

# **LOUISIANA ECONOMIC DEVELOPMENT**

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Management Letter**  
**Issued February 23, 2023**

**LOUISIANA LEGISLATIVE AUDITOR  
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# Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Louisiana Economic Development



February 2023

Audit Control # 80220071

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## Introduction

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As a part of our audit of the State of Louisiana's Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana for the fiscal year ended June 30, 2022, we performed procedures at the Louisiana Economic Development (LED) to provide assurances on financial information that is significant to the state's Annual Comprehensive Financial Report; evaluate the effectiveness of LED's internal controls over financial reporting and compliance; and determine whether LED complied with applicable laws and regulations.

## Results of Our Procedures

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### Annual Comprehensive Financial Report – State of Louisiana

As a part of our audit of the Annual Comprehensive Financial Report for the year ended June 30, 2022, we considered internal control over financial reporting and examined evidence supporting the note disclosure required by Governmental Accounting Standards Board (GASB) Statement 77, *Tax Abatement Disclosures*. This GASB Statement requires disclosures of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues.

Based on the results of these procedures, we did not report any findings. In addition, the note disclosure tested, as adjusted, was materially correct.

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### Other Procedures

In addition to the Annual Comprehensive Financial Report procedures noted above, we performed certain procedures that included obtaining, documenting, and reviewing LED's internal control and compliance with related laws and regulations over payroll.

Based on the results of these procedures, we did not report any findings.

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**Trend Analysis**

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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mike Waguespack", with a long horizontal flourish extending to the right.

Michael J. "Mike" Waguespack, CPA  
Legislative Auditor

LL:EBT:BQD:EFS:aa

LED2022

## APPENDIX A: SCOPE AND METHODOLOGY

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We performed certain procedures at the Louisiana Economic Development (LED) for the period from July 1, 2021, through June 30, 2022, to provide assurances on financial information significant to the State of Louisiana's Annual Comprehensive Financial Report, and to evaluate relevant systems of internal control in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures, summarized below, are a part of the audit of the Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2022.

- We evaluated LED'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 LED.
- Based on the documentation of LED's controls and our understanding of related laws and regulations, we performed procedures to provide assurances on the note disclosure required by GASB Statement 77, *Tax Abatement Disclosures*, to support our opinions on the Annual Comprehensive Financial Report.
- We compared the most current and prior-year financial activity using LED's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LED's management for significant variances.

In addition, we performed procedures on payroll. The scope of these procedures was significantly less than an audit conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

The purpose of this report is solely to describe the scope of our work at LED, and not to provide an opinion on the effectiveness of LED'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 purposes.

We did not audit or review LED's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. LED's accounts are an integral part of the State of Louisiana's Annual Comprehensive Financial Report, upon which the Louisiana Legislative Auditor expresses opinions.