

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

Management Letter
Issued April 30, 2025

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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Department of Transportation and Development



April 2025

Audit Control # 80240083

Introduction

As a part of our audit of the State of Louisiana's Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2024, we performed procedures at the Department of Transportation and Development (DOTD) to provide assurances on financial information that is significant to the state's Annual Comprehensive Financial Report; evaluate the effectiveness of DOTD's internal controls over financial reporting and compliance; and determine whether DOTD complied with applicable laws and regulations.

We also determined whether management has taken actions to correct the findings reported in the prior year.

Results of Our Procedures

Follow-up on Prior-year Findings

Our auditors reviewed the status of the prior-year findings reported in the DOTD management letter dated May 8, 2024. We determined that management has resolved the prior-year findings related to Untimely Submission of Summary of Samples and Test Results Form and Inadequate Controls over and Noncompliance with Wage Rate Requirements.

Annual Comprehensive Financial Report – State of Louisiana

As a part of our audit of the Annual Comprehensive Financial Report for the year ended June 30, 2024, we considered internal control over financial reporting and examined evidence supporting certain account balances and classes of transactions, as follows:

Capital Outlay Escrow

- Infrastructure
- Construction-in-progress
- Right-of-way
- Expenditures
- Payables

Transportation Trust Fund

- Federal Revenue (progress billings)
- Unearned Revenue for State and Local Fiscal Recovery Funds (Construction Subfund)

Engineering and Operations

- Capital grant revenues (classification)

Louisiana American Rescue Plan Fund

- Unearned Revenue for State and Local Fiscal Recovery Funds (General Fund)

Based on the results of these procedures, we did not report any findings. In addition, the account balances and classes of transactions tested are materially correct.

Federal Compliance - Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2024, we performed internal control and compliance testing 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 DOTD's major federal program, Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing 21.027).

Those tests included evaluating the effectiveness of DOTD's internal controls designed to prevent or detect material noncompliance with program requirements and tests to determine whether DOTD complied with applicable program requirements. In addition, we performed certain procedures on information submitted by DOTD to the Division of Administration's Office of Statewide Reporting and Accounting Policy on the status of the prior-year findings for the preparation of the state's Summary Schedule of Prior Audit Findings, as required by Uniform Guidance.

Based on the results of these procedures, we did not report any findings. In addition, DOTD's information submitted for the preparation of the state's Summary Schedule of Prior Audit Findings, as adjusted, is materially correct.

Trend Analysis

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

Under Louisiana Revised Statute 24:513, this letter is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

CS:LMN:RR:BQD:aa

DOTD 2024

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Department of Transportation and Development (DOTD) for the period from July 1, 2023, through June 30, 2024, to provide assurances on financial information significant to the State of Louisiana's Annual Comprehensive Financial Report, and 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 the audit of the Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2024.

- We evaluated DOTD'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 DOTD.
- Based on the documentation of DOTD's controls and our understanding of related laws and regulations, we performed procedures to provide assurances on certain account balances and classes of transactions to support our opinions on the Annual Comprehensive Financial Report.
- We performed procedures on the Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing 21.027) federal program for the year ended June 30, 2024, as a part of the 2024 Single Audit.
- We performed certain procedures on the status of the prior-year findings for the preparation of the state's Summary Schedule of Prior Audit Findings for the year ended June 30, 2024, as a part of the 2024 Single Audit.
- We compared the most current and prior-year financial activity using DOTD's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from DOTD's management for significant variances.

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