



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

March 6, 2015

SINGLE AUDIT REPORT FOR 2014

Three of the 31 major federally-funded programs administered by the state failed to comply with federal program requirements and were given qualified opinions in the annual Single Audit of federal funds, according to a report issued Friday by Legislative Auditor Daryl Purpera's office.

The Single Audit is required to be filed by auditors annually, by the end of March, to inform federal agencies whether the state complied -- or not -- with the requirements of federal assistance programs. It recaps in one report many of the findings that have already been reported throughout the fiscal year by members of Purpera's staff.

The three programs given qualified opinions were:

- **The Community Development Block Grant (CDBG) cluster administered by the Division of Administration, which includes programs for homeowners assistance and small rental properties, both activated in the months after Hurricanes Katrina and Rita in 2005** - DOA has placed more than 15,000 homeowners assistance awards and in excess of 700 small rental property loans in recovery for noncompliance with continuing requirements to maintain eligibility, with questioned costs totaling \$1 billion.
- **The Workforce Investment Act cluster, administered by the Louisiana Workforce Commission (LWC)** - LWC has not performed monitoring reviews on any of the 18 subrecipients that received approximately \$31 million of program funds. "Monitoring is necessary to ensure that funds are spent properly," the audit report said. It is the third year in a row the state agency was cited for the incomplete monitoring.
- **The Foster Care program, administered jointly by the Department of Children and Family Services and Department of Public Safety and Corrections' Office of Juvenile Justice (OJJ)** - The report said DCFS "did not perform periodic reviews of payment rates" for \$2.6 million in foster care payments to OJJ. In addition, OJJ did not have "adequate support for rates used" in making \$2.4 million in foster care payments to six residential care facilities.



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As a result of the findings included in the Single Audit, more than \$1 billion have been questioned by auditors, for which the state could be liable. “The resolution of these questioned costs will be determined by the respective (federal) grantors,” the report said.

The state received \$15.4 billion in federal dollars, including loan programs, in the fiscal year that ended June 30, 2014.

A total of 34 separate findings were reported in the Single Audit for the last fiscal year, including “14 that were repeat findings from a prior audit” and 20 new ones. In 2013, there were a total of 35 findings, 25 new and 10 repeat findings.

For more information, contact:

Daryl G. Purpera, CPA, CFE
Legislative Auditor
225-339-3800

On Twitter: 2014 Single Audit notes more than \$1 billion in questioned costs.