Report Highlights

LOUISIANA LEGISLATIVE AUDITOR

MICHAEL J. "MIKE" WAGUESPACK, CPA

Department of State

Audit Control # 80260048
Financial Audit Services • July 2026

Why We Conducted This Work

We performed certain procedures at the Department of State (DOS) to evaluate certain controls that DOS uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds for the period July 1, 2024, through June 30, 2026.

What We Found

- DOS did not have adequate controls over the internal audit function to ensure adherence to the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing during fiscal years 2025 and 2026. Although the audit plan for each year indicated that risk assessments by the internal auditor and risk assessment tools used to obtain the input of operational department managers, supervisors, and executive management were used to prioritize and develop the agency's audit plan, the risk assessment documentation provided for fiscal years 2025 and 2026 only included a compilation of responses from entity personnel with risk ratings that did not correlate with the areas listed as audit priorities in the audit plan. The risk assessment documentation did not provide specific considerations by the internal auditor and did not provide a clear linkage to the annual audit plans or to the work performed. Although the risk assessment process is only one component of the Internal Auditor's overall methodology for developing the annual audit plans, there was no documentation provided to support other considerations. The risk assessments did not include any information about how audit engagements were selected and prioritized.

- We evaluated selected controls relating to the LaCarte purchasing card, travel, payroll, internal audit, and commercial revenue - business fees. Except as noted above, we found these controls provided reasonable assurance of accountability over public funds and compliance with applicable laws and regulations for the period examined.