



Report Highlights

Louisiana Department of Veterans Affairs

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Why We Conducted This Audit

We performed certain procedures at the Louisiana Department of Veterans Affairs (LDVA) as a part of the Single Audit of the State of Louisiana, and to evaluate LDVA's accountability over federal funds for the Veterans State Nursing Home Care program for the fiscal year ended June 30, 2020. In addition, we evaluated certain controls that LDVA uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds for the period July 1, 2018, through June 30, 2020.

What We Found

- LDVA failed to ensure that employees at all homes followed established policies and procedures to close out individual Resident Trust Fund (RTF) accounts in a timely manner after residents were discharged or deceased. As of June 30, 2020, the Northwest Louisiana Veterans Home had closed one account more than six years after the resident passed away and transferred the balances for three other accounts to the Recreation and Welfare account from five years and 10 months to seven years after residents passed away. Four accounts still had balances totaling \$120,303 at June 30, 2020.
- LDVA Headquarters failed to obtain proper approval for a legal services contract with a vendor due to a lack of internal controls to ensure contracts are properly approved prior to incurring expenditures. LDVA executed a \$25,000 contract for legal services without approval from the Division of Administration, of which \$5,783 was paid during fiscal year 2020.
- LDVA employees did not follow established payroll policies and procedures for the certification and approval of time sheets and for approval of leave and overtime requests.
- We reviewed the status of the prior-report findings in LDVA's procedural report dated February 25, 2019, and determined that management has resolved the findings related to Weaknesses in Controls over Accounts Receivable, Meal Ticket Documentation Not Maintained and Reconciliations Not Performed, and Weakness in Controls over LaCarte Expenditures at Southeast Louisiana Veterans Home.
- Based on the audit procedures performed on the Veterans State Nursing Home Care program, we did not report any findings.
- We evaluated internal controls and transactions relating to the RTF, accounts receivable, pharmacy billing and inventory, meal ticket revenue, Care and Maintenance fees, contract expenditures, LaCarte purchasing card expenditures, and payroll expenditures. Except as noted above, we found these controls provided reasonable assurance of accountability over public funds for the period examined.

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