

COASTAL PROTECTION AND RESTORATION AUTHORITY

STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
MANAGEMENT LETTER
ISSUED DECEMBER 5, 2018

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Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



Coastal Protection and Restoration Authority

December 2018

Audit Control # 80180126

Introduction

As a part of our audit of the State of Louisiana’s Comprehensive Annual Financial Report (CAFR) and the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2018, we performed procedures at the Coastal Protection and Restoration Authority (CPRA) to provide assurances on financial information that is significant to the state’s CAFR; evaluate the effectiveness of CPRA’s internal controls over financial reporting and compliance; and determine whether CPRA complied with applicable laws and regulations.

Results of Our Procedures

Comprehensive Annual Financial Report – State of Louisiana

As a part of our audit of the CAFR for the year ended June 30, 2018, we considered internal control over financial reporting and examined evidence supporting CPRA’s capital outlay escrow fund nonpayroll expenditures and payables and amounts due to the U. S. Army Corps of Engineers.

Based on the results of these procedures, we did not report any internal control deficiencies or noncompliance with laws or regulations. In addition, the account balances and classes of transactions tested, as adjusted, are materially correct.

Federal Compliance – Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2018, we performed internal control and compliance testing as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) on CPRA’s major federal program, as follows:

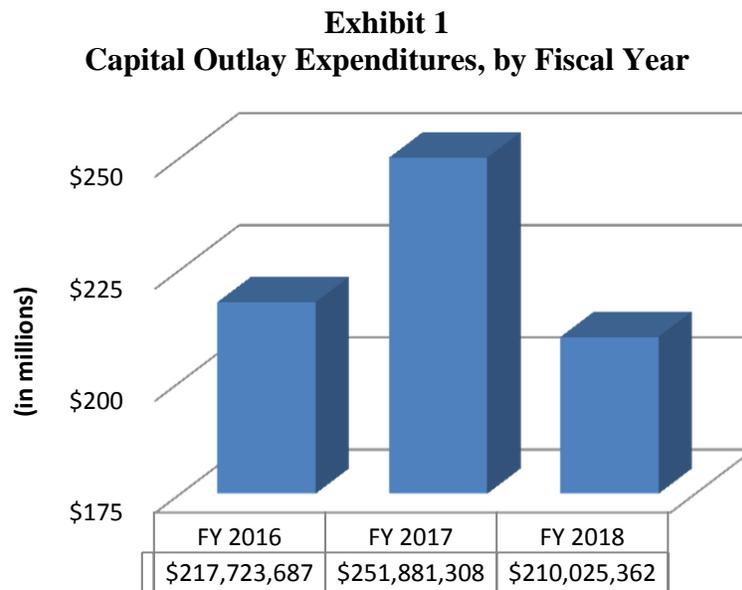
- Habitat Conservation (CFDA 11.463)

Those tests included evaluating the effectiveness of CPRA's internal controls designed to prevent or detect material noncompliance with program requirements and tests to determine whether CPRA complied with applicable program requirements.

Based on the results of these Single Audit procedures, we did not report any internal control deficiencies or noncompliance with program requirements.

Trend Analysis

We compared the most current and prior-year financial activity using CPRA's Annual Fiscal Reports and/or system-generated reports and obtained explanations from CPRA's management for any significant variances. We also prepared an analysis of capital outlay expenditures (Exhibit 1) over the past three fiscal years. The current decrease in capital outlay expenditures is due to final Coastal Impact Assistance Program (CIAP) expenditures reported before the CIAP program ended on December 31, 2016.



Source: Fiscal years 2016-2018 Annual Fiscal Reports

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

Respectfully submitted,

Thomas H. Cole, CPA
First Assistant Legislative Auditor

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Coastal Protection and Restoration Authority (CPRA) for the period from July 1, 2017, through June 30, 2018, to provide assurances on financial information significant to the State of Louisiana's Comprehensive Annual Financial Report (CAFR), and to evaluate relevant systems of internal control in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. The procedures included inquiry, observation, review of policies and procedures, and a review of relevant laws and regulations. Our procedures, summarized below, are a part of the audit of the CAFR and the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2018.

- We evaluated CPRA'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 CPRA.
- Based on the documentation of CPRA's controls and our understanding of related laws and regulations, we performed procedures to provide assurances on certain account balances and classes of transactions to support our opinions on the CAFR.
- We performed procedures on the Habitat Conservation (CFDA 11.463) federal program for the year ended June 30, 2018, as a part of the 2018 Single Audit.
- We compared the most current and prior-year financial activity using CPRA's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from CPRA's management for significant variances.

The purpose of this report is solely to describe the scope of our work at CPRA and not to provide an opinion on the effectiveness of CPRA'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 CPRA's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. CPRA's accounts are an integral part of the State of Louisiana's CAFR, upon which the Louisiana Legislative Auditor expresses opinions.