

GOVERNOR'S OFFICE OF HOMELAND SECURITY AND  
EMERGENCY PREPAREDNESS

STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES  
MANAGEMENT LETTER  
ISSUED FEBRUARY 10, 2021

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# Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



## Governor's Office of Homeland Security and Emergency Preparedness

February 2021

Audit Control # 80200061

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## Introduction

As a part of our audit of the State of Louisiana's Comprehensive Annual Financial Report (CAFR) and 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 Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to provide assurances on financial information that is significant to the state's CAFR; evaluate the effectiveness of GOHSEP's internal controls over financial reporting and compliance; and determine whether GOHSEP complied with applicable laws and regulations.

## Results of Our Procedures

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### **Comprehensive Annual Financial Report (CAFR) – State of Louisiana**

As a part of our audit of the CAFR for the year ended June 30, 2020, we considered internal control over financial reporting and examined evidence supporting GOHSEP's federal revenue, non-payroll expenditures, receivables, payables, unearned revenue, and advances.

The account balances and classes of transactions tested are materially correct.

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### **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 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 GOHSEP's major federal programs, as follows:

- Coronavirus Relief Fund (CFDA 21.019)
- Flood Mitigation Assistance (CFDA 97.029)
- Hazard Mitigation Grant (CFDA 97.039)

Those tests included evaluating the effectiveness of GOHSEP's internal controls designed to prevent or detect material noncompliance with program requirements and tests to determine whether GOHSEP complied with applicable program requirements. In addition, we performed procedures on information submitted by GOHSEP to the Division of Administration's Office of Statewide Reporting and Accounting Policy for the preparation of the state's Schedule of Expenditures of Federal Awards (SEFA) and 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.

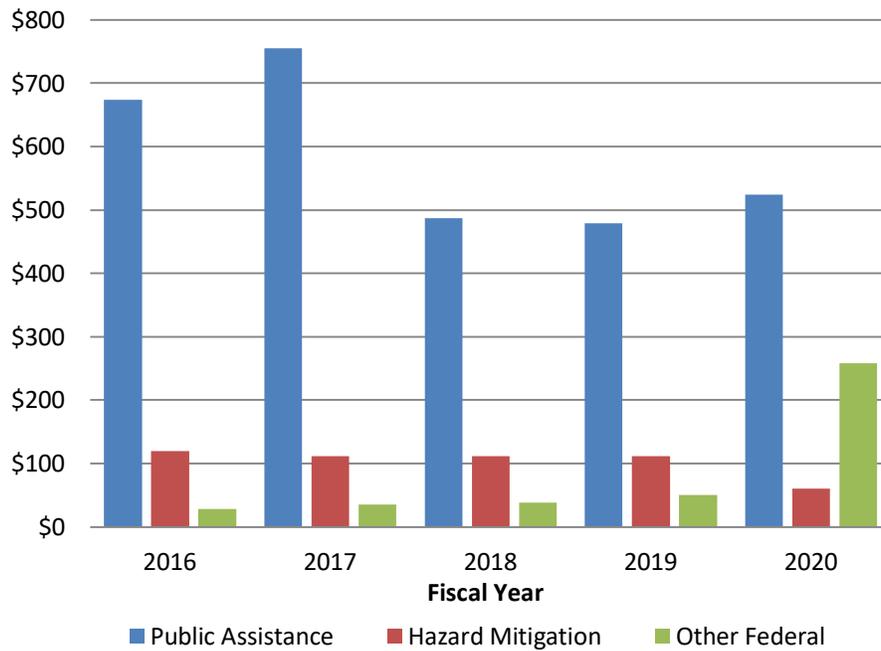
GOHSEP's information submitted for the preparation of the state's SEFA, as adjusted, and the state's Summary Schedule of Prior Audit Findings, is materially correct.

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## **Trend Analysis**

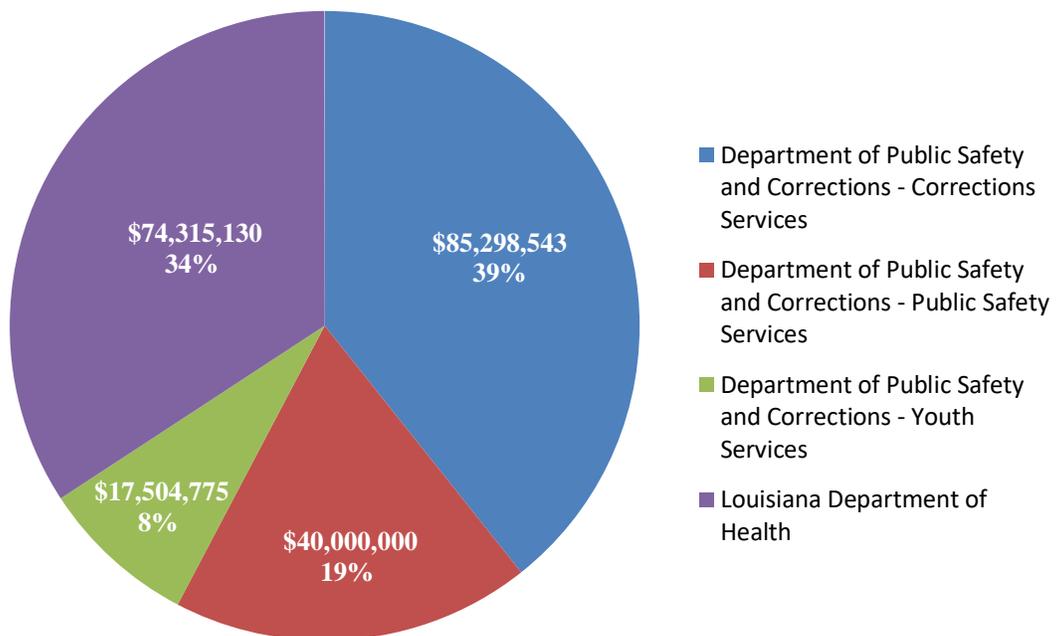
We compared the most current and prior-year financial activity using GOHSEP's Annual Fiscal Reports and/or system-generated reports and obtained explanations from GOHSEP's management for any significant variances. We also prepared an analysis of GOHSEP's federal expenditures over the past five fiscal years (Exhibit 1). Other federal expenditures increased approximately \$217 million as a result of expenditures for a new federal program, Coronavirus Relief Fund (CRF), created in fiscal year 2020 in response to the COVID-19 pandemic. The state of Louisiana received an advance payment of federal funds in the amount of \$1,802,619,342 from the Coronavirus Aid, Relief, and Economic Security (CARES) Act through the CRF program. GOHSEP distributes this money to state agencies after the state agencies submitted expenditures are deemed reimbursable by the Division of Administration. GOHSEP's distribution of the CRF monies as of June 30, 2020 is shown in Exhibit 2.

**Exhibit 1**  
**Five-Year Trend in Federal Expenditures**  
**(in millions)**



Source: Fiscal Years 2016-2020 Annual Fiscal Reports

**Exhibit 2**  
**Distributions in Fiscal Year 2020 of the Coronavirus Relief Fund**  
**Total: \$217,118,448**



Source: Fiscal Year 2020 ISIS Expenditure Report as of 6/30/20

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Daryl G. Purpera". The signature is written in a cursive style with a large initial "D".

Daryl G. Purpera, CPA, CFE  
Legislative Auditor

CB:NM:RR:EFS:ch

GOHSEP2020

## APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) for the period from July 1, 2019, through June 30, 2020, to provide assurances on financial information significant to the State of Louisiana's Comprehensive Annual Financial Report (CAFR), 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 CAFR and our work related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2020.

- We evaluated GOHSEP'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 GOHSEP.
- Based on the documentation of GOHSEP'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 CAFR.
- We performed procedures on the Coronavirus Relief Fund (CFDA 21.019), Flood Mitigation Assistance (CFDA 97.029), and Hazard Mitigation Grant (CFDA 97.039) for the year ended June 30, 2020, as a part of the 2020 Single Audit.
- We performed procedures on information for the preparation of the state's Schedule of Expenditures of Federal Awards and on the status of prior-year findings 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 GOHSEP's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from GOHSEP's management for significant variances.

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