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Report Highlights

Office of Lieutenant Governor and Department of Culture, Recreation, and Tourism

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Why We Conducted This Work

We performed certain procedures at the Office of Lieutenant Governor (OLG) and the Department of Culture, Recreation, and Tourism (CRT) to evaluate certain controls that OLG/CRT uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and to provide overall accountability over public funds for the period July 1, 2016, through June 30, 2018.

What We Found

- We obtained an understanding of OLG/CRT's controls over the bank account reconciliation process and reviewed all bank reconciliations for the period July 2016 through November 2017. We found OLG/CRT had adequate controls to ensure timely preparation, review, and approval of bank reconciliations.
- CRT's Office of State Museum (OSM), also referred to as the Louisiana State Museum (LSM), did not maintain documentation to support the purpose for guest stays in the apartment that was designated for use by LSM, did not ensure that prior authorization to make purchases was obtained for William R. Irby Trust (Irby) expenditures, and did not obtain approval of the budget for Irby from the LSM Board of Directors prior to the start of the fiscal year. LSM did have adequate controls to ensure commercial rent receipts were accurately calculated, adequately supported, and collected timely.
- For the second consecutive engagement, Louisiana Seafood Marketing and Promotion Board employees and OLG employees did not follow established internal control policies and procedures related to the review and approval of Seafood Marketing Program expenditures, increasing the risk that unauthorized purchases could be made and funds could be used for unallowed activities. Failure to formalize a contract or agreement for professional or consulting services to include all provisions required by law increases the risk of misunderstanding and/or nonperformance of needed services without any protection, including remedies for default.
- OSM management did not ensure that admission fees for the Wedell-Williams Aviation and Cypress Sawmill Museum were timely billed and collected. Office of State Parks management did not ensure that the admission fees contained in the Louisiana Administrative Code (LAC) were charged or provide evidence of written approval for the rates being charged at the Rosedown Plantation and Historic Site and at Bayou Segnette State Park. Except as noted, OSM and OSP had adequate controls in place to ensure admission fees at state museums and state parks and historic sites were accurately collected and complied with applicable policies and regulations.
- CRT employees did not follow established payroll policies and procedures for certification and approval of time sheets, and CRT management did not maintain evidence of prior approval of leave and overtime requests. These control weaknesses increase the risk of payroll error and/or fraud and may result in a loss of state and/or federal funds.
- CRT employees failed to obtain prior authorization to make purchases using the LaCarte purchasing card. In a review of 46 LaCarte expenditure transactions for the period July 1, 2016, to January 5, 2018, 22 (48%) lacked evidence of prior authorization to purchase. Except as noted, OLG/CRT had adequate controls in place over LaCarte purchases and complied with applicable policies and regulations.

View the full report, including management's responses, at www.la.gov.