifying Catalog of Federal Domestic Assistance (CFDA) numbers, pass-through entities, and other identifying federal financial assistance information (contract numbers, etc.). The identified weaknesses resulted from the following conditions:

- Programs not being included in the schedule
- Program titles in the schedule not the official titles contained in the CFDA catalog
- Program titles with the incorrect CFDA numbers

OMB Circular A-133, Part III, Subpart C - Auditees, Section 300 states that the auditee shall "Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity." Section 310(b) states, "The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements . . . At a minimum, the schedule shall (1) List individual Federal programs by Federal agency . . . (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be provided (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available."

The schedule of federal expenditures was not reviewed by management before being provided to the auditors. The university has not maintained an adequate system of internal control to ensure compliance with federal regulations pertaining to the auditee's responsibilities and maintenance of books and records in accordance with OMB Circular A-133. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university's Department of Grants and Contracts strengthen internal controls relating to the preparation of its Schedule of Expenditures of Federal Awards to ensure the accuracy and completeness of its financial reporting function. The auditors noted that this should include, but not be limited to, conducting a complete inventory of its federal financial assistance awards and contracts and reviewing applicable award documents and contract files to ensure accuracy and completeness of all applicable identifying award information (CFDA number, contract number, program title and description, primary recipients, etc.) in the accounting books and records. Furthermore, the auditors noted that appropriate supervisory control procedures should also be established to ensure that work is reviewed to ensure accuracy and completeness of the schedule. Management concurred with the finding and provided a corrective action plan (B-24).

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

F-09-CC-GSU-4 - Grant Management Procedures

Award Year: 2009

Award Number: Various

**Compliance Requirement: Activities allowed or unallowed;
 Allowable costs/cost principles;
 Cash management; Eligibility;
 Equipment and real property management;
 Matching, Level of effort, Earmarking;
 Period of availability of federal funds;
 Procurement and suspension and debarment;
 Program income; Reporting; Subrecipient
 monitoring; Special tests and provisions**

| | Questioned Costs |
|---|-----------------------------|
| 93.658 - Foster Care Title IV-E | None Noted |
| 93.859 - Biomedical Research and Research Training | None Noted |
| <u>Research and Development Cluster:</u> | None Noted |
| 12.800 - Air Force Defense Research Sciences Program | |
| <u>Student Financial Assistance Cluster:</u> | None Noted |
| 84.007 - Federal Supplemental Educational Opportunity Grants | |
| 84.032 - Federal Family Education Loans | |
| 84.033 - Federal Work-Study Program | |
| 84.038 - Federal Perkins Loan Program - Federal Capital Contributions | |
| 84.063 - Federal Pell Grant Program | |
| 84.375 - Academic Competitiveness Grants | |
| 84.376 - National Science and Mathematics Access to Retain Talent (SMART) Grants | |
| <u>Temporary Assistance for Needy Families Cluster:</u> | None Noted |
| 93.558 - Temporary Assistance for Needy Families | |
| <u>WIA Cluster:</u> | None Noted |
| 17.259 - WIA Youth Activities | |

Auditors noted that there was little or no oversight over the staff of the office of grants and contracts. This resulted in indirect costs not being calculated properly, funds not being drawn down timely, noncompliance with matching requirements, and lack of supporting documentation.

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

Effective control and accountability must be maintained for all grants. Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to ensure compliance with applicable federal compliance requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

The office of grants and contracts did not have a director for a portion of the year and staff does not appear to be properly trained, which increases the risk that the university may not comply with significant grant conditions and could result in disallowed costs. The auditors did not question any costs as a result of this finding.

The auditors recommended the university follow appropriate internal controls over grants administration to ensure compliance with applicable federal rules and regulations. Such controls should ensure that grants administration personnel are appropriately trained and grants records and reports are subjected to appropriate review procedures. Management concurred with the finding and provided a corrective action plan (B-25).

F-09-CC-GSU-5 - Matching

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Matching, level of effort, earmarking

**Questioned
Costs**

None Noted

93.658 - Foster Care Title IV-E Program

WIA Cluster:

17.259 - WIA - Youth Activities

For the third consecutive year, auditors noted that grant personnel failed to properly document the match that is required by the grant agreement for the Foster Care Title IV-E Program (CFDA 93.658). The auditors also noted that grant personnel failed to provide the match required by the Workforce Investment Act - Youth Activities Program (CFDA 17.259) grant agreement.

OMB Circular A-133 *Compliance Supplement*, Part 3, Section G stipulates that a nonfederal 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.

The office of grants and contracts did not have procedures in place that require grant personnel to ensure that all compliance requirements are met during the year and properly documented, resulting in noncompliance with applicable federal matching requirements. The auditors did not question any costs as a result of this finding.

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

The auditors recommended that grant personnel provide the oversight needed to ensure that the matching requirement is complied with and properly documented. Management concurred with the finding and provided a corrective action plan (B-31).

F-09-CC-GSU-6 - Procurement and Suspension and Debarment

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Procurement and suspension and debarment

**Questioned
Costs**

None Noted

- 84.031 - Higher Education Institutional Aid Program**
- 93.859 - Biomedical Research and Research Training Program**

Auditors noted that university personnel did not perform suspension or debarment verification checks by checking the *Excluded Parties List System* (EPLS), collecting certification from vendors/subrecipients, or adding a clause or condition to the vendor's/subrecipient's contracts/agreements. The grant programs for which the conditions were noted include the Higher Education Institutional Aid Program (CFDA 84.031) and Biomedical Research and Research Training Program (CFDA 93.859).

OMB Circular A-110, Subpart B, Section 13 restricts sub-awards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs or activities. Also, OMB Circular A-133 *Compliance Supplement* Part 3, Section I stipulates that an entity's procurement policies and procedures should contain guidelines pertaining to ethical conduct.

The university's written procurement policies and procedures did not contain guidelines regarding the process used by the institution to ensure that sub-awards and contracts are not made with parties that are suspended or debarred from participating in federal assistance programs or activities. In addition, review of the university's procurement policy indicated that there was no written policy pertaining to ethical conduct. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university implement internal control procedures to ensure that vendors/subrecipients that are paid with federal funds are not suspended or debarred from participating in federal assistance programs or activities. Management concurred with the finding and provided a corrective action plan (B-34).

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

U.S. DEPARTMENT OF AGRICULTURE

PUBLIC HEALTH, OFFICE OF

F-09-USDA-OPH-1 - Improper Rate Charged

Award Year: 2009

Award Number: 6LA700503

Compliance Requirements: Allowable costs/cost principles

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children | \$63,512 |

The Office of Public Health (OPH) did not comply with certain federal program requirements in administering the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program (CFDA 10.557). 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 being processed for payment are supported by sufficient documentation and are adequately reviewed.

There was an error in the invoice billing by LSU Health Sciences Center-Shreveport WIC Clinic and subsequent payment for services provided by the Department of Health and Hospitals (DHH), OPH WIC program. This error relates to the initiation of the last contract which began October 1, 2006, and ended on June 30, 2009. According to the contract, the payments for services were to be based on the following graduated scale:

- \$7.25 per participant for the first 500 participants receiving benefits for the month
- \$6.25 per participant for the 501 through 1,000 participants receiving benefits for the month
- \$5.25 per participant for the 1,001 and above participants receiving benefits for the month

Instead of using the above schedule, the Louisiana WIC program has billed a flat rate of \$6.80 per participant during the entire contract period. The total overpayment for WIC services for two years and nine months equals \$63,512, which represents questioned costs.

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 Federal Award Findings and Questioned Costs (Continued)

Personnel did not follow established policies and procedures to ensure compliance with federal regulations, and contracts were not adequately reviewed before paying for services. Failure to institute sufficient control over program expenditures increases the risk of errors, fraud, and/or abuse.

OPH management should ensure that personnel follow established policies and procedures for compliance with federal regulations and that payments are adequately reviewed. In addition, OPH should recover from LSU Health Sciences Center-Shreveport the monies that have been overpaid in excess of contract amounts. Management concurred with the finding and outlined corrective action (B-120).

SOCIAL SERVICES, DEPARTMENT OF

**F-09-USDA-DSS-1 - Disaster Food Stamp Program: Intentional Program
 Violations and Ineligible Benefits**

Award Year: 2005, 2006, 2008

Award Number: Unknown

Compliance Requirements: Allowable costs/cost principles, Eligibility

| <u>SNAP Cluster:</u> | <u>Questioned Costs</u> |
|--|------------------------------------|
| 10.551 - Supplemental Nutrition Assistance Program | <u>\$74,970</u> |
| 10.561 - State Administrative Matching Grants for Supplemental Nutrition Assistance Program | <u>None Noted</u> |
| | <u><u>\$74,970</u></u> |

The Department of Social Services (DSS) through its internal investigations identified instances of ineligible benefits in the Disaster Food Stamp Program (DFSP) including 16 employee cases and 34 nonemployee cases in which intentional program violations (IPV) were committed. The DFSP is a part of the Supplemental Nutrition Assistance Program Cluster, which is comprised of the Supplemental Nutrition Assistance Program (CFDA 10.551) and the State Administrative Matching Grants for Supplemental Nutrition Assistance Program (CFDA 10.561). Federal Regulation 7 CFR 273.16 defines IPV as intentionally 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. Office of Risk Management's (ORM) Insurance Notification No. 2002-2 also provides

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Federal Award Findings and Questioned Costs (Continued)

that ORM, the state's self-insurance fund, will deny any bond claim associated with employees who have previously committed any dishonest act.

As a result of concerns relating to ineligible employees, the FNS required DSS to review 100% of the employee DFSP cases. As of July 9, 2009, DSS had determined the following:

- In addition to the 24 IPV cases identified in prior audits, 16 cases were identified in the current year as IPV. Fourteen of the 16 cases involved DSS employees, while two cases involved relatives of DSS employees. These 16 individuals were determined by DSS to have understated income, overstated hurricane-related expenses, and/or misrepresented their household composition to improperly obtain DFSP benefits. In these 16 cases, DFSP benefits totaling \$6,863 were distributed. Eleven of the 14 employees are still employed by DSS with no disciplinary action occurring besides restitution of funds. The department is in the process of recouping funds related to these 16 cases.
- DSS has rendered decisions in 1,417 of 1,428 (99%) employee cases and determined that 1,002 of the 1,417 (71%) employees were not eligible to receive DFSP benefits.

As of August 10, 2009, DSS records indicate that DFSP benefits totaling \$634,882 were provided to ineligible DSS employees and their relatives. DFSP benefits totaling \$401,751 have been repaid to the department. Of the total \$634,882, DSS identified questioned costs of \$597,543, as of January 5, 2009, which was reported in our prior year auditor's report. The remaining \$37,339, including \$6,863 for the IPV cases previously noted, represents questioned costs identified by DSS since January 5, 2009.

Since the completion of the prior year audit, DSS has also completed the investigation of 153 nonemployee cases. Of those 153 cases, 98 (64%) cases were determined ineligible to receive DFSP benefits with 34 cases identified as IPV. DSS records indicate that the DFSP benefits totaling \$54,275 were provided to ineligible applicants with DSS recouping \$16,644. The remaining \$37,631 is questioned costs for the current year.

On April 21, 2009, a Social Services Analyst pled guilty to one count of theft from a program receiving federal funds. Following hurricanes Katrina and Rita, the employee performed unauthorized transactions on Disaster Food Stamp applications of friends and acquaintances and intentionally included household members who did not reside in the homes of these individuals to increase their benefits, which resulted in ineligible DFSP benefits totaling \$8,679. The employee was terminated on April 1, 2008. On July 14, 2009, the employee was sentenced to five years' probation, full restitution, a \$1,000 fine, and 150 hours of community service.

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 Federal Award Findings and Questioned Costs (Continued)

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 questioned program costs. In addition, the risk exists that ORM could deny any future bond claims associated with those employees who were involved in the IPV cases and are still employed by the department.

Management should continue to investigate the possibility of additional ineligible DFSP benefits paid, including those obtained through intentional program violations, 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. In addition, the department should take steps to ensure that those employees who were involved in the IPV cases are not in position to cause any further losses to the department. Management concurred with the finding and provided a corrective action plan (B-142).

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EXECUTIVE DEPARTMENT

**F-09-HUD-EXEC-OCD-2 - Inadequate Controls Over the Road Home
 Homeowner Assistance Program**

Award Year: 2009

Award Number: Unknown

**Compliance Requirements: Activities allowed or unallowed,
 Allowable costs/cost principles,
 Eligibility, Reporting**

| | Questioned Costs |
|---|-----------------------------|
| <u>CDBG - State-Administered Small Cities Program Cluster:</u> | \$985,958 |
| 14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | |

For the third consecutive year, the Louisiana Office of Community Development (OCD) has not fully implemented adequate controls over the administration of the Road Home Homeowner Assistance Program of the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CDBG, CFDA 14.228).

During fiscal year 2009, ICF Emergency Management Services (ICF), as the state's contracted program manager, was 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, was responsible for ensuring ICF's compliance with program

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 Federal Award Findings and Questioned Costs (Continued)

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 applicants are eligible and that award calculations are made correctly based on accurate data prior to the disbursement of program funds. When relying on information in a data warehouse, adequate controls should include sufficient testing to ensure the accuracy and reliability of that data. According to *Control Objectives for Information and Related Technology* published by the IT Governance Institute, entities should:

- Ensure their data are accurate, complete, valid, and up-to-date
- Edit or send back invalid data for correction in a timely manner
- Continuously monitor, benchmark, and improve their IT control environment
- Obtain assurance on an external service provider’s internal controls
- Maintain a quality assurance function with appropriate quality assurance systems, controls and communications expertise
- Follow formal change management procedures to handle all change requests
- Implement division of roles and responsibilities to prevent a single individual from compromising a critical process
- Enable logs for use in reconstruction of data, review of operations, and the prevention and/or detection of abnormal activities
- Follow user account management procedures with user access approved by the data or system owner

Good internal controls over program compliance should also include policies and procedures to ensure that administrative expenses are adequately supported and that contract deliverables are met.

OCD lacked proper oversight and monitoring of its contracted program manager, ICF, as follows:

- In fiscal year 2009, OCD relied heavily upon services provided by ICF, but did not obtain independent assurance on the controls over those services. In a report on *Data Warehouse Reliability* issued by the Louisiana Legislative Auditor (LLA) in January 2009, data used to determine eligibility and calculate award

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Federal Award Findings and Questioned Costs (Continued)

amounts were determined to be unreliable because homestead exemption data were loaded into the database using outdated specifications; inappropriate data fields were used in determining applicant occupancy; and incomplete or unverified data were obtained from insurers.

- To follow up on these previously reported issues regarding ICF, OCD contracted with a CPA firm and paid the firm \$220,000 in federal funds to obtain a SAS 70 Type II audit (report on controls placed in operation and tests of operating effectiveness) for the fiscal year ending June 30, 2008. However, after being provided a draft of the audit report, OCD did not pursue issuing the final report, which was the stated deliverable in the contract. Therefore, we consider these questioned costs.
- In addition to the lack of an external review of controls, OCD did not have a quality assurance function or conduct any internal information technology (IT) audits to ensure the adequate monitoring of IT operations.
- OCD did not require ICF to establish and follow adequate change control procedures. As a result, ICF did not properly segregate incompatible duties and allowed programmers to move their own changes to production. Furthermore, neither OCD nor ICF used system logs to monitor changes.

The IT Division of the LLA performed follow-up procedures to determine if OCD adequately addressed the issues noted in the *Data Warehouse Reliability* report. The division determined that, as of April 2009, OCD did not obtain additional supporting documentation necessary to reassess the eligibility of applicants previously determined based on outdated, inaccurate, or incomplete data. In addition, the division found that OCD did not adequately use its Access Management Console in fiscal year 2009 for granting, revoking, and monitoring user accesses to the data warehouse. Furthermore, OCD did not monitor security logs, lacked a formal policy governing remote access, and did not prevent sharing passwords.

At the request of OCD, the Recovery Assistance Division (RAD) of the LLA performed agreed-upon procedures to review the administrative payments made by OCD to ICF. In the two reports issued on June 10, 2009, and October 14, 2009, RAD reported that OCD paid CDBG funds to ICF for administrative expenses that were not adequately supported. 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 unresolved expenses of \$765,958 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.

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Federal Award Findings and Questioned Costs (Continued)

OCD did not (1) dedicate adequate resources to ensure proper controls over ICF's operations; (2) obtain additional supporting documentation necessary to reassess the eligibility of applicants previously determined eligible based on outdated, inaccurate, or incomplete data; (3) follow appropriate procedures for granting, revoking, and monitoring access to the data warehouse; and (4) ensure adequate supporting documentation for administrative payments to ICF. Because of these pervasive weaknesses in controls at ICF and the lack of adequate monitoring by OCD over ICF, we are unable to determine whether program disbursements, as of June 30, 2009, were in substantial compliance with program regulations.

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 that 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 (1) reliability of data in ICF's data warehouse, (2) allowability of expenditure reimbursements prior to disbursement of federal funds, and (3) federally funded contract deliverables are obtained. Management concurred in part with the finding and outlined a plan of corrective action. See management's response at B-14.

Additional Comments: In management's response, it stated that OCD is continuously working to validate homeowner data and verify insurance amounts paid. Although OCD is continuously working to validate the accuracy of homeowner data, the extent and timeliness of corrections made were not adequate to ensure that CDBG awards were made in accordance with program requirements during the fiscal year under audit.

OCD maintains that funds paid to a CPA firm are not questioned costs; however, the contract states that the "contractor shall provide an independent service auditor's report." OCD did not authorize the contractor to issue the final version of the report; therefore, the usefulness of a draft report is limited since the report is not considered complete and cannot be relied on by the Transition Team. Also, we do not consider a draft report as full compliance with contract requirements which causes us to question the allowability of those payments to the contractor.

In its response, OCD maintains that ICF provided additional documentation to support billings in question totaling \$727,000 and disallowed the remaining \$39,000 in questioned costs; however, this additional documentation was not provided to our office to resolve the noted questioned costs identified.

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

**F-09-HUD-EXEC-OCD-3 - Inadequate Subrecipient Monitoring of the
CDBG Disaster Recovery Programs**

Award Year: 2009
Award Number: Unknown
Compliance Requirements: Subrecipient monitoring

**Questioned
Costs**

None Noted

CDBG - State-Administered Small Cities Program Cluster:
**14.228 - Community Development Block Grants/State's Program
and Non-Entitlement Grants in Hawaii**

OCD did not comply with the subrecipient monitoring requirements for disaster recovery programs under the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CDBG, CFDA 14.228).

OMB A-133 requires a pass-through entity to (1) ensure subrecipients expending \$500,000 or more in federal awards during the subrecipients' fiscal year have a single audit and the required audits are completed within nine months of the end of the subrecipients' audit period; (2) issue a management decision on audit findings within six months after receipt of the subrecipients' audit report; and (3) ensure the subrecipients take timely and appropriate corrective action on all audit findings.

OCD program management did not obtain and review all the required single audits for its subrecipients of the Business Recovery Grant and Loan Program and the Primary and Secondary Education Infrastructure Program which are subprograms under CDBG. OCD management indicated that the audit for one subrecipient that received \$27.9 million in program funds did not have any findings related to this program; however, there was no evidence documenting a review process of single audits for any of the four subrecipients of these two programs that received a total of \$99.2 million in program funds. In addition, OCD does not have a process in place to (1) identify all subrecipients of CDBG program funds; (2) ensure required audits have been performed; and (3) address any findings and issues noted in those reports as required by OMB A-133.

OCD's management has not dedicated adequate resources to ensure that the subrecipient monitoring requirements of the program are met. Failure to adequately monitor its subrecipients impairs OCD's ability to evaluate the impact of its subrecipients' activities on overall compliance with program requirements and could result in disallowed costs.

Management should implement procedures to ensure that all 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

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Federal Award Findings and Questioned Costs (Continued)**

appropriate corrective action is taken as required by OMB A-133. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-18).

U.S. DEPARTMENT OF LABOR

LOUISIANA WORKFORCE COMMISSION

F-09-USDOL-LWC-2 - Inadequate Monitoring of Subrecipient Findings and A-133 Audits

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

**Questioned
Costs**

None Noted

WIA Cluster:

- 17.258 - WIA Adult Program**
- 17.258 - ARRA - WIA Adult Program**
- 17.259 - WIA Youth Activities**
- 17.259 - ARRA - WIA Youth Activities**
- 17.260 - WIA Dislocated Workers**
- 17.260 - ARRA - WIA Dislocated Workers**

LWC did not adequately monitor internal subrecipient findings and OMB Circular A-133 Audits for Workforce Investment Act (WIA) Cluster (CFDA 17.258, 17.259, and 17.260) subrecipients.

OMB Circular A-133, Section 400 (d) requires LWC, as the pass-through entity, to (1) ensure subrecipients expending \$500,000 or more in federal awards during the subrecipients' fiscal year have a single audit and the required audits are completed within nine months of the end of the subrecipients' audit period; (2) issue a management decision on audit findings within six months after receipt of the subrecipients' audit report; and (3) ensure the subrecipients take timely and appropriate corrective action on all audit findings. 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.

Our review of the Office of Workforce Development (OWD) Integrated Field Services Division disclosed that the division has implemented procedures that require the OWD Compliance unit to conduct on-site reviews to monitor the activities of subrecipients and perform tests for compliance with laws, regulations, and the provisions of contracts or grant agreements. However, the division has not implemented procedures for determining the allowability of costs questioned by OWD Compliance monitors.

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 Federal Award Findings and Questioned Costs (Continued)

In addition, although the OWD Integrated Field Services Division maintained an audit control log on required Single Audits for subrecipients under OMB Circular A-133, it did not always ensure audit reports were received and findings or questioned costs were resolved properly. Our review of OWD's audit control log and audit resolution procedures for all WIA Cluster subrecipients revealed the following:

- Four (22%) of 18 subrecipient audits were not reviewed timely. The audits were reviewed approximately 10 months after the audit due date. As of August 2009, management decision letters had not been issued for these single audit reports.
- Two (11%) instances were noted in which the audit control log did not contain information regarding identification and disposition of findings and questioned costs.

LWC has not placed sufficient emphasis on implementing internal controls to ensure that internal monitoring reports issued by the OWD Compliance unit are adequately resolved. In addition, management did not ensure that the required information on subrecipient A-133 audits was properly received, reviewed, and resolved. Failure to adequately monitor internal subrecipient findings and A-133 audits impairs the department's ability to evaluate the impact of subrecipient activities on overall compliance with laws and regulations. Costs incurred by a subrecipient that have not been appropriately monitored could result in possible misuse of federal funds and are at an increased risk of being disallowed by the federal grantors.

LWC should ensure that procedures are in place to review internal subrecipient monitoring reports and Single Audits performed under OMB Circular A-133. Management should establish adequate procedures to timely identify and resolve any audit findings and questioned costs related to WIA funds disbursed to subrecipients. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-115).

**F-09-USDOL-LWC-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 | <u>\$21,075,286</u> |
| 17.225 - ARRA - Unemployment Insurance | None Noted |

For the second consecutive year, LWC paid \$21,075,286 in UI (CFDA 17.225) benefits to other states during fiscal year 2009 without recouping the cost of these claims from Louisiana employers. Additional benefits of \$6,832,003 that were paid to claimants by Pennsylvania and billed to LWC have not been reimbursed by LWC. Furthermore, LWC has not implemented

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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. The Code of Federal Regulations [20 CFR 616.6] states that, effective January 6, 2009, the claimant must have wages and employment in the filing state's base period. Administrative Rule 341 of the Louisiana Employment Security Law provides the methods by which LWC 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. In addition, good internal controls would ensure that LWC notify employers of interstate claims and verify work status of claimants to reduce the risk of payments on fraudulent claims.

Of 40 UI interstate claimants reviewed, we found the following:

- Forty (100%) of the claims had no notification to the employer of the claim in efforts to recoup the cost of benefits paid. LWC personnel verified that there are no procedures in place to notify the employers of these claims and recoup the costs of claims paid.
- Twenty-four (60%) of the claimants appear to have been employed while receiving unemployment benefits totaling \$59,497, which violates program eligibility requirements and is an indication of potentially fraudulent claims. Wage records for nine of the 24 claimants indicate the claimants received wages from their employer continuously over several quarters, and wage records for the remaining 15 indicated that the claimants received wages for the same period for which they received unemployment benefits.
- Thirty-six (90%) of the claimants appear to have received unemployment insurance compensation after January 6, 2009, from states where wages have not been earned.

LWC has not placed sufficient emphasis on implementing controls to ensure compliance with Administrative Rule 341 and 20 CFR 616.6 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, failure to recoup the cost of interstate claims from employers results in the loss of state funds. Benefits charged to LWC for interstate claims total \$21,075,286 and are considered questioned costs.

LWC should establish procedures to ensure that interstate benefit claims are charged to employers and that employers are timely notified of any claims against them. Additional procedures should include a review of interstate bills to ensure that claimants are not working in

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 Federal Award Findings and Questioned Costs (Continued)

Louisiana and have worked in the filing state at the time UI claims are paid. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-116).

F-09-USDOL-LWC-4 - Noncompliance With Record Retention Policy

Award Year: 2009

Award Number: Unknown

**Compliance Requirements: Activities allowed or unallowed,
 Allowable costs/cost principles,
 Eligibility**

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 17.225 - Unemployment Insurance | None Noted |
| 17.225 - ARRA - Unemployment Insurance | None Noted |

For the third consecutive year, LWC 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. R.S. 44:411.A(1) requires that the head of each state agency submit a record retention schedule to the state archivist. LWC's current record retention schedule was approved 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 60 claimants' eligibility of UI benefits disclosed that employer wage records for 22 claimants (37%) were not retained by LWC. Employers provided these records to LWC on electronic media, and LWC returned the records to the employers after the information was input into LWC's UI benefit master files. LWC was able to later provide support for payments to these claimants by contacting individual employers and requesting resubmission of the wage records.

In addition, our tests disclosed that LWC did not retain employer wage records that supported tax payments to LWC for 14 of 30 (47%) employees tested. Paper copies of the electronic media were made but were discarded. These wage records will be needed in the future to verify wages for UI claimants.

Failure to retain records to support employee wages and eligibility may result in improper benefit payments and/or questioned costs, and failure to maintain records of employer tax payments increases the risk that LWC's records may not accurately reflect employer UI tax payments. LWC 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-117).

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 Federal Award Findings and Questioned Costs (Continued)

**F-09-USDOL-LWC-5 - Weaknesses in Controls Over
 Remittance Processing System**

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Other

**Questioned
 Costs**

None Noted

17.225 - Unemployment Insurance

LWC did not timely deposit and update its records for all employer tax payments received to ensure that its records adequately reflect employer taxes paid to the Unemployment Compensation Fund (UCF) and the related employee wages earned. Title 42 of the United States Code, Section 503(a)(4) [42 USC 503(a)(4)] requires that state law provide for the immediate deposit of all money received to the credit of the unemployment trust fund. 42 USC 503(b) provides that when the state fails to comply substantially with these provisions, future payments to the state will be withheld until there is no longer a failure to comply. R.S. 23:1492 requires that all monies received and payable to the UCF be immediately deposited into a clearing account, from which funds are allocated to various accounts. Good internal controls require that systems include processing steps to ensure that tax payments and the associated records are updated timely to provide management with accurate information and to ensure compliance with laws and regulations over the deposit of funds. In addition, employer tax payments should be reconciled to amounts posted.

LWC implemented a new remittance processing system (system) on July 7, 2009, to process employer tax payments for the UCF. Employer tax payments applicable to fiscal year 2009 totaling \$14,282,574 (44,595 checks) were processed through the system for the second quarter of calendar year 2009, which includes the 45-day accrual period. Of these deposits, 3,210 checks totaling \$1,548,540 (11%) were deposited from four to 41 days after receipt. In addition, our tests of these payments disclosed the following:

- Twenty-four employer tax records tested from the 3,210 untimely deposits were updated from seven to 69 days after receipt. In addition, one of these employer tax payments was not accurately posted to the employee wage file.
- As of September 2, 2009, \$2,274,371 (16%) of the employer tax payments totaling \$14,282,574 remained unreconciled. Some employer tax payments were unposted and others were not posted accurately.

Failure to timely deposit all employer tax payments received and to update records timely delays the transfer of amounts payable to various accounts as required by Louisiana laws. Failure to maintain accurate employer tax records may delay identification of errors in payments and issuance of delinquency notices to employers making late and/or inadequate tax payments and increases the risk of fraud and abuse. In addition, failure to comply with state law for the

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timely deposit of funds to the UCF causes noncompliance with federal regulations and could result in lost federal funds to the state.

LWC should strengthen its internal controls over its newly implemented remittance processing system and ensure that deposits are made timely and taxpayer accounts and employee wage files accurately reflect taxpayer payments. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-118).

U.S. DEPARTMENT OF TRANSPORTATION

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

**F-09-USDOT-DOTD-1 - Inadequate Controls Over Reporting
Subrecipient Activity**

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Subrecipient Monitoring

Highway Planning and Construction Cluster:
20.205 Highway Planning and Construction
20.205 ARRA - Highway Planning and Construction

**Questioned
Costs**

None Noted

The Department of Transportation and Development (DOTD) has not established effective internal controls to adequately identify subrecipients of the Highway Planning and Construction Program (CFDA 20.205) for reporting on the Schedule of Non-State Sub-Recipients of Major Federal Programs (Schedule 8-4) and the Schedule of State Entity Sub-Recipients of Federal Programs (Schedule 8-5). OMB Circular A-133 requires a pass-through entity to monitor a subrecipient’s activities to ensure the entity’s compliance with federal requirements. In addition, the Division of Administration, Office of Statewide Reporting and Accounting Policy requires state agencies to prepare an annual fiscal report (AFR), including the reporting of certain disbursements of federal funds to subrecipients on Schedule 8-4 and Schedule 8-5.

Our review of DOTD’s Schedule 8-4 and Schedule 8-5 disclosed six subrecipients for the Safe Routes to Schools Program (SRS), a part of the Highway Planning and Construction Program, that were not initially reported on Schedule 8-4; however, DOTD did monitor these subrecipients as required by OMB Circular A-133. Fiscal 2009 expenditures to these subrecipients totaled \$133,673.

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

DOTD district personnel are responsible for the identification and monitoring of subrecipients and are required to submit quarterly reports to Financial Services listing all known subrecipients. In addition to the above active subrecipients not reported on Schedule 8-4, we also identified an additional 26 SRS subrecipients not previously reported to Financial Services in the districts' quarterly reports. Although there were no disbursements to these 26 entities during the fiscal year, district personnel had not previously identified them as subrecipients on quarterly reports so Financial Services would know to identify and report any disbursements made.

Failure to establish adequate internal controls to ensure reporting and central monitoring of all subrecipients increases the risk that DOTD will submit an inaccurate AFR and may not comply with federal regulations for properly identifying and monitoring subrecipients. DOTD should strengthen its policies and procedures to ensure the accuracy of Schedule 8-4 and Schedule 8-5 in the department's AFR. This should include the central monitoring of all districts to ensure that district personnel are adequately identifying subrecipients, reporting them to Financial Services, and monitoring them in accordance with OMB Circular A-133. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-173).

U.S. DEPARTMENT OF EDUCATION

BATON ROUGE COMMUNITY COLLEGE

F-09-ED-BRCC-1 - Weakness Over Return of Pell Grant Program Funds

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

**Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program**

**Questioned
Costs

None Noted**

The Baton Rouge Community College (BRCC) did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure that refunds for students that withdrew from the college during the semester were timely returned to the U.S. Department of Education (USDOE). The Code of Federal Regulations (34 CFR 668.22) requires that a refund of any unearned grant funds be made to the grantor agency as soon as possible but no later than 45 days after the date of the institution's determination of the student's withdrawal.

Procedures performed on the Federal Pell Grant Program identified three of 10 (30%) students for whom refunds totaling \$1,251 were not remitted to the USDOE until 49 to 113 days after the reported date of determination of the student's withdrawal for an average of 77 days. These errors occurred because of incorrect data entry. For two of the exceptions, the term withdrawal

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

checkbox was not marked, which would have generated an automatic calculation of the refund due. For the remaining exception, the date of withdrawal was input incorrectly.

Failure to maintain sufficient controls over Pell refunds has caused BRCC to be in noncompliance with federal program requirements. Management should ensure that its policies are followed and that appropriate funds are timely remitted to the USDOE. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-4).

EDUCATION, DEPARTMENT OF

**F-09-ED-EDUC-2 - Noncompliance With Federal and State
 Equipment Management Regulations**

Award Year: 2006, 2007, 2008 and 2009

Award Number: S938A060002, S940C070001, H027A090033, S367A080017A

Compliance Requirement: Equipment and real property management

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| 84.367 - Improving Teacher Quality State Grants | None Noted |
| 84.938 - Hurricane Education Recovery | |
| 84.940 - Katrina Foreign Contributions | |
| <u>Special Education Cluster (IDEA):</u> | |
| 84.027 - Special Education - Grants to States | |

For the third consecutive year, DOE did not comply with federal and state equipment management regulations. DOE did not tag and report equipment as required, did not adequately safeguard its movable property, did not notify the district attorney and legislative auditor of thefts of assets as required by law, 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 and report any unlocated property to LPAA. Efforts must be made to locate all movable property items for which there are no explanations available for their disappearance.

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 Federal Award Findings and Questioned Costs (Continued)

R.S. 24:523 states that an agency head of an auditee who has actual knowledge of any misappropriation of public funds or assets of the agency shall immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation.

In a test of 30 items of equipment purchased with federal funds, five (17%) were not recorded in Protégé. For the remaining 25 items, the following exceptions were noted:

- Ten (40%) items were not properly recorded in Protégé.
- One (4%) item did not have a state property tag attached or unique state identification number written on the item.
- Fourteen (56%) items were not entered into Protégé within 60 days. The delays in entering the equipment ranged from four to 373 days.
- Two (8%) items were not adequately safeguarded and/or maintained.

In a separate test of 19 state-funded movable property acquisitions, the following exceptions were noted:

- Eight (42%) items were not properly recorded in Protégé.
- Eight (42%) items were not entered into Protégé within 60 days. The delays in entering the equipment ranged from nine to 140 days.

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

- For Property Certification Agency 26804, DOE Operational Support Services, 183 items totaling \$565,619 were reported from three to 524 days late.
- For Property Certification Agency 26812, DOE Special School District, 46 items totaling \$77,719 were reported from one to 514 days late.
- For Property Certification Agency 26816, Restart Non-Public, 3,984 items totaling \$8,505,712 were reported from two to 780 days late. In addition, the agency's Annual Property Certification identified 350 items totaling \$526,402 as unlocated.

Additional audit procedures identified that 193 items were reported stolen. Of these, 164 items purchased at a cost of \$257,435 were required to be tagged and entered into Protégé. As of October 15, 2009, the department had not notified the district attorney or the legislative auditor of the thefts. These items were purchased with federal funds from the Hurricane Education Recovery - Immediate Aid to Restart School Operations Program (CFDA 84.938A) and Hurricane Katrina Foreign Contributions Program (CFDA 84.940).

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

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

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 and that all misappropriations of public funds and assets are reported to the district attorney and legislative auditor as required by law. Management concurred with the finding and outlined a plan of corrective action (B-9).

LOUISIANA SCHOOL FOR THE DEAF

F-09-ED-LSD-1 - Noncompliance With A-87 Payroll Certification Requirements

Award Year: Unknown

Award Number: Unknown

Compliance Requirement: Allowable costs/cost principles

Special Education Cluster (IDEA):

84.027 - Special Education - Grants to States

84.173 - Special Education - Preschool Grants

**Questioned
 Costs**

None Noted

The Louisiana School for the Deaf (LSD) did not ensure that certifications for payroll expenditures charged to federal programs were completed on a semiannual basis. OMB Circular A-87, *Cost Principles for State and Local Governments*, states that where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semiannually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee.

In a test of 15 payroll certifications, eight (53%) were not on file. Salaries charged to the Special Education - Grants to States (CFDA 84.027) and Special Education - Preschool Grants (CFDA 84.173) during the period July 1, 2008, through December 31, 2008, were not supported by payroll certifications. LSD's failure to prepare and maintain required payroll certifications increases the risk that expenditures are not fairly and accurately allocated to federal programs.

Management should establish and enforce policies and procedures for completing payroll certifications to ensure compliance with federal regulations. Management concurred with the finding and outlined a plan of corrective action (B-91).

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

LOUISIANA STATE UNIVERSITY AT ALEXANDRIA

**F-09-ED-LSUALEX-1 - Weaknesses in the Administration
 of Student Financial Aid**

Award Year: 2009
Award Number: Various
Compliance Requirement: Reporting

**Questioned
 Costs**

None Noted

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

For the third consecutive year, Louisiana State University at Alexandria (LSUA) did not ensure that the amounts reported on the Fiscal Operations Report and Application to Participate (FISAP) were accurate and supported by adequate documentation. Volume 6, Chapter 1 of the *Federal Student Aid Handbook* requires information reported on the FISAP to be accurate and verifiable.

The following discrepancies were identified in a review of the FISAP and supporting documentation:

- The total number of students for 2007-2008 reported in Part II, Section D, line 7 and Part II, Section F was understated by 54 students.
- The total tuition and fees for award year July 1, 2007, through June 30, 2008, was understated by \$538 on line 22a of Part II, Section E.
- The total funds to Federal Supplemental Educational Opportunity Grants (FSEOG) recipients reported in Part IV, Section D, lines 11 and 13 were overstated by \$3,100 and the administrative cost allowance claimed on line 14 was overstated by \$3,443. The amounts reported on these lines are also used to determine the FSEOG expenditures and authorization amounts reported on lines 7, 10, and 15 of the same section and the total distribution to program recipients on line 16 of Part VI, Section A column (d) as well as lines 3 and 23(b) of the administrative cost allowance worksheet at Part VI, Section B.
- The total compensation for Federal Work-Study reported in Part V, Section C, lines 11 and 13 was understated by \$4,318 and the administrative cost allowance claimed reported on line 14 of Section D was understated by \$5,936. The amounts reported on these lines are also used to determine the amounts

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Federal Award Findings and Questioned Costs (Continued)**

reported on lines 7, 10, and 15 of the same section and the total distribution to program recipients on line 16 of Part VI, Section A column (f) as well as lines 1 and 23(c) of the administrative cost allowance worksheet at Part VI, Section B.

Management of LSUA did not ensure that data reported in the FISAP was accurate and properly supported as required by federal regulations. Failure to maintain the supporting documentation used to complete the report reduces the accuracy of the report and may result in noncompliance with federal program regulations.

Management of LSUA should strengthen controls to ensure information included in the FISAP is accurate and that adequate supporting documentation is maintained. Management concurred with the finding and outlined a plan of corrective action (B-94).

LOUISIANA TECHNICAL COLLEGE

F-09-ED-LTC-1 - Inadequate Control Over Pell Grant

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

**Questioned
Costs**

None Noted

**Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program**

For the eighth consecutive year, the Louisiana Technical College (LTC) has inadequate internal control over refunds and returns 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. The Code of Federal Regulations [34 CFR 668.22 (j)(2)] states that an institution must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the semester. Furthermore, if a student does not begin attendance in a payment period or period of enrollment, 34 CFR 668.21 requires the institution to return all program funds as soon as possible but no later than 30 days after the date the institution becomes aware that the student will not or has not begun attendance. 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 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 2009, we noted the following:

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Federal Award Findings and Questioned Costs (Continued)

- Of 296 refunds, 43 (15%) totaling \$22,867 were not remitted to the USDOE until 46 to 593 days after the reported date of determination of the students' withdrawal for an average of 94 days.
- Of 211 voided Pell checks resulting from student withdrawals, 24 (11%) totaling \$30,726 were not remitted to the USDOE until 46 to 206 days after the reported date of determination of the students' withdrawal for an average of 95 days.
- Of 33 Pell checks voided for students who never attended class, 15 (45%) totaling \$9,123 were not remitted to the USDOE until 48 to 214 days after the reported date of determination for an average of 166 days.
- For 10 (9.5%) of 105 voided checks totaling \$5,735, the campus did not make a date of determination until 72 to 348 days after the end of the semester.
- For 12 voids and returns totaling \$15,793, 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 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 are remitted timely to the USDOE. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-105).

LOUISIANA TECHNICAL COLLEGE, REGION 4

**F-09-ED-LTC-REG4-1 - Weakness Over Eligibility and Verification
of Federal Pell Grant Program**

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Eligibility, Special tests and provisions

**Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program**

**Questioned
Costs**

\$7,687

The Louisiana Technical College, Region 4 (region) did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure that eligibility and verification compliance requirements were met. CFR Title 34, Chapter 668.16(e) requires an institution to establish, publish, and apply reasonable standards for measuring whether an otherwise eligible student is maintaining satisfactory progress in his or her educational program. According to the

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Federal Award Findings and Questioned Costs (Continued)

institution's published satisfactory academic progress standards, students must not have earned over 150% of the hours required to complete the program.

Title 34 CFR 690.63(b) requires that the federal Pell grant for a payment period (semester) is calculated by determining the student's enrollment status for the term; based upon that enrollment status, determining the student's annual award from the Payment Schedule for full-time students or the Disbursement Schedule for three-quarter-time, half-time, or less-than-half-time students; and dividing the amount by two. Also, 34 CFR 668.56(a) requires an institution to require the applicant selected for verification to submit acceptable documentation for the number of family members in the household who are enrolled as at least half-time in postsecondary educational institutions, the earned income credit taken on the applicant's tax return, and all other untaxed income subject to U.S. income tax reporting requirements. In addition, 34 CFR 668.59 states that if the information on an application changes as a result of the verification process, the institution shall require the applicant to resubmit the application unless there were no errors in non-dollar items and no dollar amount in excess of \$400.

Test procedures performed disclosed the following deficiencies:

- Two of 21 (9.5%) students tested were not meeting the satisfactory academic progress standards, did not file an academic appeal, but received Pell funds totaling \$7,096. This amount represents questioned costs.
- One of six (16.7%) students tested was disbursed Pell based on the full-time payment schedule although the student was not full time, resulting in a \$591 overpayment, which represents questioned costs. In addition, verification was not sufficiently performed for this student. The Institutional Student Information Record (ISIR) included student tax information that was overstated by \$5,055 and number of students enrolled in college was misstated. Although the student financial aid file contained sufficient documentation to verify this information, the ISIR was not corrected.

The region's financial aid officers did not adequately monitor the eligibility and verification requirements relating to Federal Pell Grant Program funds. Failure to adequately determine eligibility and verification results in noncompliance with federal regulations and may result in disallowed costs.

Management should require all employees to adhere to program regulations and established procedures to ensure that the Federal Pell Grant Program funds are accurately disbursed to eligible students and verification procedures are sufficiently performed. Management concurred with the finding and provided a corrective action plan (B-107).

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

**F-09-ED-LTC-REG4-2 - Weakness Over Return of Pell
 Grant Program Funds**

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Special tests and provisions

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> 84.063 - Federal Pell Grant Program | \$1,664 |

For the second consecutive audit, the region did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure proper treatment of funds when a student withdraws. CFR Title 34, Chapter 668, Section 22 states that when a recipient of Title IV grant withdraws from the institution during a payment period or period of enrollment, the institution must determine the amount of Title IV grant that the student earned as of the student's withdrawal date.

According to the Department of Education letter (GEN-04-03, dated November 2004), if a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over the entire period, the institution must assume, for Title IV purposes, that the student has unofficially withdrawn, unless the institution can document that the student completed the period. Title 34 CFR 668.22(a)(4) states that if the total amount of grant assistance that the student earned is greater than the total amount that was disbursed to the student as of the date of the institution's determination that the student withdrew, the difference must be treated as a post-withdrawal disbursement--a type of late disbursement. Title 34 CFR 668.164(g)(4) states that an institution may not make a late disbursement later than 180 days after the date of the institution's determination that the student withdrew.

In a test of 19 withdrawals, consisting of eight official withdrawals and 11 unofficial withdrawals, the following deficiencies were noted:

For seven of 19 (36.8%) students, the region did not perform a return of funds calculation.

- The region did not return any Pell funds for three students.
- The region returned all funds to the Louisiana Community and Technical College System (LCTCS) for two students rather than retaining funds that had been earned by the students. The students are now due a post-withdrawal disbursement.

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

- For two students that received all failing and/or incomplete grades, the region's financial aid officer did not perform a return of funds calculation and did not document that the student completed the semester. After inquiry by the auditor, the financial aid officer obtained documentation confirming that the students earned 100% of aid.

For the remaining 12 students in the test, the region performed a return of funds calculation, but the following errors were noted:

- Four of 12 (33.3%) return calculations included the incorrect number of completed days and/or total days.
- Six of 12 (50%) return calculations did not use the correct number of decimal places to calculate the percentage of aid earned.

In a test of 10 students with returns of funds:

- (1) the region did not return the campus share of Pell funds to LCTCS for one student who never attended and
- (2) three of 10 (30%) students for whom return of funds calculation was performed did not receive the correct amount of post-withdrawal disbursement.

As a result of these discrepancies, the region did not return \$1,664 to the USDOE (via LCTCS) and did not draw down Pell funds to accurately make post-withdrawal disbursements to students of \$2,053. Questioned costs total \$1,664. For four students, it has been over 180 days since the institution determined that the student withdrew and cannot make the post-withdrawal disbursement without USDOE approval.

The region's financial aid officers failed to understand the return of funds requirements relating to Federal Pell Grant Program funds. Failure to identify official and unofficial withdrawals and perform the return of funds calculations accurately and timely results in noncompliance with federal regulations and program guidance. The region and its students may not receive all of the Pell funds earned because of the time limitation on post-withdrawal disbursements.

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 or unofficially withdraws. Management concurred with the finding and provided a corrective action plan (B-109).

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

LOUISIANA TECHNICAL COLLEGE, REGION 7

F-09-ED-LTC-REG7-1 - Inadequate Control Over Pell Grant

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

**Questioned
Costs**

None Noted

Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program

Three campuses within Louisiana Technical College, Region 7 did not maintain sufficient controls over their Federal Pell Grant Program (CFDA 84.063) to ensure the timely return of refunds to the USDOE. Title 34, CFR 668.22(j) requires that a refund of any unearned grant funds be made to the grantor agency as soon as possible but no later than 45 days after the date of the institution's determination of the student's withdrawal.

Each campus in the region is responsible for identifying unearned grant funds and remitting the funds to the Louisiana Technical College transition office so the refunds can be returned to the USDOE. Tests of Pell transactions at the various campuses and transition office revealed 18 instances of Pell refunds totaling \$10,920 at the Mansfield, Sabine Valley, and Shreveport - Bossier campuses that were not remitted to the transition office timely so the funds could be remitted to the USDOE within the 45-day period. We noted the following at the three campuses:

- Tests at the three campuses disclosed that six of 13 students tested or 46% withdrew from college owing refunds totaling \$4,104 that were remitted to the USDOE from six to 123 days after the authorized 45-day period.
- Tests performed at the transition office identified 12 additional student refunds totaling \$6,816 that were remitted to the USDOE from four to 137 days after the authorized 45-day period.

Management's lack of emphasis and lack of proper training and oversight of its staff caused these untimely remittances to occur. As a result, the region is in noncompliance with federal program regulations.

Management should immediately develop and implement controls to ensure that all Pell refunds are remitted to the USDOE within the prescribed 45-day period. In addition, campus personnel responsible for the Pell program should receive the appropriate training. Finally, management should monitor and review the work performed by campus personnel relating to the program to ensure compliance with federal regulations. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-112).

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

RECOVERY SCHOOL DISTRICT

F-09-ED-RSD-4 - Inadequate Controls Over Payroll

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| 84.938 - Hurricane Education Recovery | \$2,867 |

For the third consecutive year, RSD 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. RSD policy number 2.10 requires employees to sign in and out daily and initial the biweekly time and attendance records at the end of each pay period. Good internal controls require that (1) employees be paid only for days worked within their employment period; (2) employee terminations be entered accurately in the payroll system before the close of the employee's last pay period; (3) overpayments to employees be properly identified, tracked, and recouped; and (4) employees who process payroll and personnel records be knowledgeable about the payroll system.

In our test of the accuracy of employee separation dates entered into the ISIS/HR payroll system, the following exceptions were noted:

- For 14 of 24 (58%) employees tested, RSD did not have supporting documentation available to confirm the employees' separation date.
- Four of the 24 (17%) employees' separation dates were not entered into ISIS/HR before the close of the employees' last pay period.

This test of 24 separation dates also revealed two overpayments totaling \$1,772.

In a separate test of 14 other employee separations, eight (57%) separations were not entered into the ISIS/HR payroll system before the close of the employees' last pay period. Days late ranged from 20 to 323 days and revealed overpayments to three (21%) employees totaling \$11,478. Certain items in this test and the test of separation dates did not agree to the overpayment/recoument listing provided by RSD.

In a review of 15 overpayments identified during fiscal year 2007 and fiscal year 2008, RSD could not provide documentation for any recoument activity by RSD.

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

In a review of five overpayments for fiscal year 2009, totaling \$91,156, RSD could not provide adequate documentation explaining why these overpayments were identified as such by the system. Also, we could not determine any recoupment activity by RSD on these identified overpayments.

On November 23, 2009, RSD provided an overpayment/recoupment listing that included activity from fiscal year 2007 through November 2009. The listing had a gross amount due of \$654,133 with a net amount due of \$575,342 and the difference of \$78,791 as recouped. A test of 20 employees from this listing disclosed the following problems:

- The 20 employees sampled represent overpayment claims totaling \$96,262 and a related recouped amount totaling \$42,403. However, RSD could only provide documentation to support \$27,707 (29%) of the overpayments and \$18,434 (43%) of the recoupments. For 14 of 20 (70%) employees tested, RSD could not provide documentation to support the gross amount due included on the listing.
- For 14 of the 20 (70%) employees, RSD could not provide documentation to support that the employees received notification of the overpayment amount.
- For three employees' overpayment claims totaling \$25,313, RSD subsequently provided documentation to support that no overpayment existed, which demonstrates problems with the overpayment/recoupment listing. Two employees were changed to positive time entry with no data to support positive time, causing an overpayment claim to be generated; however, the errors were subsequently corrected and changed back to negative time, eliminating the claims. The other employee had negative time entry deleted in error, but this error was corrected the next day.

In a test of employee time sheets, the following exceptions were noted:

- One of 24 (4%) employees did not have a time sheet for the requested pay period.
- Four of 24 (17%) employees did not properly complete time sheets by initialing the time sheet at the end of the pay period.
- Two of 24 (8%) employees did not have approved timesheets on file.
- Four of six (67%) employees with leave did not have approved leave slips on file.

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

- Three of six (50%) employees who took leave did not have their leave recorded accurately in the ISIS/HR payroll system. For two employees, a total of 65.5 hours were taken, but only 19 hours were paid to the employees. Prior period adjustments corrected these errors. For the other employee, 16 hours were taken, but the employee was not paid for that time. No correcting adjustment was identified.
- For 19 of 24 (79%) employees, RSD could not provide supporting documentation to confirm the employees' approved rates of pay.

Management has not developed an adequate process to track overpayments and recoupments. 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 paid improperly. The state's Minimum Foundation Program was charged for \$10,383 of the overpayments. The federal Immediate Aid to Restart School Operations Program (CFDA 84.938A) was charged for \$2,467. The Hurricane Educator Assistance Program (CFDA 84.938K) was charged for the remaining amount of \$400. Federal questioned cost totaled \$2,867.

RSD should evaluate, establish, and follow policies and procedures relating to payroll and personnel that eliminate overpayments and accurately record time and attendance; 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-127).

**F-09-ED-RSD-5 - Inadequate Internal Control Over Relocation
 and Retention Incentive Payments**

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

| | |
|--|-----------------------------|
| | Questioned Costs |
| 84.938 - Hurricane Education Recovery | <u>\$74,536</u> |

For the second consecutive year, RSD 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

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

schools located in an area impacted by Hurricane Katrina or Hurricane Rita. RSD Policy No. 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. These employees also must have a satisfactory performance evaluation for work provided during the 2008-2009 school session. These incentive payments were funded by the Hurricane Education Recovery Act, Hurricane Educator Assistance Program (CFDA 84.938K).

In a test of 30 employees who received out-of-state relocation/signing and retention incentives, the following were noted:

- Seven (23%) employees received relocation and retention incentives totaling \$25,000 and housing subsidies totaling \$22,800 that did not remain employed by RSD for the required three-year commitment period. Additional payments made to or on-behalf of these individuals included a tuition reimbursement payment in the amount of \$2,650 and benefit payments totaling \$8,686. The total cost associated with these incentive payments was \$59,136. RSD provided no evidence of efforts to recover the incentive payments to those employees.
- For four (13%) employees tested, no three-year commitment letter was on file.
- For 13 (43%) employees tested, no evidence was provided that the employee was a non-resident of Louisiana.
- For four (13%) employees tested, RSD failed to provide a satisfactory performance evaluation for work provided at an RSD school during the 2008-2009 school session.

In response to findings noted during a November 2008 USDOE on-site review of the Hurricane Educator Assistance Program (HEAP), the RSD entered into a Cooperative Audit Resolution and Oversight Initiative (CAROI) with the state Department of Education. In the CAROI agreement, RSD agreed to repay the HEAP grant from state monies in the amount of \$1,255,462. This amount represents funds that were paid to individuals who were ineligible, failed to remain employed by the RSD, have refused to sign a commitment letter, and/or failed to sign the commitment letter by May 8, 2009. However, as of December 28, 2009, RSD has not provided documentary evidence to the auditor to support the repayment of the HEAP grant from state funds.

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. Incentive payments to the 11 employees noted above represent

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

questioned costs totaling \$74,536. HEAP payments made to employees during fiscal year 2009 totaled \$1,224,287.

RSD management should follow established policies and procedures relating to incentive payments and should attempt to recover any overpayments. RSD should reimburse the HEAP grant in accordance with the CAROI agreement and should work with the grantor to resolve any questioned costs. Management concurred in part with the finding and noted that certain supporting documentation was located after the auditors initially looked for that documentation. See management’s response at B-129.

Additional Comments: The three performance evaluations noted as on file in management’s response were all signed during May 2008, which is not within the 2008-2009 school session. The supporting documentation relating to the three-year commitment letter and evidence that the employees were non-residents of Louisiana were not located in the files obtained by the auditors or provided by RSD personnel when this documentation was initially requested in September and October 2009. Although providing the information in January 2010 reduces the questioned costs, the inability to obtain supporting documentation for federal expenditures in a timely manner demonstrates a control deficiency within RSD’s financial processes. Failure to maintain information in an organized manner reduces the ability to provide timely and accurate information to management and other parties like federal and state auditors. In addition, the risk increases that errors could occur and remain undetected.

UNIVERSITY OF LOUISIANA AT LAFAYETTE

F-09-ED-ULL-1 - Untimely Federal Reporting

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Reporting, Special tests and provisions

Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program

**Questioned
 Costs**

None Noted

For the second consecutive year, the University of Louisiana at Lafayette (UL Lafayette) did not report Federal Pell Grant Program (CFDA 84.063) disbursement data to the USDOE through the Common Origination and Disbursement (COD) system timely. 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.

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

For two of nine (22%) transactions reviewed, UL Lafayette 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. One transaction was reported 116 days late, and one transaction was reported 117 days late. Both items were disbursements that involved reductions due to the Return of Title IV Funds calculations.

Data was not consistently entered into the Student Aid Management System, which is used to report payment data to COD. Failure to report financial data to USDOE timely results in noncompliance with federal regulations.

Management should strengthen procedures to ensure that data is reported to USDOE timely to comply with federal regulations. Management concurred with the finding and provided a corrective action plan (B-179).

F-09-ED-ULL-2 - Weakness in Calculation of Return of Title IV Funds

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | None Noted |
| 84.007 - Federal Supplemental Educational Opportunity Grants | |
| 84.032 - Federal Family Education Loans | |
| 84.038 - Federal Perkins Loan Program - Federal Capital Contributions | |
| 84.063 - Federal Pell Grant Program | |
| 84.375 - Academic Competitiveness Grant | |
| 84.376 - National Science and Mathematics Access to Retain Talent (SMART) Grants | |

UL Lafayette did not calculate the Return of Title IV Funds correctly to ensure that federal compliance requirements were followed for the Federal Supplemental Educational Opportunity (CFDA 84.007), Federal Family Education Loans (CFDA 84.032), Federal Perkins Loan Program (CFDA 84.038), Federal Pell Grant Program (CFDA 84.063), Academic Competitiveness Grant (CFDA 84.375), and National Science and Mathematics Access to Retain Talent Grants (CFDA 84.376).

CFR Title 34, Chapter 668, Section 22(a)(1) states that when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. Title 34 CFR 668.22(f)(2)(i) states that the total number of calendar days in a payment period or period of

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

enrollment includes all days within the period, except that scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in a payment period or period of enrollment and the number of calendar days completed in that period.

Audit procedures performed revealed that six of nine (67%) Title IV return calculations tested were incorrect. An error was made in subtracting out the institutionally scheduled breaks from the "total days" calculation for the spring 2009 semester. As a result, 108 calendar days were used in the calculation rather than 100 days. Every Return of Title IV Funds calculation completed for the spring 2009 semester was incorrectly calculated. The university's Financial Aid Office has recalculated all Return of Title IV Funds calculations for the spring 2009 semester.

Failure to correctly compute the Title IV Funds returns results in noncompliance with federal regulations and may cause inaccurate payments to the USDOE or students.

Management should strengthen its review procedures over the Return of Title IV Funds calculations to ensure compliance with federal regulations. Management concurred with the finding and provided a corrective action plan (B-180).

F-09-ED-ULL-3 - Weakness in Collection Procedures Over Defaulted Loans

Award Year: 2009

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**

For the second consecutive year, UL Lafayette did not perform certain collection procedures required by federal regulations over its defaulted loans for the Perkins Loan Program (CFDA 84.038). CFR Title 34, Part 674.45(c)(1) requires an institution to refer the loan account of a defaulted borrower to a collection firm after it pursues collection activity for up to 12 months and is unsuccessful in converting the loan account to regular payment status.

Procedures performed on 14 defaulted loans revealed that for nine (64%) of the defaulted loans, UL Lafayette was unsuccessful in converting the loan account to regular payment status after 12 months and did not refer the loans to a collection firm.

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

UL Lafayette does not have procedures in place to identify those loans that fail and should be converted to regular repayment status. Failure to implement proper collection procedures increases the risk that UL Lafayette will not collect funds owed back to the university from the defaulted borrowers and could result in noncompliance with federal regulations.

Management should improve procedures over its defaulted loans in the Perkins Loan Program to ensure compliance with federal regulations. Management concurred with the finding and provided a corrective action plan (B-181).

**SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2009**

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, 2009. The following findings were provided based upon that audit.

F-09-ED-GSU-7 - Common Origination and Disbursement (COD) Reporting

**Award Year: 2009
Award Number: Unknown
Compliance Requirement: Reporting**

**Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program**

**Questioned
Costs
None Noted**

Auditors noted the following conditions during the audit of the Federal Pell Grant Program (CFDA 84.063):

- The Pell payment data for two of 20 students selected for testing was not reported to the federal awarding agency through the COD system within the allotted 30 calendar days.
- The Cost of Attendance (COA) for five of 20 students selected for testing did not agree to the COA reported in the COD system. Also, auditors were unable to recalculate the COA reported through COD after considering adjustments made to the students' COA during the fiscal year.

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

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance requires all schools receiving Pell grants to submit Pell payment data to the USDOE through the COD system. Institutions must report student payment data within 30 calendar days after the school makes a payment or becomes aware of the need to make an adjustment to previously reported student payment data or expected student payment data. Key items on origination records include Social Security number, award amount, enrollment date, verification status code, cost of attendance, et cetera.

The financial aid director cites personnel turnover and lack of staffing in the financial aid office as contributing factors for not complying with federal reporting requirements. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university’s financial aid office obtain adequate staffing to ensure that the required Pell payment data is reported through the COD system once every 30 calendar days, biweekly, or weekly so that disbursement information and changes are reported in a timely manner. The auditors also recommend that management exercise greater care when reporting COA information through COD to ensure that correct information is presented. Management concurred with the finding and provided a corrective action plan (B-38).

F-09-ED-GSU-8 - Entrance Counseling

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Other

| | |
|---|-----------------------------|
| | Questioned Costs |
| Student Financial Assistance Cluster: | |
| 84.032 - Federal Family Education Loan Program | \$14,860 |

The auditors noted that two out of 14 students tested were first-time borrowers and received a loan from the Federal Family Education Loan Program (FFEL, CFDA 84.032) without having an entrance counseling session.

Title IV regulation 34 CFR 682.604 (f) stipulates 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 prior to its release of the first disbursement, unless 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. As a result, the auditors questioned costs totaling \$14,860.

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

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 concurred with the finding and provided a corrective action plan (B-28).

F-09-ED-GSU-9 - Exit Counseling

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Other

**Questioned
Costs**

None Noted

Student Financial Assistance Cluster:
84.032 - Federal Family Education Loan Program

The auditors noted that two out of nine students tested who received a loan from the FFEL Program (CFDA 84.032) withdrew from the university and did not have documentation of exit counseling.

Title IV regulation 34 CFR 682.604 (g) stipulates that a university must ensure that exit counseling is conducted with each Stafford loan borrower either in person, by audiovisual presentation, or by interactive electronic means shortly before the student borrower ceases at least half-time study at the school.

The university did not properly administer exit counseling to all Title IV recipients who withdrew from the university. As a result, Title IV recipients were not aware of their rights and responsibilities subsequent to withdrawing from school. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university ensure that all Title IV recipients who withdraw from the university receive exit counseling. Management did not concur. See management's response at B-29.

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

F-09-ED-GSU-10 - Federal Financial Reports/Cash Management

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Cash management, Reporting

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 84.031 - Higher Education - Institutional Aid | |
| <u>Student Financial Assistance Cluster:</u> | |
| 84.007 - Federal Supplemental Educational Opportunity Grants | |
| 84.033 - Federal Work-Study Program | None Noted |

For the second consecutive year, auditors reported that the draw downs as reflected in the Grant Administration and Payment System (GAPS G-5) for the Federal Supplemental Education Opportunity Grant Program (FSEOG, CFDA 84.007) and the Higher Education - Title III Institutional Aid Program (CFDA 84.031) did not reconcile to grant expenditures when considering accrued receivables \$67,358 and \$100,930, respectively.

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. Reconciliations should be approved monthly by management. Management concurred with the finding and provided a corrective action plan (B-39).

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

F-09-ED-GSU-11 - Return of Title IV Funds

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Special tests and provisions

| | |
|--|--|
| <p><u>Student Financial Assistance Cluster:</u> 84.032 - Federal Family Education Loans 84.063 - Federal Pell Grant Program</p> | <p>Questioned Costs</p> <hr/> <p>Unable to Determine</p> |
|--|--|

Auditors noted the following conditions in the FFEL Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063):

- For four out of 20 students tested, funds were not returned by the university within 45 days of the date that the university determined the student withdrew.
- A total of 441 students failed to earn a passing grade in any of their classes. Of that amount, auditors noted that five of nine students tested did not have a return of Title IV funds calculation on file.

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance (SFA), 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. Because management failed to prepare the required calculation, the auditors were unable to determine the amount of questioned costs.

The auditors recommended that management immediately determine whether or not the students unofficially withdrew from the university, prepare the return of Title IV funds calculation, and return the funds to the USDOE. Management concurred with the finding and provided a corrective action plan (B-30).

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

F-09-ED-GSU-12 - Special Tests and Provisions

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

| | Questioned Costs |
|---|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | None Noted |
| 84.033 - Federal Work-Study Program | |
| 84.063 - Federal Pell Grant Program | |

During an audit of the Student Financial Aid Cluster, auditors noted differences between amounts recorded in the Fiscal Operations Report and Application to Participate (FISAP) report and supporting documentation, as well as instances where amounts were recorded in the wrong location of the FISAP report.

OMB Circular A-133 *Compliance Supplement* stipulates that reports of federal awards submitted to the federal awarding agency or pass-through entity include all activity of the reporting period, be supported by underlying accounting or performance records, and be fairly presented in accordance with program requirements.

Personnel responsible for preparing the FISAP report were not adequately supervised, resulting in noncompliance with federal reporting requirements. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university implement controls to ensure that information reported in the FISAP report is accurate and agrees with supporting documentation. Auditors also recommended the university prepare and submit a corrected FISAP report. Management concurred with the finding and provided a corrective action plan (B-37).

F-09-ED-GSU-13 - Student Eligibility

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Eligibility

| | Questioned Costs |
|---|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | |
| 84.032 - Federal Family Education Loans | \$9,310 |
| 84.063 - Federal Pell Grant Program | 4,581 |
| | \$13,891 |

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

Auditors tested one student that received financial aid from the FFEL Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063) and noted that the student tested was not identified as being a U.S. citizen.

Title IV regulation 34 CFR section 668.33 stipulates that to be eligible to receive Title IV, a student must (1) be a citizen or national of the United States or (2) provide evidence from the U.S. Immigration and Naturalization Service that he or she (i) is a permanent resident of the United States or (ii) is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident.

The university did not properly document that the student was an eligible U.S. citizen to ensure that Title IV funds could be disbursed to the student. As a result, the university disbursed financial aid to a student who was not eligible and the auditors questioned costs totaling \$13,891 (FFEL - \$9,310 and Pell - \$4,581).

The auditors recommended that management of the university adhere to established procedures to ensure that Title IV aid is disbursed only to eligible students. Management concurred with the finding and provided a corrective action plan (B-26).

F-09-ED-GSU-14 - Verification

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | |
| 84.007 - Federal Supplemental Educational Opportunity Grants | \$600 |
| 84.032 - Federal Family Education Loans | 21,562 |
| 84.033 - Federal Work Study Program | 1,310 |
| 84.063 - Federal Pell Grant Program | <u>21,136</u> |
| | <u><u>\$44,608</u></u> |

For the second consecutive year, auditors noted that information for six students out of 36 tested was not verified or conflicted with the verified documentation.

OMB Circular A-133 *Compliance Supplement*, Part 5, SFA 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.

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

The university failed to follow prescribed procedures that require verifiable information be verified and corrected before disbursing financial aid to students. As a result, the university disbursed financial aid to students whose financial information had not completed the verification process and the auditors questioned costs totaling \$44,608 (FSEOG, CFDA 84.007 - \$600; FFEL Program, CFDA 84.032 - \$21,562; Federal Work Study Programs, CFDA 84.033 - \$1,310; and Federal Pell Grant Program, CFDA 84.063 - \$21,136).

The auditors recommended that the management of the university adhere to established procedures to ensure that all verification information is obtained and verified before the disbursement of financial aid. Management concurred with the finding and provided a corrective action plan (B-27).

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, 2009. The following findings were provided based on their audit.

F-09-ED-SUBR-1 - Return of Title IV Funds

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Special tests and provisions

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

**Questioned
 Costs**

**Unable to
 Determine**

Auditors noted the following conditions in the FFEL Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063):

- Eighteen students out of 20 tested who had funds to be returned by the university were not returned within the prescribed 45 days.
- Seventeen students withdrew on or before the 60 percent point of enrollment and received Title IV aid. The students were required to have a Return of Title IV funds calculation on file, but no calculations were done.

OMB Circular A-133 *Compliance Supplement*, Part 5, SFA, 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

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

returned to the Title IV program within the prescribed time frame. The university failed to adhere to established procedures in processing certain refunds, resulting in noncompliance with Title IV regulations. Auditors were unable to determine total questioned costs due to the calculations not being prepared by the university.

The auditors recommended that management immediately prepare the return of Title IV funds calculations and return the funds to the USDOE, as well as implement procedures to correct the noted deficiencies. Management concurred with the finding and provided a corrective action plan (B-163).

F-09-ED-SUBR-2 - Student Credit Balance

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Special tests and provisions

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | None Noted |
| 84.032 - Federal Family Education Loans | |
| 84.063 - Federal Pell Grant Program | |

Auditors noted that 12 of 50 students tested, participating in the FFEL Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063), had student financial aid credit balances that were not refunded to the students within the 14-day requirement.

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

The auditors noted that the university did not ensure that the students received their refund checks within the prescribed time frame resulting in noncompliance with Title IV regulations regarding the distribution of excess funds to students within a timely manner. The auditors did not question any costs as a result of this finding.

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

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 concurred with the finding and provided a corrective action plan (B-163).

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, 2009. The following findings were provided based on their audit.

F-09-ED-SUNO-1 - Ineligible Pell Recipient

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Eligibility

| | <u>Questioned Costs</u> |
|---|-------------------------------|
| <u>Student Financial Assistance Cluster:</u> | |
| 84.032 - Federal Family Education Loans | \$5,390 |
| 84.063 - Federal Pell Grant Program | <u>8,812</u> |
| | <u><u>\$14,202</u></u> |

Auditors noted that the Institutional Student Information Reports for two out of 50 students tested indicated that the students were in default of a Title IV loan, yet the university disbursed funds to the students without verifying that the students made arrangements with the Department of Education to make payment arrangements. These exceptions applied to the FFEL Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063).

Title IV regulation 34 CFR 668.32 (g) stipulates that a student is eligible to receive Title IV aid assistance if the student is not in default, and certifies that he or she is not in default, on a loan made under any Title IV program.

The auditors noted it appeared the university did not adequately determined if Title IV aid was disbursed to eligible recipients, resulting in the university disbursing financial aid to students who were not eligible recipients. The auditors questioned costs totaling \$14,202 (FFEL - \$5,390 and Pell - \$8,812).

The auditors recommended that management of the university adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement. Management concurred that the students were in default, but stated in their

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

response that the students were not in default at the time the aid was processed. See management's response at B-166.

F-09-ED-SUNO-2 - Procurement, Suspension, and Debarment

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Procurement, suspension, and debarment

**Questioned
Costs**

None Noted

84.031 - Higher Education - Institutional Aid

Auditors noted that university was unable to support the verification of four out of four entities selected for testing with respect to the suspension and debarment compliance requirement applicable to the Higher Education Institutional Aid Program (CFDA 84.031).

OMB Circular A-133 *Compliance Supplement* Part 3, Section I stipulates that when non-federal entities enter into covered transactions with an entity at a lower tier, the non-federal entity must verify that the other entity is not suspended, debarred, or otherwise excluded from doing business with the federal government.

The university failed to follow procedures in place that required responsible personnel to verify that entities entering into covered transactions were not suspended, debarred, or otherwise excluded from doing business with the federal government. This resulted in noncompliance with the Procurement, Suspension, and Debarment compliance requirement. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university follow prescribed procedures to ensure the verification of entities that enter into covered transactions are not suspended, debarred, or otherwise excluded from doing business with the federal government. Management concurred with the finding and provided a corrective action plan (B-166).

F-09-ED-SUNO-3 - Return of Title IV Funds

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Special tests and provisions

**Questioned
Costs**

None Noted

Student Financial Assistance Cluster:
84.063 - Federal Pell Grant Program

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

Auditors noted the following conditions in the Federal Pell Grant Program (CFDA 84.063):

- For two out of 20 students tested, funds were not returned by the university within the prescribed 45 days.
- One student out of 20 tested had a calculation done incorrectly. This resulted in the university returning less funds than what was required. The university under-returned \$12.
- Two students out of 20 tested had a post-withdrawal disbursement and the required amount to be returned to the student was not documented as returned to the student. The amount to be returned was \$1,087.

OMB Circular A-133 *Compliance Supplement*, Part 5, SFA, 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 adhere to established procedures in processing certain refunds. The auditors did not question any costs as a result of this finding.

The auditors recommended that management immediately prepare the return of Title IV funds calculation and return the funds to the USDOE. Management did not concur with the finding. See management’s response at B-167.

F-09-ED-SUNO-4 - Satisfactory Academic Progress

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Eligibility

| | Questioned Costs |
|--|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | |
| 84.007 - Federal Supplemental Educational Opportunity Grants | \$200 |
| 84.032 - Federal Family Education Loans | 10,302 |
| 84.063 - Federal Pell Grant Program | 5,323 |
| | \$15,825 |

Auditors noted that two students out of 50 tested were awarded and received financial aid although the students did not meet the university’s standards for achieving satisfactory academic progress.

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

Title IV regulation 34 CFR Section 668.32(f) stipulates that students participating in the Title IV Federal Financial Aid programs must be maintaining satisfactory progress in the course of study he or she is pursuing, according to the standards and practices of that institution to receive student financial aid. OMB Circular A-133 *Compliance Supplement*, Part 5, Appendix A, SFA - Student Eligibility Compliance Requirement Number (6) stipulates that a student must maintain good standing or satisfactory progress. Title IV regulation 34 CFR 668.16(e) stipulates that an institute must establish, publish and apply reasonable standards for measuring satisfactory academic progress.

The auditors noted that it appeared the university inadvertently disbursed aid to an academically ineligible student who did not maintain satisfactory academic progress. The auditors questioned costs totaling \$15,825 (FSEOG, 84.007 - \$200; FFEL Program, CFDA 84.032 - \$10,302; and Federal Pell Grant Program, CFDA 84.063 - \$5,323).

The auditors recommended that the university adhere to established policies and procedures as documented in the revised satisfactory academic progress policy and monitor the academic standing of all students prior to awarding student financial aid. Management concurred that the students were not making satisfactory academic progress. See management’s response at B-167.

F-09-ED-SUNO-5 - Verification

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Special tests and provisions

| | <u>Questioned Costs</u> |
|--|-----------------------------|
| <u>Student Financial Assistance Cluster:</u> | |
| 84.007 - Federal Supplemental Educational Opportunity Grants | \$200 |
| 84.032 - Federal Family Education Loans | 27,182 |
| 84.063 - Federal Pell Grant Program | <u>39,806</u> |
| | <u><u>\$67,188</u></u> |

For the second consecutive year, auditors noted that information for 11 students out of 38 tested was not verified or conflicted with the verified documentation.

OMB Circular A-133 *Compliance Supplement*, Part 5, SFA 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.

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

The university failed to properly ensure that all required verifiable information was correct prior to 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 \$67,188 (FSEOG, 84.007 - \$200; FFEL Program, CFDA 84.032 - \$27,182; and Federal Pell Grant Program, CFDA 84.063 - \$39,806).

The auditors recommended that management of the university adhere to established procedures to ensure that all verification information is obtained and verified before the disbursement of financial aid. Management concurred that the documentation was not available at the time of audit and provided a corrective action plan (B-167).

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, 2009. The following findings were provided based on their audit.

F-09-ED-SUSH-1 - Davis-Bacon Act

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Davis-Bacon Act

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

Auditors noted that the university did not have procedures in place to monitor for Davis-Bacon compliance 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 for laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by federal assistance funds, wages paid must not be less than those established for the locality of the project by the U.S. Department of Labor (USDOL). Non-federal entities shall include in their construction contracts, subject to the Davis-Bacon Act, a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act and the USDOL regulations, including a requirement that the contractor or subcontractor submit a copy of the payroll and a statement of compliance weekly.

The university failed to have procedures in place that required responsible grant personnel to notify facility maintenance personnel of the Davis-Bacon requirements when construction and renovation projects are federally funded resulting in noncompliance with Davis-Bacon compliance requirements. The auditors did not question any costs as a result of this finding.

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

The auditors recommended the university implement procedures to require responsible grant personnel to notify management when construction or renovation projects are funded with federal funds. Management concurred with the finding and provided a corrective action plan (B-170).

F-09-ED-SUSH-2 - Entrance Counseling

Award Year: 2009

Award Number: Unknown

Compliance Requirement: Other

| | |
|---|-----------------------------|
| | Questioned Costs |
| <u>Student Financial Assistance Cluster:</u> | \$9,800 |
| 84.032 - Federal Family Education Loans | |

The auditors noted during testing of student eligibility for the FFEL Program (CFDA 84.032) that eight students from the population tested were first time borrowers and required counseling prior to receiving financial aid. Based on procedures performed, with respect to entrance counseling, auditors noted the following:

- Two out of eight students tested were first-time borrowers and received a FFEL loan without having an entrance counseling session.
- Two out of eight students tested were first-time borrowers and received a FFEL loan disbursement before having a counseling session.

Title IV regulation 34 CFR 682.604 (f) stipulates 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 prior to its release of the first disbursement unless the student borrower has received a prior Federal Stafford, Federal Supplemental Loan for Students, or direct subsidized or unsubsidized loan.

The auditors noted that it appears the university did not ensure that all students who were first-time borrowers received entrance counseling before receiving the loan proceeds. As a result, the university is not in compliance with applicable federal regulations and the auditors questioned costs totaling \$9,800 for the two students that did not receive entrance counseling.

The auditors recommend that the university ensure that all first time borrowers receive entrance counseling before receiving loan disbursements. Management concurred with the finding and provided a corrective action plan (B-172).

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

F-09-ED-SUSH-3 - Exit Counseling

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Other

**Questioned
 Costs**

None Noted

Student Financial Assistance Cluster:
84.032 - Federal Family Education Loans

The auditors noted that three out of six students tested who received a loan from the FFEL Program (CFDA 84.032) graduated or ceased to enroll at least half-time and did not have documentation of exit counseling.

Title IV regulation 34 CFR 682.604 (g) stipulates that a university must ensure that exit counseling is conducted with each Stafford loan borrower either in person, by audiovisual presentation, or by interactive electronic means shortly before the student borrower ceases at least half-time study at the school.

The university did not properly administer exit counseling to all Title IV recipients who graduated or ceased to enroll at least half-time. As a result, Title IV recipients were not aware of their rights and responsibilities subsequent to withdrawing from school. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university ensure that all Title IV recipients who withdraw from the university receive exit counseling. Management concurred with the finding and provided a corrective action plan (B-171).

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

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH AND HOSPITALS, DEPARTMENT OF

**F-09-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**

| | |
|---|-----------------------------|
| Medicaid Cluster: | Questioned Costs |
| 93.778 - Medical Assistance Program (Including ARRA) | \$18,973 |

For the second consecutive year, 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 claims totaling \$299,992 that were paid to six LT-PCS providers during calendar year 2008 identified the following errors:

- For 221 of 3,241 (7%) claims tested, the provider did not maintain adequate documentation of the units of service provided. This error was noted for all six providers tested.
- For 229 of 3,241 (7%) claims, the provider did not maintain standardized weekly LT-PCS service logs. This error was noted for three of the six providers tested.
- For 205 of 3,059 (7%) claims, the provider did not document deviations from the plan of care. This error was noted for five of the six providers tested.

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 \$26,180, which include \$18,973 of federal funds and \$7,207 of state matching funds.

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

DHH management should establish, implement, and enforce adequate controls to ensure that only appropriate claims for LT-PCS are paid to providers. Management concurred, in part, with the finding, noting that deviations from the plan of care are allowed if reason for the deviation is adequately documented. Management outlined a plan of corrective action. See management’s response at B-42.

Additional Comment: Management noted that deviations from the plan of care are allowed if adequately documented. The finding only included exceptions for deviation from the plan of care when adequate documentation was not provided.

F-09-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**

| <u>Medicaid Cluster:</u> | <u>Questioned Costs</u> |
|--|-----------------------------|
| 93.778 - Medical Assistance Program (Including ARRA) | <u>\$18,965</u> |
| State Funds | <u>7,204</u> |
| | <u><u>\$26,169</u></u> |

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

- Copies of all Recipient Verification of Medical Transportation Forms (Form MT-3) as documentation of all trips provided
- Copies of the Driver Identification Form (MT-8) for each driver and the form be completed when drivers are hired and annually thereafter for all current drivers
- Copies of the Vehicle Inspection Form (MT-9) for each vehicle used and the form be completed on each vehicle before the vehicle can be used and annually thereafter
- A daily schedule of transports

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

A review of 153 claims totaling \$39,091 paid to six providers during calendar year 2008 identified errors for all six providers. The errors noted include the following:

- For 79 of the 153 (52%) claims tested, 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 \$26,169.
- Five of the six providers tested did not maintain an adequate daily schedule of transports in their records.
- Five of the six providers tested did not maintain adequate documentation to support vehicle certifications (MT-9) in their records.
- Five of the six providers tested 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 \$26,169, which include \$18,965 of federal funds and \$7,204 of state matching funds.

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-45).

F-09-HHS-DHH-3 - Improper Payments to Waiver Services Providers

Award Year: Unknown

Award Number: Unknown

**Compliance Requirements: Activities allowed or unallowed,
 Allowable costs/cost principles**

| | Questioned Costs |
|---|-----------------------------|
| <u>Medicaid Cluster:</u> | |
| 93.778 - Medical Assistance Program (Including ARRA) | \$24,469 |
| State Funds | 9,295 |
| | \$33,764 |

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

For the third 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. These services include individualized and family supports. Regulations and requirements for the delivery of services and payment of claims for this waiver program 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 2,405 claims, totaling \$1,028,046, paid to six providers for 45 recipients during calendar year 2008, 603 (25%) errors were noted. The errors noted included the following:

- For 499 claims (21%), appropriate units 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 daily. The recipient record did not contain documentation as to why the services were not provided according to the plan of care.
- For 102 claims (4%), auditors were unable to determine if services provided were consistent with the plan of care because the provider could not provide the recipient's plan of care.
- For 252 claims (10%), the providers did not maintain adequate time sheets and/or progress notes to support the units of service billed.
- One (17%) of six providers did not maintain required quarterly progress notes.

These conditions occurred because DHH paid waiver services claims even though providers failed to follow established DHH policies and federal regulations for providing services. Questioned costs are \$33,764, which include \$24,469 in federal funds and \$9,295 in state matching funds.

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-47).

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

F-09-HHS-DHH-4 - Inappropriate Access to the Medicaid Eligibility Data System

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

Questioned Costs

None Noted

Medicaid Cluster:
93.778 - Medical Assistance Program (Including ARRA)

For the second consecutive year, 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.

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, the Department of Social Services (DSS). The security software program on the DSS mainframe, RACF, is maintained and controlled by DSS personnel, not DHH personnel.

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

- Forty-eight 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 22 MEDS contractors, 14 DHH programmers, 2 DHH database administrators, 1 DSS database administrator, and 9 DSS production control employees.
- Fourteen users had access to perform security administrator functions in MEDS. Of these, only five were charged with security administrator functions. The remaining nine users were either Medicaid Program supervisors and monitors or no longer needed the access. These nine users were also assigned to transaction groups that are normally granted to functional users of MEDS. This incompatible access would allow the programmers to make changes to production data through transactions in MEDS.

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

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. Management concurred with the finding and outlined a corrective action plan (B-51).

F-09-HHS-DHH-5 - Ineligible Medicaid Payments for State Transportation Services

Award Year: Unknown

Award Number: Unknown

**Compliance Requirement: Activities allowed or unallowed,
Allowable costs/cost principles, Eligibility**

**Questioned
Costs**

\$50,837

Medicaid Cluster:

93.778 - Medical Assistance Program (Including ARRA)

DHH used funds from the Medical Assistance Program (Medicaid, CFDA 93.778) to pay for a state-funded Non-Emergency Medical Transportation (NEMT) program. Act 16 of the 2006 Regular Session included an appropriation of \$100,000 to make payments to private providers for a state-funded NEMT program for dialysis and cancer patients in Orleans Parish who did not qualify for such services under Medicaid eligibility guidelines. To track these claims, DHH set up a separate procedure code in the accounting system. The claims charged to this procedure code should have been paid only with state funds.

In a review of 499 claims for the state NEMT program services paid in calendar years 2006, 2007, and 2008, all claims were identified as charged to the Medicaid program. Audit procedures disclosed that 494 claims, totaling \$70,149, were paid for recipients who were not eligible for Medicaid.

These errors occurred because DHH improperly classified state NEMT program transactions to the Medicaid program. As a result, DHH used \$50,837 in federal funds to pay for a state-funded program. Since \$19,312 of the total \$70,149 was paid with state matching funds, questioned costs total \$50,837.

DHH should establish procedures to ensure that claims for the state NEMT program are paid only from state funds. Management concurred with the finding and outlined a plan of corrective action (B-53).

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

NORTHWESTERN STATE UNIVERSITY

F-09-HHS-NSU-1 - Request for Reimbursements Not Submitted Timely

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Cash Management
Pass-Through Entity: Louisiana Department of Social Services

CCDF Cluster:

93.575 - Child Care and Development Block Grant
93.596 - Child Care Mandatory and Matching Funds
of the Child Care and Development Fund

Questioned
Costs
None Noted

Northwestern State University failed to submit timely requests for reimbursement in accordance with the terms of three contracts with the Louisiana Department of Social Services, Office of Family Support (DSS/OFS). The university entered into three subrecipient contracts with DSS/OFS to administer various programs under 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. Each contract requires the university to submit a request for reimbursement to DSS/OFS by the fifteenth day of the month for all services rendered in the previous month.

A test of 14 requests for reimbursement for these programs from January 2009 through June 2009 totaling \$793,265 revealed that 11 or 78% of the requests totaling \$577,296 were submitted to DSS/OFS from three to 24 days after the fifteenth day of the month. The employees responsible for preparing the requests were not sufficiently trained to extract the information needed from the university's general ledger to prepare the requests timely. As a result, the reimbursement of these funds was unnecessarily delayed and caused the university to be in noncompliance with the contract requirements.

Management should evaluate this situation and determine if alternative measures can resolve this issue. If not, then management should provide the training necessary to the employees responsible for preparing the requests for reimbursement so they can perform their assigned duties in a timely manner. Once corrective action is taken then management should monitor the corrective action taken to ensure that requests are prepared and submitted in accordance with the terms of the contracts. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-119).

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

SOCIAL SERVICES, DEPARTMENT OF

**F-09-HHS-DSS-2 - Child Care Cluster: Noncompliance
 With Program Requirements**

Award Year: 2007-2008

Award Number: Unknown

**Compliance Requirements: Allowable costs/cost principles,
 Eligibility, Reporting**

| |
|-----------------------------|
| Questioned Costs |
| \$9,539 |

CCDF Cluster:

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 fifth consecutive year, the Department of Social Services (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 40 of 40 (100%) child care provider invoices tested, the agency, by policy, did not obtain attendance logs to verify the number of days present and absent on the child care invoices. Questioned costs totaled \$8,512.
- For two of 30 (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 No. 08.B-710. Questioned costs totaled \$616, which is included in the questioned cost amount noted above.

During 2009, the DSS Contract Accountability Review Team (CART) conducted 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 nine of the 37 CART on-site reviews that we tested, CART identified overpayments to providers because invoiced days did not agree with the attendance logs.

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

However, DSS did not take sufficient action to recover overpayments for seven of the nine cases. In addition, even when the results of the CART reviews indicated exception rates as high as 100% for the sampled children, no additional procedures were performed on the reviews of the child care providers to determine if the results were indicative of a larger problem or fraud. Questioned costs totaled \$1,027.

DSS procedures for validating provider reimbursement requests are inadequate because the children’s attendance is not verified to supporting documentation (attendance logs) before a payment is made. The program included approximately 3,529 providers that received reimbursements totaling in excess of \$112,260,000 during the fiscal year ended June 30, 2009. Considering that 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, controls 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 controls over verifying immunization and collecting provider overpayments to ensure compliance. Management concurred with the finding and provided a corrective action plan (B-140).

F-09-HHS-DSS-3 - Foster Care - Title IV-E: Noncompliance With Program Requirements

Award Year: 2009
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 93.658 - Foster Care - Title IV-E (Including ARRA) | \$3,387 |
| State Funds | 918 |
| | <u>\$4,305</u> |

For the fifth 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.

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

While substantial improvements have been made on this program by the department, audit procedures performed on the Foster Care - Title IV-E Program disclosed certain foster care expenditures were not properly authorized. For two of 30 (7%) foster care expenditures tested, the service authorization form was not found in the client's file.

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. 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 \$4,305 (\$3,387 - federal funds and \$918 - 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. Management concurred with the finding and provided a corrective action plan (B-144).

F-09-HHS-DSS-4 - Fraudulent Billings by Providers

Award Year: 2002-2008

Award Number: Unknown

**Compliance Requirement: Activities allowed or unallowed,
 Allowable costs/cost principles**

CCDF Cluster:

- 93.575 - Child Care and Development Block Grant**
- 93.596 - Child Care Mandatory and Matching Funds of the Child
 Care and Development Fund**

| |
|-----------------------------|
| Questioned Costs |
| \$518,945 |

Based upon work performed by the DSS, Fraud and Recovery Section (FRS), DSS identified instances of fraudulent billings by providers in the Child Care and Development Fund Cluster (CFDA 93.575 and 93.596). 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 DSS-FRS are as follows:

- On June 30, 2009, the owner of a child care facility in Ferriday, Louisiana, pled guilty to mail fraud. Based on information from FRS, from January 2002 until July 2007, the owner filed false and fraudulent invoices seeking funds from CCAP. The owner claimed reimbursement for daycare services for children who did not attend the daycare center and over-billed for those children who did not attend as frequently as claimed. Questioned costs are \$220,697. On November 5, 2009, the owner was sentenced to 37 months in prison followed by

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

three years of supervised probation. She must also pay restitution of \$220,697 to DSS.

- On April 1, 2009, the owner of a Baton Rouge daycare facility pled guilty to one count of making a fraudulent claim against the federal government. Based on information from FRS, from 2003 through 2008, the owner submitted false and fraudulent invoices seeking funds from CCAP. Questioned costs are \$298,248. On October 1, 2009, the owner was sentenced to 15 months in prison followed by three years of supervised release. She must also pay \$298,248 in restitution.

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 and not be detected in a timely manner. For these instances identified above, no restitution has been paid as of December 16, 2009.

Management should continue its efforts to detect fraudulent activity committed by DSS providers and strengthen its existing controls within the affected federal program to reduce the likelihood that fraudulent activities occur in the future. In addition, management should work with the grantor to resolve the questioned costs. Management concurred with the finding and provided a corrective action plan (B-146).

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

SUMMARY OF FINDINGS
FROM OTHER EXTERNAL AUDITORS
FOR THE YEAR ENDED JUNE 30, 2009

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, 2009. The following findings were provided based on their audit.

F-09-HHS-GSU-15 - Reporting

Award Year: 2009
Award Number: Unknown
Compliance Requirements: Reporting

| | |
|---|-----------------------------|
| | Questioned Costs |
| 93.859 - Biomedical Research and Research Training | <u>None Noted</u> |

Auditors noted the following conditions during an audit of the Biomedical Research and Research Training Program (CFDA 93.859):

- University personnel were unable to locate the required Federal Financial Status Report (SF-269) for the *Research Initiative for Scientific Enhancement (RISE)* program for fiscal year ended 2009.
- University personnel failed to provide accounting records to support the SF-269 report was submitted to the federal awarding agency for the *Partnership for Minority Access to Baccalaureate Degrees program*.
- University personnel failed to provide evidence that the required Federal Cash Transactions Report (SF-272) was submitted for the quarter ended March 31, 2009.
- The SF-272 report submitted for the quarter ended June 30, 2009, did not contain all the required information for the reporting period. Auditors noted that the "Total Receipts" and "Net Disbursements" line items were not completed. Per review of the university's financial records, auditors noted that the university had disbursements and receipts to be reported for the fourth quarter of the year.

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

OMB Circular A-133 *Compliance Supplement* stipulates that reports of federal awards submitted to the federal awarding agency or pass-through entity include all activity of the reporting period, be supported by underlying accounting or performance records, and be fairly presented in accordance with program requirements.

Personnel were not adequately supervised to ensure that reports are being prepared and issued timely resulting in noncompliance with federal reporting requirements. The auditors did not question any costs as a result of this finding.

The auditors recommended that the university establish procedures to ensure that all filed reports are reviewed for accuracy and agreed to supporting documentation. Management concurred with the finding and provided a corrective action plan (B-36).

F-09-HHS-GSU-16 - Subrecipient Monitoring

Award Year: 2009
Award Number: Unknown
Compliance Requirements: Subrecipient monitoring

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|---|-----------------------------|
| | Questioned Costs |
| 93.859 - Biomedical Research and Research Training | None Noted |

For the second consecutive year, auditors noted that university personnel failed to monitor subrecipient activities. Auditors noted that university personnel failed to monitor the activities of two subrecipients of the Biomedical Research and Research Training Program (Partnership for Minority Access to Baccalaureate Degrees, CFDA 93.859). Monitoring includes obtaining and reviewing the subrecipient’s audit report to determine whether the required audit was performed and verify that the subrecipient had no audit findings related to the program.

OMB Circular A-133 *Compliance Supplement* Part 3, Section M stipulates that a pass-through entity should (1) ensure subrecipients expending \$500,000 or more in federal awards during the subrecipient’s fiscal year meet the audit requirements of OMB Circular A-133 and 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; and (3) ensure the subrecipient takes timely and appropriate corrective action on all audit findings.

The university did not have written subrecipient monitoring policies and procedures (e.g., annual monitoring plan) in place requiring all subrecipients to be fiscally and programmatically monitored during the year. As a result, the university is not in compliance with the subrecipient monitoring requirements. The auditors did not question any costs as a result of this finding.

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

The auditors recommended that the director of grants and contracts develop a subrecipient monitoring plan to ensure that all subrecipients receiving federal funds are fiscally and programmatically monitored on an annual basis. Management concurred with the finding and provided a corrective action plan (B-33).

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, 2009. The following finding was provided based on their audit.

F-09-HHS-SUNO-6 - Matching, Level of Effort, Earmarking

Award Year: 2009

Award Number: Unknown

Compliance Requirements: Matching, level of effort, earmarking

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|--|-----------------------------|
| | Questioned Costs |
| | <hr/> |
| 93.658 - Foster Care - Title IV-E | None Noted |

Auditors noted that the university was unable to provide documentation that the required cost share specified in the grant was provided for the Foster Care Title IV-E Program (CFDA 93.658).

OMB Circular A-133 *Compliance Supplement*, Part 3, Section G stipulates that non-federal entities must provide the required matching or cost share of the amount or percentage specified in the grant agreement using allowable costs incurred or in-kind contributions.

The university failed to have procedures in place that required responsible grant personnel to ensure the cost share provided was appropriately documented in the financial records and reports, resulting in noncompliance with applicable federal matching, level of effort, and earmarking compliance requirements. The auditors did not question any costs as a result of this finding.

The auditors recommended the university establish procedures to ensure the cost share provided is appropriately documented in financial records and reports. Management concurred with the finding and provided a corrective action plan (B-165).

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

U.S. DEPARTMENT OF HOMELAND SECURITY

EXECUTIVE DEPARTMENT

F-09-DHS-EXEC-OCD-4 - Inadequate Controls Over the Hazard Mitigation Program

Award Year: 2009

Award Number: FEMA-1607, FEMA-1603-DR-LA-, project 0050

**Compliance Requirement: Activities allowed or unallowed,
 Allowable costs/cost principles,
 Eligibility**

97.039 - Hazard Mitigation Grant

**Questioned
 Costs**

**Unable to
 Determine**

OCD did not have adequate controls over the administration of the Hazard Mitigation Grant Program (HMGP, CFDA 97.039). Critical data, such as homestead exemption, occupancy, and insurance data, in the Road Home Program's data warehouse used to support HMGP eligibility determinations and award calculations were not accurate and reliable. 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 amounts are calculated correctly based on accurate and reliable data.

In fiscal year 2009, OCD made 54 mid-point payments to HMGP applicants totaling \$1,065,556. These payments were made based on HMGP eligibility determinations that relied on summary information obtained from eGrants, the Road Home Program's system of record. A primary source for eGrants summary information is the Road Home data warehouse. In a report on *Data Warehouse Reliability* issued by the Louisiana Legislative Auditor in January 2009, certain data in the Road Home data warehouse used to determine eligibility and calculate award amounts were determined to be unreliable because homestead exemption data were loaded into the database using outdated specifications; inappropriate data fields were used in determining applicant occupancy; and incomplete or unverified data were obtained from insurers. Additional weaknesses in OCD's monitoring of this data warehouse and its contracted program manager are cited in our finding titled "Inadequate Controls Over the Road Home Homeowner Assistance Program."

Although the reliability of certain data in the Road Home data warehouse has been questioned, OCD did not implement compensating controls to ensure that summary information obtained from eGrants to support HMGP eligibility determinations was supported by documentation other than data contained in the Road Home data warehouse. As a result, OCD may need to obtain

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

additional documentation from these 54 applicants to verify HMGP eligibility determinations and award calculations.

OCD management should implement procedures to ensure that HMGP applicant eligibility and award calculations are supported by other appropriate documentation, rather than being based solely on data contained in the Road Home Program’s data warehouse. Management did not concur with the finding, but generally concurred with the recommendations and outlined a plan of corrective action. See management’s response at B-11.

Additional Comments: In management’s response, it stated that OCD is continuously working to validate homeowner data and verify insurance amounts paid. Although OCD is continuously working to validate the accuracy of homeowner data, the extent and timeliness of corrections made were not adequate to ensure that CDBG awards were made in accordance with program requirements during the fiscal year under audit.

In addition, management’s response stated that “HMGP staff members have reviewed the 20 files that the LLA reviewed and determined that all 20 applicants were eligible for the program, that all grant calculations were correct, and that all supporting documentation is available in accordance with HMGP and program guidelines.” Although requested by the auditors, OCD provided no additional evidence to support HMGP eligibility determinations or award calculations.

**HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
 GOVERNOR’S OFFICE OF**

F-09-DHS-GOHSEP-1 - Homeland Security Subgrants Not Obligated Timely

Award Year: 2008

Award Number: 2008-GE-T8-0013

**Compliance Requirement: Matching, level of effort, earmarking,
 Special tests and provisions**

Homeland Security Cluster:

**97.004 - State Domestic Preparedness Equipment
 Support Program**

97.067 - Homeland Security Grant Program

**Questioned
 Costs**

None Noted

The Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP) did not obligate fiscal year 2008 Homeland Security Grant Program (HSGP, CFDA 97.067) funds to local government within the 45-day requirement stipulated in program regulations. The 2008 U.S. Department of Homeland Security (DHS) Program Guidance and Application Kit requires

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

the state administrative agency to obligate fiscal year 2008 HSGP grant funds for the State Homeland Security Program (SHSP), Urban Areas Security Initiative (UASI), and Metropolitan Medical Response Systems (MMRS) programs to local units of government within 45 days after the date of the federal grant award. In addition, under OMB Circular A-133 *Compliance Supplement*, Part 4, states must obligate fiscal year 2008 subgrants under the SHSP and UASI programs to local government within 45 days of the federal award to comply with earmarking and special tests and provisions requirements.

In a test of 28 fiscal year 2008 HSGP subgrants awarded during state fiscal year 2009, all 28 (100%) subgrants were awarded between 63 and 150 days after the date of the federal grant award, which is 18 to 105 days late.

Management did not ensure that subgrants were awarded timely. Failure to obligate the subawards to local governments in a timely manner results in noncompliance with U.S. DHS program regulations and OMB Circular A-133 requirements. In addition, untimely obligations reduce the amount of time available for the local governments to use the grant funds.

Management should implement controls to ensure that funds are obligated timely to local governments in accordance with program requirements. Management did not concur with the finding. Management responded that it has procedures in place; however, compliance with the time requirement was delayed due to a full activation of its Emergency Operations Center for hurricanes Gustav and Ike. See management's response at B-55.

Additional Comments: Management should design controls to ensure its normal operations can continue during times when its emergency operation functions are performed.

F-09-DHS-GOHSEP-2 - Inadequate LAPA Program Change Management

Award Year: Various

Award Number: Unknown

Compliance Requirement: Activities allowed or unallowed, Allowable costs/cost principles, Matching, level of effort, earmarking, Reporting, Subrecipient monitoring, Special tests and provisions

**Questioned
Costs**

None Noted

**97.036 - Disaster Grants - Public Assistance
(Presidentially Declared Disasters)**

GOHSEP did not have adequate change-management controls over the louisianapa.com (LAPA) system, which is used to administer the Public Assistance program (CFDA 97.036).

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

Good internal control requires that all changes, including emergency maintenance and patches, relating to infrastructure and applications within the production environment should be formally managed, logged, assessed, and authorized before implementation and reviewed against planned outcomes following implementation. In addition, good internal control requires that entities should establish a management process between the entity and its service providers, which defines the roles, tasks, and responsibilities of internal and external service providers and management.

Audit procedures identified the following control deficiencies:

- The LAPA test site used the same login information as the LAPA production site and user acceptance testing was inadequately monitored and documented for the period July 1, 2008, through April 22, 2009.
- The LAPA report of completed program changes did not include a reference to the change request made and, therefore, was not a proper monitoring tool for GOHSEP to ensure that all critical changes requested were actually made and implemented.
- GOHSEP implemented changes to LAPA during fiscal year 2009 without the proper signatures of approval in accordance with current GOHSEP change-management policy.
- The change-management policies and procedures established in October 2008 lacked specific detail regarding the agreed-upon change-management process, the emergency change process, and the policy and procedures to be followed by the service provider.

GOHSEP management has not placed sufficient emphasis on the development and implementation of effective change-management policies and procedures. Inadequate change-management controls increase the risk that (1) erroneous or unauthorized changes to LAPA may be made; (2) GOHSEP may be unable to hold the service provider accountable for unacceptable change management procedures; and (3) program changes may not align with current management philosophy and operating style which could result in a failure to achieve IT objectives. In addition, determining whether a proposed change is functioning adequately is difficult without a clear expected result documented in the test scripts.

Management should adequately facilitate and document user acceptance testing, separate the test site from the production site with different login information, include a benchmark in the test scripts, and reconcile between scheduled changes and those actually implemented by the service provider. In addition, management should update the change-management policy and procedures to include specific detail regarding the agreed-upon change-management process, the emergency change process, and the policy and procedures to be followed by the service provider. Management concurred with the finding and provided a corrective action plan (B-57).

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

F-09-DHS-GOHSEP-3 - Inadequate Reconciliation Between Project Database and Financial Records

Award Year: Various
Award Number: Various
Compliance Requirements: Matching, level of effort, earmarking, Reporting

| <u>Homeland Security Cluster</u> | <u>Questioned Costs</u> |
|--|-------------------------|
| 97.004 - State Domestic Preparedness Equipment Support Program | None Noted |
| 97.067 - Homeland Security Grant Program | |

For the second consecutive year, GOHSEP did not adequately reconcile its project database for the Homeland Security Cluster programs (CFDA 97.004 and 97.067) to the financial records. The project database maintains grant and administrative expenditures for the Homeland Security Cluster programs. The grant managers use the project database to monitor the administrative costs of the grants and prepare the Biannual Strategy Implementation Report (BSIR). OMB Circular A-133 *Compliance Supplement*, Part 4 earmarking requirements state that not more than three percent of fiscal year 2008 grant funds (five percent for fiscal year 2006 and 2007 grants) made available to a state may be used for costs of management and administration. The U.S. DHS Program Guidance and Application Kit states that recipients are required to submit a BSIR with the obligated and expended grant totals for each award. Good internal controls would ensure that the project database is reconciled to financial records periodically on a timely basis to verify that all transactions are posted correctly.

Audit procedures revealed the following deficiencies:

- Although GOHSEP developed procedures to reconcile the database to financial records, these procedures were not fully implemented.
- GOHSEP's grant section prepared a spreadsheet summarizing the grant awards, grant expenditures, and administrative expenditures to demonstrate compliance with the earmarking requirements. However, this spreadsheet is prepared from the project database. Because the project database did not reconcile to the financial records and management could not readily identify the differences, we were unable to determine that GOHSEP complied with the earmarking requirements for administrative costs.
- The BSIR report is prepared using the project database. Because the project database did not reconcile to the financial records and GOHSEP does not maintain other support for the BSIR, the accuracy of the amounts reported on the BSIR could not be determined.

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

Management has not fully implemented procedures to ensure that the expenditure data recorded in the project database agrees with the expenditures in the financial records. Inaccurate data in the project database may lead to overspending in the grants, noncompliance with federal earmarking requirements, inaccurate reporting to the federal grantor, and a loss of future funding from the grantor.

Management should implement procedures to reconcile the project database to financial records on a periodic basis, ensure the earmarking compliance requirements have been met, and ensure reports submitted to the federal grantor are supported by the financial records. Management concurred with the finding and provided a corrective action plan (B-62).

**F-09-DHS-GOHSEP-4 - Lack of Controls to Ensure Completeness
 of Quarterly Progress Reports**

Award Year: Various
Award Number: Various
Compliance Requirements: Reporting

| | |
|---|-----------------------------|
| | Questioned Costs |
| | <hr/> |
| 97.039 - Hazard Mitigation Grant | None Noted |

GOHSEP has not implemented adequate internal controls to ensure that quarterly progress reports submitted to the Federal Emergency Management Agency (FEMA) for the Hazard Mitigation Grant Program (CFDA 97.039) include all subgrantees and projects. According to CFR 44 CFR 206.438 (c), the grantee of the Hazard Mitigation Grant Program is required to submit a quarterly progress report to FEMA indicating the status and completion date for each measure funded. In addition, the FEMA-State agreements state that the reports are due 30 days after the end of the first federal quarter following the initial grant award and every quarter thereafter until the grant ends. Good internal controls would ensure that the reports include all applicable subgrantees and projects.

Management has not placed sufficient emphasis on ensuring that the grantee progress reports are complete. Audit procedures to test the completeness of the quarterly reports revealed that three (9%) of 34 applicable projects tested were not included in the reports submitted to FEMA. The reports for these three projects were subsequently sent to FEMA. However, in at least two of the instances, the omission was discovered by FEMA, not by GOHSEP's controls.

Failure to ensure that the grantee reports are complete results in noncompliance with the CFR and the FEMA-State agreement. Management should implement procedures to ensure that all applicable project reports are included in the file submitted to FEMA. Management concurred with the finding and provided a corrective action plan (B-64).

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

F-09-DHS-GOHSEP-5 - Lack of Information Technology Audits

Award Year: Various

Award Number: Various

**Compliance Requirement: Activities allowed or unallowed, Matching,
 level of effort, earmarking, Reporting,
 Subrecipient monitoring, Special
 tests and provisions**

**Questioned
 Costs**

None Noted

97.036 - Disaster Grants - Public Assistance

97.039 - Hazard Mitigation Grant

Homeland Security Cluster:

97.067 - Homeland Security Grant Program

The internal audit section of GOHSEP has not performed information technology (IT) audits to monitor, assess, and report to management on the effectiveness of IT controls. GOHSEP is heavily dependent on its IT systems for administration of federal programs, financial processing, and reporting. Good internal control requires the monitoring of internal control processes for IT-related activities and identifying improvement actions. This process involves defining a system of internal controls embedded in the IT process framework, monitoring and reporting on the effectiveness of the internal controls over IT, and reporting exceptions to management for action. In addition, adequate IT control procedures would include independent assurance (internal and/or external) about the conformance of IT with relevant laws and regulations; the organization's policies, standards, and procedures as compared to generally accepted practices; and the effective and efficient performance of IT.

Significant IT functions of GOHSEP were not addressed in its internal auditor's risk assessment and audit plan for the agency. Without internal IT audits, risk is increased that the design, implementation, and operation of critical applications and resources may be inefficient and ineffective. In addition, IT operations may not comply with relevant laws, regulations, policies, standards, procedures, contractual agreements, and best practices.

GOHSEP should include a risk assessment of the significant IT functions, then address those identified risks in the audit plan and perform internal IT audits to monitor, assess, and report on the effectiveness of IT controls. These audits should involve all aspects of IT operations and be reported to an appropriate level of management. Management concurred with the finding and provided a corrective action plan (B-66).

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

F-09-DHS-GOHSEP-6 - Lack of Proper LAPA Access and Segregation of Duties

Award Year: Various
Award Number: Various
**Compliance Requirement: Activities allowed or unallowed,
 Allowable costs/cost principles,
 Matching, level of effort, earmarking,
 Reporting, Subrecipient monitoring,
 Special tests and provisions**

| | |
|---|-----------------------------|
| | Questioned Costs |
| | <hr/> |
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | None Noted |

GOHSEP did not have adequate controls over access to its computer system and modifications to its production data. In addition, logs were not available to provide an adequate audit trail of activities. Good internal controls require that (1) an organization should implement a division of roles and responsibilities that reduces the possibility for a single individual to compromise a critical process; (2) personnel should perform only authorized duties relevant to their respective jobs and positions; (3) an organization should implement business controls into its automated application controls such that processing is accurate, complete, timely, authorized, and auditable; (4) programmers should not be able to execute or have access to execute programs in production; and (5) users should not be able to perform system administrative duties.

GOHSEP granted system administrator access in the LAPA system to seven users and four vendor programmers. System administrators have full access to the LAPA application with the capability to grant, deny, and modify user access resulting in inadequate segregation of duties and creating the potential for unauthorized modifications to production data. In addition, system administrators are able to approve, delete, deny, or modify payment and appeal information. In addition, because of an inadequate logging function, the system does not provide an audit trail of system administrator activity. Management did not place sufficient emphasis on ensuring that LAPA system administrator duties were properly segregated or that LAPA system administrator activities were logged and monitored. Although GOHSEP has established mitigating controls to reduce the risk of error, inadequate segregation of duties within LAPA increases the likelihood of unauthorized and undetected modification of production data files.

Management should segregate the programming function from the production function, ensure permissions in LAPA are granted on a strict business-need basis, implement an audit trail for system administrator activity, and monitor the activity on a periodic basis. Management concurred with the finding and provided a corrective action plan (B-68).

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

F-09-DHS-GOHSEP-7 - Noncompliance With Subrecipient Monitoring Requirements

Award Year: 2005-2009
Award Number: Various
Compliance Requirement: Subrecipient monitoring

| | <u>Questioned Costs</u> |
|---|-----------------------------|
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | None Noted |
| 97.039 - Hazard Mitigation Grant <u>Homeland Security Cluster:</u> | |
| 97.004 - State Domestic Preparedness Equipment Support Program | |
| 97.067 - Homeland Security Grant Program | |

For the third consecutive year, GOHSEP did not comply with subrecipient monitoring requirements for the Disaster Grants - Public Assistance program (CFDA 97.036) and the Homeland Security Cluster (CFDA 97.004 and 97.067). In addition, for the second consecutive year, GOHSEP did not comply with the subrecipient monitoring requirements for the Hazard Mitigation Grant Program (CFDA 97.039).

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 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.

Management failed to ensure that adequate subrecipient monitoring was performed to comply with OMB A-133 requirements. Our tests of subrecipient monitoring for the Public Assistance, Hazard Mitigation, and Homeland Security Cluster programs revealed the following deficiencies:

- Procedures for the Hazard Mitigation or Homeland Security Cluster programs were not developed or implemented to ensure that GOHSEP reviewed required subrecipient audit reports, evaluated the impact of subrecipient activities on

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

GOHSEP's ability to comply with federal regulations, and/or determined if sanctions are necessary for subrecipients that did not obtain a required audit.

- The monitoring program developed to review subrecipient audit reports for the Public Assistance program did not include procedures to evaluate the impact of audit findings on GOHSEP's ability to comply with applicable federal regulations and to determine if sanctions are necessary for subrecipients that did not obtain a required audit.
- In a test of 25 subrecipients of the Public Assistance program who were required to meet the audit requirements of OMB A-133, we noted the following:
 - Four (16%) of the 25 subrecipients tested did not have the required audit performed for the year tested and GOHSEP did not perform procedures to follow up with the subrecipient and determine if sanctions were necessary.
 - Twelve (48%) of the 25 subrecipients tested did not have a completed and approved desk review, which is required by GOHSEP's internal procedures.
 - Five (71%) of the seven audit reports tested that had findings relating to the Public Assistance program GOHSEP did not issue a management decision letter timely. Three decision letters were issued between 28 and 108 days late. Two decision letters had not been issued as of the date of our procedures (January 4, 2010).
- The site visit program implemented for the Homeland Security Cluster programs did not provide adequate coverage for the fiscal year 2005, 2006, and 2007 grants. GOHSEP performed 13 site visits in fiscal year 2009 providing approximately 3% to 7% coverage on the fiscal year 2005, 2006, and 2007 grants. GOHSEP did not perform a risk assessment and could not provide other documentation to justify performing only these 13 site visits.

Management's failure to ensure that adequate subrecipient monitoring was performed results in noncompliance with federal requirements and could result in possible misuse of federal funds by subrecipients and potential disallowed costs.

Management should develop and implement procedures to monitor subrecipient audit reports in a timely manner, evaluate and document the impact of audit findings on GOHSEP's ability to comply with federal regulations, and follow up with subrecipients who have not had the required audits to determine if sanctions should be imposed. Management should also modify the existing plan for the Homeland Security Cluster programs to include a risk-based or rotational approach for the site visits to ensure adequate coverage of program funds. Management concurred with the finding and provided a corrective action plan (B-70).

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

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

F-09-DHS-LSUHSC-HCSD-1 - Untimely Remittance of Public Assistance Funds

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Cash management
Pass Through Entity: Governors' Office of Homeland Security and Emergency Preparedness

| | |
|---|-----------------------------|
| | Questioned Costs |
| | <hr/> |
| 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) | None Noted |

The Louisiana State University Health Sciences Center - Health Care Services Division (HCSD) did not make timely remittances to the Office of Facility Planning and Control (OFPC) for expenditures incurred and paid on behalf of the Medical Center of Louisiana at New Orleans (MCLNO). Good internal controls provide that the time between receipt of funds and disbursement should be minimized.

Procedures performed on the Disaster Grants - Public Assistance (CFDA 97.036) program at MCLNO disclosed the following:

- OFPC paid vendor invoices relating to project worksheets for MCLNO as the applicant. HCSD submitted the invoices paid by OFPC to GOHSEP for reimbursement.
- HCSD received reimbursements for OFPC expenses from GOHSEP during the period August 15, 2008, through January 13, 2009, totaling \$11,040,519 but did not remit the funds to OFPC until February 3, 2009.
- HCSD received reimbursements for OFPC expenses from GOHSEP during the period March 9, 2009, through May 31, 2009, totaling \$2,200,206 but did not remit the funds to OFPC until June 4, 2009.

HSCD did not establish adequate procedures to ensure that GOHSEP reimbursements were promptly disbursed to OFPC. Failure to establish adequate controls increases the risk that errors could occur and prevents the timely disbursement of funds to the proper agency.

HCSD management should establish procedures to ensure timely remittances are made to OFPC for expenditures incurred and paid on behalf of MCLNO. Management concurred in part with the finding and provided a plan of corrective action (B-102).

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. They are listed below and referenced to where they are reported in detail in Schedule B.

DIVISION OF ADMINISTRATION

FS-09-DOA-1 - Lack of Internal Audit Function Over Information Technology Controls (page 17)

**HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
GOVERNOR'S OFFICE OF**

FS-09-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (page 21)

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

FS-09-LSUHSC(HCSD)-1 - Inadequate Control Over Financial Reporting (page 49)

SOCIAL SERVICES, DEPARTMENT OF

FS-09-DSS-1 - Inaccurate Annual Fiscal Reports (page 62)

FS-09-DSS-2 - Ineffective Internal Audit Function (page 63)

SOUTHERN UNIVERSITY SYSTEM

FS-09-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation (page 64)

FS-09-SOUTHERN SYSTEM-2 - Ineffective Internal Audit Function (page 67)

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

FS-09-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report (page 68)

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

OTHER REPORTS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CDBG - State-Administered Small Cities Program Cluster

During fiscal year 2009, several reports were issued by the Louisiana Legislative Auditor's Performance Audit Division that include findings and recommendations for the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228), which is a part of the CDBG - State-Administered Small Cities Program Cluster, 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.la.gov/about/divisions/>.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

TANF Cluster

During fiscal year 2009, several reports were issued by the Louisiana Legislative Auditor's Performance Audit Division that include findings and recommendations for the Temporary Assistance for Needy Families (CFDA 93.558), which is part of the TANF Cluster, 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.la.gov/about/divisions/>.

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 2009, several reports were issued by the Louisiana Legislative Auditor's Recovery Assistance Division and Compliance Audit Division that include findings and recommendations for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program (CFDA 97.036). In addition, the Recovery Assistance Division issued reports that include findings and recommendations for 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.la.gov/about/divisions/>.

Schedule D

Schedule of Unresolved Prior Audit Findings For the Year Ended June 30, 2009

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STATE OF LOUISIANA
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Appendix A

Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

STATE OF LOUISIANA
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2009

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| 10 -- U.S. Department of Agriculture..... | A-3 |
| 11 -- U.S. Department of Commerce | A-17 |
| 12 -- U.S. Department of Defense | A-25 |
| 14 -- U.S. Department of Housing and Urban Development..... | A-35 |
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| 16 -- U.S. Department of Justice..... | A-47 |
| 17 -- U.S. Department of Labor..... | A-53 |
| 19 -- U.S. Department of State | A-56 |
| 20 -- U.S. Department of Transportation..... | A-57 |
| 21 -- U.S. Department of the Treasury..... | A-61 |
| 22 -- U.S. Postal Service..... | A-61 |
| 30 -- Equal Employment Opportunity Commission | A-62 |
| 39 -- General Services Administration | A-62 |
| 42 -- U.S. Library of Congress | A-62 |
| 43 -- National Aeronautics and Space Administration | A-63 |
| 45 -- National Endowment for the Arts..... | A-67 |
| 45 -- National Endowment for the Humanities | A-67 |
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STATE OF LOUISIANA
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| Federal Prefix and Agency | Page No. |
|---|-----------------|
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STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------|
| EXECUTIVE OFFICE OF THE PRESIDENT | | |
| <u>Office of National Drug Control Policy:</u> | | |
| <u>Direct Awards:</u> | | |
| <u>Department of Public Safety and Corrections - Public Safety Services:</u> | | |
| HIDTA Baton Rouge Task Force 1/DEA Task Force Group 2 | 07.unknown | (\$610) |
| HIDTA Highway Interdiction | 07.17PGCP502 | 21,887 |
| HIDTA Highway Interdiction | 07.I8PGCP502 | 10,113 |
| HIDTA Intel Coordinator Network/16 LA OPS New Orleans MDT | 07.I6PGCP501Z | 26,847 |
| HIDTA Intel Coordinator Network/18 LA OPS New Orleans MDT | 07.I8PGCP502Z | 158,310 |
| HIDTA Intel New Orleans MDT | 07.G09GC0001A | 14,329 |
| HIDTA New Orleans MDT | 07.C09GC0001A | 41,836 |
| | | <hr/> |
| Total Office of National Drug Control Policy | | 272,712 |
| | | <hr/> |
| Total Executive Office of the President | | \$272,712 |
| | | <hr/> <hr/> |
| U.S. DEPARTMENT OF AGRICULTURE | | |
| Agricultural Research - Basic and Applied Research | 10.001 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$1,422,446 |
| Southern University and A&M College (Baton Rouge) | | 189,948 |
| | | <hr/> |
| Total Agricultural Research - Basic and Applied Research | | 1,612,394 |
| | | <hr/> |
| Plant and Animal Disease, Pest Control, and Animal Care | 10.025 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 534,856 |
| Department of Wildlife and Fisheries | | 45,009 |
| | | <hr/> |
| Total Plant and Animal Disease, Pest Control, and Animal Care | | 579,865 |
| | | <hr/> |
| Wildlife Services | 10.028 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 25,673 |
| | | <hr/> |
| Wetlands Reserve Program | 10.072 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 24,806 |
| | | <hr/> |
| Inspection Grading and Standardization | 10.162 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 3,230 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Market Protection and Promotion | 10.163 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | \$68,930 |
| Specialty Crop Block Grant Program | 10.169 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 124,577 |
| Grants for Agricultural Research, Special Research Grants | 10.200 | |
| <u>Through: Oceanic Institute (#2009-38808-19851)</u> | | |
| Nicholls State University | | 60,447 |
| <u>Through: University of California-Davis (#06000245-01)</u> | | |
| University of Louisiana at Lafayette | | 22,632 |
| <u>Through: University of Georgia (#2005-38640-15542)</u> | | |
| LSU Agricultural Center | | (4,359) |
| <u>Through: University of Georgia (#2006-38640-16713)</u> | | |
| LSU Agricultural Center | | 19,449 |
| Total Grants for Agricultural Research, Special Research Grants | | 98,169 |
| Grants for Agricultural Research - Competitive Research Grants | 10.206 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 77,420 |
| <u>Through: University of Nebraska-Lincoln (#2007-55112-17856)</u> | | |
| LSU Agricultural Center | | 9,378 |
| Total Grants for Agricultural Research - Competitive Research Grants | | 86,798 |
| Sustainable Agriculture Research and Education | 10.215 | |
| <u>Through: University of Georgia (#2008-38640-19017)</u> | | |
| LSU Agricultural Center | | 6,667 |
| 1890 Institution Capacity Building Grants | 10.216 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 241,338 |
| <u>Through: South Carolina State University (#04-443621-FCS-SU-LA)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 3,317 |
| <u>Through: University of Maryland Eastern Shore (#20663882017448)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 4,758 |
| Total 1890 Institution Capacity Building Grants | | 249,413 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Higher Education Challenge Grants | 10.217 | |
| <u>Through: University of Arkansas (#2007-38411-18117)</u> | | |
| LSU A&M College (Baton Rouge) | | \$1,908 |
| Integrated Programs | 10.303 | |
| <u>Through: North Carolina State University (#2003-51101-02106)</u> | | |
| LSU Agricultural Center | | 2,708 |
| <u>Through: Texas A&M University-Texas</u> | | |
| <u>Cooperative Extension (#2004-51130-03114)</u> | | |
| LSU Agricultural Center | | 36,857 |
| <u>Through: Texas A&M University-Texas</u> | | |
| <u>Cooperative Extension (#2008-51130-19537)</u> | | |
| LSU Agricultural Center | | 2,956 |
| Total Integrated Programs | | 42,521 |
| Homeland Security - Agricultural | 10.304 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 323,024 |
| <u>Through: Purdue University (#2005-37620-15609)</u> | | |
| LSU Agricultural Center | | 94,287 |
| <u>Through: University of Florida (#2007-37620-18196)</u> | | |
| LSU Agricultural Center | | 23,524 |
| Total Homeland Security - Agricultural | | 440,835 |
| Rural Community Development Initiative | 10.446 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | 4,047 |
| Cooperative Agreements with States for Intrastate Meat and Poultry Inspection | 10.475 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 1,787,001 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Cooperative Extension Service | 10.500 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$7,709,453 |
| Southern University and A&M College (Baton Rouge) | | 468,642 |
| <u>Through: Auburn University (#26-6365-0001-306)</u> | | |
| LSU Agricultural Center | | 1,668 |
| <u>Through: Auburn University (#2008-48540-04313)</u> | | |
| LSU Agricultural Center | | 5,159 |
| <u>Through: Kansas State University (#2006-48659-03721)</u> | | |
| LSU Agricultural Center | | 2,039 |
| <u>Through: Kansas State University (#2007-48661-03868)</u> | | |
| LSU Agricultural Center | | 83,385 |
| <u>Through: Mississippi State University (#2008-48678-04904)</u> | | |
| LSU Agricultural Center | | 23,572 |
| <u>Through: North Carolina State University (#2006-48642-03728)</u> | | |
| LSU Agricultural Center | | 25,061 |
| <u>Through: North Carolina State University (#2007-39552-18643)</u> | | |
| LSU Agricultural Center | | 57,543 |
| <u>Through: Texas A&M University-Texas</u> | | |
| <u>Cooperative Extension (#2004-48616-03116)</u> | | |
| LSU Agricultural Center | | (10) |
| <u>Through: Texas A&M University-Texas</u> | | |
| <u>Cooperative Extension (#S4079036101)</u> | | |
| LSU Agricultural Center | | 44,329 |
| <u>Through: University of Georgia (#2006-47001-03368)</u> | | |
| LSU Agricultural Center | | 2,788 |
| <u>Through: University of Georgia (#2007-47001-03776)</u> | | |
| LSU Agricultural Center | | 6,044 |
| <u>Through: University of Georgia (#2008-47001-04376)</u> | | |
| LSU Agricultural Center | | 3,140 |
| <u>Through: University of Georgia (#RE6751493504)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 10,280 |
| <u>Through: University of Nebraska-Lincoln (#4-98-2-23)</u> | | |
| LSU Agricultural Center | | 40,884 |
| | | <hr/> |
| Total Cooperative Extension Service | | 8,483,977 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|--------------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$118,852,927 |
| ARRA - Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 1,638,740 |
| Total Special Supplemental Nutrition Program for Women, Infants, and Children | | <u>120,491,667</u> |
| Child and Adult Care Food Program | 10.558 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 61,817,174 |
| State Administrative Expenses for Child Nutrition | 10.560 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 224,914 |
| Department of Education | | 3,223,843 |
| Total State Administrative Expenses for Child Nutrition | | <u>3,448,757</u> |
| Commodity Supplemental Food Program | 10.565 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 17,286,351 |
| WIC Farmers' Market Nutrition Program | 10.572 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 3,947 |
| Team Nutrition Grants | 10.574 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 117,613 |
| Senior Farmers Market Nutrition Program | 10.576 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 333,398 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| <hr/> | | |
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Fresh Fruit and Vegetable Program | 10.582 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | \$77,437 |
| | | <hr/> |
| Cooperative Forestry Assistance | 10.664 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 4,609,969 |
| | | <hr/> |
| Forest Products Lab: Technology Marketing Unit (TMU) | 10.674 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 9,738 |
| | | <hr/> |
| Urban and Community Forestry Program | 10.675 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 22,588 |
| Southern University and A&M College (Baton Rouge) | | 20,525 |
| | | <hr/> |
| Total Urban and Community Forestry Program | | 43,113 |
| | | <hr/> |
| Rural Business Enterprise Grants | 10.769 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 181,488 |
| University of Louisiana at Monroe | | 36,050 |
| | | <hr/> |
| Total Rural Business Enterprise Grants | | 217,538 |
| | | <hr/> |
| Rural Business Opportunity Grants | 10.773 | |
| <u>Through: Delta Regional Authority</u> | | |
| Department of Economic Development | | 25,000 |
| | | <hr/> |
| Denali Commission Grants and Loans | 10.858 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 19,919 |
| | | <hr/> |
| Resource Conservation and Development | 10.901 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 74,468 |
| | | <hr/> |

(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, 2009

| | <u>CFDA OR OTHER NUMBER</u> | <u>ACTIVITY</u> |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| Soil and Water Conservation | 10.902 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | \$235,863 |
| LSU Agricultural Center | | <u>175,069</u> |
| Total Soil and Water Conservation | | <u>410,932</u> |
| Agricultural Statistics Reports | 10.950 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 25,000 |
| Southern University and A&M College (Baton Rouge) | | <u>2,715</u> |
| Total Agricultural Statistics Reports | | <u>27,715</u> |
| Technical Agricultural Assistance | 10.960 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 509,443 |
| Southern University and A&M College (Baton Rouge) | | <u>1,042</u> |
| Total Technical Agricultural Assistance | | <u>510,485</u> |
| Cochran Fellowship Program - International Training - Foreign Participant | 10.962 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | <u>146,277</u> |
| 2009 Ag Outlook Conference | 10.69-7217-09-001 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | <u>2,000</u> |
| Classic Swine Fever Surveillance | 10.07-9419-0084-CA | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | <u>49,239</u> |
| Cooperative Agreement with U.S. Forest Service <u>Through: Kisatchie National Forest</u> | 10.08-PA-11080600-008 | |
| Northwestern State University | | <u>19,204</u> |
| Serbia WTO Training | 10.58-3148-7-112 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | <u>9,402</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| WIC Breastfeeding Peer Counseling | 10.6LA700523 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$162,911 |
| <u>Child Nutrition Cluster:</u> | | |
| School Breakfast Program | 10.553 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 54,798,855 |
| <u>Through: New Beginnings Foundation</u> | | |
| University of New Orleans | | 107,697 |
| National School Lunch Program | 10.555 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 19,849,728 |
| Department of Education | | 168,754,291 |
| <u>Through: New Beginnings Foundation</u> | | |
| University of New Orleans | | 293,898 |
| Special Milk Program for Children | 10.556 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 37,923 |
| Summer Food Service Program for Children | 10.559 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 7,202,410 |
| Total Child Nutrition Cluster | | 251,044,802 |
| <u>Emergency Food Assistance Cluster:</u> | | |
| Emergency Food Assistance Program (Administrative Costs) | 10.568 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 1,161,424 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 8,418,358 |
| Total Emergency Food Assistance Cluster | | 9,579,782 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Agricultural Research - Basic and Applied Research | 10.001 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$593,239 |
| LSU A&M College (Baton Rouge) | | 148,573 |
| Nicholls State University | | 7,421 |
| Pennington Biomedical Research Center | | 680,478 |
| Southern University and A&M College (Baton Rouge) | | 111,691 |
| University of New Orleans | | 40,934 |
| <u>Through: University of Alaska Fairbanks (#58-5341-4-591)</u> | | |
| LSU Agricultural Center | | 31,554 |
| | | |
| Grants for Agricultural Research, Special Research Grants | 10.200 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 840,225 |
| Louisiana Tech University | | 90,775 |
| Pennington Biomedical Research Center | | 493,143 |
| <u>Through: HUBBS-Sea World Research Institute</u> | | |
| <u>(#2006-34561-17592)</u> | | |
| LSU A&M College (Baton Rouge) | | 13,632 |
| <u>Through: Mississippi State University-Southern Regional</u> | | |
| <u>Aquaculture Center (#2005-38500-15815)</u> | | |
| LSU Agricultural Center | | (136) |
| <u>Through: Mississippi State University-Southern Regional</u> | | |
| <u>Aquaculture Center (#2006-38500-16977)</u> | | |
| LSU Agricultural Center | | 50,463 |
| <u>Through: Purdue University (#2006-34569-17000)</u> | | |
| LSU Agricultural Center | | 73,410 |
| <u>Through: The Regents of the University of California</u> | | |
| <u>(#2008-34608-19111)</u> | | |
| LSU A&M College (Baton Rouge) | | 1,237 |
| <u>Through: Texas A&M University-Texas Agricultural</u> | | |
| <u>Experiment Station (#2006-38824-03528)</u> | | |
| LSU Agricultural Center | | 43,924 |
| <u>Through: Texas A&M University-Texas Agrilife Research</u> | | |
| <u>(#2008-38824-19155)</u> | | |
| LSU Agricultural Center | | 89,530 |
| <u>Through: University of Alaska Fairbanks (#2006-34385-17606)</u> | | |
| LSU Agricultural Center | | 31,693 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Grants for Agricultural Research, Special Research Grants (Cont.) | 10.200 | |
| <u>Through: University of Florida</u> | | |
| LSU Agricultural Center | | \$2,500 |
| <u>Through: University of Florida (#2008-34383-19255)</u> | | |
| LSU Agricultural Center | | 27,000 |
| <u>Through: University of Georgia</u> | | |
| <u>(#2006-38640-16713)</u> | | |
| LSU A&M College (Baton Rouge) | | 6,463 |
| Cooperative Forestry Research | 10.202 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 209,455 |
| Payments to Agricultural Experiment Stations Under the Hatch Act | 10.203 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 4,988,005 |
| Payments to 1890 Land-Grant Colleges and Tuskegee University | 10.205 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | (7,435) |
| Grants for Agricultural Research - Competitive Research Grants | 10.206 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 207,362 |
| LSU A&M College (Baton Rouge) | | 272,177 |
| Louisiana State University Health Sciences Center (Shreveport) | | 17,259 |
| Southern University and A&M College (Baton Rouge) | | 61,107 |
| University of Louisiana at Lafayette | | 98,416 |
| <u>Through: North Carolina State University</u> | | |
| <u>(#2004-35212-14882)</u> | | |
| LSU A&M College (Baton Rouge) | | 20,607 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Grants for Agricultural Research - Competitive Research Grants (Cont.) | 10.206 | |
| <u>Through: North Carolina State University (#2004-35212-14882)</u> | | |
| LSU Agricultural Center | | \$44,461 |
| <u>Through: Texas A&M Research Foundation</u> | | |
| <u>(#2006-35401-17432)</u> | | |
| LSU A&M College (Baton Rouge) | | 85,170 |
| <u>Through: University of Arkansas (#2004-35317-14867)</u> | | |
| LSU Agricultural Center | | 17,532 |
| <u>Through: University of Massachusetts-Amherst</u> | | |
| <u>(#2005-35107-15278)</u> | | |
| LSU A&M College (Baton Rouge) | | 32,543 |
| Animal Health and Disease Research | 10.207 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 18,795 |
| 1890 Institution Capacity Building Grants | 10.216 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 295,728 |
| <u>Through: Fort Valley State University</u> | | |
| <u>(#2007-38814-18518)</u> | | |
| LSU A&M College (Baton Rouge) | | 46,014 |
| <u>Through: University of Maryland Eastern Shore (#2006-38814-17525)</u> | | |
| LSU Agricultural Center | | 3,333 |
| Higher Education Challenge Grants | 10.217 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 9,306 |
| Louisiana Tech University | | 9,626 |
| Agricultural and Rural Economic Research | 10.250 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 32,647 |
| <u>Through: Mississippi State University (#59-5000-7-0043)</u> | | |
| LSU A&M College (Baton Rouge) | | 10,807 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Integrated Programs | 10.303 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$65,595 |
| <u>Through: North Carolina State University (#2003-51101-02106)</u> | | |
| LSU Agricultural Center | | 14,952 |
| <u>Through: Texas A&M University-Texas Agricultural</u> | | |
| <u>Experiment Station (#2007-51101-18407)</u> | | |
| LSU Agricultural Center | | 4,376 |
| Biomass Research and Development Initiative Competitive Grants Program (BRDI) | 10.312 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 87,062 |
| LSU A&M College (Baton Rouge) | | 58,587 |
| Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers | 10.443 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 117,316 |
| Partnership Agreements to Develop Non-Insurance Risk Management Tools for Producers (Farmers) | 10.456 | |
| <u>Through: University of Kentucky Research Foundation (#05IE08310215)</u> | | |
| LSU Agricultural Center | | 27,229 |
| Cooperative Extension Service | 10.500 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 23,166 |
| <u>Through: Auburn University (#2004-49200-03126)</u> | | |
| LSU Agricultural Center | | (154) |
| <u>Through: Texas A&M University-Texas Cooperative</u> | | |
| <u>Extension (#2004-49200-03126)</u> | | |
| LSU Agricultural Center | | 5,098 |
| <u>Through: University of Georgia (#2004-49200-03126/TCE)</u> | | |
| LSU Agricultural Center | | 5,228 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Forestry Research | 10.652 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$127,103 |
| Louisiana State University at Alexandria | | 22,774 |
| LSU A&M College (Baton Rouge) | | 5,560 |
| Louisiana Tech University | | 12,622 |
| Southern University and A&M College (Baton Rouge) | | 1,983 |
| Cooperative Forestry Assistance | 10.664 | |
| <u>Through: Purdue University (#05-DG1124425-150)</u> | | |
| LSU Agricultural Center | | 4,368 |
| Rural Development, Forestry, and Communities | 10.672 | |
| <u>Through: Purdue University (#06-DG-11244225-242)</u> | | |
| LSU Agricultural Center | | 819 |
| Forest Health Protection | 10.680 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 7,574 |
| University of Louisiana at Lafayette | | 8,796 |
| Rural Business Enterprise Grants | 10.769 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 105,655 |
| 1890 Land Grant Institutions Rural Entrepreneurial Outreach Program | 10.856 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 122,104 |
| Soil Survey | 10.903 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 16,381 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|---------------------------------|-------------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Scientific Cooperation and Research | 10.961 | |
| <u>Direct Awards:</u> | | |
| Pennington Biomedical Research Center | | \$19,221 |
| Acquisition of Goods and Services | | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | 10.RD.58-6413-7-119 | (932) |
| LSU Agricultural Center | 10.RD.58-6413-8-118 | 2,832 |
| Acquisition of Goods and Services - Utilities | 10.RD.58-6413-8-119 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 3,568 |
| Decision Analysis Guidelines | 10.RD.USDA | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 1,615 |
| The Development of a Supply and Demand Model for Hardwood Lumber | 10.RD.SRS 06-CA-11330143-161 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 5,265 |
| Genetic Engineering Cotton for Enhanced Resistance to Aspergillus Flavus | 10.RD.58-6435-8-3000 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 5,837 |
| Moisture Performance of Insulated Raised Floor Systems in Southern Louisiana | 10.RD.07-JV-11111136-128 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 19,573 |
| Soil and Water Research Unit - Utilities | 10.RD.58-6401-2-0003/T664131010 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | (474) |
| Total Research and Development Cluster | | <u>10,751,363</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|------------------------|
| U.S. DEPARTMENT OF AGRICULTURE (CONT.) | | |
| <u>Schools and Roads Cluster:</u> | | |
| Schools and Roads - Grants to States | 10.665 | |
| <u>Direct Awards:</u> | | |
| Department of Treasury | | \$3,129,210 |
| Total Schools and Roads Cluster | | 3,129,210 |
| <u>SNAP Cluster:</u> | | |
| Supplemental Nutrition Assistance Program | 10.551 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 1,215,911,978 |
| ARRA - Supplemental Nutrition Assistance Program | 10.551 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 33,698,143 |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 74,676,834 |
| Total SNAP Cluster | | 1,324,286,955 |
| Total U.S. Department of Agriculture | | \$1,822,347,177 |
| U.S. DEPARTMENT OF COMMERCE | | |
| Economic Development -Technical Assistance | 11.303 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | \$107,566 |
| Fishery Products Inspection and Certification | 11.413 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 80,739 |
| Sea Grant Support | 11.417 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 31,726 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| Coastal Zone Management Administration Awards | 11.419 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | \$2,430,485 |
| Cooperative Fishery Statistics | 11.434 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 980,370 |
| Regional Fishery Management Councils | 11.441 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 35,000 |
| Unallied Industry Projects | 11.452 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 180,251 |
| Unallied Management Projects | 11.454 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 37,149,999 |
| Special Oceanic and Atmospheric Projects | 11.460 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 315,511 |
| Habitat Conservation | 11.463 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 20,723,742 |
| <u>Through: Gulf of Mexico Foundation (#NA07NMF-4630154)</u> | | |
| Nicholls State University | | 32,208 |
| <u>Through: The Nature Conservancy (#NA04NMF-4830233)</u> | | |
| Nicholls State University | | 20,921 |
| Total Habitat Conservation | | 20,776,871 |
| Congressionally Identified Awards and Projects | 11.469 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 35,724 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| Unallied Science Program | 11.472 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | \$26,252 |
| <u>Through: University of Rhode Island (#1224)</u> | | |
| University of Louisiana at Lafayette | | 57,589 |
| Total Unallied Science Program | | <u>83,841</u> |
| Public Telecommunications Facilities Planning and Construction | 11.550 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 79,005 |
| University of Louisiana at Monroe | | 104,376 |
| Total Public Telecommunications Facilities Planning and Construction | | <u>183,381</u> |
| Public Safety Interoperable Communications Grant Program | 11.555 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 10,902,062 |
| Measurement and Engineering Research and Standards | 11.609 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 3,315 |
| University of New Orleans | | 15,548 |
| Total Measurement and Engineering Research and Standards | | <u>18,863</u> |
| Manufacturing Extension Partnership | 11.611 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 858,137 |
| Dolphin DNA Analysis | 11.NFFN7600-8-43948 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 3,000 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| Intergovernmental Personnel Act for Nicole Vollmer <u>Direct Awards:</u> University of Louisiana at Lafayette | 11.CBLAM56P00 | <u>\$9,313</u> |
| IPA Assignment Agreement <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 11.USPTO IAA 2008-296-016 | <u>77,064</u> |
| IPA for Dr. Michael Liffmann, Assigned to National Sea Grant Office/NOAA <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 11.32261 | <u>73,556</u> |
| Molecular DNA Analysis of Coral Specimens <u>Direct Awards:</u> University of Louisiana at Lafayette | 11.HC133F07SE4786 | <u>13,954</u> |
| National Marine Fisheries Services <u>Direct Awards:</u> McNeese State University | 11.40WC133F07SE4734 | <u>2,953</u> |
| National Marine Fisheries Service - Cooperative Enforcement Agreement <u>Direct Awards:</u> Department of Wildlife and Fisheries | 11.unknown | <u>1,469,000</u> |
| Oyster Vibrio Vulnificus Education Program <u>Through: Gulf and South Atlantic Fisheries Foundation, Inc.</u> <u>(#NA03NMF4270393-96)</u> LSU Agricultural Center | 11.96-01-45360/0 | <u>10,751</u> |
| Regional Climate Services Support in the Southern Region <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 11.EA133E07CN0084 | <u>556,295</u> |
| <u>Public Works and Economic Development Cluster:</u> Economic Adjustment Assistance <u>Direct Awards:</u> Department of Economic Development | 11.307 | <u>783,995</u> |

(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 COMMERCE (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Economic Development - Technical Assistance | 11.303 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | \$98,730 |
| Economic Adjustment Assistance | 11.307 | |
| <u>Through: Shaw Environmental and Infrastructure, Inc. (08-69-04191)</u> | | |
| University of New Orleans | | 40,000 |
| Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System) | 11.400 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 420,446 |
| Interjurisdictional Fisheries Act of 1986 | 11.407 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 45,913 |
| Sea Grant Support | 11.417 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 48,010 |
| LSU A&M College (Baton Rouge) | | 2,205,408 |
| <u>Through: Colorado State University (#NA07OAR4170428)</u> | | |
| LSU Agricultural Center | | 44,150 |
| <u>Through: Mississippi State University (#NA06OAR4320264)</u> | | |
| LSU Agricultural Center | | 32,190 |
| <u>Through: Mississippi - Alabama Sea Grant Consortium (#NA07OAR4170510)</u> | | |
| LSU A&M College (Baton Rouge) | | 5,302 |
| <u>Through: University of Alaska Fairbanks (#NA06OAR4170013)</u> | | |
| LSU Agricultural Center | | 14,897 |
| <u>Through: University of Southern Mississippi (#NA06OAR4170204)</u> | | |
| LSU A&M College (Baton Rouge) | | 1,168 |
| Coastal Zone Management Administration Awards | 11.419 | |
| <u>Through: University of New Hampshire (#NA06NOS4190167)</u> | | |
| LSU A&M College (Baton Rouge) | | 51,588 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
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| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Undersea Research | 11.430 | |
| <u>Through: University of Alaska Fairbanks</u> <u>(#NA03OAR4300104)</u> | | |
| LSU A&M College (Baton Rouge) | | \$9,786 |
| Climate and Atmospheric Research | 11.431 | |
| <u>Through: University of Oklahoma (#NA08OAR4320886)</u> | | |
| LSU A&M College (Baton Rouge) | | 149,426 |
| Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes | 11.432 | |
| <u>Through: Mississippi State University (#NA06OAR4320264)</u> | | |
| LSU A&M College (Baton Rouge) | | 641,552 |
| Marine Fisheries Initiative | 11.433 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 172,540 |
| <u>Through: University of West Florida (#NA05NMF4331072)</u> | | |
| LSU A&M College (Baton Rouge) | | 31,408 |
| Cooperative Fishery Statistics | 11.434 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 87,057 |
| Southeast Area Monitoring and Assessment Program | 11.435 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 330,466 |
| Marine Mammal Data Program | 11.439 | |
| <u>Through: Institute for Marine Mammal Studies, Inc.</u> | | |
| LSU A&M College (Baton Rouge) | | 20,790 |
| Habitat Conservation | 11.463 | |
| <u>Direct Awards:</u> | | |
| Louisiana Universities Marine Consortium | | 522,148 |
| McNeese State University | | 55,617 |
| University of New Orleans | | 856,073 |
| <u>Through: Mississippi State University (Sub 01900-320528-04)</u> | | |
| University of New Orleans | | 39,374 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
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| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------|----------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Coastal Services Center | 11.473 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | \$96,955 |
| <u>Through: Southeastern Universities Research Association</u> | | |
| <u>(#NA07NOS4730230)</u> | | |
| LSU A&M College (Baton Rouge) | | 63,251 |
| <u>Through: Texas A&M Research Foundation</u> | | |
| <u>(#NA07NOS4730199)</u> | | |
| LSU A&M College (Baton Rouge) | | 25,928 |
| <u>Through: Texas A&M Research Foundation (#S080022)</u> | | |
| Louisiana Universities Marine Consortium | | 2,205 |
| <u>Research and Development Cluster: (cont.)</u> | | |
| Center for Sponsored Coastal Ocean Research - Coastal Ocean Program | 11.478 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 390,509 |
| Louisiana Universities Marine Consortium | | 799,412 |
| <u>Through: Texas A&M Research Foundation</u> | | |
| <u>(#NA06NOS4780198)</u> | | |
| LSU A&M College (Baton Rouge) | | 16,497 |
| <u>Through: University of Texas at Austin</u> | | |
| <u>(#NA06NOS47080131)</u> | | |
| LSU A&M College (Baton Rouge) | | 36,211 |
| Application of Imaging Sonar to Monitor Pacific Herring and Euphasid Behavior | 11.RD.HC133F08SE4789 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 9,900 |
| Assessment of Chemical Hazards Associated With Oil | 11.RD.50ABNC200041/TO #1 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (420) |
| Data Review and Assessment of 2006 Citgo Oil Spill | 11.RD.AB133C-08-CQ-0028/TO #4 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 12,360 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
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| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------|----------|
| U.S. DEPARTMENT OF COMMERCE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Development of a Bottlenose Dolphin Geographic Information System for the North Central Gulf of Mexico | 11.RD.GG133F07SE3656 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$10,000 |
| Development of Economical Methods to Purify Salmon Oil for Human Consumption | 11.RD.unknown | |
| <u>Through: Alaska Fisheries Development Foundation</u> | | |
| LSU Agricultural Center | | 5,103 |
| IPA for Daniel Laurent | 11.RD.19612 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 66,615 |
| IPA for Daniel Laurent | 11.RD.34930 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 2,245 |
| Marine Debris Survey Sediment Sample Analysis | 11.RD.50ABNC2000041/TO #20 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (1) |
| Quality Assurance of the Chemical Gas Generation Addition to the New CRW 2.0 | 11.RD.AB133C-08-CQ-0028/TO #2 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 8,039 |
| Real-Time Quantitative Measurement of Dispersed and Non-Dispersed Oils Using an In-Situ Multiple Simultaneous Scattering and Fluorescence Sensor | 11.RD.F5244-060045 | |
| <u>Through: Department of Fisheries and Oceans - Canada</u> | | |
| <u>(#NA04N0S4190063)</u> | | |
| LSU A&M College (Baton Rouge) | | (147) |
| T/B DM932 Oil Spill Response and Assessment, Task Order #3 | 11.RD.AB133C-08-CQ-0028/TO #3 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 30,644 |

(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 COMMERCE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Technical Support Services for Assessment of Chemical Hazards Associated with Oil and Hazardous Materials Releases | 11.RD.AB133C-08-CQ-0028/TO #1 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$99,414 |
| Total Research and Development Cluster | | 7,598,759 |
| Total U.S. Department of Commerce | | \$84,769,166 |
| U.S. DEPARTMENT OF DEFENSE | | |
| Procurement Technical Assistance for Business Firms | 12.002 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | \$2,485 |
| University of Louisiana at Lafayette | | 310,389 |
| Total Procurement Technical Assistance for Business Firms | | 312,874 |
| Flood Plain Management Service | 12.104 | |
| <u>Through: Shaw Environmental and Infrastructure, Inc.</u> | | |
| Southern University and A&M College (Baton Rouge) | | 36,471 |
| Planning Assistance to States | 12.110 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | 12,861 |
| Payments to States in Lieu of Real Estate Taxes | 12.112 | |
| <u>Direct Awards:</u> | | |
| Department of Treasury | | 1,801,975 |
| State Memorandum of Agreement Program for the Reimbursement of Technical Services | 12.113 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 46,417 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| Basic and Applied Scientific Research | 12.300 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$18,238 |
| <u>Through: Earth Tech, Inc. (#09S-12542-HI,1036773TASK5)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 189,588 |
| <u>Through: North Carolina A&T State University</u> | | |
| <u>(#N00014-01-1-0987)</u> | | |
| LSU A&M College (Baton Rouge) | | (1,834) |
| <u>Through: Shaw Environmental and Infrastructure, Inc. (#P400255)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 20,531 |
| <u>Through: Tetra Tech, Inc. (#1020877,1036773)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 112,477 |
| | | <hr/> |
| Total Basic and Applied Scientific Research | | 339,000 |
| | | <hr/> |
| Military Construction, National Guard | 12.400 | |
| <u>Direct Awards:</u> | | |
| Department of Military Affairs | | 147,729,393 |
| | | <hr/> |
| National Guard Military Operations and Maintenance (O&M) Projects | 12.401 | |
| <u>Direct Awards:</u> | | |
| Department of Military Affairs | | 19,464,595 |
| | | <hr/> |
| National Guard Civilian Youth Opportunities | 12.404 | |
| <u>Direct Awards:</u> | | |
| Department of Military Affairs | | 9,755,095 |
| | | <hr/> |
| Military Medical Research and Development | 12.420 | |
| <u>Direct Awards:</u> | | |
| Southern University at New Orleans | | 327,827 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | |
| <u>Through: CH2MHill, Inc. (#PO 909752/PO923644)</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$126,417 |
| <u>Through: Michael Baker, Jr., Inc. (#111626-412)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 27,900 |
| <u>Through: Shaw Environmental and Infrastructure, Inc. (#IDIQ-102014)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 34,086 |
| <u>Through: Tetra Tech, Inc. (#1000698)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 10,623 |
| | | <hr/> |
| Total Basic, Applied, and Advanced Research in Science and Engineering | | 199,026 |
| | | <hr/> |
| Air Force Defense Research Sciences Program | 12.800 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 35,988 |
| <u>Through: Clarkson Aerospace Corp. (#SUSE06S56707C1/SUO8S5670010, SUSE08S56700, SU08S5670011)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 213,925 |
| | | <hr/> |
| Total Air Force Defense Research Sciences Program | | 249,913 |
| | | <hr/> |
| Mathematical Sciences Grants Program | 12.901 | |
| <u>Through: Shaw Environmental and Infrastructure, Inc. (#PO291616, PO29744OP & 416632)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 67,772 |
| | | <hr/> |
| 3rd Generation Omni-Directional Treadmill | 12.W911NF-07-2-0025 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 1,294,403 |
| | | <hr/> |
| Genetic Approaches for Assisting in Management of Species | 12.W912HZ-07-C-0043 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 11,770 |
| | | <hr/> |
| Guidelines and Rules Instrument for Displays in 3D-Phase II | 12.N66604-08-C0831 | |
| <u>Through: Aptima, Inc. (#0468-1403)</u> | | |
| University of Louisiana at Lafayette | | 84,476 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| Joint Readiness Training Center <u>Direct Awards:</u> Department of Military Affairs | 12.MIPR6AOPSNN012 | \$147,315 |
| Junior Reserve Officer's Training Corps <u>Direct Awards:</u> Department of Education | 12.unknown | 94,326 |
| Louisiana Junior Science and Humanities Symposium 2007-2008 <u>Through: Academy of Applied Science</u> <u>(#W911NF-04-1-0001)</u> LSU A&M College (Baton Rouge) | 12.32688 | 410 |
| Louisiana Junior Science and Humanities Symposium 2008-2009 <u>Through: Academy of Applied Science</u> <u>(#W911NF-04-1-0001)</u> LSU A&M College (Baton Rouge) | 12.33928 | 12,500 |
| Luminescent Tracers <u>Direct Awards:</u> University of Louisiana at Lafayette | 12.W15QKN-07-R-0206 | 70,482 |
| ROTC Chinese and Arabic Language Culture Project for the National Security Education Program <u>Through: Institute of International Education (#W9137B-07-0064)</u> LSU A&M College (Baton Rouge) | 12.U634003-LSU | 106,803 |
| Schools and Roads/Sale of Timber <u>Direct Awards:</u> Department of Treasury | 12.10 USC.2665 | 88,489 |
| Topological Features and Dynamics of Gene Flow Networks <u>Direct Awards:</u> University of Louisiana at Lafayette | 12.W912HZ-09-2-0003 | 1,955 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Emergency Operations Flood Response and Post Flood Response | 12.103 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$347,866 |
| Flood Plain Management Service | 12.104 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 171,407 |
| Collaborative Research and Development | 12.114 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 350,654 |
| Louisiana Universities Marine Consortium | | 73,909 |
| Southern University and A&M College (Baton Rouge) | | 111,370 |
| Basic and Applied Scientific Research | 12.300 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 300,779 |
| Louisiana Universities Marine Consortium | | 576,432 |
| Southeastern Louisiana University | | 43,841 |
| Southern University and A&M College (Baton Rouge) | | 370,730 |
| University of New Orleans | | 896,014 |
| <u>Through: Advanced Technology Institute (#N00014-04-C-0139)</u> | | |
| University of New Orleans | | 68,307 |
| <u>Through: eVenture Technologies, LLC (#N69250-07-D-0300)</u> | | |
| University of New Orleans | | 1,552,860 |
| <u>Through: Pittsburgh State University (#N000124-05-1-0532)</u> | | |
| University of New Orleans | | 24,265 |
| <u>Through: University of Mississippi (#N00014-07-1-1010)</u> | | |
| University of New Orleans | | 28,850 |
| <u>Through: Woods Hole Oceanographic Institution (#N00014-06-1-0387)</u> | | |
| LSU A&M College (Baton Rouge) | | 20,835 |
| Research on Chemical and Biological Defense | 12.360 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 218,663 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Military Medical Research and Development | 12.420 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$73,233 |
| Louisiana State University Health Sciences Center (New Orleans) | | 163,150 |
| Louisiana State University Health Sciences Center (Shreveport) | | 365,757 |
| Pennington Biomedical Research Center | | 1,122,279 |
| University of Louisiana at Monroe | | 26,530 |
| <u>Through: H M Jackson Fdn Advanced. Military Med (#90810)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 55,290 |
| <u>Through: University of North Carolina</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 871,443 |
| <u>Through: Univ. of Rochester, NY (PO#413886G)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 31 |
| Basic Scientific Research | 12.431 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 257,929 |
| University of New Orleans | | 103,527 |
| <u>Through: SRI International (#W911NF-06-1-0316)</u> | | |
| LSU A&M College (Baton Rouge) | | 34,265 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 160,673 |
| <u>Through: University of Illinois at Urbana-Champaign</u> | | |
| <u>(#W911NF-05-1-0397)</u> | | |
| LSU A&M College (Baton Rouge) | | 190,098 |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 56,980 |
| Louisiana Tech University | | 16,292 |
| Southern University and A&M College (Baton Rouge) | | 54,213 |
| University of New Orleans | | 45,093 |
| <u>Through: ASEE</u> | | |
| Louisiana Tech University | | 4,888 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Air Force Defense Research Sciences Program | 12.800 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$498,479 |
| Louisiana Tech University | | 22,678 |
| <u>Through: Assured Information Security, Inc.</u> | | |
| Louisiana Tech University | | 221,260 |
| <u>Through: Clarkson Aerospace Corp. (#06-S567-07-C1)</u> | | |
| Louisiana Tech University | | 130,396 |
| <u>Through: Clarkson Aerospace-Air Force (#FA8650-05-D-1912)</u> | | |
| Grambling State University | | 260,051 |
| <u>Through: Georgia Institute of Technology</u> | | |
| <u>(#FA8650-07-C-774)</u> | | |
| LSU A&M College (Baton Rouge) | | 70,000 |
| <u>Through: Radiance Technologies (#07S-0783)</u> | | |
| Louisiana Tech University | | 402,120 |
| Mathematical Sciences Grants Program | 12.901 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 56,499 |
| Information Security Grant Program | 12.902 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 106,246 |
| Research and Technology Development | 12.910 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 42,493 |
| University of New Orleans | | 3,580,714 |
| Ability of Bio-Aerosol MS to Accurately Identify and Quantify Bio-Aerosols | 12.RD.W911S6-07-P-0063 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 37,500 |
| Anti Tamper | 12.RD.08S-0469 | |
| <u>Through: Radiance Technologies</u> | | |
| Louisiana Tech University | | 14,134 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Arbovirology Support for the BTRP Cooperative Biologics Research Effort at USAMRIID | 12.RD.W81XWH-07-P-0934 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$250,000 |
| Bioaerosol Ion Mobility Mass Spectrometer (BIMMS) | 12.RD.210584 | |
| <u>Through: Battelle Memorial Institute</u> <u>(#240619, 2503107)</u> | | |
| LSU A&M College (Baton Rouge) | | (11,067) |
| A Dendrochronological Fire History of the Avon Park Air Force Range and Surrounding Central Florida | 12.RD.W81XWH-04-2-0034-0001 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 16,044 |
| Dynamic Adaptive Execution Model for High Productivity Computing | 12.RD.H98230-08-C-0269/R3-07-0202 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 249,158 |
| Energy Harvester | 12.RD.08S-2688 | |
| <u>Through: Radiance Technologies</u> Louisiana Tech University | | 21,000 |
| Evaluation of Electroactive Polymers | 12.RD.H98230-08-C-0262 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 362,500 |
| Expanding the Identification and Measurement of the Human Consequences of Disastrous Flooding | 12.RD.W912P8-08-P-0013 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 91,435 |
| Hypervelocity Impact Gauge Mitigation and Wear Prediction | 12.RD.FA8601-07-P-0302 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 18,750 |
| Hypervelocity Impact Gauge Mitigation and Wear Prediction | 12.RD.FA8601-08-P-0260 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 10,000 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Landscape Fire Models for the Avon Park Air Force Range | 12.RD.W81XWH-04-2-0034 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$118,842 |
| Military Health Behaviors | 12.RD.DAMD17-03-2-0030 | |
| <u>Direct Awards:</u> | | |
| Pennington Biomedical Research Center | | 447,564 |
| Military Nutrition Research: Four Tasks to Address | 12.RD.W81XWH-05-2-0081 | |
| <u>Direct Awards:</u> | | |
| Pennington Biomedical Research Center | | 2,122,428 |
| NanoStructured Ammo | 12.RD.GeorgiaNanoFab | |
| <u>Through: Georgia NanoFab</u> | | |
| Louisiana Tech University | | 154,741 |
| Novel High Energy Materials and Processes for Counter WMD Applications | 12.RD.HDTRA1-07-1-0002 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 141,177 |
| Ocean Energy Extraction for Sensor Applications | 12.RD.N00014-08-M-0276 | |
| <u>Through: Technologies, Inc. (FY08.A STTR Solicitation Topic N08-T021)</u> | | |
| University of New Orleans | | 25,170 |
| Operational Effects Program Office (PMW-150) Intergovernmental Personnel Act Agreement | 12.RD.unknown | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 18,750 |
| Platform Routing and Data Fusion Technologies for Cooperative ISR | 12.RD.FA9550-07-C | |
| <u>Through: Charles River Analytics, Inc. (Sub #SC0709501)</u> | | |
| University of New Orleans | | 2,818 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|----------------------|
| U.S. DEPARTMENT OF DEFENSE (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Task Order CLIN0001, 2, 3, and 4 | 12.RD.N69250-08-D-0302 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | \$1,147,047 |
| Task Order CLIN0001, 2, 3, and 4 | 12.RD.N000178-05-D-4290 | |
| <u>Through: Diamond Data Systems, Inc.</u> | | |
| University of New Orleans | | 125,034 |
| TNT, 4A-DNT, 2A-DNT, 24-DNT, AND 26-DNT TOXICITY IN RATS | 12.RD.W912HZ-08-C-0017 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Monroe | | 10,422 |
| Training Identification and Management Process | 12.RD.N69250-07-D-0300 | |
| <u>Through: Telamon Technologies, LLC</u> | | |
| University of New Orleans | | 26,000 |
| Very Low Power Capacitive Fabric | 12.RD.09S-0982 | |
| <u>Through: Radiance Technologies</u> | | |
| Louisiana Tech University | | 1,158 |
| Volume Protection | 12.RD.08S-0469 | |
| <u>Through: Radiance Technologies</u> | | |
| Louisiana Tech University | | 3,844 |
| | | <hr/> |
| Total Research and Development Cluster | | 19,553,838 |
| | | <hr/> |
| Total U.S. Department of Defense | | \$201,809,986 |
| | | <hr/> <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | |
| Emergency Shelter Grants Program | 14.231 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | \$1,558,562 |
| Supportive Housing Program | 14.235 | |
| <u>Direct Awards:</u> | | |
| Mental Health Area A | | 380,174 |
| Mental Health Area B | | 140,075 |
| Southeastern Louisiana University | | 142,546 |
| Total Supportive Housing Program | | 662,795 |
| Shelter Plus Care | 14.238 | |
| <u>Direct Awards:</u> | | |
| Metropolitan Human Services District | | 957,372 |
| Housing Opportunities for Persons with AIDS | 14.241 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 1,108,615 |
| ARRA - Neighborhood Stabilization Program (Recovery Act Funded) | 14.256 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | 49,980 |
| Fair Housing Assistance Program - State and Local | 14.401 | |
| <u>Direct Awards:</u> | | |
| Department of Justice | | 328,937 |
| Community Outreach Partnership Center Program | 14.511 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (1,604) |
| Historically Black Colleges and Universities Program | 14.520 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 24,100 |
| Southern University and A&M College (Baton Rouge) | | 235,133 |
| Southern University at New Orleans | | 98,817 |
| Southern University at Shreveport-Bossier City | | 239,225 |
| Total Historically Black Colleges and Universities Program | | 597,275 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|----------------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.) | | |
| Section 8 Housing Choice Vouchers | 14.871 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | \$162,473 |
| National Manufactured Home Construction and Safety Standard Act | 14.unknown | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 18,384 |
| <u>CDBG - Entitlement Grants Cluster:</u> | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | |
| <u>Through: City of Shreveport, Louisiana (#2 2008-PS-012)</u> | | |
| Louisiana State University in Shreveport | | 28,067 |
| <u>CDBG - State Administered Small Cities Program Cluster:</u> | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | 1,959,007,709 |
| Louisiana Technical College | | 1,166,343 |
| ARRA - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii - (Recovery Act Funded) | 14.255 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | 2,977 |
| Total CDBG - State Administered Small Cities Program Cluster | | 1,960,177,029 |
| <u>Research and Development Cluster:</u> | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | |
| <u>Through: Tulane University</u> | | |
| University of New Orleans | | 57,094 |
| Total U.S. Department of Housing and Urban Development | | \$1,965,704,979 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| <hr/> | | |
| U.S. DEPARTMENT OF THE INTERIOR | | |
| Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining <u>Direct Awards:</u> Department of Natural Resources | 15.250 | <hr/> \$157,841 |
| Abandoned Mine Land Reclamation (AMLR) Program <u>Direct Awards:</u> Department of Natural Resources | 15.252 | <hr/> 118,300 |
| Minerals Management Service (MMS) Environmental Studies Program (ESP) <u>Direct Awards:</u> University of New Orleans | 15.423 | <hr/> 170,382 |
| Marine Minerals Activities <u>Direct Awards:</u> Department of Natural Resources | 15.424 | <hr/> 357,323 |
| Coastal Impact Assistance Program (CIAP) <u>Direct Awards:</u> Department of Natural Resources | 15.426 | <hr/> 5,741,031 |
| Fish and Wildlife Management Assistance <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.608 | <hr/> 2,392 |
| Coastal Wetlands Planning, Protection and Restoration Act <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.614 | <hr/> 72,660 |
| Clean Vessel Act <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.616 | <hr/> 36,626 |
| Coastal Program <u>Direct Awards:</u> University of Louisiana at Lafayette | 15.630 | <hr/> 12,456 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|------------------|
| <hr/> | | |
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| Conservation Grants Private Stewardship for Imperiled Species | 15.632 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | <u>\$9,577</u> |
| U.S. Geological Survey - Research and Data Collection | 15.808 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 49,995 |
| LSU A&M College (Baton Rouge) | | 30,664 |
| University of Louisiana at Lafayette | | <u>162,158</u> |
| Total U.S. Geological Survey - Research and Data Collection | | <u>242,817</u> |
| Historic Preservation Fund Grants-in-Aid | 15.904 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | <u>4,347,682</u> |
| Outdoor Recreation-Acquisition, Development and Planning | 15.916 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | <u>726,125</u> |
| National Center for Preservation Technology and Training | 15.923 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | <u>9,041</u> |
| Atchafalaya National Heritage Area | 15.CAH5041-08-0010 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | <u>30,977</u> |
| Career Development | 15.unknown | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | <u>10,000</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| Cooperative Agreements with National Park Service | | |
| <u>Direct Awards:</u> | | |
| Northwestern State University | 15.2005-02 | \$55,259 |
| Northwestern State University | 15.G5720080002 | 5,021 |
| Northwestern State University | 15.H2210050410 | <u>382,653</u> |
| Total Cooperative Agreements with National Park Service | | <u>442,933</u> |
| Hydrodynamic and Water Quality Modeling Study | | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | 15.401814M204 | <u>16,304</u> |
| National Park Service - Interns | | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | 15.9H500070440 | <u>12,927</u> |
| National Park Service - Jean Lafitte | | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | 15.H7530080035 | <u>5,825</u> |
| National Park Service - Lease Office Space and Student Interns | | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | 15.H5000020430 | <u>15,158</u> |
| U.S. Fish and Wildlife Service | | |
| <u>Direct Awards:</u> | | |
| McNeese State University | 15.701816M258 | <u>1,123</u> |
| U.S. Geological Survey | | |
| <u>Through: Montana State University (#AV08-LA01)</u> | | |
| University of Louisiana at Lafayette | 15.08HQGR0157 | <u>4,607</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------------------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| U.S. Geological Survey - National Wetlands Research Center Interns <u>Direct Awards:</u> University of Louisiana at Lafayette | 15.99CRBA0001 | <u>\$66,485</u> |
| U.S. Geological Survey - Wetlands Center Security <u>Direct Awards:</u> University of Louisiana at Lafayette | 15.07CRCN0027 | <u>26,196</u> |
| <u>Fish and Wildlife Cluster:</u> | | |
| Sport Fish Restoration Program <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.605 | 5,745,567 |
| Wildlife Restoration <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.611 | <u>154,436</u> |
| Total Fish and Wildlife Cluster | | <u>5,900,003</u> |
| <u>Research and Development Cluster:</u> | | |
| Louisiana State University (LSU) Coastal Marine Institute (CMI) <u>Direct Awards:</u> LSU Agricultural Center LSU A&M College (Baton Rouge) Louisiana Universities Marine Consortium | 15.422 | 82,951 785,220 21,580 |
| Minerals Management Service (MMS) Environmental Studies Program (ESP) <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 15.423 | 416,489 |
| Wildlife Restoration <u>Direct Awards:</u> Department of Wildlife and Fisheries | 15.611 | 4,498,375 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Cooperative Endangered Species Conservation Fund | 15.615 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | \$290,844 |
| Wildlife Conservation and Restoration | 15.625 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 21,821 |
| Hunter Education and Safety Program | 15.626 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 1,360,106 |
| Conservation Grants Private Stewardship for Imperiled Species | 15.632 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 37,937 |
| Landowner Incentive Program | 15.633 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 60,931 |
| State Wildlife Grants | 15.634 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 3,006 |
| Department of Wildlife and Fisheries | | 725,471 |
| Migratory Bird Joint Ventures | 15.637 | |
| <u>Through: Ducks Unlimited Inc. (#201814J870)</u> | | |
| LSU Agricultural Center | | 50,630 |
| Marine Turtle Conservation Fund | 15.645 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 52,377 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Assistance to State Water Resources Research Institutes | 15.805 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$170,105 |
| <u>Through: LSU Coastal Studies Institute (#C175820)</u> | | |
| Louisiana Universities Marine Consortium | | 88,840 |
| U.S. Geological Survey - Research and Data Collection | 15.808 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 212,448 |
| LSU A&M College (Baton Rouge) | | 30,549 |
| University of New Orleans | | 607,233 |
| <u>Through: Tulane University (#LUMCON-LEAG)</u> | | |
| Louisiana Universities Marine Consortium | | 54,872 |
| National Cooperative Geologic Mapping Program | 15.810 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 98,790 |
| Cooperative Research Units Program | 15.812 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 272,585 |
| LSU A&M College (Baton Rouge) | | 1,109 |
| Rivers, Trails and Conservation Assistance | 15.921 | |
| <u>Through: Texas A&M University (#GCCESU H5000 02 0271)</u> | | |
| University of New Orleans | | 29,813 |
| Analysis of the Real-Time MMS ADCPS From Oil Platforms and the Effects of Loop Current and Loop Current Eddies | 15.RD.M08AX12686 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 11,618 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------|----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Assessing Trophic Linkage Between Platforms and Pelagic Fish | 15.RD.M08AX12684 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | \$34,641 |
| An Assessment of the Opportunities for Alternative Uses of the Hydrocarbon Infrastructure in the Gulf of Mexico | 15.RD.M05AC12278 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 79,471 |
| Backlog Cataloging Natural History | 15.RD.H5000070410/J7531080031 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 17,872 |
| Characteristics, Behavior, and Response Effectiveness of Spilled Dielectric Fluids | 15.RD.M09PC00002 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 24,537 |
| A Collaborative Investigation of Baseline and Scenarion Information | 15.RD.30951/#85248 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 50,122 |
| Deep-Water Coral Distribution and Abundance on Active Offshore Oil and Gas Platforms | 15.RD.M08AC12865 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 100,601 |
| Delta Regional Ecosystem Restoration Implementation Plan (DRERIP) | 15.RD.08WRSA0151 | |
| <u>Direct Awards:</u> University of New Orleans | | 66,616 |
| Determination of Net Flux of Reactive Volatile Organic Compounds at the Air-Water Interface in the Gulf of Mexico | 15.RD.M05AZ10667 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 843 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------|----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Digital Conversion and Selected Analysis of Dive Video From Fifteen Dive Seasons | 15.RD.32806/TO#36183 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | \$1,565 |
| Environmental Investigation of the Long-Term Use of Ship Shoal Sand Resources | 15.RD.M05AC12298 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | (3,433) |
| Evaluating and Collecting Acid Precipitation | 15.RD.06HQSA0031 | |
| <u>Direct Awards:</u> LSU Agricultural Center | | 3,100 |
| Factors Affecting Petroleum Exploration and Development and Their Impacts on the Attractiveness and Prospectivity of the Gulf of Mexico Deepwater | 15.RD.M05AC12277 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 228,529 |
| Formation Water Salinities & Temperatures in Near-Surface, Deep-Water Gulf of Mexico Sediments | 15.RD.0105PO39358 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 35,721 |
| Gulf Coast Subsidence and Wetland Loss: A Synthesis of Recent Research | 15.RD.M08AX12683 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 51,721 |
| Inventory of Vascular Plants on Gulf Islands National | 15.RD.J2115040014/H5000030400 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 18,254 |
| Management of the Coastal Marine Institute at LSU | 15.RD.M08AX12678 | |
| <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | | 48,056 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Marginal Production in the Gulf of Mexico and Lost Production from Early Decommissioning | 15.RD.M08AC12864 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$75,269 |
| Multicomponent and Multifrequency Seismic for Assessment of Fluid-Gas Expulsion Geology and Gas Hydrate Deposits | 15.RD.M05AC12295 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 22,332 |
| National Park Service | 15.RD.AAV | |
| <u>Direct Awards:</u> | | |
| Nicholls State University | | 11,476 |
| New Remote Sensing Methodologies for the Surveillance of Ocean Features | 15.RD.30951/#85247 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 18,573 |
| New Wave Current Information System (WAVCIS) Ocean Observing Station on Ship Shoal | 15.RD.32806/TO#39273 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 58,341 |
| Platform Recruited Reef Fish, Phase II | 15.RD.M08AX12679 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 100,268 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|----------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Post Hurricane Assessment of OCS-Related Infrastructure & Communities in the GOMR | 15.RD.M05AC12280 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$4,730 |
| Ship Shoal: Sand, Shrimp, and Sea Trout | 15.RD.M05AZ10660 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 10,544 |
| Simultaneous Measurements of Atmospheric Visibility | 15.RD.M08AR12731 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (138) |
| Social Capital and Offshore Oil Development in St. Mary Parish | 15.RD.M05AZ10576 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 17,227 |
| 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 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 22,819 |
| Sponsorship of Intecol 8th International Wetlands Conference in Cuiaba, Brazil | 15.RD.08LASA0735 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 5,000 |
| 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 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 29,869 |
| Therigenology Services for USGS | 15.RD.08LASA0718 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 4,000 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|---------------------|
| U.S. DEPARTMENT OF THE INTERIOR (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Variability of Deep Water Mass Properties and the Loop Current in the Eastern Gulf of Mexico | 15.RD.M05AZ10669 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$348 |
| Wave - Bottom Interaction and Bottom Boundary Dynamic | 15.RD.30951/#85245 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 1,164 |
| Total Research and Development Cluster | | 11,125,738 |
| Total U.S. Department of the Interior | | \$29,662,529 |
| U.S. DEPARTMENT OF JUSTICE | | |
| Asset Forfeiture | 16.000 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | \$457,025 |
| Prisoner Reentry Initiative Demonstration (Offender Reentry) | 16.202 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | 332,165 |
| Comprehensive Approaches to Sex Offender Management Discretionary Grant (CASOM) | 16.203 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | 62,168 |
| Services for Trafficking Victims | 16.320 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 144,166 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| Juvenile Accountability Block Grants | 16.523 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | \$689,850 |
| <u>Through: City of New Orleans</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 35,369 |
| Total Juvenile Accountability Block Grants | | <u>725,219</u> |
| Juvenile Justice and Delinquency Prevention-Allocation to States | 16.540 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 724,901 |
| Department of Public Safety and Corrections - Youth Services | | 10,342 |
| Total Juvenile Justice and Delinquency Prevention-Allocation to States | | <u>735,243</u> |
| Missing Children's Assistance | 16.543 | |
| <u>Direct Awards:</u> | | |
| Department of Justice | | 377,081 |
| Title V-Delinquency Prevention Program | 16.548 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 162,896 |
| State Justice Statistics Program for Statistical Analysis Centers | 16.550 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 52,442 |
| National Criminal History Improvement Program (NCHIP) | 16.554 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 579,112 |
| National Institute of Justice Research, Evaluation, and Development Project Grants | 16.560 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 119,806 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------|
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| Crime Victim Assistance | 16.575 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>\$5,529,033</u> |
| Crime Victim Compensation | 16.576 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>747,148</u> |
| Edward Byrne Memorial Formula Grant Program | 16.579 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>208,617</u> |
| Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program | 16.580 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>18,000</u> |
| Crime Victim Assistance/Discretionary Grants | 16.582 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>57,981</u> |
| Violent Offender Incarceration and Truth in Sentencing Incentive Grants | 16.586 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | <u>1,037,180</u> |
| Violence Against Women Formula Grants | 16.588 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>1,766,185</u> |
| Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program | 16.589 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>172,787</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|------------------|
| <hr/> | | |
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| Grants to Encourage Arrest Policies and Enforcement of Protection Orders | 16.590 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>\$907,533</u> |
| Residential Substance Abuse Treatment for State Prisoners | 16.593 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>166,850</u> |
| Corrections - Training and Staff Development | 16.601 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | <u>93,157</u> |
| State Criminal Alien Assistance Program | 16.606 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | <u>129,222</u> |
| Community Prosecution and Project Safe Neighborhoods | 16.609 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | <u>146,342</u> |
| Public Safety Partnership and Community Policing Grants | 16.710 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 47,676 |
| Northwestern State University | | <u>133,863</u> |
| Total Public Safety Partnership and Community Policing Grants | | <u>181,539</u> |
| Enforcing Underage Drinking Laws Program | 16.727 | |
| <u>Direct Awards:</u> | | |
| Department of Revenue | | <u>403,746</u> |
| Protecting Inmates and Safeguarding Communities Discretionary Grant Program | 16.735 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | <u>381,684</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|--------------|
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | \$14,226,606 |
| Statewide Automated Victim Information Notification (SAVIN) Program | 16.740 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 91,838 |
| Forensic DNA Backlog Reduction Program | 16.741 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 1,818,951 |
| Anti-Gang Initiative | 16.744 | |
| <u>Direct Awards:</u> | | |
| Louisiana Commission on Law Enforcement and Criminal Justice | | 142,274 |
| Criminal CGRT | 16.unknown | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 9,066 |
| Drug Enforcement Administration | | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | |
| New Orleans HIDTA Task Force Group 1 | 16.CCGP107 | (113) |
| Organized Crime Drug Enforcement Task Force | 16.unknown | 1,804,041 |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAE-269 | 3,024 |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAE-270 | (69) |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAE-272H | 1,878 |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAM-039H | (11) |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAM-040H | 3,698 |
| Organized Crime Drug Enforcement Task Force | 16.SE-LAW-111H | 327 |
| Total Drug Enforcement Administration | | 1,812,775 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| Federal Bureau of Investigation | | |
| <u>Direct Awards:</u> | | |
| <u>Department of Public Safety and Corrections - Public Safety Services:</u> | | |
| 2008 Louisiana Joint Terrorism Task Force | 16.unknown | (\$61) |
| Louisiana Joint Terrorism Task Force | 16.JTTF-CRA3MOU | (17) |
| New Orleans Violent Crimes Task Force | 16.88A-NO-C72868 | 5,431 |
| Northwest Louisiana Violent Crime Task Force | 16.166E-NO-54861 | 2,623 |
| | | <hr/> |
| Total Federal Bureau of Investigation | | 7,976 |
| | | <hr/> |
| Hostage Barricade Database System (HOBAS) - Phase IV | 16.6968 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 10,937 |
| | | <hr/> |
| Hurricane Katrina Fraud Task Force (HKFTF) | 16.20087 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 199,525 |
| | | <hr/> |
| Law Enforcement Online | | |
| <u>Direct Awards:</u> | | |
| <u>LSU A&M College (Baton Rouge):</u> | | |
| Law Enforcement Online Infragard Phase VII | 16.6968/30863 | 236,494 |
| Law Enforcement Online (LEO) Infragard VIII | 16.6968/32214 | 1,219,640 |
| Law Enforcement Online (LEO) Infragard IX | 16.6869/33583 | 522,604 |
| Law Enforcement Online (LEO) VICAP | 16.6968/32254 | 522,123 |
| Law Enforcement Online (LEO) VICAP | 16.34671 | 390,470 |
| LEO - Law Enforcement Intelligence Linguist Access (LEILA) | 16.6968/TO#2004-003 | (1,161) |
| LEO - Operations and Maintenance FY 2005 - Phase XI | 16.6968 | 1,980 |
| LEO - Operations and Maintenance FY 2006 - Phase XII | 16.6968/20010 | 293,583 |
| LEO - Operations and Maintenance FY 2007 - Phase XIII | 16.6968/32169 | 5,370,113 |
| LEO - Operations and Maintenance FY 2008 - Phase XIV | 16.6968/33351 | 5,046,608 |
| LEO - Phase X Task Order 2004-001 | 16.6968/TO#2004-001 | 3,004 |
| | | <hr/> |
| Total Law Enforcement Online | | 13,605,458 |
| | | <hr/> |
| Statewide Drug Court Enhancement Grant | 16.2004-DC-BX-0062 | |
| <u>Direct Awards:</u> | | |
| Supreme Court of Louisiana | | 12,636 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|---------------------|
| U.S. DEPARTMENT OF JUSTICE (CONT.) | | |
| U.S. Marshall's Service | 16.MS-88-L-0014 | |
| <u>Direct Awards:</u> | | |
| Department of Military Affairs | | \$298,479 |
| U.S. Marshall's Service - 09 USMS District Fugitive Apprehension Task Force | 16.unknown | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 8,784 |
| <u>Research and Development Cluster:</u> | | |
| National Institute of Justice Research, Evaluation, and Development Project Grants | 16.560 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 225,924 |
| Total U.S. Department of Justice | | \$48,165,556 |
| U.S. DEPARTMENT OF LABOR | | |
| Labor Force Statistics | 17.002 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | \$1,305,263 |
| Compensation and Working Conditions | 17.005 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 61,473 |
| Unemployment Insurance | 17.225 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 462,965,745 |
| ARRA - Unemployment Insurance | 17.225 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 21,335,896 |
| Total Unemployment Insurance | | 484,301,641 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|------------------|
| U.S. DEPARTMENT OF LABOR (CONT.) | | |
| Senior Community Service Employment Program | 17.235 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | \$1,854,605 |
| <u>Through: The National Council on the Aging, Inc.</u> | | |
| University of Louisiana at Monroe | | <u>787,096</u> |
| Total Senior Community Service Employment Program | | <u>2,641,701</u> |
| Trade Adjustment Assistance | 17.245 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>1,857,268</u> |
| WIA Pilots, Demonstrations, and Research Projects | 17.261 | |
| <u>Direct Awards:</u> | | |
| L. E. Fletcher Technical Community College | | 575,930 |
| Louisiana Delta Community College | | 88 |
| Southern University at Shreveport-Bossier City | | <u>481,020</u> |
| Total WIA Pilots, Demonstrations, and Research Projects | | <u>1,057,038</u> |
| Work Incentive Grants | 17.266 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>373,130</u> |
| H-1B Job Training Grants | 17.268 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | <u>62,150</u> |
| YOUTHBUILD | 17.274 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | <u>556,711</u> |
| Mine Health and Safety Education and Training | 17.602 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | <u>104,444</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-------------------|
| <hr/> | | |
| U.S. DEPARTMENT OF LABOR (CONT.) | | |
| Work Opportunity Tax Credit Program (WOTC) | 17.271 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>\$432,207</u> |
| Temporary Labor Certification for Foreign Workers | 17.273 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>103,693</u> |
| Consultation Agreements | 17.504 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>652,400</u> |
| <u>Employment Service Cluster:</u> | | |
| Employment Service/Wagner-Peyser Funded Activities | 17.207 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 58,469 |
| Department of Labor | | 9,031,754 |
| Disabled Veterans' Outreach Program (DVOP) | 17.801 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 758,149 |
| Local Veterans' Employment Representative Program | 17.804 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | <u>1,009,882</u> |
| Total Employment Service Cluster | | <u>10,858,254</u> |
| <u>WIA Cluster:</u> | | |
| WIA Adult Program | 17.258 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 13,859,962 |
| ARRA - WIA Adult Program | 17.258 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 284,604 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------------------------|
| U.S. DEPARTMENT OF LABOR (CONT.) | | |
| <u>WIA Cluster:</u> (Cont.) | | |
| WIA Youth Activities | 17.259 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | \$16,652,744 |
| <u>Through: Coordinating & Development Center</u> | | |
| Bossier Parish Community College | | 73,947 |
| <u>Through: EBR Parish, BR Workforce Investment Board</u> | | |
| LSU A&M College (Baton Rouge) | | 129,741 |
| <u>Through: Tangipahoa Parish School System</u> | | |
| LSU A&M College (Baton Rouge) | | 123,208 |
| ARRA - WIA Youth Activities | 17.259 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 1,985,331 |
| WIA Dislocated Workers | 17.260 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 38,520,853 |
| ARRA - WIA Dislocated Workers | 17.260 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 242,099 |
| Total WIA Cluster | | <u>71,872,489</u> |
| Total U.S. Department of Labor | | <u><u>\$576,239,862</u></u> |
| U.S. DEPARTMENT OF STATE | | |
| Professional and Cultural Exchange Programs-Citizen Exchanges | 19.415 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$84,721 |
| Animation Collaboration with iEARN and the Red Stick International Animation Festival | 19.32806 | |
| <u>Through: iEarn USA</u> | | |
| LSU A&M College (Baton Rouge) | | 5,606 |
| Total U.S. Department of State | | <u><u>\$90,327</u></u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------|
| U.S. DEPARTMENT OF TRANSPORTATION | | |
| Airport Improvement Program | 20.106 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | <u>\$327,451</u> |
| Highway Training and Education | 20.215 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | <u>10,056</u> |
| National Motor Carrier Safety | 20.218 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | <u>2,772,803</u> |
| Commercial Driver License State Programs | 20.232 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 40,811 |
| Supreme Court of Louisiana | | <u>27,992</u> |
| Total Commercial Driver License State Programs | | <u>68,803</u> |
| Commercial Motor Vehicle Operator Training Grants | 20.235 | |
| <u>Direct Awards:</u> | | |
| Louisiana Technical College | | <u>50,801</u> |
| Safety Data Improvement Program | 20.237 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | <u>98,100</u> |
| Federal Transit Grants for University Research and Training | 20.502 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | <u>4,700</u> |
| Formula Grants for Other Than Urbanized Areas | 20.509 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | <u>7,256,430</u> |
| Public Transportation Research | 20.514 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | <u>148</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF TRANSPORTATION (CONT.) | | |
| State Planning and Research | 20.515 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | \$837,000 |
| Alcohol Open Container Requirements | 20.607 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 4,315,598 |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 4,315,598 |
| Pipeline Safety Program Base Grants | 20.700 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 772,968 |
| Interagency Hazardous Materials Public Sector Training and Planning Grants | 20.703 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 205,205 |
| Commercial Vehicle Accident Reporting System | 20.21115TND | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 49,929 |
| <u>Federal Transit Cluster:</u> | | |
| Federal Transit - Capital Investment Grants | 20.500 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 593,472 |
| Department of Transportation and Development | | 1,732,542 |
| Federal Transit - Formula Grants | 20.507 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 1,194,563 |
| Total Federal Transit Cluster | | 3,520,577 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|---------------|
| U.S. DEPARTMENT OF TRANSPORTATION (CONT.) | | |
| <u>Highway Planning and Construction Cluster:</u> | | |
| Highway Planning and Construction | 20.205 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | \$880,658,099 |
| ARRA - Highway Planning and Construction | 20.205 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 32,907 |
| Recreational Trails Program | 20.219 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 557,202 |
| <u>Through: Baton Rouge Green (#04LRT-EBR-9801/745 1)</u> | | |
| LSU Agricultural Center | | 36,091 |
| | | <hr/> |
| Total Highway Planning and Construction Cluster | | 881,284,299 |
| | | <hr/> |
| <u>Highway Safety Cluster:</u> | | |
| State and Community Highway Safety | 20.600 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 2,877,826 |
| Alcohol Traffic Safety and Drunk Driving Prevention | 20.601 | |
| Incentive Grants | | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 3,384,241 |
| Occupant Protection | 20.602 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 711,502 |
| Safety Belt Performance Grants | 20.609 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 1,460,035 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|------------------|
| U.S. DEPARTMENT OF TRANSPORTATION (CONT.) | | |
| <u>Highway Safety Cluster:</u> (Cont.) | | |
| State Traffic Safety Information System Improvement Grants | 20.610 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | \$205,486 |
| Incentive Grant Program to Increase Motorcyclist Safety | 20.612 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | 50,709 |
| Total Highway Safety Cluster | | <u>8,689,799</u> |
| <u>Research and Development Cluster:</u> | | |
| Highway Research and Development Program | 20.200 | |
| <u>Through: National Academy of Sciences</u> | | |
| Louisiana Tech University | | 92,600 |
| Public Transportation Research | 20.514 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 103,126 |
| National Highway Transportation Safety Administration (NHTSA) | 20.614 | |
| Discretionary Safety Grants | | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 38,318 |
| Biobased Transportation Research | 20.761 | |
| <u>Through: Texas A&M University-Texas Agrilife Research</u> | | |
| <u>(#DTOS59-07-G-00053)</u> | | |
| LSU Agricultural Center | | 13,831 |
| Research Grants | 20.762 | |
| <u>Through: National Academy of Sciences</u> | | |
| Louisiana Tech University | | 86,042 |
| Advanced Technology for Biodiesel Production | 20.RD.AB-5-61770.LSU1 | |
| <u>Through: Oklahoma State University (#DTOS59-07-G-00053)</u> | | |
| LSU Agricultural Center | | 36,991 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|----------------------|
| U.S. DEPARTMENT OF TRANSPORTATION (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Application of TRANSIMS for the Multimodal Microscale Simulation of the New Orleans Emergency Evacuation Plan | 20.RD.DTFH61-06-C-00044 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$38,612 |
| Tier II University Transportation Center | 20.RD.DTRT06-G-0031 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 136,304 |
| | | <hr/> |
| Total Research and Development Cluster | | 545,824 |
| | | <hr/> |
| <u>Transit Services Programs Cluster:</u> | | |
| Capital Assistance Program for Elderly Persons and Persons with Disabilities | 20.513 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 2,168,037 |
| | | <hr/> |
| Total U.S. Department of Transportation | | \$917,294,126 |
| | | <hr/> <hr/> |
| U.S. DEPARTMENT OF THE TREASURY | | |
| Asset Forfeiture | 21.000 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | \$26,054 |
| | | <hr/> |
| Low Income Taxpayer Clinics | 21.008 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 64,663 |
| | | <hr/> |
| Total U.S. Department of the Treasury | | \$90,717 |
| | | <hr/> <hr/> |
| U.S. POSTAL SERVICE | | |
| U.S. Postal Service - Fixed Price Contract | 22.216565-89-P-0444 | |
| <u>Direct Awards:</u> | | |
| Nicholls State University | | \$6,000 |
| | | <hr/> |
| Total U.S. Postal Service | | \$6,000 |
| | | <hr/> <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------------------|
| | <hr/> | <hr/> |
| EQUAL EMPLOYMENT OPPORTUNITY COMMISSION | | |
| Employment Discrimination-State and Local Fair Employment Practices Agency Contracts | 30.002 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | <hr/> \$82,400 |
| Total Equal Employment Opportunity Commission | | <hr/> \$82,400 <hr/> |
| GENERAL SERVICES ADMINISTRATION | | |
| Donation of Federal Surplus Personal Property | 39.003 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | \$7,758,447 |
| Election Reform Payments | 39.011 | |
| <u>Direct Awards:</u> | | |
| Department of State | | <hr/> 22,275 |
| Total General Services Administration | | <hr/> \$7,780,722 <hr/> |
| U.S. LIBRARY OF CONGRESS | | |
| Teaching with Primary Sources | 42.GA08C0022 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | <hr/> \$93,934 |
| Total U.S. Library of Congress | | <hr/> \$93,934 <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|----------|
| 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) | | \$39,455 |
| Technology Transfer | 43.002 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 104,478 |
| Through: Clark Atlanta University (#OSP-03-04-30403-001) | | |
| Grambling State University | | 29,725 |
| Through: United Negro College Fund (#HRD-0202178) | | |
| Southern University and A&M College (Baton Rouge) | | 14,130 |
| Total Technology Transfer | | 148,333 |
| Louisiana Space Grant Consortium | 43.NNG05GH22H | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 93,914 |
| MAF Economic Impact | 43.NNM08AE55P | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 20,000 |
| Molecular Mechanisms for the Persistence, Protection, and Repair of DNA | 43.NNG05GN49G | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 12,827 |
| A Multi-Wavelength Study of Dust Production in Type II Supernovae | 43.NNX08AV36H | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 21,000 |
| The Swift Redshift Catalog & Rapid Redshift Notification Service (Limin Xiao) | 43.NNX07AT08H | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 29,148 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Aerospace Education Services Program | 43.001 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | \$446,084 |
| Southern University and A&M College (Baton Rouge) | | 31,953 |
| Technology Transfer | 43.002 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 1,327,473 |
| Development of Advanced Fluid Structures Interaction (FSI) Methods | 43.RD.NNX08AI95A | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 59,186 |
| Digging for Interstellar Rare Elements in Archival UV Spectra <u>Through: Space Telescope Science Institute (#NAS5-26555)</u> | 43.RD.HST-AR-10643.01-A | |
| LSU A&M College (Baton Rouge) | | (70) |
| Dust Formation and Evolution in SN 1987A <u>Through: Space Telescope Science Institute</u> <u>(#NAS5-26555)</u> | 43.RD.HST-AR-10944.01-A | |
| LSU A&M College (Baton Rouge) | | 6,820 |
| Echo-Tomography of Cygnus X-2 <u>Direct Awards:</u> | 43.RD.NNX06AG87G | |
| LSU A&M College (Baton Rouge) | | 12,685 |
| A Gulf-Coast Monitoring and Hazards Decision Support Tool <u>Direct Awards:</u> | 43.RD.NNA07CN12A | |
| LSU A&M College (Baton Rouge) | | 180,229 |
| A Large Scale Multi-Color Photometric Survey of Trans-Neptunian Objects <u>Direct Awards:</u> | 43.RD.NNX07AK67G | |
| LSU A&M College (Baton Rouge) | | 60,416 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Littoral Acoustic Demonstration Center: Acoustics to Detect Beached Whales <u>Through: University of Southern Mississippi (USM-GR02884-01)</u> University of New Orleans | 43.RD.NNS07AA65T | \$103,576 |
| Louisiana Research Consortium <u>Direct Awards:</u> Board of Regents for Higher Education | 43.RD.NNS05AA95C | 480,684 |
| Louisiana Space Grant Consortium <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 43.RD.NNG05GH22H | 652,575 |
| Molecular Mechanisms for the Persistence, Protection, and Repair of DNA and Proteins Under Extreme Radiation, UV Light, and Desiccating Conditions <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 43.RD.NNG05GN49G | 100,912 |
| A Multi-Wavelength Study of Dust Production in Type II Supernovae <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 43.RD.NNX08AV36H | 1,845 |
| NASA, Stennis Space Center Intergovernmental Personnel Act Agreement <u>Direct Awards:</u> University of New Orleans | 43.RD.unknown | 79,476 |
| National Center for Advanced Manufacturing <u>Through: University of New Orleans Research and Technology Foundation (Sub #58732-S1)</u> University of New Orleans | 43.RD.NNM07AA14A | 161,703 |
| Numerical Simulations of Interacting Binaries <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 43.RD.NNX07AG84G | 67,187 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------|
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Orbiting Astrophysical Spectrometers in Space (OASIS) | 43.RD.NNM08AA09A | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$64,317 |
| Research Opportunities in Space and Earth Sciences - 2006 | 43.RD.NNX07AC65G | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 98,738 |
| SEEDS: The Search for Evolution of Emissions from Dust in Supernovae with HST | 43.RD.HST-GO-11229.03-A | |
| <u>Through: Space Telescope Science Institute</u> <u>(#NAS5-26555)</u> | | |
| LSU A&M College (Baton Rouge) | | 4,817 |
| The Shell of the Recurrent Nova T PYX | 43.RD.HST-GO-10834.01-A | |
| <u>Through: Space Telescope Science Institute</u> <u>(#NAS5-26555)</u> | | |
| LSU A&M College (Baton Rouge) | | 1,540 |
| Spatial and Temporal Variability in Chlorophyll, Primary Production and Carbon Export in the Bering Sea Linked to Climate Change | 43.RD.2008-6 | |
| <u>Through: Bigelow Laboratory for Ocean Sciences</u> <u>(#NNX07AR15G)</u> | | |
| LSU A&M College (Baton Rouge) | | 118,546 |
| The Swift Redshift Catalog and Rapid Redshift Notification Service (Limin Xiao) | 43.RD.NNX07AT08H | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 2,991 |
| Total Research and Development Cluster | | 4,063,683 |
| Total National Aeronautics and Space Administration | | \$4,428,360 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|------------------|
| NATIONAL ENDOWMENT FOR THE ARTS | | |
| Promotion of the Arts - Grants to Organizations and Individuals | 45.024 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$15,002 |
| University of New Orleans | | 50,110 |
| | | <hr/> |
| Total Promotion of the Arts - Grants to Organizations and Individuals | | 65,112 |
| | | <hr/> |
| Promotion of the Arts - Partnership Agreements | 45.025 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | 635,203 |
| | | <hr/> |
| Total National Endowment for the Arts | | \$700,315 |
| | | <hr/> <hr/> |
| NATIONAL ENDOWMENT FOR THE HUMANITIES | | |
| Promotion of the Humanities - Federal/State Partnership | 45.129 | |
| <u>Through: Louisiana Endowment for the Humanities (#OG 09-809-070)</u> | | |
| Louisiana State University at Alexandria | | \$2,040 |
| <u>Through: Louisiana Endowment for the Humanities</u> | | |
| LSU A&M College (Baton Rouge) | | 1,247 |
| <u>Through: Louisiana Endowment for the Humanities (#08-809-041)</u> | | |
| Louisiana State University in Shreveport | | 24,075 |
| | | <hr/> |
| Total Promotion of the Humanities - Federal/State Partnership | | 27,362 |
| | | <hr/> |
| Promotion of the Humanities - Division of Preservation and Access | 45.149 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 107,418 |
| LSU A&M College (Baton Rouge) | | 1,197 |
| | | <hr/> |
| Total Promotion of the Humanities - Division of Preservation and Access | | 108,615 |
| | | <hr/> |
| Promotion of the Humanities - Public Programs | 45.164 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 729 |
| University of New Orleans | | 86,589 |
| | | <hr/> |
| Total Promotion of the Humanities - Public Programs | | 87,318 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|--------------------|
| NATIONAL ENDOWMENT FOR THE HUMANITIES (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Promotion of the Humanities - Division of Preservation and Access | 45.149 | |
| <u>Through: Alliance for American Quilts</u> | | |
| Louisiana Tech University | | \$761 |
| Promotion of the Humanities - Fellowships and Stipends | 45.160 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 40,000 |
| | | <hr/> |
| Total Research and Development Cluster | | 40,761 |
| | | <hr/> |
| Total National Endowment for the Humanities | | \$264,056 |
| | | <hr/> <hr/> |
| INSTITUTE OF MUSEUM AND LIBRARY SERVICES | | |
| Conservation Project Support | 45.303 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$16,095 |
| | | <hr/> |
| Grants to States | 45.310 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | 2,775,656 |
| | | <hr/> |
| National Leadership Grants | 45.312 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | 56,607 |
| | | <hr/> |
| Laura Bush 21st Century Librarian Program | 45.313 | |
| <u>Direct Awards:</u> | | |
| Department of Culture, Recreation and Tourism | | 9,043 |
| LSU A&M College (Baton Rouge) | | 33,107 |
| | | <hr/> |
| Total Laura Bush 21st Century Librarian Program | | 42,150 |
| | | <hr/> |
| Total Institute of Museum and Library Services | | \$2,890,508 |
| | | <hr/> <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|------------------|
| NATIONAL SCIENCE FOUNDATION | | |
| Engineering Grants | 47.041 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | \$117,571 |
| <u>Through: National Academy of Sciences (NAE594407006)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 6,471 |
| Total Engineering Grants | | <u>124,042</u> |
| Mathematical and Physical Sciences | 47.049 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 5,000 |
| LSU A&M College (Baton Rouge) | | 1,840,133 |
| University of Louisiana at Lafayette | | 54,478 |
| <u>Through: California Institute of Technology (CHE-0802907)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 82,671 |
| <u>Through: Material Methods LLC</u> | | |
| Southern University and A&M College (Baton Rouge) | | 95,039 |
| Total Mathematical and Physical Sciences | | <u>2,077,321</u> |
| Geosciences | 47.050 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 37,619 |
| University of Louisiana at Lafayette | | 114,888 |
| <u>Through: IRIS (#80-TA-03)</u> | | |
| University of Louisiana at Lafayette | | 11,080 |
| Total Geosciences | | <u>163,587</u> |
| Computer and Information Science and Engineering | 47.070 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 216,641 |
| <u>Through: Iowa State University (#420-25-19-A)</u> | | |
| University of Louisiana at Lafayette | | 33,870 |
| Total Computer and Information Science and Engineering | | <u>250,511</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| Biological Sciences | 47.074 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$95,618 |
| University of Louisiana at Lafayette | | 584,138 |
| <u>Through: Harvey Mudd College</u> | | |
| University of Louisiana at Lafayette | | 10,635 |
| <u>Through: University of Central Florida (#24036040)</u> | | |
| University of Louisiana at Lafayette | | 6,744 |
| | | <hr/> |
| Total Biological Sciences | | 697,135 |
| | | <hr/> |
| Social, Behavioral, and Economic Sciences | 47.075 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 83,457 |
| | | <hr/> |
| Education and Human Resources | 47.076 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | 21,273 |
| Grambling State University | | 531,924 |
| LSU A&M College (Baton Rouge) | | 1,123,107 |
| Louisiana Technical College | | 174,114 |
| McNeese State University | | 266,767 |
| Northwestern State University | | 110,983 |
| Southern University and A&M College (Baton Rouge) | | 1,953,048 |
| Southern University at New Orleans | | 135,556 |
| Southern University at Shreveport-Bossier City | | 88,778 |
| University of Louisiana at Lafayette | | 128,588 |
| <u>Through: Houston Community College</u> | | |
| McNeese State University | | 34,006 |
| <u>Through: Iowa State University (#420-21-11)</u> | | |
| University of Louisiana at Lafayette | | 31,501 |
| <u>Through: Michigan Technological University (#02109Z)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 312,832 |
| <u>Through: Research Foundation of CYNH-Hunters College (HRD-0833392)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 33,959 |
| <u>Through: Texas A&M (#S070028)</u> | | |
| University of Louisiana at Lafayette | | 109,022 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| Education and Human Resources (Cont.) | 47.076 | |
| <u>Through: Tulane University (#HRD-0202178)</u> | | |
| Southern University at New Orleans | | \$79,096 |
| <u>Through: Tulane University (TUL1460203)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 2,134 |
| <u>Through: University of Central Florida (PO 90250)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 15,717 |
| | | <hr/> |
| Total Education and Human Resources | | 5,152,405 |
| | | <hr/> |
| Polar Programs | 47.078 | |
| <u>Through: University of Wisconsin Madison (#G067933)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 40,530 |
| | | <hr/> |
| International Science and Engineering (OISE) | 47.079 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 24,632 |
| | | <hr/> |
| Office of Cyberinfrastructure | 47.080 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 14,391 |
| | | <hr/> |
| ARRA - TRANS-NSF Recovery Act Research Support | 47.082 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 11,505 |
| | | <hr/> |
| Intergovernmental Personnel Act (IPA) Agreement - Edward Seidel | 47.OCI-0849266 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 284,806 |
| | | <hr/> |
| IPA for Dr. Luigi Marzilli at the Division of Chemistry, Directorate for Mathematical and Physical Sciences | 47.CHE-0737195 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 355,965 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Engineering Grants | 47.041 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$1,326,163 |
| Louisiana Tech University | | 513,009 |
| Southern University and A&M College (Baton Rouge) | | 24,837 |
| University of New Orleans | | 106,350 |
| <u>Through: Kansas State University</u> | | |
| Louisiana Tech University | | 6,230 |
| <u>Through: University of Florida</u> | | |
| Louisiana Tech University | | 5,102 |
| <u>Through: Women in Engineering Programs & Advocates Network</u> | | |
| Louisiana Tech University | | 28,040 |
| Mathematical and Physical Sciences | 47.049 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 4,017,744 |
| Louisiana Tech University | | 544,635 |
| Southeastern Louisiana University | | 37,027 |
| Southern University and A&M College (Baton Rouge) | | 842,480 |
| University of New Orleans | | 674,064 |
| <u>Through: University of Nebraska-Lincoln (#CHE-0415421)</u> | | |
| LSU A&M College (Baton Rouge) | | 9,155 |
| <u>Through: University of Pittsburg (CHE-0581253)</u> | | |
| Southeastern Louisiana University | | 7,000 |
| <u>Through: University of Tennessee-Knoxville (DMR-0451163)</u> | | |
| LSU A&M College (Baton Rouge) | | 23,266 |
| Geosciences | 47.050 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 861,162 |
| Louisiana Universities Marine Consortium | | 371,456 |
| Southeastern Louisiana University | | 13,251 |
| <u>Through: Montana State University (#EAR-0525567)</u> | | |
| LSU A&M College (Baton Rouge) | | 51,262 |
| <u>Through: Oregon State University (#OCE-0624092)</u> | | |
| LSU A&M College (Baton Rouge) | | 90,900 |
| <u>Through: University of Arizona (#ATM-0611320)</u> | | |
| LSU A&M College (Baton Rouge) | | 9,367 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Geosciences (Cont.) | 47.050 | |
| <u>Through: University of Minnesota (#EAR-0120914)</u> | | |
| LSU A&M College (Baton Rouge) | | \$59,478 |
| <u>Through: University of New Hampshire (#GEO-0631377)</u> | | |
| LSU A&M College (Baton Rouge) | | 3,076 |
| Computer and Information Science and Engineering | 47.070 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 954,241 |
| Louisiana Tech University | | 102,794 |
| University of New Orleans | | 269,017 |
| <u>Through: Purdue University (#CCF-0621457)</u> | | |
| LSU A&M College (Baton Rouge) | | 72,235 |
| <u>Through: University of Delaware (#CNS-0509332)</u> | | |
| LSU A&M College (Baton Rouge) | | 86,503 |
| <u>Through: University of Kentucky Research Foundation</u> | | |
| <u>(#SCI-0438312)</u> | | |
| LSU A&M College (Baton Rouge) | | 44,043 |
| <u>Through: University of North Carolina at Charlotte (2975-0580-UNO)</u> | | |
| University of New Orleans | | 21,265 |
| Biological Sciences | 47.074 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 233,500 |
| LSU A&M College (Baton Rouge) | | 2,407,317 |
| Louisiana State University Health Sciences Center (Shreveport) | | 238,748 |
| Southeastern Louisiana University | | 35,991 |
| Pennington Biomedical Research Center | | 28,039 |
| University of Louisiana at Monroe | | 105,347 |
| University of New Orleans | | 266,453 |
| <u>Through: Florida International University (#DBI-0620409)</u> | | |
| LSU A&M College (Baton Rouge) | | 25,773 |
| <u>Through: University of Florida (#DBI-0445712)</u> | | |
| LSU A&M College (Baton Rouge) | | 13,569 |
| <u>Through: University of Texas at Austin (#UTA06-273)</u> | | |
| University of New Orleans | | 25,385 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Social, Behavioral, and Economic Sciences | 47.075 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$449,596 |
| Louisiana Tech University | | 42,620 |
| McNeese State University | | 130,115 |
| University of New Orleans | | 135,542 |
| <u>Through: Northern Illinois University (#BCS-0623108)</u> | | |
| LSU A&M College (Baton Rouge) | | 6,635 |
| Education and Human Resources | 47.076 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | 1,693,392 |
| LSU A&M College (Baton Rouge) | | 677,875 |
| Louisiana Tech University | | 1,275,742 |
| Nicholls State University | | 5,727 |
| University of New Orleans | | 47,040 |
| Polar Programs | 47.078 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 115,944 |
| <u>Through: Northern Illinois University (#ANT-0342484)</u> | | |
| LSU A&M College (Baton Rouge) | | 82,135 |
| <u>Through: University of Nebraska-Lincoln (#ANT-0342484)</u> | | |
| LSU A&M College (Baton Rouge) | | 34,450 |
| International Science and Engineering (OISE) | 47.079 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 3,764 |
| Louisiana Tech University | | 209,805 |
| McNeese State University | | 1,770 |
| University of Louisiana at Monroe | | 57,281 |
| <u>Through: U S Civilian Research & Development Foundation</u> | | |
| LSU A&M College (Baton Rouge) | | 987 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|---------------------|
| NATIONAL SCIENCE FOUNDATION (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Office of Cyberinfrastructure | 47.080 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | \$3,518,390 |
| LSU A&M College (Baton Rouge) | | 386,053 |
| <u>Through: University of Illinois (#CSA OCI-0725070)</u> | | |
| LSU A&M College (Baton Rouge) | | 52,716 |
| ARRA - TRANS-NSF Recovery Act Research Support | 47.082 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 48,446 |
| Paleotempestology of the Caribbean Region | 47.RD.CRN II 2050 | |
| <u>Through: Inter-American Institute for Global Change</u> | | |
| <u>Research (#GEO-0452325)</u> | | |
| LSU A&M College (Baton Rouge) | | 124,955 |
| Total Research and Development Cluster | | 23,656,254 |
| Total National Science Foundation | | \$32,936,541 |
| SECURITIES AND EXCHANGE COMMISSION | | |
| Securities - Investigation of Complaints and SEC Information | 58.001 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$196,698 |
| Total Securities and Exchange Commission | | \$196,698 |
| SMALL BUSINESS ADMINISTRATION | | |
| Small Business Administration | 59.000 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Monroe | | \$29,627 |
| Small Business Development Center | 59.037 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Monroe | | 1,430,719 |
| <u>Through: Louisiana Small Business Development Center (#5-27102/27105)</u> | | |
| Southern University at New Orleans | | 29,680 |
| Total Small Business Development Center | | 1,460,399 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------|
| SMALL BUSINESS ADMINISTRATION (CONT.) | | |
| Bienville Corridor Stipend Program | 59.SBAHQ-05-0044 | |
| <u>Direct Awards:</u> | | |
| Southern University at New Orleans | | \$78,397 |
| Hispanic Business and Leadership Institute | 59.SBA HQ-08-I-0127 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 21,619 |
| Latin America Commercial Law Program | 59.SBAHQ-05-I-0080 | |
| <u>Direct Awards:</u> | | |
| Paul M. Hebert Law Center | | 5,673 |
| Total Small Business Administration | | \$1,595,715 |
| U.S. DEPARTMENT OF VETERANS AFFAIRS | | |
| Grants to States for Construction of State Home Facilities | 64.005 | |
| <u>Direct Awards:</u> | | |
| Department of Veterans Affairs | | \$265,263 |
| Veterans State Nursing Home Care | 64.015 | |
| <u>Direct Awards:</u> | | |
| Department of Veterans Affairs | | 15,139,071 |
| State Cemetery Grants | 64.203 | |
| <u>Direct Awards:</u> | | |
| Department of Veterans Affairs | | 45,914 |
| Reimbursement Contract | 64.V101 (223B) | |
| <u>Direct Awards:</u> | | |
| Department of Veterans Affairs | | 414,536 |
| VA: Orthopedic Services - Olmedo and Annissia | 64.Contract | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 17,308 |
| VA: Orthopedic IPA | 64.VAMC | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | (33,707) |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------------------------|
| U.S. DEPARTMENT OF VETERANS AFFAIRS (CONT.) | | |
| VA: Neurosurgery IPA | 64.V667P-1615 | |
| <u>Direct Awards:</u> Louisiana State University Health Sciences Center (Shreveport) | | <u>\$240,733</u> |
| VA: Disbursement Agreement - Fellow Stipends | 64.unknown | |
| <u>Direct Awards:</u> Louisiana State University Health Sciences Center (Shreveport) | | <u>531,905</u> |
| VA: Disbursement Agreement - House Staff Stipends | 64.unknown | |
| <u>Direct Awards:</u> Louisiana State University Health Sciences Center (Shreveport) | | <u>1,618,115</u> |
| Total U.S. Department of Veterans Affairs | | <u><u>\$18,239,138</u></u> |
| ENVIRONMENTAL PROTECTION AGENCY | | |
| Air Pollution Control Program Support | 66.001 | |
| <u>Direct Awards:</u> Department of Environmental Quality | | <u>\$22,999</u> |
| Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act | 66.034 | |
| <u>Direct Awards:</u> Department of Environmental Quality University of Louisiana at Lafayette | | <u>2,369,221</u> <u>92,777</u> |
| Total Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act | | <u>2,461,998</u> |
| Congressionally Mandated Projects | 66.202 | |
| <u>Direct Awards:</u> Department of Natural Resources | | <u>5,470,566</u> |
| Water Pollution Control State, Interstate, and Tribal Program Support | 66.419 | |
| <u>Direct Awards:</u> Department of Environmental Quality | | <u>281,849</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| ENVIRONMENTAL PROTECTION AGENCY (CONT.) | | |
| State Public Water System Supervision | 66.432 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$1,324,000 |
| State Underground Water Source Protection | 66.433 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 276,674 |
| Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of Clean Water Act | 66.436 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 589,667 |
| Water Quality Management Planning | 66.454 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 102,662 |
| Capitalization Grants for Clean Water State Revolving Funds | 66.458 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 3,525,182 |
| Nonpoint Source Implementation Grants | 66.460 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 1,183,383 |
| Department of Environmental Quality | | 2,798,057 |
| Total Nonpoint Source Implementation Grants | | 3,981,440 |
| Wastewater Operator Training Grant Program (Technical Assistance) | 66.467 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 18,843 |
| Capitalization Grants for Drinking Water State Revolving Funds | 66.468 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 10,221,682 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|------------|
| ENVIRONMENTAL PROTECTION AGENCY (CONT.) | | |
| State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs | 66.471 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$198,609 |
| Beach Monitoring and Notification Program Implementation Grants | 66.472 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 291,251 |
| Water Protection Grants to the States | 66.474 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 120,967 |
| Science to Achieve Results (STAR) Research Program | 66.509 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 362,142 |
| Performance Partnership Grants | 66.605 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 10,769,252 |
| Environmental Information Exchange Network Grant Program and Related Assistance | 66.608 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 128,272 |
| Consolidated Pesticide Enforcement Cooperative Agreements | 66.700 | |
| <u>Direct Awards:</u> | | |
| Department of Agriculture and Forestry | | 524,022 |
| Toxic Substances Compliance Monitoring Cooperative Agreements | 66.701 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 110,126 |
| Multi-Media Capacity Building Grants for States and Tribes | 66.709 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 67,694 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| ENVIRONMENTAL PROTECTION AGENCY (CONT.) | | |
| Source Reduction Assistance | 66.717 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | \$27,615 |
| National Community-Based Lead Outreach and Training Grant Program | 66.718 | |
| <u>Through: Nation Center for Healthy Housing</u> | | |
| LSU Agricultural Center | | 13,511 |
| Hazardous Waste Management State Program Support | 66.801 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 24,132 |
| Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements | 66.802 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 112,731 |
| Underground Storage Tank Prevention, Detection and Compliance Program | 66.804 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 1,295,609 |
| Leaking Underground Storage Tank Trust Fund Corrective Action Program | 66.805 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 1,149,337 |
| Brownfield Job Training Cooperative Agreements | 66.815 | |
| <u>Direct Awards:</u> | | |
| Southern University at Shreveport-Bossier City | | 98,795 |
| State and Tribal Response Program Grants | 66.817 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 376,966 |
| Environmental Policy and State Innovation Grants | 66.940 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | 3,706 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------------------------|
| ENVIRONMENTAL PROTECTION AGENCY (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act <u>Through: Alaska Energy Authority (#XA-960429-01)</u> LSU Agricultural Center | 66.034 | \$10,346 |
| <u>Congressionally Mandated Projects</u> | | |
| <u>Direct Awards:</u> | | |
| Louisiana State University in Shreveport | 66.202 | 53,644 |
| Southeastern Louisiana University | | 257,906 |
| Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act <u>Through: Lake Pontchartrain Basin Foundation</u> Southeastern Louisiana University | 66.436 | 40,148 |
| Targeted Watershed Grants <u>Through: Lake Pontchartrain Basin Foundation (06-788)</u> University of New Orleans | 66.439 | 10,026 |
| National Estuary Program <u>Direct Awards:</u> Louisiana Universities Marine Consortium | 66.456 | 407,185 |
| Gulf of Mexico Program <u>Direct Awards:</u> LSU A&M College (Baton Rouge) Louisiana Universities Marine Consortium <u>Through: State of Florida EPA (#G0226)</u> Louisiana Universities Marine Consortium | 66.475 | 22,247 436,253 11,291 |
| Science to Achieve Results (STAR) Research Program <u>Direct Awards:</u> LSU Agricultural Center | 66.509 | 51,630 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|---------------------|
| ENVIRONMENTAL PROTECTION AGENCY (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Office of Research and Development Consolidated Research/Training/Fellowships | 66.511 | |
| <u>Direct Awards:</u> | | |
| Department of Environmental Quality | | \$64,193 |
| <u>Through: Dauphin Island Sea Lab</u> | | |
| LSU A&M College (Baton Rouge) | | 8,250 |
| Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies | 66.716 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 17,474 |
| Environmental Education Grants | 66.951 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 8,991 |
| EPA Fellowship | 66.RD.EPA | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 98,309 |
| Fisheries Monitoring of the Mollicy Farms Tract in the Upper Ouachita River | 66.RD.09-112/LA-2009-08 | |
| <u>Through: The Nature Conservancy (#C9-996102-11)</u> | | |
| LSU Agricultural Center | | 17,029 |
| Intergovernmental Personnel Act Agreement for Bing Guan | 66.RD.HQ5540809N | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 78,216 |
| Mass Spectrometry for Characterization of Perfluorinated Acids | 66.RD.EPA084000109 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 16,615 |
| Rehab of Wastewater | 66.RD.Battelle | |
| <u>Through: Battelle Memorial Institute</u> | | |
| Louisiana Tech University | | 155,237 |
| | | <hr/> |
| Total Research and Development Cluster | | 1,764,990 |
| | | <hr/> |
| Total Environmental Protection Agency | | \$45,717,289 |
| | | <hr/> <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF ENERGY | | |
| State Energy Program | 81.041 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | \$573,632 |
| Office of Science Financial Assistance Program | 81.049 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 193,615 |
| Renewable Energy Research and Development | 81.087 | |
| <u>Through: BWXT-Y-12, LLC (#430056337-38)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 604 |
| Fossil Energy Research and Development | 81.089 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 37,859 |
| <u>Through: West Virginia University (#00-538-ULL)</u> | | |
| University of Louisiana at Lafayette | | 40,129 |
| Total Fossil Energy Research and Development | | 77,988 |
| National Industrial Competitiveness through Energy, Environment, and Economics | 81.105 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 56,004 |
| Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions | 81.106 | |
| <u>Through: Southern States Energy Board (#DE-FC04-93AL82966)</u> | | |
| Department of Environmental Quality | | 42,879 |
| Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance | 81.117 | |
| <u>Through: Midwest Research Institute (#ACQ43362301)</u> | | |
| Southern University and A&M College (Baton Rouge) | | 32,593 |
| State Energy Program Special Projects | 81.119 | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | 229,446 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF ENERGY (CONT.) | | |
| Nuclear Energy Research, Development, and Demonstration <u>Through: Battelle Memorial Institute (#932010)</u> Southern University and A&M College (Baton Rouge) | 81.121 | \$14,300 |
| Gulf Petro Initiative <u>Direct Awards:</u> University of Louisiana at Lafayette | 81.DE-NT0004651 | 214,384 |
| Industrial Assessment Center <u>Direct Awards:</u> University of Louisiana at Lafayette | 81.DE-FC36-06GO16074 | 137,597 |
| LITE: Enabling Coastal Stewardship and Reliable Energy <u>Direct Awards:</u> University of Louisiana at Lafayette | 81.DE-FG02-06ER64268 | 58,766 |
| <u>Petroleum Violation Escrow Funds:</u> | | |
| <u>Direct Awards:</u> | | |
| Department of Natural Resources | | |
| Exxon | 81.E2029 | 6,598,487 |
| OHA | 81.OHA2030 | 454,901 |
| Stripper Well | 81.SW2027 | 77,036 |
| Warner | 81.W2031 | 176,507 |
| Total Petroleum Violation Escrow Funds | | 7,306,931 |
| Solar Home <u>Through: National Renewable Energy Lab (#ADC-8-77041-07)</u> University of Louisiana at Lafayette | 81.DE-AC36-99GO10337 | 67,044 |
| <u>Research and Development Cluster:</u> | | |
| Office of Science Financial Assistance Program <u>Direct Awards:</u> | 81.049 | |
| Board of Regents for Higher Education | | 314,855 |
| LSU A&M College (Baton Rouge) | | 1,567,832 |
| Louisiana Tech University | | 1,128,487 |
| <u>Through: Pacific Northwest National Lab</u> Louisiana Tech University | | 11,132 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF ENERGY (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Office of Science Financial Assistance Program (Cont.) | 81.049 | |
| <u>Through: The Pennsylvania State University (DE-FG02-07-ER46414)</u> | | |
| Southeastern Louisiana University | | \$33,127 |
| <u>Through: The Research Foundation of State University</u> | | |
| <u>of New York (#DE-FG02-06ER41416)</u> | | |
| LSU A&M College (Baton Rouge) | | 94,610 |
| Regional Biomass Energy Programs | 81.079 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 571,735 |
| <u>Through: Oklahoma State University (#DE-FC36-05GO85041)</u> | | |
| LSU Agricultural Center | | 21,208 |
| <u>Through: South Dakota State University (#DE-FC36-05GO85041)</u> | | |
| LSU Agricultural Center | | 20,000 |
| Conservation Research and Development | 81.086 | |
| <u>Direct Awards:</u> | | |
| Nicholls State University | | 214,758 |
| Renewable Energy Research and Development | 81.087 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 99,740 |
| Fossil Energy Research and Development | 81.089 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 788,960 |
| Southern University and A&M College (Baton Rouge) | | 58,211 |
| Defense Nuclear Nonproliferation Research | 81.113 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 18,858 |
| National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program | 81.123 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 102,573 |
| Andreas Piechaczek Agreement | 81.RD.2-18324 | |
| <u>Through: Oak Ridge Associated Universities</u> | | |
| <u>(#DE-AC05-06OR23100)</u> | | |
| LSU A&M College (Baton Rouge) | | 9,800 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF ENERGY (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Building Support Cancer Research and Prevention | 81.RD.DE-FG02-02CH11117 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$626,732 |
| Characterization of Hexaaluminate Catalysts | 81.RD.06-485I-LSU | |
| <u>Through: West Virginia University Research Corporation</u> | | |
| LSU A&M College (Baton Rouge) | | (5,889) |
| Community Resilience to Natural Disasters: New Orleans and Southeast Louisiana | 81.RD.4000064703 | |
| <u>Through: UT-Battelle LLC (#DE-AC05-00OR22725)</u> | | |
| LSU A&M College (Baton Rouge) | | 30,000 |
| Improved Biorefinery for the Production of Ethanol, Chemicals, Animal Feed, and Biomaterials from Sugar Cane | 81.RD.DE-FG36-04GO14236 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | (732) |
| Inhomogenous Disordered Dirac Fermions: From Heavy Fermion Superconductors to Graphene | 81.RD.DE-FG02-08ER46492 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 57,883 |
| Iron-Based Mixed Metal Carbide Fischer-Tropsch Catalysis | 81.RD.980-7558-215-2094689 | |
| <u>Through: Clemson University (#DE-FC36-03G013026)</u> | | |
| LSU A&M College (Baton Rouge) | | 27,232 |
| Jefferson Lab Assistantship | 81.RD.JSA-06-P0013 | |
| <u>Through: Jefferson Science Associates</u> | | |
| (#DE-AC05-84ER40150) | | |
| LSU A&M College (Baton Rouge) | | 6,105 |
| PTTC Phase II | 81.RD.0495 | |
| <u>Through: Petroleum Technology Transfer Council</u> | | |
| LSU A&M College (Baton Rouge) | | 20,041 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|---------------------|
| U.S. DEPARTMENT OF ENERGY (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Sensor Fusion Methods for Detection and Identification for Dispersions | 81.RD.4000057148 | |
| <u>Through: UT-Battelle LLC (#DE-AC05-00OR22725)</u> | | |
| LSU A&M College (Baton Rouge) | | \$26,259 |
| Small Business Technology Transfer | 81.RD.DEFG0203ER86172 | |
| <u>Through: MECOM, Inc. (DE-FG02-03-ER86172)</u> | | |
| Southeastern Louisiana University | | 13,571 |
| Total Research and Development Cluster | | 5,857,088 |
| Total U.S. Department of Energy | | \$14,862,871 |
| U.S. DEPARTMENT OF EDUCATION | | |
| Adult Education - Basic Grants to States | 84.002 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | \$9,234,459 |
| Migrant Education - State Grant Program | 84.011 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 2,500,792 |
| Title I Program for Neglected and Delinquent Children | 84.013 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 1,530,155 |
| Higher Education - Institutional Aid | 84.031 | |
| <u>Direct Awards:</u> | | |
| Delgado Community College | | 419,382 |
| Grambling State University | | 5,630,361 |
| Louisiana State University at Alexandria | | 274,014 |
| Louisiana Technical College | | 553,911 |
| Northwestern State University | | 338,619 |
| Southern University and A&M College (Baton Rouge) | | 10,606,251 |
| Southern University at New Orleans | | 4,736,040 |
| Southern University at Shreveport-Bossier City | | 3,774,910 |
| Total Higher Education - Institutional Aid | | 26,333,488 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|--------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Federal Family Education Loans | 84.032 | |
| <u>Direct Awards:</u> | | |
| Office of Student Financial Assistance | | \$46,386,807 |
| Career and Technical Education - Basic Grants to States | 84.048 | |
| <u>Direct Awards:</u> | | |
| Louisiana Community and Technical College System | | 22,003,979 |
| Leveraging Educational Assistance Partnership | 84.069 | |
| <u>Direct Awards:</u> | | |
| Office of Student Financial Assistance | | 909,791 |
| Fund for the Improvement of Postsecondary Education | 84.116 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 47,668 |
| McNeese State University | | 129,611 |
| Northwestern State University | | 191,593 |
| University of Louisiana at Monroe | | 378,751 |
| University of New Orleans | | 346,616 |
| Total Fund for the Improvement of Postsecondary Education | | 1,094,239 |
| Minority Science and Engineering Improvement | 84.120 | |
| <u>Direct Awards:</u> | | |
| Southern University at New Orleans | | 48,383 |
| Rehabilitation Long-Term Training | 84.129 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 177,319 |
| Southern University and A&M College (Baton Rouge) | | 423,720 |
| Total Rehabilitation Long-Term Training | | 601,039 |
| National Institute on Disability and Rehabilitation Research | 84.133 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 248,027 |
| Migrant Education - Coordination Program | 84.144 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 130,997 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Business and International Education Projects | 84.153 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$57,700 |
| Southern University and A&M College (Baton Rouge) | | 87,799 |
| | | <hr/> |
| Total Business and International Education Projects | | 145,499 |
| | | <hr/> |
| Training Interpreters for Individuals Who Are Deaf and Individuals Who Are Deaf-Blind | 84.160 | |
| <u>Direct Awards:</u> | | |
| Sowela Technical Community College | | 5,313 |
| | | <hr/> |
| Independent Living - State Grants | 84.169 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 422,659 |
| | | <hr/> |
| Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind | 84.177 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 647,842 |
| | | <hr/> |
| Safe and Drug-Free Schools and Communities - National Programs | 84.184 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 405,897 |
| | | <hr/> |
| Byrd Honors Scholarships | 84.185 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 577,125 |
| | | <hr/> |
| Safe and Drug-Free Schools and Communities - State Grants | 84.186 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 5,792,138 |
| Executive Department | | 1,091,282 |
| <u>Through: UNO New Beginnings Foundation</u> | | |
| University of New Orleans | | 21,997 |
| | | <hr/> |
| Total Safe and Drug-Free Schools and Communities - State Grants | | 6,905,417 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Supported Employment Services for Individuals With Significant Disabilities | 84.187 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | \$420,512 |
| Bilingual Education-Professional Development | 84.195 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 153,308 |
| Education for Homeless Children and Youth | 84.196 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 1,644,308 |
| Graduate Assistance in Areas of National Need | 84.200 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 207,377 |
| Even Start-State Educational Agencies | 84.213 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 1,471,411 |
| Fund for the Improvement of Education | 84.215 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University in Shreveport | | 117,776 |
| <u>Through: Tulane University(#U215K080325)</u> | | |
| University of New Orleans | | 92,495 |
| Total Fund for the Improvement of Education | | 210,271 |
| Assistive Technology | 84.224 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 625,460 |
| Tech-Prep Education | 84.243 | |
| <u>Direct Awards:</u> | | |
| Louisiana Community and Technical College System | | 1,837,033 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training <u>Direct Awards:</u> Department of Social Services | 84.265 | <u>\$59,535</u> |
| Charter Schools <u>Direct Awards:</u> Department of Education | 84.282 | <u>7,292,302</u> |
| Twenty-First Century Community Learning Centers <u>Direct Awards:</u> Department of Education | 84.287 | <u>16,151,087</u> |
| State Grants for Innovative Programs <u>Direct Awards:</u> Department of Education | 84.298 | <u>1,219,829</u> |
| Capacity Building for Traditionally Underserved Populations <u>Direct Awards:</u> Southern University and A&M College (Baton Rouge) | 84.315 | <u>267,130</u> |
| Education Technology State Grants <u>Direct Awards:</u> Department of Education | 84.318 | <u>6,080,693</u> |
| Special Education - State Personnel Development <u>Direct Awards:</u> Department of Education | 84.323 | <u>1,092,139</u> |
| Special Education - Personnel Development to Improve Services and Results for Children With Disabilities <u>Direct Awards:</u> University of New Orleans | 84.325 | <u>172,720</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | 84.326 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | \$214,238 |
| <u>Through: University of Tennessee (#H326D060003-07)</u> | | |
| LSU A&M College (Baton Rouge) | | 11,055 |
| | | <hr/> |
| Total Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | | 225,293 |
| | | <hr/> |
| Special Education - Technology and Media Services for Individuals with Disabilities | 84.327 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 21,631 |
| Southeastern Louisiana University | | 16,812 |
| | | <hr/> |
| Total Special Education - Technology and Media Services for Individuals with Disabilities | | 38,443 |
| | | <hr/> |
| Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants) | 84.330 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 337,041 |
| <u>Through: Ouachita Parish School Board</u> | | |
| University of Louisiana at Monroe | | 2,498 |
| | | <hr/> |
| Total Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants) | | 339,539 |
| | | <hr/> |
| Grants to States for Incarcerated Youth Offenders | 84.331 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Corrections Services | | 804,716 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| <hr/> | | |
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Comprehensive School Reform Demonstration | 84.332 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | \$72,243 |
| <hr/> | | |
| Gaining Early Awareness and Readiness for Undergraduate Programs | 84.334 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 1,186,726 |
| Southeastern Louisiana University | | 133,083 |
| <hr/> | | |
| Total Gaining Early Awareness and Readiness for Undergraduate Programs | | 1,319,809 |
| <hr/> | | |
| Transition to Teaching | 84.350 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 456,940 |
| University of Louisiana at Monroe | | 1,497,431 |
| University of New Orleans | | 248,032 |
| <hr/> | | |
| Total Transition to Teaching | | 2,202,403 |
| <hr/> | | |
| Reading First State Grants | 84.357 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 23,781,692 |
| <hr/> | | |
| Rural Education | 84.358 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 6,816,135 |
| Louisiana School for Math, Science and the Arts | | 8,489 |
| <hr/> | | |
| Total Rural Education | | 6,824,624 |
| <hr/> | | |
| Early Reading First | 84.359 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 551,693 |
| <hr/> | | |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| School Leadership | 84.363 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$82,798 |
| <u>Through: Advance Baton Rouge (#U36A080031)</u> | | |
| LSU A&M College (Baton Rouge) | | 42,538 |
| | | <hr/> |
| Total School Leadership | | 125,336 |
| | | <hr/> |
| English Language Acquisition Grants | 84.365 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 2,691,089 |
| | | <hr/> |
| Mathematics and Science Partnerships | 84.366 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 4,974,862 |
| <u>Through: Concordia Parish School Board</u> | | |
| University of Louisiana at Monroe | | 55,431 |
| <u>Through: Central Community Schools (#S366B070019)</u> | | |
| LSU A&M College (Baton Rouge) | | 50,024 |
| <u>Through: East Baton Rouge Parish School System</u> | | |
| <u>(#S366B050019/S366B060)</u> | | |
| LSU A&M College (Baton Rouge) | | 40,173 |
| <u>Through: East Baton Rouge Parish School System</u> | | |
| <u>(#S366B060019)</u> | | |
| LSU A&M College (Baton Rouge) | | 68,375 |
| <u>Through: East Baton Rouge Parish School System</u> | | |
| <u>(#S366B070019)</u> | | |
| LSU A&M College (Baton Rouge) | | 205,026 |
| <u>Through: East Baton Rouge Parish School System</u> | | |
| <u>(#S366B080019)</u> | | |
| LSU A&M College (Baton Rouge) | | 30,901 |
| <u>Through: Franklin Parish School Board</u> | | |
| University of Louisiana at Monroe | | 53,444 |
| <u>Through: Iberville Parish School Board (#S366B060019)</u> | | |
| LSU A&M College (Baton Rouge) | | 130,360 |
| <u>Through: Monroe City School Board</u> | | |
| University of Louisiana at Monroe | | 39,175 |
| <u>Through: Morehouse Parish School Board</u> | | |
| University of Louisiana at Monroe | | 106,284 |
| | | <hr/> |
| Total Mathematics and Science Partnerships | | 5,754,055 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|--------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Improving Teacher Quality State Grants | 84.367 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | \$67,372,887 |
| <u>Through: UNO New Beginnings Foundation</u> | | |
| University of New Orleans | | 51,666 |
| Total Improving Teacher Quality State Grants | | 67,424,553 |
| Grants for State Assessments and Related Activities | 84.369 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 7,008,259 |
| Special Education - Technical Assistance on State Data Collection | 84.373 | |
| <u>Through: Westat, Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 775,628 |
| School Improvement Grants | 84.377 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 1,845,859 |
| National Writing Project | 84.928 | |
| <u>Through: National Writing Project Corporation (#94-3130846)</u> | | |
| Northwestern State University | | 73,926 |
| <u>Through: National Writing Project Corporation (#92-LA-05)</u> | | |
| Southeastern Louisiana University | | 31,386 |
| <u>Through: University of California-Berkley (#92-LA04)</u> | | |
| University of Louisiana at Lafayette | | 39,571 |
| <u>Through: National Writing Project Corporation</u> | | |
| University of California at Berkeley (#92-LA01/Amd No.16) | | 74,595 |
| University of New Orleans | | 74,595 |
| Total National Writing Project | | 219,478 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Hurricane Education Recovery | 84.938 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | \$1,580,316 |
| Delgado Community College | | 387,953 |
| Department of Education | | 64,962,735 |
| LSU A&M College (Baton Rouge) | | 31,703 |
| Louisiana State University Health Sciences Center (New Orleans) | | 685,227 |
| McNeese State University | | 165,216 |
| Nicholls State University | | 79,523 |
| Nunez Community College | | 6,895 |
| Southeastern Louisiana University | | 25,000 |
| University of New Orleans | | 295,632 |
| | | <hr/> |
| Total Hurricane Education Recovery | | 68,220,200 |
| | | <hr/> |
| Katrina Foreign Contributions | 84.940 | |
| <u>Direct Awards:</u> | | |
| Delgado Community College | | 402,216 |
| Department of Education | | 8,739,800 |
| Nunez Community College | | 9,300 |
| University of New Orleans | | 119,590 |
| | | <hr/> |
| Total Katrina Foreign Contributions | | 9,270,906 |
| | | <hr/> |
| East Feliciana 4-H Club Program in the 21st Century After-School Program | 84.unknown | |
| <u>Through: East Feliciana Parish School Board</u> | | |
| LSU Agricultural Center | | 18,438 |
| | | <hr/> |
| National Writing Project Models and Programs | 84.92-LA02 | |
| <u>Through: National Writing Project Corporation</u> | | |
| LSU A&M College (Baton Rouge) | | 62,496 |
| | | <hr/> |
| Task Order for Basic Participation for Louisiana | 84.ED-03-CO-0041 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 11,133 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>Early Intervention Services (IDEA) Cluster:</u> | | |
| Special Education - Grants for Infants and Families | 84.181 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | \$8,611,546 |
| <u>Research and Development Cluster:</u> | | |
| Fund for the Improvement of Postsecondary Education | 84.116 | |
| <u>Through: University of Colorado</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (519) |
| Rehabilitation Long-Term Training | 84.129 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 78,650 |
| National Institute on Disability and Rehabilitation Research | 84.133 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 189,677 |
| Fund for the Improvement of Education | 84.215 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 262,014 |
| Research in Special Education | 84.324 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 323,135 |
| Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | 84.326 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 165,509 |
| Gaining Early Awareness and Readiness for Undergraduate Programs | 84.334 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | 3,533,586 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|--------------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| Research and Development Cluster: (Cont.) | | |
| Mathematics and Science Partnerships | 84.366 | |
| <u>Through: Ouachita Parish School System</u> | | |
| Louisiana Tech University | | \$41,138 |
| Improving Teacher Quality State Grants | 84.367 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | 1,409,050 |
| College Access Challenge Grant Program | 84.378 | |
| <u>Direct Awards:</u> | | |
| Board of Regents for Higher Education | | 32,914 |
| Annual Interest Grant | 84.RD.R-7-00375 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 113,349 |
| Total Research and Development Cluster | | <u>6,148,503</u> |
| <u>Special Education Cluster (IDEA):</u> | | |
| Special Education - Grants to States | 84.027 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 189,721,196 |
| <u>Through: UNO New Beginnings Foundation</u> | | |
| University of New Orleans | | 234,687 |
| Special Education - Preschool Grants | 84.173 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 5,940,055 |
| Total Special Education Cluster (IDEA) | | <u>195,895,938</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>Student Financial Assistance Cluster:</u> | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | \$238,446 |
| Bossier Parish Community College | | 101,482 |
| Delgado Community College | | 604,700 |
| Grambling State University | | 467,516 |
| Louisiana State University at Alexandria | | 143,321 |
| LSU A&M College (Baton Rouge) | | 664,223 |
| Louisiana State University at Eunice | | 103,437 |
| Louisiana State University Health Sciences Center (New Orleans) | | (1,155) |
| Louisiana State University Health Sciences Center (Shreveport) | | 16,800 |
| Louisiana State University in Shreveport | | 92,400 |
| Louisiana Tech University | | 325,859 |
| McNeese State University | | 342,725 |
| Nicholls State University | | 152,395 |
| Northwestern State University | | 383,384 |
| Nunez Community College | | 191,760 |
| Southeastern Louisiana University | | 680,988 |
| Southern University and A&M College (Baton Rouge) | | 905,730 |
| Southern University at New Orleans | | 91,782 |
| Southern University at Shreveport-Bossier City | | 124,314 |
| University of Louisiana at Lafayette | | 353,645 |
| University of Louisiana at Monroe | | 214,172 |
| University of New Orleans | | 714,867 |
| <u>Student Financial Assistance Cluster:</u> | | |
| Federal Work-Study Program | 84.033 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | 214,287 |
| Bossier Parish Community College | | 112,076 |
| Delgado Community College | | 542,351 |
| Grambling State University | | 459,610 |
| L. E. Fletcher Technical Community College | | 59,887 |
| Louisiana State University at Alexandria | | 158,909 |
| LSU A&M College (Baton Rouge) | | 1,145,150 |
| Louisiana State University at Eunice | | 90,524 |
| Louisiana State University in Shreveport | | 173,702 |
| Louisiana Tech University | | 413,302 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>Student Financial Assistance Cluster:</u> (Cont.) | | |
| Federal Work-Study Program (Cont.) | 84.033 | |
| <u>Direct Awards:</u> (Cont.) | | |
| McNeese State University | | \$224,005 |
| Nicholls State University | | 213,826 |
| Northwestern State University | | 275,874 |
| Nunez Community College | | 87,620 |
| Southeastern Louisiana University | | 555,044 |
| Southern University and A&M College (Baton Rouge) | | 763,325 |
| Southern University at New Orleans | | 239,968 |
| Southern University at Shreveport-Bossier City | | 240,694 |
| University of Louisiana at Lafayette | | 796,746 |
| University of Louisiana at Monroe | | 891,068 |
| University of New Orleans | | 490,821 |
| Federal Perkins Loan Program - Federal Capital Contributions | 84.038 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 7,617 |
| Northwestern State University | | 21,697 |
| University of New Orleans | | 55,464 |
| Federal Pell Grant Program | 84.063 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | 6,277,544 |
| Bossier Parish Community College | | 5,655,270 |
| Delgado Community College | | 20,032,613 |
| Grambling State University | | 12,238,979 |
| L. E. Fletcher Technical Community College | | 1,328,205 |
| Louisiana State University at Alexandria | | 3,473,430 |
| LSU A&M College (Baton Rouge) | | 13,443,407 |
| Louisiana Delta Community College | | 905,001 |
| Louisiana State University at Eunice | | 3,633,555 |
| Louisiana State University Health Sciences Center (New Orleans) | | 552,496 |
| Louisiana State University Health Sciences Center (Shreveport) | | 51,156 |
| Louisiana State University in Shreveport | | 4,012,305 |
| Louisiana Tech University | | 5,880,873 |
| Louisiana Technical College | | 23,468,263 |
| McNeese State University | | 7,664,200 |
| Nicholls State University | | 6,719,147 |
| Northwestern State University | | 9,304,911 |
| Nunez Community College | | 2,120,295 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>Student Financial Assistance Cluster:</u> (Cont.) | | |
| Federal Pell Grant Program (Cont.) | 84.063 | |
| <u>Direct Awards:</u> (Cont.) | | |
| River Parishes Community College | | \$1,169,903 |
| South Louisiana Community College | | 1,857,821 |
| Southeastern Louisiana University | | 13,568,686 |
| Southern University and A&M College (Baton Rouge) | | 15,017,154 |
| Southern University at New Orleans | | 5,944,386 |
| Southern University at Shreveport-Bossier City | | 5,463,979 |
| Sowela Technical Community College | | 1,468,159 |
| University of Louisiana at Lafayette | | 12,984,693 |
| University of Louisiana at Monroe | | 9,200,319 |
| University of New Orleans | | 8,220,880 |
| Academic Competitiveness Grants | 84.375 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | 62,175 |
| Bossier Parish Community College | | 89,928 |
| Delgado Community College | | 31,775 |
| L. E. Fletcher Technical Community College | | 32,250 |
| Louisiana State University at Alexandria | | 160,175 |
| LSU A&M College (Baton Rouge) | | 762,887 |
| Louisiana State University at Eunice | | 100,928 |
| Louisiana State University in Shreveport | | 114,573 |
| Louisiana Tech University | | 209,040 |
| Louisiana Technical College | | 9,850 |
| McNeese State University | | 71,718 |
| Nicholls State University | | 249,944 |
| Northwestern State University | | 374,269 |
| Nunez Community College | | 26,475 |
| River Parishes Community College | | 8,050 |
| South Louisiana Community College | | 19,850 |
| Southeastern Louisiana University | | 531,523 |
| Southern University and A&M College (Baton Rouge) | | 331,804 |
| Southern University at New Orleans | | 21,349 |
| Southern University at Shreveport-Bossier City | | 36,607 |
| Sowela Technical Community College | | 41,725 |
| University of Louisiana at Lafayette | | 430,276 |
| University of Louisiana at Monroe | | 404,959 |
| University of New Orleans | | 195,931 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|--------------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>Student Financial Assistance Cluster: (Cont.)</u> | | |
| National Science and Mathematics Access to Retain Talent (SMART) Grants | 84.376 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University at Alexandria | | \$24,204 |
| LSU A&M College (Baton Rouge) | | 428,333 |
| Louisiana State University in Shreveport | | 88,835 |
| Louisiana Tech University | | 255,798 |
| McNeese State University | | 33,785 |
| Nicholls State University | | 34,581 |
| Northwestern State University | | 128,421 |
| Southeastern Louisiana University | | 107,030 |
| Southern University and A&M College (Baton Rouge) | | 81,887 |
| Southern University at New Orleans | | 8,250 |
| University of Louisiana at Lafayette | | 201,574 |
| University of Louisiana at Monroe | | 67,298 |
| University of New Orleans | | 99,300 |
| Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | 84.379 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 19,880 |
| Southeastern Louisiana University | | 3,000 |
| Total Student Financial Assistance Cluster | | <u>222,704,225</u> |
| <u>Title I, Part A Cluster:</u> | | |
| Title I Grants to Local Educational Agencies | 84.010 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 356,906,164 |
| Through: <u>UNO New Beginnings Foundation</u> | | |
| University of New Orleans | | <u>1,790,093</u> |
| Total Title I, Part A Cluster | | <u>358,696,257</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>TRIO Cluster:</u> | | |
| TRIO - Student Support Services | 84.042 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | \$307,536 |
| LSU A&M College (Baton Rouge) | | 332,379 |
| Louisiana State University at Eunice | | 432,464 |
| Northwestern State University | | 377,726 |
| Southeastern Louisiana University | | 330,527 |
| Southern University at New Orleans | | 236,823 |
| Southern University at Shreveport-Bossier City | | 374,119 |
| University of Louisiana at Lafayette | | 672,007 |
| University of New Orleans | | 235,619 |
| TRIO - Talent Search | 84.044 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | 592,720 |
| Southern University and A&M College (Baton Rouge) | | 576,771 |
| Southern University at New Orleans | | 400,401 |
| Southern University at Shreveport-Bossier City | | 392,163 |
| University of Louisiana at Lafayette | | 676,516 |
| University of Louisiana at Monroe | | 352,810 |
| University of New Orleans | | 914,442 |
| TRIO - Upward Bound | 84.047 | |
| <u>Direct Awards:</u> | | |
| Baton Rouge Community College | | 306,703 |
| Delgado Community College | | 238,332 |
| Grambling State University | | (413) |
| Louisiana State University at Eunice | | 448,949 |
| McNeese State University | | 307,674 |
| Nicholls State University | | 259,946 |
| Southeastern Louisiana University | | 1,851,402 |
| Southern University and A&M College (Baton Rouge) | | 774,814 |
| Southern University at New Orleans | | 430,354 |
| Southern University at Shreveport-Bossier City | | 1,077,263 |
| University of Louisiana at Lafayette | | 1,527,835 |
| University of Louisiana at Monroe | | 282,553 |
| University of New Orleans | | 839,317 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------------|
| U.S. DEPARTMENT OF EDUCATION (CONT.) | | |
| <u>TRIO Cluster:</u> (Cont.) | | |
| TRIO - Educational Opportunity Centers | 84.066 | |
| <u>Direct Awards:</u> | | |
| Southeastern Louisiana University | | \$356,442 |
| Southern University at Shreveport-Bossier City | | 227,767 |
| TRIO - McNair Post-Baccalaureate Achievement | 84.217 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 295,502 |
| Southern University and A&M College (Baton Rouge) | | 233,287 |
| University of Louisiana at Lafayette | | 263,213 |
| | | <hr/> |
| Total TRIO Cluster | | 16,925,963 |
| | | <hr/> |
| <u>Vocational Rehabilitation Cluster:</u> | | |
| Rehabilitation Services - Vocational Rehabilitation Grants to States | 84.126 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 49,315,006 |
| | | <hr/> |
| Total U.S. Department of Education | | \$1,216,922,346 |
| | | <hr/> <hr/> |
| NATIONAL ARCHIVES AND RECORDS ADMINISTRATION | | |
| National Historical Publications and Records Grants | 89.003 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$10,000 |
| | | <hr/> |
| Total National Archives and Records Administration | | \$10,000 |
| | | <hr/> <hr/> |
| DELTA REGIONAL AUTHORITY | | |
| Delta Area Economic Development | 90.201 | |
| <u>Direct Awards:</u> | | |
| Nicholls State University | | \$150,000 |
| | | <hr/> |
| Total Delta Regional Authority | | \$150,000 |
| | | <hr/> <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------|
| ELECTIONS ASSISTANCE COMMISSION | | |
| Help America Vote Act Requirements Payments | 90.401 | |
| <u>Direct Awards:</u> | | |
| Department of State | | \$2,396,901 |
| | | \$2,396,901 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | |
| Public Health and Social Services Emergency Fund | 93.003 | |
| <u>Through: Center for Public Service Communications</u> | | |
| Southern University and A&M College (Baton Rouge) | | \$9,392 |
| Cooperative Agreements to Improve the Health Status of the Minority Populations | 93.004 | |
| <u>Through: Biomedical Research Foundation of Northwest Louisiana</u> <u>(#6MPCMP051004-0209)</u> | | |
| Louisiana State University in Shreveport | | 64,930 |
| HIV Prevention Programs for Women | 93.015 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 79,876 |
| <u>Through: Advocate for Youth</u> | | |
| Southern University and A&M College (Baton Rouge) | | 14,434 |
| <u>Through: Center for Health Training</u> | | |
| Grambling State University | | 3,301 |
| | | 97,611 |
| Healthy Marriage Promotion and Responsible Fatherhood Grants | 93.086 | |
| <u>Direct Awards:</u> | | |
| Southern University and A&M College (Baton Rouge) | | 146,753 |
| Special Programs for the Aging-Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.041 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | 65,286 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Special Programs for the Aging-Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals <u>Direct Awards:</u> Governor's Office of Elderly Affairs | 93.042 | <u>\$244,041</u> |
| Special Programs for the Aging-Title III, Part D - Disease Prevention and Health Promotion Services <u>Direct Awards:</u> Governor's Office of Elderly Affairs | 93.043 | <u>289,140</u> |
| Special Programs for the Aging-Title IV and Title II - Discretionary Projects <u>Direct Awards:</u> Governor's Office of Elderly Affairs | 93.048 | <u>18,642</u> |
| Alzheimer's Disease Demonstration Grants to States <u>Direct Awards:</u> Governor's Office of Elderly Affairs | 93.051 | <u>4,792</u> |
| National Family Caregiver Support, Title III, Part E <u>Direct Awards:</u> Governor's Office of Elderly Affairs | 93.052 | <u>2,023,809</u> |
| Public Health Emergency Preparedness <u>Direct Awards:</u> Office of Public Health | 93.069 | <u>15,202,819</u> |
| Food and Drug Administration - Research <u>Direct Awards:</u> Department of Agriculture and Forestry | 93.103 | <u>1,500</u> |
| Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) <u>Direct Awards:</u> Department of Health and Hospitals | 93.104 | <u>1,502,286</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Model State-Supported Area Health Education Centers | 93.107 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$167,494 |
| Louisiana State University Health Sciences Center (Shreveport) | | 133,508 |
| | | <hr/> |
| Total Model State-Supported Area Health Education Centers | | 301,002 |
| | | <hr/> |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 316,039 |
| Louisiana State University Health Sciences Center (Shreveport) | | 6,492 |
| | | <hr/> |
| Total Maternal and Child Health Federal Consolidated Programs | | 322,531 |
| | | <hr/> |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 927,147 |
| | | <hr/> |
| Emergency Medical Services for Children | 93.127 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 108,496 |
| | | <hr/> |
| Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices | 93.130 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 178,465 |
| | | <hr/> |
| Injury Prevention and Control Research and State and Community Based Programs | 93.136 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 861,085 |
| | | <hr/> |
| Community Programs to Improve Minority Health Grant Program | 93.137 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 122,199 |
| | | <hr/> |
| NIEHS Hazardous Waste Worker Health and Safety Training Through: Dillard University (#5U45ES010664-09/1055108) | 93.142 | |
| Southern University and A&M College (Baton Rouge) | | 124,871 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| AIDS Education and Training Centers <u>Through: Academy of Educational Development (#3725-01)</u> University Medical Center of Louisiana | 93.145 | <u>\$59,064</u> |
| Projects for Assistance in Transition from Homelessness (PATH) <u>Direct Awards:</u> Department of Health and Hospitals | 93.150 | <u>369,435</u> |
| Coordinated Services and Access to Research for Women, Infants, Children, and Youth <u>Through: Children's Hospital Research Institute</u> Louisiana State University Health Sciences Center (New Orleans) | 93.153 | <u>89,980</u> |
| Grants to States for Loan Repayment Program <u>Direct Awards:</u> Department of Health and Hospitals | 93.165 | <u>411,338</u> |
| Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children <u>Direct Awards:</u> Office of Public Health | 93.197 | <u>421,715</u> |
| Surveillance of Hazardous Substance Emergency Events <u>Direct Awards:</u> Office of Public Health | 93.204 | <u>34,829</u> |
| Research and Training Complementary and Alternative Medicine <u>Through: National Library of Science</u> Southern University and A&M College (Baton Rouge) | 93.213 | <u>2,445</u> |
| Family Planning - Services <u>Direct Awards:</u> Office of Public Health | 93.217 | <u>4,601,921</u> |
| Consolidated Knowledge Development and Application (KD&A) Program <u>Through: University of California, Los Angeles</u> Louisiana State University Health Sciences Center (New Orleans) | 93.230 | <u>(11,221)</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Abstinence Education Program | 93.235 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | <u>\$663,927</u> |
| Grants for Dental Public Health Residency Training | 93.236 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | <u>114,590</u> |
| Policy Research and Evaluation Grants | 93.239 | |
| <u>Through: University of Kentucky Research Foundation (#UKRF30481040)</u> | | |
| Southern University and A&M College (Baton Rouge) | | <u>3,820</u> |
| State Rural Hospital Flexibility Program | 93.241 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | <u>1,374,394</u> |
| Mental Health Research Grants | 93.242 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | <u>93,484</u> |
| Substance Abuse and Mental Health Services - Projects of Regional and National Significance | 93.243 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 2,083,472 |
| <u>Through: International Resource Group, Ltd.</u> | | |
| Grambling State University | | <u>1,268</u> |
| Total Substance Abuse and Mental Health Services - Projects of Regional and National Significance | | <u>2,084,740</u> |
| Universal Newborn Hearing Screening | 93.251 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | <u>161,413</u> |
| Poison Control Stabilization and Enhancement Grants | 93.253 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | <u>214,640</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Rural Access to Emergency Devices Grant | 93.259 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$123,269 |
| Occupational Safety and Health Program | 93.262 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 13,419 |
| <u>Through: University of Maryland (#CG 0515)</u> | | |
| University of Louisiana at Lafayette | | 32,882 |
| <u>Through: University of Massachusetts Lowell (S1110861000008)</u> | | |
| Southeastern Louisiana University | | 5,772 |
| <u>Through: University of Texas Health Science Center at Tyler (Sc08-11)</u> | | |
| Southeastern Louisiana University | | 3,270 |
| Total Occupational Safety and Health Program | | 55,343 |
| Substance Abuse and Mental Health Services - Access to Recovery | 93.275 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 5,556,870 |
| Mental Health National Research Service Awards for Research Training | 93.282 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | 17,853 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance | 93.283 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 1,911,800 |
| Office of Public Health | | 1,443,031 |
| Total Centers for Disease Control and Prevention - Investigations and Technical Assistance | | 3,354,831 |
| Small Rural Hospital Improvement Grant Program | 93.301 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 303,394 |
| Comparative Medicine | 93.306 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 44,868 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Advanced Education Nursing Traineeships | 93.358 | |
| <u>Direct Awards:</u> | | |
| McNeese State University | | \$37,104 |
| Northwestern State University | | 34,596 |
| Southeastern Louisiana University | | 35,127 |
| Southern University and A&M College (Baton Rouge) | | 34,228 |
| | | <hr/> |
| Total Advanced Education Nursing Traineeships | | 141,055 |
| | | <hr/> |
| National Center for Research Resources | 93.389 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 144,224 |
| <u>Through: University of Washington (#PO#524917)</u> | | |
| University of Louisiana at Lafayette | | 887,288 |
| | | <hr/> |
| Total National Center for Research Resources | | 1,031,512 |
| | | <hr/> |
| Promoting Safe and Stable Families | 93.556 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 11,353,811 |
| <u>Through: Volunteers of America of Greater New Orleans Inc.</u> | | |
| LSU Agricultural Center | | 35,612 |
| | | <hr/> |
| Total Promoting Safe and Stable Families | | 11,389,423 |
| | | <hr/> |
| Child Support Enforcement | 93.563 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 34,795,066 |
| ARRA - Child Support Enforcement | 93.563 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 11,330,969 |
| | | <hr/> |
| Total Child Support Enforcement | | 46,126,035 |
| | | <hr/> |
| Child Support Enforcement Research | 93.564 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 268,612 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Refugee and Entrant Assistance - State Administered Programs | 93.566 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | \$32,813 |
| Community Services Block Grant - Discretionary Awards | 93.570 | |
| <u>Through: International Resource Group, Ltd.</u> | | |
| Grambling State University | | 1,586 |
| State Court Improvement Program | 93.586 | |
| <u>Direct Awards:</u> | | |
| Supreme Court of Louisiana | | 414,320 |
| Community-Based Child Abuse Prevention Grants | 93.590 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 528,735 |
| Grants to States for Access and Visitation Programs | 93.597 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 201,066 |
| Chafee Education and Training Vouchers Program (ETV) | 93.599 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 345,012 |
| Child Support Enforcement Demonstrations and Special Projects | 93.601 | |
| <u>Through: South Baton Rouge Christian Children's Foundation</u> | | |
| <u>(#90FI0069)</u> | | |
| LSU A&M College (Baton Rouge) | | 6,788 |
| Voting Access for Individuals with Disabilities - Grants to States | 93.617 | |
| <u>Direct Awards:</u> | | |
| Department of State | | 174,863 |
| Developmental Disabilities Basic Support and Advocacy Grants | 93.630 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 1,384,311 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Children's Justice Grants to States | 93.643 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | \$213,779 |
| Child Welfare Services - State Grants | 93.645 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 4,730,328 |
| Child Welfare Services Training Grants | 93.648 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 186,678 |
| Foster Care - Title IV-E | 93.658 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 53,457,234 |
| ARRA - Foster Care - Title IV-E | 93.658 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 1,685,569 |
| Total Foster Care - Title IV-E | | 55,142,803 |
| Adoption Assistance | 93.659 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 17,110,495 |
| ARRA - Adoption Assistance | 93.659 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 1,039,213 |
| Total Adoption Assistance | | 18,149,708 |
| Social Services Block Grant | 93.667 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 56,739,428 |
| Child Abuse and Neglect State Grants | 93.669 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 192,362 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes | 93.671 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | \$1,364,694 |
| Chafee Foster Care Independence Program | 93.674 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 1,362,399 |
| ARRA-Trans - NIH Recovery Act Research Support | 93.701 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 54,586 |
| Children's Health Insurance Program | 93.767 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 179,311,239 |
| Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities | 93.768 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 623,483 |
| Medicare - Hospital Insurance | 93.773 | |
| <u>Direct Awards:</u> | | |
| Department of Veterans Affairs | | 3,476,343 |
| Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | 93.779 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 44,349,763 |
| Department of Insurance | | 554,045 |
| Louisiana State University Health Sciences Center (New Orleans) | | 422,872 |
| <u>Through: LSU Health Care Network</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 458,583 |
| Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | | 45,785,263 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Alternate Non-Emergency Service Providers or Networks | 93.790 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | <u>\$39,856</u> |
| Cardiovascular Diseases Research | 93.837 | |
| <u>Through: Saint Luke's Hospital</u> | | |
| Leonard J. Chabert Medical Center | | 755 |
| <u>Through: Yale University</u> | | |
| Leonard J. Chabert Medical Center | | <u>570</u> |
| Total Cardiovascular Diseases Research | | <u>1,325</u> |
| Diabetes, Digestive, and Kidney Diseases Extramural Research | 93.847 | |
| <u>Through: George Washington University</u> | | |
| Leonard J. Chabert Medical Center | | <u>116</u> |
| Extramural Research Programs in the Neurosciences and Neurological Disorders | 93.853 | |
| <u>Through: Columbia University</u> | | |
| Leonard J. Chabert Medical Center | | <u>650</u> |
| Biomedical Research and Research Training | 93.859 | |
| <u>Direct Awards:</u> | | |
| Grambling State University | | <u>276,802</u> |
| Grants for Training in Primary Care Medicine and Dentistry | 93.884 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | <u>15,884</u> |
| Health Care and Other Facilities | 93.887 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | <u>16,926</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| National Bioterrorism Hospital Preparedness Program | 93.889 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | \$6,371,909 |
| <u>Through: Louisiana Hospital Association (#09 HRSA SPECPRO)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 93,176 |
| <u>Through: Louisiana Hospital Association</u> | | |
| LSU Health Sciences Center (Shreveport) | | |
| E. A. Conway Medical Center | | 370,350 |
| <u>Through: Louisiana Hospital Association</u> | | |
| LSU Health Sciences Center (Shreveport) | | |
| Huey P. Long Medical Center | | 37,389 |
| | | <hr/> |
| Total National Bioterrorism Hospital Preparedness Program | | 6,872,824 |
| | | <hr/> |
| Grants to States for Operation of Offices of Rural Health | 93.913 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 105,407 |
| | | <hr/> |
| HIV Emergency Relief Project Grants | 93.914 | |
| <u>Through: City of New Orleans (#PC210-00000028974)</u> | | |
| Medical Center of Louisiana at New Orleans | | 1,250,062 |
| | | <hr/> |
| HIV Care Formula Grants | 93.917 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 28,584,117 |
| <u>Through: HIV/AIDS Alliance Region II, Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 32,075 |
| | | <hr/> |
| Total HIV Care Formula Grants | | 28,616,192 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | 93.918 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$686,098 |
| Louisiana State University Health Sciences Center (Shreveport) | | 235,564 |
| Medical Center of Louisiana at New Orleans | | 971,058 |
| <u>Through: City of Baton Rouge</u> | | |
| Earl K Long Medical Center | | 449,310 |
| <u>Through: Greater Ouachita Coalition (GO CARE) (#72-113-663-9)</u> | | |
| LSU Health Sciences Center (Shreveport) - E. A. Conway Medical Center | | <u>32,045</u> |
| Total Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | | <u>2,374,075</u> |
| Ryan White HIV/AIDS Dental Reimbursements/ Community Based Dental Partnership | 93.924 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | <u>248,046</u> |
| Special Projects of National Significance | 93.928 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | <u>837,784</u> |
| Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems | 93.938 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | <u>179,752</u> |
| HIV Prevention Activities - Health Department Based | 93.940 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | <u>6,165,117</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-----------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| HIV Demonstration, Research, Public and Professional Education Projects | 93.941 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | \$784,800 |
| <u>Through: McFarland and Associates</u> | | |
| Southern University and A&M College (Baton Rouge) | | 61,553 |
| | | <hr/> |
| Total HIV Demonstration, Research, Public and Professional Education Projects | | 846,353 |
| | | <hr/> |
| Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups | 93.943 | |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (3,407) |
| | | <hr/> |
| Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance | 93.944 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 1,686,005 |
| | | <hr/> |
| Assistance Programs for Chronic Disease Prevention and Control | 93.945 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 328,071 |
| | | <hr/> |
| Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs | 93.946 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 174,808 |
| | | <hr/> |
| Block Grants for Community Mental Health Services | 93.958 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 6,398,765 |
| | | <hr/> |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 24,036,947 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|--------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Preventive Health Services - Sexually Transmitted Diseases Control Grants <u>Direct Awards:</u> Office of Public Health | 93.977 | <u>\$2,283,620</u> |
| Mental Health Disaster Assistance and Emergency Mental Health <u>Direct Awards:</u> Department of Health and Hospitals | 93.982 | <u>12,715,031</u> |
| Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems <u>Direct Awards:</u> Department of Health and Hospitals | 93.988 | <u>66,213</u> |
| Preventive Health and Health Services Block Grant <u>Direct Awards:</u> Office of Public Health | 93.991 | <u>3,419,963</u> |
| Maternal and Child Health Services Block Grant to the States <u>Direct Awards:</u> Office of Public Health | 93.994 | <u>14,297,929</u> |
| Adult Blood Lead Surveillance <u>Direct Awards:</u> Office of Public Health | 93.211-2008-M-25406 | <u>20,486</u> |
| Dendritic Cell Mediated Induction of Anti-HCV Immunity <u>Through: Nationwide Children's Hospital (#341906)</u> University of Louisiana at Lafayette | 93.R01A1061684 | <u>83,770</u> |
| Family Domestic Violence Prevention Services <u>Direct Awards:</u> Southern University at New Orleans | 93.90EV0339/01-03 | <u>19,683</u> |
| Food Inspection <u>Direct Awards:</u> Office of Public Health | 93.F223-2007-400-50C/840121C | <u>51,464</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|------------------------------|----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| Gulf Coast Addiction Technology Transfer Center <u>Through: University of Texas at Austin</u> Northwestern State University | 93.UTA03-223 | \$49,205 |
| Hansen's Disease National Ambulatory Care Program <u>Direct Awards:</u> Department of Military Affairs | 93.unknown | 241,637 |
| HCV-Specific T Cell Responses in Chimpanzees <u>Through: Nationwide Children's Hospital (#220807)</u> University of Louisiana at Lafayette | 93.R37-A147367 | 96,963 |
| HRSA: Newborn Hearing Screening <u>Direct Awards:</u> Louisiana State University Health Sciences Center (Shreveport) | 93.03-MCHB-052B | 3,806 |
| IT Tech Assistance <u>Through: RTI International (#47-312-0209818)</u> University of Louisiana at Lafayette | 93.270-05-0134 | 54,492 |
| NN/LM Resource Library Outreach <u>Through: Houston Academy of Medicine</u> Louisiana State University Health Sciences Center (New Orleans) | 93.OTHN01LM63505 | 10,954 |
| Office of Criminal Investigation <u>Direct Awards:</u> Department of Public Safety and Corrections - Public Safety Services | 93.unknown | 3,694 |
| Resource Library Outreach <u>Through: NM/LM SCR, Houston Academy of Medicine</u> Louisiana State University Health Sciences Center (Shreveport) | 93.N01-LM-6-3505 | 29,007 |
| Seafood Inspection <u>Direct Awards:</u> Office of Public Health | 93.F223-2007-400-50C/840121C | 62,030 |
| Vital Stat Coop <u>Direct Awards:</u> Office of Public Health | 93.200-2007-M-19933 | 217,122 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Aging Cluster:</u> | | |
| Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers | 93.044 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | \$5,389,877 |
| Special Programs for the Aging - Title III, Part C - Nutrition Services | 93.045 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | 7,593,736 |
| Nutrition Services Incentive Program | 93.053 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | 2,660,000 |
| ARRA - Aging Home-Delivered Nutrition Services for States | 93.705 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | 93,758 |
| ARRA - Aging Congregate Nutrition Services for States | 93.707 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Elderly Affairs | | 193,225 |
| | | <hr/> |
| Total Aging Cluster | | 15,930,596 |
| | | <hr/> |
| <u>CCDF Cluster:</u> | | |
| Child Care and Development Block Grant | 93.575 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 97,500,281 |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | 36,143,426 |
| | | <hr/> |
| Total CCDF Cluster | | 133,643,707 |
| | | <hr/> |
| <u>CSBG Cluster:</u> | | |
| Community Services Block Grant | 93.569 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 15,224,492 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|---------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Head Start Cluster:</u> | | |
| Head Start | 93.600 | |
| <u>Direct Awards:</u> | | |
| Department of Social Services | | \$99,919 |
| Southern University and A&M College (Baton Rouge) | | 171,518 |
| <u>Through: Regina Coeli Child Development Center</u> | | |
| Southeastern Louisiana University | | 1,229 |
| | | <hr/> |
| Total Head Start Cluster | | 272,666 |
| | | <hr/> |
| <u>Immunization Cluster:</u> | | |
| Immunization Grants | 93.268 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 2,139,561 |
| | | <hr/> |
| <u>Medicaid Cluster:</u> | | |
| State Medicaid Fraud Control Units | 93.775 | |
| <u>Direct Awards:</u> | | |
| Department of Justice | | 3,418,956 |
| Hurricane Katrina Relief | 93.776 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 10,128,629 |
| State Survey and Certification of Health Care Providers and Suppliers | 93.777 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 8,499,722 |
| Medical Assistance Program | 93.778 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 4,530,025,760 |
| ARRA - Medical Assistance Program | 93.778 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 350,558,499 |
| | | <hr/> |
| Total Medicaid Cluster | | 4,902,631,566 |
| | | <hr/> |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> | | |
| Ambassadors for Change Program | 93.013 | |
| <u>Through: Sensor Development Corp.</u> | | |
| University of New Orleans | | \$14,114 |
| Innovations in Applied Public Health Research | 93.061 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 146,031 |
| Centers for Genomics and Public Health | 93.063 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 113,228 |
| Maternal and Child Health Federal Consolidated Programs | 93.110 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 139,106 |
| Environmental Health | 93.113 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 467,296 |
| Louisiana State University Health Sciences Center (New Orleans) | | 612,100 |
| Southern University and A&M College (Baton Rouge) | | (1,011) |
| <u>Through: University of Alabama at Birmingham</u> | | |
| <u>(#5 P01 ES011617-06)</u> | | |
| LSU A&M College (Baton Rouge) | | 17,506 |
| <u>Through: Sensor Development Corp.</u> | | |
| University of New Orleans | | 10,000 |
| Oral Diseases and Disorders Research | 93.121 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 304,927 |
| Louisiana State University Health Sciences Center (New Orleans) | | 687,514 |
| Louisiana State University Health Sciences Center (Shreveport) | | 692,650 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 15,424 |
| <u>Through: University of Kentucky</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 23,229 |
| <u>Through: Case Western Reserve University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 21,562 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Oral Diseases and Disorders Research (Cont.) | 93.121 | |
| <u>Through: F. Hutchinson Cancer Research Center</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$973 |
| <u>Through: Children's Hospital, Boston</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 5,430 |
| Nurse Anesthetist Traineeships | 93.124 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 33,633 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (122) |
| Community Programs to Improve Minority Health Grant Program | 93.137 | |
| <u>Through: Biomedical Research Foundation of NW Louisiana</u> | | |
| Louisiana Tech University | | 17,101 |
| NIEHS Superfund Hazardous Substances - Basic Research and Education | 93.143 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 658,259 |
| AIDS Education and Training Centers | 93.145 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,461,558 |
| Research Related to Deafness and Communication Disorders | 93.173 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 216,851 |
| Nursing Workforce Diversity | 93.178 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 6,957 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Research and Training in Complementary and Alternative Medicine | 93.213 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$268,979 |
| Louisiana State University Health Sciences Center (New Orleans) | | 54,439 |
| Pennington Biomedical Research Center | | 1,419,285 |
| <u>Through: University of Southern California (#H38671)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 38,846 |
| <u>Through: Rutgers, The State University of New Jersey(#P50AT002776)</u> | | |
| LSU Agricultural Center | | 58,445 |
| <u>Through: University of Texas M D Anderson Cancer Center</u> | | |
| <u>(#1 R21 AT004514 01)</u> | | |
| LSU Agricultural Center | | 70,769 |
| Research on Healthcare Costs, Quality and Outcomes | 93.226 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 25,456 |
| State Capacity Building | 93.240 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 256,638 |
| Mental Health Research Grants | 93.242 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 12,928 |
| Louisiana State University Health Sciences Center (New Orleans) | | 293,231 |
| Louisiana State University Health Sciences Center (Shreveport) | | 87,156 |
| University of New Orleans | | 418,176 |
| <u>Through: Social & Scientific Systems Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 11,136 |
| <u>Through: University of Kentucky</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 13,333 |
| Substance Abuse and Mental Health Services - Projects of Regional and National Significance | 93.243 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 166,340 |
| <u>Through: University of California, Los Angeles</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 85,302 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Advanced Education Nursing Grant Program | 93.247 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$734,002 |
| Public Health Training Centers Grant Program | 93.249 | |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 74 |
| Occupational Safety and Health Program | 93.262 | |
| <u>Direct Awards:</u> | | |
| Office of Public Health | | 121,798 |
| Alcohol Research Career Development Awards for Scientists and Clinicians | 93.271 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 190,066 |
| Alcohol National Research Service Awards for Research Training | 93.272 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 223,245 |
| Alcohol Research Programs | 93.273 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 485,141 |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,696,610 |
| Louisiana State University Health Sciences Center (Shreveport) | | 150,938 |
| <u>Through: Mississippi State University (#182090-311302-01)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 64,460 |
| <u>Through: Xavier University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (154) |
| Drug-Free Communities Support Program Grants | 93.276 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 83,903 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Drug Abuse and Addiction Research Programs | 93.279 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$835,882 |
| Louisiana State University Health Sciences Center (Shreveport) | | 289,922 |
| University of New Orleans | | 480,511 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (2,910) |
| <u>Through: Massachusetts General Hospital</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 8,417 |
| <u>Through: Virginia Commonwealth University (#7P01DA019398-03)</u> | | |
| Pennington Biomedical Research Center | | 138,061 |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance | 93.283 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 2,340,318 |
| <u>Through: Association of American Medical Colleges</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 4,679 |
| <u>Through: Mississippi State Department of Health</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 239 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 5,594 |
| <u>Through: University of California, Los Angeles</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 16,257 |
| Discovery and Applied Research for Technological Innovations to Improve Human Health | 93.286 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 1,241,369 |
| <u>Through: Ohio State University Research Foundation</u> | | |
| Louisiana Tech University | | 4,113 |
| <u>Through: Portland State University (#2R01EB002044-06A1)</u> | | |
| LSU A&M College (Baton Rouge) | | 40,306 |
| Comparative Medicine | 93.306 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 2,752 |
| Louisiana State University Health Sciences Center (New Orleans) | | 63,716 |
| University of Louisiana at Lafayette | | 35,889 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Minority Health and Health Disparities Research | 93.307 | |
| <u>Direct Awards:</u> | | |
| Southern University at Shreveport-Bossier City | | \$345,783 |
| National Center for Research Resources | 93.389 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | 390,417 |
| LSU A&M College (Baton Rouge) | | 5,743,431 |
| Louisiana State University Health Sciences Center (New Orleans) | | 8,360,474 |
| Louisiana State University Health Sciences Center (Shreveport) | | 1,964,480 |
| Pennington Biomedical Research Center | | 1,447,774 |
| University of Louisiana at Lafayette | | 1,147,157 |
| <u>Through: Illinois State University</u> | | |
| University of New Orleans | | 34,079 |
| <u>Through: Texas State University-San Marcos (#1R24RR024790-1)</u> | | |
| LSU Agricultural Center | | 120,215 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 424,201 |
| Research Cancer Construction | 93.392 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 297,131 |
| Cancer Cause and Prevention Research | 93.393 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 390,112 |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,443,593 |
| Louisiana State University Health Sciences Center (Shreveport) | | 1,172,792 |
| Pennington Biomedical Research Center | | 258,877 |
| <u>Through: H. Lee Moffit Cancer Center</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (10,062) |
| <u>Through: University of Cincinnati</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 8,013 |
| <u>Through: University of Miami</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (9) |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 7,870 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Cancer Detection and Diagnosis Research | 93.394 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$243,676 |
| Cancer Treatment Research | 93.395 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 638,007 |
| Louisiana State University Health Sciences Center (New Orleans) | | 601,749 |
| Louisiana State University Health Sciences Center (Shreveport) | | 204,582 |
| <u>Through: National Childhood Cancer Foundation</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 25,003 |
| <u>Through: Southwest Oncology Group</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 28,688 |
| <u>Through: VectorLogics, Inc.</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 129,548 |
| <u>Through: Wayne State University (#5 RO1 CA023378-27)</u> | | |
| LSU A&M College (Baton Rouge) | | 57,369 |
| Cancer Biology Research | 93.396 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 578,990 |
| Louisiana State University Health Sciences Center (Shreveport) | | 209,597 |
| University of Louisiana at Monroe | | 69,348 |
| Cancer Research Manpower | 93.398 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 141,522 |
| Louisiana State University Health Sciences Center (New Orleans) | | 43,389 |
| Louisiana State University Health Sciences Center (Shreveport) | | 17,402 |
| <u>Through: University of South Alabama</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 69,830 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Cancer Control | 93.399 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$611,501 |
| Louisiana State University Health Sciences Center (Shreveport) | | 492,744 |
| University of Louisiana at Monroe | | 26,277 |
| <u>Through: Sloan-Kettering Institute for Cancer Research</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 249,281 |
| <u>Through: Southwest Oncology Group</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (1,369) |
| <u>Through: University of Texas (#5 R01 CA109919 05)</u> | | |
| Pennington Biomedical Research Center | | 20,271 |
| University Centers for Excellence in Developmental Disabilities Education, Research, and Service | 93.632 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 439,989 |
| Trans - NIH Recovery Act Research Support | 93.701 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 62,035 |
| ARRA - TRANS-NIH Recovery Act Research Support | 93.701 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 9,054 |
| Pennington Biomedical Research Center | | 2,129 |
| Health Careers Opportunity Program | 93.822 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 366,888 |
| Cardiovascular Diseases Research | 93.837 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 345,098 |
| Louisiana State University Health Sciences Center (New Orleans) | | 689,591 |
| Louisiana State University Health Sciences Center (Shreveport) | | 1,449,204 |
| Pennington Biomedical Research Center | | 716,146 |
| Southeastern Louisiana University | | 35,145 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Cardiovascular Diseases Research (Cont.) | 93.837 | |
| <u>Through: Kaiser Foundation Research Institute (#R01 HL078972)</u> | | |
| Pennington Biomedical Research Center | | \$14,583 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (1,505) |
| <u>Through: University of South Alabama</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 17,543 |
| <u>Through: University of Wisconsin (#1 R01 HL076238-01)</u> | | |
| Pennington Biomedical Research Center | | 69,347 |
| <u>Through: Wake Forest University HSC</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 137,425 |
| Lung Diseases Research | 93.838 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 21,152 |
| Louisiana State University Health Sciences Center (New Orleans) | | 2,211,783 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 402,009 |
| <u>Through: University of Missouri Columbia (#1R01HL085108-01A2)</u> | | |
| Pennington Biomedical Research Center | | 64,704 |
| <u>Through: University of Pittsburgh</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 32,963 |
| Arthritis, Musculoskeletal and Skin Diseases Research | 93.846 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 38,978 |
| Pennington Biomedical Research Center | | 50,927 |
| Diabetes, Digestive, and Kidney Diseases | 93.847 | |
| Extramural Research | | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 310,663 |
| Louisiana State University Health Sciences Center (New Orleans) | | 88,446 |
| Louisiana State University Health Sciences Center (Shreveport) | | 3,110,820 |
| Pennington Biomedical Research Center | | 3,732,197 |
| <u>Through: University of Pittsburgh</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 35,487 |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Digestive Diseases and Nutrition Research | 93.848 | |
| <u>Direct Awards:</u> | | |
| Pennington Biomedical Research Center | | \$4,244,478 |
| <u>Through: Massachusetts General Hospital</u> | | |
| <u>(#R01DK046270-14A1)</u> | | |
| LSU A&M College (Baton Rouge) | | 165,917 |
| Kidney Diseases, Urology and Hematology Research | 93.849 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 487,035 |
| Pennington Biomedical Research Center | | 67,599 |
| Extramural Research Programs in the Neurosciences and Neurological Disorders | 93.853 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 2,120,750 |
| Louisiana State University Health Sciences Center (Shreveport) | | 661,315 |
| Pennington Biomedical Research Center | | 1,723,775 |
| <u>Through: Kessler Medical Rehab Research Center</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 140 |
| <u>Through: St. Charles Pharmaceuticals</u> | | |
| University of New Orleans | | 60,000 |
| <u>Through: University of Medicine and Dentistry New Jersey (#PO152374)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 49,390 |
| <u>Through: Rush-Presbyterian-St. Luke's Med Ctr (#NS33430)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 1,234 |
| <u>Through: Yale University (#A05648)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 11,483 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Allergy, Immunology and Transplantation Research | 93.855 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$564,500 |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,193,462 |
| Louisiana State University Health Sciences Center (Shreveport) | | 511,539 |
| <u>Through: Battele Memorial Institute</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 25,558 |
| <u>Through: Children's Hospital: The Research Institute for Children</u> | | |
| University of New Orleans | | 104,187 |
| <u>Through: Geo Vax, Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 91,404 |
| <u>Through: Harvard University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 22,623 |
| <u>Through: Social and Scientific Systems, Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 15,319 |
| <u>Through: Vanderbilt University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 6,058 |
| Microbiology and Infectious Diseases Research | 93.856 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (179) |
| Louisiana State University Health Sciences Center (New Orleans) | | 3,143,633 |
| Louisiana State University Health Sciences Center (Shreveport) | | 542,517 |
| <u>Through: University of Florida</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 53,898 |
| <u>Through: University of Indiana</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (55) |
| <u>Through: University of Texas Medical Branch (#05-065)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | (5,749) |
| <u>Through: University of Texas Medical Branch (#06-063)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 59,477 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Biomedical Research and Research Training | 93.859 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | \$617,281 |
| Louisiana State University Health Sciences Center (New Orleans) | | 960,550 |
| Louisiana State University Health Sciences Center (Shreveport) | | 371,892 |
| Southeastern Louisiana University | | 27,504 |
| Southern University and A&M College (Baton Rouge) | | 323,644 |
| University of New Orleans | | 250,472 |
| <u>Through: Massachusetts General Hospital (#5 R01 GM071345-03)</u> | | |
| LSU A&M College (Baton Rouge) | | 10,978 |
| <u>Through: Medical University of South Carolina (#5 R01 GM074247-04)</u> | | |
| Pennington Biomedical Research Center | | 149,948 |
| <u>Through: University of Utah (#R01 GM059290)</u> | | |
| LSU A&M College (Baton Rouge) | | 89,311 |
| <u>Through: University of Wisconsin-Madison (#1 R01 GM067085-01)</u> | | |
| LSU A&M College (Baton Rouge) | | 41,097 |
| Genetics and Developmental Biology Research and Research Training | 93.862 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | 255,467 |
| Child Health and Human Development Extramural Research | 93.865 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 787,962 |
| Louisiana State University Health Sciences Center (Shreveport) | | 145,051 |
| Pennington Biomedical Research Center | | 1,359,897 |
| <u>Through: Ponce School of Medicine</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 17,944 |
| <u>Through: Tulane University (#HUL-HSC-101-07-08)</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | 18,003 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster: (Cont.)</u> | | |
| Aging Research | 93.866 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$87,557 |
| Pennington Biomedical Research Center | | 2,951,710 |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 211,170 |
| <u>Through: University of Kentucky Research Foundation</u> | | |
| <u>(#2P01 AG005119-20A1)</u> | | |
| Pennington Biomedical Research Center | | 144,823 |
| Vision Research | 93.867 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 297,889 |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,621,125 |
| Louisiana State University Health Sciences Center (Shreveport) | | 327,493 |
| <u>Through: Johns Hopkins University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 220,198 |
| <u>Through: Keramed Company</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 33,756 |
| Medical Library Assistance | 93.879 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 669 |
| Louisiana State University Health Sciences Center (New Orleans) | | 8,485 |
| <u>Through: Children's Hospital: The Research Institute for Children</u> | | |
| <u>(#1 K22 LM008794-01 (LOG #3092) GM073617)</u> | | |
| University of New Orleans | | 26,453 |
| Alcohol Research Center Grants | 93.891 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 2,011,689 |
| Rural Health Care Services Outreach and Rural Health Network Development Program | 93.912 | |
| <u>Direct Awards:</u> | | |
| Louisiana Tech University | | |
| <u>Through: Southeastern Louisiana Area Health</u> | | |
| <u>Education Center Foundation, Inc.</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 68,311 |
| | | 127,501 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Preventive Health Services - Sexually Transmitted Diseases Research, Demonstrations, and Public Information and Education Grants | 93.978 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$25 |
| Albumin Acute Stroke Trial | 93.RD.5-U01-NS040406 | |
| <u>Through: University of Miami (#M0104944)</u> | | 11,738 |
| Louisiana State University Health Sciences Center (Shreveport) | | |
| Animal Holding and Care of Animals Exposed to Slow, Latent and Temperate Virus Infections | 93.RD.N02-NS-4-2358 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | | 139,836 |
| Cancer Information Services | 93.RD.N02-CO-51106 | |
| <u>Through: University of Kentucky</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 39,421 |
| Clinical Research Network for Treatment | 93.RD.N268200536172C | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 232,978 |
| Data Collection and Analysis for the Delta Vitamin Study | 93.RD.HHSF222200860398P | |
| <u>Direct Awards:</u> | | |
| Pennington Biomedical Research Center | | 20,000 |
| DCRI Heart Failure & Controlled Trial (HF-Action) | 93.RD.U01-HL-63747 | |
| <u>Through: Duke University (#SPS-117161)</u> | | 2,500 |
| Louisiana State University Health Sciences Center (Shreveport) | | |
| Determine Genetic Susceptibility to Lung Cancer | 93.RD.N01-HG-65404 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 188,330 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|------------------------------|----------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Development of an Advanced Audiometric Headset <u>Through: Tulane University</u> Louisiana State University Health Sciences Center (New Orleans) | 93.RD.unknown | (\$851) |
| Development of an Assay for the Early Diagnosis of Preclinical Leprosy <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #5 | 69,449 |
| Effects of Antipsychotic Medication Schizophrenia <u>Through: University of North Carolina at Chapel Hill</u> Louisiana State University Health Sciences Center (Shreveport) | 93.RD.N01MH90001 | 64,817 |
| Genetics of Infection and Its Relationship with CVD Risk <u>Through: University of Texas Health Science Center at San Antonio</u> <u>(#R01 HL080149)</u> Pennington Biomedical Research Center | 93.RD.127112A | 735 |
| Hexahydropyrrrolo 3, Indole-Based Compounds <u>Direct Awards:</u> Louisiana State University Health Sciences Center (Shreveport) | 93.RD.263-MA-602288 | 1,851 |
| Identifying New Biomarkers for Breast Cancer Using Antibody Microarray Staining <u>Through: Susan G. Komen Breast Cancer Foundation</u> LSU A&M College (Baton Rouge) | 93.RD.BCTR0601144 | 34,563 |
| International and Domestic Pediatric and Maternal HIV ST <u>Through: Tulane University</u> Louisiana State University Health Sciences Center (New Orleans) | 93.RD.HSN267200800001C | 31,882 |
| Leprosy Research Support and Maintenance of an Armadillo Colony <u>Direct Awards:</u> LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #1 | 66,766 |
| LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #2 | 55,495 |
| LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #3 | 63,137 |
| LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #4 | 44,935 |
| LSU A&M College (Baton Rouge) | 93.RD.258-03-0001/TO #6 | (6,954) |
| LSU A&M College (Baton Rouge) | 93.RD.HHSH258200870001/TO #7 | 39,579 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------|-------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Maintenance and Support of a Specific Pathogen Free Indian - Origin Rhesus Macaque Breeding Program | | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Lafayette | 93.RD.HHSN272200800017C | \$1,080,076 |
| University of Louisiana at Lafayette | 93.RD.HHSN272200700039C | 1,283,601 |
| Microbiology Research Functional Support Services | 93.RD.258-03-0001/TO #9 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (297) |
| NHDP Project Director Management and Oversight - Task Order #6 | 93.RD.HHSH2582008700011/TO #6 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 15,774 |
| Phase 2 Clinical Trial of CELECOXIB: | 93.RD.N01-CN85186-05 | |
| <u>Through: M.D. Anderson Cancer Center-Univ of Texas (#15820/9-25470)</u> | | 119,376 |
| Louisiana State University Health Sciences Center (Shreveport) | | |
| Prevention of Cardiovascular Disease in Diabetes Mellit | 93.RD.N01HC95182 | |
| <u>Through: Tulane University</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 108,952 |
| Screening Colonoscopy Feasibility | 93.RD.R01-CA-79572 | |
| <u>Through: Sloan-Kettering Institute for Cancer Research</u> | | |
| Louisiana State University Health Sciences Center (Shreveport) | | (40,457) |
| SEER Expansion Program | 93.RD.N02NP15106 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | (1,740) |
| SEER Expansion Program | 93.RD.N01PC54402 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 1,627,620 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|--------------------------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.) | | |
| <u>Research and Development Cluster:</u> (Cont.) | | |
| Sexually Transmitted Infections Clinical <u>Through: University of Alabama</u> Louisiana State University Health Sciences Center (New Orleans) | 93.RD.N01AI40073 | \$42,160 |
| Stress, HPA Axis Dysfunction, and Relapse in Alcoholism <u>Through: University of Texas Southwestern Medical Center-Dallas</u> <u>(#5 U01 AA016668-02)</u> Pennington Biomedical Research Center | 93.RD.GMO-800524 | 18,341 |
| Studies on HIV Infected Women and HIV Exposed Infants <u>Direct Awards:</u> Louisiana State University Health Sciences Center (New Orleans) | 93.RD.200-2008-M-25743 | 7,010 |
| West Nile Virus-Protocol 211 <u>Through: University of Alabama at Birmingham (#DMID 06-0059)</u> Louisiana State University Health Sciences Center (Shreveport) | 93.RD.N01AI30025 | 4,122 |
| Total Research and Development Cluster | | <u>95,508,415</u> |
| <u>Student Financial Assistance Cluster:</u> | | |
| Scholarships for Health Professions Students from Disadvantaged Backgrounds <u>Direct Awards:</u> Louisiana State University Health Sciences Center (New Orleans) Northwestern State University Southern University and A&M College (Baton Rouge) | 93.925 | 17,182 159,746 19,946 |
| Total Student Financial Assistance Cluster | | <u>196,874</u> |
| <u>TANF Cluster:</u> | | |
| Temporary Assistance for Needy Families <u>Direct Awards:</u> Department of Social Services <u>Through: Foundation for the Mid-South</u> Southern University and A&M College (Baton Rouge) | 93.558 | 135,912,302 10,652 |
| Total TANF Cluster | | <u>135,922,954</u> |
| Total U.S. Department of Health and Human Services | | <u><u>\$5,887,809,223</u></u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-----------|
| CORPORATION FOR NATIONAL AND COMMUNITY SERVICE | | |
| Retired and Senior Volunteer Program | 94.002 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana at Monroe | | \$82,171 |
| State Commissions | 94.003 | |
| <u>Direct Awards:</u> | | |
| Office of the Lieutenant Governor | | 300,892 |
| Learn and Serve America - School and Community Based Programs | 94.004 | |
| <u>Direct Awards:</u> | | |
| Department of Education | | 205,392 |
| Learn and Serve America - Higher Education | 94.005 | |
| <u>Direct Awards:</u> | | |
| University of Louisiana System | | 355,983 |
| <u>Through: Big Sandy Community and Technical College</u> | | |
| Delgado Community College | | 19,569 |
| <u>Through: Community College National Center for Community Engagement</u> | | |
| Delgado Community College | | 22,000 |
| <u>Through: Louisiana Campus Compact</u> | | |
| LSU A&M College (Baton Rouge) | | 36,480 |
| Louisiana Tech University | | 6,128 |
| <u>Through: Northern Kentucky University Research Foundation (4000120-SL-001)</u> | | |
| Southeastern Louisiana University | | 499 |
| Total Learn and Serve America - Higher Education | | 440,659 |
| AmeriCorps | 94.006 | |
| <u>Direct Awards:</u> | | |
| Office of the Lieutenant Governor | | 5,545,598 |
| <u>Through: Jumpstart for Young Children, Inc. (JS-Site#17)</u> | | |
| Southeastern Louisiana University | | 63,432 |
| <u>Through: Jumpstart for Youth Children, Inc. (JS-SITE #66 #660100)</u> | | |
| University of New Orleans | | 48,426 |
| Total AmeriCorps | | 5,657,456 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|--------------------|
| CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CONT.) | | |
| Planning and Program Development Grants | 94.007 | |
| <u>Direct Awards:</u> | | |
| Office of the Lieutenant Governor | | \$37,142 |
| Training and Technical Assistance | 94.009 | |
| <u>Direct Awards:</u> | | |
| Office of the Lieutenant Governor | | 98,452 |
| Volunteers in Service to America | 94.013 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | 76,423 |
| Office of the Lieutenant Governor | | 4,415 |
| Total Volunteers in Service to America | | 80,838 |
| Gulf-South Summit Sponsorship | 94.363314 | |
| <u>Through: Community College National Center for Community</u> | | |
| <u>Engagement (CCNCCE)</u> | | |
| LSU A&M College (Baton Rouge) | | 6,830 |
| <u>Foster Grandparent/Senior Companion Cluster:</u> | | |
| Foster Grandparent Program | 94.011 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | 292,478 |
| Total Corporation for National and Community Service | | \$7,202,310 |
| SOCIAL SECURITY ADMINISTRATION | | |
| Social Security - Work Incentives Planning and Assistance Program | 96.008 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | \$198,562 |
| <u>Disability Insurance/SSI Cluster:</u> | | |
| Social Security - Disability Insurance | 96.001 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Youth Services | | 76,429 |
| Department of Social Services | | 33,341,063 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|-------------------------------------|---------------------|
| SOCIAL SECURITY ADMINISTRATION (CONT.) | | |
| <u>Disability Insurance/SSI Cluster:</u> (Cont.) | | |
| Supplemental Security Income | 96.006 | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Youth Services | | \$332,657 |
| Total Disability Insurance/SSI Cluster | | 33,750,149 |
| <u>Research and Development Cluster:</u> | | |
| Social Security - Research and Demonstration | 96.007 | |
| <u>Direct Awards:</u> | | |
| Louisiana State University Health Sciences Center (New Orleans) | | 52,709 |
| Total Social Security Administration | | \$34,001,420 |
| U.S. DEPARTMENT OF HOMELAND SECURITY | | |
| Pilot Demonstration or Earmarked Projects | 97.001 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | (\$443) |
| State and Local Homeland Security Training Program | 97.005 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 24,845,501 |
| Urban Areas Security Initiative | 97.008 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 722 |
| Boating Safety Financial Assistance | 97.012 | |
| <u>Direct Awards:</u> | | |
| Department of Wildlife and Fisheries | | 2,399,867 |
| Pre-Disaster Mitigation (PDM) Competitiveness Grants | 97.017 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 31,123 |
| Community Assistance Program State Support Services Element (CAP-SSSE) | 97.023 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 239,548 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|---------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.) | | |
| Flood Mitigation Assistance | 97.029 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | \$68,773 |
| Crisis Counseling | 97.032 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 4,051,192 |
| Disaster Unemployment Assistance | 97.034 | |
| <u>Direct Awards:</u> | | |
| Department of Labor | | 3,347,767 |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 1,417,519,023 |
| <u>Through: California Emergency Management Agency (EMAC #2008-OES2012)</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 660,968 |
| <u>Through: Iowa Homeland Security and Emergency Management Division (EMAC #0630 2008-02)</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 4,762 |
| <u>Through: Kentucky Division of Emergency Management (EMAC #2009-0408-14)</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 200,000 |
| <u>Through: North Dakota Office of Adjutant General (EMAC #0309-012)</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 9,966 |
| <u>Through: State of Texas, Office of the Governor, Division of Emergency Management</u> | | |
| Louisiana Agricultural Finance Authority | | 4,476 |
| <u>Through: Texas Division of Emergency Management (EMAC #2008/9-09/02-12/16/18-0435/1319/001)</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 52,139 |
| Total Disaster Grants - Public Assistance (Presidentially Declared Disasters) | | 1,418,451,334 |
| Hazard Mitigation Grant | 97.039 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 45,685,554 |
| National Dam Safety Program | 97.041 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 55,967 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|---|----------------------------|-------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.) | | |
| Emergency Management Performance Grants | 97.042 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | \$3,319,858 |
| State Fire Training Systems Grants | 97.043 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | 29,433 |
| Pre-Disaster Mitigation | 97.047 (83.577) | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 88 |
| Interoperable Communications Equipment | 97.055 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 41,661 |
| Centers for Homeland Security | 97.061 | |
| Through: <u>Jackson State University (#2008-ST-061-ND0002)</u> | | |
| LSU A&M College (Baton Rouge) | | 18,205 |
| Competitive Training Grants | 97.068 | |
| <u>Direct Awards:</u> | | |
| Northwestern State University | | 578,289 |
| Through: <u>University of Tennessee (#2005-GT-T5-K010)</u> | | |
| LSU A&M College (Baton Rouge) | | 135,775 |
| Total Competitive Training Grants | | 714,064 |
| Map Modernization Management Support | 97.070 | |
| <u>Direct Awards:</u> | | |
| Department of Transportation and Development | | 9,086 |
| Rail and Transit Security Grant Program | 97.075 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 1,415,772 |

(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, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|--------------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.) | | |
| Buffer Zone Protection Program (BZPP) | 97.078 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | <u>\$2,249,188</u> |
| Alternative Housing Pilot Program | 97.087 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | <u>11,588,501</u> |
| Disaster Assistance Projects | 97.088 | |
| <u>Direct Awards:</u> | | |
| Department of Health and Hospitals | | <u>(11,058)</u> |
| Disaster Housing Assistance Grant | 97.109 | |
| <u>Direct Awards:</u> | | |
| Executive Department | | <u>2,924,706</u> |
| Development of WMD Virtual Learning Network (FY 02) - Task 13 | 97.1999-MU-CX-K006 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | <u>(1,260)</u> |
| Immigration and Customs Enforcement | 97.unknown | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | <u>10,273</u> |
| Integrated Response to Suspected WMD Cargo - Task #20 | 97.1999-MU-CX-K006 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | <u>(71)</u> |
| United States Secret Service | 97.unknown | |
| <u>Direct Awards:</u> | | |
| Department of Public Safety and Corrections - Public Safety Services | | <u>5,556</u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|----------------------------|-------------------------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.) | | |
| <u>Homeland Security Cluster:</u> | | |
| State Homeland Security Program (SHSP) | 97.004 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | (\$83,297) |
| Homeland Security Grant Program | 97.004 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 231,698 |
| Homeland Security Grant Program | 97.067 | |
| <u>Direct Awards:</u> | | |
| Governor's Office of Homeland Security and Emergency Preparedness | | 21,435,437 |
| | | <u>21,583,838</u> |
| Total Homeland Security Cluster | | <u>21,583,838</u> |
| <u>Research and Development Cluster:</u> | | |
| Pilot Demonstration or Earmarked Projects | 97.001 | |
| <u>Direct Awards:</u> | | |
| LSU A&M College (Baton Rouge) | | (48) |
| University of New Orleans | | 116,141 |
| Flood Mitigation Assistance | 97.029 | |
| <u>Direct Awards:</u> | | |
| University of New Orleans | | 70,481 |
| Centers for Homeland Security | 97.061 | |
| <u>Through: University of Minnesota (#2007-ST-061-000003)</u> | | |
| LSU Agricultural Center | | 61,200 |
| <u>Through: University of North Carolina at Chapel Hill</u> | | |
| <u>(#2008-ST-061-ND0001)</u> | | |
| LSU A&M College (Baton Rouge) | | 278,664 |
| Field Investigations to Assess Surge and Wave Reduction by Vegetation | 97.RD.09-01-046 | |
| <u>Through: University of Mississippi</u> | | |
| LSU A&M College (Baton Rouge) | | 30,842 |
| | | <u>557,280</u> |
| Total Research and Development Cluster | | <u>557,280</u> |
| | | <u><u>\$1,543,632,025</u></u> |

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

| | CFDA OR OTHER NUMBER | ACTIVITY |
|--|-------------------------------------|-------------------------|
| U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT | | |
| USAID Foreign Assistance for Programs Overseas | 98.001 | |
| <u>Direct Awards:</u> | | |
| LSU Agricultural Center | | \$439,487 |
| Higher Education for Development | 98.AEG-A-00-05-00007-00 | |
| <u>Through: American Council on Education</u> | | |
| University of Louisiana at Lafayette | | 83,896 |
| <u>Research and Development Cluster:</u> | | |
| USAID Foreign Assistance for Programs Overseas | 98.001 | |
| <u>Through: Research Corp of the University of Hawaii</u> | | |
| <u>(#EPP-A-00-06-00012-00)</u> | | |
| LSU A&M College (Baton Rouge) | | 17,256 |
| Total U.S. Agency for International Development | | \$540,639 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS EXCLUDING LOANS | | \$14,468,906,548 |
| LOAN ACTIVITY | | |
| Federal Family Education Loans | 84.032 | \$1,919,362,075 |
| Perkins Loan Cancellations | 84.037 | 1,199,086 |
| <u>Student Financial Assistance Cluster:</u> | | |
| Federal Family Education Loans | 84.032 | 517,290,212 |
| Federal Perkins Loan Program - Federal Capital Contributions | 84.038 | 48,420,800 |
| Federal Direct Student Loans | 84.268 | 2,241,762 |
| Health Professions Student Loans, Including Primary Care | 93.342 | |
| Loans/Loans for Disadvantaged Students | | 5,264,569 |
| Nursing Student Loans | 93.364 | 1,359,184 |
| Total Student Financial Assistance Cluster | | 574,576,527 |
| Total Loan Activity | | \$2,495,137,688 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS | | \$16,964,044,236 |

(Concluded)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

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STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009**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, 2009. 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.

STATE OF LOUISIANANotes to the Schedule of Expenditures of Federal Awards
(Continued)

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 Supplemental Nutrition Assistance 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 10.555, 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.

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, 2009 | Loans and Loan Guarantees Outstanding June 30, 2009 |
|----------------|--|--|--|
| 84.032 | Federal Family Education Loans (note F) | \$517,290,212 | \$2,086,458,485 (a) |
| 84.037 | Perkins Loan Cancellations (note L) | 1,199,086 | |
| 84.038 | Federal Perkins Loan Program - Federal Capital Contributions (note K) | 6,859,053 | 55,512,718 |
| 84.268 | Federal Direct Student Loans (note G) | 2,241,762 | |
| 93.342 | Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (note J) | 399,000 | 2,659,278 |
| 93.364 | Nursing Student Loans (note J) | 36,000 | 215,890 |
| | Total Loan Activity | <u>\$528,025,113</u> | <u>\$2,144,846,371</u> |
| | <u>Other Non-Cash Assistance</u> | | |
| 10.169 | Specialty Crop Block Grant Program | \$110,868 | |
| 10.555 | National School Lunch Program | 19,849,728 | |
| 10.565 | Commodity Supplemental Food Program | 13,387,418 | |
| 10.569 | Emergency Food Assistance Program (Food Commodities) | 8,418,358 | |
| 39.003 | Donation of Federal Surplus Personal Property | 7,758,447 | |
| | Total Other Non-Cash Assistance | <u>\$49,524,819</u> | |

(a) As of June 30, 2009, 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 \$2,086,458,485 (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, 2009, OSFA paid lending institutions \$70,390,249 for defaulted student loans, and the average federal participation in these default payments was 89.973%. New loans and consolidations of existing loans to students during the year ended June 30, 2009, which are guaranteed by OSFA, amounted to \$299,649,050. Only new loans made by universities are included as part of the SFA cluster. As of June 30, 2009, the original principal on outstanding loan guarantees under the FFEL Program, which are guaranteed by OSFA, amounted to \$2,086,458,485.

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.

| <u>Hospital/University</u> | <u>Loans Disbursed During the Year Ended June 30, 2009</u> |
|---|--|
| Bossier Parish Community College | \$8,919,666 |
| Delgado Community College | 26,075,438 |
| Grambling State University | 36,070,500 |
| LSU A&M College (Baton Rouge) | 83,036,768 |
| LSU at Alexandria | 8,719,859 |
| LSU at Eunice | 5,559,842 |
| LSU in Shreveport | 13,199,759 |
| LSU Health Sciences Center (New Orleans) | 41,078,386 |
| LSU Health Sciences Center (Shreveport) | 15,280,037 |
| Louisiana Tech University | 22,662,941 |
| McNeese State University | 20,701,548 |
| Nicholls State University | 1,234,030 |
| Northwestern State University | 28,757,623 |
| River Parishes Community College | 15,224 |
| Southeastern Louisiana University | 37,241,196 |
| Southern University and A&M College (Baton Rouge) | 59,421,527 |
| Southern University at New Orleans | 15,730,717 |
| Southern University at Shreveport-Bossier City | 4,779,170 |
| University of Louisiana at Lafayette | 28,150,177 |
| University of Louisiana at Monroe | 28,056,423 |
| University of New Orleans | 32,599,381 |
| | <hr/> |
| Total | <u><u>\$517,290,212</u></u> |

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, 2009, loans totaling \$273,703 and \$1,968,059 were made to students at the campuses of Nunez Community College and River Parishes Community College, respectively.

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, 2009, is presented in the following schedule.

| | |
|--|-----------------------------|
| State Portion (Benefits Paid) | \$424,283,738 |
| State Portion - ARRA (Benefits Paid) | 21,335,896 |
| Federal Portion (Administrative Costs) | <u>38,682,007</u> |
| Total | <u><u>\$484,301,641</u></u> |

I. PETROLEUM VIOLATION ESCROW FUNDS

Petroleum Violation Escrow Funds are monies that were provided to the state by the U.S. Department of Energy (DOE). These distributions were the result of legislative, administrative, and judicial actions involving violations of DOE's price and allocation controls in effect from August 1973 through January 1981. These controls applied to the allocation and pricing of crude oil and refined petroleum products. The funds include Warner Amendment funds, 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, 2009, are presented in the following schedule.

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards

(Continued)

| <u>Hospital/University</u> | Nursing Student Loans | | Health Professions Student Loans | |
|--|--|------------------------|--|------------------------|
| | Loans Made During the Year Ended | Outstanding Balance | Loans Made During the Year Ended | Outstanding Balance |
| | June 30, 2009 | June 30, 2009 | June 30, 2009 | June 30, 2009 |
| Grambling State University | | \$1,438 | | |
| LSU at Eunice | | 5,352 | | |
| LSU Health Sciences Center (New Orleans) | \$36,000 | 93,901 | \$116,500 | \$1,088,501 |
| LSU Health Sciences Center (Shreveport) | | | | 13,922 |
| McNeese State University | | 4,471 | | |
| Southeastern Louisiana University | | 17,500 | | |
| University of Louisiana at Lafayette | | 70,158 | | |
| University of Louisiana at Monroe | | 23,070 | 282,500 | 1,556,855 |
| Total | \$36,000 | \$215,890 | \$399,000 | \$2,659,278 |

**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, 2009, are presented in the following schedule.

| <u>Hospital/University</u> | Perkins Loans | |
|--|--|------------------------|
| | Loans Made During the Year Ended | Outstanding Balance |
| | June 30, 2009 | June 30, 2009 |
| Delgado Community College | | \$6,575 |
| LSU A&M College (Baton Rouge) | \$1,452,762 | 14,982,469 |
| LSU at Eunice | 100,346 | 606,427 |
| LSU Health Sciences Center (New Orleans) | 302,416 | 2,482,589 |
| LSU Health Sciences Center (Shreveport) | | 1,425,603 |
| Louisiana Tech University | 633,623 | 7,475,963 |
| McNeese State University | 274,115 | 3,013,355 |
| Nicholls State University | | 9,183 |
| Northwestern State University | 433,552 | 2,471,694 |
| Southeastern Louisiana University | 447,193 | 3,038,809 |
| University of Louisiana at Lafayette | 1,290,473 | 9,971,855 |
| University of Louisiana at Monroe | 1,455,121 | 4,731,454 |
| University of New Orleans | 469,452 | 5,296,742 |
| Total | \$6,859,053 | \$55,512,718 |

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, 2009, are presented in the following schedule.

| <u>Hospital/University</u> | <u>Principal and Interest Canceled</u> |
|--|--|
| LSU A&M College (Baton Rouge) | \$146,149 |
| LSU at Eunice | 11,575 |
| LSU Health Sciences Center (New Orleans) | 96,604 |
| LSU Health Sciences Center (Shreveport) | 17,948 |
| Louisiana Tech University | 176,993 |
| McNeese State University | 155,577 |
| Nicholls State University | 1,043 |
| Northwestern State University | 50,565 |
| Southeastern Louisiana University | 44,778 |
| University of Louisiana at Lafayette | 375,214 |
| University of Louisiana at Monroe | 113,359 |
| University of New Orleans | 9,281 |
| | <hr/> |
| Total | <u><u>\$1,199,086</u></u> |

**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, 2009, the outstanding loan balance was \$2,077,595. Principal and interest payments totaling \$177,754 were made during the year.

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Continued)

**N. SPECIAL SUPPLEMENTAL NUTRITION
PROGRAM FOR WOMEN, INFANTS,
AND CHILDREN (WIC PROGRAM)**

During the fiscal year ended June 30, 2009, the Louisiana Office of Public Health received cash rebates from infant formula manufacturers in the amount of \$36,237,918 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 691,244 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 496,624 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, 2009, 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 and the outstanding loan balances for certain loan programs as of and for the year ended June 30, 2008. The state's Type A federal award programs for the year ended June 30, 2009, were all federally assisted programs for which program activity and the federal government's risk in the outstanding loan balances as of June 30, 2008, 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, 2009. The major programs and total federal awards expended per program as presented in the accompanying SEFA and notes are as follows:

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 |
|-------------|---|------------------------------|----------------|-----------------------------------|
| 10.557 | Special Supplemental Nutrition Program for Women, Infants, and Children | | \$120,491,667 | \$3,140,289 |
| 11.454 | Unallied Management Projects | | 37,149,999 | |
| 17.225 | Unemployment Insurance | | 484,301,641 | |
| 84.031 | Higher Education - Institutional Aid | | 26,333,488 | |
| 84.032 | <u>Federal Family Education Loans (Guaranty Agency):</u> | | | |
| | Administrative Expenditures | | 46,386,807 | |
| | Loan Activity | | 1,919,362,075 | |
| 84.367 | Improving Teacher Quality State Grants | | 67,424,553 | 61,879,356 |
| 84.938 | Hurricane Education Recovery | | 68,220,200 | 32,549,864 |
| 93.563 | Child Support Enforcement | | 46,126,035 | 3,171,793 |
| 93.658 | Foster Care - Title IV-E | | 55,142,803 | 522,730 |
| 93.667 | Social Services Block Grant | | 56,739,428 | 2,587,146 |
| 93.767 | Children's Health Insurance Program | | 179,311,239 | |
| 93.779 | Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations | | 45,785,263 | 20,000 |
| 97.036 | Disaster Grants - Public Assistance (Presidentially Declared Disasters) | | 1,418,451,334 | 942,179,771 |
| 97.039 | Hazard Mitigation Grant | | 45,685,554 | 33,855,089 |
| | <u>SNAP Cluster:</u> | | | |
| 10.551 | Supplemental Nutrition Assistance Program | \$1,249,610,121 | | |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 74,676,834 | 1,324,286,955 | 1,297,872 |
| | <u>Child Nutrition Cluster:</u> | | | |
| 10.553 | School Breakfast Program | 54,906,552 | | 52,330,622 |
| 10.555 | National School Lunch Program | 188,897,917 | | 181,753,448 |
| 10.556 | Special Milk Program for Children | 37,923 | | 29,301 |
| 10.559 | Summer Food Service Program for Children | 7,202,410 | 251,044,802 | 6,625,204 |
| | <u>CDBG - State-Administered Small Cities Program Cluster:</u> | | | |
| 14.228 | Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 1,960,174,052 | | 131,696,284 |
| 14.255 | Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - (Recovery Act Funded) | 2,977 | 1,960,177,029 | |
| | <u>WIA Cluster:</u> | | | |
| 17.258 | WIA Adult Program | 14,144,566 | | 12,236,627 |
| 17.259 | WIA Youth Activities | 18,964,971 | | 13,266,314 |
| 17.260 | WIA Dislocated Workers | 38,762,952 | 71,872,489 | 32,824,522 |

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 |
|--|--|------------------------------------|-------------------|---|
| <u>Highway Planning and Construction Cluster:</u> | | | | |
| 20.205 | Highway Planning and Construction | \$880,691,006 | | \$3,316,105 |
| 20.219 | Recreational Trails Program | 593,293 | \$881,284,299 | 546,287 |
| <u>Title 1, Part A Cluster:</u> | | | | |
| 84.010 | Title 1 Grants to Local Educational Agencies | | 358,696,257 | 329,653,830 |
| <u>Special Education Cluster (IDEA):</u> | | | | |
| 84.027 | Special Education - Grants to States | 189,955,883 | | 167,845,597 |
| 84.173 | Special Education - Preschool Grants | 5,940,055 | 195,895,938 | 4,836,817 |
| <u>Vocational Rehabilitation Cluster:</u> | | | | |
| 84.126 | Rehabilitation Services - Vocational Rehabilitation Grants to States | | 49,315,006 | |
| <u>TANF Cluster:</u> | | | | |
| 93.558 | Temporary Assistance for Needy Families | | 135,922,954 | 18,689,769 |
| <u>CCDF Cluster:</u> | | | | |
| 93.575 | Child Care and Development Block Grant | 97,500,281 | | 3,020,977 |
| 93.596 | Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 36,143,426 | 133,643,707 | |
| <u>Medicaid Cluster:</u> | | | | |
| 93.775 | State Medicaid Fraud Control Units | \$3,418,956 | | |
| 93.776 | Hurricane Katrina Relief | 10,128,629 | | |
| 93.777 | State Survey and Certification of Health Care Providers and Suppliers | 8,499,722 | | |
| 93.778 | Medical Assistance Program | 4,880,584,259 | 4,902,631,566 | |
| <u>Disability Insurance/SSI Cluster:</u> | | | | |
| 96.001 | Social Security - Disability Insurance | 33,417,492 | | |
| 96.006 | Supplemental Security Income | 332,657 | 33,750,149 | |
| <u>Student Financial Assistance Cluster:</u> | | | | |
| 84.007 | Federal Supplemental Educational Opportunity Grants | \$6,912,791 | | |
| 84.032 | <u>Federal Family Education Loans:</u> | | | |
| | Loan Activity | 517,290,212 | | |
| 84.033 | Federal Work-Study Program | 8,148,789 | | |
| 84.038 | <u>Federal Perkins Loan Program -</u> | | | |
| | <u>Federal Capital Contributions:</u> | | | |
| | Administrative Expenditures | 84,778 | | |
| | Loan Activity | 48,420,800 | | |
| 84.063 | Federal Pell Grant Program | 201,657,630 | | |
| 84.268 | <u>Federal Direct Student Loans:</u> | | | |
| | Loans Disbursed | 2,241,762 | | |
| 84.375 | Academic Competitiveness Grants | 4,318,061 | | |
| 84.376 | National Science and Mathematics Access to Retain Talent (SMART) Grant | 1,559,296 | | |
| 84.379 | Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | 22,880 | | |

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 |
|---|---|------------------------------------|-------------------------|---|
| <u>Student Financial Assistance Cluster: (Cont.)</u> | | | | |
| 93.342 | <u>Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students:</u> | | | |
| | Loan Activity | \$5,264,569 | | |
| 93.364 | <u>Nursing Student Loans:</u> | | | |
| | Loan Activity | 1,359,184 | | |
| 93.925 | Scholarships for Health Professions Students from Disadvantaged Backgrounds | <u>196,874</u> | \$797,477,626 | |
| <u>Homeland Security Cluster:</u> | | | | |
| 97.004 | State Homeland Security Program (SHSP) | (83,297) | | |
| 97.004 | Homeland Security Grant Program | 231,698 | | \$147,506 |
| 97.067 | Homeland Security Grant Program | <u>21,435,437</u> | 21,583,838 | 17,615,499 |
| <u>Research and Development Cluster:</u> | | | | |
| | U.S. Department of Agriculture | 10,751,363 | | 161,577 |
| | U.S. Department of Commerce | 7,598,759 | | 376,700 |
| | U.S. Department of Defense | 19,553,838 | | 1,969,484 |
| | U.S. Department of Housing and Urban Development | 57,094 | | 26,900 |
| | U.S. Department of the Interior | 11,125,738 | | 74,801 |
| | U.S. Department of Justice | 225,924 | | 149,132 |
| | U.S. Department of Transportation | 545,824 | | |
| | National Aeronautics and Space Administration | 4,063,683 | | 78,705 |
| | National Endowment for the Humanities | 40,761 | | |
| | National Science Foundation | 23,656,254 | | 864,444 |
| | Small Business Administration | | | 148,927 |
| | Environmental Protection Agency | 1,764,990 | | 501,361 |
| | U.S. Department of Energy | 5,857,088 | | 887,952 |
| | U.S. Department of Education | 6,148,503 | | 606,157 |
| | U.S. Department of Health and Human Services | 95,508,415 | | 6,594,287 |
| | Social Security Administration | 52,709 | | 72,752 |
| | U.S. Department of Homeland Security | 557,280 | | 57,947 |
| | U.S. Agency for International Development | <u>17,256</u> | 187,525,479 | |
| | Total Expenditures (Activity) of Major Programs | | <u>\$15,922,020,180</u> | <u>\$2,070,209,745</u> |

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, 2009. 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, 2008, or June 30, 2009.

| | |
|--|--|
| Amite River Basin Drainage and Water Conservation District | Louisiana Motor Vehicle Commission |
| Atchafalaya Basin Levee District | Louisiana Naval War Memorial Commission |
| Bossier Levee District | Louisiana Professional Engineering and Land Surveying Board |
| Caddo Levee District | Louisiana Public Employees Deferred Compensation Plan |
| Custodian of Notarial Records for Orleans Parish | Louisiana Public Facilities Authority |
| Fifth Louisiana Levee District | Louisiana Real Estate Appraisers Board |
| Foundation for Excellence in Louisiana Public Broadcasting | Louisiana Real Estate Commission |
| Greater Baton Rouge Port Commission | Louisiana Recreational and Used Motor Vehicle Commission |
| Greater New Orleans Expressway Commission | Louisiana Relay Administration Board |
| Jefferson Parish Human Services Authority* | Louisiana Retirement Systems Building Management Partnership |
| Lafitte Area Independent Levee District | Louisiana Rice Promotion Board |
| Lafourche Basin Levee District | Louisiana Rice Research Board |
| Louisiana Beef Industry Council | Louisiana School Employees' Retirement System |
| Louisiana Board of Pharmacy | Louisiana Soybean and Grain Research and Promotion Board |
| Louisiana Cancer Research Center | Louisiana State Board of Architectural Examiners |
| Louisiana Economic Development Corporation | Louisiana State Board of Barber Examiners |
| Louisiana Educational Television Authority | Louisiana State Board of Dentistry |
| Louisiana Housing Finance Agency* | |

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Concluded)

| | |
|---|--|
| Louisiana State Board of Embalmers and Funeral Directors | Natchitoches Levee and Drainage District |
| Louisiana State Board of Medical Examiners | North Lafourche Conservation, Levee and Drainage District |
| Louisiana State Board of Nursing | Pontchartrain Levee District |
| Louisiana State Board of Practical Nurse Examiners | Red River, Atchafalaya and Bayou Boeuf Levee District |
| Louisiana State Board of Private Security Examiners | Sabine River Authority |
| Louisiana State Board of Social Work Examiners | South Lafourche Levee District |
| Louisiana State Employees' Retirement System | Southeast Louisiana Flood Protection Authority - East* |
| Louisiana State Police Pension and Retirement System | Southeast Louisiana Flood Protection Authority - West* |
| Louisiana Tax Free Shopping Commission | State Plumbing Board |
| | Teachers' Retirement System of Louisiana |
| | Tensas Basin Levee District |

* = Single Audit

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Appendix B

Management's Corrective Action Plans and Responses to the Findings and Recommendations

STATE OF LOUISIANA
Management's Corrective Action Plans and
Responses to the Findings and Recommendations

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STATE OF LOUISIANA

Management's Corrective Action Plans and
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201 Community College Drive • Baton Rouge, Louisiana 70806

January 13, 2010

Mr. Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: Audit Response

Dear Mr. Purpera:

Management of Baton Rouge Community College concurs with the finding related to inadequate controls over financial reporting.

The management of Baton Rouge Community College (BRCC) recognizes its responsibility for timely and accurate reporting of the financial position of the college.

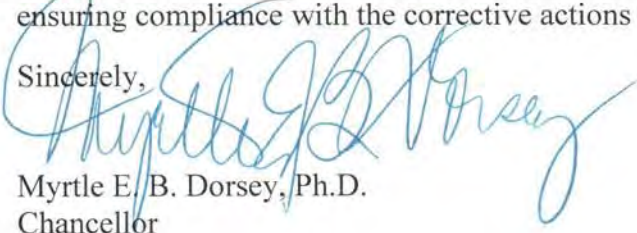
The statement errors noted on its 2009 annual financial report were discovered by BRCC staff as part of their ongoing review of the reporting process. These errors were reported to the auditors in early October.

The following actions have been taken to prevent this finding from reoccurring:

- Reconciliation procedures have been implemented to ensure that all revenue and expense is properly classified in the accounting system.
- Reconciliation of general ledger accounts has been implemented to ensure accurate recording and reporting.
- Changes have been made to the setup of the accounting system so that fund balances are accurately reported in the accounting system.
- Finally, additional reports have been developed so that staff can easily obtain the information needed for financial statement reporting.

Ms. Pam Diez, Vice Chancellor for Administration and Finance/Audits is responsible for ensuring compliance with the corrective actions listed above.

Sincerely,



Myrtle E. B. Dorsey, Ph.D.
Chancellor

cc: Ms. Pamela Diez, Vice Chancellor for Administration & Finance/Audits



September 14, 2009

Mr. Edward T. Martin, CPA
Audit Manager
Louisiana Legislative Auditor
1600 North Third Street,
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: Audit Response
Weakness Over Return of Pell Grant Program Funds

Dear Mr. Martin:

Management of Baton Rouge Community College concurs with the finding related to weakness over return of Pell grant program funds. The management of Baton Rouge Community College recognizes its responsibility for the timely and accurate return of Pell grants for those students that withdraw during the semester.

The college administration has made the following changes to ensure that Pell returns are processed within the required federal timeframe:

- Training of enrollment services staff to ensure that student withdrawals are entered within two days of receipt of a completed withdrawal form and the correct withdrawal type is entered;
- Enrollment services will run a weekly report to identify any students that are no longer enrolled in courses and do not have a status of withdrawn in the system.
- Financial aid will retain their copy of the student withdrawal form to review for possible recalculation of aid;
- Financial aid will run a monthly report to identify financial aid students that have been withdrawn from all courses but have not had their aid recalculated;

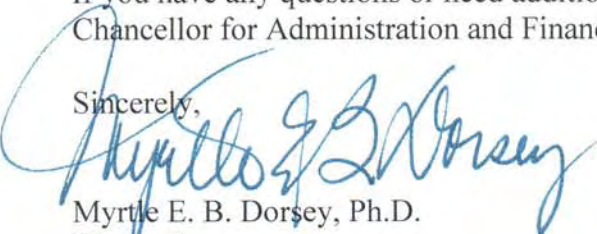
While existing procedures have been effective at reducing the amount of untimely returns to \$1,251 or .02% of total disbursements, the college administration anticipates that these additional procedures will be effective in further reducing future occurrences of untimely returns on annual Pell disbursements of \$6,277,544.

September 14, 2009

The vice chancellor for student affairs, the director of financial aid and the executive director of enrollment services are responsible for ensuring that procedures are implemented and monitored for effectiveness and improvement.

If you have any questions or need additional information, please contact Ms. Pam Diez, Vice Chancellor for Administration and Finance/Audits at 216-8068.

Sincerely,



Myrtle E. B. Dorsey, Ph.D.
Chancellor

cc: Dr. Joe D. May, President, LCTCS
Mr. Allen Brown, Director of Internal Audit, LCTCS
Ms. Pam Diez, Vice Chancellor for Administration and Finance/Audits, BRCC



State of Louisiana
Division of Administration
Office of the Commissioner

January 29, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Lack of Internal Audit Function Over
Information Technology Controls

Dear Mr. Purpera:

Thank you for the opportunity to submit our response. We understand the importance of periodic monitoring and evaluation of the internal control processes for IT-related activities, and agree to perform internal audits to monitor, assess, and report on the effectiveness of the state's centralized information technology (IT) controls.

As has been noted by your staff in the exit interview for the most recent audit, our IT staff has responded to your recommendations and suggestions and has worked to implement them in order to strengthen the existing internal controls we already have in place within the various applications and systems. We appreciate the recommendations and suggestions that result from your audit each year.

Our Internal Audit Section is currently conducting a risk assessment to identify areas within the DOA that are of the highest risk, and will consider the risk surrounding the IT controls. Our intentions are to allocate the appropriate resources to ensure the areas identified as being of highest risk are covered. If IT-related areas rank above other areas within the DOA, we will ensure that IT reviews are performed to monitor, assess, and report on the effectiveness of the state's centralized IT controls.

Should you have any further questions or concerns, please feel free to contact me or Ms. Marsha Guedry, Internal Audit Administrator.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angele Davis".

Angele Davis
Commissioner of Administration

C: Ms. Barbara Goodson
Ms. Marsha Guedry



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>

November 19, 2009

Mr. Steve J. Theriot, CPA
Office of Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: Inadequate Fiscal Monitoring

Dear Mr. Theriot:

The Louisiana Department of Education (LDE) appreciates the opportunity to respond to the Louisiana Legislative Auditor's (LLA) finding entitled: "Inadequate Fiscal Monitoring". The Department takes seriously its responsibility for fiscal monitoring and has taken steps necessary to improve the adequacy of fiscal monitoring of federal awards.

As we noted in our previous response to the LLA, two contracts were executed to comply with federal monitoring requirements. The vendors are 1) Provost, Salter, Harper & Alford, LLC and; 2) Postlethwaite & Netterville. These entities were charged with conducting a set of specific agreed-upon procedures in accordance with AICPA guidelines. The contracts include a list of specific objectives that must be met in order to achieve adequate review of federal programs. The federal audit plan includes the review of the subrecipient's application, allocation, budget and reimbursement claims to determine allowable costs. The contracted portion included fiscal monitoring of Restart, HEAP, NCLB, IDEA, Career and Technical Education, Adult Education and TANF programs. Both contracts are complete, and preliminary reports have been reviewed by the LDE staff. Final reports will be issued within the next 15 days.

In a coordinated effort between LDE staff and the contractors, 24 subrecipients were monitored in the 2008-2009 fiscal year.

The Department of Education concurs with the audit finding entitled: "Inadequate Fiscal Monitoring" and has included the following corrective actions:

- We are reviewing our monitoring protocol and researching best practices in other states to determine approaches that will result in greater efficiencies and a more "real time" review of expenditures.
- We are exploring how to best utilize the Grants Management System's (eGMS) capability to upload source documents to support expenditures. This will allow us to have a more real time review of reimbursement claims and to facilitate desk audits.
- We are also investigating an expanded review process at the point of reimbursement.

"An Equal Opportunity Employer"

Mr. Steve J. Theriot, CPA
Page 2
November 19, 2009

Presently, there are twenty-one subrecipients scheduled to be monitored for Fiscal Year 2009-2010. Once the new monitoring protocol is in place additional subrecipients will be scheduled for Fiscal Year 2009-2010. The review will consist of:

- On-site monitoring
- Desk reviews
- Fiscal self-assessment

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, Division Director
Dudley J. Garidel, Jr., Director Internal Audit



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>

November 5, 2009

Mr. Steve Theriot, CPA
State Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Federal and State Equipment Management Regulations

Dear Mr. Theriot:

The Department concurs with the finding regarding the "Noncompliance with Federal and State Equipment Management Regulations." It implemented corrective action, as outlined below, beginning in April of 2009 to address fiscal year 2007-2008 exceptions that were cited in February of 2009. The contact person for this finding for the Louisiana Department of Education is Susie Buchmann, Director, Division of Appropriation Control, at (225) 342-3830.

The federal and state property exceptions cited for the non-public schools account for 81% of the total exceptions. Currently, there are more than 13,000 items of moveable property located throughout South Louisiana in 111 non-public schools. This compares with approximately 3,000 items for the Department. The enforcement of internal controls and monitoring of moveable property has been a difficult process, considering the number of inventory items and non-public school locations.

The Department required the non-public schools to strengthen their compliance with equipment management regulations. While inventory training was provided initially, the non-public schools were required to attend additional property training conducted by the Louisiana Property Assistance Agency (LPAA), with a focus on equipment location and the receipt and proper tagging of all equipment. This training was held in New Orleans, LA, on September 16, 2009, with 85% of the non-public schools in attendance. Due to the turnover of property managers at the non-public schools, training will be required for all new property managers. The Department has already experienced an improvement in reporting by the non-public schools, due to the additional training.

In March of 2009, a workflow system, Metastorm, was fully implemented by which an item purchased can be tracked from its purchase through payment. Metastorm enables the property manager to access invoices and receiving reports online to reduce time delays of entry into Protégé. Previously, there were delays in getting documentation which caused an item to be entered into Protégé after the 60-day time period. It should be noted that the high number of items entered late into Protégé occurred before the Department required additional training and the implementation of Metastorm. Of the 4,213 items entered late in Protégé, 95% were non-public schools inventory items.

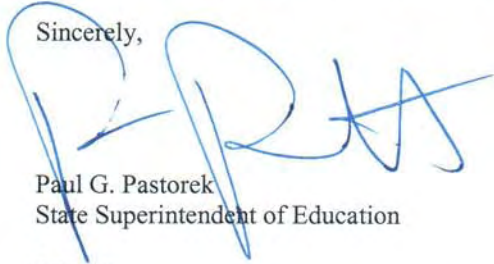
Although a police report was completed for all the 164 inventory items reported stolen from the non-public schools, the Department's property manager failed to process the paperwork to notify the appropriate district attorneys and the Legislative Auditor of the thefts. The Department will immediately institute procedures to address the non-compliance with Louisiana Revised Statute 24:523.

"An Equal Opportunity Employer"

Mr. Steve Theriot, CPA
State Legislative Auditor
Page 2
November 5, 2009

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 the 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, Deputy Superintendent for Management and Finance
Patrick Weaver, Deputy Undersecretary
Susie Buchmann, Director, Division of Appropriation Control
Wesley D. Gooch, CPA
Carmen R. Victorian, CPA

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

March 22, 2010

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Louisiana Legislative Auditor
1600 N. Third St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

RECEIVED
LEGISLATIVE AUDITOR
2010 MAR 22 PM 4:15

Dear Mr. Purpera:

As per your letter dated March 10, 2010, the Division of Administration, Office of Community Development (OCD) is providing the Louisiana Legislative Auditor (LLA) with its response to the Office of Management and Budget (OMB) Circular A-133 audit finding titled, "Inadequate Controls Over the Hazard Mitigation Grant Program (HMGP)."

The auditors, in support of their finding of inadequate controls, rely on the LLA Performance Audit Division's (PAD) "Data Warehouse Reliability" report issued in January 2009. The OMB Circular A-133 finding cites from the Data Warehouse Reliability report that certain data used to determine eligibility and to calculate award amounts were determined to be unreliable because homestead exemption data was loaded into the database using outdated specifications; inappropriate data fields were used in determining applicant occupancy; and incomplete or unverified data were obtained from insurers. OCD does not concur with this finding for the reasons stated below.

The homestead exemption data was loaded into the database by ICF, the prior Road Home contractor, using outdated specifications that were provided by the Louisiana Tax Commission. In 2008, when the PAD brought this to the attention of OCD and ICF, the tax data was reloaded and files where there was no longer a tax match were identified and flagged in eGrants, the Road Home Program's system of record. OCD issued some policy changes which allowed other forms of documentation to be used to support applicant occupancy. ICF has asserted that it obtained the additional documentation to support occupancy for most of the files that were initially matched but with the reloading of the tax files, the data no longer matched. In May 2009, prior to the expiration of the ICF contract, ICF provided OCD a spreadsheet identifying those files with documentation supporting occupancy and those whose occupancy is still in question. OCD is continuously working to validate the accuracy of the information supporting occupancy and to obtain documentation from applicants to support occupancy.

The auditor discusses in the finding that incomplete or unverified data was obtained from insurers. It has been difficult to obtain third party verification of insurance payments for the Road Home Program since its inception. Insurance companies have been slow and non-responsive to requests to verify payments. The State and the prior 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. For this reason, OCD/DRU and insurance providers have instituted a third party verification process to confirm insurance amounts paid out for Hurricanes Katrina and Rita.

The LLA finding states that, "In fiscal year 2009, OCD made 54 mid-point payments to HMGP applicants totaling \$1,065,557. These payments were made based on HMGP eligibility determinations that relied on summary information obtained from eGrants, the Road Home Program's system of record." OCD wants to emphasize that the finding does not identify any of these payments as being ineligible because of unreliable data obtained from eGrants or the Road Home Program's data warehouse. HMGP staff members have reviewed the 20 files that the LLA reviewed and determined that all 20 applicants were eligible for the program, that all grant calculations were correct, and that all supporting documentation is available in accordance with HMGP and program guidelines.

OCD generally concurs with the recommendations provided in the finding, and will continue assessing the program to determine if additional procedures should be implemented to ensure that HMGP applicant eligibility and award calculations are supported. Lara Robertson, OCD/DRU Deputy Director, and Bill Haygood, HMGP Manager, are the contact persons responsible for corrective action.

OCD's corrective actions as presented in another finding titled "Inadequate Controls Over the Road Home Homeowners Assistance Program" have and will improve the data reliability issues identified in this finding as well as corrective actions specific to the HMGP. These actions include:

- Validating information provided by ICF to establish occupancy for those applicants who no longer had a tax match because of the reloading of tax information.
- Continue working with applicants in obtaining documentation to support occupancy.
- Obtained confirmation from HUD that OCD and ICF acted with due diligence in attempts to obtain third party verification of insurance.
- Using a separate software solution as a system of record for the HGMP Program. EGrants information is only used to obtain administrative data (Road Home Identification numbers, grant amounts, etc.) and only serves as an initial starting point for building an applicant's file.
- Not processing HMGP applicants that have Road Home grant eligibility or award amount variances until they have been reviewed and cleared for processing.

Mr. Daryl Purpera, CPA
March 22, 2010
Page 3

- Requiring that any file that is undergoing HGI's (one of the ICF replacement contractors) due diligence process cannot be processed until all documentation is in the file and a disbursement can be made under the Road Home Program.
- Continue working with program management and contractors to determine methods and processes to ensure that all data from outside sources are accurate, complete, and up-to-date. The program receives duplication of benefits (DOB) data directly from the U.S. Small Business Administration and flood insurance data from the National Flood Insurance Program. Homeowners also certify the accuracy of the information included in their grant calculation by signing a grant agreement form and the Hazard Mitigation Covenant. It is the responsibility of the homeowner to provide accurate information to the program. Persons who misrepresent program eligibility or under report DOB information will be pursued as part of the grant recovery process.

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,



Robin Keegan, Executive Director
Office of Community Development/DRU

RK/SU

C: Ms. Angele Davis
Mr. Thomas Brennan
Ms. Lara Robertson
Mr. Bill Haygood
Ms. Susan Pappan
Mr. Robbie Viator
Ms. Marsha Guedry

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

March 22, 2010

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Louisiana Legislative Auditor
1600 N. Third St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

As per your letter dated March 10, 2010, the Division of Administration, Office of Community Development (OCD) is providing the Louisiana Legislative Auditor (LLA) with its response to the Office of Management and Budget (OMB) Circular A-133 audit finding titled "Inadequate Controls Over the Road Home Homeowner Assistance Program."

The auditors, in support of their finding of inadequate controls, rely on the LLA Performance Audit Division's (PAD) "Data Warehouse Reliability" report issued in January 2009. The A-133 finding cites from the Data Warehouse Reliability report that data used to determine eligibility and to calculate award amounts were determined to be unreliable because homestead exemption data was loaded into the database using outdated specifications; inappropriate data fields were used in determining applicant occupancy; and incomplete or unverified data were obtained from insurers. The finding further states that, "as of April 2009, OCD did not obtain additional supporting documentation necessary to reassess the eligibility of applicants previously determined based on outdated, inaccurate, or incomplete data." OCD does not concur with this finding for the reasons stated below.

The homestead exemption data was loaded into the database by ICF, the prior Road Home contractor, using outdated specifications that were provided by the Louisiana Tax Commission. In 2008, when the PAD brought this to the attention of OCD and ICF, the tax data was reloaded and files where there was no longer a tax match were identified and flagged. OCD issued some policy changes which allowed other forms of documentation to be used to support applicant occupancy. ICF has obtained the additional documentation to support occupancy for most of the files that were initially matched, but with the reloading of the tax files, the data no longer matched. In May 2009, prior to the expiration of the ICF contract, ICF provided OCD a spreadsheet identifying those files with documentation supporting occupancy and those whose occupancy is still in question. OCD is continuously working to validate the accuracy of the

information supporting occupancy and to obtain documentation from applicants to support occupancy.

The auditor discusses in the finding that incomplete or unverified data was obtained from insurers. It has been difficult to obtain third party verification of insurance payments for the Road Home Program since its inception. Insurance companies have been slow and non-responsive to requests to verify payments. The State and the prior 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. In August 2008 and again in January 2009, ICF requested updates to insurance values from the insurance companies.

OCD does not concur that funds paid to a CPA firm are questioned costs. OCD did contract with a with a local CPA firm to obtain a SAS 70 Type II audit of ICF's control environment for the fiscal year ending June 30, 2008. OCD made a conscience decision to not have the draft watermark removed from the SAS 70 report and accept the draft version as the final product. Because the SAS 70 audit of ICF was to be used internally, OCD wanted to provide some degree of confidentiality to the document. The SAS 70 audit report was provided to the Transition Team to inform them of deficiencies noted in the audit so corrective actions could be taken. The team consists of OCD employees, two employees on loan from the Office of Information Technology, one from the Office of Information Services and contractors overseeing the transition of ICF's functions to a replacement contractor.

OCD concurs that it did not have a quality assurance function or conduct any internal information technology (IT) audits to ensure the adequate monitoring of IT operations. OCD, since the beginning of this program, has requested IT support and or in-house positions but never received approval to fill such positions. In October 2008, when the Transition Team was formed, three highly qualified individuals with IT backgrounds, two employees from the Division of Administration, Office of Information Technology, and one employee from the Office of Information Services were assigned to assist and assess issues involving the IT transition. Since the Transition, OCD has employed one of these individuals as its IT Director.

The audit states that, "OCD did not require ICF to establish and follow adequate change control procedures." OCD did expect ICF to establish and follow adequate change control procedures. The report further states that, "As a result, ICF did not properly segregate incompatible duties and allowed programmers to move their own changes to production. Furthermore, neither OCD nor ICF used system logs to monitor changes." As stated above, OCD did not have the in-house technical expertise to evaluate whether incompatible duties were properly segregated, that programmers could move their own changes to production, or that system logs were not used to monitor changes. If these conditions existed within ICF, OCD concurs with the issues stated in the finding.

OCD does not agree with the auditor's determination that "unresolved expenses of \$765,958 are 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." For fiscal year ending 2009, ICF billed OCD

approximately \$205 million for the administration of the Road Home Homeowner Assistance Program. OCD and the LLA's Recovery Assistance Division (RAD) entered into an agreed upon procedures engagement where the RAD was to review and report on all ICF invoices billed to OCD. In that review process, the RAD identified approximately \$766,000 in questionable billings which constitutes 0.37% of the total ICF billings to OCD.

In response to the RAD review and in an effort to be paid, ICF provided additional supporting documentation or justification for the billings the RAD found questionable. OCD management within the financial and executive departments reviewed the additional documentation and justification presented by ICF. After careful review, management's decision was that \$727,000 of the \$766,000 in question was adequately supported, consisted of reasonable program expenses within ICF's contract with OCD, and followed sound business practices. The remaining \$39,000 was disallowed and not paid.

Subsequent to the end of the ICF contract term, OCD has taken steps to establish adequate controls over the Road Home Homeowner Assistance Program. Intentions are to implement proper internal controls with the assistance of RAD so that OCD meets the requirements of all federal and state regulations.

In the OMB Circular A-133 report, the LLA concludes that it is not able to determine whether program disbursements were in substantial compliance with program regulations. OCD management's opinion is that program disbursements are in substantial compliance with program policies and regulations.

OCD generally concurs with the recommendations provided in the finding, and will continue improving the internal controls established within the Road Home Homeowners Assistance Program. Lara Robertson and Richard Gray, both OCD/DRU Deputy Directors, are the contact persons responsible for corrective action.

OCD has or will begin implementing the following procedures to improve controls within the program:

- Validating information provided by ICF to establish occupancy for those applicants who no longer had a tax match because of the reloading of tax information.
- Continue working with applicants in obtaining documentation to support occupancy.
- Obtained confirmation from HUD that OCD and ICF acted with due diligence in attempts to obtain third party verification of insurance.
- Developing and implementing a recapture and recovery process.
- Transitioning of the ICF contract to the two replacement contractors, HGI and CGI.
- Employing an IT Director.

Mr. Daryl Purpera, CPA
March 22, 2010
Page 4

- Continue working with program management and contractors to determine methods and processes to ensure that all data from outside sources are accurate, complete and up-to-date.
- Continuing to reassess applicant eligibility where questionable data may have been relied upon.
- Requiring HGI to implement a due diligence process.
- Requiring HGI re-verify all applicant information prior to processing an initial or additional disbursement (i.e. if there are ownership/occupancy/income documents missing, HGI will not process the file until documentation has been provided).
- Requiring OCD/DRU to review 100% of all files to be transmitted to the title company to ensure that all documentation is complete.
- Requiring CGI to implement a formal Change Control process. No changes can be made to eGrants of JIRA unless approved by the OCD/DRU IT Director and program staff.
- Requesting the IT contractor to activate security logging of the data warehouse that is limited to the database team and establish a process for reviewing the logs by a separate team. Activating the security logging of the data warehouse will require additional system and staff resources.
- Finalizing a remote access policy that has already been drafted and is under review.
- Requesting the IT contractor to once again review the procedures for accessing the data warehouse with the program areas and review compliance on a quarterly basis.
- Continue engaging the LLA RAD to review the ICF replacement contractors' invoices.

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,



Robin Keegan, Executive Director
Office of Community Development/DRU

RK/SU

C: Ms. Angele Davis
Mr. Thomas Brennan
Ms. Lara Robertson
Mr. Richard Gray
Ms. Susan Pappan
Mr. Robbie Viator

Ms. Marsha Guedry

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Community Development
Disaster Recovery Unit

March 22, 2010

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Office of the Louisiana Legislative Auditor
1600 N. Third St.
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

As per your letter dated March 10, 2010, the Division of Administration, Office of Community Development (OCD) is providing the Louisiana Legislative Auditor (LLA) with its response to the Office of Management and Budget (OMB) Circular A-133 audit finding titled, "Inadequate Subrecipient Monitoring of the CDBG Disaster Recovery Program." OCD concurs with this finding.

To date, the Louisiana Recovery Authority (LRA) and OCD have dispensed over 9.4 billion dollars in federal CDBG disaster related funds. In an effort to expedite funding to the recovery efforts, the LRA and OCD developed programs to help meet the needs of the State and its citizens as quickly as possible with the appropriate levels of documentation to support each grant dollar distributed. As a result of these accelerated timelines, much of the documentation and implementation of required administrative audit functions began to take place much later, but are nonetheless a vital component in the overall responsibility and success of the recovery efforts.

As outlined in OMB Circular A-133, it is the responsibility of the pass through entity (OCD) to ensure that subrecipients expending \$500,000 or more in federal awards in the subrecipient's fiscal year have a single audit performed and delivered to the pass through entity within nine months of the subrecipient's audit period.

Inadequate Subrecipient Monitoring of the CDBG Disaster Recovery Program

The OMB Circular A-133 finding states that OCD did not take adequate measures to document a review process of all single audits, specifically for the Business Recovery Grant and Loan Program and the Primary & Secondary Education Infrastructure Program. The finding also states that OCD does not have a process in place to identify all subrecipients of CDBG program

funds, to ensure that required audits have been performed, and to address any findings and issues noted in the single audit reports as required by OMB Circular A-133. It is also noted that OCD has not dedicated adequate resources to ensure that the subrecipient monitoring requirements of the program are met.

As required by OMB Circular A-133, OCD has documented within each program, a listing of subrecipients receiving CDBG funds for each program. However, these subrecipient listings were held by each program manager and were not centralized. As of January 7, 2010, OCD has assigned one OCD employee and one Shaw employee, acting as staff augmentation, to further develop an OMB Circular A-133 audit tracking and review system that will aid in the single audit review and monitoring of findings and corrective action plans for subrecipients receiving federal funds through OCD. This will also centralize the entire population of subrecipients and will allow for greater internal controls over the subrecipient tracking and monitoring process.

As part of these efforts, mapping of all programs within OCD is being laid out to cumulatively identify subrecipients for all programs. This includes programs implemented under Hurricanes Katrina and Rita as well as Hurricanes Gustav and Ike. Checklists that include the requirements of OMB Circular A-133, subrecipient tracking and monitoring systems, and training related to these new procedures is currently being developed.

As it relates to subrecipient monitoring from a programmatic standpoint, OCD's Compliance and Monitoring Department has components built into the current compliance and monitoring guidelines that include OMB Circular A-133 requirements for subrecipient monitoring. OCD also has a risk based monitoring system that was developed by one of its contractors, Reznick Group, that also includes subrecipient monitoring requirements of OMB Circular A-133. This work began in June of 2009.

OCD generally concurs with the recommendations included in the finding that management should implement procedures to ensure that all subrecipients obtain the required single audits and implement procedures to review all required single audits, issue a management decision on any relevant findings, and follow up on all corrective action taken as required by OMB Circular A-133.

Lara Robertson and Richard Gray, both OCD/DRU Deputy Directors, are the contact persons responsible for corrective action.

OCD is in the process of developing and implementing the following improvements to its subrecipient monitoring process as required by OMB Circular A-133:

- Documenting procedures for the review of required single audit reports for all subrecipients
- Reviewing staffing needs as appropriate for review and tracking of OMB Circular A-133 audits

Mr. Daryl Purpera, CPA
March 22, 2010
Page 3

- Implementing procedures to ensure that all audits have been performed and audit findings have been addressed as required by OMB Circular A-133
- Developing a single audit tracking and monitoring system that will meet the requirements of OMB Circular A-133 by:
 - ensuring that all required audits are received
 - a management decision is issued on findings as required
 - all corrective actions are taken and are deemed adequate

The above mentioned corrective actions have an anticipated completion date of June 30, 2010.

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,



Robin Keegan, Executive Director
Office of Community Development/DRU

RK/SU

C: Ms. Angele Davis
Mr. Thomas Brennan
Ms. Lara Robertson
Mr. Richard Gray
Ms. Susan Pappan
Mr. Robbie Viator
Ms. Marsha Guedry

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of the Commissioner

March 22, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Re: Non-Compliance with A-87 Allowable
Cost Principles

Dear Mr. Purpera:

Thank you for the opportunity to submit our response. We concur in part with your finding that the Division of Administration (DOA) has not established uniform policies for the payment of overtime reimbursed by federal programs. The DOA's practice for paying employees for overtime is applied uniformly to both federal awards and other activities of the governmental unit. The timing of when the overtime is paid, however, has been different for employees working on federal programs within certain sections of the DOA.

At the discretion of the appointing authority, DOA's general practice has been that any employee with an unused compensatory leave balance at the end of the fiscal year has the option of being paid for that leave whether their salary is federally or state funded. Currently, salaries of the employees that work in the Disaster Recovery Unit (DRU) and the Community Development Block Grant (CDBG) Program under the Office of Community Development (OCD) are charged to federal programs. DRU administers seven federal programs that are charged with personnel costs of employees of the unit.

Costs for overtime earned by OCD employees that work 100% on federal programs has been paid to those employees each pay period rather than once during the fiscal year. Paying overtime each pay period for employees that work 100% on federal programs allows leave and benefit costs to be captured and allocated against the appropriate federal programs on a bi-weekly basis. Accounting for personnel costs to multiple federal programs on a bi-weekly basis is more manageable than doing so once each fiscal year. All other DOA employees have been paid for their unused compensatory leave at the end of the fiscal year whether their salary is federally or state funded.

Overtime compensation on a bi-weekly basis for employees in the OCD - DRU was restricted in early 2009. OCD has recently changed its policy to conform to the policy for all DOA employees, including those that work in the CDBG Program. On March 16, 2010, an email was sent to OCD employees by Tom Brennan, the Executive Assistant Director, that states, "this Office will no longer pay out on a payroll basis, overtime incurred. Rather we will follow DOA

Mr. Daryl Purpera, CPA

March 22, 2010


Page 2

policy to classify all time as compensatory leave earned. DOA management will then determine on an annual or semi-annual basis, if this time will be paid out to those who have earned.”

We do not concur with your conclusion that the amounts paid in overtime to employees working on the Hazard Mitigation Grant Program and the CDBG Program should be considered questioned costs. The overtime costs were incurred by employees that worked on these federal programs, thus the costs were appropriately charged.

We appreciate the cooperation and diligence of your staff during the course of the audit. Should you have any further questions or concerns, please feel free to contact me or Marsha Guedry, Internal Audit Administrator.

Sincerely,



Angele Davis

Commissioner of Administration

Cc: Barbara Goodson, Deputy Commissioner, DOA
Robin Keegan, Executive Director, OCD
Tom Brennan, Executive Assistant Director, OCD
Marianne Patin, Acting Director, OFSS
Suzette Meiske, Director, OHR
Marsha Guedry, Internal Audit Administrator, DOA



Vice President for Finance and Administration

March 9, 2010

Mr. Sean M. Bruno, CPAs
Certified Public Accountants
4949 Bullard Avenue, Suite 100
New Orleans, LA 70128

Dear Mr. Bruno:

Attached is Grambling State University's Management Corrective Action Plan to the 2008-2009 OMB A-133 Compliance Audit.

If additional information is needed, please contact me at (318) 274-6406 or burnetted@gram.edu.

Sincerely,

Daarel E. Burnette
Vice President for Finance and Administration

DB/ost

C: Dr. Frank G. Pogue, Interim President
Dr. Nick Bruno, Vice President for Business and Finance
Mr. Albert Tezno, Director of Financial Aid
Mr. Talmadge Hasberry, Assistant Controller

Management Responses

Audit Finding Reference Number

2009-01 -Federal Schedules of Expenditures, Continued

Conditions and Perspective

We noted during our audit significant weaknesses in internal control over compliance relating to the preparation of the Schedule of Expenditures of Federal Awards, identifying Catalog of Federal Domestic Assistance (CFDA) numbers, pass-through entities and other identifying federal financial assistance information (contract numbers, etc.). The identified weaknesses resulted from the following conditions:

Programs not being included in the schedule;
Program titles in the schedule were not the official titles contained in the CFDA catalog; and
Program titles with the incorrect CFDA numbers.

Management's Response

The Office of Finance and Administration concur with the findings. The institution lacked expertise within the Grants Office and the Controller fail to provide proper oversight review of the Federal Schedules of Expenditures. Just recently, Grambling State University has officially hired an Assistant Controller with vast years of experiences to address both expertise and the oversight issues addressed by the independent auditor.

Management Responses

Audit Finding Reference Number

2009-02 -Grant Management Procedures

Condition and Perspectives

During our audit, we noted that there was little or no oversight over the staff of the office of grants and contracts. This resulted in indirect costs not being calculated properly, funds not being drawn down timely, and the matching requirement not being adhered to. As a result, the University has not established and maintained effective internal controls over financial reporting.

Management's Response

The Office of Finance and Administration concur with the findings. The institution had the established necessary procedures for calculating the indirect cost and drawing down these funds in a timely manner. The University has hired an Assistant Controller with the experience and knowledge for managing grants requirements. Monthly tracking reports have been developed to aid our efforts of monitoring and ensuring indirect costs are drawn down in a timely manner.

Management Responses

Audit Finding Reference Number

2009-03 - Student Eligibility

Condition and Perspectives

During our audit we noted one (1) student out of one (1) tested who was not identified as being a U. S. citizen.

Management's Response

The Office of Student Financial Aid and Scholarships concur with the finding. The University has incorporated the Auditor's recommendation of adhering to established procedures to ensure Title IV aid is disbursed only to eligible students.

Management Responses

Audit Finding Reference Number

2009-04 - Verification

Condition and Perspectives

During our audit we noted six (6) students out of thirty-six (36) tested whose verification information was either conflicting with the verified documentation on file or the verification information was not verified.

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 practices are being followed in the Counseling unit:

1. A self-audit by key Financial Aid counselors are conducted each semester, including the summer sessions. In the self-audit, all items that are selected for verification are matched with the supporting documentation. These analyses are completed prior to disbursing financial aid. The Financial Aid Counselors exchange at least fifteen (15) folders with another Financial Aid Counselors in the office. After the Counselor has completed the review and signed off on the self-audit form, the folders are returned to the initial Counselor.
2. Once the Counselors complete the verifications, submitted corrections to CPS, and the corrections are returned, the Counselors are verifying all corrections are being accepted. These actions are performed prior to disbursing financial aid.

The number of students in this finding should be changed to five (5). A folder for one of the indicated students is now available and ready for the Auditor's review.

Management Responses

Audit Finding Reference Number

2009-05 - Entrance Counseling

Condition and Perspectives

We noted during our audit two (2) students out of fourteen (14) students tested who were first-time borrowers and received a FFEL loan without having an entrance counseling session.

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, before a FFEL loan is paid to first-time borrowers, the following actions are being performed:

1. The Financial Counselors ensures all first-time borrowers have completed Entrance Counseling before a FFEL loan is certified.
2. At the beginning of each semester, a list is generated by the Default Prevention Unit identifying all first-time borrowers. The list will be matched with documentation from Mapping Your Future ensuring all first-time borrowers have completed Entrance Counseling.
3. Each semester the Default Prevention Unit will print this information from Mapping Your Future to be stored in a binder.

The number of students in this Finding should be changed to (1) because a folder for one of the indicated students is now available. The information is available for the Auditor's review.

OMB A-133 Compliance Audit Fiscal 2008-2009

Management Responses

Audit Finding Reference Number

2009-06 - Exit Counseling

Condition and Perspectives

We noted two (2) students out of nine (9) tested who received Title IV funds; withdrew from the University and did not have documentation of exit counseling.

Management's Response

The Office of Student Financial Aid and Scholarships does not concur with the finding. The two students referenced did not withdraw from the University. Therefore, they did not require exit counseling.

Management Responses

Audit Finding Reference Number

2009-07 - Return of Title IV Funds

Condition and Perspectives

During our audit, we noted the following conditions during our audit:

Four (4) students out of twenty (20) students tested whose funds to be returned by the University were not returned within 45 days of the date that the University determined that the student withdrew; and

We identified four hundred and forty-one (441) students who failed to earn a passing grade in any of their classes. Of that amount, we selected nine (9) students for testing noting that five (5) of the nine (9) students tested failed to earn a passing grade in any of their classes and did not have Return of Title IV Funds calculation on file.

Management's Response

The Office of Student Financial Aid and Scholarships concur with the finding. We accept the Auditor's recommendation.

1. The university is conducting a 100% review of unofficial withdrawals for the 2008/09 aid year. Special emphasis will be placed on students that earned a "P" grade with zero (0) credit hours and did not earn a passing grade in a credit hour course. These actions are being performed through the Student Accounts and Financial Aid offices.
2. After the review, if it is determined that there are students that unofficially withdrew and did not have a Title IV Funds calculation done, the calculation will be completed and funds will be returned to the Department of Education immediately.

Also, to ensure that funds are returned by the University to the Department of Education within 45 days of the date that the University determined the student withdrew, the following preventive measures will be implemented:

1. The Coordinator of Fiscal Operations has been released of the additional duties of Counseling, so that adequate attention is devoted to the Loan Unit so the required deadlines are met.
2. When the Student Accounts representative delivers the Title IV calculation to the Financial Aid Office, the calculations are being processed by Financial Aid immediately.

OMB A-133 Compliance Audit Fiscal 2008-2009

Management Responses

Audit Finding Reference Number

2009 -08 - Matching

Conditions and Perspectives

We noted during our audit that grant personnel failed to properly document the match that is required by the Foster Care Title IV-E grant agreement. We also noted that grant personnel failed to provide the required match for the Workforce Investment Act – Youth Activities program as required by the grant agreement.

Management's Response

The Office of Finance and Administration concur with the findings. The institution has change personnel to assure that the necessary in-kind documentation is kept on file and provided to the grantor agencies as required.

OMB A-133 Compliance Audit Fiscal 2008-2009

Management Responses

Audit Finding Reference Number

Questioned Costs

2009 -09 – Allowable Cost

\$ 6,647

Conditions and Perspectives

We noted during our audit that grant personnel failed to follow prescribed procedures to ensure that indirect costs charged to grant programs conform to guidelines contained in the grant agreement. We noted instances whereby amounts charged to grant programs exceeded the amounts allowed per the grant agreement as well as instances where amounts charged to grant programs were less than the amount allowed per the grant agreement.

Management's Response

The University concurs with the findings. The billing was approved and accepted by the grantor; however, written documentation of the change in budget allocation should have been obtained and filed. This documentation will be retrieved from the grantor agency. In the future, this information is being collected and filed.

Management Responses

Audit Finding Reference Number

2009-10 – Sub-recipient Monitoring

Conditions and Perspectives

During our audit, we noted that University personnel failed to monitor the activities of two (2) sub-recipients of the Biomedical Research and Research Training (Partnership for Minority Access to Baccalaureate Degrees) program. Monitoring includes obtaining and reviewing the sub-recipient's audit report to determine whether the required audit was performed and to verify that the sub-recipient had "no audit findings" related to the program.

Management's Response

The Office of Finance and Administration concur with the findings. The Grants and Contract office now has a knowledgeable manager to oversee the monitoring process. A formal document of assurance is being required of all sub-recipients in partnership with Grambling State University. Furthermore, the University will request a copy of the OMB-133 audit section and assurance that the audit was submitted to the federal government.

Management Responses

Audit Finding Reference Number

2009-11 – Procurement and Suspension and Debarment

Condition and Perspectives

During the audit, we noted that University personnel did not perform suspension or debarment verification checks, by the EPLS, collecting certification from vendors/sub-recipients, or adding a clause or condition to the vendors'/sub-recipient's contracts/agreements.

Management's Response

The Office of Finance and Administration concur with the findings. The Grants and Contract office now has a knowledgeable manager to perform the suspension or debarment verification checks. A suspension and debarment clause will be added to all vendors/sub-recipients purchase order. The institution procurement policies are governed by the State of Louisiana that has guidelines pertaining ethical conduct; however, the institution will place those guidelines into the appendix of the University policies.

Management Responses

Audit Finding Reference Number

2009-12 – Equipment and Real Property Management

Condition and Perspectives

During our audit, we noted that a campus-wide physical inventory of equipment was not being completed and reconciled to the equipment records. In addition, University personnel were unable to provide a listing of equipment by federal program.

Management's Response

The institution partially concurs with this finding and launched a campus wide effort to identify and tag all state and federal equipment. The campus wide inventory performed by Inventory Valuation Group was completed in August 2009 time frame. The University will continue its effort to inventory and tag all federal procured equipment.

Management Responses

Audit Finding Reference Number

2009-13 – Reporting

Condition and Perspectives

During the auditor's review of the Biomedical Research and Research Training, they noted the University personnel were unable to locate the FY 2009 Federal Financial Status Report. It was also discovered the university personnel failed to provide accounting records to support the SF-269 and SF-272.

Management Response

The University concurs with the findings. The Grants and Contract office now has a knowledgeable manager to perform these oversight duties. The delinquent reports have been prepared and presented to the funding entities. The new leadership has trained the administrative grant personnel on how to perform these duties, thus avoiding a repeat finding.

Management Responses

Audit Finding Reference Number

2009-14 – Special Tests and Provisions

Condition and Perspectives

During our audit of Fiscal Operations Report and Application to Participate (FISAP) report we noted differences between amounts recorded in the FISAP and supporting documentation as well as instances where amounts were recorded in the wrong location in the FISAP report.

Management Response

The University concur with the findings. A corrected FISAP report will be submitted by 30 June 2010. To assure accuracy in future preparation of the FISAP report, the newly hired Financial Aid Director will ensure the information is populated correctly and the calculations will be validated by the Controller's Office.

Management Responses

Audit Finding Reference Number

2009-15 – Common Origination and Disbursement (COD) Reporting

Condition and Perspectives

During our audit of the reporting requirements of the Federal Pell Grant Program, we noted the following conditions:

The Pell payment data for two (2) of the twenty (20) students selected for testing was not reported to the Federal awarding agency through the COD system within the allotted 30 calendar days.

The Cost of Attendance (COA) for five (5) of the twenty (20) students selected for testing did not agree to the COA reported in the COD system. Also, we were unable to recalculate the COA reported through COD after considering adjustment made to the students' COA during the fiscal year.

Management Response

The Office of Student Financial Aid and Scholarships concur with the finding. We accept the Auditor's recommendations. The University will have knowledgeable and adequate staff to ensure that the required Pell payment data is reported the COD system once every 30 calendar days, bi-weekly, or weekly so that disbursement information and changes are reported in a timely manner and provide cost of attendance information through the COD that is correct.

Management Responses

Audit Finding Reference Number

2009-16 – Federal Financial Reports/Cash Management

Condition and Perspectives

We noted for the Higher Education – Institutional Aid and FSEOG programs that the difference between draw downs as reflected in the Grant Administration and Payment System (GAPS) did not reconcile to grant expenditures when considering accrued receivables. Grant expenditures appear to be overstated by \$100,930 and \$67,358 respectively.

Management Response

The University concur with the finding that the Grant Administration and Payment System (GS) due to accrued receivable not being reconciled. Reconciliation of the GS to the institution's general ledger is being performed by the close of each month. This practice should eliminate inaccurate receivables due to accruals.



Office of the President

January 25, 2010

Mr. Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
Office of the Legislative Auditor
State of Louisiana
1600 North Third Street
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

RE: Inaccurate Annual Fiscal Report

Grambling State University (GSU) concurs with the findings of the Legislative Auditor related to Inaccurate Annual Fiscal Report (AFR) preparation. We acknowledge that some of these errors occurred in our haste to complete the financial statements within the prescribed deadline (mid September 2009) for the Southern Association of Colleges and Schools (SACS) external review.

We agree with the general concerns as they relate to good internal controls; however, in the spirit of fairness, management would like to recognize GSU's Finance and Accounting staff for their tremendous efforts that notably improved the university's AFR development processes. Since the Fiscal Year 2008 Auditor's review, our Finance Team is recruiting and placing qualified administrators in all positions of authority; formal training sessions are being arranged resulting in improved technical skills to compile and analyze financial statements; accounting policies have been updated and are being followed to affirm sound business practices; and, finally, monthly reconciliation of general ledger accounts to subsidiary supporting records and schedules are being performed.

Nevertheless, our hard work will continue to achieve full compliance within the reporting requirements as set forth by the Office of the Statewide Reporting and Accounting Policy. Corrective actions are as follows:

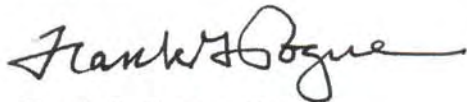
- The University continues to hire competent staff within the Finance and Accounting service departments which will clearly contribute to our aim to compile accurate financial statements.
- Additional staff development and training opportunities are being aggressively pursued.

- We are working to arrange assistance from external professionals keenly knowledgeable of governmental accounting practices.
- Policies and procedures are being put into place to assure that adjustments are made when necessary, to ensure financial statements and reports reflect generally accepted accounting principles and applicable guidelines.
- The accounting staff is analyzing the financial statements more closely prior to the submission of the reports to the Vice President for Finance and Administration.

These enhanced corrective measures are presently being implemented and we have every confidence that Grambling State University's Finance Team will continue their initiative to compile flawless AFRs. Our contact person is Mr. Daarel Burnette, Vice President for Finance and Administration.

I would like to take this opportunity to thank you and your staff for their continued support and cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Frank G. Pogue". The signature is written in black ink and is positioned above the printed name.

Frank G. Pogue, Ph.D.
Interim President



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

December 2 2009

Mr. Stephen J. Theriot, C.P.A.
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

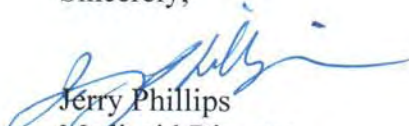
Dear Mr. Theriot:

Re: Single Audit Finding—Improper Claims by Long Term Personal Care Service Providers

Please accept this as the Louisiana Department of Health and Hospitals' (DHH) response to the November 3, 2009 Legislative Auditor finding regarding Improper Claims by Long Term Personal Care Service Providers. 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. Mr. Henley can be reached by telephone at 225-219-0209 and by e-mail at Rick.Henley@LA.GOV.

Sincerely,


Jerry Phillips
Medicaid Director

JLP/HE:rh

Attachment

cc: Charles Castille
Hugh Eley
Kay Gaudet
Jeff Reynolds

Improper Claims by Long Term Personal Care Service Providers

Background:

Before March 1, 2009, units of service for Long Term Personal Care Services were authorized using a very restrictive resource allocation guide, which allowed 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 or lack thereof.

To better address this, OAAS implemented a resource allocation method called Service Hour Allocation of Resources (SHARe) on March 1, 2009. SHARe allows recipients freedom for flexibility of service delivery within each week, which allows for individual differences or preferences. The time allowed for each task is no longer restrictive, and can be adjusted from day to day within the prior authorized week to reflect changes in the recipients' needs. Assessors of LT-PCS have benefitted from these changes in the care planning process. They no longer have 15 minute increments of time to assign for specific tasks, and instead are able to take a more person-centered approach to care planning. Providers 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.

Shortly after SHARe was implemented, OAAS conducted statewide training with providers. The training advised providers of the SHARe initiative and instructed them on use of the new mandatory service log issued for use effective July 1, 2009. The new service log allows providers to document the provision of both LT-PCS and companion services offered under the Elderly and Disabled Adult Waiver on a single form, though units between the two services are still divided. During this training, providers were also reminded about the need for service logs as well as other general documentation requirements. Additionally, DHH issued documentation memoranda and training materials to direct service providers and posted same on its website.

Error Noted: Failing to maintain adequate documentation of the units of service provided.

Corrective Action: DHH concurs with this finding. All identified cases will be turned over to Program Integrity for investigation. DHH will continue to reinforce provider compliance with proper documentation and correct billing practices through training and technical assistance. As stated above, training during the spring of 2009 was conducted and memoranda was issued by OAAS that, among other things, reiterated documentation requirements. This information currently can be readily accessed by providers through accessing SHARe Information on the OAAS website at <http://www.oaas.dhh.louisiana.gov>

Error Noted: Failure to maintain standardized weekly service logs.

Corrective Action: DHH concurs with this finding. All identified cases will be turned over to Program Integrity for investigation. DHH will continue to reinforce provider compliance with proper documentation and correct billing practices through training and technical assistance. As stated above, training during the Spring of 2009 was conducted and memoranda was issued by OAAS that, among other things, reiterated documentation requirements. This information currently can be readily accessed by providers through accessing SHARe Information on the OAAS website at <http://www.oaas.dhh.louisiana.gov>

Error Noted: Failure to document deviations from the plan of care.

Corrective Action: DHH partially concurs with this finding. It is anticipated that there may be some deviation from the plan of care. This can occur due to a number of factors, such as 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. And when cause is present, it should be documented. As stated above, SHARe allows for freedom for flexibility of service delivery within each week, which allows for individual differences or preferences. The time of day and amount of time allowed for each task are no longer restrictive, and can be adjusted from day to day to reflect changes in the recipients' needs. Thus, as DHH moves toward a more person-centered and outcome based approach, failure to note deviations from the plan of care should not be viewed as an auditable finding that warrants recoupment. Rather, as long as the deviation is consistent with the recipients needs and preferences, deviation is, and can be warranted. It is noted that the findings were for dates of claims that were before SHARe implementation on March 1, 2009. Delivery of services in accordance with plans of care set prior to implementation and without use of the SHARe methodology are subject to the more rigid adherence to approved time of day and/or amount of time assigned for each task.



State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing
Waiver Assistance and Compliance Section

November 3, 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 October 23, 2009 regarding **Improper Payments to 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 daily schedules as well as 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.
- Corrective Action:
 - Contact: Darrell Curtis at (225) 342-6220.
 - 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 February 2010 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.
 - Completion date is expected to be by February 2010.

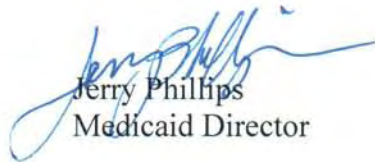
DHH has controls in place to ensure that only appropriate claims are paid. All NEMT trips must be prior authorized and are issued a prior authorization number. Without this prior authorization number the MMIS system will not pay the claim. However, DHH recognizes that just because a trip is prior authorized and billed that does not guarantee the service was provided. DHH systematically performs post pay review to ensure

November 3, 2009
Improper Payments
Page 2

services billed were actually provided. Mechanisms are in place to collect money paid to providers for inappropriately paid claims.

You may contact Darrell Curtis at 342-6220 regarding the action to be taken related to this finding.

Sincerely,



Jerry Phillips
Medicaid Director

JP:RD:wdc

CC: Charles Castille
Ray Dawson
Randy Davidson
Joe Kopsa
Jeff Reynolds



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

December 10, 2009

Mr. Stephen J. Theriot, C.P.A.
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

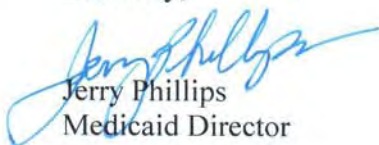
Dear Mr. Theriot:

RE: Improper Payments to Waiver Service Providers

Please accept this letter as a response to the Legislative Auditor finding regarding Improper Payments to Waiver Services Providers dated November 17, 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. Jean Melanson of the Office for Citizens with Developmental Disabilities (OCDD) is the contact person responsible for corrective action relative to these claims under the New Opportunity Waiver (NOW). You may contact Mrs. Melanson at 225-342-887. For corrective action relative to claims under the NOW, you may contact either Ms. Jean Melanson at 225-342-8877, or Mr. Charles Ayles at 225-342-6822.

Sincerely,


Jerry Phillips
Medicaid Director

JLP/TD

Attachment

cc: Charles Castille
Kathy Kliebert
Kay Gaudet
Jeff Reynolds

FINDING: Improper Payments to Waiver Services Providers

Error Noted: Weekly hours of service were not delivered according to the plan of care approved by DHH.

DHH Response: DHH concurs with this finding.

Waiver participants must have flexibility built into the waiver service delivery process. Current policy allows flexibility through the development of an alternate schedule included in the CPOC. The prior authorization is issued by DHH for these services on a quarterly basis to allow for this flexibility. It is expected that there are circumstances that exist which make delivery of the weekly service hours impractical or impossible; however, OCDD agrees that if the flexibility is not in the alternate schedule, that appropriate documentation should exist in the recipient record explaining the deviation in the schedule.

A memorandum was issued on February 6, 2008 advising all direct service provider agencies of the requirement to clearly document and maintain this documentation supporting reasons for services not being delivered in accordance with the approved plan of care. This documentation should be maintained as part of the recipient records. OCDD reissued this policy statement on March 11, 2009 and posted it on the OCDD Waiver Supports and Services Publications website. OCDD also began the process of including the website information in all Medicaid Waiver Service Provider Enrollment Packets.

Corrective action Plan:

OCDD will continue to reinforce provider compliance with documentation requirements through electronic notifications, training and technical assistance. OCDD will conduct an on-site 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. Verify that documentation policy statements are included in or scheduled for inclusion in the Medicaid Waiver Service Provider enrollment packets to insure that all new providers are aware of the documentation requirements upon enrollment.
6. If there is suspected fraudulent activities or abuse, referral will be made to the Medicaid Waiver Compliance Section for notification to the appropriate entity.

Anticipated completion date is March 15, 2010.

Contacts:

1. NOW Provider Letters: Paul Rhorer at 225-342-8804
2. NOW Policy Activities: Jean Melanson at 225-342-8877
3. NOW Provider Auditing: Charles Ayles at 225-342-6822

Error Noted: Providers could not provide the recipient plan of care to support services provided were consistent with the plan of care.

DHH Response: DHH agrees that the plan of care must be maintained in the recipient record.

Corrective Action Plan:

1. OCDD will notify the direct service provider cited in the audit of this deficiency and the relevant policy requirements and require that appropriate action be taken.
2. If there is suspected fraudulent activities or abuse, OCDD will make referral to the Medicaid Waiver Compliance Section for notification to the appropriate entity.

Anticipated completion date is February 15, 2010.

Contacts:

1. NOW Provider Letters: Paul Rhorer at 225-342-8804

ERROR Noted: Providers did not maintain time sheets and/or progress notes to support the units of service billed.

DHH Response: DHH concurs with this finding.

A memorandum was issued August 31, 2007 to all direct waiver service providers and support coordination agencies advising and reminding them of the minimum requirements for case record documentation as previously advised through memorandum issued April 3, 2001; a memorandum issued August 27, 2007 advised all providers of mandatory training to be conducted by Unisys, the Medicaid Fiscal Intermediary, during the period September 11, 2007 and October 4, 2007; training was conducted by Unisys during the period September 11, 2007 and October 4, 2007 and included detailed information relative to documentation requirements; the September/October 2007 Medicaid Provider Update, Vol. 24, Issue 5, Page 6, advised all waiver service providers of general information concerning documentation requirements; a memorandum issued July 30, 2004 to all direct service provider agencies and support coordination agencies clarified documentation procedures. OCDD/DHH readily provides technical assistance and providers are encouraged to call OCDD/DHH or its contractors if any questions concerning documentation requirements or billing issues arise. OCDD reissued the February 6, 1008 policy statement relative to documenting services not being provided in accordance with the plan of care on March 11, 2009 and posted it on the OCDD Waiver Supports and Services Publications website. OCDD also began the process of including the website information in all Medicaid Waiver Service Provider Enrollment Packets.

Corrective action plan:

OCDD/DHH will continue to reinforce provider compliance with documentation requirements through training and technical assistance. OCDD will establish an audit schedule which will review a sample of providers for both programmatic and fiscal activities. We will specifically look for documentation which supports all activity and review for any inappropriate non-delivery of services.

Upon the establishment of this process, we will review provider records to check for deviations or violations and make recommendations for appropriate action.

In addition, OCDD will:

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. Revise if necessary and re-issue the policy statement to all providers reiterating our policy and expectations on the documentation of schedule deviation.
5. Insure all policy statements relative to documentation are placed on the OCDD Waiver Supports and Services Publications website.
6. OCDD will refer all providers to DHH Program Integrity to begin process to recoup all funds paid to providers who did not maintain the required supporting documentation for payment.

Anticipated completion date is March 15, 2010.

Contacts:

1. NOW Provider Letters: Paul Rhorer at 225-342-8804
2. NOW Policy Activities: Jean Melanson at 225-342-8877
3. NOW Provider Auditing: Charles Ayles at 225-342-6822
4. Program Integrity Recoupment: Joe Kopsa at 225-219-4150



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

November 23, 2009

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

Below is the response from the Department of Health and Hospitals (DHH), Medical Vendor Administration (MVA), related to the finding regarding "Inappropriate access to the Medicaid Eligibility Data System (MEDS)".

Finding:

Forty-eight (48) users with access to the RACF security application possessed rights to alter MEDS production data files.

Response:

A request is being submitted to the Department of Social Services (DSS) security staff to remove all but four (4) of the RedMane Technology staff user IDs from RACF ALTER access. This means that only four (4) RedMane staff will have access to alter MMIS daily production files.

RACF alter access has already been deleted for six (6) DHH IT staff as requested by DHH IT management. A request has been submitted to DSS Production control supervisor to change alter access to "read only" for MMIS daily files for eight (8) DSS Production control staff. A request has also been submitted to DHH Database Administrator (DBA) supervisor to remove alter access to MMIS daily files for the two (2) MEDS DBA's.

Finding:

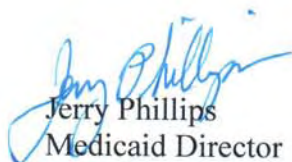
Fourteen (14) users had access to perform security administrator functions in MEDS.

Response:

Effective September, 2009, only five (5) users, all employees in the MEDS unit, have access to perform security administrator functions in MEDS production.

You may contact Diane Batts or Robynn Schifano at (225) 342-6398 if you need any additional information regarding this finding.

Sincerely,


Jerry Phillips
Medicaid Director

JP:KV



State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing
Waiver Assistance and Compliance Section

November 3, 2009

Mr. Steve J. Theriot, CPA,
Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

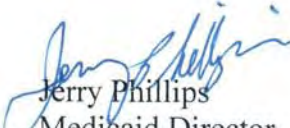
Dear Mr. Theriot:

Below is the response from The Department of Health and Hospitals, Bureau of Health Services Financing related to the findings dated October 23, 2009 regarding **Ineligible Medicaid Payments for State Transportation Services**:

- DHH concurs with the findings. We agree that the department improperly classified state NEMT program transactions to the Medicaid program.
- Corrective Action:
 - Contact: Darrell Curtis at (225) 342-6220.
 - We are working with Medicaid Financial Operations and DHH Financial Management to correct establish procedures to ensure that claims for the state NEMT program are paid with state funds only, as well as taking action to repay the inappropriately paid claims to CMS.
 - Completion date is expected to be by February 2010.

You may contact Darrell Curtis at 342-6220 regarding the action to be taken related to this finding.

Sincerely,


Jerry Phillips
Medicaid Director

November 3, 2009
Improper Payments
Page 2

JP:RD:wdc

CC: Charles Castille
Ray Dawson
Randy Davidson
Joe Kopsa
Jeff Reynolds



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

January 28, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 15, 2010
Homeland Security Grants Not Obligated Timely

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 15, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Homeland Security Subgrants Not Obligated Timely

Finding: The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not obligate fiscal year 2008 Homeland Security Grant Program (HSGP) (CFDA 97.067) funds to local government within the 45-day requirement stipulated in program regulations.

Response:

GOHSEP management does not concur with the finding. The agency had procedures in place and was prepared to comply with the time requirement for the 2008 HSGP awards. However, the awarding of the subgrants to local government was delayed due to the consequences of GOHSEP undergoing a full activation of its Emergency Operation Center pursuant to Louisiana Governor Executive Order No. 51BJ2008 and Executive Order No. 52BJ2008, dated August 27, 2008 and September 7, 2008, respectively, covering both Hurricanes Gustav and Ike. The executive orders and activation were executed in order to respond to the onset and effects of the hurricanes and the devastation to the state that resulted from landfall.

Personnel at the agency, tasked with responsibility of producing, reviewing and approving sub-grantee awards, were assigned to mandatory roles and responsibilities pursuant to established protocols for activation during a hurricane. This resulted in the repositioning of personnel vital to the grant obligation process in a way that solidified an inability to execute the grant obligation process timely.

Mr. Daryl G. Purpera, CPA
Page Number 2
January 28, 2010

The U.S. Department of Homeland Security (DHS) was notified and tacitly concurred, and GOHSEP was provided the latitude necessary to complete the process after the needs of the emergency management and security of the state were adequately addressed. This accounts for the delay as noted by the audit findings.

GOHSEP endeavors to exhaust all efforts to comply with grant requirements and to timely notify all agencies of record when acts of nature impede the compliance process. Nevertheless, acts of nature can hamper administrative efforts in the future if their timing coincides with established grant award notification deadlines, as was the case in this instance. Future occurrences will involve dual notification of DHS and the Office of Legislative Auditor when activation will impede the sub-grantee notification and award process.

I thank you for providing this information on GOHSEP's homeland security subgrants.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce Janet at (225) 922-1479.

Sincerely,



Mark A. Cooper

MAC:BJJ

cc: Mark Riley



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 2, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 15, 2010
Inadequate LAPA Program Change Management

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 15, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Inadequate LAPA Program Change Management

Finding 1: The LAPA test site used the same login information as the LAPA production site and user acceptance testing was inadequately monitored and documented for the period July 1, 2008 through April 22, 2009.

Response:

GOHSEP management concurs that the test and production sites use the same authentication credentials. However, after discussion with the Information Systems Section in the Disaster Recovery Division, management is confident that this reflects minimal risk. Additionally, it should be noted that to gain access to one of the two sites, the specific web address would need to be entered into the web browser window.

Corrective Action:

GOHSEP management and the Information Systems Section have reviewed the condition and agreed that additional training would be conducted with all section personnel to ensure they understand the difference and potential risks involved in using identical credentials for both sites. Additionally, the Information Systems Section will contact the application developer to

discuss the options and cost associated with creating two separate authentication practices. Furthermore, GOHSEP management feels that with its current organizational structure in the Information Systems Section adequate monitoring and documenting of user acceptance testing will occur. Prior to the dates noted (July 1, 2008 to April 22, 2009) the organizational structure did not exist.

Finding 2: The LAPA report of completed program changes did not include a reference to the change request made and, therefore, was not a proper monitoring tool for GOHSEP to ensure that all critical changes requested were actually made and implemented.

Response:

GOHSEP management concurs that program changes did not include references to changes requested for the LAPA application during the audit review period. GOHSEP management has discussed this deficiency with the Information Systems Section in the Disaster Recovery Division to emphasize the need to document changes and the need for change management. The original implementation of the LAPA application was completed in a hasty manner to react to the needs of the immediate requirement to disburse money to the citizens of Louisiana, post Hurricane Katrina, for the Disaster Recovery Division and managing and monitoring were after thoughts.

Corrective Action:

GOHSEP management addressed this deficiency by creating an organizational structure, the Information Systems Section, to manage and monitor the LAPA application. In addition, the Information Systems Section was directed to coordinate and document changes to the LAPA application with GOHSEP's Information Technology Section. The Information Technology Section has developed and established a change management process and policy, which was adopted and approved on December 28, 2009, entitled "GEN-0015 Information Technology Change Management Policy".

Finding 3: GOHSEP implemented changes to LAPA during fiscal year 2009 without the proper signatures of approval in accordance with current GOHSEP change-management policy.

Response:

GOHSEP management concurs that changes made to the LAPA application were not properly approved by the necessary stake holders. This condition existed because there was no documented change management process for the Information Systems Section to follow. GOHSEP management has discussed this condition with both the Information Systems Section and Information Technology Section to emphasize the need to obtain proper approval to all changes made to the LAPA application.

Mr. Daryl G. Purpera, CPA
Page Number 3
February 2, 2010

Corrective Action:

GOHSEP has addressed this deficiency by developing and establishing a formal and documented change management process. This process is documented in a GOHSEP policy entitled "GEN-0015 Information Technology Change Management Policy", which was approved on December 28, 2009.

Finding 4: The change-management policies and procedures established in October 2008 lack specific detail regarding the agreed-upon change-management process, the emergency change process, and the policy and procedures to be followed by the service provider.

Response:

GOHSEP management concurs that the original change management policies and procedures lacked specific details for the different types of change request. The original implementation/installation of the LAPA application was completed in the Department of Public Safety's Data Center with little emphasis on managing and no capability to monitor the LAPA application. Due to this condition, the servers hosting the LAPA application were migrated to the GOHSEP Data Center to improve performance, management and monitoring capabilities in May 2008.

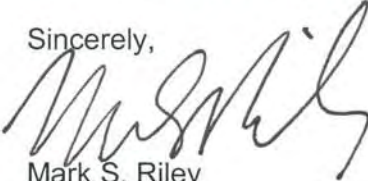
Corrective Action:

GOHSEP management has addressed this deficiency by developing, establishing and approving a formal and specific change management policy on December 28, 2009, entitled "GEN-0015 Information Technology Change Management Policy". It addresses planned and emergency type change request to include processes to grant the service provider access to install application patches, changes and upgrades only when needed.

I thank you for providing this information on GOHSEP's LAPA program change management.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,



Mark S. Riley

MSR:BJJ

cc: Mark Cooper



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

December 23, 2009

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated December 9, 2009
Inadequate Preparation of the Annual Fiscal Report

Dear Mr. Purpera:

I have reviewed the finding in the letter dated December 9, 2009 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

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 third consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit an accurate Annual Fiscal Report (AFR) and Schedule of Expenditures of Federal Awards (SEFA) to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP).

Response: GOHSEP management concurs with this finding. The accurate and timely completion of the Annual Financial Report (AFR) is an important function of this agency. As a result of staff transitions and software issues, there were data integrity issues and errors in the execution of the required forms to complete the AFR. Due to time constraints of the process, multiple sources of data, and the complexity of the data, the process for completing the AFR did not function effectively.

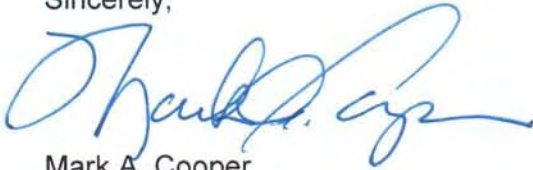
Corrective Action: Since the completion of last year's AFR, additional staff has been hired and training is ongoing. In addition, GOHSEP is actively researching the acquisition of a more appropriate software system for data integrity and executing necessary calculations to ensure a timelier and more accurate AFR. GOHSEP will implement improvements to the process, to include maximizing the advance preparation of data, contacting non-financial staff early in the process for coordination and data verification, and ensuring additional layers of review. GOHSEP staff will complete a repeat of the process including identification and retrieval of critical date and execution of the appropriate forms prior to year-end to identify any issues.

Mr. Daryl G. Purpera, CPA
Page Number 2
December 23, 2009

I thank you for providing this information on GOHSEP's preparation of the annual fiscal report.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,



Mark A. Cooper

MAC:BM:krs
cc: Mark Riley



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

December 29, 2009

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated December 15, 2009
Inadequate Reconciliation between Project Database and Financial Records

Dear Mr. Purpera:

I have reviewed the finding in the letter dated December 15, 2009 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Inadequate Reconciliation between Project Database and Financial Records

Finding: For the second consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not adequately reconcile its project database for the Homeland Security Cluster programs (CFDA 97.004 and 97.067) to the financial records.

Response: GOHSEP management concurs with the finding. Pursuant to the corrective actions implemented by GOHSEP as outlined in the audit response letter dated February 16, 2009, the reconciliation policies and procedures have been adhered to as designed. At present, all open grant years are reconciled on a monthly basis. The current finding addresses grants that were carried under the Military Department, dating back to 2004, for which retention protocols, coupled with storm-related losses have made it difficult to secure source documentation. The reconciliation process remains extremely time consuming because of these unavoidable circumstances. The time constraints for reporting and reconciliation remain a challenge. The lack of a robust grants management tool exacerbates the situation. The 2004 and 2005 reconciliations are nearing completion and should be finalized within the first quarter of 2010.

Corrective Action: GOHSEP is addressing staffing issues in the Grants Branch to better allocate resources to the reconciliation efforts and has identified a viable grants management software tool that provides deep integration with existing U.S. Department of Homeland Security grant reporting tools and the State's ISIS financial system.

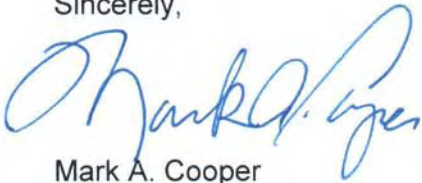
Mr. Daryl G. Purpera, CPA
Page Number 2
December 29, 2009

Implementation of this type solution will streamline manual review processes, provide a detailed audit trail from grant application through close-out, and will manage time intervals that drive the programmatic requirements of the grants.

I thank you for providing this information on GOHSEP's reconciliation between its project database and financial records for the Homeland Security Cluster programs.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce Janet at (225) 922-1479.

Sincerely,



Mark A. Cooper

MAC:FB:krs
cc: Mark Riley



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 15, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 29, 2010
Lack of Controls to Ensure Completeness of Quarterly Progress Reports

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 29, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Lack of Controls to Ensure Completeness of Quarterly Progress Reports

Finding: The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) has not implemented adequate internal controls to ensure that quarterly progress reports submitted to the Federal Emergency Management Agency (FEMA) for the Hazard Mitigation Grant Program (CFDA 97.039) include all subgrantees and projects.

Response:

GOHSEP management concurs that the agency should ensure that quarterly progress reports submitted to FEMA for the Hazard Mitigation Grant Program include all subgrantees and projects.

Corrective Action:

The Mitigation Section leadership has placed increased emphasis on Disaster Recovery Specialists (DRSs) and Team Leaders regarding quarterly reports, and the timely submission of these reports by applicants. Management has stressed the importance of timely submission to Group and Team Leaders at the Section's weekly staff meeting. Furthermore, DRSs have reminded their applicants that all processing of payments to delinquent subgrantees will halt, until a current, up to date quarterly report is received. DRSs will coordinate with their applicants as the end of a quarter approaches in order to remind them of the quarterly report deadline. A grace period of 10 business days will be given to the subgrantees, following the close of the quarter, before a report is considered delinquent. At the conclusion of the 10 day grace period,

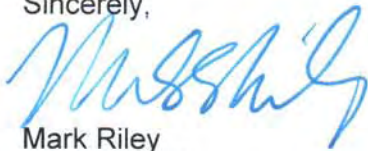
Mr. Daryl G. Purpera, CPA
Page Number 2
February 15, 2010

subgrantees will be notified in writing of the decision to halt payment processing, which will occur 30 days following the end of the reporting quarter. Payments will not be processed until an up to date report has been submitted. In addition, management has implemented a Quarterly Report reconciliation spreadsheet that mirrors the Grant Data spreadsheet in order to track approved/obligated projects with their quarterly reports. This will ensure that all applicant quarterly reports are included in the quarterly submission made to FEMA and that no future reports to FEMA will be submitted with missing reports.

I thank you for providing this information on GOHSEP's lack of controls to ensure completeness of quarterly progress reports to FEMA for the Hazard Mitigation Grant Program.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,



Mark Riley
Chief of Staff

MR:bjj



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

January 27, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 15, 2010
Lack of Information Technology Audits

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 15, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Lack of Information Technology Audits

Finding: The internal audit section of the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) has not performed information technology (IT) audits to monitor, assess, and report to management on the effectiveness of IT controls.

Response: GOHSEP management concurs with the finding that there is a need for the internal audit section to include in its annual risk assessment significant Information technology (IT) functions since GOHSEP is heavily dependent on its IT systems for administration of federal programs, financial processing and reporting. The internal audit section is comprised of an Internal Auditor and an Auditor. A new Internal Auditor was hired on November 2, 2009 filling a vacancy, which occurred in June 2009.

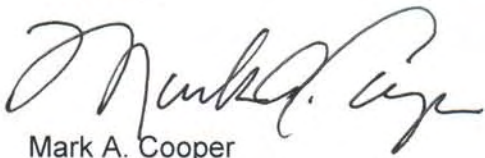
Corrective Action: Our new Internal Auditor is in the process of reviewing and modifying, as appropriate, the risk assessment and audit plan for Fiscal Year 2010 prepared by the previous Internal Auditor. He will ensure that the annual risk assessment includes significant IT functions, then address those identified risks in the audit plan and perform internal IT audits to monitor, assess, and report on the effectiveness of IT controls. The number of IT audits performed will be dependent on the risk assessment given the level of current staffing. Any audit results will be reported to an appropriate level of management.

Mr. Daryl G. Purpera
Page 2
January 27, 2010

I thank you for providing this information on GOHSEP's lack of information technology audits.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,

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

Mark A. Cooper

MAC:BJJ:krs

cc: Mark Riley



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 2, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 19, 2010
Lack of Proper LAPA Access and Segregation of Duties

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 19, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Lack of Proper LAPA Access and Segregation of Duties

Finding: GOHSEP did not have adequate controls over access to its computer system and modifications to its production data. In addition, logs were not available to provide an adequate audit trail of activities.

Response: GOHSEP management concurs with the finding that there is a need to have segregation in duties to ensure permissions in LAPA are granted on a strict business-need basis.

Corrective Action: GOHSEP has requested a proposal from a vendor to assess the cost to implement the System Administrator's activity audit trail within LAPA. The enhancement will take approximately 30 hours to construct and will cost \$2,625. Though we currently do not have a budget for this enhancement, we are working towards securing funding and it has been scheduled in our development cycle. Implementing this enhancement will eliminate the possibility of unauthorized and undetected modification of production data files.

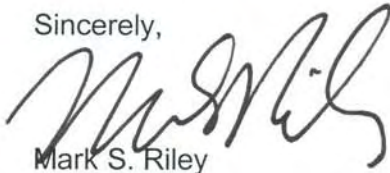
Mr. Daryl G. Purpera, CPA
Page Number 2
February 2, 2010

GOHSEP does grant access to vendor programmers to evaluate system bugs that occur in the production site which sometimes cannot be replicated in the development site. While System Administrator's do have the ability to perform all functions in the system, an audit log will provide line item documentation of the functions that an administrator has performed.

I thank you for providing this information on GOHSEP's lack of proper LAPA access and segregation of duties.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark S. Riley', is written over the typed name.

Mark S. Riley

MSR:BJJ

cc: Mark Cooper



BOBBY JINDAL
GOVERNOR

State of Louisiana
Governor's Office of Homeland Security
and
Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 23, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated February 11, 2010
Noncompliance with Subrecipient Monitoring Requirements

Dear Mr. Purpera:

I have reviewed the finding in the letter dated February 11, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2009.

In accordance with your guidance, we are providing separate letters for each of the findings.

Noncompliance with Subrecipient Monitoring Requirements

Finding 1: Procedures were not developed or implemented to ensure that GOHSEP reviewed required subrecipient audit reports, evaluated the impact of subrecipient activities on GOHSEP's ability to comply with federal regulations, and/or determined if sanctions are necessary for subrecipients that did not obtain a required audit.

Response:

GOHSEP management concurs with the finding.

Corrective Action:

The Compliance Section does have a sanction process in place for those subrecipients that do not respond in a timely manner, with their entities corrective action plan to audit findings cited in their A-133 reports. These sanctions are stated in the Final Determination Letters of the A-133 desk reviews. The Compliance Section will expand their sanction procedures to include those applicants that fail to respond to the Confirmation Letters. The Confirmation Letters are sent to applicants requesting that they provide total federal awards expended and total GOHSEP funds expended in a given year. These letters assists the Compliance Section in determining whether or not the applicant has met the \$500,000 threshold requiring an A-133 report to be submitted. In addition, the Compliance Section will send out a follow-up letter imposing sanctions to the applicant, if there is no response within 30 days after the date of the initial Confirmation Letter.

Finding 2: The monitoring program developed to review subrecipient audit reports for the Public Assistance program did not include procedures to evaluate the impact of audit findings on GOHSEP's ability to comply with applicable federal regulations.

Response:

GOHSEP management concurs with the finding.

Corrective Action:

The Compliance Section will update the Subrecipient Monitoring Program to include notification to all GOHSEP grant program administrators for audit findings found in the applicants A-133 reports that directly affect GOHSEP's ability to comply with OMB A-133. Currently, the Compliance Section lists the applicant's findings that may have an impact on GOHSEP administered grants and offer recommendations to relieve the findings to the applicant. GOHSEP's Compliance Section and grant program administrators will develop procedures to address how these unresolved findings could affect various areas of the agency to ensure compliance with OMB A-133.

Finding 3: Various deficiencies were noted in the Public Assistance Program meeting OMB A-133 audit requirements.

Response:

GOHSEP management concurs with the finding.

Corrective Action:

GOHSEP will update the Subrecipient Monitoring Program to include procedures which will ensure the Compliance Section checks all available locations for audit reports to include the Louisiana Legislative Auditor and Federal Audit Clearinghouse websites. In addition, the Compliance Section will verify through GOHSEP's Schedule of Federal Financial Assistance (Schedule 8) and ISIS expenditure report to track agencies that GOHSEP has administered funds to as well as checking the state's Comprehensive Annual Financial Report to assure that they have captured all required applicants. In mid-year of 2009, the Compliance Section became fully staffed, and since then has begun training personnel to include cross-training on all GOHSEP grant programs and the Subrecipient Monitoring Program. The Compliance Section will ensure procedures are followed, and staff will be trained on updates as needed.

Finding 4: The site visit program implemented for the Homeland Security Cluster programs did not provide adequate coverage for the fiscal year 2005, 2006 and 2007 grants. GOHSEP performed 13 site visits in FY09 providing approximately 3% to 7% coverage on the fiscal year 2005, 2006, and 2007 grants. GOHSEP did not perform a risk assessment and could not provide other documentation to justify performing only these 13 site visits.

Mr. Daryl G. Purpera, CPA
Page Number 3
February 23, 2010

Response:


GOHSEP management concurs with the finding.

Corrective Action:

GOHSEP performs desk reviews/audits on all Homeland Security grants subrecipient files when the Homeland Security Grants Branch is processing reimbursement requests. This is an active on-going process of review for compliance. GOHSEP pre-approves all equipment purchases, training/planning/exercise and management and administration requests in accordance with DHS/FEMA regulations. Moreover, prior to releasing grant funds, subgrantees must provide a spending plan that ensures compliance with federal programmatic requirements. These desk audits fulfill several of the requirements as set forth in OMB Circular A-87 and A-133 of which 100% post-grant monitoring is not a requirement. GOHSEP is in the process of establishing a formal procedure for capturing and reporting information when the desk reviews are performed. The monitoring site visits to subrecipients' in conjunction with GOHSEP's Compliance Section will also be part of this procedure. In order to make this a cohesive and well-understood process, the Compliance Section of GOHSEP will take the lead on field monitoring of subrecipients. Other sections of GOHSEP, i.e., Homeland Security and Regional Support will assist the Compliance Section in the coordination of reviews/monitoring visits immediately. Desk reviews will be tracked daily and reported quarterly by the Homeland Security Grants Branch and furnished in a report form to GOHSEP's Compliance Section, and Executive Management.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,



Mark A. Cooper

MAC:BJJ

cc: Mark Riley

Monday December 7, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation Response to Legislative Audit November 20, 2009
Letter - Audit Finding: December 2008 Rate-Filing Did Not Comply With State Law

Dear Mr. Purpera:

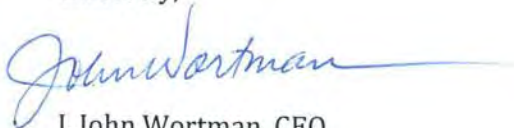
As stated in our response to the Rate-Filing Audit conducted by your office dated May 13, 2009, LCPIC concurs in part to the findings noted in the audit. We agree that the Citizens Board needs to review and approve rates and rating formulas prior to their effective date. However, in our response to the May 13, 2009 audit, we noted that we do not believe the Statute specifies an order for the approvals required from the Department of Insurance and our Board of Directors. In this case, we received approval from our Board of Directors three months prior to the implementation of the noted rate changes.

We disagree with the statement in your finding that "the Commissioner notified Citizens management that he would not approve the actuarially indicated rates because of pervasive data integrity issues" in the actuarial analysis. The issue the Commissioner's office had with our historic data was that at the time of the rate filing, the audits of our historical financial data had not been completed. The Commissioner's concern was using unaudited data in the actuarial analysis - not that we had "pervasive data integrity issues". In fact, the completed audits found no issues with our financial data. Since audited historical data was not available for the actuarial analysis, it was deemed that the market data should be relied upon for the rate analysis.

Citizens used the market survey data collected by the Department of Insurance because there was not enough time for Citizens to collect our own market data before the rate analysis was due.

We agree that Citizens should collect the market data for all future rate increases and have done so for the actuarial and rate analysis that is currently under way. A formal presentation was made to the LCPIC Board of Directors on August 13, 2009 on the rate making process. We also agree that the Citizens Board should not only approve any rate changes, but also the rate formulas that drive the rate changes.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 18, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit December 16, 2009 Letter - Audit Finding: Inaccurate and Incomplete Annual Fiscal Report

Dear Mr. Purpera:

LCPIC concurs in part with this finding. The accounting issues and challenges of LCPIC are well documented. As a result of the major storms in 2005 and system issues, as of June 2008, LCPIC did not have completed financials for 2005, 2006, or 2007. In the last six months of 2008, LCPIC was able to complete the 2005, 2006, and 2007 financial statements and work with outside auditors to complete the audits for these years. At the end of 2008 the LCPIC accounting efforts shifted to the completion of the 2008 financials. During 2008, the efforts of the LCPIC accounting staff were focused on completing the statutory accounting statements used by all insurance companies and required by the Louisiana Department of Insurance.

There are some differences in the rules of statutory accounting and presentation as compared to governmental GAAP reporting. Many of the issues raised by the Legislative Auditor relate to the different accounting treatments and presentation formats of governmental GAAP reporting versus insurance statutory reporting. LCPIC appreciates the efforts of the Legislative Auditor to assist us in reporting the GAAP financials in the proper format and will make the suggested changes to our governmental GAAP financial statements in 2008 and future years.

The Legislative Auditors have also suggested a few correcting entries to our accounting numbers and we have reviewed these and agree with their suggestions. LCPIC accounting had already made the \$960,344 correcting entry in March of 2009 and will incorporate the \$3,894,557 assessment correction into the prior period assessment accounting adjustment, as agreed upon with the Louisiana Department of Insurance in the 2009 statutory financial statements. As noted above, all other GAAP presentation and financial corrections will also be made by LCPIC.

LCPIC does not concur with the inferred lack of accounting effort, expertise, or supervisory process as noted in the finding. In 2009, for the first time in the history of the company, LCPIC filed all quarterly

financial statements on time. For the first time in the history of the company, LCPIC is now producing monthly financial statements that are reviewed with our Board of Directors and annual budgets that are approved by our Board of Directors.

We believe that we made great accounting progress in 2008 by completing four years of financial statements, but do appreciate the suggestions from the Legislative auditor to improve the accuracy and presentation of our GAAP accounting statements.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

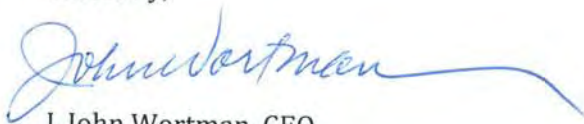
Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit December 9, 2009 Letter - Audit Finding: Inaccurate Calculation of Emergency Assessment on Premium Changes

Dear Mr. Purpera:

LCPIC concurs in part with this finding. In 2007, a change was made to the LPMS system to charge the required 5% Emergency Assessment on all new and renewal policies in 2008. A systems change was also made to refund Emergency Assessments when policies were cancelled flat. However, systems issues remained within the LPMS system for recalculating Emergency Assessments for changes made to existing policies. These issues were corrected in early 2009.

The impact of the Emergency Assessment calculation error was quantified to be approximately \$220,000. All Emergency Assessments collected were remitted to the bond trustee, even if they were in error, as required by statute.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Thursday, November 19, 2009

Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation Response to Legislative Audit November 6, 2009 Letter - Audit Finding: Inadequate Controls for Securing and Monitoring Systems

Dear Mr. Theriot:

LCPIC believes the lack of system access complexity is compensated by requirements to have multiple sign-ons to access our systems. However, we are in the process of implementing a new, more complex systems access process that will be completed in the first quarter of 2010. Implementation was impacted by the time it took to move from the old PIAL domain to the Citizens domain (official separation was in 4/08). Generic names have been removed.

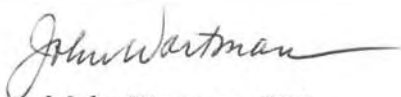
All financial data sent to outside vendors is encrypted. LCPIC does not capture sensitive policyholder data such as social security numbers or bank account information.

Remote access is limited to a small group of users (senior management and technical support). In the first quarter of 2010 we will eliminate VPN (remote access) and move to terminal services which will add additional levels of security.

LCPIC believes there are many ways to control system access other than logs. Our systems access and the ability to make changes is controlled via access parameters as noted above. All transactions leave an audit trail and record the user. There have been no known instances found of unauthorized system access or changes noted by either LCPIC or by the auditors.

Formal written IT security policies will be published to all users during the first quarter of 2010.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

November 9, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find our responses to the audit findings noted below:

Audit Finding: Inadequate Documentation of Information Systems

We agree that the documentation of our LPMS policy management system is inadequate. However, as the auditors know, we are in the process of replacing the LPMS policy management system. We do not believe it would be prudent to utilize our personnel or incur the financial cost to document a system that we are actively replacing. Our new policy management system (EPIC) will be fully documented.

We enlisted the State of Louisiana Purchasing Department to help us purchase our new policy management system. The requirement for the vendor to be SAS 70 compliant was not a part of the state process; however, we concur with the audit advice and will make this an important element of all future IT contracts.

The audit comment that the primary vendor for our LPMS system has refused to sign a contract is not true. We are currently, and were in active contractual negotiations with ITBD before the audit began. We do not understand why the auditor would state that he brought up the issue since we provided the auditor with a draft copy of the proposed contract. The efforts to formalize a contract with ITBD began in January 2009, well before the beginning of the audit.

We concur that we need to increase our written IT documentation, and are in the process of doing so. We are spending our efforts and resources to ensure our new system is documented. We are not expending resources to document a system that we are in the process of replacing. LPMS and ORBS will be phased out over the next 15 months.

We do have written documentation for Data Mart, but will update it to make sure it is current. Our review will be led by Dan Laffey and will be concluded by January 1, 2010.

Sincerely,



J. John Wortman
CEO
Louisiana Citizens Property Insurance Corporation

Tuesday December 15, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit
November 30, 2009 Letter - Audit Finding: Inadequate Loss Reserve Development Process

Dear Mr. Purpera:

LCPIC absolutely does not concur with this finding. It is clear the auditor does not understand property casualty insurance reserving practices. Most of the information cited by the auditor is based on information only available after the fact. The auditor does not understand the development and purpose of the "incurred but not reported" portion of loss reserves. The auditor does not understand claim handling and the reserving process and is asserting misinformation despite many explanations. It is clear the examination was of individual pieces without understanding the entire process. The result is a waste of time and effort.

Regarding class action law suits, at 12/31/08, LCPIC had a settlement of the Orrill class and had \$20 million on file with the court. This was reflected in the 2008 financials. The settlement of the Orrill class, by law, eliminates the other classes. This was the LCPIC position at the end of 2008, and continues to be the position as LCPIC goes through the appeal process. Evidence to this effect was provided to the auditors. LCPIC believes the case and IBNR reserves are adequate to settle all other pending suits and claims.

Regarding specific points raised:

1. This demonstrates a complete lack of understanding of claim handling and the establishment of case reserves. First, the payments were made after the end of 2008, so this is information that clearly was not available at year end 2008. The claim process is meant to pay claims and case reserves are adjusted according to company guidelines. The reserve is always different than the final payment. In fact, many insurance companies do not develop case reserves, instead, they use bulk or factor reserves.

The three bullet points listed by the auditor are typical of any insurance company operation and do not have an impact on the overall reserve process. This was explained to the auditors many times.

2. The reserves listed are included in the "Incurred but not Reported" portion of the overall loss reserves. There have always been manual commercial claims without case reserves. These are included in the payment patterns and are included in the overall actuarial reserve process.
3. This is a typical situation that relates to timing and again reflects the auditor's lack of knowledge of property and casualty claim and reserve practices.
4. This is a misclassification of a very small amount. It has no impact on the accuracy of the overall reserving process.
5. Lawyers do not set reserves for insurance companies. Again, this reflects the auditor's lack of understanding of the property and casualty reserving process. This information was obtained from the lawyers eleven (11) months after the fact and has no impact on the overall 2008 reserve calculation. As explained to the auditor many times, and as this finding demonstrates, after the fact, some cases close below the case reserve and some cases close above the case reserve.

In conclusion, LCPIC totally disagrees with the audit finding that LCPIC information systems and claim reserve procedures are inadequate to insure complete and accurate loss information. At the end of 2008, LCPIC had net Loss and LAE reserves of \$170 million which was in the range of a detailed analysis conducted by an independent outside property and casualty actuarial firm.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

November 9, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find our responses to the audit findings noted below:

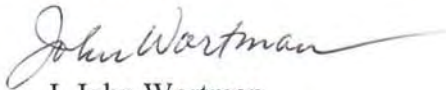
Audit Finding: Inadequate Program/System Change Controls

Our process is that all program changes are reviewed, tested, and approved before changes are made to the system.

While many things fall into the category of "may be possible", including unauthorized program changes, any unauthorized changes would create system issues and or questions that would be immediately investigated. Although unauthorized program changes are theoretically possible, there have been no such occurrences.

The LPMS policy management system does not provide adequate requirements for separation of duties; however, we are in the process of replacing this old system before the end of 2010. Our new policy management system will require adequate separation of duties.

Sincerely,



J. John Wortman
CEO
Louisiana Citizens Property Insurance Corporation

November 9, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find our responses to the audit findings noted below:

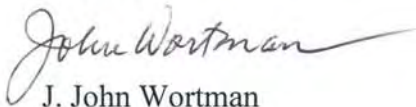
Audit Finding: Lack of Contracts for Information Technology Services

LCPIC has a valid contract with I4 that was signed on December 6, 2007 and was in effect in 2008.

Our primary usage of the vendor IT By Design (ITBD) is for maintenance of our LPMS policy management system. ITBD had a written agreement for services with PIAL prior to April of 2008 when LCPIC formally split from PIAL. Although the formal contract with ITBD was not officially transferred in April of 2008, both LCPIC and ITBD have been honoring and working under the original contract. We agree that it would be better to have a new contract between LCPIC and ITBD and are in formal contract negotiations with ITBD at this time. However, the negotiations have been complicated because both parties understand we will be phasing out our use of ITBD with the implementation of our new policy management system in 2010. We have a very detailed and formalized contract with the vendor for our new policy management system (West Point Underwriting). We will have a signed contract with ITBD by January 1, 2010. Dan Laffey, our CIO, and Paige Harper, our Corporate Council, are managing the contract negotiations with ITBD.

Although the contract negotiations with ITBD have not been finalized, there have been no instances of ITBD making unauthorized changes to the LPMS system. All system changes go through user acceptance testing and approval before implementation.

Sincerely,



J. John Wortman
CEO
Louisiana Citizens Property Insurance Corporation

Thursday, November 19, 2009

Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation Response to Legislative Audit November 11, 2009 Letter - Audit Finding: Lack of Controls for Over Administering and Monitoring User Access

Dear Mr. Theriot:

LPMS - LCPIC agrees that the Consulting - SBS role is too broad and has eliminated all but three users for which two have new limitations for correcting policies. Three of the user names are needed for systems administration purposes (backups, LPMS system and CatLoss). Additionally, although the Consulting - SBS ID's were "valid", many did not have sign-on capabilities.

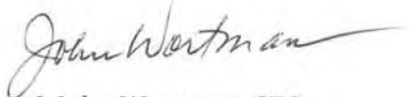
It is important to note that although we are taking measures to increase our system controls, LCPIC has never had any unauthorized access or changes made to our systems noted by LCPIC IT or the Legislative auditors.

Fiserv - Job descriptions and needs have been reviewed and access has been reduced to four people with full access and five people with limited access.

As has been well documented, due to system problems and the aftermath of the 2005 storms, in mid 2008 LCPIC still had not been able to complete financials for the years 2005, 2006, and 2007. One of the biggest issues that prohibited the completion of the financials was the reconciliation of bank accounts for the thousands of checks written after the 2005 storms. External consultants as well as all available internal personnel were provided system access to help reconcile the bank accounts.

As part of the new system installation, LCPIC has established a role for system administrator and will develop written policies regarding system access by the first quarter of 2010.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

November 9, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

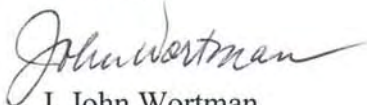
Dear Mr. Theriot:

Please find our responses to the audit findings noted below:

Audit Finding: Lack of Information Technology Policies and Procedures

LCPIC does in fact have IT policies and procedures. The issue noted is that we need to increase the formal written documentation of our policies and procedures. We are in the process of strengthening and documenting our IT policies and procedures. Dan Laffey, LCPIC CIO, is leading the effort and anticipates the project will be completed by the end of May 2010.

Sincerely,



J. John Wortman
CEO
Louisiana Citizens Property Insurance Corporation

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit December 6, 2009 Letter - Audit Finding: Lack of an Internal Audit Function

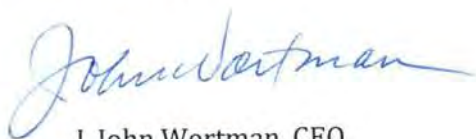
Dear Mr. Purpera:

LCPIC concurs in part with this finding. While LCPIC does not have an official internal audit function, LCPIC has made great progress in developing formal written policies and procedures and internal controls. Prior to April 1, 2008, LCPIC outsourced all management functions to Property Insurance Association of Louisiana (PIAL). LCPIC officially assumed all management functions on April 1, 2008. LCPIC hired an executive management team that was tasked with solving significant operational issues. In addition, LCPIC managed 55,000 Gustav/IKE storm claims in 2008. As a part of the solution to the operational issues the current management team inherited, LCPIC developed and documented multiple operational processes and internal control procedures in 2008.

LCPIC believes the development and documentation of formal processes and procedures and internal controls, has provided an internal audit aspect for the company. However, in order to improve operational and internal controls in 2010, LCPIC will develop and execute specific tests of company operational and internal controls.

LCPIC will continue to examine the benefits of hiring personnel for a formal internal audit function with the costs that ultimately are paid by the property insurance policy holders of the state.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit December 6, 2009 Letter - Audit Finding: Lack of Monitoring Over Service Providers

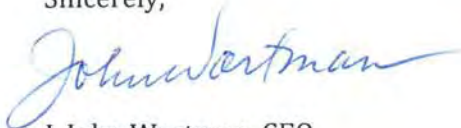
Dear Mr. Purpera:

LCPIC concurs in part with the finding. LCPIC does not have SAS 70 Type II reports from service providers contracted during 2008. The service provider selection process initiated in 2004, and administered through the Louisiana Office of State Purchasing, did not require audited financial statements or SAS 70 reports. This continued to be true in the 2009 Louisiana procurement process and was not a requirement for the 2009 service provider selection process. During 2008, all service providers were required to provide audited financial statements and two of the service providers, those with out of state administrative capability and not impaired by hurricanes Gustav and Ike, provided or had available for review SAS Type I reports.

LCPIC operating procedures include ongoing reviews of general and catastrophe claim files. LCPIC has procedures in place to perform operational reviews of service providers and performance requirements continue to be strengthened. Operational reviews were initiated in 2007, and reviews were conducted in 2007, 2008 and 2009. Operational reviews were conducted by Citizens staff and independent review staff, during this review period. Examples are attached.

LCPIC fully concurs with the need for continuous improvement and accountability in service provider controls and presented revised comprehensive claim and underwriting reviews to the LCPIC Board of Directors in August of 2009 (attached).

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit December 6, 2009 Letter - Audit Finding: Noncompliance with Policy Take-Out Program Requirements

Dear Mr. Purpera:

LCPIC concurs in part with this finding. LCPIC acknowledges that one non-admitted company and one company that did not have a rating were allowed to participate in the take out process in 2008.

However, LCPIC's process ensures that all statutory requirements are met to the greatest extent possible, without compromising compliance with LRS 22:23. Ultimately, LCPIC believes the process complies with the intent of LRS 22:2314. The objective of the LCPIC depopulation program is to allow the maximum number of policies to be depopulated.

With regard to the requirement that policies be bundled in groups of not less than 500 policies, note that all active policies were offered for depopulation in one large bundle of over 500 policies reflecting the geographical and risk characteristics of the overall book of business. This approach was chosen to comply with LRS 22:23, which gives the agent of record the ultimate authority to authorize the movement of a policy to a take-out company. If LCPIC were to select the policies assumed by each insurer, it would be a violation of that statute. LCPIC firmly believes that LRS 22:23 does apply and that, in this respect, there is a statutory conflict between LRS 22:23 and LRS 22:2314. LCPIC will work with the State Legislature to amend the take-out legislation in order to avoid any statutory conflicts.

The 75,683 policies referenced in the finding, includes policies requested by multiple companies. There were 60,000 unique polices requested and of those, the agents authorized 39,936 (66%) for transfer to the take out companies.

The LCPIC Board of Directors has formally approved the Depopulation process. Additionally, during each round of Depopulation, the Board members are advised on a monthly basis as to the names and number of companies participating, the policies requested, and the policies authorized to each company by the agent of record.

The Depopulation process has been extremely successful for the state of Louisiana. In 2008, LCPIIC reduced its policy base by 40,000 policies (25% of its book of business), reducing the total insured value of the company to approximately \$9 billion, thereby reducing the risk of future assessments to all property insurance policyholders in the state.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit November 30, 2009 Letter - Audit Finding: Noncompliance with State Eligibility Requirements

Dear Mr. Purpera:

LCPIC concurs with this finding. The LPMS policy management system does not provide the capability to monitor the denial of coverage requirement for new policies, or the capability to restrict agents from selling policies to people without evidence of denial.

The new policy management system that will be installed in the spring of 2010 will prohibit the issuance of new policies to property owners that have not been denied coverage by another insurance company.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO

Friday December 11, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Citizens Property Insurance Corporation (LCPIC) Response to Legislative Audit November 30, 2009 Letter - Audit Finding: Uncertainty in Premiums Receivable

Dear Mr. Purpera:

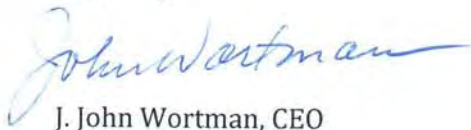
LCPIC does not concur with the wording of "uncertainty" in this finding. There are some issues within the LPMS system that impact premium receivable balances. Although the issues increase the difficulty of reconciling premium receivable, the impacts have been quantified and have minimal impact on overall receivable balances. Three were noted in the finding.

The first exception noted totaled \$960,345 and was corrected in March of 2009.

The second exception noted impacted 850 out of 140,000 policies and has minimal dollar value. Any adjustments required will be made to our accounts receivable balance.

The final exception noted relates to another finding regarding the over/under collection of Emergency Assessments. The LPMS system did not make adjustments to Emergency Assessments receivable for changes made to policies in 2008. The differences have been quantified to be approximately \$220,000. A balance sheet adjustment will be made between accounts receivable and accounts payable to correct this issue.

Sincerely,



J. John Wortman, CEO

C: Steve Cottrell, CFO



Established 1852
Accredited by CEASD

LOUISIANA SCHOOL FOR THE DEAF

Post Office Box 3074, Baton Rouge, Louisiana 70821-3074

2888 Brightside Lane 70820
Telephone: (225) 769-8160
Fax: (225) 757-3424
LA Toll Free: (888) 769-8111
www.lalsd.org

July 2, 2009

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

This is a response to the audit finding titled "**Noncompliance with A-87 Payroll Certification Regulations**". We concur with the finding that the school did not ensure that certifications for payroll expenditures charged to federal programs were completed on a semi-annual basis. The following procedure has been implemented to establish compliance.

Finding Example - Louisiana School for the Deaf failed to prepare and maintain required payroll certifications, thus resulting in the risk that expenditures were not fairly and accurately allocated to federal programs.

Proposed Solution – The school has established and continues to enforce policies and procedures for completing payroll certifications to ensure compliance with federal regulations.

The contact person responsible for the corrective action is Mark Antoon, Chief Financial Officer. The monitoring of this plan will be on going.

Should you need any additional information, please feel free to contact me at (225) 757-3200.

Sincerely,

A handwritten signature in black ink that reads "Kevin Lemoine". The signature is written in a cursive style.

Kevin Lemoine
Superintendent Board Special School

C: Elizabeth Moore
State Director of Special School District



Louisiana State University System

3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Chief Financial Officer

225 / 578-6935
225 / 578-5524 fax

September 24, 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 Law

Dear Mr. Theriot:

On September 1, 2009, an audit finding was received by the University Medical Center addressing the facility's performance-based energy efficiency contract with Johnson Controls, Inc. (JCI) for the fiscal year ending June 30, 2009. This finding is similar to a finding issued to University Medical Center in early 2009 for the fiscal year ending June 30, 2008. The finding states that the performance-based energy efficiency agreement with JCI includes stipulated savings and therefore does not comply with state law because the stipulated operational savings are not verified or measured. As such, the finding states that the savings truly guaranteed under the contract are less than the cost of the contract. The findings conclude that the facility "should revise its energy efficiency contract to comply with state law to ensure each savings component is verifiable and that the guaranteed savings have been realized" and that "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."

University Medical Center is one of five LSU System institutions that are party to performance-based energy efficiency contracts with JCI. Specifically, the University of New Orleans, Louisiana State University Health Sciences Center Shreveport, Louisiana State University and Lallie Kemp Medical Center are also parties to such contracts. It is anticipated that each of these five facilities will receive findings similar to the finding recently issued to University Medical Center as each of these facilities also received virtually identical findings for the previous fiscal year. Therefore this response is meant to serve as the LSU System's official response to any similar findings issued to each of these facilities for the fiscal year ending June 30, 2009.

The LSU System provided a response related to the previous fiscal year findings to your office on February 19, 2009 explaining the status of the investigation into each of these contracts. See attached. In response to a letter from your office dated June 16, 2009 requesting an update as to the status of each of these contracts, the LSU System, on July 13, 2009, provided a detailed follow-up summary of the status of these contracts and its efforts to determine the most appropriate course of action to address the issues noted in your audit findings. See attached.

As explained in the July 13, 2009 letter, the LSU System has retained Taylor, Porter, Brooks & Phillips as contract counsel to assist in the resolution of the issues involved with these contracts. Counsel has been in contact with JCI's attorney to obtain information pertinent to the savings issues associated with these contracts. Counsel has also retained an industry expert, on behalf of the LSU System, to assist in the detailed and comprehensive review of the volumes of technical materials and calculations related to each of the five contracts. This expert has made significant process in the evaluation of several of the facility contracts. His evaluation has focused significantly on the evaluation of measured and stipulated savings under these contracts to determine the accuracy of previous calculations and the reasonableness of any assumptions underlying the stipulated savings under these contracts. Because many of these contracts were

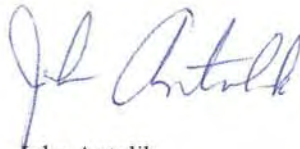
Louisiana State University & Agricultural and Mechanical College

*LSU at Alexandria • LSU at Eunice • University of New Orleans • LSU in Shreveport • Hebert Law Center • LSU Agricultural Center
Pennington Biomedical Research Center • LSU Health Sciences Center - New Orleans • LSU Health Sciences Center - Shreveport • LSU Health Care Services Division*

entered into years ago, our expert is working with facility staff to obtain historical as well as current documentation and equipment/operational information relevant to the savings calculations set forth in these contracts. Due to the highly technical and complex nature of the subject matter of these contracts and the necessity of obtaining detailed historical documentation, the process of reviewing this information has been a time consuming endeavor. However, progress has been made.

As previously indicated, once the expert has completed his review, the LSU System will work with counsel to determine the most appropriate path forward in the best interest of the University and the taxpayers to resolve the issues noted in your audit findings. Again, it is imperative that the LSU System proceed with caution to preserve any and all rights that it may have related to these contracts and the LSU System is currently taking all necessary steps to prepare for litigation to remedy the situation by nullifying the agreements, forcing amendments to the agreements or recovering for breach of the agreements. However, the appropriate path forward depends on the outcome of the ongoing extensive investigations and evaluations of the agreements. As such, the LSU System is unable to provide an anticipated completion date for these corrective actions. But, it should be recognized that these significant and precise steps are part of substantial corrective actions presently being taken.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Antolik". The signature is fluid and cursive, with the first name "John" and last name "Antolik" clearly distinguishable.

John Antolik
Chief Financial Officer

cc: General Counsel P. Raymond Lamonica



Office of the Chancellor
Tel: (318) 473-6444 • FAX: (318) 473-6480

8100 Highway 71 South
Alexandria, LA 71302-9121

November 19, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

RE: LSU Alexandria response to finding: **Weaknesses in the Administration of Student Financial Aid at Louisiana State University at Alexandria.**

Louisiana State University at Alexandria management concurs with the above audit finding as we were unable to provide adequate documentation to support the information requested in reference to the various line items reported on the Fiscal Operations Report and Application to Participate (FISAP) for award year 2007-2008. In response, a corrective action plan is enclosed.

If additional information is needed, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "D. P. Manuel".

David P. Manuel
Chancellor

Enclosure

LSU Alexandria response to finding: **Weaknesses in the Administration of Student Financial Aid at Louisiana State University at Alexandria.**

Corrective Action Plan:

Review of our processes has revealed several opportunities for improvement in maintaining documentation and improving the reliability and accuracy of the documentation used when reporting data on the annual FISAP report. The most important process that must be completed is to pull a static snapshot of both the PowerCampus and PowerFAIDS databases on the same date.

These static databases will then be the only resource of data used for reporting or for providing auditor requested support documentation in regards to data reported. In addition to static snapshots of the two databases, General Ledger statements for appropriate accounts will also be pulled. The request for the database snapshots and appropriate General Ledger statements will be made by the Director of Financial Aid on September 1 of each year; The Executive Director of IET Services will be responsible for saving a snapshot of the PowerFAIDS and PowerCampus databases; the Director of Accounting Services will be responsible for providing General Ledger statements as of September 1st. A copy of these general ledger statements will be scanned and saved on a shared network.

Additionally, a staff training issue has to do with ensuring that all staff knows to provide requested support documentation for a prior year from the static database rather than from production in the current year.

In addition, several other matters have come to light that will allow LSU Alexandria to assure that adequate and correct documentation is maintained.

- As aid is processed and disbursed for a student within the PowerFAIDS system certain flags are coded within the table structures to indicate aid this aid as disbursed. We have learned that if aid is later cancelled or reduced, said flag is not updated within PowerFAIDS until after a PowerFAIDS built-in process called Reconciliation is run. This was not learned until June of 2009, and data pulled from PowerFAIDS prior to June of 2009 relied on this “disbursed aid” flag being set “on” in PowerFAIDS. To our knowledge, Reconciliation had never been run prior to June 2009. The Director of Financial Aid will be responsible for running this Reconciliation process on a monthly basis throughout the award year. In addition, after the static copy of the databases are saved for the purpose of completing FISAP reporting, The Director of Financial Aid will run the Reconciliation process will be run on the static copy of PowerFAIDS prior any data being pulled for reporting purposes.
- FISAP reports completed prior to October 2009 relied exclusively on PowerFAIDS data and did not utilize PowerCampus or General Ledger information. PowerFAIDS data ran completely independent of PowerCampus with no automatic data exchange. This contributed to the discrepancy in reported disbursements to recipients (i.e. The difference in PowerFaidis disbursements for 2007-2008 award year reported on FISAP – prior to the

Reconciliation process being run – is exactly \$3100 different than what was shown in PowerCampus.)

During Fall 2009, the Executive Director of IET Services and the Director of Financial Aid worked to develop a method of data integration between the two systems to ensure that updated information from PowerCampus is consistently provided within the PowerFAIDS system. Now that information is being shared between the two systems we are in the process of developing the proper reports that will alert financial aid staff of errors, corrections, or aid adjustments that are needed. The Director of Financial Aid is responsible for the development, implementation, and scheduled running of such reports by February 1, 2010.

- In addition to static copies of the databases and general ledger information being saved and used for the purposes of completing the FISAP report narrative explanations shall be recorded to provide detailed information for how data reported was obtained. The Director of Financial Aid is responsible for completing the FISAP report each year and will generate this narrative description upon completing the report annually. For the FISAP that was prepared by the October 1, 2009 reporting deadline, electronic copies of the documentation used, as well a narrative explanation of how each number reported was derived was saved both on a shared network drive and printed copies of all information was provided to the Office of Finance and Administrative Services, Academic Affairs, and to the Office of Institutional Research.

Institutional Research will then conduct a review of the FISAP report and documentation to assure that the appropriate and correct information was reported and that adequate documentation was maintained to support all reported information. This review will be completed one month prior to the deadline to submit edits or corrections for the FISAP award year being reported.

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February 19, 2010

Mr. Daryl G Purpera, CPA
Temporary Legislative Auditor
Office of Legislative Auditors
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding
Failure to Bill and Record Professional Services
LSU Health Care Services Division
Fiscal Year Ended June 30, 2009

Dear Mr. Purpera:

LSU Health Care Services Division (HCSD) concurs with the referenced finding for Interim LSU Hospital (ILH), formerly known as Medical Center of Louisiana at New Orleans; University Medical Center Lafayette (UMCLA) and Lallie Kemp Regional Medical Center (LAKMC).

As outlined in the preliminary responses previously provided for each hospital, HCSD has taken the following steps to further strengthen internal controls and initiate quality performance measures, the following actions have or will be implemented by the hospitals in conjunction with the contracted billing vendor:

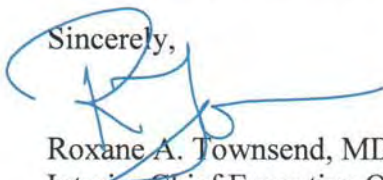
- An internal hospital control procedure has been implemented to ensure that all professional services are captured and forwarded to the professional billing vendor for processing. This procedure includes the reconciliation of daily clinic visit/log sheets that are forwarded to the vendor for processing.
- An internal hospital control procedure has been implemented to validate that the vendor is paid timely and accurately (according to contracted terms). The agreed method of payment is a contracted percentage of collections. This procedure includes reconciliation of the vendor collections daily, weekly, monthly to the cash deposited into HCSD Operating Bank account and recorded in PeopleSoft.
- An internal hospital control procedure will be implemented to perform sample audits on a monthly basis to ensure that the billing vendor claims submission are representative of the professional revenue generated by the clinics and that appropriate collection efforts have resulted in accurate and timely reimbursement. This procedure includes an assessment of the professional services outstanding accounts receivable and trend analysis.

- An internal control procedure will be implemented for FY2010 of obtaining certification/attestation from each hospital Chief Financial Officer regarding outstanding accounts receivables to be included in the financial statements.
- An internal control procedure will be implemented to ensure that doctors performing services are appropriately credentialed.
- Procedures will be implemented to estimate revenue accruals in the financial statement at year end for any charges that were not captured in the professional billing system.

The corrective action steps identified above will be the shared responsibilities of the Hospital Chief Financial Officers with oversight from HCSD Administration Finance Director, HCSD Administration Comptroller, HCSD Administration Director of Patient Financial Services, and the HCSD Administration Accounting Services Manager.

Management accepts responsibility for past failures and internal control deficiencies at multiple levels within this activity. Steps have been taken to insure that these deficiencies are corrected and that monitoring will take place to make certain that current and future adherence to proper controls and process is maintained.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Roxane A. Townsend', with a long horizontal line extending to the right.

Roxane A. Townsend, MD
Interim Chief Executive Officer

WWW.LSUHOSPITALS.ORG

January 20, 2010

Mr. Daryl G Purpera, CPA
Temporary Legislative Auditor
Office of Legislative Auditors
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding
Inadequate Controls Over Financial Reporting
LSU Health Care Services Division
Fiscal Year Ended June 30, 2009

Mr. Purpera:

The LSU Health Care Services Division (HCSD) concurs in part with the above referenced finding.

1. HCSD concurs that HCSD did not have a pre-determined estimation methodology for professional fee billing services provided during the fiscal year. The unrecorded professional services referenced in the finding represent professional fee service revenues at HCSD hospitals that were not provided to HCSD Administration Financial Reporting staff for inclusion in the financial statements. HCSD entered into a contract with a new vendor beginning in April 2009 for University Medical Center (UMC) and Lallie Kemp Medical Center (LAK) and in May 2009 for Medical Center of Louisiana at New Orleans (MCLNO). The short timeframe available between contract implementation and fiscal year end did not provide sufficient time to establish best practices.

Corrective action will include the following:

- a. Routine meetings with the new vendor to discuss and develop best practices and processes.
 - b. Attestation statements by Hospital Chief Financial Officers (CFO) to HCSD Administration Financial Reporting Staff identifying amounts to include in the financial statements.
 - c. Monthly reconciliations to be reported to HCSD Administration Financial Reporting Staff by hospital CFO's.
2. HCSD concurs in part that Uncompensated Care Costs (UCC) and Medicare payments and recoupments were recorded inconsistently:
 - a. HCSD recorded an accounts receivable transaction for the \$9,773,328 cash UCC payment received after June 30 as general Accounts Receivable, Net on the Statement of Net Assets (SNA) rather than as a UCC Receivable transaction, which would have netted with other cost report/UCC transactions in the payables

section of the SNA. The reporting approach of this receivable is consistent with the approach during prior years' reporting for actual cash receipts received after June 30 for the fiscal year just ended. However, HCSD agrees that reporting this actual cash receipt as a general Accounts Receivable rather than a UCC Accounts Receivable caused it to be shown as Accounts Receivable rather than a reduction to Accounts Payable on the SNA. This audit adjustment has a net zero effect on the total SNA. The audit adjustment reduced receivables and reduced payables by a like amount.

- b. HCSD agrees that accounts payable was understated by \$20,082,513. During the UCC estimation process, established protocols were not followed in determining the amount of UCC Interim Payments received in the current fiscal year to compare to total UCC Allowable Costs, resulting in a UCC receivable or payable. Instead of using the Department of Health & Hospitals (DHH) remittance letters as has been the historical practice, a supplemental cash basis financial report was used. Normally, these two reports are the same; however, in FY2009, DHH recouped the \$20,082,513 payable from the FY2008 UCC settlement against FY2009 receipts. The cash basis report showed the net of FY2008 and FY2009 amounts, when only the FY2009 amount should have been used to determine the FY2009 Interim Payments.
- c. HCSD agrees that accounts payable was understated by \$384,452. The documentation provided to HCSD Administration Financial Reporting staff included this FY2006 Medicare Receivable (which nets against other cost report/UCC settlements in accounts payable), and was recorded correspondingly. However, different supporting documentation was provided to the auditor. A corrective measure will be implemented to ensure that the reports used are the correct version.

HCSD Administration Financial Reporting staff has a review process in place to check certain transactions in the cost reporting/UCC calculation process. HCSD will expand the process to check additional transactions.

3. HCSD agrees that the prior period adjustment column on the Schedule of Capital Assets not disclosure was understated by \$293,576. The referenced \$8,968,104 overstatement in the Additions column and understatement in the Transfers column is for completed Construction in Progress projects. HCSD reported the transfer out of CIP in the Transfers column, and the newly completed assets in the Additions column. HCSD Administration Financial Reporting staff prepared the Schedule of Capital Assets notes disclosure using a consistent methodology with previous years reporting. There are no specific instructions published in the Annual Financial Report package regarding the appropriate recording in the transfer column of the Schedule of Capital Assets note disclosure. HCSD reported the transfer column information consistent with prior years. This adjustment has a zero net affect on the balances reported in the financial statements and the total balance reported on capital assets notes disclosure.

Due to lack of specific instructions, HCSD Administration Financial Reporting staff will discuss appropriate reporting with the Office of Statewide Reporting & Accounting Policy (OSRAP) and the LSU System Office.

4. HCSD does not agree that there was inadequate review over the contractor prepared Statement of Cash Flows (SCF). HCSD engaged a professional CPA firm to develop a template to assist in accurate reporting of the Statement of Cash Flows (SCF). HCSD and the contractor met on frequent occasions discussing the template and testing the template prior to year-end. However, during the year-end preparations of the SCF, HCSD determined that the template was out of balance due to unusual transactions by the blending of the Foundations. The contracted vendor offered to complete the SCF for FY2009 to ensure that the reporting deadline was met as further research was required for correct placement of the unusual foundation transactions on the SCF template. HCSD verified the amounts reported on the SCF, but HCSD made last minute changes for blending of the foundations which created a difference in the final totals to the contractor prepared SCF.

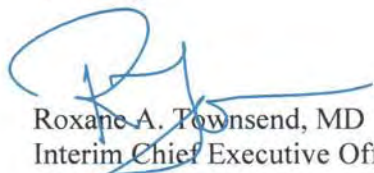
In recognition of time constraints of completing the HCSD Audit, HCSD Administration Financial Reporting staff offered the Legislative Audit staff direct contact with the contracted vendor with any questions regarding the calculation of the SCF rather than HCSD becoming the middle man slowing down the progress of the audit. This offer was not intended to be a reflection that HCSD did not have adequate control of the information reported by the contracted vendor nor could not have provided the requested answers to the legislative audit team. The reference of such in the finding is misguided.

Regarding the reference in the finding to extending the submission date of financial information to the auditors, the deadline for submission to the Division of Administration was September 21, 2009. The auditors received HCSD financial statements on September 14, 2009, seven (7) days earlier than the agreed upon decision with the Legislative Auditors and the LSU Systems Office. The auditors have historically received HCSD's financial statements earlier than the deadline but due to increased complications including blending Foundations and changes in audit standards, the extra time is needed by HCSD Administrative Financial Reporting staff.

HCSD agrees that controls could be strengthened as new and unusual business transactions transpire and additional accounting and audit standards become effective. HCSD will involve the hospital financial staffs to a greater degree to review additional transactions; however, due to the massive structure of the HCSD hospital system, not all transactions can be verified for 100% accuracy. HCSD agrees that additional review is warranted and that the additional time needed to do that will be taken up to the official submission deadline if that's determined to be necessary.

The corrective action plans identified above will the shared responsibilities of the HCSD Hospital CFO's, HCSD Administration Finance Director, HCSD Comptroller, HCSD Director of Patient Financial Services, and HCSD Accounting Services Manager.

Sincerely,



Roxane A. Townsend, MD
Interim Chief Executive Officer

WWW.LSUHOSPITALS.ORG

December 30, 2009

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Legislative Audit Findings
Untimely Remittance of Public Assistance Funds
LSU Health Care Services Division
Fiscal Year Ended June 30, 2009

Dear Mr. Purpera:

LSU Health Care Services Division (HCSD) concurs in part with the referenced legislative audit finding. Following the aftermath of Hurricane Katrina, instructions from the State of Louisiana regarding FEMA reimbursements changed multiple times. There were very limited written instructions or history to guide this type of activity. Thus, many situations were handled and continue to be handled on a one-to-one basis which is how the submission of FEMA reimbursement received by HCSD, but payable to Facility Planning & Control (FP&C) was handled. HCSD and Facility Planning & Control's Financial Officer had a verbal agreement to submit the FEMA reimbursements received by HCSD, but due to FP&C, every quarter or every three months depending on the timing of reimbursements. Thus, HCSD concurs that the first quarter submission was delayed. However, the second submission is considered to be timely based on the verbal agreement.

The corrective action plan includes a written agreement between HCSD and FP&C that quarterly submissions are satisfactory due to the lengthy process of gathering supporting documentation from Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to support each reimbursement, communicating between both parties to obtain concurrence of the amount due to the convoluted transactions that occur, and the transmission of the funds. The HCSD Accounting Services Manager is responsible for follow-up and adherence of the corrective action plan.

Please let me know if you have any questions.

Sincerely,



Roxane A. Townsend, MD
Interim Chief Executive Office

cc: Mr. Art Landry, HCSD
Ms. Judy Albin, HCSD

December 11, 2009

Mr. Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

LSUHSC-Shreveport/Huey P. Long was issued a finding in regard to Failure to Capture And Bill for all Services Provided. LSUHSC-Shreveport/Huey P. Long concurs with this finding.

During the transition period of Huey P. Long becoming a part of LSUHSC-Shreveport, procedures and internal controls were not in place to ensure that all charges were captured and billed timely.

As of September 2009, all emergency room charges for patients subsequently admitted in FY2009 have been entered and billed. The control procedure now in place was used for capturing FY09 emergency room charges and is being used for current year charges as well. An Administrative Coordinator in the emergency room reviews daily the ER admission log and ensures that each admission is assigned an ER visit level. The Administrative Manager in Patient Accounts verifies weekly that all emergency room visits on the admit log have the appropriate visit level/charge entered before the billing process is complete.

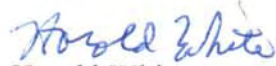
Management of Huey P. Long has implemented the use of a physician billing sheet for physicians to complete for all inpatient visits. The billing sheet is the source document used by Patients Accounts to enter physician charges. The Director of Health Information Management reviews the discharge summary report of inpatients to ensure that the completed physician billing sheet is present in the patient record. The billing sheet is scanned as a permanent document. The Administrative Manager in Patient Accounts will perform a random second review of inpatients for the presence of physician charges. This procedure was not in place during FY2008 and FY2009, but is currently being used for FY2010.

Beldia Beebe, Acting CFO, will be responsible for monitoring the billing process for all patients and the review of internal controls related to the capture and timely billing of patient

Page 2
December 11, 2009

and physician charges. Inpatient physician charges have now been billed for FY09 with the exception of a small group with billing problems that are being addressed by management, and FY2010 is current.

Sincerely,

A handwritten signature in blue ink that reads "Harold White".

Harold White
Vice Chancellor
for Business and Reimbursements

HW:



LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

October 12, 2009

Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Mr. Theriot:

Management of Louisiana Technical College concurs with the finding related to inadequate control over Pell grant return of funds.

The management of Louisiana Technical College recognizes its responsibility to manage Pell funds in accordance with the applicable federal laws and guidelines. Actions have been implemented to correct the above stated finding. These actions did result in improvements of our past years in this area. However, management of LTC will continue to invest time and effort into policy and procedure development and professional development for financial aid staff and fiscal office staff throughout the college. The Louisiana Technical College have recently been revised by management to properly monitor the return of funds and to ensure that refunds are deposited to the LTC Pell account and forwarded to the US Department of Education in a timely manner.

To make certain Pell grant funds are managed (obtained, disbursed and returned) according to federal guidelines, the following actions have been taken and implemented:

- (1) Each campus within Louisiana Technical College has procedures for handling Title IV funds at the campus level, including standards of mandatory communication between the Financial Aid Office and Accounting Office.
- (2) The College's Office of Student Financial Assistance has procedures in place to closely monitor and verify accuracy of information submitted for Title IV fund return processing.
 - a. The College Director of Student Financial Assistance reviews each form received for Title IV return processing at LCTCS.
 - b. For those forms that are not in compliance with federal regulations based on the information stated, the College Director of Student Financial Assistance contacts the campus Financial Aid Officers, campus Accountant, and/or campus Dean to obtain clarification and a written explanation that will be placed with the return forms for processing by the LCTCS – Accounting Department.
- (3) The Louisiana Technical College Office of Student Financial Assistance Policies and Procedures Manual, which is used as a training resource for campus financial aid officers and campus accountants (optional) will be updated to address this finding. Also, specific training on this section has been conducted to ensure understanding by the Financial Aid Personnel throughout the college.
- (4) This revision reflects the need for LTC Student Financial Assistance Office will retain withdrawal data from all campuses. These policies will be distributed to the Regional Directors and each LTC campus financial aid officer for their review prior to implementation.
- (5) The Regional Directors, each LTC campus financial aid officer and chief accounting officer will be delegated the responsibility to ensure the Return to Title IV Funds are submitted timely while all policies and procedures are followed.

*Changing Lives,
Creating Futures*

Joe May
System President

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Jared Hauge

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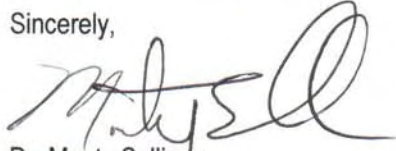
265 South Foster Drive
Baton Rouge, LA 70806

Phone: 225-922-2800
Fax: 225-922-1185

www.lctcs.edu

These procedures have in the past and for future purposes 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,

A handwritten signature in black ink, appearing to read 'M. Sullivan', written in a cursive style.

Dr. Monty Sullivan,
Senior Vice President for Career and Technical Education



Phyllis A. Dupuis
Regional Director

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September 4, 2009

Mr. Steve J. Theriot
Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

This letter constitutes an official response to the reportable audit findings for Louisiana Technical College, Greater Acadiana Region 4. LTC Region 4 has addressed each of the issues described in these findings and taken corrective action in the manner stated as follows:

Finding: Weakness over Eligibility and Verification of Federal Pell Grant Program

Audit Detail: The LTC Region 4 did not maintain sufficient controls over the Federal Pell Grant Program to ensure that eligibility and verification compliance requirements were met.

Two of 21 students tested were not meeting the satisfactory academic progress standards.

Response: *The Financial Aid Officers will evaluate the academic progress of all financial aid recipients prior to requesting subsequent Pell refunds. Students not maintaining satisfactory academic progress will be notified of his/her ineligibility to receive Federal Pell Funds until such time as Satisfactory Academic Progress has been restored or the appeal process has been exhausted.*

Financial Aid Officers will serve as guest speakers in ORNT 1000 (Freshman Seminar) classes to explain the Satisfactory Academic Progress policy to incoming freshman.

One of 6 students tested was disbursed Pell based on full time payment schedule...

Response: *Region 4 will provide retraining to Financial Aid Officers on the verification process and ensure that 14th day schedules are reviewed to determine student enrollment status prior to requesting semester refunds*

Management concurs with this finding. Management will require all employees to adhere to program regulations and established procedures to ensure that the Federal Pell Grant Program funds are accurately disbursed to eligible students and verification procedures are sufficiently performed.

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Regional Director

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A corrective action plan has been implemented to address these issues. The following processes will be the major components of this plan:

1. Student Affairs Officers/Financial Aid Officers will ensure that the final class roster includes the number of semester absences for each student.
2. Students will sign the official 14th/7th day roster to verify enrollment and thus eligibility to receive financial aid.
3. Students Affairs Officers/Financial Aid Officers will monitor and verify attendance and drops/withdrawals for each pell recipient throughout each semester enrolled.

LTC Region 4 held two training sessions to address these issues. The financial lead, Ms Christina Dooley conducted the sessions. One was held on July 14, 2009 and the other was held on August 13, 2009. Each of the Student Affairs/Financial Aid Officers from each campus will be responsible for corrective action. These actions will be monitored by Ms Dooley.

It is the opinion of LTC Region 4 Management that corrective actions should be in place for the students enrolling in the Fall 2009 semester. Should you need additional information do not hesitate to contact me.

Sincerely,

Phyllis A. Dupuis

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Regional Director

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September 4, 2009

Mr. Steve J. Theriot
Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

This letter constitutes an official response to the reportable audit findings for Louisiana Technical College, Greater Acadiana Region 4. LTC Region 4 has addressed each of the issues described in these findings and taken corrective action in the manner stated as follows:

Finding: Weakness Over Return of Federal Pell Grant Program Funds

Audit Detail: For the second consecutive audit, the LTC Region 4 did not maintain sufficient controls over the Federal Pell Grant Program to ensure proper treatment of funds when a student withdraws.

For 7 of the 19 students, the region did not perform a return of funds calculation

Response: *Inservice activities will be conducted with Region 4 faculty and staff members on processes for completing student forms specifically related to reporting of drops, last date of attendance and student progress. These workshops are intended to improve accuracy and timeliness of information between instructional and student services staff.*

Student services will implement a process for reporting last date of attendance to include placing the last date of attendance next to any grade of "F" reported on a final roster. Return of funds calculations will be based on information received from faculty via final rosters.

Student services personnel have been instructed not to accept any forms without the complete date (month, day, and year) for "Last Date of Attendance".

Four of 12 return calculations included the incorrect number of completed days and/or total days.

Response: *Region 4 will conduct inservice activities in conjunction with staff from other LTC regions and the LCTCS system office in order to review and correct inconsistencies in pell procedures and guidelines. Beginning Summer 2009, a memo will be sent to each Region 4 Financial Aid Officer prior to each semester/session detailing the number of calendar days for each Pell payment period. This will*

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Regional Director

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ensure that all Region 4 Financial Aid Officer's are using the same total number of days in the payment period to determine the percentage of Title IV aid earned. This calendar will be used for pell calculations and will reduce inconsistencies based on number of completed days and/or total days.

Six of 12 return calculations did not use the correct number of decimal places to calculate the percentage of aid earned.

Response: Region 4 will conduct inservice activities in conjunction with staff from other LTC regions and the LCTCS system office in order to review and correct inconsistencies in pell procedures and guidelines. During the inservice activities, Financial Aid Officers will engage in simulated pell return scenarios and practice actual calculations. Discrepancies and/or incorrect calculations will be discussed and corrected. In addition, all Financial Aid Officers will be trained in using R2T4 online which will reduce mathematical errors. This process will include oversight by the Region 4 Business Services Department. When submitting a request to the Business Services Department to return Title IV funds, the Financial Aid Officer must include the following: 1) a complete Return of Funds form, 2) Federal calculation form – Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program, 3) copy of the Exit or Withdrawal form, 4) copy of the original tuition receipt or invoice, and 5) copy of the revised/new invoice (if one is needed).

The Business Services Department will also run a double check of the return of Title IV funds calculation to ensure the correct percentage is used and free from math errors.

In a test of 10 students with returns of funds:

The region did not return the campus share of the Pell funds to LCTCS for one student who never attended.

Response: Region 4 will provide inservice activities to campus personnel (staff and faculty) so that procedures can be put in place for tracking student attendance so that Pell refunds can be correctly processed. Within Student Affairs, we will evaluate procedures in place to reconcile the Pell RFP with tuition invoices and drop forms and adjust campus discrepancies as identified.

Three of 10 students for whom return of funds calculation was performed did not receive the correct amount of post-withdrawal disbursement.

Response: Region 4 will implement a checks and balance system to monitor accuracy of the Return to Title IV funds process. Inservice activities have been and will be held to address this issue.

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Regional Director

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As a result of the discrepancies, the region did not return \$1,664...

Response: *Region 4 Financial Aid Officers will be retrained in calculating Pell awards for students who are registered at "less than half-time" enrollment. Financial Aid Officers will be instructed on how to address drops that include one class but not all classes and the appropriate action necessary to eliminate the error of exceeding the 180 day timeline to complete returns in order to make post withdrawal disbursements within EDEXpress.*

Management concurs with this finding. Management will require all employees to adhere to program regulations and established procedures to ensure that the Federal Pell Grant Program funds are accurately disbursed to eligible students and verification procedures are sufficiently performed. A corrective action plan has been implemented to address these issues. The following processes will be the major components of this plan:

1. Student Affairs Officers/Financial Aid Officers will ensure that the final class roster includes the number of semester absences for each student.
2. Students will sign the official 14th/7th day roster to verify enrollment and thus eligibility to receive financial aid.
3. Students Affairs Officers/Financial Aid Officers will monitor and verify attendance and drops/withdrawals for each pell recipient throughout each semester enrolled.

LTC Region 4 held two training sessions to address these issues. The financial lead, Ms Christina Dooley conducted the sessions. One was held on July 14, 2009 and the other was held on August 13, 2009. Each of the Student Affairs/Financial Aid Officers from each campus will be responsible for corrective action. These actions will be monitored by Ms Dooley.

It is the opinion of LTC Region 4 Management that corrective actions should be in place for the students enrolling in the Fall 2009 semester. Should you need additional information do not hesitate to contact me.

Sincerely,

Phyllis A. Dupuis

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LOUISIANA TECHNICAL COLLEGE

Greater Northwest Louisiana Region Seven
Charles Strong, Regional Director

P. O. Box 78527
2010 North Market Street
Shreveport, Louisiana 71137-8527
Phone: 318.676.7811 Fax: 318.676.7805

September 25, 2009

Mr. Steve J. Theriot, CPA
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: LTC Region Seven inadequate controls over Pell Grant Program Draft Finding

Dear Mr. Theriot:

This letter serves as our official response to the above referenced audit finding for LTC Region Seven. We concur with the finding, and will implement the corrective action plan you have suggested.

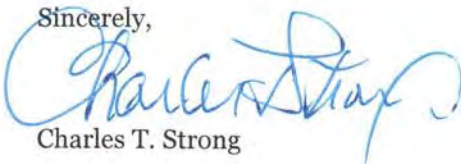
The plan consists of:

- Review of each of the untimely refunds to determine their cause and the individual(s) responsible
- Regional inservice of all financial aid and accounting staff involved in the Pell process reemphasizing the process, timelines and responsibility for timely Pell refunds to USDOE. We request assistance from legislative auditor's office staff in conducting this inservice to ensure that accurate information is presented and properly emphasized.
- Identification of the contact persons responsible for corrective action
 - Regional level
 - LTC Regional Director Charles Strong
 - LTC Region Seven Chief Fiscal Officer Patti Lann
 - LTC Region Seven lead financial aid officer (uncompensated position) Annette Chanler
 - Campus levels
 - Mansfield campus
 - Campus dean Jill Heard
 - Campus director of student services Haley Holder
 - Campus accountant technician Karen Nash
 - Natchitoches campus
 - Campus dean Carol Hebert
 - Campus director of student services Moses Baines
 - Campus administrative assistant 2 Ann McPhearson
 - Campus accountant 2 Sherri Reeves

- Northwest campus
 - LTC Regional Director Charles Strong
 - Campus financial aid officer Annette Chanler
 - Campus director of student services Helen Ginger Deville
 - Campus accountant 2 Rene' Tate
- Sabine Valley campus
 - Campus dean Laurie Morrow
 - Campus director of student services Christie McCandless
 - Campus accountant 2 Sherri Reeves
- Shreveport campus
 - Campus dean Angie Rymer
 - Campus financial aid officers Chris Moree and Melissa Airhart
 - Campus director of student services Cindy Maggio
 - Campus accountant 2/LTC Region Seven chief fiscal officer Patti Lann
- Submission of all Pell refund requests to the LCTCS System office within 28 days of date of determination of withdrawal.
 - Financial aid/student services departments will forward Return of Title 4 (RT4) form to campus accounting offices for processing within 14 days of date of determination of withdrawal
 - Campus accounting will forward refund check(s) and supporting documentation to the LCTCS system office within 14 days of receipt of date(s) of determination from financial aid/student services
- Implementation of a monthly Pell Refund Status Report, submitted by the fifth calendar day of each month to the regional director and lead financial aid officer, containing the following information:
 - Campus
 - Student Name
 - Award Year
 - Date of Determination
 - Date check(s) forwarded to LCTCS system office

Thank you for the opportunity to respond to this matter.

Sincerely,



Charles T. Strong

Mansfield Campus ♦ Natchitoches Campus ♦ Northwest Campus ♦ Sabine Valley Campus ♦ Shreveport Campus
 Mansfield Natchitoches Minden, Home Many Shreveport
 Wade Corr. Ctr.

Equal Opportunity Employer

December 17, 2009

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Improper Charging of Administrative Expenditures to Federal Awards

Dear Mr. Pupera:

We concur with the finding that the LWC incorrectly charged expenditures of the Disaster Unemployment Insurance to the Unemployment Insurance Program. When a natural disaster occurs, the state is required to issue DUA (disaster unemployment benefits) payments and is subsequently reimbursed by FEMA for all administrative costs incurred. A formal request for reimbursement that includes the \$536,304 questioned costs in this finding is being submitted to FEMA. Receipt of this reimbursement will resolve this finding.

We concur with the finding that program personnel did not verify the correct federal coding based on the description of work provided on the invoice. For future disasters, we will implement a review process that ensures proper review and approval of federal coding.

The contact person for implementation of these corrective actions will be Marianne Sullivan, Director of Unemployment Insurance.

Please feel free to contact my office should you have any further questions.

Sincerely,



Curt Eysink
Executive Director

CE:rer:mdp

December 17, 2009

Mr. Daryl Purpera
Temporary Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Corrective Action for Inadequate Monitoring Subrecipient Findings and A-133 Audits

Dear Mr. Purpera:

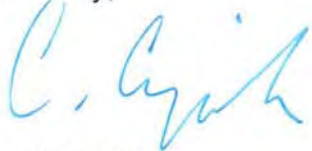
We concur with the auditor's recommendation to establish adequate procedures to timely identify and resolve any audit findings and questioned costs regarding WIA funds disbursed to subrecipients. We also concur with the recommendation to establish procedures to review internal subrecipients monitoring findings of A-133 Audits for compliance with federal laws and regulations.

As part of our corrective action plan, LWC through the Office of Workforce Development (OWD) will assign staff within the Integrated Field Service Division to (1) timely follow up on Compliance Division reports regarding the allowance of questioned costs and (2) monitor and resolve subrecipient findings in a timely manner for compliance with OMB Circular A-133 no later than January 31, 2010.

The contact person for implementation of these corrective actions will be Howard Sanders, Director of the Office of Workforce Development or his designee.

Based on the above we feel LWC's level of compliance will increase.

Sincerely,



Curt Eysink
Executive Director

CE:rer:mdp

December 17, 2009

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Administrative Rules for Interstate Unemployment Compensation Benefit Payments

Dear Mr. Pupera:

We concur with the finding regarding noncompliance with administrative rules for Interstate Unemployment Compensation Benefit Payments.

We have completed the programming necessary to begin charging employers for interstate unemployment compensation benefit payments. We have incorporated the procedures with a unit that has similar procedures for another process. We are planning to notify all base period employers for interstate claims filed as of October 1, 2009 in a single mailing. Beginning in January 2010 we will issue these notices as claims are filed.

The contact person for implementation of these corrective actions will be Marianne Sullivan, Director of Unemployment Insurance.

Please feel free to contact my office should you have any further questions.

Sincerely,

Curt Eysink
Executive Director



CE:rer:mdp

December 17, 2009

Mr. Daryl Purpera, CPA
Temporary Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Record Retention Policy

Dear Mr. Purpera:


We concur with the finding that LWC did not retain all wage records for the Unemployment Insurance Program.

In July 2009, LWC successfully implemented a state-of-the-art imaging system that provides the appropriate documentation for reconciliation to the main frame. As part of this system, all employer wage records are scanned in and are readily retrievable for reconciliation purposes.

The contact person for implementation of these corrective actions will be Marianne Sullivan, Director of Unemployment Insurance.

Please feel free to contact my office should you have any further questions.

Sincerely,



Curt Eysink
Executive Director

CE:rer:mdp

March 4, 2010

Mr. Daryl Purpera, Legislative Auditor
Louisiana Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

This letter is in response to the legislative audit finding "Weaknesses in Controls Over Remittance Processing System". We concur with the individual findings and recommendations. Please see the corrective action plan details below:

Responsible Contacts:

Ashley Ford – PMO Project Manager
Velmon Nichols – Imaging / Remittance Manager 2

Corrective Action Plan:

After processing the second quarter 2009 employer tax payments through the new remittance system (which allows three months of work to be processed within one month), LWC recognized that additional staff are needed during each quarterly rush period to timely process the influx of check deposits. Additional staff has allowed LWC to timely (within three business days of receipt) deposit 97.2% of all cash receipts to the bank. In addition, additional staff are utilized during this rush period to index payment documentation to update employer accounts on the LDOL mainframe. All employer accounts (excluding documentation received lacking appropriate information, such as the Employer Account Number) are updated with payment received amounts within 15 business days after the quarterly due date (i.e. January 31, 2010 for Quarter 4 2009).

Systematic reconciliation procedures have been implemented to allow management to reconcile all monetary batches to the indexing (iEditor) software application, which informs management of any batches that may not have been deposited or may be in error for any reason. This reconciliation ensures that all money is accounted for from the point of scanning to the point of indexing. An additional reconciliation is performed once the monies are posted to the employer accounts to the remittance processing daily deposit report or the bank statement. This reconciliation ensures completeness of all deposits being posted to the mainframe employer account, as well as, validity of all payment amounts posted.

Completion Date:

January 1, 2010

Sincerely,



Curt Eysink
Executive Director
Louisiana Workforce Commission



NORTHWESTERN STATE UNIVERSITY

A MEMBER OF THE UNIVERSITY OF LOUISIANA SYSTEM

Office of The President

102 A.A. Fredericks Annex
Natchitoches, Louisiana 71497
Telephone (318) 357-6441
Facsimile (318) 357-4223

November 17, 2009

Mr. Steve J. Theriot, CPA
Legislative Auditor
1600 North Third St.
Baton Rouge, LA 70804-9397

RE: Audit Finding Response, Request for Reimbursements Not Submitted Timely

Dear Mr. Theriot:

In response to the audit finding from the statewide audit relating to the timely submission of invoices to the Louisiana Department of Social Services, Office of Family Support (DSS/OFS), the university concurs with the finding and submits the following:

The referenced situation resulted from the following factors: Invoicing for grant expenditures are done at one of the University's satellite campuses. The department waits for month end financials to be compiled and mailed to the department for comparison purposes to ensure the documents are complete before mailing back to home campus for review and approvals, and subsequent mailing to DSS/OFS. Due to the fact that the financial reports are not always available immediately after month end close contributes to the lateness. Although there was communication with the DSS staff concerning the time restraints for reporting, there was no formal contract amendment to change them. It should be noted that of the 14 reports reviewed, no reimbursement request was rejected, and all reports were submitted within 39 days of month end. Eleven (11) of the fourteen (14) reports reviewed (78%) were within 30 days of month end, which is customary for many granting agencies.

In order to prevent this from occurring in the future the University will implement the following:

- Will utilize the on-line screens to extract information before month end close begins, therefore giving them additional time to begin invoice preparation;
- Will contact the Business Affairs office to obtain necessary information if not available on the on-line screens to ensure timely submission;
- Will contact the grantor to see if reporting dates can be officially changed to allow the customary thirty (30) days for invoicing;
- Will document concessions allowed by the grantor related to late submissions, if applicable.

Nancy Alexander, Director of the NSU Child and Family Network facility at the Shreveport Campus, will be responsible for the implementation of the corrective actions.

Sincerely,

Randall J. Webb
President

RJW/pc



State of Louisiana
Department of Health and Hospitals
Office of Public Health

October 27, 2009

Steve J. Theriot
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Office of Public Health, Improper Rate Charged

Dear Mr. Theriot:

The Office of Public Health (OPH) Special Supplemental Nutrition Program for Women, Infants and Children (WIC) does concur with the finding of the 2009 legislative audit finding that an error was made in the invoice billing by LSU Health Sciences Center-Shreveport WIC Clinic. The Chief of OPH Nutrition Services, Debra R. Luthy, investigated the issue as soon as it was reported to her by Erica Evans, legislative auditor. Ms. Luthy did find that the invoices received by the WIC Program from the LSU Health Sciences Center-Shreveport WIC Clinic were based on the reimbursement amount of \$6.80 per participant per month which was the payment amount in the previous contract which ended on September 30, 2006. The investigation led to contact with the accounting department at LSU Health Sciences Center-Shreveport WIC Clinic who stated that contact had been made by her office via email to the WIC accountant technician to verify the change in reimbursement amount per participant per month. The accountant technician did not refer the question on to the WIC Contract Manager or the WIC Program Director and incorrectly responded that the rate had not changed as indicated in the contract which began October 1, 2006. The investigation also uncovered that the WIC accountant technician did not have a copy of the contract to refer to each time an invoice was submitted.

A corrective action plan has been developed and put in place.

Contact persons responsible for the corrective action plan are:
Debra R. Luthy,
Chief, Nutrition Services

Shera M. Gardner
WIC Contracts Manager

Steve J. Theriot
October 27, 2009
Page 2

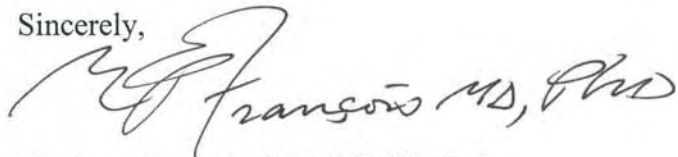
The following corrective action plan has been put in place effective August 1, 2009:

- All staff working with the Contracts Manager now has a copy of all current contracts which indicate the reimbursement amount per participant.
- All contracts to provide WIC Clinic Services are now negotiated at the same rate:
\$7.25 per participant for the first 500 participants receiving benefits for the month
\$6.35 per participant for the 501 through 1,000 participants receiving benefits for the month
\$5.25 per participant for the 1,001 and above participants receiving benefits for the month
- A double check system of invoice review has been put in place whereby the accountant technician reviews all contract invoices comparing them to the negotiated contract reimbursement. The invoice is then forwarded to the Contract Manager for a second review prior to sending to the Chief of Nutrition Services for signature.

The OPH WIC Program has recovered the overpayment of \$63, 512.04 from the LSU Health Sciences. The check was received by the Department of Health and Hospitals Fiscal Office on October 20, 2009.

If you have any questions, please contact Debra Luthy at 225-342-7891.

Sincerely,



M. Rony Francois, MD, MSPH, PhD
Assistant Secretary

MRF:DL



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
1641 POLAND AVE., NEW ORLEANS, LA 70117
(504) 373-6200 • www.rsdl.net



January 8, 2009

Mr. Daryl Purpera, CPA
Interim Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Proposed Comments "Inaccurate Annual Fiscal Report" (RSD)

Dear Mr. Purpera:

The Louisiana Department of Education does not concur with findings that it submitted an inaccurate and incomplete Annual Fiscal Report (AFR) to the Division of Administration for the fiscal year ended June 30, 2009. This matter relates to the finding captioned "Failure to Perform Local Tax Reconciliations for the Recovery School District" and the uncertainties explained within our response to that finding.

Only recently, the Legislative Auditor has claimed the failure to report this matter as an error in reporting. The Department has consistently opined, to which the Office of Statewide Reporting and Accounting Policy (OSRAP) has agreed, this to be a matter subject to such a degree of uncertainty that it should not be included within the Department's AFR until the uncertainties can be defined with a high degree of probability. The Department is required to report in accordance with guidance from OSRAP, so any criticism of the Department's compliance with OSRAP guidance should be directed to that entity.

These uncertainties are related to the impact of Hurricane Katrina on the accuracy of tax information – or lack thereof – coming from the City of New Orleans, which collects and distributes taxes to the Orleans Parish School Board (OSPB) and the RSD. Secondly, the claim submitted by the OPSB in settlement of its obligations to the RSD continues to have embedded within it uncertainties as to the actual amount of the settled claim. Thirdly, the amounts computed do not include the degree (if any) to which the RSD's charters may participate in the settlement. Finally, and as noted in Superintendent Pastorek's letter of October 28, 2009, the Louisiana Department of Education has deferred settlement of \$2,796,291 until existing uncertainties are resolved.

The Department has consistently considered these matters to be uncertain and inappropriate to be reflected in the Recovery School District's AFR until the uncertainties were resolved. It has also felt that it had the implicit approval of the Legislative Auditor. This matter has not been raised in the prior two financial audits of the RSD¹. In addition and as stated above, the Department has had the explicit support of OSRAP for its position.

¹ Please reference your November 12, 2009 email from Wes Gooch, Audit Manager, which was forwarded to the Department in which Mr. Gooch states, "I see no action required of the department at this time."

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With respect to the details of the finding, and recommended audit adjustment, we point out the following errors:

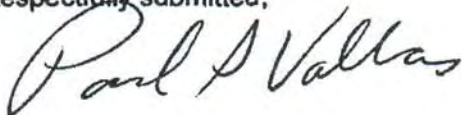
- The report states "RSD did not record receivables totaling \$32,976,284.... 2007 and 2008 amounts that were determined by the state's Department of Education." We are unable to determine how the auditors arrived at \$32,976,284, but Superintendent Pastorek's October 28, 2009 letter states a payable from the OPSB to the RSD of \$10,014,774² for fiscal 2007 and \$5,775,709 for fiscal 2008.
- The report states "The RSD did not record a payable to the Orleans Parish School for \$17,443,363 for services, including but not limited to, utilities, insurance, and staff support provided following Hurricane Katrina." The current obligation is estimated to be \$17,186,299³.

Post-Katrina, the financial statements of many governmental entities have been the subject of great uncertainty, pushing the envelope on accounting estimates and the ability to use footnotes so as to present the financial statements fairly. The reliability of damage estimates by FEMA, the constant re-versioning and appeals process, and the ability to project the impact of our diminished tax base have pushed all who produce governmental financial statements to rely on adequate disclosure. For that very reason, the RSD has reported these financial uncertainties to the Board of Elementary and Secondary Education since late 2007, early 2008.

Looking ahead, in January 2010 my staff will finalize the computation of the local revenue adjustment for the 3-year period ending June 30, 2009. At that time, the uncertainties related to the matter will be decided and allow the Recovery School District to determine and enter the appropriate accounting entries into its accounting system. Furthermore, the LDOE and RSD staffs are implementing procedures to ensure that the 2010 local revenue adjustment will be made on a current basis to allow the RSD, and the OPSB, to book an accounting estimate for its liability/receivable resulting from the reconciliation of estimated local taxes to actual local taxes for the 2010 year. Beth Scioneaux, the Department contact on this issues, can be reached at (225) 342-3617 or Beth.Scioneaux@LA.Gov. Bob Fulton, the RSD contact on the issue, is available at (504) 941-1818 or Robert.Fulton@rsdla.net.

I appreciate the support and efforts of you and your staff.

Respectfully submitted,



Paul Vallas
Superintendent Recovery School District

² Subject to the uncertainties mentioned in the letter.

³ Subject to the uncertainties mentioned in Pastorek's October 28, 2009 letter.



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
1641 POLAND AVE., NEW ORLEANS, LA 70117
(504) 373-6200 • www.rsdlc.net



January 8, 2009

Daryl Purpera
First Assistant Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

Re: Audit Finding Related to Inaccurate Annual Financial Report – Schedule of Interagency Receipts

Dear Mr. Purpera:

The Louisiana Department of Education's (LDOE) Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to the Inaccurate Annual Financial Report – Schedule of Interagency Receipts.

The RSD has reviewed the findings and concurs with the findings. The district also concurred with and made adjustments to the Annual Financial Report when the audit adjustment was recommended earlier this year.

We will be more careful in the future regarding these items.

Sincerely,

A handwritten signature in cursive script that reads "Paul S Vallas".

Paul Vallas
Superintendent Recovery School District

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DEPARTMENT OF EDUCATION
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January 13, 2010

Mr. Daryl Purpera, CPA
First Assistant Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

Re: Inadequate Control over Coding of Federal Expenditures

Dear Mr. Purpera:

The Louisiana Department of Education, Recovery School District (RSD), sincerely appreciates the opportunity to respond to the audit findings related to the Inadequate Control over Coding of Federal Expenditures. The RSD does not concur with the finding.

As stated in past responses, the RSD contends that the avenue of not moving any of the initial posting of expenditures is the correct way to proceed in order to maximize reimbursement from one particular funding source. 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 RSD 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. It has to be recognized that the Public Assistance program is a reimbursement program, and to fund the massive program has forced the RSD to use all funding programs and loans from the Division of Administration. As you know, a FEMA reimbursement does not mean that FEMA will not later revise the covered cost. Should this occur the recoding will be reverse. We contend that until the project is closed by FEMA, the coding has to remain.

"Rebuilding New Orleans Through Education"

Mr. Daryl Purpera, CPA

Page 2

January 13, 2010

The RSD 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 Robert Fulton, and he can be reached at (504) 373-6200.

Sincerely,



Paul Vallas

Superintendent Recovery School District

PV:RF



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
1641 POLAND AVE., NEW ORLEANS, LA 70117
1-877-343-4773 • www.rsdl.net



Mr. Daryl Purpera, CPA, CFE
First Assistant Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, La 70802

January 13, 2010

Dear Mr. Purpera,

The Louisiana Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings relating to non-compliance in ensuring that employees' separation dates were accurate, employees were paid correctly, and payroll charges were supported by adequate documentation. We appreciate the assistance that the legislative auditor has provided the RSD in improving our processes in these areas.

The RSD has reviewed the findings and concurs that employees' separation dates were consistently inaccurate, employees were not paid correctly, and payroll charges were not supported by adequate documentation.

Procedures have been developed to ensure future compliance with respect to the documentation of employee separation dates, salaries, and payroll charges. The following procedures will be reinforced with all ISIS/HR users to ensure optimum accuracy:

- Separations will continue to be entered by HR personnel upon written notification.
- HR staff will review separations daily to ensure compliance.
- Timesheets will continue to be audited to ensure accuracy of costing information and compensation.
- RSD will require all current time administrators to attend ISIS timekeeping training provided by the Office of State Uniform Payroll (OSUP).
- RSD will require all new time administrators to attend ISIS timekeeping training prior to being eligible to enter data into ISIS.
- All RSD employees will be notified of the signature requirement for completion of payroll.

RSD is currently reviewing all claim data from the November 23, 2009 overpayment/recoupment listing for accuracy and is working closely with both OSUP and the Louisiana Attorney General's office to implement the following corrective procedure:

- RSD will continue to utilize the internal tracking system for overpayments/recoupments implemented in FY09.
- All inaccuracies on the aforementioned listing will be corrected and updated in ISIS.

The anticipated completion date of this process is February 26, 2010.


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The following persons will serve as RSD contacts for any issues regarding these audit findings:

- Elizabeth Shaw, elizabeth.shaw@rsdla.net, 225-218-7338
- Sametta Brown, sametta.brown@rsdla.net, 504-232-4016
- Bob Fulton, robert.fulton@rsdla.net, 504-941-1818

Thank you for your consideration of this response.

Sincerely,

A handwritten signature in cursive script that reads "Robert Fulton".

Robert Fulton
Chief Financial Officer



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
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January 13, 2010

Daryl Purpera
First Assistant Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

The Louisiana Department of Education's (DOE) Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to payments made with HEAP funds and appreciates the assistance that the legislative auditors have provided in improving RSD processes. RSD has reviewed the finding and concurs with certain aspects of the finding. Although there are issues remaining with HEAP payments, the findings in this audit are a result of errors made in the past and dealt with in the previous audit findings and corrective action plan.

The RSD concurs with the finding that some documentation regarding the residency status of HEAP applicants is not on file. Your report provided us 13 names of individuals who did not have residency status documentation on file. However, since the auditors initially looked for the documentation we have been able to provide documentation of out of state residency for 11 of the 13 individuals

Due to an unexpected staff transition, some paperwork was misplaced, and we are unable to locate verification two of the individuals were out of state residents at the time they received the relocation incentive. However at this time both continue as RSD employees and we are attempting to obtain the necessary documentation from them. One has stated she will provide her documentation this week. This program no longer exists, so there is no corrective action that can be taken for the future.

Four employees are listed as having no commitment letter on file. We were able to locate a commitment letter for one bringing the number down to three. These three continued to receive the housing subsidy despite the fact that they did not sign the three year commitment. The housing subsidy was processed through the payroll department automatically each month. At the time of the initial audit with the US DOE, the RSD put in place a corrective action to avoid paying out any of the relocation retention incentive or Praxis/tuition reimbursements without a three year commitment on file, but neglected to discontinue the housing subsidy for those individuals listed. This is an error on our part, but as the program is no longer in existence, there is no corrective action that can be taken.

One employee listed received the relocation incentive without a satisfactory evaluation on file. This individual did not receive an evaluation for the 2008-2009 school year due to an administrative oversight within the school. In the absence of a current evaluation, the RSD reviewed her previous years' evaluations and the results were satisfactory. We believe that it is best to err on the side of the employee in the absence of a negative evaluation. The individual's performance has been evaluated as satisfactory in the past, and we have no indication that his performance level has declined. The RSD does have satisfactory evaluations on file for the three other individuals cited in your audit finding.

The four employees listed as not having an updated certification for the school year were all eligible for updated certification, but had not applied at the time. Lillian Darche and Sheena Sorensen were enrolled in the Practitioner Teacher Program through The New Teacher Project, and the RSD had no reason to believe that they were not eligible to renew their Practitioner's Licenses or apply for Level 1 certification. The Practitioner Teacher Program applies for renewals for their fellows, and this is often not done until September or October of the school year. One individual received her Level 1 certificate in September of 2008. She was only without a certificate from June 30, 2008 through September 26, 2008 while her

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certification application was prepared and processed. Another was and is eligible for a Temporary Authority to Teach but had a difficult time obtaining his original ACT scores in order to apply for the TAT. He is enrolled in an alternative certification program and has applied for a TAT for this school year. This program no longer exists, so no corrective action is necessary.

Seven employees received relocation and retention incentives but did not remain employed for the required three years. HEAP requires that the RSD determine how those individuals will be handled and the RSD policy is that employees who separated before meeting their three year commitment are placed on a "Do Not Rehire" list as outlined in the RSD's corrective action plan with the US DOE. The RSD cannot force employees to abide by the three year commitment, and the RSD is not required to recoup the funds. The RSD has followed the process that was established for handling employees who leave the district before meeting their three year commitment.

We are in the process of reconciling the \$1,255,462 CAROI agreement executed between the RSD and the US Department of Education to determine the status of the repayments and amounts due under the agreement. We will separately report on our findings once this review is complete. However we do wish to thank you until for bringing this issue to our attention. While the entire HEAP issue is relatively large we wish to point out that the RSD incentive program was developed to attract over 500 teachers and other school personnel. The initial claims were an attempt to obtain funds to finance this large project, and in the maelstrom documents and errors were made but the RSD did obtain considerable funding to finance the incentive program through HEAP and without it we would not have had the teachers come to New Orleans. Through these efforts not only the RSD but all of the schools in New Orleans have benefited by these teachers and other personnel coming to New Orleans.

Sincerely,

A handwritten signature in cursive script that reads "Robert Fulton".

Robert Fulton
Chief Financial Officer
Recovery School District



STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
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November 30, 2009

Daryl Purpera
First Assistant Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

Re: Noncompliance with A-87 Payroll Certification Regulations

Dear Mr. Purpera:

The Louisiana Department of Education's (LDOE) Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to the Noncompliance with A-87 Payroll Certification Regulations. The RSD has reviewed the finding and provides the following response.

This finding reflects what can be expected when a school district is forced to operate within data and accounting systems that not designed for schools and is subject to state regulations that are equally inappropriate for school districts. For example, as a result of our status as a school district as well as a state agency that must use the state's systems, our payroll includes 1,054 distinct pay funding codes and of these 524 requires A-87s.

The RSD has been working on recoding our payroll since September 24, 2009 when our first grants were approved. This activity is not complete as a large number of state grants remain unapproved and personnel cannot be coded to a specific grant until the budget is approved and loaded into ISIS. For most state agencies this is not a major exercise; however, for a school district with multiple funding sources with varying reporting requirements this is a challenge. A key example is the Alternative Education Grant awarded by the LDOE. This grant has not been approved and there are 60 employees that the RSD intends to code to this grant. Until the grant budget is approved, any anticipatory coding will create more issues and potentially more findings. The same situation exists for any other grants for which approval is pending, resulting in a situation where the RSD cannot code 100% of our employees until all of our grants have been approved.

Once the exercise of coding is completed and thoroughly inputted into ISIS the RSD will be able to inform employees of their funding status and subsequent A-87 requirements. This year, we will separately prepare, distribute and train those who need to execute and properly code their A-87s, particularly the 26 employees (count may increase) who are only partially funded by a grant.

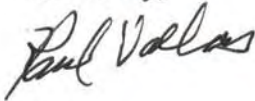
"Rebuilding New Orleans Through Education"

Our Chief Financial Officer, Bob Fulton hopes to have this accomplished by the end of December 2009.

In addition the RSD will institute the following procedures to ensure compliance with this critical area.

- RSD will communicate the procedure for securing adequate documentation and completion of A-87 forms to all supervisors.
- Identified employees will receive written instructions for completion of forms.
- Employees will receive written notification to complete forms prior to bi-weekly payroll processing.
- Supervisors or designee will track completion of forms by reviewing payroll timesheets before submitting them for approval. These persons will be held accountable for monitoring this activity within their department.
- Human Resources 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 Human Resources staff on a biweekly basis to verify their accuracy.
- Incomplete or missing A-87 forms will be executed and properly coded to reflect the appropriate funding source.

Sincerely,

A handwritten signature in black ink that reads "Paul Vallas". The signature is written in a cursive, flowing style.

Paul Vallas
Superintendent Recovery School District



STATE OF LOUISIANA
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November 30, 2009

Daryl Purpera
First Assistant Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

Re: Noncompliance with Federal and State Equipment Management Regulations

Dear Mr. Purpera:

The Louisiana Department of Education's (LDOE) Recovery School District (RSD) sincerely appreciates the opportunity to respond to the audit findings related to the Noncompliance with Federal and State Equipment Management Regulations. The RSD has reviewed the finding and provides the following response

We appreciate you testing for equipment with acquisition cost of \$1,000 or greater to determine if we are in compliance with state regulations; however, we note that the state property regulations are far stricter than the federal regulations which require that property valued at \$5,000 be tracked. We suggest as part of the current budget stream-lining efforts that the state consider aligning its requirements to federal requirements.

Input into Protégé equipment management RSD assets and Federal Assets System:

Your finding indicates that the RSD has not input items into Protégé, the state's property management system, within the required 60 days after receipt as requirement of the state. In addition, your report indicated there were 45 laptop computers funded with FEMA funds and supplied to Langston Hughes Charter School that were not recorded in Protégé.

As a point of information, the RSD is responsible for not only the procurement of technology items (the vast majority of RSD's recordable acquisitions for our direct-run schools) but also, in many circumstances during the years following Katrina, for purchasing technology for most of our charter schools. With a very lean staff we outfitted almost 70 schools in a three-year period. In Louisiana, there has never been such a school rebuilding/reopening effort and there were no policies or procedures established for such an endeavor. As a result we have

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had to depend upon existing procedures appropriate for established state agencies in established buildings (or an occasional new building), but extremely cumbersome and inappropriate for a school district opening 70 schools in such a short period of time. In addition, these procedures run contrary to the intent of the charter policy which make charters their own LEAs – in effect, their own individual school districts so as not to be burdened with the dictates and mandates of a centralized office. Almost 60 percent of our schools are charter schools, and within the next two years, three-fourths of our schools will be charters.

We have over 13,800 items in Protégé. We must go through a six-step process for the placement of every item. We first generate a requisition, which generates a purchase order, which is sent to the vendor. The vendor ships the item. We check the bills of lading and generate a receipt certificate that is matched to the invoice. A tag is generated and the number is recorded. All these pieces of paper are then organized and filed. The file contents are then recorded into Protégé. After items are in Protégé their location and status are to be monitored and changed in Protégé if necessary. We have two people work full time and one person working part time on collecting property data, tagging items, tracking items and inputting data into Protégé. We have established procedures for the recording of items and procedures to track their location. We have asked principals of our direct-run schools and our independent charter schools to provide us annual inventories so that we can check on the location of items and reconcile that to the records in Protégé. Our current emphasis is on getting schools to adhere to the procedures that we have put into place. Given the amount of work that is required to meet these state and federal mandates, the RSD has to assign two more individuals to the property control division. This will occur by the end of the calendar year.

- Missing Property – Federal Funds

During audit testing, the RSD was opening schools and therefore was in the process of receiving over 2,000 laptop computers for delivery to our high schools. Additionally, we were reimaging over 1,500 EPIC computers and redistributing them to the elementary schools for student use. Storage carts were taken from schools and delivered to the warehouse where laptop computers were loaded into them. The storage carts were then taken back to the schools. Your report shows that we did not properly record the new locations for the carts into Protégé. . No property relocation forms were filed with Property Control and we have had to initiate manual inspections of all property carts to relocate these misdirected carts. We have found to date 3 of the 15 redistributed storage carts indicated in your report.

Issues related to redistributed storage carts are related in part to the considerable assets purchased with FEMA funds that were shipped to charter

schools. We have asked the charters to provide us with the inventories of this equipment. It is important to note that some of the goods were ordered prior to May 2008, and the RSD took over responsibility for Protégé around May 2008. While this is not an excuse, it does mean that serious and laborious coordination efforts are necessary not only between the RSD and LDOE where inventory records are presently located, but also between the RSD and its independent charter schools.

The additional staff that the RSD intends to reassign to property control will assist with the burdensome corrective action associated with this finding. It is important to note that the federal government does not require such property accountability for school districts for property purchased with federal funds. The federal threshold is \$5,000, in contrast to the state's threshold of \$1,000.

This response is in no way intended to suggest that we are in any way not supportive of strong property accountability. Our point is that our position as both a state agency and a school district is unique and challenging. The mandate to use the state's accounting system and to comply with state regulations separate and above the normal school district requirements is an impossible situation for any school district to be in. At the same time we are rebuilding schools, opening schools and outfitting schools at a pace no school district has experienced.

We will continue to take the necessary steps to improve our internal controls and we would appreciate your support and guidance in consideration of our unique circumstances.

Sincerely,

A handwritten signature in cursive script that reads "Paul Vallas".

Paul Vallas
Superintendent Recovery School District

BOBBY JINDAL
Governor



CYNTHIA BRIDGES
Secretary

State of Louisiana
Department of Revenue

January 28, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Inaccurate Annual Fiscal Report

Dear Mr. Purpera:

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 was overstated by \$25 million in Note CC of the Annual Financial Report (AFR) for fiscal year ending June 30, 2009. The overstatement was due to a single transaction that was recorded incorrectly on a worksheet used in compiling the data reported in the note contained in the AFR. We have strengthened our control, preparation and review procedures to avoid this and other errors in the future.

Our concurrence in part is due primarily to statements in the finding that suggest the entire AFR as submitted was inaccurate. Respectfully, we request that the finding be presented in the appropriate context in relation to the accumulation of data contained in the AFR. As mentioned, the inaccuracy reported in the finding was due to the incorrect recording of a single transaction on a worksheet. As a result, LDR overstated the amount recorded in Note CC – Refunds Payable in our AFR. The impact of the error resulted in a 7.8% overstatement of refunds due to taxpayers.

LDR management accepts full responsibility for all errors reported in its financial reports. We also review our compilation process and procedures periodically in an effort to avoid reporting errors in our financials. However, an error should also be presented in the proper perspective to ensure that the users of the data are not misled about the overall accuracy of the information being reported.

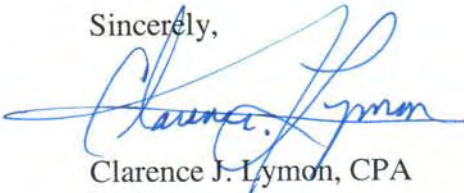
Contributing to a better quality of life.

Mr. Daryl G. Purpera
January 28, 2010
Page 2

As a result of your finding and our customary procedures, 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. We embrace and recognize the benefits associated with continuously improving our processes and are committed to this principle. We invite and encourage your staff to continue offering recommendations for improving our procedures.

The LDR staff member responsible for the corrective action mentioned above is Joyce Anderson, Director of Financial Services.

Sincerely,

A handwritten signature in blue ink, appearing to read "Clarence J. Lymon". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Clarence J. Lymon, CPA
Undersecretary

CL/kb

c: Cynthia Bridges
Joyce Anderson
Phyllis Perry



BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Risk Management

Nov 16, 2009

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: Inaccurate and Incomplete Annual Fiscal Report

The Office of Risk Management (ORM) concurs with the finding.

ORM Accounting management has taken action to ensure that the errors made preparing and submitting the FY 09 Agency Financial Report and required schedules will not re-occur in future years. Notes have been added to expand existing instructions that will better explain how the various schedules and notes are to be completed.

The contact persons for this finding are Tom Averett and Heidi Israel.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bud Thompson, Jr.", written over a faint circular stamp.

J. S. "Bud" Thompson, Jr.
State Risk Director



BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Risk Management

Nov 16, 2009

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. In 2009, only an audit of suspected malfeasance in an ORM satellite office was completed by the DOA audit staff. No audit plan has been presented to ORM.

Since a new DOA Internal Audit Administrator has recently been appointed, ORM will again seek guidance from the DOA Audit Section regarding their possible commitment to perform the internal audit function for ORM before resuming contact with the CPA firm.

The contact person for this finding is J. S. "Bud" Thompson, Jr.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. S. Thompson, Jr.", written over a white background.

J. S. "Bud" Thompson, Jr.
State Risk Director

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

January 12, 2010

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Childcare Cluster: Noncompliance with Program Requirements

Dear Mr. Purpera:

The following is submitted in response to your request dated December 23, 2009 in reference to the aforementioned Audit Finding.

We concur 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. As such, the following steps have been and/or will be taken to achieve this goal.

Automated Child Care Time and Attendance

DSS is in the process of implementing an automated child care time and attendance process for CCAP providers to improve its review and monitoring procedures to ensure CCAP provider payments are accurate and supported. It is anticipated that this process will be implemented by June 2010. This is an electronic system that provides accurate and timely capturing, tracking, and reporting of time and attendance data. This system will ensure accurate payments are made and reduce fraud and abuse. This system will utilize finger imaging and IVR (Interactive Voice Response) as a mechanism for capturing this data. Finger imaging is a measurement of physical characteristics of a finger for use in personal identification.

Random Sample Review of CCAP Provider Invoice and Attendance Logs

Corrective Action Memo C-083-01 issued March 10, 2009, requires each OFS Parish Office to randomly select one Class A Child Care Provider and compare the provider's monthly CCAP invoice with the time and attendance log for the month being reviewed prior to the invoice being validated on CAPS.

Corrective Action Memo C-83-03 issued October 30, 2009, revised the invoice review requirement to state reviews will be based on the number of Class A Child Care providers located in each parish:

| # of Class A Centers | Review Requirements |
|----------------------|------------------------|
| 12 or less | One review per month |
| 13 – 35 | Two reviews per month |
| 36 or above | Five reviews per month |

Additionally, C-83-03 states if a parish has already reviewed a center during the current state fiscal year and the review was satisfactory, then this center should not be reviewed again for the remainder of the state fiscal year.

CART Reviews

CART Staff continues to review a random sample of day care attendance logs. Procedures were put in place to ensure that noted findings are addressed timely by parish office staff. CART policy (Chapter 13) was revised to require Child Care Providers provide a Corrective Action Plan within 30 days from the date of the CART Review findings. Failure to respond may result in withholding of invoice payments.

Revised policy also reflects that the parish/regional office has 30 days to reply to a review and indicate if an overpayment summary will be submitted. If a response from the parish/regional office is not received, the Program Accountability Director will send a written notification to the Director of Field Operations advising that the parish/regional office did not respond within the 30 days.

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 in the event that additional clarification and/or information are required.

Sincerely,



Ruth Johnson
Undersecretary

RJ/dja

- c: Kristy Nichols
- Suzy Sonnier
- Deidria Bolden
- Marie Brown-Mercadel
- Del Augustus
- Derry Lynn Bearden

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

January 20, 2010

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits

Dear Mr. Purpera:

The following is submitted in response to your request dated January 5, 2010 in reference to the aforementioned Audit Finding.

We concur that The Louisiana Department of Social Services (DSS) has identified intentional program violations and ineligible benefits in the Disaster Food Stamp Program (DFSP). As such, the following steps have been and/or will be taken.

The Department has developed specific policies and procedures for processing DSS employee and DFSP worker applications, to prevent fraud and promote program integrity.

Chapter 4 – Section O-380 Policy was revised January 1, 2010 to include processing criterion for DSS employees and DFSP workers who experience a loss due to a disaster. These applicants must complete a DFSP application form and be interviewed consistent with all DFSP applicants. Parish Managers or designees must sign and approve any DFSP applications for households containing a DSS employee or DFSP worker, and must enter case information in the LAMI Disaster Subsystem for these households; prior to the issuance of benefits. The designee must be a Family Support Assistant Parish Manager or a Social Services Analyst Supervisor. Issuance of Electronic Benefit Transfer (EBT) cards and entry of EBT card data for these households may be handled in accordance with normal procedures. In no circumstance shall a DSS employee or DFSP worker enter case information in the LAMI Disaster Subsystem or issue EBT cards for their own case, a case of their own family members, or a case in which the employee is named as an authorized representative. Fraud & Recovery and Quality Control Staff, within the Division of Quality Assurance, will review all DSS employee and DFSP worker applications subsequent to approval and benefit issuance, as defined in the aforementioned revised policy; to ensure program compliance.

Application forms and all other case information for households containing a DSS employee or DFSP worker must be kept in confidential files separate and apart from other cases. These files must be kept in the appropriate Regional Office. The Regional Administrator or designee must assure that these files are not accessible to other staff members.

The Department is actively seeking restitution on all cases that are identified as intentional program violations. Staff received mandatory training on DSS DFSP policy and procedures May 26 through May 29, 2009. The aforementioned revision to Chapter 4 – Section O-380 Policy will be communicated to staff and training will be established to reiterate compliance. The Disaster Data System was upgraded to include identifying information on all household members.

Of the (16) cases cited, (1) employee has been terminated, (6) have terminations pending, (3) have retired and (1) has resigned.

Updated statistics on Hurricanes Katrina and Rita:

| | | |
|------------|-------|----------------------|
| Collected | IPV | \$ 17,566.08 |
| | IHE | \$ 279,047.40 |
| | AE | <u>\$ 131,778.28</u> |
| | Total | \$ 428,391.76 |
| Owed | IPV | \$ 10,740.18 |
| | IHE | \$ 149,459.75 |
| | AE | <u>\$ 54,123.84</u> |
| | Total | \$ 214,323.77 |
| Suspended: | IHE | \$ 1,456.49 |
| | AE | <u>\$ 982.22</u> |
| | Total | \$ 2,438.17 |

IPV: Intentional Program Violation - consists of having intentionally:

- Made a false or misleading statement, or misrepresented, concealed or withheld fact; or
- Committed any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any state statute relating to the use, transfer, acquisition, receipt or possession of food stamp coupons or EBT cards.

IHE: Inadvertent Household Error - occurs as a result of misunderstanding or unintended error on the part of the household.

AE: Administrative Error - occurs when the Agency fails to take prompt or appropriate action, either through oversight, negligence, or misunderstanding on the part of the worker or other agency personnel.

Please advise in the event that additional clarification or information is required.

Sincerely,



Ruth Johnson
Undersecretary

RJ/DDS/TNP/dja

c: Kristy Nichols
Suzy Sonnier
Deidria Bolden
Sammy Guillory
Marie Brown-Mercadel
Del Augustus
David Sigue
Derry Lynn Bearden
Amy Colby



State of Louisiana

Department of Social Services
Office of the Undersecretary

March 3, 2010

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Foster Care – Title IV-E: Noncompliance with Program Requirements

Dear Mr. Purpera:

The following is submitted in response to your request dated February 17, 2010 in reference to the aforementioned Audit Finding.

We concur that The Louisiana Department of Social Services (DSS) did not comply with certain requirements for administering the Foster Care – Title IV-E program (CFDA 933.658).

Various policies have been updated to reflect multiple methods that are considered acceptable forms of authorization. Policy revisions include: "Worker reimbursements for specific Major/Minor Type Codes that indicate a local, regional or state office level authorization shall require client service authorizations to be completed for the appropriate OCS program via TIPS Form 106b or other agency forms which allow for the same information verification (i.e., client name, client identification number, program, provider number, service major/minor code, service description, amount of authorization, begin and end dates for service, requesting and authorizing staff member names and TIPS worker numbers and date of authorization).

Forms or other documents that may be used to authorize services include:

- Other TIPS 106 forms
- Copies of TIPS 106 screen printouts with information handwritten,
- CE-3 forms (for mental health treatment)
- Form 450 (for Reunification Assistance Funds (RAF) and Low Income Home Energy Assistance Program (LIHEAP) services)
- FAST III (Financial Assessment Transaction Form)
- E-mail or memo containing the necessary information
- Local office documents

All documents used to authorize services shall be from the appropriate authorizing worker with their signature. Faxed and scanned copies of documents with the signature may suffice for an original signature. When policy is changed, an email is sent to all staff advising of the changes, instructing staff to review the changes.

Additionally, OCS is piloting an automated FAST III project in Covington, LA. All staff was trained on February 10, 2010 to begin using this automated process which is expected to eliminate issues associated with lack of worker authorizations as well as untimely notification of client changes. Following successful piloting of this project, we anticipate full state rollout within the year.

Please advise in the event that additional clarification or information is required.

Sincerely,



Ruth Johnson
Undersecretary

• RJ/DCJ/dja

c: Kristy Nichols
Suzy Sonnier
Marie Brown-Mercadel
Kaaren Hebert
Del Augustus
Debbie Johnson
Derry Lynn Bearden

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

January 12, 2010

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Fraudulent Billings by Providers

Dear Mr. Purpera:

The following is submitted in response to your request dated December 23, 2009 in reference to the aforementioned Audit Finding.

We concur that certain DSS providers failed to comply with their agreements with DSS by submitting fraudulent vouchers. As such, the following steps have been and/or will be taken to achieve this goal.

TINA-GIS

The Fraud and Recovery Section incorporated Child Care provider information and invoices into TINA-GIS which allows the agency to research billings to develop possible signatures of fraud. The agency also maps providers to recipients. The mapping aspect allows an investigator to see if distance between provider and recipients provide any clues to possible fraudulent activity.

Automated Child Care Time and Attendance

DSS is in the process of implementing an automated child care time and attendance process for CCAP providers to improve its review and monitoring procedures to ensure CCAP provider payments are accurate and supported. It is anticipated that this process will be implemented by June 2010. This is an electronic system that provides accurate and timely capturing, tracking, and reporting of time and attendance data. This system will ensure accurate payments are made and reduce fraud and abuse. This system will utilize finger imaging and IVR (Interactive Voice Response) as a mechanism for capturing this data. Finger imaging is a measurement of physical characteristics of a finger for use in personal identification.

Random Sample Review of CCAP Provider Invoice and Attendance Logs

Corrective Action Memo C-083-01 issued March 10, 2009, required each OFS Parish Office to randomly select one Class A Child Care Provider and compare the provider's monthly CCAP invoice with the time and attendance log for the month being reviewed prior to the invoice being validated on CAPS.

Corrective Action Memo C-83-03 issued October 30, 2009, revised the invoice review requirement to state reviews will be based on the number of Class A Child Care providers located in each parish:

| # of Class A Centers | Review Requirements |
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| 12 or less | One review per month |
| 13 – 35 | Two reviews per month |
| 36 or above | Five reviews per month |

Additionally, C-83-03 states if a parish has already reviewed a center during the current state fiscal year and the review was satisfactory, then this center should not be reviewed again for the remainder of the state fiscal year.

CART Reviews

CART Staff continues to review a random sample of day care attendance logs. Procedures were put in place to ensure that noted findings are addressed timely by parish office staff. CART policy (Chapter 13) was revised to require Child Care Providers provide a Corrective Action Plan within 30 days from the date of the CART Review findings. Failure to respond may result in withholding of invoice payments.

Revised policy also reflects that the parish/regional office has 30 days to reply to a review and indicate if an overpayment summary will be submitted. If a response from the parish/regional office is not received, the Program Accountability Director will send a written notification to the Director of Field Operations advising that the parish/regional office did not respond within the 30 days.

Please advise in the event that additional clarification and/or information are required.

Sincerely,



Ruth Johnson
Undersecretary

RJ/dja

- c: Kristy Nichols
- Suzy Sonnier
- Deidria Bolden
- Marie Brown-Mercadel
- Del Augustus
- Derry Lynn Bearden

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

January 27, 2010

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Inaccurate Annual Fiscal Reports

Dear Mr. Purpera:

The following is submitted in response to your request dated January 12, 2010 in reference to the aforementioned Audit Finding.

We concur that The Louisiana Department of Social Services (DSS) did not submit accurate Annual Fiscal Reports (AFR) to the Division of Administration. As such, the following steps have been and/or will be taken.


To aid in ensuring that American Recovery and Reinvestment Act (ARRA) reporting is correct in the AFR, staff will compare the Schedule 8s to the ARRA Quarterly Report submissions to reconcile reporting accuracy.

The Schedule 8-5 will be produced by creating a query of all expenditures in AFS as well as CFMS. A comparative analysis, of the two system queries, will be done to ensure that all payments and adjustments are included on the Schedule 8-5. Preliminary reports will be formulated immediately after June 30th of each year and then again immediately after August 14th each year to compare and confirm that all payments have been captured.

We are cognizant of the problems causing the misstatements in the AFR and the importance of accurate reports. Therefore, all schedules will be reviewed during preparation by the Administrator and Director. A final review of the complete AFR will occur after it is finished and prior to submission to OSRAP to ensure that all schedules and the AFR are prepared in accordance with OSRAP instructions and acceptable accounting practices. Written procedures are being prepared to supplement the AFR instructions from OSRAP for the Schedule 14.

Please advise in the event that additional clarification or information is required.

Sincerely,



Ruth Johnson
Undersecretary

RJ/CHL/dja

c: Kristy Nichols
Bridget Depland

Suzy Sonnier
Del Augustus

Marie Brown-Mercadel
Derry Lynn Bearden

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
SECRETARY

State of Louisiana

Department of Social Services
Office of the Undersecretary

December 31, 2009

Daryl G. Purpera, CPA, CFE
Temporary Legislative Auditor
First Assistant Legislative Auditor
Office of the Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Wayne D. DeLeo, Jr., CPA
Audit Manager

RE: Ineffective Internal Audit Function

Dear Mr. Purpera:

The following is submitted in response to your request dated December 14, 2009 in reference to the aforementioned Audit Finding.

We concur that the Department of Social Service should have an effective internal audit function. As such, the following steps have been and/or will be taken to achieve this goal.

At a policy level, The Bureau of Audit Services (BAS) has revisited its Internal Audit Policy, Internal Audit Manual, Internal Audit Charter, Work Paper Protocol, and ultimately it's Internal Audit Plan. These revisions served to align the focus, mission, authority, and responsibilities of the internal audit function of BAS. Specifically, these documents have been revised to identify appropriate protocol for establishing sufficient documentation to support the audit working papers and the review process therein. Further, the BAS has enhanced its scope to include an assessment of federal and compliance issues of the departments' federal programs. These policies further offer a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control, and governance to provide management with assurances that assets of the department are properly safeguarded, internal controls are established and operating in accordance with applicable laws, regulations, and procedures are sufficient to prevent or detect errors and/or fraud in a timely manner.

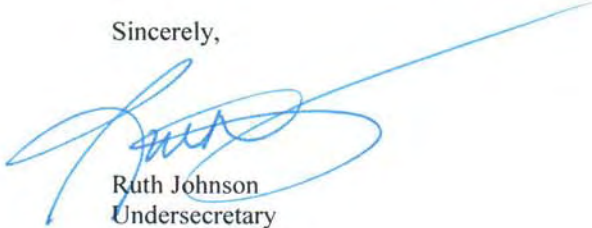
At a structural level, BAS has recently enhanced its organizational structure to include the selection of a new Audit Director, Audit Manager, Auditor 4, & Auditor 3. These additions to the existing BAS team; solidify an audit program that offers tenure and expertise in the areas of internal control & compliance, fiscal & regulatory governance, fraud & risk examination, and governmental auditing.

At a technical level, BAS has made several enhancements to its audit program. These enhancements include the incorporation of a full service risk methodology and audit program software application, securing of a business consultant, and outsourcing of an IT audit program – while establishing on-site IT audit expertise. The selected software application allows BAS to conduct a full-service risk methodology program department-wide and offers flexibility to create program specific risk assessments as well. Further, the software application includes the automation of the entire audit work paper, documentation & testing review and report generation processes. These enhancements coupled with the secured business consultants (governmental, IT, & business alignment expertise) and IT audit plan; significantly heighten the level of governance and support of the BAS.

As many of these enhancements to BAS are recently established and/or will be implemented in the near future; the effects of its improvement to BAS will be reflective in the preceding fiscal year. The current fiscal year has been devoted to the establishment and implementation of these strategic initiatives and training & development of BAS staff to promote a proficient incorporation.

Please advise in the event that additional clarification and/or information are required.

Sincerely,



Ruth Johnson
Undersecretary

RJ/DJA/dja

c: Kristy Nichols
Suzy Sonnier
Marie Brown-Mercadel
Del Augustus
Derry Lynn Bearden



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 9, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

Attached are the responses of the following campuses in the Southern University System, to the finding concerning "*Inaccurate Annual Fiscal Report Preparation*":

- ◆ **Southern University at New Orleans**
- ◆ **Southern University at Shreveport**

Please let me know if additional information is needed.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kassie Freeman".

Kassie Freeman, Ph.D.
Interim President
Southern University System

KF/gam

Enclosures

xc: Mr. Tolor E. White



SOUTHERN UNIVERSITY AT NEW ORLEANS

6801 Press Drive
New Orleans, Louisiana 70126
(504) 286-5311
FAX (504) 284-5500
www.suno.edu

OFFICE OF THE CHANCELLOR

February 3, 2010

Mr. Daryl G. Purpera
Temporary Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

Inaccurate Annual Fiscal Report Preparation

The Southern University System (System) did not have adequate controls over the New Orleans campus' financial information included in the System's annual fiscal report (AFR) to ensure that the System's AFR and related note disclosures were prepared timely and accurately.

Management Response:

Management concurs with this finding. Management is extremely aware of the significance of submitting timely and accurate financial information. Management will ensure compliance with the closing schedule established by the Southern University System campuses. This will include adjustments to the scheduled time allotted by the institution for year end closing processes, supervisory review and final report preparation, that are sufficient to detect and correct material errors in the campuses' financial information before it is included in the System's AFR.

The aforementioned corrective actions will be closely monitored to ensure that the stated objectives are met by June 30, 2010.

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,

A handwritten signature in blue ink, appearing to read "Victor Ukpolo".

Victor Ukpolo, Ph.D.
Chancellor

"An Equal Educational Opportunity Institution"



Excellence • Integrity • Accountability • Service

Office of the Chancellor

February 4, 2010

Mr. Daryl G. Purpera, Temporary Legislative Auditor
Office of Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

Dear Mr. Purpera:

Please find the below-listed legislative audit finding and corrective action response referencing *"Inaccurate Annual Fiscal Report Preparation"* (AFR) for the Southern University at Shreveport campus for fiscal year ending June 30, 2009.

Finding:

Inaccurate Annual Fiscal Report (AFR) Preparation.

Corrective Action:

Southern University at 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. Additionally, the University will modify and strengthen internal procedures regarding preparation and review of all journal entries.

The University has recently hired a Comptroller to assume supervisory responsibility for all accounting personnel, and to ensure day-to-day monitoring of all financial activity. This is a new position within the organizational structure of the Division of Finance and Administration. The proposed upgrade to the Banner Finance software module will also bring significant enhancement to SUSLA's reporting capabilities.

The University will take positive steps to avoid a future repeat of this finding.

Proposed Completion Date: June 30, 2010

Persons Responsible: **Dr. Ray L. Belton, Chancellor**
Benjamin Pugh, Vice Chancellor for Finance & Administration

Should you have questions or require additional information, I can be reached at (318) 670-6481.

Respectfully submitted,


Ray L. Belton, Ph.D.
Chancellor

BWP/lhb

3050 MARTIN LUTHER KING, JR. DRIVE - SHREVEPORT, LOUISIANA 71107
PHONE: (318) 670-6312 FAX (318) 670-6374
TOLL FREE: 1-800-458-1472, #6312
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"AN EQUAL OPPORTUNITY EMPLOYER BY CHOICE REGARDLESS OF RACE, CREED, SEX, DISABILITY OR VETERAN STATUS"



SOUTHERN UNIVERSITY AND A&M COLLEGE SYSTEM

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Office of the President
(225) 771-4680

Fax Number:
(225) 771-5522

February 9, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
Office of the Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

Attached are the responses of the following campuses in the Southern University System, to the finding concerning "*Ineffective Internal Audit Function*":

- ◆ Southern University Board of Supervisors
- ◆ Southern University at New Orleans
- ◆ Southern University Law Center
- ◆ Southern University Agricultural Center
- ◆ Southern University at Shreveport

Please let me know if additional information is needed.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kassie Freeman".

Kassie Freeman, Ph.D.
Interim President
Southern University System

KF/gam

Enclosures

xc: Mr. Tolor E. White



SOUTHERN UNIVERSITY

POST OFFICE BOX 10878

BATON ROUGE, LOUISIANA 70813

(225) 771-2011

Office of the Board of Supervisors
(225) 771-4600
Fax (225) 771-5770

Internet Address:
<http://www.sus.edu>

February 3, 2010

Mr. Daryl G. Purpera, CPA
Temporary Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, La. 70804-9397

Re: Ineffective Internal Audit Function

Dear Mr. Purpera:

The following response applicable to the Board of Supervisors' Office of Internal Auditor is submitted in reply to the reportable finding entitled, "Ineffective Internal Audit Function."

We do not concur with this finding. The internal audit activities include compliance, performance, and operational audits, follow-up of prior audits, and special projects (investigative reviews, consulting assistance) which may or may not result in a formal written report. As you are aware, there is no standard or requirement that mandates a specific number of formal audit reports to be issued to deem an audit function effective.

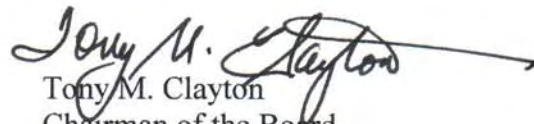
In response to the system-wide budget cuts which resulted in the elimination of three positions within the Office of the Internal Auditor during the 2008-2009 fiscal year, resources within the department were reallocated to best meet the most crucial needs. To maximize its limited resources, every effort was to avoid duplication of audit reviews that were scheduled to be conducted by campus level auditors. Instead, the office focused its attention on the Office of Human Resources and the Office of Student Financial Aid which were identified as high risk areas.

The Office of Internal Audit will continuously seek alternative ways to increase the coverage of high risk areas with the limited resources available. As additional resources are allocated to the internal audit function, its ability to address and report on the high risk areas identified in the audit plan will increase.

Purpera Letter
February 3, 2010
Page 2

Plans are currently being made to engage an accounting firm to conduct a study of the system wide internal audit functions. The objective of this study is to assess the organizational structure in meeting its mission and identifying methods to enhance the effectiveness and efficiency in addressing the high level of risks within the organization. The findings and recommendations provided from this study will help address noted deficiencies.

Sincerely,


Tony M. Clayton
Chairman of the Board



SOUTHERN UNIVERSITY AT NEW ORLEANS

6400 Press Drive
New Orleans, LA 70126-0002
(504) 286-5311
FAX (504) 284-5500
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OFFICE OF THE CHANCELLOR

February 3, 2010

Mr. Daryl G. Purpera
Temporary Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

Ineffective Internal Audit Function

The Southern University System (SUS) does not have an effective internal audit function to examine, evaluate, and report on compliance with the policies and procedures that comprise the internal controls at the various campuses.

During fiscal year ended June 30, 2009, the following was noted about the SUS internal audit function:

- Southern University – New Orleans (SUNO) internal auditors issued two reports that addressed high risk areas even though the internal audit plan identified seven high risk areas

Management Response:

We do not agree with the finding that Southern University at New Orleans does not have an effective internal audit function.

The Office of Internal Audit is operating with limited resources and one professional. The internal audit activities include audits, consulting, follow up and special projects which may or may not result in a report during the fiscal year in which the project was initiated. The internal audit activities also include administrative duties, meetings, committee participation, and training requirements.

All audit activities provide the opportunity to identify and assess risk throughout the university. The conducting of an audit in one area identified as high risk will frequently encompass other high risk areas. All audit work is conducted according to the standards.

The Office of Internal Audit will continuously seek alternative ways to increase the coverage of high risk areas with the limited resources on hand. As the ability to allocate more resources to the internal audit

Official Response to Legislative Auditor Findings

p. 2 of 2

function is increased, the ability to address and report on the high risk areas identified in the audit plan will increase.

Any questions or concerns regarding the aforementioned can be directed to Renee' Johnson, Director of Internal Audit (504 286-5120).

Sincerely,

A handwritten signature in blue ink, appearing to read "Victor Ukpolo", with a large, stylized flourish above the name.

Victor Ukpolo, Ph.D.
Chancellor



OFFICE OF THE CHANCELLOR
(225) 771-2552
FAX (225) 771-2474

SOUTHERN UNIVERSITY LAW CENTER

261 A. A. LENOIR HALL
POST OFFICE BOX 9294
BATON ROUGE, LOUISIANA 70813-9294

February 5, 2010

Mr. Daryl G. Purpera
Temporary Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

Dear Mr. Purpera:

We concur with the audit finding. We have put in place an appropriate corrective action by hiring an internal auditor, Mr. Sterling Bertrand, for the Southern University Law Center and the Southern University Agricultural Research and Extension Center as of March 2009. Mr. Bertrand has submitted an approved Audit Plan for the fiscal year ending June 30, 2010 detailing the audits that will be performed of high risk areas for the Southern University Law Center and the Southern University Agricultural Research and Extension Center.

Sincerely,

A handwritten signature in blue ink that reads "Terry Hall".

Terry Hall
Associate Vice Chancellor
for Financial Affairs

cc: Dr. Kassie Freeman, System President
Mr. Tolor E. White, System Vice President for Finance
Freddie Pitcher, Jr., Chancellor SULC

TH/jca



Office of the Chancellor
Ashford O. Williams Hall
Post Office Box 10010
Baton Rouge, Louisiana 70813
(225) 771-2242
(225) 771-2861 Fax
www.suagcenter.com

February 8, 2010

Darryl G. Purpera, CPA
Temporary Louisiana Legislative Auditor
1609 North Thrid Street
Baton Rouge, La. 70804-9397

Dear Mr. Purpera:

We concur with the finding and have taken corrective actions by hiring an internal auditor, Mr. Sterling Bertrand, for the Southern University Law Center and the Southern University Agricultural Research and Extension Center as of March 2009. Mr. Bertrand has submitted an approved Audit Plan for the fiscal year ending June 30, 2010 detailing the audits that will be performed of high risk areas for the Southern University Law Center and the Southern University Agricultural Research and Extension Center.

If you have any further questions, please contact me at (225)771-2552.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leodrey Williams'. The signature is written in a cursive style with a large initial 'L'.

Leodrey Williams
Chancellor
Southern University Agricultural Research and Extension Center



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Office of the Chancellor

February 4, 2010

Mr. Daryl G. Purpera, Temporary Legislative Auditor
Office of Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

Dear Mr. Purpera:

Please find the below-listed legislative audit finding and corrective action response referencing ***"Ineffective Internal Audit Function"*** for the Southern University at Shreveport campus for fiscal year ending June 30, 2009.

Finding:

Ineffective Internal Audit Function

Corrective Action:

Southern University at Shreveport (SUSLA) partially concurs with the above-noted finding. During FY 2009, our Internal Audit function completed field work in several areas of interest to the University. Most of the audits were listed as Special Audits/Projects which can vary significantly from projected audit plans.

The University will review its internal audit function to determine the adequacy of current resources and planning to ensure effective monitoring of high risk areas.

Proposed Completion Date: June 30, 2010

Persons Responsible: Arthur Smalls, CPA - Internal Auditor
Dr. Ray L. Belton, Chancellor
Benjamin Pugh, Vice Chancellor for Finance & Administration

Should you have questions or require additional information, I can be reached at (318) 670-6481.

Respectfully submitted,



Ray L. Belton, Ph.D.
Chancellor

BWP/lhb

3050 MARTIN LUTHER KING, JR. DRIVE - SHREVEPORT, LOUISIANA 71107
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Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

March 24, 2010

Mr. Sean Bruno, CPA
Sean M. Bruno CPAs
4949 Bullard Avenue
New Orleans, Louisiana 70128

**Re: Response to Federal Award Financial and Compliance Audit
For the Year Ended June 30, 2009**

Dear Mr. Bruno:

Attached is the University's response to the *"Federal Award Findings and Questioned Costs for the fiscal year ended June 30, 2009."*

We would like to take this opportunity to thank 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 information regarding the attached response.

Sincerely,



Kofi Domotey
Chancellor

Attachment

C: Kassie Freeman, President
Flandus McClinton, Jr., Vice Chancellor

SOUTHERN UNIVERSITY AT BATON ROUGE
RESPONSE TO FEDERAL AWARDS FINANCIAL AND COMPLIANCE AUDIT
FOR THE YEAR ENDED JUNE 30, 2009

Audit Finding Reference Number

2009-01- Return of Title IV Funds

Response:

- The University concurs that funds for eighteen (18) students were not returned within the prescribed forty-five (45) days. The University will review and strengthen existing procedures to ensure that funds are returned to the applicable agencies within the prescribed forty-five (45) days as required.

- The University concurs that seventeen (17) students who required a return of Title IV calculation were not calculated timely. Calculations for the seventeen (17) students were not performed timely because of an inadvertent failure to change the calculation profile resulting from changes made to the academic calendar as a result of Hurricane Gustav. Hurricane Gustav occurred in September 2008 and classes were canceled for more than five days. The sixty percent profile was changed to reflect the canceled classes. The fall academic term was later extended to make up for the missed days. The sixty percent profile was not adjusted at this time to reflect the change. Due to the unforeseen occurrence of this natural disaster and the University's need to respond swiftly in the best interest of our students, the oversight to update the sixty percent profile when the academic calendar was changed a second time was not timely detected by the University. The University has subsequently made the appropriate calculations in the amount of \$22,535.26 for the seventeen (17) students and funds have been returned to the appropriate agencies. The University will review existing procedures and make revisions as needed to address the processes that will be required in emergency situations involving natural and other disasters.

Audit Finding Reference Number

2009-02- Student Credit Balance

Response:

In accordance with federal guidelines, the University is required to verify attendance prior to disbursing aid. Students are not eligible to receive excess funds until their attendance has been verified, recalculated, and determined eligible. Effective Spring 2009, the University implemented a change in its verification of attendance process. Attendance is verified prior to the 14th class

day and at the end of the 14th class day. Student refund checks are disbursed once the final verification of attendance requirements has been met.



Office of the
Vice Chancellor for
Administration and Finance

SOUTHERN UNIVERSITY AT NEW ORLEANS

6801 Press Drive
New Orleans, Louisiana 70126
(504) 286-5117
FAX (504) 284-5473

March 25, 2010

Sean M. Bruno, CPA
4949 Bullard Avenue
New Orleans, LA 70128

**RE: Southern University at New Orleans
Responses to the Findings of the Single Audit for FYE June 30, 2009**

Dear Mr. Bruno:

Regarding the above referenced audit, my response to the finding is as follows.

Audit Finding Reference Number

2009- - Matching, Level of Effort, Earmarking
Effect

The University is in noncompliance with the Matching, Level of Effort, Earmarking compliance requirement.

Recommendation

We recommend **the University** establish procedures to ensure the cost share provided is appropriately documented in financial records and reports.

Management Response

The university agrees to establish a procedure where the responsibility of appropriately documenting, in our financial records, the cost share provided by the university rest with the Post Award Administrator & Budget Manager. The newly established procedure will also include the Grants & Contract Accountant to incorporate the cost match in the financial reports.

"An Equal Educational Opportunity Institution"

Audit Finding Reference Number

2009- - Procurement, Suspension, and Debarment, Continued

Effect

Non-compliance with the Procurement, Suspension, and Debarment compliance requirement.

Recommendation

We recommend that **the University** follow prescribed procedures to ensure that supporting documentation for the verification of entities that enter into covered transactions are not suspended, debarred, or otherwise excluded from doing business with the federal government is supported and maintained by **University** personnel.

Management Response

The university agrees to revise the current purchasing procedure to include a process that verifies all vendors, who seek to enter into contractual agreement for federally funded services, are not suspended, debarred, or otherwise excluded from doing business with the federal government.

Audit Finding Reference Number

2009- - Ineligible Pell Recipient

Condition and Perspective

During our audit we noted two (2) students out of fifty (50) tested whose Institutional Student Information Report indicated that the student was in default of a Title IV loan, yet **the University** disbursed funds to the student without verifying that the student made arrangements with the Department of Education to make payment arrangements.

Recommendation

We recommend that management of **the University** adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

Management Response

Although these students were in default; these students were initially not in default at the time the aid was processed and the student was eligible to receive Title IV aid. Management will adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

Audit Finding Reference Number

2009 - Verification

Conditions and Perspectives

During our audit we noted that eleven (11) students out of thirty-eight (38) tested whose verification information was conflicting with the verified documentation or the verification information was not verified.

Cause

It appears that **the University** did not properly ensure that all required verifiable information was correct prior to the awarding and disbursing of financial aid.

Management Response

There were duplicate folders on these students and all verifiable documentation was not available at the time. Management will ensure that all required verifiable documentation is housed in one file and that awarding and disbursing of aid is not performed until verification is complete and accurate.

Audit Finding Reference Number

2009 - Satisfactory Academic Progress

Condition and Perspective

We noted during our audit that two (2) students out of fifty (50) tested were awarded and received financial aid, although the students did not meet **the University's** standards for achieving satisfactory academic progress.

Cause

It appears that **the University** inadvertently disbursed aid to academically ineligible students.

Management Response

Although these students were not making satisfactory academic progress, an approved financial aid appeal was not available at the time of submission. Management will ensure that all documents are procured in the student's file.

Audit Finding Reference Number

2009 - Return of Title IV Funds

Condition and Perspective, Continued

- Two (2) students out of twenty (20) tested whose funds to be returned by **the University** were not returned within the prescribed forty-five (45) days;

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- One (1) student out of twenty (20) tested whose calculation was done incorrectly. This resulted in **the University** returning less funds than were required. **The University** under-returned \$12; and
- Two (2) students out of twenty (20) tested who had a post-withdrawal disbursement and the required amount to be returned to the students were not documented as returned to the student. The amount to be returned was \$1,087.

Cause

The University failed to adhere to established procedures in processing certain refunds.

Management Response

Management does not concur.

Any questions or concerns regarding these corrective actions should be directed to the office of the Vice Chancellor for Administration and Finance (504 286-5117).

Sincerely,



Woodie White
Interim Vice Chancellor for
Administration and Finance



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Office of the Chancellor

March 24, 2010

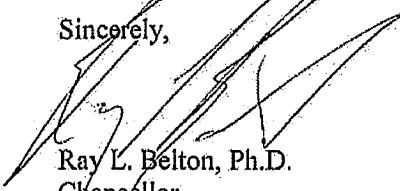
Mr. Sean Bruno,
Sean Bruno CPA
4949 Bullard Avenue-Suite 100
New Orleans, La 70128

Dear Mr. Bruno:

I am transmitting, per your request, responses to audit findings for **Southern University Shreveport** of the fiscal year ending June 30, 2009. 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, Vice Chancellor for Finance and Administration, at (318) 670-6481.

Sincerely,



Ray L. Belton, Ph.D.
Chancellor

RLB/lw

cc: Mr. Tolor White, V. P. for Finance/Business Affairs & Comptroller, SUS
Mr. Benjamin Pugh, Vice Chancellor for Finance & Administration, SUSLA

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Southern University-Shreveport

Audit Finding Reference Number

2009- Davis-Bacon Act

Condition and Perspectives

We noted during our audit that the University did not have procedures in place to monitor for Davis-Bacon compliance when a construction project is funded with federal dollars.

Response

The University concurs with this finding. The University has implemented procedures that require grant personnel and the purchasing department to notify management when construction or renovation projects are funded with federal funds. Additionally, the University has provided technical training on the provisions of the Davis-Bacon Act.

Southern University-Shreveport

Audit Finding Reference Number

2009- Exit Counseling

Condition and Perspectives

We noted three (3) students out of six (6) tested who received Title IV Funds; graduated or ceased to enroll at least half-time and did not have documentation of exit counseling.

Response

The University concurs with this finding. The University has hired a loan coordinator with specific responsibility for ensuring compliance with Title IV regulations regarding exit counseling. Additionally, the University is developing a **Loan Management Default Team** tasked with reviewing and strengthening our overall internal controls as it relates to loan management.

Southern University-Shreveport

| <u>Audit Finding Reference Number</u> | <u>Questioned Cost</u> |
|---------------------------------------|------------------------|
| 2009- Entrance Counseling | \$9,800 |

Condition and Perspectives

During our testing of student eligibility, we noted that eight (8) students from our population tested were first time borrowers and required entrance counseling prior to receiving financial aid.

Based on procedures performed with respect to entrance counseling, we noted the following during our audit:

- Two (2) students were first-time borrowers and received a FFEL loan without have an entrance counseling session; and
- Two (2) students were first-time borrowers and received a FFEL loan disbursement prior to having an entrance counseling session.

Response

The University concurs with this finding. The University has hired a loan coordinator with specific responsibility for ensuring compliance with Title IV regulations regarding entrance counseling. Additionally, the University is developing a **Loan Management Default Team** tasked with reviewing and strengthening our overall internal controls as it relates to loan management.



BOBBY JINDAL
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov



SHERRI H. LEBAS, P.E.
INTERIM SECRETARY

March 18, 2010

Mr. Daryl G. Purpera, CPA
Louisiana Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: **LA DOTD Management Response to Inadequate Controls
Over Reporting Subrecipient Activity**

Dear Mr. Purpera:

The Department is in receipt of the audit report for Inadequate Controls Over Reporting Subrecipient Activity. I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

The report states that DOTD's Schedule 8-4 and Schedule 8-5 disclosed six subrecipients for the Safe Routes to Schools Program (SRS), a part of the Highway Planning and Construction Program, that were not initially reported on Schedule 8-4; however, DOTD did monitor these subrecipients as required by Circular A-133. Fiscal 2009 expenditures to these subrecipients totaled \$133,673.

The report also states that DOTD district personnel are responsible for the identification and monitoring of subrecipients, and are required to submit quarterly reports to Fiscal Services listing all known subrecipients. In addition to the above active subrecipients not reported on the Schedule 8-4, we also identified an additional 26 SRS subrecipients, not previously reported to Fiscal Services in the districts' quarterly reports. There were no disbursements to these 26 entities during the fiscal year ended June 30, 2009.

Management Response:

The DOTD concurs with this finding. The DOTD manually compiles, from each district and section, federal awards and subrecipient related reporting as there is no comprehensive system to record and maintain a complete listing. The errors noted in the finding are a result of manual processes. The omission of the subrecipients was the result of a section failure to report the subrecipients to the Financial Services Section.

As we move forward, manual processes will be automated and the errors noted will be reduced with the implementation of ERP. In addition, more staff members will be assigned to effectively review the compilation process to correct and detect any preparation errors prior to submission. A comprehensive district mini-AFR is proposed to replace the various and numerous memorandum that previously collected this data.

Mr. Daryl Purpera
March 18, 2010
Page 2

District training is also planned to facilitate the development of complete and accurate reporting. DOTD Financial Services Administrator Beverly Hodges has been assigned the responsibility of developing the mini-AFRs and coordinating the training.

Thank you again for the opportunity to respond to this finding. My staff and I are available to discuss this matter as necessary.

Sincerely,

A handwritten signature in blue ink that reads "Sherri LeBas". The signature is fluid and cursive, with the first name "Sherri" being more prominent than the last name "LeBas".

Sherri LeBas, P.E.
Secretary

C: Michael Bridges, DOTD Undersecretary
Kirt Clement, DOTD Deputy Undersecretary
John Lyon, DOTD Internal/External Audit Director
Beverly Hodges, DOTD Financial Services Administrator



BOBBY JINDAL
GOVERNOR

STATE OF LOUISIANA
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P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
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SHERRI H. LEBAS, P.E.
INTERIM SECRETARY

March 15, 2010

Mr. Daryl G. Purpera, CPA
Louisiana Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: **LADOTD Management Response to 2009 Annual Fiscal Report Audit
Inadequate Preparation of the Annual Fiscal Report**

Dear Mr. Purpera:

The Department is in receipt of your audit report for the FY 09 Annual Financial Report (AFR). I appreciate the opportunity to respond to the findings and also to have my response letter included as an attachment in the final report.

The DOTD respectfully objects to the tone of the first sentence of the report wherein the LLA gives the reader the impression that DOTD routinely lacks internal controls over financial reporting. Except for the one large outstanding liability on a cooperative endeavor agreement, which we believe the LLA is in error, the items listed in the finding are insignificant as it relates to our total budget. Given the challenges that we have with our existing financial IT systems that are not part of the state's overall financial systems, we believe great strides have been made over the past few years. None of this progress has been acknowledged in your opening statement.

The following are our comments on the bulleted items:

- **The outstanding net liability for cooperative endeavors was understated by \$146,985,033 on Schedule 16 of the AFR. 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.**

Management Response:

We do not agree with this finding. It is our position that the LLA has misinterpreted the information provided by Mr. James McMennis, a project manager with the Office of Coastal Protection and Restoration. DOTD Undersecretary Michael Bridges personally spoke with and corresponded with Mr. McMennis during the week of February 9, 2010 and as a result, Mr. McMennis informed Mr. Bridges that his original number of \$56,774,000 given to DOTD by email on August 21, 2009 is correct. Mr. McMennis believes the information that he provided to Ms. Thornton, LLA Senior Auditor was in response to her question over a future construction agreement and its cost, which we believe she has misinterpreted.

- **Total Infrastructure (note H) was understated by \$10,867,140, net of depreciation totaling \$158,358, as a result of the following errors:**
 - **Net additions for infrastructure (note H) were understated by \$11,672,906, net of depreciation totaling \$692,5611.**
 - **The reduction in infrastructure for abandoned and turned over roads (notes H and J) was understated by \$542,705, net of depreciation totaling \$850,919.**
 - **The reduction in infrastructure for impairment losses (notes H and K) was understated by \$263,061.**
- **Total land and land improvements (note I) included in right-of-way expenditures was overstated by \$54,462.**

Management Response:

DOTD concurs. The Department has procedures in place to record, process and transmit financial data needed to prepare an accurate and complete AFR. Those procedures include a review process that allows the department to detect and correct any preparation errors prior to submission of the AFR. Two weeks prior to the submission deadline, key personnel vacated the position that was responsible for compiling critical schedules essential to the note disclosure. When these complex schedules were reviewed, a lack of compliance with GASB 42 was noted. Additional staff was assigned to correct the schedules and assure compliance with the standard. While any finding is a concern of the Department, it is important to note that the \$10.8 million understatement disclosed in the finding is equivalent to 0.08% of the Department's total infrastructure balance of \$12.3 billion. As there is no comprehensive system to record and maintain a comprehensive listing of total infrastructure assets, the compilation process is totally manual. As we move forward with the implementation of LaGov (the State's ERP system), manual processes will be automated and the errors noted will be reduced. In addition, staff members will be available to effectively review the compilation process to correct and detect any preparation errors prior to submission.

- **We noted the following errors for contingent liabilities (note G):**
 - **Contingent liabilities were understated for federal funds and overstated for statutory dedicated funds by \$2,362,749, because of an error I classification.**
 - **Contingent liabilities were overstated by \$126,467 because of incorrect adjustments for cooperative endeavors causing and overstatement of the reported liability for statutory dedicated funds totaling \$150,248 and an understatement of the liability for other funding sources totaling \$23,781.**

Management Response:

DOTD concurs. There was a misclassification error in the compilation of the contingent liability note disclosure which had a net zero impact to the total contingent liability balance reported. While any finding is a concern of the Department, it is important to note that the net overstatement relating to adjustments of \$126,467, disclosed in the finding, is 0.0002% of the Department's total contingent liability balance of \$794 million. As referenced above, this compilation process is a manual process. Moving forward, manual processes will be automated and the errors noted will be reduced with the implementation of ERP and the development of a district mini-AFR. In addition, staff members will be available to effectively

review the compilation process to correct and detect any preparation errors prior to submission.

- **The Schedule of Expenditures of Federal Awards (Schedule 8), Schedule 8-1, the Recap of Schedule 8, and the Reconciliation of Schedule 1 to Schedule 8 were incorrectly prepared. Two Federal Award Programs totaling \$178,358 were omitted from Schedule 8, and one federal award program was overstated by \$80,992. In addition, DOTD reported an incorrect program and cluster name and the incorrect agency number for one program on Schedule 8. DOTD omitted one federal award totaling \$57,417 on Schedule 8-1. These errors affected the Recap of Schedule 8 and the Reconciliation of Schedule 1 to Schedule 8 and resulted in a net understatement totaling \$174,783.**

Management Response:

DOTD concurs. As noted above, the Department manually compiles, from each district, federal awards as there is no comprehensive system to record and maintain a complete listing. The errors noted in the finding are a result of manual processes. The omission of the two federal awards totaling \$178,358 and the one 8-1 omission in the amount of \$57,417 was the result of a DOTD Section's failure to report the federal award to the Financial Services Section. A comprehensive district mini-AFR is proposed to replace the various and numerous memorandum that previously collected this data. District and section training is also planned to facilitate the development of complete and accurate reporting.

The overstatement of \$80,992 was a result of the preparer not receiving the Schedule 8 prior year (2008) audit adjustments which was used to calculate current year (2009) information. Additional procedures have been implemented to disseminate audit adjustments to staff.

The incorrect program and cluster name have been corrected. When the schedule was prepared, the assigned CFDA Number 20.614 was not available on the on-line Code of Federal Domestic Assistance (CFDA) listing. The incorrect agency number has also been corrected due to a typographical error. These errors did not have a monetary impact. As noted previously, this information has been compiled in the field and submitted to Financial Services via memorandum. This compilation process is totally manual. As we move forward, manual processes will be automated and the errors noted will be reduced with the implementation of ERP. In addition, additional staff members will be available to effectively review the compilation process to correct and detect any preparation errors prior to submission.

DOTD agrees that Management should establish a 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, however, we disagree with the assessment that adequate internal controls have not been established, staff has not been adequately trained and that there is not an adequate system of review for the department's AFR. The reportable findings included one cooperative endeavor agreement that we believe was misinterpreted. This one agreement in

Mr. Daryl Purpera
March 15, 2010
Page 4

question was substantial. All other reportable errors were immaterial in nature (.08% and .0002%). While it is our goal to achieve perfection in reporting, an audit is performed to attest to fairly presented and materially accurate statements. It is our assertion that the DOTD does have reasonable internal controls that are designed to facilitate an accurate preparation of the AFR, however, mistakes do happen, especially when compounded by our legacy financial systems. Personnel have and continue to receive continuing education. The department recognizes the need to have professional accountants and strives to afford them with the opportunity to stay abreast of the requirements of governmental accounting.

Notwithstanding our disagreements as stated above, we have directed our Financial Services Administrator Beverly Hodges to develop corrective action plans to mitigate the occurrence of errors. These plans will include the development of a district mini-AFR to facilitate the compilation of district data necessary to accurately complete the Department's AFR. The implementation of the LaGov (ERP) system will further enhance the timely and accurate compilation. The mini-AFR is planned for implementation with the FY10 AFR process. The LaGov system will not be implemented until FY11.

Thank you again for the opportunity to respond to this finding. My staff and I are available to discuss this matter as necessary.

Sincerely,



Sherri LeBas, P.E.
Secretary

C: Michael Bridges, DOTD Undersecretary
Kirt Clement, DOTD Deputy Undersecretary
John Lyon, DOTD Internal/External Audit Director
Beverly Hodges, DOTD Financial Services Administrator



UNIVERSITY
OF
LOUISIANA
Lafayette

Vice President for
Enrollment Management

December 3, 2009

P.O. Box 42651
Lafayette, LA 70504-2651
Office: (337) 482-5912
Fax: (337) 482-6195

Daryl G. Purpera, CPA, CFE
Temporary Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Université des Acadiens

Dear Mr. Purpera:

Please find below our management response to the FY 2008-2009 audit finding of "Untimely 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 the Corrective Action Plan as described below:

- 1) Generate Federal Pell Grant Adjustments Report bi-weekly. This report will identify Pell Grant payment discrepancies and will also identify students whose pell grant and other financial aid may need adjusting because of a change in enrollment.
- 2) All Federal Pell Grant and other required financial aid adjustments will be entered into the Student Aid Management System (SAM), which is the software used for financial aid processing, within three (3) business days of receipt of the pell adjustments report mentioned in step 1 above.
- 3) Next, the financial aid adjustments will be submitted to the Business Office for processing.
- 4) Pell Data will be reported to COD within two (2) business days after the adjustments have been processed.
- 5) Random monthly audits will be performed either by Cindy Perez or her designee to monitor compliance.

Sincerely,

DeWayne Bowie
Vice President for Enrollment Management



December 7, 2009

Université des Acadiens

Mr. Daryl G. Purpera, CPA, CFE
Temporary Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

Please find below our management response to the FY 2008-2009 audit finding of "Weakness in Calculation of Return of Title IV Funds".

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 the Corrective Action Plan as described below:

- 1) Thirty days prior to the beginning of each fiscal year, the Financial Aid Office will develop Return to Title IV Calculation Forms for the entire fiscal year to include the summer session, fall semester and spring semester. These forms will incorporate all pertinent Return to Title IV Calculation information to include the number of days in each session/semester, scheduled breaks, the mid-point, and the 60% point in each term.
- 2) The completed form for each term will be submitted to the Financial Aid Director for approval prior to the beginning of the fiscal year.
- 3) The Department of Education's Return to Title IV System will be updated with the required information before the beginning of the fiscal year.

Sincerely,

DeWayne Bowie
Vice President for Enrollment Management



December 16, 2009

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

Please find below our management response to the FY 2008-2009 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.

The University has implemented procedures to ensure that once due diligence has been performed on defaulted Perkins Student Loans with no success, the defaulted loans are referred to a collection firm within the prescribed time to remain in compliance with federal regulations.

The procedures include:

Monthly Reports are run to review accounts that are 120+ days past due. Borrowers who have set up monthly payment arrangements are reviewed each month to make sure they are complying with their payment contract.

Sincerely,

DeWayne Bowie
Vice President for Enrollment Management

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Appendix C

Findings and Recommendations Index by State Agency

LEGISLATIVE AUDITOR

Appendix C

STATE OF LOUISIANA
Findings and Recommendations
Index by State Agency

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GRAMBLING STATE UNIVERSITY

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LEGISLATIVE AUDITOR

Appendix C

STATE OF LOUISIANA

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Appendix D

Summary Schedule of Prior Federal Audit Findings

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LEGISLATIVE AUDITOR

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>Findings Covering More Than One Federal Agency</u> | | | | |
| Education, Department of: | | | | |
| 2008 | 2008 | 53 | F-08-CC-EDUC-3 | Noncompliance With Cash Management Improvement Act |
| 2008 | 2007 | 51 | F-08-CC-EDUC-1 | Inadequate Control Over Coding of Federal Expenditures |
| 2008 | 2006 | 52 | F-08-CC-EDUC-2 | Noncompliance With A-87 Payroll Certification Regulations |
| 2007 | 2007 | 52 | F-07-CC-EDUC-2 | Inadequate Controls Over Payroll - Recovery School District |
| Executive Department (Office on Women's Policy): | | | | |
| 2002 | 2002 | 85 | F-02-CC-OWS-1 | Improper Expenditures for Promotional Items |
| Grambling State University: | | | | |
| 2008 | 2008 | 56 | F-08-CC-GSU-1 | Allowable Cost |
| 2008 | 2008 | 57 | F-08-CC-GSU-2 | Federal Financial Reports/Cash Management |
| 2008 | 2007 | 58 | F-08-CC-GSU-3 | Matching |
| Social Services, Department of: | | | | |
| 2008 | 2007 | 55 | F-08-CC-DSS-1 | Improper Employee Activity in Federal Programs |
| 2007 | 2007 | 58 | F-07-CC-DSS-2 | Improper Employee Activity in Federal Programs |
| 2007 | 2007 | 56 | F-07-CC-DSS-1 | Control Weaknesses Over Information Technology |
| 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>U.S. Department of Agriculture</u> | | | | |
| Education, Department of: | | | | |
| 2007 | 2007 | 61 | F-07-USDA-EDUC-4 | Inappropriate Charges for Free and Reduced Price Student Meals - Recovery School District |
| Social Services, Department of: | | | | |
| Disaster Food Stamps Program: | | | | |
| 2008 | 2007 | 59 | F-08-USDA-DSS-2 | Intentional Program Violations and Ineligible Benefits |
| 2007 | 2007 | 62 | F-07-USDA-DSS-3 | 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 |

(Continued)

| CFDA Number | State Agency | Questioned Costs | Current Status Per Auditee | Page No. |
|---|-----------------------|------------------|--|----------|
| 10.555/84.938 | Education | N/A | Fully corrected | D-15 |
| 84.938/97.036 | Education and RSD | \$111,020 | Partially corrected; QC unresolved; Repeat in 2009, p. 82 | D-16 |
| 10.559/84.010/027/367/938/93.558 | Education and RSD | N/A | Partially corrected; Repeat in 2009, p. 83 | D-17 |
| 84.010/027/938/93.558 | Education (RSD) | \$427,695 | Partially corrected; QC unresolved | D-18 |
| 17.255/20.205 | Executive Department | \$6,346 | No further action needed | D-19 |
| 12.800/81.089/93.658 | Gambling | \$6,900 | Not corrected; QC unresolved; Repeat in 2009, p. 87 | D-20 |
| 81.089/84.031 | Gambling | N/A | Not corrected; QC no further action needed; Repeat in 2009, p. 129 | D-21 |
| 17.259/47.049/93.658 | Gambling | N/A | Not corrected; QC no further action needed; Repeat in 2009, p. 92 | D-22 |
| 10.551/561/93.558 | Social Services | \$18,607 | Partially corrected; QC unresolved | D-23 |
| 10.551/561/93.558/575/596 | Social Services | \$44,667 | Partially corrected; QC unresolved | D-24 |
| 10.551/93.558 | Social Services | N/A | Fully corrected | D-25 |
| 84.048/93.859 | Southern (Shreveport) | \$700 | Fully corrected; QC resolved | D-26 |
| 11.463/12.910 | UNO | \$1,610,003 | Fully corrected; QC resolved | D-27 |
| 12.300/43.001/47.049/074/ 84.027/126/93.389/97.039 | UNO | \$500,571 | Fully corrected; QC resolved | D-28 |
| 10.553/555 | Education (RSD) | N/A | Fully corrected | D-29 |
| 10.551/561 | Social Services | \$283,394 | Partially corrected; QC unresolved; Repeat in 2009, p. 95 | D-30 |
| 10.551/561 | Social Services | \$248,825 | Partially corrected; QC unresolved | D-31 |
| 10.551/561 | Social Services | \$122,110 | Partially corrected; QC unresolved | D-32 |
| 10.551/561 | Social Services | \$2,796 | Partially corrected; QC unresolved | D-33 |

LEGISLATIVE AUDITOR

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>U.S. Department of Housing & Urban Development/Community Planning & Development</u> | | | | |
| Executive Department: | | | | |
| 2008 | 2007 | 61 | F-08-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>U.S. Department of Labor</u> | | | | |
| Executive Department (Office on Women's Policy): | | | | |
| 2002 | 2002 | 94 | F-02-USDOL-OWS-2 | Improper Expenditure of Federal Funds |
| Louisiana Workforce Commission: | | | | |
| 2008 | 2008 | 68 | F-08-USDOL-LABR-3 | Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments |
| 2008 | 2008 | 66 | F-08-USDOL-LABR-1 | Inadequate Internal Controls Over Unemployment Insurance System Access |
| 2008 | 2007 | 69 | F-08-USDOL-LABR-4 | Noncompliance With Record Retention Policy |
| 2008 | 2004 | 67 | F-08-USDOL-LABR-2 | Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster |
| 2007 | 2007 | 71 | F-07-USDOL-LABR-2 | Noncompliance With Record Retention Policy |
| <u>U.S. Department of Transportation</u> | | | | |
| Executive Department (Office on Women's Policy): | | | | |
| 2002 | 2002 | 98 | F-02-DOT-OWS-4 | Noncompliance With State Procurement Regulations |
| Department of Transportation: | | | | |
| 2008 | 2008 | 70 | F-08-USDOT-DOTD-1 | Overdraw of Federal Funds |
| 2006 | 2006 | 50 | F-06-USDOT-DOTD-2 | Noncompliance With the Cash Management Improvement Act |
| <u>U.S. Department of Energy</u> | | | | |
| Grambling State University: | | | | |
| 2008 | 2008 | 71 | F-08-DOE-GSU-4 | Sub-Recipient Monitoring |

(Continued)

| CFDA Number | State Agency | Questioned Costs | Current Status Per Auditee | Page No. |
|----------------|-------------------------------|---------------------|--|----------|
| 14.228 | Executive | Unable to Determine | Partially corrected; QC unresolved; Repeat in 2009, p. 97 | D-34 |
| 14.228 | Public Safety and Corrections | \$12,551 | Fully corrected; QC unresolved | D-36 |
| 17.255 | Executive Department | \$647,060 | No further action needed | D-37 |
| 17.225 | Labor | \$21,211,069 | Partially corrected; QC unresolved; Repeat in 2009, p. 103 | D-38 |
| 17.225 | Labor | N/A | Fully corrected | D-39 |
| 17.225 | Labor | \$4,103 | Partially corrected; QC unresolved; Repeat in 2009, p. 105 | D-40 |
| 17.258/259/260 | Labor | N/A | Partially corrected | D-41 |
| 17.225 | Labor | \$17,928 | Partially corrected; QC unresolved | D-42 |
| 20.205 | Executive Department | \$135,250 | No further action needed | D-43 |
| 20.205 | DOTD | \$454,709 | Fully corrected; QC resolved | D-44 |
| 20.205 | DOTD | N/A | Partially corrected | D-45 |
| 81.089 | Grambling | N/A | Not corrected; Repeat in 2009, p. 154 | D-46 |

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| Fiscal Year | Initial Year of Finding | Single Audit Page Number | Finding Number | Finding Title |
|--|-------------------------------|-----------------------------------|--------------------|--|
| U.S. Department of Education | | | | |
| Baton Rouge Community College: | | | | |
| 2007 | 2007 | 74 | F-07-ED-BRCC-1 | Inadequate Control 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 |
| Education, Department of: | | | | |
| 2008 | 2007 | 82 | F-08-ED-EDUC-9 | Theft of Computers - Recovery School District |
| 2008 | 2007 | 74 | F-08-ED-EDUC-5 | Inadequate Controls Over Payroll - Recovery School District |
| 2008 | 2008 | 72 | F-08-ED-EDUC-4 | Failure to Maintain Public Control Over Restart Program Funds |
| 2008 | 2006 | 77 | F-08-ED-EDUC-6 | Inadequate Fiscal Monitoring Inadequate Internal Control Over Relocation and Retention Incentive Payments - Recovery School District |
| 2008 | 2008 | 78 | F-08-ED-EDUC-7 | Noncompliance With Federal and State Equipment Management Regulations |
| 2008 | 2007 | 80 | F-08-ED-EDUC-8 | Inadequate Controls Over Movable Property - Recovery School District |
| 2007 | 2007 | 77 | F-07-ED-EDUC-5 | Inadequate Subrecipient Monitoring Over Single Audit Reports |
| 2007 | 2005 | 80 | F-07-ED-EDUC-7 | Inadequate Controls Over the Migrant Education State Grant Program |
| 2005 | 2005 | 37 | F-05-ED-EDUC-3 | Untimely Fiscal Monitoring and Reporting |
| 2005 | 2005 | 39 | F-05-ED-EDUC-4 | |
| Grambling State University: | | | | |
| 2008 | 2007 | 89 | F-08-ED-GSU-5 | Federal Work Study |
| 2008 | 2008 | 91 | F-08-ED-GSU-6 | Student Eligibility |
| 2008 | 2008 | 92 | F-08-ED-GSU-7 | Verification |
| Louisiana State University at Alexandria: | | | | |
| 2008 | 2007 | 83 | F-08-ED-LSUALEX-1 | Weaknesses in the Administration of Student Financial Aid |
| Louisiana Technical College: | | | | |
| 2008 | 2002 | 84 | F-08-ED-LTC-1 | Inadequate Control Over Pell Grant |
| Louisiana Technical College - Region 4: | | | | |
| 2008 | 2008 | 85 | F-08-ED-LTC-REG4-1 | Weakness Over Return of Pell Grant Program Funds |
| 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: | | | | |
| 2006 | 2002 | 56 | F-06-ED-DSS-4 | Vocational Rehabilitation: Weaknesses Over Program Expenditures |

(Continued)

| CFDA Number | State Agency | Questioned Costs | Current Status Per Auditee | Page No. |
|--------------------------------|-------------------|---------------------|--|----------|
| 84.033 | BRCC | \$55,711 | Fully corrected; QC resolved | D-47 |
| 84.063 | BRCC | \$1,610 | Fully corrected; QC resolved | D-48 |
| 84.063 | BRCC | \$4,499 | Partially corrected; QC unresolved | D-49 |
| 84.063 | BRCC | \$8,831 | Fully corrected; QC resolved | D-50 |
| 84.938 | Education | N/A | Partially corrected | D-51 |
| 84.938 | Education | \$15,037 | Partially corrected; QC unresolved; Repeat in 2009, p. 119 | D-52 |
| 84.938 | Education | Unable to Determine | Not corrected | D-53 |
| 84.010/027/173/367/938 | Education | N/A | Partially corrected; Repeat in 2009, p. 79 | D-54 |
| 84.938 | Education (RSD) | \$127,000 | Partially corrected; QC unresolved; Repeat in 2009, p. 121 | D-55 |
| 84.938 | Education | N/A | Partially corrected; Repeat in 2009 p. 85 | D-56 |
| 84.938 | Education (RSD) | N/A | Partially corrected | D-57 |
| 84.027/173/367/938 | Education | N/A | Fully corrected | D-58 |
| 84.011 | Education | \$34,357 | No further action needed; no further action needed | D-59 |
| 84.010/027/173/186/281/298/340 | Education | \$821,702 | No further action needed; no further action needed | D-60 |
| 84.033 | Gambling | \$3,068 | Fully corrected; QC unresolved | D-61 |
| 84.032 | Gambling | N/A | Fully corrected | D-62 |
| 84.032/063 | Gambling | \$24,860 | Not corrected; QC unresolved; Repeat in 2009, p. 132 | D-63 |
| 84.007/032/033/063 | LSU at Alexandria | N/A | Partially corrected; Repeat in 2009, p. 112 | D-64 |
| 84.063 | LTC | N/A | Partially corrected; Repeat in 2009, p. 113 | D-65 |
| 84.063 | LTC-4 | \$625 | Partially corrected; QC resolved; Repeat in 2009, p. 116 | D-66 |
| 84.032 | Northwestern | \$84,353 | Fully corrected; QC resolved | D-67 |
| 84.032/063 | Northwestern | \$33,319 | Fully corrected; QC resolved | D-68 |
| 84.126 | Social Services | \$3,461 | Fully corrected; QC no further action needed | D-69 |

LEGISLATIVE AUDITOR

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>U.S. Department of Education (Cont.)</u> | | | | |
| Southern University and A&M College (Baton Rouge): | | | | |
| 2008 | 2008 | 93 | F-08-ED-SUBR-1 | Davis-Bacon |
| 2008 | 2008 | 94 | F-08-ED-SUBR-2 | Federal Work Study Program |
| 2007 | 2007 | 89 | F-07-ED-SUBR-2 | Satisfactory Academic Progress |
| 2007 | 2007 | 90 | F-07-ED-SUBR-3 | Verification |
| Southern University at New Orleans: | | | | |
| 2008 | 2008 | 95 | F-08-ED-SUNO-1 | Entrance Counseling |
| 2008 | 2008 | 96 | F-08-ED-SUNO-2 | Federal Work-Study |
| 2008 | 2006 | 97 | F-08-ED-SUNO-3 | Student Credit Balance |
| 2008 | 2007 | 98 | F-08-ED-SUNO-4 | Student Status Confirmation Report |
| 2008 | 2008 | 99 | F-08-ED-SUNO-5 | Verification |
| Southern University at Shreveport: | | | | |
| 2008 | 2008 | 100 | F-08-ED-SUSH-1 | Federal Work Study |
| 2008 | 2005 | 101 | F-08-ED-SUSH-2 | Return of Title IV Funds |
| 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 |
| 2007 | 2006 | 96 | F-07-ED-SUSH-4 | Verification |
| 2006 | 2006 | 64 | F-06-ED-SUSH-4 | Verification |
| University of Louisiana at Lafayette: | | | | |
| 2008 | 2008 | 86 | F-08-ED-ULL-1 | Failure to Provide Proper Loan Notice |
| 2008 | 2008 | 87 | F-08-ED-ULL-2 | Untimely and Inaccurate Federal Reporting |
| 2008 | 2008 | 88 | F-08-ED-ULL-3 | Weakness in Collection Procedures Over Defaulted Loans |
| <u>U.S. Department of Health and Human Services</u> | | | | |
| Economic Development, Department of: | | | | |
| 2008 | 2008 | 102 | F-08-HHS-DED-1 | Noncompliance With Temporary Assistance for Needy Families - MicroEnterprise Development Program Requirements |
| Executive Department: | | | | |
| 2006 | 2006 | 65 | F-06-HHS-EXEC-1 | Inadequate Controls Over the Temporary Assistance for Needy Families Program |
| 2008 | 2006 | 103 | F-08-HHS-EXEC-2 | 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. |
|---------------------------------|-----------------------|---------------------|--|----------|
| 84.031 | Southern - BR | N/A | Fully corrected | D-70 |
| 84.033 | Southern - BR | N/A | Fully corrected | D-71 |
| 84.032/063 | Southern - BR | \$14,668 | Fully corrected; QC resolved | D-72 |
| 84.032/063 | Southern - BR | \$4,700 | Fully corrected; QC resolved | D-73 |
| 84.032 | Southern - UNO | N/A | Not corrected | D-74 |
| 84.033 | Southern - UNO | N/A | Not corrected | D-75 |
| 84.063 | Southern - UNO | N/A | Fully corrected | D-76 |
| 84.268 | Southern - UNO | N/A | Not corrected | D-77 |
| 84.063 | Southern - UNO | \$11,370 | Not corrected; QC unresolved; Repeat in 2009, p. 138 | D-78 |
| 84.033 | Southern - Shreveport | \$2,905 | Partially corrected; QC unresolved | D-79 |
| 84.007/032 | Southern - Shreveport | N/A | Partially corrected | D-80 |
| 84.007/032/063/268 | Southern - Shreveport | \$464,175 | Partially corrected; QC unresolved | D-81 |
| 84.007/032/033/063 | Southern - Shreveport | \$89,100 | Fully corrected; QC unresolved | D-82 |
| 84.032/063 | Southern - Shreveport | \$46,710 | Fully corrected; QC resolved | D-83 |
| 84.007/032/063/268 | Southern - Shreveport | \$52,743 | Not corrected; QC unresolved | D-84 |
| 84.007/032/063/268 | Southern - Shreveport | \$26,405 | Not corrected; QC resolved | D-85 |
| 84.032/038 | ULL | N/A | Fully corrected | D-86 |
| 84.007/032/033/063 | ULL | N/A | Partially corrected; Repeat in 2009, p. 123 | D-87 |
| 84.038 | ULL | N/A | Partially corrected; Repeat in 2009, p. 125 | D-88 |
| 93.558 | Business Development | \$2,680 | Fully corrected; QC no further action needed | D-89 |
| 93.558 | Executive | \$2,200 | Fully corrected; QC no further action needed | D-90 |
| 93.558 | Executive | N/A | Fully corrected | D-91 |
| 93.778 (and all major programs) | Executive (OSRAP) | Unable to Determine | Partially corrected, QC unresolved | D-92 |

LEGISLATIVE AUDITOR

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: | | | | |
| 2008 | 2006 | 104 | F-08-HHS-DHH-1 | Improper Claims by Long Term Personal Care Services Providers |
| 2008 | 2008 | 105 | F-08-HHS-DHH-2 | Improper Payments to Non-Emergency Medical Transportation Service Providers |
| 2008 | 2008 | 107 | F-08-HHS-DHH-3 | Improper Payments to Waiver Service Providers |
| 2008 | 2008 | 108 | F-08-HHS-DHH-4 | Inadequate Internal Control Over Cooperative Endeavor Agreements |
| 2008 | 2008 | 109 | F-08-HHS-DHH-5 | Inappropriate Access to the Medicaid Eligibility Data System |
| 2008 | 2006 | 110 | F-08-HHS-DHH-6 | Ineffective Medicaid Eligibility Quality Control System |
| 2007 | 2006 | 100 | F-07-HHS-DHH-2 | Ineffective Medicaid Eligibility Quality Control System |
| 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 |
| 2006 | 2006 | 68 | F-06-HHS-DHH-3 | Improper Claims by Long Term Personal Care Services 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 |
| Louisiana Workforce Commission: | | | | |
| 2008 | 2005 | 112 | F-08-HHS-LABR-5 | Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program |
| Social Services, Department of: | | | | |
| 2008 | 2005 | 113 | F-08-HHS-DSS-3 | Child Care Cluster: Noncompliance With Program Requirements |
| 2008 | 2005 | 115 | F-08-HHS-DSS-4 | Foster Care - Title IV-E: Noncompliance With Program Requirements |
| 2008 | 2008 | 117 | F-08-HHS-DSS-5 | Fraudulent Billings by Providers |
| 2008 | 2005 | 119 | F-08-HHS-DSS-6 | Temporary Assistance for Needy Families Program - Internal Control Weaknesses Over Program Requirements |
| 2007 | 2005 | 102 | F-07-HHS-DSS-5 | 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 |
| 2007 | 2005 | 108 | F-07-HHS-DSS-9 | Temporary Assistance for Needy Families Program - Internal Control Weaknesses Over Program Requirements |

(Continued)

| CFDA Number | State Agency | Questioned Costs | Current Status Per Auditee | Page No. |
|----------------|----------------------|------------------|--|----------|
| 93.778 | Health and Hospitals | \$8,082 | Partially corrected; QC unresolved; Repeat in 2009, p. 142 | D-95 |
| 93.778 | Health and Hospitals | \$10,968 | Partially corrected; QC unresolved; Repeat in 2009, p. 143 | D-96 |
| 93.778 | Health and Hospitals | N/A | Partially corrected; Repeat in 2009, p. 144 | D-97 |
| 93.779 | Health and Hospitals | \$335,000 | Partially corrected; QC unresolved | D-98 |
| 93.778 | Health and Hospitals | N/A | Partially corrected; Repeat in 2009, p. 146 | D-99 |
| 93.778 | Health and Hospitals | N/A | Partially corrected | D-100 |
| 93.778 | Health and Hospitals | N/A | Partially corrected | D-101 |
| 93.778 | Health and Hospitals | \$2,619 | Partially corrected; QC unresolved | D-102 |
| 93.778 | Health and Hospitals | \$46,272 | Fully corrected; QC unresolved | D-103 |
| 93.778 | Health and Hospitals | \$64,175 | Fully corrected; QC unresolved | D-104 |
| 93.778 | Health and Hospitals | \$49,608 | Fully corrected; QC unresolved | D-105 |
| 93.778 | Health and Hospitals | \$22,488 | Fully corrected; QC unresolved | D-106 |
| 93.778 | Health and Hospitals | \$816 | Partially corrected; QC unresolved | D-107 |
| 93.778 | Health and Hospitals | \$185,605,936 | Partially corrected; QC unresolved | D-108 |
| 93.558 | Labor | N/A | Partially corrected | D-109 |
| 93.575/596 | Social Services | \$54,598 | Partially corrected; QC unresolved; Repeat in 2009, p. 149 | D-110 |
| 93.658 | Social Services | \$33,716 | Partially corrected; QC unresolved; Repeat in 2009, p. 150 | D-111 |
| 93.558/575/596 | Social Services | \$972,598 | Not corrected; QC unresolved; Repeat in 2009, p. 151 | D-112 |
| 93.558 | Social Services | \$303,491 | Fully corrected; QC unresolved | D-113 |
| 93.575/596 | Social Services | \$84,781 | Partially corrected; QC unresolved | D-114 |
| 93.563 | Social Services | N/A | Fully corrected | D-115 |
| 93.667/669 | Social Services | \$9,300 | Fully corrected; QC unresolved | D-116 |
| 93.558 | Social Services | \$259,540 | Fully corrected; QC unresolved | D-117 |

LEGISLATIVE AUDITOR

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>U.S. Department of Homeland Security</u> | | | | |
| Executive Department: | | | | |
| 2007 | 2007 | 109 | F-07-DHS-EXEC-FPC-1 | Inadequate Controls Over Capital Outlay Transactions |
| Governor's Office of Homeland Security and Emergency Preparedness (Military Affairs, Department of): | | | | |
| 2008 | 2008 | 120 | F-08-DHS-GOHSEP-1 | Failure to Document Payroll Distribution Costs |
| 2008 | 2008 | 121 | F-08-DHS-GOHSEP-2 | Inadequate Controls Over Cash Management and Noncompliance with CMIA Agreement |
| 2008 | 2008 | 124 | F-08-DHS-GOHSEP-3 | Inadequate Controls Over User Access to LouisianaPA.com System |
| 2008 | 2008 | 125 | F-08-DHS-GOHSEP-4 | No Reconciliation Between Project Database and Financial Records for the Homeland Security Cluster Programs |
| 2008 | 2008 | 126 | F-08-DHS-GOHSEP-5 | Noncompliance With Federal Financial Reporting Requirements |
| 2008 | 2007 | 127 | F-08-DHS-GOHSEP-6 | Noncompliance With Subrecipient Monitoring Requirements |
| 2008 | 2008 | 129 | F-08-DHS-GOHSEP-7 | Untimely Reconciliation Between ISIS and LAPA Systems |
| 2006 | 2006 | 87 | F-06-DHS-MIL/GOHSEP-1 | Noncompliance With Procurement and Suspension and Debarment Requirements |
| Louisiana Agricultural Finance Authority: | | | | |
| 2008 | 2008 | 130 | F-08-DHS-LAFA-1 | Overdraw of Federal Funds |
| Louisiana Workforce Commission: | | | | |
| 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 |

| CFDA Number | State Agency | Questioned Costs | Current Status Per Auditee | Page No. |
|--------------------|---------------|---------------------|---|----------|
| 97.036 | Executive | Unable to Determine | Fully corrected; QC unresolved | D-118 |
| 97.004/036/039/067 | GOHSEP | N/A | Fully corrected | D-119 |
| 97.036/039 | GOHSEP | N/A | Partially corrected | D-120 |
| 97.036 | GOHSEP | N/A | Fully corrected | D-121 |
| 97.004/067 | GOHSEP | N/A | Partially corrected; Repeat in 2009, p. 160 | D-122 |
| 97.004/067 | GOHSEP | N/A | Fully corrected | D-123 |
| 97.004/036/039/067 | GOHSEP | N/A | Partially corrected; Repeat in 2009, p. 164 | D-124 |
| 97.036 | GOHSEP | N/A | Fully corrected | D-125 |
| 97.036 | GOHSEP | \$264,912 | Fully corrected; QC unresolved | D-126 |
| 97.067 | LAFA | \$59,430 | Not corrected; QC unresolved | D-127 |
| 97.034 | Labor | \$1,294,650 | Partially corrected; QC unresolved | D-128 |
| 97.036 | Public Health | \$38,533 | Fully corrected; QC unresolved | D-129 |
| 97.036 | Public Health | N/A | Partially corrected | D-130 |

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Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Noncompliance with Cash Management Improvement Act

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-EDUC-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 53

Program Name(s): Hurricane Education Recovery; National School Lunch Program

Federal Grantor Agency: US Department of Education; US Department of Agriculture

CFDA Number(s): 84.938; 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 X Not Corrected
Partially Corrected
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 implemented and continues.

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: Susie Buchmann

Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Inadequate Control Over Coding of Federal Expenditures

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-EDUC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 111,020

Page Number (from Single Audit Report): 51

Program Name(s): Hurricane Education Recovery; Disaster Grants - Public Assistance

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938; 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? Response to finding submitted to USDOE 7/13/2009. No further contact to date.

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 action plan implemented and remains in progress.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Noncompliance With A-87 Payroll Certification Regulations
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-EDUC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 52

Program Name(s): Title 1 Grants to Local Educational Agencies; Improving Teacher Quality State Grants; Hurricane Education Recovery; Temporary Assistance for Needy Families; Summer Food

Federal Grantor Agency: Service Program for Children; Special Education - Grants to States
US Department of Education, US Department of Agriculture

CFDA Number(s): 84.010; 84.367; 84.938; 93.558; 10.559; 84.027

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 action taken.

Corrective action has been taken by LDOE, however, RSD corrective action needs to 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: Leslie L. Jewell Phone Number: 225-342-3830

Preparer's E-mail Address: leslie.jewell@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Inadequate Controls Over Payroll - Recovery School District
"Pass-Through Entity Name," if applicable:

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? LDOE received a letter from the USDOE on 8/10/2009 requesting evidence of corrective action in 60 days. No determination made at this time.

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 action plan implemented and remains in progress.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann.la.gov

Schedule 8-3 Form

Entity's Name: OFFICE ON WOMEN'S POLICY

Finding Title: IMPROPER EXPENDITURES FOR PROMOTIONAL ITEMS

"Pass-Through Entity Name," if applicable:

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 Administration, Department of Transportation/Employment & Training Administration, Department of Labor

CFDA Number(s): 20.205/17.255

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? In FY2008, OWP rendered that "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 the matter was sent in the 2007-2008 year."

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): Two years have passed since there findings were reported. In addition, the federal agency/grantor is not following up on this finding and a management decision was not issued

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

Preparer's E-mail Address: judith.morris@la.gov

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Allowable Cost

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08CC GSU-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 6,900

Page Number (from Single Audit Report): 56

Program Name(s): 1. Air Force Defense Research Sciences Program
2. Fossil Energy Research and Development
3. Foster Care - Title IV-E

Federal Grantor Agency: 1. U.S. Department of Defense
2. U.S. Department of Energy
3. U.S. Department of Health & Human Services

CFDA Number(s): 1) 12.800 2) 81.089 3) 93.658

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 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):
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, 2010, 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.

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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Federal Financial Reports/Cash Management

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-CC GSU-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 57

Program Name(s): Fossil Energy Research and Development
Higher Education - Institutional Aid

Federal Grantor Agency: U.S. Department of Energy
U.S. Department of Education

CFDA Number(s): 81.089 & 84.031

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):
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 reconciled to receivables and expenses.

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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Matching
"Pass-Through Entity Name," if applicable: Department of Social Services

Reference Number(s): F-08-CC GSU-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 58

Program Name(s): Foster Care Title IV-E
Department of Labor WIA Youth Activities
NSF Center for Mathematics Achievement in Science and Technology

Federal Grantor Agency: U.S. Department of Education , U.S. Department of Labor
National Science Foundation

CFDA Number(s): 93.658 17.259 47.049

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 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 2, 2010, 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.

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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Improper Employee Activity in Federal Programs
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-DSS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 18,607

Page Number (from Single Audit Report): 55

Program Name(s): Temporary Assistance for Needy Families; Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Health and Human Services; U. S. Department of Agriculture

CFDA Number(s): 93.558; 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? Questioned costs are pending resolution.

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 addition to control procedures already implemented, the agency is working to develop an identity pattern (signature of fraud) that will send automatic alerts when potential fraudulent activity exists.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule B-3 Form

Entity's Name: Department of Social Services
Finding Title: Improper Employee Activity in Federal Programs
"Pass-Through Entity Name," if applicable: _____

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 Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster); Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund; 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 resolution.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Control Weaknesses Over Information Technology
"Pass-Through Entity Name," if applicable:

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; (For FY 09 the name changed to Supplemental Nutrition Assistance Program) 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 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): 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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Allowable Cost

"Pass-Through Entity Name," if applicable: N/A

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

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: 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 refunded to the appropriate funding agency.

Status of Finding (check one):

Fully Corrected Not Corrected

Partially Corrected No Further Action Needed

Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The 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: *B. Pugh* Phone Number: 318.670/6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

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 06/30/2009

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: 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 related to NOAA's Habitat Conservation Program, award number FNOA0001DR014G. The University submitted its response on 04/25/2008. In NOAA's Audit Determination Letter, for Audit Report No. ATL-9999-8-2949, NOAA has decided that none of the questioned costs will be disallowed. Therefore, UNO does not have to repay \$144,000. The audit is officially closed. Specifically, in their letter dated 11/12/2008, NOAA acknowledges that the ability of UNO to fully comply with the OMB Circular A-133 requirements were severely limited due to the extenuating circumstance which existed as a result of the devastation of Hurricanes Katrina and Rita.

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 B. Montegut, Compliance Officer Phone Number: 504-280-6874

Schedule 8-3 Form

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 06/30/2009

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 Rehabilitation 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: No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

On 02/02/2009, NSF questioned completed its review of revised policies and procedures and found their concerns to be adequately addressed. As a result, and the receipt of the University's repayment of \$4,518.84 in costs disallowed under NSF awards CHE-0314027 and IBN-0236494 on December 12, 2008, NSF considers the A-133 audit report for the fiscal year ended June 30, 2006, closed, and the referenced finding resolved.

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 B. Montegut, Compliance Officer Phone Number: 504-280-6874

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Inappropriate Charges for Free and Reduced Price Student Meals - Recovery
"Pass-Through Entity Name," if applicable: 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 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 and remains in effect.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann.la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-USDA-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 283,394

Page Number (from Single Audit Report): 59

Program Name(s): Food Stamps and State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

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 agency continues to collect benefits paid to ineligible clients. Monies collected are returned to the federal 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 agency has developed strategies, improved policy/procedures and developed specific procedures for processing employee DFSP applications. This is in addition to control procedures previously implemented to prevent fraud and 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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
"Pass-Through Entity Name," if applicable: _____

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 (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

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?
The agency continues to collect benefits paid to ineligible clients. Monies collected are returned to the federal 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):
Specific guidance for the operation of a DFSP has been developed. All staff received training and 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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Deficiencies in the Operation of the Disaster Food Stamp Program
"Pass-Through Entity Name," if applicable:

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 (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

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 questioned costs identified at the time of the finding have been collected and returned to the federal agency. Subsequent to issuance of the finding, the ineligible benefits increased and the agency continues collection efforts.

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 enforces mandatory training prior to the start of each hurricane season, created a disaster Food Stamp manual and created a monitoring oversight team to be stationed at each Disaster Food Stamp site.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Food Stamp Cluster: Destroyed Records and Ineligible Benefits
"Pass-Through Entity Name," if applicable:

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
(For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

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 agency is pursuing recovery of the overpayments.

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

Preparer's E-mail Address: clockett@dss.state.la.us

**SCHEDULE 8-3 (REVISED)
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**

DIVISION OF ADMINISTRATION
For the Year Ended June 30, 2009

Finding Title: Inadequate Controls Over the Road Home Homeowner Assistance Program

Reference Number(s): F-08-HUD-EXEC-OCD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ Unable to determine

Page Number (from Single Audit Report): 61

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):
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?
There were no questioned costs reported - the auditor was unable to determine the amount of questioned costs.

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):
Due to the magnitude of the disaster and the push to rapidly disburse funds to applicants, designed front end controls were relaxed necessitating the need to develop stronger compensating controls at the back end of the process. Part of the compensating controls includes a "Final File Review" whereby each grant is reviewed for accuracy. Those identified as containing an overpayment will be processed through the Grant Recovery and Recapture Process. This process has been developed and grants containing overpayments will begin being processed in Sept/Oct 2009. HUD has delayed requiring the state to repay questioned amounts in its audits/reviews until the questioned grants are processed through the Recapture Process. Also, 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: Belinda Olivier **Phone Number:** (225) 342-0700
Preparer's E-mail Address: belinda.olivier@fa.gov

Attachment – Schedule 8-3

OCD has implemented the following improvements to the Program.

- Instituted the final file review process. The *Road Home* contractor has completed this process.
- Contracted with the RAD to review the final file review. The RAD review is ongoing.
- Developed the Recapture and Recovery Policy and Procedures. Currently working with the Louisiana Office of Attorney General and others that are providing resources for this process.
- The *Road Home* contractor has made two additional requests to insurance providers for insurance verification, one in August 2008 the other in January 2009.
- Executed a subrecipient agreement in May 2008 with the LLT.
- Brought on new contractors as ICF's contract expired.

Schedule 8-3 Form

Entity's Name: Department of Public Safety and Corrections, Office of Management & Finance

Finding Title: Failure to Document Payroll Costs

*Pass-Through Entity Name, Division of Administration

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.

The status of this finding, Failure to Document Payroll Costs as presented in the CY Schedule 8-3 is presented correctly in accordance with DOA requirements and OMB Circular A-133. - JMB 1/27/10

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: Delores Griffin

Phone Number: (225) 925-6307

Preparer's E-mail Address: delores.griffin@dps.la.gov

Date Revised: 1/27/2010

Schedule 8-3 Form

Entity's Name: OFFICE ON WOMEN'S POLICY

Finding Title: IMPROPER EXPENDITURES OF FEDERAL FUNDS

Pass-Through Entity Name, if applicable:

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 Administration, Department of Labor

CFDA Number(s): 17.255

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?

In FY2008, OWP rendered that "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 1; as correspondence to address the matter was sent in the 2007-2008 year."

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):

Two years have passed since there findings were reported. In addition, the federal agency/grantor is not following up on this finding and a management decision was not issued

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

Preparer's E-mail Address: judith.morris@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission

Finding Title: Noncompliance with Administrative Rules for Interstate Unemployment Compensation Benefit Payments

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-USDOL-LABR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable) \$ 21,211,069

Page Number (from Single Audit Report): 68

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US 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?
Initial determination letter has been received. Questioned cost has been tentatively disallowed.

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):
Programming has been completed and we will begin sending charge notices to employers for the third quarter of 2009.

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: Wayne J. Knight

Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission
Finding Title: Inadequate Internal Controls Over Unemployment Insurance System Access
"Pass-Through Entity Name," if applicabl

Reference Number(s): F-08-USDOL-LABR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicab \$ N/A

Page Number (from Single Audit Report): 66

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

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 negotiatio
N/A

Status of Finding (check one):
Fully Corrected x Not Corrected
Partially Corrected
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):
We have implemented a new procedure. When a position is vacated the manager must submit an updated position
description. There is a required field to indicate that all security access for the incumbent was deleted.

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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission
Finding Title: Noncompliance With Record Retention Policy
"Pass-Through Entity Name," if applicabl _____

Reference Number(s): F-08-USDOL-LABR-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicab \$ 4,103

Page Number (from Single Audit Report): 69

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US 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?
Initial determination has been received. Questioned cost has been tentatively disallowed with agency to provide additional documentation.

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):
Agency established imaging system to catalogue and store records effective July 7, 2009.

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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov D-40

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission

Finding Title: Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-USDOL-LABR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable) \$ N/A

Page Number (from Single Audit Report): 67

Program Name(s): WIA Adult Program; WIA Youth Program; WIA Dislocated Worker Program

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.258; 17.259; 17.260

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): Comprehensive federal monitoring reviews have been completed on 17 of the 18 LWIA's, these reviews are inclusive of financial and programmatic monitoring of WIA, NEG (Katrina/Rita), NEG (Gustav/Ike), TAA, STEP and DPN. The 1 remaining LWIA review is currently undergoing a supervisory review and should be completed by September 30, 2009, prior to the January 2010 completion date requested by USDOL ETA in their May 1, 2009 Monitoring Report issued to LWC.

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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission

Finding Title: Noncompliance With Record Retention Policy

"Pass-Through Entity Name," if applicabl

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 applicab \$ 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 negotiatio
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):
Agency established imaging system to catalogue and store records effective July 7, 2009.

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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: OFFICE ON WOMEN'S POLICY

Finding Title: NONCOMPLIANCE WITH STATE PROCUREMENT REGULATIONS

"Pass-Through Entity Name," if applicable:

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: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

There has been no communication regarding this matter.

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):

Two years have passed sine there findings were reported. In addition, the federal agency/grantor is not following up on this finding and a management decision was not issued.

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

Preparer's E-mail Address: judith.morris@la.gov

Schedule 8-3 Form

Louisiana Department of Transportation & Development

Finding Title: Overdraw of Federal Funds

Pass-Through Entity Name, if applicable _____

Reference Number(s): F-08-USDOT-DOTD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 454,709

Page Number (from Single Audit Report): 70

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 November, 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):

- 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.

Preparer's Name: Terry Meliet
Preparer's E-mail: Terry.Meliet@La.Gov D-44

Phone Number: 225-379-1681

Schedule 8-3 Form

Louisiana Department of Transportation & Development

Finding Title: Noncompliance With the Cash Management Improvement Act

Pass-Through Entity Name, if applicable _____

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.

Preparer's Name: Terry Meliet
Preparer's E-mail: Terry.Meliet@La.Gov

Phone Number: 225-379-1681

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Sub-Recipient Monitoring

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-DOE-GSU-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 71

Program Name(s): Fossil Energy Research and Development

Federal Grantor Agency: U.S. Department of Energy

CFDA Number(s): 81.089

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):

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 January 1, 2010.

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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College
Finding Title: Inadequate Controls Over Federal Work-Study Program
"Pass-Through Entity Name," if applicable:

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 Study Program

Federal Grantor Agency: United States 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? Documentation was provided of the return of the \$55,711 questioned cost. No further action is required.

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 II 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

Preparer's E-mail Address: harrish@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College
Finding Title: Inadequate Control Over Pell Grant
"Pass-Through Entity Name," if applicable:

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: 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 questioned cost was returned on March 11, 2009 via e-Refunds on G5.

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 established procedres 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: Helen Harris Phone Number: (225) 216-8089

Preparer's E-mail Address: harrish@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College
Finding Title: Inadequate Control Over Pell Grant
"Pass-Through Entity Name," if applicable:

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?
Final action regarding this finding is pending DOE review.

Status of Finding (check one): Fully Corrected Partially Corrected Change of Corrective Action Not Corrected No Further Action Needed {See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The 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 in 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: Helen Harris Phone Number: (225) 216-8089

Preparer's E-mail Address: harrish@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College
Finding Title: Inadequate Control Over Pell Grant
"Pass-Through Entity Name," if applicable:

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: [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?
\$195,249.39 was returned to federal government on 10/12/07

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 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 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: Helen Harris Phone Number: (225) 216-8089

Preparer's E-mail Address: harrish@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Theft of Computers - Recovery School District

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 78

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): Corrective action plan implemented and remains in progress.

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: Susie Buchmann

Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Inadequate Controls Over Payroll - Recovery School District
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 15,037

Page Number (from Single Audit Report): 74

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: X No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Response to finding submitted to USDOE 7/13/2009. Waiting for further instructions.

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 action plan implemented and remains in progress.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Failure to Maintain Public Control Over Restart Program Funds

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ Unable to Determine

Page Number (from Single Audit Report): 72

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 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): Management did not concur with finding. Submitted response to USDOE and waiting for return response.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Inadequate Fiscal Monitoring

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 77

Program Name(s): Title 1 Grants to Local Educational Agencies; Improving Teacher Quality State Grants; Hurricane Education Recovery; Special Education - Grants to States; Special Education -

Federal Grantor Agency: Preschool Grants 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): Corrective action plan implemented and remains in progress.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Inadequate Internal Control Over Relocation and Retention Incentive Payments -
"Pass-Through Entity Name," if applicable: Recovery School District

Reference Number(s): F-08-ED-EDUC-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 127,000

Page Number (from Single Audit Report): 78

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: [X] No Further Action Needed: []

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Corrective action submitted to USDOE 3/4/2009. Questioned costs resolved.

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 action plan implemented and remains in progress.
A complete internal audit is being conducted to determine if any further action needed to be taken to completely resolve this issue.
Correction action will be completed before June 30, 2010.

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: Susie Buchmann/Leslie L. Jewell Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov/leslie.jewell@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Noncompliance With Federal and State Equipment Management Regulations
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 80

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): Corrective action plan implemented and remains in progress.

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Inadequate Controls Over Movable Property - Recovery School District

"Pass-Through Entity Name," if applicable:

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 plan was implemented and remains in progress.

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: Susie Buchmann

Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Inadequate Subrecipient Monitoring Over Single Audit Reports

"Pass-Through Entity Name," if applicable:

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; 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 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 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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Inadequate Controls Over the Migrant Education State Grant Program
"Pass-Through Entity Name," if applicable:

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 - State Grant Program

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.011

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 questioned cost. The Federal agency is not currently following up with this finding.

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): N/A

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Untimely Fiscal Monitoring and Reporting

"Pass-Through Entity Name," if applicable:

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; 84.340

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 questioned costs

The Federal agency is not currently following up with this finding.

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): N/A

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: Susie Buchmann Phone Number: 225-342-3830

Preparer's E-mail Address: Susie.Buchmann@la.gov

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Federal Work Study

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-Ed-GSU-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$ 3,068

Page Number (from Single Audit Report): 89

Program Name(s): Federal College Work Study

Federal Grantor Agency: U.S. 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? Are they still in negotiation? Request for additional documentation has been requested and currently being prepared by GSU. Efforts are 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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Student Eligibility

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-GSU-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 91

Program Name(s): Federal Pell Grant Program
Federal Family Education Loans (FEEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

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 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: Arnold Clark, Jr.

Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form

Entity's Name: Grambling State University

Finding Title: Verification

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-Ed-GSU-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 24,860

Page Number (from Single Audit Report): _____

Program Name(s): Federal Pell Grant Program
Federal family Education Loan (FEEL)

Federal Grantor Agency: U.S. 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?
Request for additional documentation has been requested and currently being prepared by GSU. Efforts are 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):
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.

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: Arnold Clark, Jr. Phone Number: 318-274-2505

Preparer's E-mail Address: clarka@gram.edu

Schedule 8-3 Form
For the Year Ended June 30, 2009

Entity's Name: Louisiana State University at Alexandria
Finding Title: Weaknesses in the Administration of Student Financial Aid
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-LSUALEX-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

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: U S Department 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: _____

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 _____ 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 have been put into place that require FISAP reporting to be verified through Institutional Research before being submitted. Additionally, staff permissions and roles have been adjusted so that staff who post awards to student accounts cannot also increase the budget account those awards come from. Third, the financial aid software program has now been set up with rules and selection sets that prevent staff from making the most common errors of overawarding. Error checks have been put in place to ensure students aid will not package (or disburse) until all identified criteria are met. This prevents PELL awards from showing as packaged when they have not. PELL is now being reconciled weekly so that late reporting does not happen. These actions were completed in February. We are confident that aid processed since the corrections were made will be accurate and reported in a timely 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: David Wesse

Phone Number: 318-473-6409

Preparer's E-mail Address: dweise@lsua.edu

Schedule 8-3 Form

Entity's Name: Louisiana Technical College

Finding Title: Inadequate Control over Pell Grant

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-LTC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

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 Questioned 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 conducted 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: Jimmy Sawtelle

Phone Number: 2259221412

Preparer's E-mail Address: jsawtelle@lctcs.edu

Schedule 8-3 Form

Entity's Name: LTC-Region 4 - Lafayette Campus

Finding Title: Weakness Over Return of Pell Grant Program Funds

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-LTC-REG4-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 625

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: 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? Students eligibility for Pell were verified by each instructor. Instructors were asked to verify students attendance after checks were disbursed. The student that was dropped was sent a notice to repay the funds and the campus will be returning the campuses portion.

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):

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: Arlene Hoag Phone Number: 337-262-5962

Preparer's E-mail Address: ahoag@ltc.edu

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Name: Northwestern State University
University
For the Year Ended June 30, 2009

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:
No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

U.S. Dept of Education was contacted about a resolution for the finding. Their response was for us to contact all lenders holding the loans for the students in question and notify of the situation. The lenders would then be responsible for clearing up the situation with the student because all students in question were already in repayment. All lenders were notified and students were contacted.

Status of Finding (check one):

| | | | |
|-----------------------------|-------------------------------------|-----------------------------------|--------------------------|
| Fully Corrected | <input checked="" type="checkbox"/> | Not Corrected | <input type="checkbox"/> |
| Partially Corrected | <input type="checkbox"/> | No Further Action Needed | <input type="checkbox"/> |
| Change of Corrective Action | <input type="checkbox"/> | {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: Lisa Abney

Phone Number: 318-357-5361 abney@nsula.edu

SCHEDULE 8-3
SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Name: Northwestern State University
University
For the Year Ended June 30, 2009

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:
No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?
All funds received in error were returned to the appropriate authority.

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):
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. Policies 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: Lisa Abney

Phone Number: 318-357-5361 abney@nsula.edu

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Vocational Rehabilitation: Weaknesses Over Program Expenditures
"Pass-Through Entity Name," if applicable:

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: 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 questioned costs are considered resolved because two years have passed since the finding was submitted to the federal agency.

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: Cathy Lockett Phone Number: (225) 342-0863

Preparer's E-mail Address: clockett@dss.state.la.us

SCHEDULE 8-3 Form

Entity's Name:

Southern University and A&M College at Baton Rouge

For the Year Ended June 30, 2008

Finding Title: Davis-Bacon

Pass-Through Entity Name, (if applicable):

N/A

Reference Number(s): 2008-02 -- Davis-Bacon F-08-ED-SUBR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: FY 2008

Initial Year of Finding: FY 2008

Amount of Questioned Costs: \$ -0-

Page Number (from Single Audit Report): 93

Program Name(s): Higher Education Institutional Aid

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.031

Status of Questioned Costs (check one): Resolved N/A Unresolved: N/A

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?
Are they still in negotiation?

N/A

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 developed and implemented policies and procedures to effectively monitor federally funded construction projects to ensure compliance with Davis-Bacon requirements.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per page. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Signature:

Thomas McClinton jr

Phone Number:

225-771-6278

Schedule B-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)
Finding Title: Federal Work-study
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUBR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned \$ -0-

Page Number (from Single Audit Report): 94

Program Name(s): Federal Work-study Program

Federal Grantor Agency: _____

CFDA Number(s): 84.033

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?
No questioned costs associated with this item.

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 conduct workshops with work-study supervisors stressing the importance of ensuring that students do not work while scheduled to be in class. This training will be on-going.

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.

no: Ursula A Phone Number: (225) 771-2012
e-mail Address: ursula-shorty@subr.edu

Schedule 8-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)

Finding Title: Satisfactory Academic Progress

"Pass-Through Entity Name," if applicable: _____

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 \$ 14,668

Page Number (from Single Audit Report): 89

Program Name(s): Federal Pell Grant Program and Federal Family Educational Loans (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063 and 84.032

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?

Pell liabilities have been repaid to DOE and FFEL liabilities have been returned to the applicable agencies.

Status of Finding (check one):

Fully Corrected Not Corrected _____

Partially Corrected _____ No Further Action Needed _____

Change of Corrective Action (See OMB A-133, Section 315(b)(4))

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The 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.

Name: 

Phone Number: (225) 771-2012

Mail Address: Ursula.Shorty@subr.edu

Schedule 5-3 Form

Entity's Name: Southern University and A&M College (Baton Rouge)
Finding Title: Verification
"Pass-Through Entity Name," if applicable: _____

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 \$ 4,700.00

Page Number (from Single Audit Report): 90

Program Name(s): Federal Pell Grant Program and Federal Family Educational 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: Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Pell liabilities have been repaid to DOE and FFEL liabilities
have been returned to the applicable lending agencies.

Status of Finding (check one):

Fully Corrected Not Corrected _____
Partially Corrected _____ No Further Action Needed _____
Change of Corrective Action (See OMB A-133, Section 315(b)(4)) _____

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The 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.

Signature: [Signature] Phone Number: (225) 771-2012
E-mail Address: Uspula - Shorty @ subr.edu

Schedule 8-3 Form

Entity's Name: Southern University System - New Orleans Campus
Finding Title: Entrance Counseling
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-1 Entrance Counseling
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 95

Program Name(s): Federal Family Education Loans (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

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):

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 Woods *Kathy Woods* Phone Number: (504) 286-5283
Preparer's E-mail Address: kwoods@suno.edu *10/20/2009*

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Federal Work-Study
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-2 Federal Work-Study
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (\$) \$ N/A

Page Number (from Single Audit Report): 96

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: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiatio

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):
Management will develop and implement incentives to ensure all participants in the Federal Work-Study Program adhere

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 Woods *Kathy Woods* Phone Number: (504)286-5263
10/20/2009
Preparer's E-mail Address: kwoods@suno.edu

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Student Credit Balance
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUNO-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): N / A

Page Number (from Single Audit Report): 97

Program Name(s): Federal PELL Grant Program & Federal Family Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.083

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):
After confirmation of the Department of Education's Policy on registration refunds the Comptroller's Office
Staff is now clear on the subject and understands that refunds should be processed within 14 days after the
federal aid has been disbursed. Based on this information, SUNO will process all registration refunds
within 14 days after student aid is disbursed.

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: 504 286-5117

Preparer's E-mail Address: wwwhite@suno.edu

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Student Status Confirmation Report
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (If : \$ N/A

Page Number (from Single Audit Report): 98

Program Name(s): Federal Family Education Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.268

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 University will make certain that the students' proper enrollment status is reported to the guaranteed agency and 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: Kathy G. Woods *Kathy G. Woods* Phone Number: (504)286-5263
Preparer's E-mail Address: kwoods@suno.edu *10/20/2009*

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Verification
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-SUNO-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if a \$ \$11,370

Page Number (from Single Audit Report): 99

Program Name(s): Federal Pell Grant Program Federal Family Loan (FFEL)

Federal Grantor Agency: U.S. 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? Questioned Costs are still in negotiations pending file review.

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):
To avoid reoccurrences, implemented in the Counselling unit will be a self-audit to be conducted each semester, including

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 Woods 

Phone Number: (504)286-5263

Preparer's E-mail Address: kwoods@suno.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Federal Work Study

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUSH-1

(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ \$2,905

Page Number (from Single Audit Report): 100

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: 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 been requested to complete a 100% file review to determine actual liabilities.

Status of Finding (check one):

Fully Corrected Not Corrected

Partially Corrected No Further Action Needed

Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has revised its internal procedures to ensure compliance with applicable Federal Work Study Program (FWSP) guidelines. Additionally, training has been provided to faculty and staff.

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: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ --

Page Number (from Single Audit Report): 101

Program Name(s): Federal Pell Grant Program; Federal Supplemental Educational Opportunity Grant (FSEOG); Federal Family Education Loans

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032; 84.007; 84.032

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 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 recommendation and an action 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: *B. Pugh*

Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund

"Pass-Through Entity Name," if applicable: N/A

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

Page Number (from Single Audit Report): 94

Program Name(s): Federal Pell Grant; 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?

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 recommendation and an action 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: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Satisfactory Academic Progress

"Pass-Through Entity Name," if applicable: N/A

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

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; 84.007; 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? Are they still in negotiation?

The University is negotiating a repayment plan with the 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 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: *BPugh* Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Satisfactory Academic Progress

"Pass-Through Entity Name," if applicable: N/A

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

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: 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 entered into a repayment plan with the Department of Education.

Status of Finding (check one):

Fully Corrected Not Corrected

Partially Corrected No Further Action Needed

Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The 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: B. Pugh

Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification

"Pass-Through Entity Name," if applicable: N/A

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

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 (FFEL)

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: 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 undergone a program review and is negotiating Questioned Cost for FY
2006-2007.

Status of Finding (check one):

Fully Corrected Not Corrected
Partially Corrected No Further Action Needed
Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR 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: B. Pugh Phone Number: 318.670.6481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification

"Pass-Through Entity Name," if applicable: N/A

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

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: No Further Action Needed:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

A payment plan has been negotiated with the Department of Education.

Status of Finding (check one):

Fully Corrected Not Corrected
Partially Corrected No Further Action Needed
Change of Corrective Action {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR 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: Buttugh Phone Number: _____

Preparer's E-mail Address: _____

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Failure to Provide Proper Loan Notice

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-ULL-1

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 86

Program Name(s): Federal Family Education Loans, Federal Perkins Loan Program-Federal Capital Contributions

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.032 and 84.038

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 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: Melanie Comeaux

Phone Number: 337-482-6145

Preparer's E-mail Address: mcomeaux@louisiana.edu

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Untimely and Inaccurate Federal Reporting

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-ULL-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 87

Program Name(s): Federal SEOG, Federal Family Education Loans, Federal Work Study, Federal Pell Grant

Federal Grantor Agency: Department 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?

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):

Implementation of new policies and procedures to verify that all adjustments, especially those reductions due to Return to Title IV Calculations are appropriately reported on all systems involved. Anticipated date of full implementation is January 31,2010.

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: Melanie Comeaux

Phone Number: 337-482-6145

Preparer's E-mail Address: mcomeaux@louisiana.edu

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Weakness in Collection Procedures Over Defaulted Loans

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-ULL-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0

Page Number (from Single Audit Report): 88

Program Name(s): Federal Perkins Loan Program-Federal Capital Contributions

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.038

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):

A full manual review of all past due loans is underway to identify all loans that should be turned over for collections.

The anticipated completion date is January 31,2010.

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: Melanie Comeaux

Phone Number: 337-482-6145

Preparer's E-mail Address: mcomeaux@louisiana.edu

Schedule 8-3 Form

Entity's Name: Office of Business Development
Finding Title: Noncompliance With Temporary Assistance for Needy Families - MicroEnterprise Development Program Requirements

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DED-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 2,680

Page Number (from Single Audit Report): 102

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? Per legislative auditor's review, \$1,325 of costs were recouped as of 6/30/2009. However, \$1,355 in questioned costs remained.

The grantor, DSS and the auditor agreed that the remaining costs should be recouped. The DED grant administrator concurs, and will inform the intermediary of the recoupment 10/8/2009

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): Legislative auditor review concluded weakness were corrected, no findings will be issued for 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: Carolyn Barr Phone Number: (225) 342 - 5627

Preparer's E-mail Address: carolyn.barr@la.gov

Schedule 8-3 Form - Revised

Entity's Name: Executive Office - Office of the Governor

Finding Title: Inadequate Controls Over the Temporary Assistance for Needy Families Program

"Pass-Through Entity Name," if applicable: N/A

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

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: ___ 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 \$2,200 was an overpayment by DSS and the \$1,650 was underdrawn from DSS. As a result OFSS returned the net difference of \$550 to DSS via J4#355HHSEEXEC1. Therefore, no further action is needed.

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 was tested in FY09 and scheduled for statewide launch in FY10.

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: Angela Webb Phone Number: (225) 342-0700

Preparer's E-mail Address: Angela.Webb@la.gov

Schedule 8-3 Form - Revised

Entity's Name: Executive Office - Office of the Governor

Finding Title: Inadequate Controls Over the Temporary Assistance for Needy Families Program

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-HHS-EXEC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ None Noted

Page Number (from Single Audit Report): 103

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: _____ 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):
A response was not received from Agency 100 as of 8/31/09. A revised copy of this form will be submitted when a response is received from the Agency.

The NSECD Program has designed an automated system which was tested in FY09 and scheduled for statewide launch in FY10.

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: Angela Webb Phone Number: (225) 342-0700

Preparer's E-mail Address: Angela.Webb@la.gov

Schedule B-3 Form

Entity's Name: Office of Risk Management
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 Assistant Program

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.778

Status of Questioned Costs (check one):
Resolved: Unresolved: No Further Action Needed:

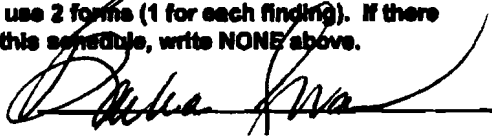
Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Still in negotiation (see attached)

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):
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 schedule, write NONE above.

Preparer's Name:  Phone Number: 12115109

Preparer's E-mail Address: Barabara.Goodson@la.gov 225-342-7000

Summary Schedule of Prior Federal Audit Findings Attachment - Description of Questioned Costs

Inequitable Distribution of Premium Billings Between State and Federal Funding Sources

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, the federal Department of Health and Human Services ("HHS") Division of Cost Allocation ("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 calculation attached to the letter 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 (including debt interest) would be \$268,114,441. The disallowance letter states that 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 \$305,742,647 as of June 30, 2009.

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. The Board subsequently granted a series of stays to permit settlement discussions involving the Governor's office, which encompassed this disallowance. The last stay expired on September 14, 2009, and the Board has now set an informal conference for December 10-11, 2009. The parties are continuing to discuss settlement and hope to hold a negotiating session in November 2009.

**Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009**

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Long Term Personal Care Services Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ 8,082

Page Number (from Single Audit Report): Page 104

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:

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases identified by the Legislative Auditor have been referred to Program Integrity and remain open.

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):
Cases identified by the Legislative Auditor have been referred to Program Integrity and remain open.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Payments to Non-Emergency Medical Transportation Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 10,968

Page Number (from Single Audit Report): Page 105

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:

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 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):
Review by DHH/Medicaid staff determined that the findings from the Legislative auditor did not require recoupment of payments made but instead resulted in educational correspondence being sent to NEMT providers.

Preparer's Name: Thomas Schulze

Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Payments to Waiver Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0 N/A

Page Number (from Single Audit Report): Page 107

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:

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 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):
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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule B-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Office of The Secretary
Finding Title: Inadequate Internal Control Over Cooperative Endeavor Agreements
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 335,000

Page Number (from Single Audit Report): Page 108

Program Name(s): Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations Evaluations.

Federal Grantor Agency: Health and Human Services

CFDA Number(s): 93.779

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?
Cases are still ongoing.

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):
Since the problem was identified, the employees involved have been terminated. The Bureau has implemented additional step in the approval process in an attempt to prevent this from 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.

Preparer's Name: Thomas Schulze

Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Inappropriate Access to the Medicaid Eligibility Data System
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 0 N/A

Page Number (from Single Audit Report): Page 109

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:

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 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 Medicaid Eligibility Systems Section conducted security training for MEDS staff in January 2009. Access to MEDS production data was revoked for all contract and DHH IT staff. A set of new reports are being worked on which includes information to display users, their type of access (inquiry, update) and activity by the user. A position has been created and will be solely dedicated to MEDS security.

Preparer's Name: Thomas Schulze

Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Ineffective Medicaid Eligibility Quality Control System
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-08-HHS-DHH-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): \$ 0 N/A

Page Number (from Single Audit Report): Page 110

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:

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 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 MEQC unit took full advantage of available technology by running paperless. All forms are electronic and are recorded. Controls are in place to ensure reviews are assigned, conducted, and completed timely. Staff meetings are held to implement improvements and monitor progress. Incorrect cases are scheduled a second review with a response within three (3) weeks. Manager is continuously researching and reviewing publications, federal regulations, CMS, and other state MEQC staff for knowledge. Manager will attend National Association for Program Information and Performance Measurement (NAPIPM) conference to increase compliance awareness.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Ineffective Medicaid Eligibility Quality Control System
"Pass-Through Entity Name," if applicable: Not Applicable

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): \$ 0 N/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:

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 | <input type="checkbox"/> | Not Corrected | <input type="checkbox"/> |
| Partially Corrected | <input checked="" type="checkbox"/> | No Further Action Needed | <input type="checkbox"/> |
| Change of Corrective Action | <input type="checkbox"/> | {See OMB A-133, Section 315(b)(4)} | |

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The MEQC unit is now fully staffed and reviews should be completed in a timely fashion in the future.

Preparer's Name: Thomas Schulze

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Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Waiver Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-07-HHS-DHH-1
(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): \$ 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: 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 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):
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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Waiver Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-06-HHS-DHH-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): \$ 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: 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 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):
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 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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Waiver Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-05-HHS-DHH-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): \$ 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: 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 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):
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 cases have been referred to Program Integrity and remain open.

Preparer's Name: Thomas Schulze

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Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Long Term Personal Care Services Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-06-HHS-DHH-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): \$ 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: 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, voluntary payments totaling \$45,408.57 were paid.

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):
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 an attempt to make more clear service documentation requirements.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims by Non-Emergency Transportation Service Providers
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-06-HHS-DHH-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): \$ 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: 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 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 a 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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Claims Paid to a Social Work Provider
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-04-HHS-DHH-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): \$ 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: 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 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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2009

Entity's Name: Medical Vendor Payments
Finding Title: Improper Disproportionate Share Payments
"Pass-Through Entity Name," if applicable: Not Applicable

Reference Number(s): F-02-HHS-DHH-3
(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): \$ 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: 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 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

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission

Finding Title: Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-LABR-5 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ N/A

Page Number (from Single Audit Report): 112

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: US Department of Health and Human Services

CFDA Number(s): 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): Comprehensive federal monitoring reviews have been completed on 17 of the 18 LWIA's, these reviews are inclusive of financial and programmatic monitoring of WIA, NEG (Katrina/Rita), NEG (Gustav/Ike), TAA, STEP and DPN. The 1 remaining LWIA review is currently undergoing a supervisory review and should be completed by September 30, 2009, prior to the January 2010 completion date requested by USDOL ETA in their May 1, 2009 Monitoring Report issued to LWC.

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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Care Cluster: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ 54,598

Page Number (from Single Audit Report): 113

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: 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 _____ 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):
In addition to control procedures already implemented, mandatory training was conducted for all CCAP providers on proper maintenance of attendance logs and supporting documentation. Effective 11/01/08, Executive Bulletin 2376 - Provider Disqualification was issued. Providers will be subject to disqualification periods when certain acts or violations are committed. The agency has selected a contractor to implement an electronic time and attendance system. Statewide implementation is anticipated to be April 2010.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Foster Care - Title IV-E: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ 33,716

Page Number (from Single Audit Report): 115

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: 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? Adjustments were made to the March 2009 quarter Title IV-E -1 returning a portion of the questioned costs to the federal 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 Financial Assessment Manual, which outlines procedures for fiscal adjustments to Eligibility Workers, has been rewritten and placed on-line for the workers. The agency has completed training and roll-out of Fast III process for re-determination. This will notify Eligibility Workers more timely of changes in a child's case which could affect 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: Cathy Lockett Phone Number: (225) 342-0863

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Fraudulent Billings by Providers
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 972,598

Page Number (from Single Audit Report): 117

Program Name(s): Temporary Assistance for Needy Families; 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): 93.558; 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 resolution

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 agency has implemented control procedures to detect and deter fraudulent billings, which includes developing tracking of child care provider information and invoices to determine a signature of fraud. The agency has also selected a contractor to implement an electronic time and attendance system, and statewide implementation is anticipated to be April 2010.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule B-3 Form

Entity's Name: Department of Social Services
Finding Title: Temporary Assistance for Needy Families Program: Internal Control Weaknesses
Over Program Requirements

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-HHS-DSS-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): \$ 303,491

Page Number (from Single Audit Report): 119

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: _____

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 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):
In addition to control procedures already implemented, invoices will not be paid until validated by the parish office. Contract
Services staff have also been instructed not to pay invoices without receipt and review of the signed participation log of services
from the provider.

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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Care Cluster: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

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 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 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 has selected a contractor to implement an electronic time and attendance system. The program is anticipated to be piloted in January or February 2010 with statewide implementation in April 2010. 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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Support Escrow Fund Not Reconciled
"Pass-Through Entity Name," if applicable:

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 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):
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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Control Weaknesses Over the LaCarte Purchasing Card Program
"Pass-Through Entity Name," if applicable:

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 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 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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements

"Pass-Through Entity Name," if applicable: _____

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: 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 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):
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

Preparer's E-mail Address: clockett@dss.state.la.us

Schedule 8-3 Form

Entity's Name: Facility Planning and Control

Finding Title: Inadequate Controls Over Capital Outlay Transactions

"Pass-Through Entity Name," if applicable: Governor's Office of Homeland Security and Emergency Preparedness

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: U.S. 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?

No action has been taken by 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):

No action has been taken by 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 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: Marty Milner

Phone Number: 342-0834

Preparer's E-mail Address: Marty.Milner@LA.Gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Failure to Document Payroll Distribution Costs
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 120

Program Name(s): Disaster Grants - Public Assistance; Hazard Mitigation Grants; and Homeland Security Cluster

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036; CFDA 97.039; and CFDA 97.004 and 97.067

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): GOHSEP has implemented procedures to accurately capture the time and work activity related to Federal programs.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per 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: Casey Tingle Phone Number: (225) 925-1800
Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness

Finding Title: Inadequate Controls Over Cash Management and Noncompliance with CMIA Agreement

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-2

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 121

Program Name(s): Public Assistance and Hazard Mitigation

Federal Grantor Agency: U.S Department of Homeland Security

CFDA Number(s): 97.036 and 97.039

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): GOHSEP management has put in place a process which will request these needed funds on a monthly basis and has requested an adjustment to the CMIA. 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. GOHSEP is preparing procedures to ensure that actual revenues are compared to actual expenses and that proper reimbursement is received in a timely manner. The issues with Hazard Mitigation have been fully resolved and the issues with Public Assistance have been partially 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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Inadequate Controls Over User Access to LouisianaPA.com System
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 124

Program Name(s): Disaster Grants - Public Assistance

Federal Grantor Agency: U. S Department of Homeland Security

CFDA Number(s): CFDA 97.036

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):
GOHSEP has developed procedures for requesting user access and for removing access for users that are terminated.

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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: No Reconciliation Between Project Database and Financial Records for the Homeland Security Cluster Programs
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 125

Program Name(s): Homeland Security Cluster Programs

Federal Grantor Agency: U. S Department of Homeland Security

CFDA Number(s): CFDA 97.004 and 97.067

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):
GOHSEP has implemented policies and procedures for ensuring monthly reconciliations. Reconciliations have not been completed for all months nor have all adjustments been made; however, new staff has been added to facilitate this process. Coordination between the program personnel and the finance personnel has also been improved.

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: Casey Tingle Phone Number: (225) 925-1800
Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Noncompliance with Federal Financial Reporting Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 126

Program Name(s): Homeland Security Cluster

Federal Grantor Agency: U.S Department of Homeland Security

CFDA Number(s): CFDA 97.067 and 97.004

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):
GOHSEP has implemented procedures to ensure timely submission of all Federal reporting requirements.

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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness

Finding Title: Noncompliance With Subrecipient Monitoring Requirements

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-6

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 127

Program Name(s): Disaster Grants - Public Assistance; Hazard Mitigation Grants; and Homeland Security Cluster

Federal Grantor Agency: U. S Department of Homeland Security

CFDA Number(s): CFDA 97.036; CFDA 97.039; and CFDA 97.004 and 97.067

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): GOSHEP implemented a sub-recipient monitoring program to conduct program monitoring and to ensure compliance with A-133 requirements. We are still in the process of implementing this process for Hazard Mitigation and Homeland Security Cluster. The process for Public Assistance is not complete at this time.

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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Untimely Reconciliation Between ISIS and LAPA Systems
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-DHS-GOHSEP-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$

Page Number (from Single Audit Report): 129

Program Name(s): Disaster Grants - Public Assistance

Federal Grantor Agency: U. S Department of Homeland Security

CFDA Number(s): CFDA 97.036

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):
GOHSEP's management and staff have implemented procedures to ensure timely reconciliations are performed between ISIS and LAPA and have trained staff on the procedures.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per 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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Noncompliance With Procurement and Suspension and Debarment Requirements
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-06-DHS-MIL/GOHSEP-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): \$ 264,912

Page Number (from Single Audit Report): 87

Program Name(s): Disaster Grants - Public Assistance

Federal Grantor Agency: U. S Department of Homeland Security

CFDA Number(s): CFDA 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?
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):
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: Casey Tingle Phone Number: (225) 925-1800

Preparer's E-mail Address: casey.tingle@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Agricultural Finance Authority

Finding Title: Overdraw of Federal Funds

"Pass-Through Entity Name," if applicable: Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) via Department of Agriculture & Forestry

Reference Number(s): Finding number - F-08-DHS-LAFA-1 (from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): \$ 59,430

Page Number (from Single Audit Report): 130

Program Name(s): Homeland Security Grant Program

Federal Grantor Agency: Office of Homeland Security

CFDA Number(s): 97.067

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? LAFA is working to resolve this finding.

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): LAFA is working to resolve this finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per 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: Corinne Brousseau Phone Number: 225-952-8180

Preparer's E-mail Address: cbrousseau@daf.state.la.us

Schedule 8-3 Form

Entity's Name: Louisiana Workforce Commission

Finding Title: Disaster Unemployment Assistance Payments

"Pass-Through Entity Name," if applicable:

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

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 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: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: DHH-Office of Public Health

Finding Title: Insufficient Documentation of Program Expenditures

"Pass-Through Entity Name," if applicable: N/A

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: 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 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 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: Larry Bader

Phone Number: (504) 568-5935

Preparer's E-mail Address: larry.bader@LA.GOV

Schedule 8-3 Form

Entity's Name: DHH-Office of Public Health
Finding Title: Lack of Internal Control Over Movable Property
"Pass-Through Entity Name," if applicable: N/A

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): \$ N/A

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?
N/A

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):

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 unallocated 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 unallocated property to a minimum.

OSS will also be providing a listing of all unallocated property to each program on a quarterly basis. This will assist in finding unallocated property.

As part of the recovery efforts and to help keep unallocated property to a minimum, I conducted a few on-site audits while performing field visits in various parishes. I randomly selected certain assets from a report listing the assets for that particular location code and was successful in locating all of the assets selected. The Office of Public Health (OSS) keeps Program Coordinators abreast of all property laws/regulations by sending quarterly newsletters to the Program Coordinators informing them on the proper procedures for tagging and surplus property. Also, there was a change in staff (Property Managers and Property Supervisors) in March 2008, which resulted in the training of all the new employees on the property laws/regulations. During the transition of the staff changes, the annual property inventory was started but was ceased due to Hurricanes Gustav and Ike. After the hurricanes affected Louisiana, OSS was activated to work in the DHH/Emergency Operations Center (EOC) and an extension was granted on the completion of the Annual Inventory report. In November 2008, several property positions became vacant and OSS was not allowed to fill the positions due to budget cuts and hiring freezes. Because of the limited positions, I have been trying to fulfill each desk duty, making every effort possible to keep unallocated property to a minimum. In June of 2009 after the hiring freeze was lifted, I was able to fill the Property Manager position only. This employee will be properly trained on property control and will be given a copy of the agency's property policy (PM 802). This year, I have been adding unallocated/not active property back to our inventory as discovered. I have also been staying in contact with the FBI on their findings of the property that was stolen back in 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: Cabrenia Thomas

Phone Number: (225) 765-0935

Preparer's E-mail Address: cabrenia.thomas@la.gov

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