

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
PUBLIC SAFETY SERVICES
STATE OF LOUISIANA



MANAGEMENT LETTER
ISSUED NOVEMBER 21, 2012

**LOUISIANA LEGISLATIVE AUDITOR
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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 office of the Louisiana Legislative Auditor.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. One copy of this public document was produced at an approximate cost of \$3.82. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 3550 or Report ID No. 80120102 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Kerry Fitzgerald, Chief Administrative Officer, at 225-339-3800.

EXECUTIVE SUMMARY

We conducted certain procedures at the Department of Public Safety and Corrections, Public Safety Services (DPS) to evaluate its accountability over public funds for the fiscal year ended June 30, 2012.

We tested controls over compliance and financial reporting relating to DPS' collection of franchise and license fee revenues from riverboat casino operations and the Office of Motor Vehicles' collection of state sales tax revenues. Our procedures disclosed the following:

- Financial information relating to those revenue accounts as reported to the Division of Administration for fiscal year 2012 was fairly presented.
- Internal controls related to those revenue accounts, based on the sample items we tested, were operating effectively. Good internal controls help to safeguard assets and help ensure that financial transactions are accurately reported.
- DPS complied with laws and regulations related to the calculation, collection, deposit, and recording of casino revenues and state sales tax revenues.
- We examined financial trends in the revenue accounts to look for unusual changes that did not follow logical patterns. We compared the current and prior year financial information and determined the changes in accounts to be reasonable.

This report is a public report and has been distributed to state officials. We appreciate DPS' assistance in the successful completion of our work.



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

October 18, 2012

**DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS,
PUBLIC SAFETY SERVICES
STATE OF LOUISIANA
Baton Rouge, Louisiana**

As required by Louisiana Revised Statute 24:513 and as a part of our audit of the State of Louisiana's financial statements for the fiscal year ended June 30, 2012, we conducted certain procedures at the Department of Public Safety and Corrections, Public Safety Services (DPS) for the period from July 1, 2011, through June 30, 2012.

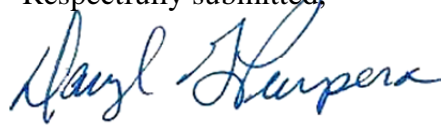
- Our auditors obtained and documented an understanding of the DPS operations and system of internal controls, through inquiry, observation, and review of the DPS' policies and procedures documentation, including a review of the related laws and regulations applicable to DPS.
- Our auditors performed analytical procedures consisting of a comparison of the most current and prior year financial activity using DPS' annual fiscal reports and/or system-generated reports.
- Our auditors considered internal control over financial reporting; examined evidence supporting DPS' franchise and license fee revenues from riverboat casino operations and Office of Motor Vehicles state sales tax revenues, including critical information systems and related user access controls; and tested DPS' compliance with laws and regulations that could have a direct and material effect on the State of Louisiana's financial statements, as part of our audit of the state's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012, in accordance with *Government Auditing Standards*.

The Annual Fiscal Reports of DPS were not audited or reviewed by us, and, accordingly, we do not express an opinion on those reports. The department's accounts are an integral part of the State of Louisiana financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

Based on the application of the procedures referred to previously, we found no significant control deficiencies, noncompliance, or errors relating to our analytical procedures or our other audit procedures that should be communicated to management.

This letter is intended for the information and use of DPS and its management, others within the entity, and the Louisiana Legislature and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this letter is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

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DPS 2012