

An Agreed-Upon Procedures Report on the
**COASTAL PROTECTION AND
RESTORATION AUTHORITY**
GULF OF MEXICO OIL SPILL RESTORATION
Issued September 29, 2021



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LOUISIANA LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

August 24, 2021

Independent Accountant's Report on the
Application of Agreed-Upon Procedures

**MR. BREN HAASE, EXECUTIVE DIRECTOR
COASTAL PROTECTION AND
RESTORATION AUTHORITY**
Baton Rouge, Louisiana

We have performed the procedures enumerated below on the completeness and accuracy of documentation submitted by the Coastal Protection and Restoration Authority (CPRA) during the period July 1, 2020, through June 30, 2021, for activities funded with Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) dollars; Natural Resource Damage Assessment (NRDA) dollars; and National Fish and Wildlife Foundation (NFWF) settlement and/or grant dollars. For the purpose of performing these agreed-upon procedures, no exceptions were reported for differences of \$10,000 or less. CPRA management is responsible for the completeness and accuracy of documentation for activities funded with RESTORE Act dollars, NRDA dollars, and NFWF settlement and/or grant dollars.

CPRA management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the completeness and accuracy of the documentation identified above. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

OVERALL RESULTS

For the period July 1, 2020, through June 30, 2021, we confirmed the completeness and accuracy of 1,419 expenditures submitted by CPRA totaling \$142,484,621. As a result of applying our procedures, we noted exceptions, which exceeded \$10,000 per expenditure, totaling \$64,257 (0.05%) in two expenditures. However, CPRA management worked with its vendors to resolve all of the exception amount. The following table presents a breakdown of the exceptions and resolutions by finding type.

Exceptions by Finding Type				
Finding Type	Number of Occurrences	Exception Amount	Exceptions as a Percent of Total Analyzed (\$142,484,621)	Resolved Amount
Out of Scope	2	\$64,257	0.05%	\$64,257
Lack of Support	0	0	0.00	0
Procurement not Documented	0	0	0.00	0
Incorrectly Classified/Recorded	0	0	0.00	0
Unnecessary/Unreasonable Change Orders	0	0	0.00	0
Total	2	\$64,257	0.05%	\$64,257

Following are the procedures we applied and the resulting findings for the five finding types (*Out of Scope*, *Lack of Support*, *Procurement not Documented*, *Incorrectly Classified/Recorded*, and *Unnecessary/Unreasonable Change Orders*) mentioned in the table above.

PROCEDURE: We confirmed that the work reflected in the reimbursement request/invoice is within the scope approved for the project.

FINDING: Of the 1,419 expenditures we confirmed, 1,417 were within the scope approved for the project. However, we noted exceptions totaling \$64,257 (0.05%) in the other two expenditures.

PROCEDURE: We confirmed that the amount requested/invoiced is supported by invoices, receipts, lease agreements, contracts, appraisals, labor policies, time records, equipment logs, or other applicable documentation.

FINDING: We did not note any exceptions as a result of this procedure.

PROCEDURE: We confirmed that the work reflected in the reimbursement request/invoice complies with federal and state regulations and guidance or grant requirements.

- FINDING:** We did not note any exceptions as a result of this procedure.
- PROCEDURE:** We selected a 20% sample and confirmed that expenditure transactions made prior to July 1, 2016, were classified and recorded to the appropriate fund; grant; project; and task order/purchase order.
- FINDING:** Of the 1,419 expenditures that we confirmed, none occurred prior to July 1, 2016.
- PROCEDURE:** We confirmed that all change orders are necessary and reasonable by verifying that the work involves an unforeseen/hidden condition and was not included in the scope of the original contract; and that the costs were consistent with national estimating cost indices or costs on similar projects.
- FINDING:** We did not note any exceptions as a result of this procedure.

We were engaged by CRPA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States of America. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be to express an opinion or conclusion, respectively, on the completeness and accuracy of documentation submitted by CPRA during the period July 1, 2020, through June 30, 2021, for activities funded with RESTORE Act dollars, NRDA dollars, and NFWF settlement and/or grant dollars, or on CPRA's compliance with 2 CFR part 200. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you.

We are required to be independent of CPRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to assist CRPA management in evaluating the completeness and accuracy of the documentation provided by CPRA to support reimbursement of expenses eligible for funding through the RESTORE Act, NRDA, NFWF settlement and/or grant dollars for the period July 1, 2020 through June 30, 2021. Accordingly, this report is not suitable for any other purpose. By provision of state law, this report is a public document and has been distributed to the appropriate public officials.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mike Waguespack", with a long horizontal flourish extending to the right.

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

MJW/aa

CPRA OIL SPILL JULY 2020-JUNE 2021

BACKGROUND

In 2009, Act 523 of the Louisiana Legislature created the Office of Coastal Protection and Restoration (OCPR) as an implementation and enforcement arm of the Coastal Protection and Restoration Authority (CPRA). In 2012, Act 604 of the Louisiana Legislature renamed the CPRA as the CPRA Board and changed its implementation and enforcement arm from OCPR to CPRA.

CPRA is tasked with developing, implementing, and enforcing the comprehensive coastal protection and restoration master plan. CPRA is also responsible for administering funds related to the Deepwater Horizon Oil Spill through the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act, Natural Resources Damage Assessment, and National Fish and Wildlife Foundation settlements and/or grants. These funds are provided for the acquisition of land for conservation, restoration of barrier islands, restoration of inland marshes, construction of shoreline restoration and protection barriers, river diversions, and construction of coastal infrastructure.

CPRA restoration projects funded by the Deepwater Horizon oil spill settlement and penalties are intended to restore Louisiana's coast from the impacts and losses associated with the oil spill disaster. Examples of typical restoration activities include:

- Barrier Island/Headland Restoration - Creation and restoration of dune, beach, and back-barrier marsh to restore or augment Louisiana's offshore barrier islands and headlands.
- Diversions - Use of channels and/or structures to divert sediment and fresh water from the Mississippi River and Atchafalaya River into adjacent basins.
- Marsh Creation - Creation of new wetlands in open water areas through sediment dredging and placement. Most of these projects involve pipeline conveyance of sediment.

Appendix A

Management's Response



State of Louisiana

JOHN BEL EDWARDS
GOVERNOR

September 17, 2021

Mr. Michael J. "Mike" Waguespack, CPA
Legislative Auditor
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Waguespack:

RE: Audit Report - Engagement for Agreed Upon Procedures with the Coastal Protection and Restoration Authority

I am writing to provide a response to the audit report for the engagement to apply agreed-upon procedures to expenditures related to NFWF, NRDA, and RESTORE from July 1, 2020 to June 30, 2021. We are pleased that this year's audit review yielded no findings. Of the 1,419 expenditures your staff reviewed for CPRA, totaling \$142,484,621, only two of them, totaling \$64,257 had exceptions noted. These exceptions were resolved during the audit period.

As we have stated numerous times previously and can again say this year, we value the service this audit group is providing to CPRA. We view it as important tool in assessing accuracy of the expenditures utilizing the oil spill funding. Additionally, the engagement provides me and our team valuable and timely consultation regarding contractor billing.

We look forward to the next review period and working with your team. If you have any questions or need additional information, please contact me at 342-4698.

Sincerely,

Janice A. Lansing
Chief Financial Officer

c: Bren Haase, Executive Director
Denise Stafford, Accountant Administrator
Gloria Tigner, Coastal Resources Program Manager
John Moorehead, Assistant Legislative Auditor and Director of Recovery Assistance Services

Executive Division