

LOUISIANA STATE RACING COMMISSION

EXECUTIVE DEPARTMENT
STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

Procedural Report
Issued May 27, 2026

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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Louisiana State Racing Commission



May 2026

Audit Control # 80260006

Introduction

The primary purpose of our procedures at the Louisiana State Racing Commission (LSRC) was to evaluate certain controls LSRC uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds.

Results of Our Procedures

We evaluated LSRC'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 LSRC's controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to fees and self-generated revenues; statutorily-required distributions relating to the Video Draw Poker Device Purse Supplement Fund, Sports Wagering Purse Supplement Fund, off-track betting self-generated revenues, and horse breeder awards and industry promotion; security services provided by the Louisiana State Police; and payroll expenditures.

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

Trend Analysis

We compared the most current and prior-year financial activity using LSRC's Annual Fiscal Reports and/or system-generated reports and obtained explanations from LSRC'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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LSRC2026

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Louisiana State Racing Commission (LSRC) for the period from July 1, 2024, through May 14, 2026. Our objective was to evaluate certain controls LSRC 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 LSRC's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. The LSRC's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated LSRC'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 LSRC.
- Based on the documentation of LSRC's controls and our understanding of related laws and regulations, and results of our analytical procedures, we performed procedures relating to fees and self-generated revenues, statutorily-required distributions, security services provided by the Louisiana State Police, and payroll expenditures.
- We compared the most current and prior-year financial activity using LSRC's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LSRC'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 LSRC, and not to provide an opinion on the effectiveness of LSRC'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.