



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 23, 2013

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

The state Department of Transportation and Development did not adequately monitor more than \$1.1 million of fuel and related expenditures at its Baton Rouge headquarters during the fiscal year ending June 30, 2013, according to a report released Monday by Legislative Auditor Daryl Purpera.

The management letter to DOTD officials said the improper oversight of the Fueltrac purchasing system increased the risk “that fraud and abuse could occur without being detected.”

Financial auditors said that a test of the purchases for last March showed that seven of 15 vehicles tested “had more gallons of gas purchased per the Fueltrac report than listed on the vehicle log.” The letter said that DOTD does not have a policy requiring a reconciliation of each vehicle’s fuel card purchase from the Fueltrac system to the vehicle’s log of fuel use.

As a result, the state auditor said, “unauthorized purchases can occur and not be detected” by DOTD. In one case, the daily vehicle log for a vehicle could not be found, the report said.

The management letter also contained two other findings, including one that has been reported to the state agency in the past. DOTD failed to get required approval of the Federal Highway Administration for four of the 86 project change orders sampled totaling almost \$327,000. The change orders involved highway planning and construction projects. This problem has occurred for four years.

Regulations require DOTD to obtain Federal Highway Administration approval of project change orders. The report also said that the agency did not keep accurate information related to required federal oversight of 54 of 619 change orders tested.

Failure to obtain the federal approval “could result in reduced federal participation, increased cost to the state, and noncompliance with federal regulations,” the report said.



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The third finding in the management letter said DOTD “effectively double-counted audit costs” resulting in an overbilling of \$144,228 that may have to be repaid by DOTD to federal officials.

DOTD said in its response it is working to overcome the deficiencies pointed out in the management letter.

For more information, contact:

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

On Twitter: DOTD did not adequately monitor more than \$1.1 million of fuel and related expenditures at Baton Rouge headquarters.