

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
PUBLIC SAFETY SERVICES
LOUISIANA HIGHWAY SAFETY COMMISSION
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
MANAGEMENT LETTER
ISSUED MARCH 15, 2021

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

TEMPORARY LEGISLATIVE AUDITOR
THOMAS H. COLE, CPA, CGMA

DIRECTOR OF FINANCIAL AUDIT
ERNEST F. SUMMERVILLE, JR., CPA

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Louisiana Legislative Auditor



Department of Public Safety and Corrections –
Public Safety Services, Louisiana Highway
Safety Commission

March 2021

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Introduction

As a part of our work related to the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2020, we performed procedures at the Louisiana Highway Safety Commission (LHSC) to determine whether management has taken actions to correct the finding reported in the prior year.

Results of Our Procedures

Follow-up on Prior-year Finding

Our auditors reviewed the status of the prior-year finding reported in the LHSC management letter dated March 18, 2020. We determined that management has resolved the prior-year finding related to Noncompliance with Subrecipient Monitoring Requirements.

Federal Compliance - Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2020, we performed procedures 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 information submitted by LHSC to the Division of Administration's Office of Statewide Reporting and Accounting Policy on the status of the prior-year finding for the preparation of the state's Summary Schedule of Prior Audit Findings.

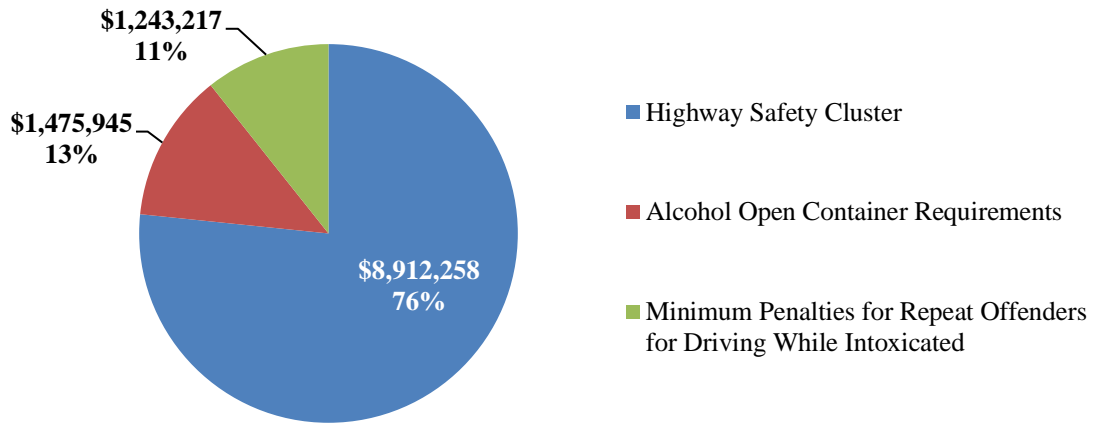
LHSC's information submitted for the preparation of the state's Summary Schedule of Prior Audit Findings, as adjusted, is materially correct.

Revenue and Expenditure Analysis

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

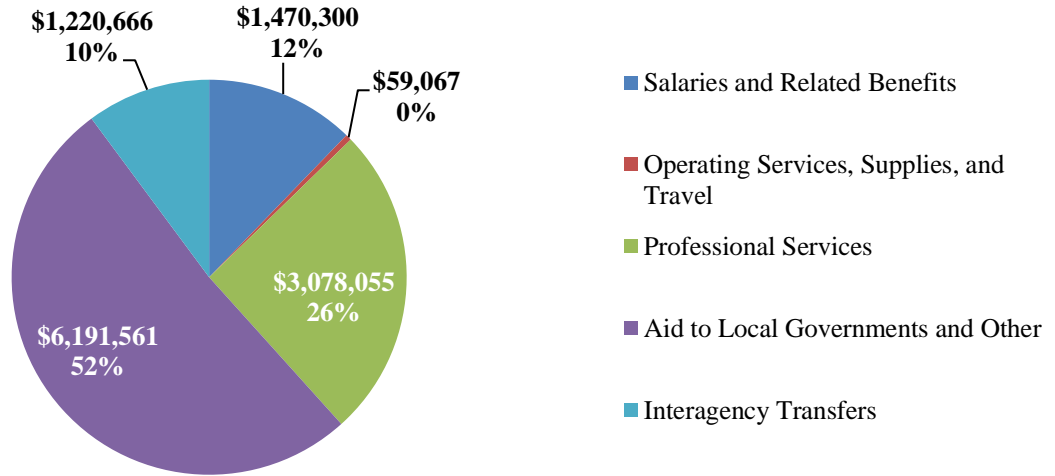
We also prepared an analysis of LHSC's revenues and expenditures for state fiscal year 2020. The majority of the commission's funding is composed of federal revenues. We prepared an analysis of LHSC's federal funding sources for fiscal year 2020 as shown in Exhibit 1. As shown in Exhibit 2, LHSC reported \$12,019,649 of expenditures during state fiscal year 2020 for costs associated with aid to local governments, professional services, salaries and related benefits, interagency transfers, and operating services, supplies, and travel. Of this amount, \$11,631,420, or approximately 97%, of expenditures were funded with the federal revenue sources shown in Exhibit 1.

Exhibit 1
Fiscal Year 2020 Federal Revenues by Program
Total: \$11,631,420



Source: Fiscal Year 2020 LHSC LaGov Data

Exhibit 2
Fiscal Year 2020 Expenditures
Total: \$12,019,649



Source: Fiscal Year 2020 LHSC LaGov Data

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, CGMA
Temporary Legislative Auditor

CB:NM:RR:EFS:aa

LHSC2020

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Louisiana Highway Safety Commission (LHSC) for the period from July 1, 2019, through June 30, 2020, 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 our work related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2020.

- We evaluated LHSC'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 LHSC.
- We performed procedures on the status of the prior-year finding for the preparation of the state's Summary Schedule of Prior Audit Findings for the year ended June 30, 2020, as a part of the 2020 Single Audit.
- We compared the most current and prior-year financial activity using LHSC's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LHSC's management for significant variances.

The purpose of this report is solely to describe the scope of our work at LHSC and not to provide an opinion on the effectiveness of LHSC'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 LHSC's Annual Fiscal Report, and accordingly, we do not express an opinion on that report. LHSC's accounts are an integral part of the state of Louisiana's Comprehensive Annual Financial Report, upon which the Louisiana Legislative Auditor expresses opinions.