



Report Highlights

Louisiana Board of Regents

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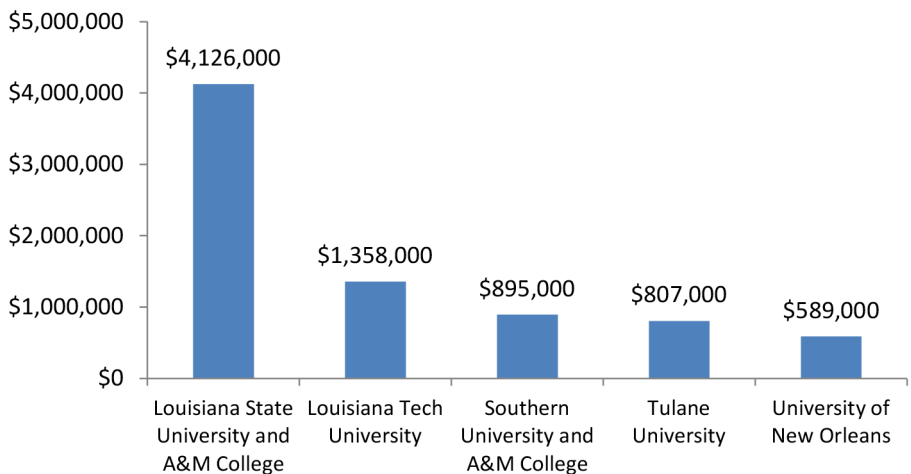
Why We Conducted This Audit

We performed certain procedures at the Louisiana Board of Regents (BOR) as part of the Single Audit of the State of Louisiana for the year ended June 30, 2017.

What We Found

- We determined that management has resolved the prior-year Single Audit finding related to Indirect Costs Not Reported on the SEFA.
- For the second consecutive year, BOR did not adequately monitor subrecipients of Federal Research and Development (R&D) Cluster programs. BOR did not have controls in place to ensure that required audits were completed within nine months of the end of the subrecipient's audit period; that a management decision on audit findings was issued within six months after receipt of the subrecipient's audit report; the subrecipient took timely and appropriate corrective action on all audit findings; or a certification from the subrecipient was obtained indicating that an audit was not required. In addition, BOR did not adequately evaluate subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward, nor did it adequately monitor required financial and programmatic reports prior to payments made to subrecipients.

BOR R&D Cluster Payments to Subrecipients Who Received More Than \$500,000 during FY17



Source: BOR Contract Database

- For the second consecutive year, BOR did not have adequate controls in place to ensure compliance with cash management requirements for the R&D Cluster programs. One employee is assigned the responsibilities of preparing and submitting the draw request for Federal funds without an independent review. These procedures, as designed, would not detect errors or fraud that could occur when preparing the draw request and could place BOR in noncompliance with Federal regulations.
- BOR did not have a review process in place to ensure that financial reports are accurate prior to being submitted to the Federal agency.