

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS - CORRECTIONS SERVICES

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Procedural Report
Issued February 4, 2026**

**LOUISIANA LEGISLATIVE AUDITOR
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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA



Department of Public Safety and Corrections – Corrections Services

February 2026

Audit Control # 80250006

Introduction

The primary purpose of our procedures at the Department of Public Safety and Corrections – Corrections Services (Department) was to evaluate certain controls the Department uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. In addition, we determined whether management has taken action to correct the findings reported in the prior report.

Results of Our Procedures

We evaluated the Department's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of the Department's controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to movable property, time computations, payroll expenditures, fuel card expenditures, and sheriff housing payments.

Based on the results of these procedures, we reported findings related to Inadequate Review of Subsequent Changes to Time Computations, Inadequate Controls over Fuel Cards, and Inadequate Controls over Payroll, as described in the Current-report Findings section of the report.

Follow-up on Prior-report Findings

We reviewed the status of the prior-report findings in the Department's procedural report dated August 28, 2024. The prior-report findings related to Inadequate Review of Subsequent Changes to Time Computations and Inadequate Controls over Fuel Cards have not been resolved and are addressed again in this report.

Current-report Findings

Inadequate Review of Subsequent Changes to Time Computations

For the fifth consecutive engagement, the Department did not ensure adequate reviews were performed for subsequent changes to time computations to ensure compliance with department policies related to the application of credits and forfeitures and to ensure complete and accurate information is maintained in the Department's offender management system. In a test of 30 subsequent changes to initial time computations worked between July 1, 2024, and December 31, 2024, we noted that 11 (37%) computations related to the application of credits and forfeitures did not have reviewer initials or other support to indicate the change entered in the system was reviewed by someone other than the preparer. No errors related to the 11 changes to credits and forfeitures were identified in the most recent time computation reviewed.

Department policy IS-B-3 implemented during the fiscal year clearly documents and provides for a review process of all offender intake records including time computation calculations and all subsequent changes to an offender's intake record that would impact an offender's time computation. Additionally, the Department has procedures to perform a statewide review of offender time calculation records on a weekly and monthly basis, which are only performed on initial time computations and supplemental dockets. When Department policy is not followed and procedures do not include a review of all subsequent changes impacting an offender's time computation, there is an increased risk that errors in offender records in the system will not be identified and corrected in a timely manner. Good internal control would ensure a secondary review by a supervisor or other experienced staff is performed, and evidence of secondary review maintained, to ensure compliance with department policies related to the application of credits and forfeitures and to ensure complete and accurate information is maintained in the Department's system.

Due to the complexity of the time computation process, management should ensure Department policies that require a secondary review of time computations, including all subsequent changes to time computations, are followed. Management should also consider including subsequent changes to time computations for the application of credits and forfeitures as part of the statewide review process. Management partially concurred with the finding and provided a corrective action plan (see Appendix A, pages 1-2).

Inadequate Controls over Fuel Cards

For the second consecutive engagement, the Department does not have adequate controls in place to ensure that fuel card transactions are properly monitored and comply with department or facility policies and state regulations, increasing the risk of theft and waste.

In a test of 42 fuel card transactions between July 1, 2024, and December 31, 2024, we noted eight (19%) were not recorded on a log or the log was not accurately

completed at Louisiana Correctional Institute for Women, Elayn Hunt Correctional Center, Louisiana State Penitentiary, and Dixon Correctional Institute (DCI).

Good internal control includes ensuring that adequate records are maintained to safeguard assets. The Department has policies in place at each facility requiring fuel costs associated with a state vehicle to be accurately logged on a Daily Vehicle Usage Log (MV3 form) in accordance with Louisiana Administrative Code (LAC) Title 34 Part XI. DCI policy further requires non-vehicle fuel card transactions (gas can/departmental) to be logged. The Department does not have a universal written policy over non-vehicle fuel usage logging to be used by facilities.

Management has not effectively monitored to ensure fuel card policies were followed. Management should implement uniform fuel card policies for all facilities, ensure all fuel card transactions are accurately logged on the MV3 form or other log, and monitor all facilities for compliance with established policies. Management concurred with the finding and provided a corrective action plan (see Appendix A, page 3).

Inadequate Controls over Payroll

The Department did not maintain adequate internal controls to ensure timely certification of time statements by employees and timely approval of time statements by supervisors. Failure to ensure employees and supervisors are timely certifying and approving time statements increases the risk that errors or fraud could occur and not be detected in a timely manner.

In our review of 405 electronic time statements for Prison Enterprises between July 1, 2024, and December 31, 2024, we noted the following:

- 57 (14%) were certified by the employee between 1 and 132 days after the date required by policy.
- 59 (15%) were approved by supervisors between 1 and 133 days after the date required by policy.

Department policy HQ-A-026 requires electronic time statements to be certified by employees and approved by supervisors no later than the payroll disbursement date.

Department employees did not adhere to policy for timely certification and approval of time statements.

Management should enforce time and attendance policies and establish monitoring procedures to ensure employees comply with existing policy, including properly certifying and approving time statements in a timely manner. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 4-5).

Trend Analysis

We compared the most current and prior-year financial activity using the Department's Annual Fiscal Reports and/or system-generated reports and obtained explanations from the Department's management for any significant variances.

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

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

KAW:AB:BH:BQD:aa

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APPENDIX A: MANAGEMENT'S RESPONSES

Department of Public Safety & Corrections
State of Louisiana

JEFF M. LANDRY
GOVERNOR



GARY E. WESTGOTT
SECRETARY

January 9, 2026

Michael J. "Mike" Waguespack, CPA, Legislative Auditor
Louisiana Legislative Auditor's Office
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Waguespack:

The Department concurs in part with the audit finding of inadequate review of subsequent changes to time computations. The Department concurs that procedures outlined in the regulation as written were not able to be consistently followed and as a result updates to the regulation have been made. Ongoing enhancements provide adequate review of subsequent changes to time computation for the following reasons:

1. **As stated in the LLA findings report, no errors related to the 30 changes to credits and forfeitures were identified in the most recent time computations reviewed, as was also the case in the LLA's previous audits conducted in 2023 and 2024.**

The Department has a process in place to provide a review of initial time computations and subsequent changes to time computations. As of June 2025, our compliance specialists utilize Diligent, a technology driven software, to manage the audit process. This software streamlines the audit process by utilizing automated workflow/questionnaires in a centralized repository ensuring a well-documented audit trail. 'Real-time' reports and storyboard are automated for management oversite and training purposes. The lists of cases uploaded to Diligent consist of initial time computations performed across the state. As a result, all initial time computations are audited. Additionally, all subsequent changes to time computations are reviewed a second time prior to an inmate's release from the custody of the Department.

2. **Department Regulation IS-B-3 required a review of (1) all Pre-Classification intake files and (2) all subsequent changes to inmate time computations. This policy also requires that such review/audit be conducted within at least 30 days of the intake and/or subsequent change to an inmate's time computation, and that reviews are conducted using the Departments standard audit form.**

A.1

All initial time computations and release clearing processes require a secondary review. However, not all CTRP credits and forfeitures of good time received a secondary review conducted within 30 days of the subsequent changes made.

Based on reports provided by OTS, from July 1, 2024 through December 31, 2024, 6,118 initial cases were computed and 12,496 CTRP class credits were completed by offenders. Based on prior efforts and the numbers indicated in this report, the volume of CTRP credit cases alone has demonstrated that staffing levels are insufficient to absorb the additional audit workload. The department will be unable to meet these operational demands in a reliable and sustainable manner. It is not operationally feasible for staff to complete comprehensive reviews across all required categories while simultaneously maintaining timely and efficient processing of intakes, supplemental updates, and release clearances. Nevertheless, audits of initial time computations and secondary reviews of time computations prior to releases are required. The Department has reassessed IS-B-3 and implemented revisions to establish expectations that are aligned with available resources. The updates now reflects current operational workflows and ensures that future compliance can be both measured and achieved.

3. Continued ongoing Technology Advancements.

As stated previously in this response, the Department has implemented Diligent software to automate and standardize the audit process. Additionally, The Department has implemented an electronic document upload portal for the receipt of required sentencing documents. As of this review, 62 of the 64 parishes are actively using the portal. This system has proven not only streamline the document intake process but also provide a digital mechanism for tracking all uploads. The Mi-Case platform has been successfully integrated into the Department's new Offender Management Software project, CIPRS. During project testing, the Department has utilized this software and determined it to be beneficial in secondary reviews of cases.

Should you have any questions, please contact Stacey Brown, Chief Financial Officer.

Sincerely,



Gary E. Westcott
Gary E. Westcott
Secretary

Department of Public Safety & Corrections
State of Louisiana

JEFF M. LANDRY
GOVERNOR



GARY E. WESTCOTT
SECRETARY

January 13, 2026

Michael J. "Mike" Waguespack, CPA, Legislative Auditor
Louisiana Legislative Auditor's Office
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Waguespack:

The Department concurs with the audit finding regarding inadequate controls over fuel cards. Although it is important to note that no theft or waste of fuel was identified during this audit, the Department is committed to improving internal controls to ensure that adequate records are maintained for fuel cards. For that reason, the following corrective actions will be taken:

- While fuel card policies are in place at all facilities, the Department will ensure that all facilities update policies to include non-vehicle (gas can) fuel usage to be logged.
- The Department's Accounting Services section will monitor fuel card transactions and facility reconciliations to ensure that fuel card transactions are accurately logged and all facilities are in compliance with established policies.

The addition of these internal controls will ensure that adequate records are maintained to safeguard assets in accordance with department policies and state regulations, further decreasing the risk of theft and waste.

Should you have any questions, please contact Stacey Brown, Chief Financial Officer.

Sincerely,


Gary E. Westcott
Secretary

**Department of Public Safety & Corrections
State of Louisiana**

JEFF M. LANDRY
GOVERNOR



GARY E. WESTCOTT
SECRETARY

January 6, 2026

Michael J. Waguespack, CPA, Legislative Auditor
Louisiana Legislative Auditor's Office
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Waguespack:

Please accept this as the Department of Public Safety and Corrections – Corrections Services' (DPS&C-CS) response to the recent financial compliance audit conducted at the Department with regards to Prison Enterprises adherence to the Department payroll policy.

The Department concurs with the finding that payroll policy HQ-A-26 requiring electronic time statements to be certified by employees and approved by supervisors no later than the payroll disbursement date was not adhered to in all instances.

It is important to note that while the finding states that untimely certification of time statements by employees and untimely approvals by supervisors increases the risk that errors or fraud could occur and not be detected in a timely manner, there were no overpayments or fraudulent activity found during the audit.

Prison Enterprises (PE) has already taken the following corrective actions to ensure that time statements are certified and approved according to Department policy:

- Time administrator duties within Prison Enterprises (PE) are assigned to a designated position that is filled by consistent, long-term staff to ensure continuity and accountability.
- The Human Resources Director, Teresa Davis, will ensure that notifications are emailed from Headquarters (HQ) Human Resources to PE time administrators advising them of any certifications and approvals that have not been completed by Thursday morning following the close of the pay period. If certifications and approvals remain incomplete by Thursday afternoon, notifications will also be sent to the Prison Enterprises (PE) Director, Deputy Director, and Assistant Deputy Director. While 100% compliance is always the expected and desired outcome, there are circumstances that may prevent certifications from being completed timely. These may include, but are not limited to, resignations or transfers of employees or supervisors occurring within the pay

period; vacations or extended leave taken by employees or supervisors, such as Family and Medical Leave Act (FMLA) or Workers' Compensation leave; and holidays, office closures, or other approved time off taken by employees or supervisors during the week following the close of the pay period.

Should you have any questions, please contact Stacey Brown, Chief Financial Officer.

Sincerely,



Handwritten signature in blue ink, appearing to read "Gary E. Westcott".

Gary E. Westcott
Secretary

APPENDIX B: SCOPE AND METHODOLOGY

We performed certain procedures at the Department of Public Safety and Corrections – Corrections Services (Department) on movable property for the period from January 1, 2024, through June 30, 2025, and on all remaining procedures for the period from July 1, 2024, through June 30, 2025. Our objective was to evaluate certain controls the Department uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. The scope of our procedures, which is summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit or review the Department's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. The Department's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated the Department'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 the Department.
- Based on the documentation of the Department's controls and our understanding of related laws and regulations, and results of our analytical procedures, we performed procedures on selected controls and transactions relating to movable property, time computations, payroll expenditures, fuel card expenditures, and sheriff housing payments.
- We compared the most current and prior-year financial activity using the Department's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from the Department's management for any significant variances that could potentially indicate areas of risk.

The purpose of this report is solely to describe the scope of our work at the Department and not to provide an opinion on the effectiveness of the Department'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 purpose.