

DEPARTMENT OF WILDLIFE AND FISHERIES

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

Procedural Report
Issued September 13, 2023

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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Department of Wildlife and Fisheries



September 2023

Audit Control # 80230055

Introduction

The primary purpose of our procedures at the Department of Wildlife and Fisheries (LDWF) was to evaluate certain controls LDWF uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. In addition, we determined whether management has taken action to correct the findings reported in the prior report.

Results of Our Procedures

We evaluated LDWF's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of LDWF's controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to fuel card access, internal audit, LaGov user access, payroll and personnel, purchasing card expenses, and Schedule of Expenditures of Federal Awards (SEFA) financial reporting.

Follow-up on Prior-report Findings

We reviewed the status of the prior-report findings in LDWF's management letter dated June 14, 2021. We determined that management has resolved the prior-report findings related to Inadequate Controls over Fuel Cards and Inadequate Controls over Reporting on the Schedule of Expenditures of Federal Awards.

Fuel Card Access

LDWF uses fuel cards to purchase fuel and pay for agency vehicle maintenance while in travel status for official agency travel. In our follow-up to the prior-report finding related to Inadequate Controls over Fuel Cards, we obtained an understanding of LDWF's policies and procedures for assigning fuel cards and PINs, as well as deactivating PINs and obtaining those fuel cards when employees separate from the department. We analyzed the employees with fuel card PINs that separated during

the period July 1, 2021, through April 4, 2023. Based on the results of our procedures, we determined that management has resolved the prior-report finding related to Inadequate Controls over Fuel Cards.

Internal Audit

R.S. 36:8.2 requires agencies with appropriations exceeding \$30 million to establish an internal audit function that adheres to the Institute of Internal Auditors (IIA) Standards. We performed procedures to review LDWF's internal audit activities during fiscal years 2022 and 2023 for compliance with the relevant statute. Based on the results of our procedures, we determined that LDWF had an effective internal audit function and adhered to IIA Standards.

LaGov User Access

We performed procedures to determine whether access to LaGov was restricted to business-need only and adequately segregated. We also performed procedures to determine whether access was removed timely for terminated employees. Based on the results of our procedures, LDWF had adequate controls in place to ensure access was properly restricted and segregated. In addition, LDWF had adequate controls in place to ensure terminated employees' access was removed in a timely manner.

Payroll and Personnel

Salaries and related benefits comprised approximately 60% and 58% of LDWF's expenditures for fiscal years 2022 and 2023 (as of March 31, 2023), respectively. We obtained an understanding of LDWF's controls over the time and attendance function and reviewed 46 selected employee time statements processed between July 1, 2022, and April 30, 2023. We obtained an understanding of LDWF's controls over processing personnel changes and reviewed 22 selected personnel changes processed during the same time period to determine if the changes were made in accordance with LDWF policy and were properly approved. In addition, we obtained an understanding of LDWF's controls over processing salary changes and reviewed 15 selected changes processed between July 1, 2021, and April 10, 2023, to determine if LDWF's controls were operating and the salary changes were appropriate and in accordance with State Civil Service rules. Based on the results of our procedures, LDWF had adequate controls in place to ensure timely review and approval of employee time statements, and to ensure that personnel and salary changes were in accordance with LDWF policy and State Civil Service rules.

Purchasing Card Expenses

LDWF participates in the state of Louisiana's LaCarte purchasing card program for general office supplies and administrative expenses. We analyzed LaCarte card transaction listings for the period July 1, 2021, through May 4, 2023. Based on the results of our procedures, LDWF had adequate controls to ensure that purchases were approved, made for proper business purposes, and in compliance with state and agency purchasing card policies.

Schedule of Expenditures of Federal Awards Financial Reporting

Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), section 510(b) requires the auditee to prepare the SEFA, which must include the total federal awards expended. The Office of Statewide Reporting and Accounting Policy (OSRAP) has instructed agencies to prepare the SEFA using the cash basis of accounting with disbursements reflected when paid. In addition, section 510(b) of Uniform Guidance requires that the SEFA include the total amount provided to subrecipients from each federal program, and OSRAP instructions require agencies to report this information within the SEFA. Based on the results of our procedures, we determined that management has resolved the prior-report finding related to Inadequate Controls over Reporting on the Schedule of Expenditures of Federal Awards.

Trend Analysis

We compared the most current and prior-year financial activity using LDWF's Annual Fiscal Reports and/or system-generated reports and obtained explanations from LDWF's management for any significant variances.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

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LDWF2023

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Department of Wildlife and Fisheries (LDWF) for the period from July 1, 2021, through June 30, 2023. Our objective was to evaluate certain controls LDWF uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. The scope of our procedures, which is summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit or review the LDWF's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. The LDWF's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated LDWF's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to LDWF.
- Based on the documentation of LDWF's controls and our understanding of related laws and regulations, and results of our analytical procedures, we performed procedures relating to fuel card access, internal audit, LaGov user access, payroll and personnel, purchasing card expenses, and Schedule of Expenditures of Federal Awards financial reporting.
- We compared the most current and prior-year financial activity using LDWF's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LDWF's management for any significant variances that could potentially indicate areas of risk.

The purpose of this report is solely to describe the scope of our work at LDWF, and not to provide an opinion on the effectiveness of LDWF's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.