



Report Highlights

Implementation Status of Recommendations from Select Performance Audits Issued During Fiscal Year 2023

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Audit Control # 40250019
Performance Audit Services • May 2026

Why We Conducted This Review

This report provides the implementation status of 74 recommendations contained in 10 performance audit reports issued during fiscal year 2023 and nine recommendations in one performance audit issued in fiscal year 2021. State law (Louisiana Revised Statute 24:522.1) requires auditees of performance audits to report to the Louisiana Legislative Auditor their progress in implementing recommendations contained in performance audit reports issued two fiscal years prior. Auditees must provide documentation to support their assertion that a recommendation is implemented. LLA is required to compile this information into a report for the legislature.

What We Found

Our review involved audit reports that focused on:

- Department of Environmental Quality
- Department of Conservation and Energy
- Department of Insurance
- Department of Culture, Recreation, and Tourism
- Department of Children and Family Services
- Department of Corrections
- Louisiana Commission on Law Enforcement
- Office of Juvenile Justice
- Department of Transportation and Development
- Louisiana Special School District

The implementation status of the recommendations for the selected reports include the following categories:

- **Implemented:** The agency fully implemented the recommendation.
- **Implementation in Progress:** The agency started but has not completed implementing the recommendation.
- **Not Implemented:** The agency has not acted to implement the recommendation, or the agency has not implemented the recommendation because legislative action is required.

Implementation Status of Recommendations from Select Performance Audits Issued During Fiscal Year 2023

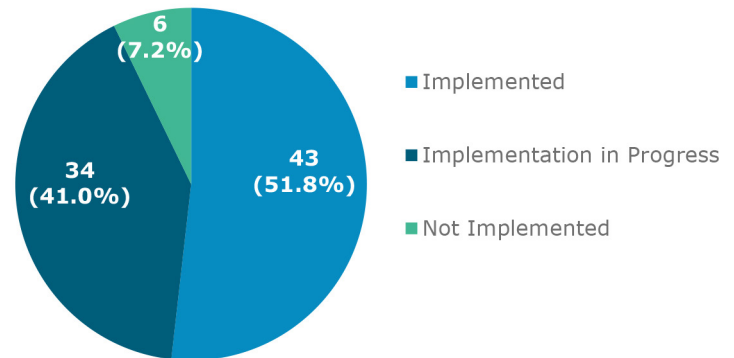
What We Found (Cont.)

Summary of Results: Of the 83 recommendations, 77 (92.8%) were either implemented or are in the process of being implemented, and 6 (7.2%) have not been implemented as of March 2026.

Example of Notable Changes as a Result of Report Recommendations:

- **The Office of State Museum within the Department of Culture, Recreation, and Tourism has a permanent Museum Director for the first time since May 2016.** The Louisiana State Museum Board established a search committee to review applications for the Museum Director position and selected three candidates for consideration by the Lt. Governor in May 2024. The Lt. Governor then selected one of the candidates as the new Museum Director in August 2024.

Recommendation Status • As of March 2026



Source: Prepared by legislative auditor's staff using information provided by agencies.

Example of Recommendations Agencies Have Not Implemented:

- **The Louisiana Department of Insurance (LDI) has not yet conducted a comprehensive analysis of the factors that contributed to the financial insolvencies of affected insurance companies.** According to LDI, it can point to the lack of reinsurance sufficient to cover catastrophe losses as a major cause of the insolvencies, but the agency will conduct a comprehensive, forensic analysis once the receivership proceedings for the affected nine companies are complete. LDI stated that while it is too early to conduct a final analysis due to the active receivership status of all nine companies, it will conduct a preliminary analysis of the five Louisiana-domiciled companies. In addition, LDI will work with the Florida Department of Financial Services to review their interim reports for the four Florida-domiciled companies for inclusion in the overall analysis.

Legislation Enacted Related to Matters for Legislative Consideration:

- **Act 444 of the 2023 Regular Legislative Session** increased the maximum annual Louisiana Insurance Guaranty Association (LIGA) assessment from 1% to 2% of insurers' prior-year premiums, effective January 1, 2024. The legislation also adjusted how insurers may recoup the assessment via premium tax credits by capping the credit at 50% of the maximum. Our report *Financial Condition of the Residential Property Insurance Market*, issued October 2022, found that the cost of claims and premium refunds paid by LIGA increased from approximately \$4.8 million in calendar year 2020 to approximately \$268.1 million in the first eight months of calendar year 2022, because LIGA had to assume the claims of financially-insolvent insurance companies.