



*We are an expert team of trusted advisors collectively working  
to improve communities and build a better Louisiana.*

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# 2026

## Annual Report & Act 461 Report



LLA  
LOUISIANA  
LEGISLATIVE  
AUDITOR



## OUR MISSION

*To foster accountability and transparency in Louisiana government by providing the Legislature and others with audit services, fiscal advice, and other useful information.*

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**This annual report was prepared to comply with [Louisiana Revised Statute 24:513 D\(1\)](#).**

The purpose is to review the work of the Louisiana Legislative Auditor's (LLA) office over calendar year 2025 and to highlight significant issues involving state and local governments. The goal of summarizing these issues is to encourage corrective actions, such as improved procedures or legislative actions that will resolve or reduce the impact of these concerns and increase accountability and transparency in Louisiana government.

This report also helps satisfy the annual reporting requirement of Act 461 of the 2014 Regular Legislative Session.

The report summaries that follow are organized by audit section and reflect only a portion of the nearly **4,000** reports released in calendar year 2025. They are representative of those issues, findings, and/or problems deemed most significant by the LLA. However, these summaries do not include every finding or weakness identified but focus on the major concerns or issues facing Louisiana.

The reports contain specific recommendations and/or matters for legislative consideration and can be found on the LLA website at [lla.la.gov](http://lla.la.gov). These reports include agency responses. In some instances, changes already may have been implemented or may be in progress.

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## A HISTORY OF AUDITORS



**J.B. Lancaster**  
1964-1972



**Joseph H. Burris**  
1972-1989



**Daniel G. Kyle**  
1989-2003



**Steve J. Theriot**  
2004-2010



**Daryl G. Purpera**  
2010-2021



**Michael J. Waguespack**  
2021-Present



**Michael J. "Mike" Waguespack, CPA**  
Legislative Auditor

**Beth Q. Davis, CPA**  
First Assistant Legislative Auditor  
Director of Financial Audit Services

**Roger W. Harris, JD, CCEP, CFI**  
Executive Counsel  
Assistant Legislative Auditor for Investigations

**Jenifer Schaye, JD, CFE**  
General Counsel

**Judith Dettwiler, CPA, CIA**  
Assistant Legislative Auditor  
Director of Local Government Services

**Emily Dixon, CIA, CGAP, CRMA, MBA**  
Assistant Legislative Auditor  
Director of Performance Audit Services

**Victoria Hayes, CPA**  
Assistant Legislative Auditor  
Director of Recovery Assistance Services

**Kenneth J. "Kenny" Herbold, ASA, EA, CFA,  
MAAA, FCA**  
Director of Actuarial Services

**Kathleen Stewart Richey, JD**  
State of Louisiana Child Ombudsman

**Edward P. Seyler, PhD, CIA, CGAP**  
Economist  
Director of Economic Advisory Services

# FROM THE AUDITOR'S DESK

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**Two notable events helped bookend a remarkable 2025 for the LLA.**

In February, the LLA partnered with Gov. Jeff Landry's Fiscal Responsibility Program – also known as LA DOGE – to help work on ways to improve the efficiency and effectiveness of the state's government operations.

In November, the LLA was front and center again when the Legislative Auditor was charged with overseeing the City of New Orleans' plans to spend \$125 million in emergency bond proceeds as officials work to stabilize the city's finances.

Both instances underscore the LLA's longstanding efforts to promote fiscal responsibility and serve as a trusted advisor to state and local government officials.

The LLA also saw some leadership changes in 2025. Judith Dettwiller, who has been with the LLA since 2012, was promoted to Assistant Legislative Auditor/Director of Local Government Services, and Emily Dixon, who has been with the LLA since 2003, was promoted to Assistant Legislative Auditor/Director of Performance Audit Services.

The State Child Ombudsman's division expanded again with the addition of an Assistant Ombudsman for Education Issues and an Intake Coordinator to help increase the division's responsiveness to the public.

LLA staff achieved some notable honors last year as well.

In June, Performance Audit Services received the 2025 National Legislative Program Evaluation Society's Excellence in Evaluation award. The award is given each year to just one legislative office in recognition of its contributions to program evaluation or performance auditing over the previous four years. In addition, Performance Audit's report "Oversight of the Louisiana Oilfield Restoration Association's (LORA) Efforts to Address Orphaned Oil and Gas Wells" earned a 2025 National Legislative Program Evaluation Society Certificate of Impact award.

In July, Performance Audit team members received the Excellence in Accountability Award (Large) at the National State Auditors Association conference. The award recognized Performance Audit for a set of three reports examining special education services for students with disabilities.

Then, in August, the LLA received a pass rating from the National State Auditors Association following its external peer review. The peer reviews are conducted every three years, and the pass rating is the highest one given.

Thank you and congratulations to all of you!





**Michael J. "Mike" Waguespack CPA**  
**Louisiana Legislative Auditor**

Michael J. Waguespack was elected Legislative Auditor on April 19, 2021. A native of Louisiana, Mr. Waguespack has had a long and varied career.

# CRUNCHING THE NUMBERS

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In 2025, we released **145** staff reports covering a variety of topics and state agencies and oversaw the work of approximately **250** independent contract audit firms that conducted **3,775** audits and other types of engagements on local government entities.



In addition, we prepared **89** fiscal notes related to 29 bills affecting the expenditures of political subdivisions and **42** actuarial notes for 21 retirement bills affecting the 13 state and statewide public retirement systems. We also reviewed **2,714** millages and prepared **11** legal opinions.



Approximately **250** employees work for the LLA. The majority work in Actuarial Services, Economic Advisory Services, Financial Audit Services, Investigative Audit Services, Performance Audit Services, and Recovery Assistance Services.

Other staff members work in Advisory Services, Legal Services, Local Government Reporting, and the office of the State of Louisiana Child Ombudsman. Staff members in these sections provide guidance and training to state and local officials and quasi-public entities, answer questions from the public, conduct research, monitor legislative changes, provide legal opinions for staff and public officials as requested by the Legislative Auditor, and help ensure the audit law is enforced.

Staff members in the Accounting, Human Resources and Professional Development, Information Services, Publishing, and other administrative areas provide necessary support for the LLA's work.

Much of our work is required by state or federal law. Other work is the result of complaints, lawmaker requests, and our identification of risk areas in state and local governmental entities. As always, however, all our work is driven by our mission and by our goal of helping to create a **#BetterLouisiana**.



WELCOME TO LOUISIANA LEGISLATIVE AUDITOR

# YOUR TRUSTED ADVISOR

We are an expert team of trusted advisors collectively working to improve communities and build a better Louisiana.

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Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor

[Recent Reports](#)[Educational Opportunities](#)

02/04/2026

**Department of Public Safety and Corrections - Correction Services**

Period: 2/1/2024 - 6/30/2025

[Full Report](#)[Summary](#)

02/04/2026

**Louisiana State University and Related Campuses - NCAA**

Period: 2/1/2024 - 6/30/2025

[Full Report](#)

02/04/2026

**East Baton Rouge Parish School Board**

Period: 2/1/2024 - 6/30/2025

[Full Report](#)

02/04/2026

**Lafourche Parish School Board**

Period: 2/1/2024 - 6/30/2025

[Full Report](#)

02/04/2026

**Madison Parish School Board**

Period: 2/1/2024 - 6/30/2024

[Full Report](#)

02/04/2026

**St. Mary Parish School Board**

Period: 2/1/2024 - 6/30/2025

[Full Report](#)

02/04/2026

**Town of Killian**

Period: 2/1/2023 - 6/30/2024

[Full Report](#)

02/04/2026

**Town of Montgomery**

Period: 1/1/2024 - 12/31/2024

[Full Report](#)[Search All Audit Reports >](#)

**LLA on the Web: [lla.la.gov](http://lla.la.gov)**

# SOCIAL MEDIA

Through its different social media platforms, the LLA works to keep members of the Legislature, public officials, and the public informed about audit report releases, local government training sessions, recruiting efforts, audit resources, staff hires, staff awards and promotions, and other matters.

The LLA's YouTube channel – [www.youtube.com/user/LouisianaAuditor](https://www.youtube.com/user/LouisianaAuditor) – features videos from the Center for Local Government Excellence's 2025 training sessions, a variety of video blogs from Legal Services covering such topics as the Lawrason Act, Salaries in Municipalities, and Piggybacking, and the 2025 Millage Workshops.



In 2024, the LLA produced **10** podcasts that focused on highlights from select audit reports. The podcasts can be found at [www.llala.gov/reports/podcasts](https://www.llala.gov/reports/podcasts), or listeners can subscribe to LLA Reports through iTunes, Google Play, Spotify, and Amazon Alexa.

## 2025 Episodes

*Adverse Actions Lists for Certified Nurse Aides and Direct Service Workers*  
January 31, 2025

*Louisiana Fortify Homes Program*  
March 10, 2025

*Managed Care Incentive Payment Program*  
March 10, 2025

*Maternal Health Outcomes*  
March 17, 2025

*Homelessness Initiatives in New Orleans*  
March 24, 2025

*Treatment and Care of Incarcerated Females*  
May 19, 2025

*Progress Report: Medicaid Residency*  
June 2, 2025

*Progress Report: Deceased Medicaid Beneficiaries*  
August 11, 2025

*Progress Report: Medicaid Beneficiaries with No Services*  
October 13, 2025

*Child Support Enforcement*  
December 1, 2025



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*@LouisianaLegislativeAuditor*



**X:**  
*@LALegisAuditor*



**LinkedIn:**  
*Louisiana Legislative Auditor*



**Instagram:**  
*louisianalegislativeauditor*



**Jenifer Schaye** JD, CFE  
General Counsel

# LEGAL SERVICES

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Legal Services staff members represent the LLA in court matters, issue opinions, provide assistance to CPAs, local government officials, and public employees, answer public records requests, and give presentations.

In 2025, Legal issued **11** written opinions to internal LLA staff, answered **1,038** calls from CPAs and public officials, answered **34** public records requests and responded to **eight** subpoenas.

Legal reviewed and, when necessary, updated and amended all FAQs and White Papers located on the [LLA's website](#). These resources total **46** and range in topics from *Public Bid Law* to *Sexual Harassment*. Legal also has produced and posted a variety of video blogs ranging from the *Lawrason Act* to *Immediate Family* to *Salaries in Municipalities* to *Piggybacking*. These vlogs total **30**.



In addition, the General Counsel and Senior Attorneys gave **20** public law presentations to 11 organizations and various public entities (e.g., the City of Baton Rouge, the Louisiana Department of Education, and the Governmental Accounting and Auditing Conference). They also participated in the Center for Local Government Excellence's (CLGE) workshops in March and October. These CLGE presentations were presented in person and via streaming. Legal's presentation topics included *Public Bid Laws that Affect Government Daily*, *Local Government Budget Act*, *Public Records Law*, and *Common Ethics Issues*.

The Tax Review Officer certified **2,714** ad valorem taxes in 2025 and presented **four** Millage Workshops – two in person and two streaming. Approximately **415** people participated in the workshops. The Millage Workshops are available on the LLA's website and [YouTube channel](#).

Additionally, the *Yearly Millage Documentation* has now been converted to a fully-electronic processing procedure to provide a more streamlined and efficient method for submission of yearly millage documents by tax assessors and political subdivisions across the state.

Legal's training for the Governor's Office of Homeland Security and Emergency Preparedness is available as well online and on demand. The training consists of five video modules: (1) *Introduction/Contracts and Cooperative Endeavor Agreements*; (2) *Public Bid Law and Professional Services Contracts*; (3) *Louisiana Procurement Code*; (4) *FEMA Contract Procurement*; and (5) *Important Online Resources*.



**Kathleen Stewart Richey JD**  
State of Louisiana Child Ombudsman



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**In 2025, the Child Ombudsman Division continued to build capacity to meet the 17 specific duties outlined in the law, La R.S. 24:525. During 2025, an Assistant Ombudsman for Education Issues and an Intake Coordinator joined the team, allowing the division to be more responsive to the public. Additionally, the Child Ombudsman division designed and implemented a case management system to manage and track the complaints received and processed on behalf of children.**

To gather information for the required *Biennial Report on Conditions of Confinement*, staff made both announced and unannounced visits to all five Office of Juvenile Justice youth facilities. During these visits, policies were reviewed; individual youth education plans, disciplinary actions, and medical reports were reviewed; and both staff and randomly-selected youth were interviewed.

During 2025, the Child Ombudsman division received and processed more than **350** complaints from individuals, including parents, grandparents and family members, foster children, foster and adoptive parents, attorneys, CASA volunteers, agency staff, and service providers, including mental and behavioral health professionals, hospital administrators, residential care staff, and school personnel. The Child Ombudsman staff have facilitated communication with state agencies and local school systems, educated complainants on law and policy, made appropriate referrals for services, elevated personnel issues, and advocated with agencies and providers on behalf of the best interest of the child.

The State Child Ombudsman staff serve on several commissions, task forces, and committees designed to improve services for children and families, including:

- The Children's Cabinet Advisory Board and its work groups
- The Task Force on Child Sexual Abuse Investigation
- The State Child Death Review Panel
- The Children's Code Committee of the Louisiana Law Institute
- The Children's Law Committee of the Louisiana Bar Association



**Kenneth J. Herbold** ASA, EA, CFA, MAAA, FCA  
Director of Actuarial Services

# ACTUARIAL SERVICES

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Actuarial Services' focus is on Louisiana's 13 state and statewide public retirement systems.

The four state retirement systems are:

- Louisiana State Employees' Retirement System
- Teachers' Retirement System of Louisiana
- Louisiana School Employees' Retirement System
- Louisiana State Police Retirement System

The nine statewide retirement systems are:

- Clerks of Court Retirement and Relief Fund
- District Attorneys' Retirement System
- Firefighters' Retirement System
- Louisiana Assessors' Retirement Fund
- Louisiana Sheriffs' Pension and Relief Fund
- Municipal Employees' Retirement System
- Municipal Police Employees' Retirement System
- Parochial Employees' Retirement System
- Registrars of Voters Employees' Retirement System

Actuarial prepares actuarial cost notes for all proposed legislation that would affect the state's public retirement systems. In 2025, staff actuaries prepared **42** actuarial notes for 21 retirement bills.

In addition, they completed reviews of the actuarial valuations for all 13 state and statewide retirement systems and reviews of the experience studies for two of the statewide retirement systems.

Actuarial also published an informational brief in response to House Resolution 163 of the 2025 Regular Legislative Session, which requested a study related to the feasibility of merging certain members of the City of New Orleans Firefighters' Pension and Relief Fund into the statewide Firefighters' Retirement System.



**Beth Q. Davis** CPA  
First Assistant Legislative Auditor  
Director of Financial Audit Services



**Roger W. Harris** JD, CCEP, CFI  
Executive Counsel  
Assistant Legislative Auditor for Investigations

# AUDIT SERVICES

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The LLA has several sections that focus on different aspects of auditing related to state and local governmental entities.

**Economic Advisory Services** delves deeply into the financial implications of issues of interest to the state.

**Financial Audit Services** focuses on whether state agencies and universities have adequate controls in place to ensure accountability over public funds and compliance with state and federal laws, regulations, and grant agreements.

**Investigative Audit Services** gathers evidence regarding fraudulent or abusive activity affecting governmental entities to detect and deter the misappropriation of public assets and to reduce future fraud risks.

**Performance Audit Services** evaluates the economy, efficiency, and effectiveness of state agency programs, functions, and activities through audit reports, informational reports, and informational briefs.

**Recovery Assistance Services** ensures federal disaster recovery funds are spent in accordance with federal and state laws, rules, and regulations.





**Emily Dixon** CIA, CGAP, CRMA, MBA

Assistant Legislative Auditor  
Director of Performance Audit Services



**Victoria Hayes** CPA

Assistant Legislative Auditor  
Director of Recovery Assistance Services



**Edward P. Seyler** PhD, CIA, CGAP

Economist  
Director of Economic Advisory Services

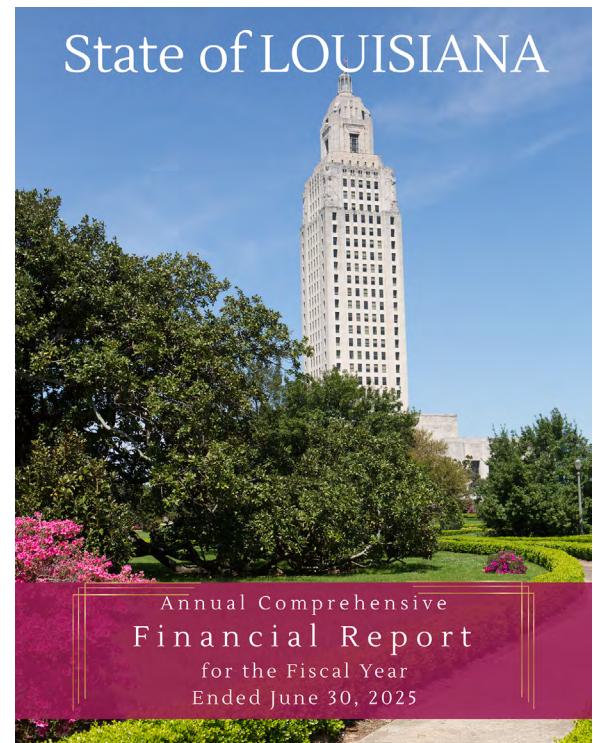
## STATEWIDE REPORTS

### Annual Comprehensive Financial Report

December 30, 2025

The Annual Comprehensive Financial Report (ACFR) is the official financial report for the State of Louisiana and presents the state's financial position as of June 30, 2025, and the operating activities of the state's primary government and its component units for the fiscal year. The financial information included in the ACFR is intended to be used by the general public, investment companies, bond holders, and bond rating agencies to evaluate the state's financial integrity and to set bond rates.

LLA's audit of the ACFR was performed in accordance with *Government Auditing Standards*, and the audit report was issued on December 30, 2025. **For the eighth consecutive report, auditors found the state's records and statements fairly presented Louisiana's financial position.**



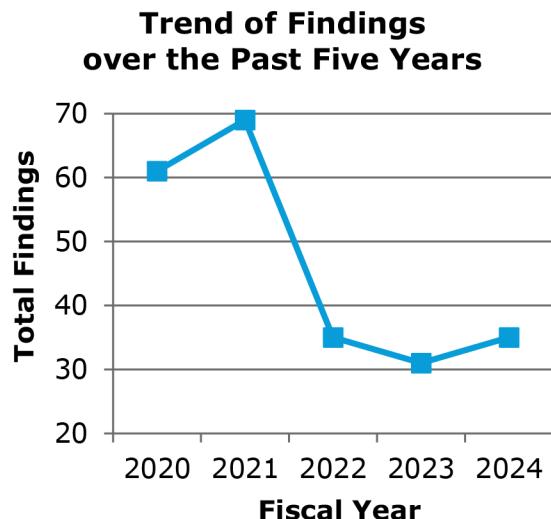
The auditor's report noted that, as of September 2025, the Louisiana Workforce Commission had identified approximately 110,066 paid claims totaling \$860 million filed from March 15, 2020, through June 30, 2025, with various unresolved issues indicating potential overpayments to claimants. The report also noted that the state implemented Government Accounting Standards Board Statement No. 101, *Compensated Absences*, which resulted in a restatement of beginning net position for a change in accounting principle.

### Single Audit Report for 2024

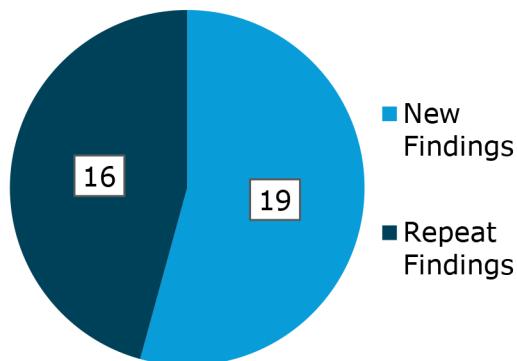
March 31, 2025

The Single Audit Report recaps many findings related to financial reporting, including the state's expenditures of federal awards, and federal programs, most of which have been reported previously by the Legislative Auditor in individual agency reports. Federal law requires the state to compile the Single Audit every year. Officials use the information to monitor whether the state has adequate controls over financial reporting and whether it has materially complied with the requirements of federal assistance programs deemed major for the period under audit.

**The 2024 Single Audit identified 35 findings, including 16 repeated from the prior audit, involving 14 state entities.** This was an increase of four findings compared to the Single Audit report issued in the prior year.



**Fiscal Year 2024 Comparison of Repeat Findings to New Findings**



Certain findings resulted in modified opinions on three of the state's 17 major federal programs because they did not comply with certain requirements.

The programs given a modified (qualified) opinion were:

*Research and Development Cluster* – For the **sixth consecutive year**, Louisiana State University Health Sciences Center in Shreveport (LSUHSC-S) did not have adequate controls in place to ensure compliance with Special Tests and Provisions requirements.

For the **sixth consecutive year**, LSUHSC-S did not ensure internal controls over documentation of personnel services were operating effectively and did not ensure compliance with federal guidance regarding cost transfers applicable to the Research and Development (R&D) Cluster.

For the **fourth consecutive year**, the University of Louisiana at Lafayette did not have adequate controls in place to ensure personnel expenses charged to federal R&D awards accurately reflected work performed.

*Children's Health Insurance Program and Medicaid Cluster* – For the **seventh consecutive year**, the Louisiana Department of Health did not enroll and screen all Healthy Louisiana managed care providers and dental managed care providers as required by federal regulations. In the auditors' review of the 23,170 providers paid during fiscal year 2024, it was determined that 8,209 (35%) of managed care and dental managed care providers were not enrolled and screened in accordance with federal regulations.

As a result of the findings included in the 2024 Single Audit, \$260,587,839 in costs were questioned by auditors, for which the state could be liable. The resolution of these questioned costs will be determined by the respective federal grantors.

For the fiscal year ending June 30, 2024, the state expended approximately \$27 billion in federal funds, including loan programs, a decrease from the approximately \$28 billion Louisiana expended in fiscal year 2023.

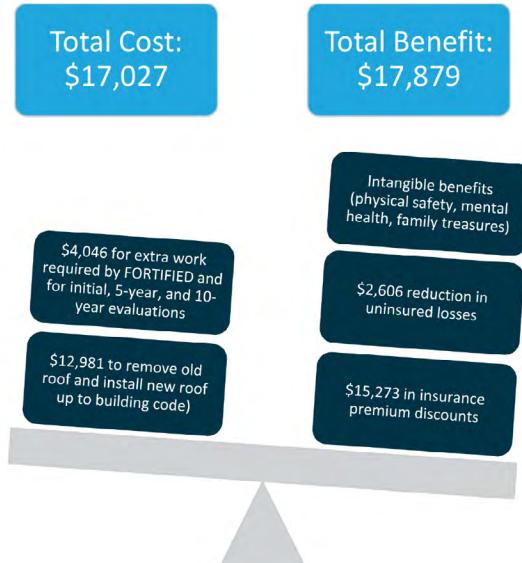
# ECONOMIC ADVISORY SERVICES

## Louisiana Fortify Homes Program

March 5, 2025  
(Podcast)

A review of the Louisiana Fortify Homes Program (LFHP) found the program has provided homeowners with an incentive to upgrade their roofs to the FORTIFIED Roof standard, which entitles them to significant insurance savings and reduced uninsured losses in the event of a hurricane or other windstorm. The median homeowner who received an LFHP grant and got a FORTIFIED Roof saved \$1,250 (22%) on their annual homeowner's insurance costs, lowering their annual premium from \$5,625 to \$4,375. The median cost to upgrade to FORTIFIED was \$16,229, or \$6,229 after accounting for the \$10,000 LFHP grant. For homeowners in South Louisiana, the review found that the program is cost effective because the median savings over a 15-year period were more than the up-front cost to upgrade the roof. Most homeowners who participated in LFHP were satisfied and were very likely to recommend it to family and friends. Very low-income households, with home values less than \$90,000, are underrepresented in the program, but the program is able to reach homeowners in the middle of the wealth distribution. The Louisiana Department of Insurance has partnered with community service organizations to help more low-to-moderate income homeowners participate.

## Median Costs and Benefits of Installing a FORTIFIED Roof Participants in January 2025 Survey



**Source:** Prepared by legislative auditor's staff based on analysis of LFHP participant survey responses and staff's analysis of the FEMA Benefit-Cost Analysis toolkit.

## New Orleans Public School Funding

December 17, 2025

This informational report assessed the Orleans Parish School Board's budget for fiscal year 2025 and the causes and consequences of deficits identified in October 2024. NOLA-PS's actual revenue for fiscal year 2024 was less than expected, partly because of overly optimistic forecasting and partly because of factors outside the school system's control. Specifically, in October 2024, NOLA-PS determined it had ended fiscal year 2024 with \$28 million less in ad valorem and sales taxes than it had originally forecast, which affected school funding for fiscal year 2025. By default, NOLA-PS's funding formula would have required it to reduce funding for public schools in fiscal year 2025 by \$41 million based on state and local revenue shortfalls, but instead it pulled \$35 million from its fund balance and other budget line items, so schools ultimately received 99 percent of their initial projected state and local funding. Total NOLA-PS funding per pupil faces uncertainty as COVID-era federal grants that provided \$1,764 in funding per pupil in fiscal year 2024 have expired.

# FINANCIAL AUDIT SERVICES

## Louisiana Department of Energy and Natural Resources

January 15, 2025

The department did not have adequate controls over the LaCarte purchasing program. As a result, enrollment, account change, and deletion forms for applicable cardholders were not properly completed. In addition, purchasing card (P-Card)/Controlled Billed Account card access for individuals who left the department or changed roles was not deactivated in a timely manner, and program administrators were not notified of declined transactions in a timely manner. [A prior-report finding related to incomplete continuity of operations planning was resolved.](#)

## Louisiana State University System

January 24, 2025

The system failed to immediately notify the Legislative Auditor and the District Attorney of several suspected misappropriations of assets, as required by law. The incidents included possible financial misconduct, investigating an allegation that an employee was repeatedly absent from work without approved leave, investigating an allegation that an employee failed to disclose outside employment and performed outside duties during his normal working hours without approved leave, and multiple notices of theft of movable property.

## University of New Orleans

January 29, 2025

The University of New Orleans (UNO) did not have an effective internal audit function and did not fully adhere to the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing. In addition, UNO did not comply with the University of Louisiana System's Students with Debt policy, including calculating the allowance for doubtful accounts for student receivables. UNO also failed to provide adequate support that delinquent student accounts and delinquent accounts related to separated employees who were overpaid in fiscal year 2019 were reported to the Louisiana Attorney General for collection in a timely manner, as required by system and UNO policies, and state law. [A prior-year finding related to inadequate cybersecurity response documentation was resolved.](#)

## Louisiana Department of Treasury

February 27, 2025

The department did not have adequate controls to ensure investments information submitted to the Office of Statewide Reporting and Accounting Policy for the Annual Comprehensive Financial Report was accurate and complete. Numerous errors that required adjustment were identified, including the omission of some investment policy information, misclassifications, and the omission of required information for certain disclosures. In addition, for the [second consecutive year](#), the department did not complete, review, and approve bank reconciliations in a timely manner. Specifically, certain reconciliations were not completed, reviewed, and approved until between 92 and 163 days after the relevant month-end.

## **Governor's Office of Homeland Security and Emergency Preparedness**

*March 12, 2025*

The Governor's Office of Homeland Security and Emergency Preparedness did not comply fully with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements for the Hazard Mitigation Grant (HM) and Flood Mitigation Assistance (FMA) programs. Of 11 HM sub-awards tested, four totaling \$3,898,561 were submitted from 54 to 117 days after the due date specified by federal regulations. Of 15 FMA sub-awards tested, 12 totaling \$21,245,124 were submitted from 115 to 176 days after the due date specified by federal regulations. This is the **second consecutive report** in which the FMA program was not compliant with FFATA reporting requirements.

## **Louisiana Department of Veterans Affairs**

*March 12, 2025*

Louisiana Department of Veterans Affairs (LDVA) management did not ensure purchases made with the LaCarte card and the Controlled Billed Account were electronically signed off on in the online banking system in a timely manner and did not ensure all required monthly reports were generated and reviewed. In addition, LDVA employees did not ensure all purchases of movable property were properly recorded in the state property system. LDVA also did not ensure parishes and municipalities contributed their share of the expense for operation and maintenance of the Veterans Service Offices and did not ensure cooperative endeavor agreements with the parishes and municipalities were properly executed. LDVA employees failed to follow established inventory policies and did not ensure complete and accurate records were maintained for dietary and warehouse inventory at the five veterans homes. Additionally, LDVA employees did not ensure overtime work was properly preapproved, as required, and LDVA did not refer all debts final for more than 60 days to either the Louisiana Attorney General's office or the Office of Debt Recovery, as required.

## **Thrive Academy**

*March 12, 2025*

For the **fourth consecutive report**, Thrive Academy (Thrive) did not have adequate controls over employee leave records. For the **second consecutive report**, Thrive failed to obtain proper approval for contracts before incurring expenditures and also procured professional and consulting services without initiating formal contracts as required. In addition, Thrive failed to properly monitor contracts, failed to complete vendor performance evaluations in a timely manner, and made payments against current-year contracts for services provided during the prior-year contract period. Also, for the **second consecutive report**, Thrive employees did not accurately report information in the state's movable property system. **A prior-report finding related to weakness in controls over payroll was resolved.**

## **Louisiana State University Health Sciences Center – New Orleans**

*March 17, 2025*

Louisiana State University Health Sciences Center – New Orleans (LSUHSC-NO) did not ensure enrollment status changes for students receiving Federal Direct Student Loans were reported to the National Student Loan Data System in an accurate and timely manner, as required. LSUHSC-NO also did not reconcile the U.S. Department of Education's loan information to the institution's financial records on a monthly basis for the Federal Direct Student Loans program, as required.

## **Bossier Parish Community College**

*March 19, 2025*

Bossier Parish Community College (BPCC) did not ensure bank reconciliations were prepared properly and in a timely manner. In addition, auditors discovered after the bank reconciliations were corrected that BPCC did not record transactions in its accounting system in an accurate and timely manner.

## **Louisiana Department of Children and Family Services**

*March 26, 2025*

For the **13th consecutive year**, the Department of Children and Family Services (DCFS) did not ensure all work activity supporting documentation for cash assistance recipients was accurate and maintained for hours worked under the Temporary Assistance for Needy Families (TANF) program. For the **third consecutive year**, DCFS did not follow established payroll policies and procedures for the certification and approval of time statements or for the approval of leave requests. Also, for the **third consecutive year**, DCFS did not report sub-awards in compliance with the Federal Funding Accountability and Transparency Act (FFATA) in the FFATA Subaward Reporting System for the Foster Care - Title IV-E and TANF programs, as required by federal regulations. DCFS did not have adequate controls in place to ensure expenditures charged to the Social Services Block Grant federal program through the Tracking Information Payment System were supported and approved or to ensure the correct allocation of expenditures in accordance with the Cost Allocation Plan, which assigns costs to federal programs. In addition, auditors noted that the department's Bureau of Audit and Compliance Services investigated and identified multiple instances of unauthorized fuel transactions made by a former DCFS employee in fiscal year 2024. The transactions totaled approximately \$97,500. **Prior-year findings related to improper employee activity in federal programs and noncompliance with and control weakness over Social Services Block Grant activities allowed or unallowed were resolved.**

## **University of Louisiana at Lafayette**

*March 26, 2025*

For the **third consecutive year**, auditors found the university did not bill for federal, state, local, and non-governmental grants and contracts revenue in a timely manner in accordance with contract terms and internal policy. For the **fourth consecutive year**, the university did not have adequate controls in place to ensure personnel expenses charged to federal Research and Development (R&D) awards accurately reflected work performed. Also, for the **fourth consecutive year**, the university did not adequately monitor subrecipients of the R&D Cluster programs. In addition, the university did not ensure that all expenses charged to federal R&D awards complied with period of performance requirements.

## **Louisiana Tech University**

*March 27, 2025*

Auditors noted university officials discovered that from February through November 2024, nine electronic fund transfer payments totaling \$206,451 were fraudulently diverted to an unknown person or persons. The misappropriation occurred after an unknown individual(s) submitted fraudulent emails requesting the payment method for an out-of-state university be changed from physical check to EFT. Louisiana Tech processed the request under the incorrect assumption that it was legitimate.



## Louisiana Department of Health

April 9, 2025

The audit report had 14 findings, 10 of which were repeated from the previous year.

For the **seventh consecutive year**, the Louisiana Department of Health (LDH) did not enroll and screen all Healthy Louisiana managed care providers and dental managed care providers as required by federal regulations. For the **fourth consecutive year**, LDH did not have adequate controls over financial reporting to ensure its financial reports were accurate, complete, and prepared in accordance with instructions from the Office of Statewide Reporting and Accounting Policy. In addition, LDH submitted inaccurate federal schedules used to prepare the Schedule of Expenditures of Federal Awards.

For the **third consecutive year**, LDH did not follow established payroll policies and procedures to certify and approve time sheets, or to approve leave requests. LDH also did not have evidence that the state share of Medicaid expenditures associated with \$248 million of federal expenditures reported on the June 30, 2024, quarterly federal expenditure report was spent using state funds as of the date of the report. LDH did not have adequate controls in place to ensure the Federal Medical Assistance Percentage for the Medicaid program was appropriately updated in LaGov cost share tables for two quarters in fiscal year 2024.

For the **second consecutive year**, LDH did not have adequate controls in place to ensure compliance with reporting and matching requirements for the Medicaid and Children's Health Insurance (CHIP) programs. In addition, the Office of Public Health (OPH) did not have adequate controls in place to ensure federal financial reports for the Public Health Emergency Preparedness federal program were accurate, current, and complete before being submitted to the federal agency. Additionally, LDH exceeded the federally-allocated 2016 Disproportionate State Hospital funding limit by \$4.2 million. For the **second consecutive year**, LDH did not adhere to established policies and procedures regarding maternity kick payments.

For the **fifth consecutive year**, LDH lacked adequate internal controls over eligibility determinations for the Medicaid and CHIP programs. For the **second consecutive year**, LDH paid Medicaid Home and Community-Based Services claims for the New Opportunities Waiver for waiver services that were not adequately documented. In addition, payments for support coordination services claims and for the Residential Options Waiver for waiver services were not adequately documented.

For the **second consecutive year**, LDH did not have adequate controls in place to correctly identify the date of discovery for provider overpayments. In addition, LDH did not provide evidence that an adequate review was performed for three quarterly CMS-64 Line 9 reconciliations. For the **sixth consecutive year**, LDH, the managed care organizations, and Magellan Health Services did not have adequate controls in place to ensure that behavioral health services in the Medicaid and CHIP programs were properly billed and that improper encounters were denied. For the **fifth consecutive year**, OPH did not ensure payroll expenditures were certified and approved for the HIV Prevention Activities Health Department Based program. **A prior-report finding related to inadequate controls over and noncompliance with National Correct Coding Initiative Requirements was resolved.**

## **Louisiana State University at Eunice**

*April 9, 2025*

For the **third consecutive report**, Louisiana State University at Eunice (LSU Eunice) had inadequate controls over student refunds and did not submit past-due student accounts receivable to the Louisiana Attorney General for collection in accordance with state law and the university's written procedures. Also, for the **third consecutive report**, unclassified university employees who earned leave did not certify time and attendance records monthly as required by state law. In addition, LSU Eunice did not maintain adequate controls over payroll to ensure payments were properly approved and were in accordance with university policy or applicable laws and regulations.

## **Louisiana Workforce Commission**

*April 10, 2025*

For the **sixth consecutive year**, the Louisiana Workforce Commission (LWC) did not adequately monitor the submission of and follow up on Single Audit reports under the Workforce Innovation and Opportunity Act (WIOA) Cluster programs. For the **second consecutive year**, LWC was not able to produce evidence of its process to review and approve data submissions required by the Federal Funding Accountability and Transparency Act (FFATA) for the WIOA Cluster programs. In addition, certain data submissions were made after the due date specified by federal regulations.

## **Executive Department**

*April 23, 2025*

The Office of Community Development - Local Government Assistance (OCD-LGA) and, for the **fourth consecutive year**, the Office of Community Development - Disaster Recovery (OCD-DR) did not comply with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements for the Community Development Block Grant (CDBG) program. **Prior-year findings related to Restore Louisiana Homeowner Assistance Program awards identified for grant recovery and weakness in controls over payroll were resolved.** The prior-year finding related to inadequate recovery of Small Rental Property Program (SRPP) loans was not repeated because the OCD-DR did not identify any new noncompliant SRPP loans for the CDBG program in fiscal year 2024.

## **Louisiana State University and Related Campuses**

April 23, 2025

The Pennington Biomedical Research Center (PBRC) did not adequately monitor subrecipients of the Research and Development (R&D) Cluster programs. In addition, Louisiana State University Shreveport (LSUS) did not develop, implement, and maintain a comprehensive information security program to meet the minimum requirements of the Gramm-Leach-Bliley Act standards for safeguarding student information. LSUS also failed to return Title IV funds to the U.S. Department of Education (USDOE) within the required time frames. In January 2025, university management identified \$101,159 in outstanding checks to students or parents, issued from September 2014 to May 2024, that were not returned to USDOE as required by federal regulations. [Prior-year findings related to noncompliance with and inadequate controls over Perkins Loan recordkeeping and record retention requirements and noncompliance with federal equipment management regulations at Louisiana State University and Agricultural & Mechanical College were resolved.](#)

## **Louisiana Board of Regents**

May 14, 2025

The Louisiana Board of Regents, which includes the Louisiana Office of Student Financial Assistance and the Louisiana Universities Marine Consortium, lacked adequate controls over travel expenditures. Specifically, expenditures for an international trip failed to follow established state travel regulations, including obtaining appropriate approvals. [A prior-year finding related to inadequate controls over monies held outside the State Treasury was resolved.](#)

## **Louisiana Department of Education**

May 21, 2025

Louisiana Department of Education (LDOE) employees did not follow payroll policies and procedures for certifying and approving time sheets and did not ensure all purchases of movable property were recorded in the state's movable property system in an accurate and timely manner, as required by state property regulations. [Prior-year findings related to noncompliance with reporting requirements for the Federal Funding Accountability and Transparency Act and untimely approvals of LaCarte card and travel card purchases were resolved.](#)

## **Louisiana State University Health Sciences Center in Shreveport**

May 21, 2025

The Louisiana State University Health Sciences Center in Shreveport's (LSUHSC-S) Office of Compliance and Investigation found the former executive director of the library was absent from work without submitting leave time for approximately 35 days between December 2023 and April 2024, resulting in overpayments totaling \$12,861. The director repaid the full \$12,861 in June 2024 and resigned in July 2024. LSUHSC-S did not ensure compliance and did not have adequate controls in place over federal Research and Development (R&D) Cluster expenses. This included, for the **sixth consecutive year**, LSUHSC-S did not ensure its internal controls over documentation of personnel services were operating effectively and did not ensure compliance with federal guidance related to cost transfers applicable to the R&D Cluster. Also, for the **sixth consecutive year**, LSUHSC-S did not have adequate controls in place to ensure compliance with Special Tests and Provisions requirements. **Prior-year findings related to weakness in controls over monitoring of service organizations and weakness in controls over payroll were resolved.**

## **Office of Financial Institutions**

May 21, 2025

The Office of Financial Institutions (OFI) did not perform examinations of check cashers in accordance with its policy. A prior-report finding related to examinations of residential mortgage lenders not performed was not repeated in this report since OFI has made significant progress in performing required examinations of residential mortgage lenders.

## **University of Louisiana at Monroe**

May 21, 2025

The university did not have adequate controls in place to ensure monthly reconciliations for the Federal Direct Student Loans program were performed to meet federal requirements. In addition, the university did not have documented or verifiable policies and procedures for the reconciliation process.

## **Louisiana Department of Public Safety and Corrections – Public Safety Services**

June 18, 2025

For the **third consecutive report**, the Office of State Fire Marshal (OSFM) did not certify and approve time sheets in a timely manner, as required by Department of Public Safety payroll policies. For the **sixth consecutive report**, the Office of State Police (OSP) did not ensure all property purchased was timely tagged and recorded in the state property system, as required by state property regulations. **Prior-report findings related to noncompliance with state purchasing regulations and weaknesses in controls over property of the OSFM were resolved.**

## Drinking Water Revolving Loan Fund - Louisiana Department of Health -

### Office of Public Health

June 25, 2025

For the **second consecutive year**, the Office of Public Health (OPH) did not have adequate controls over preparation of the fund's financial report. In addition, OPH did not have evidence that the state share of \$51,029 in Drinking Water Revolving Loan Fund program expenses was funded with state money as of June 30, 2024. **Prior-report findings related to inadequate controls over and noncompliance with cash management requirements and weakness in controls over payroll were resolved.**

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*The Drinking Water Revolving Loan Fund program provides financial assistance to both publicly- and privately-owned community water systems and nonprofit non-community water systems for projects eligible under the federal Safe Drinking Water Act Amendments of 1996.*

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## Southern University System

June 25, 2025

The system did not maintain adequate controls over payroll processing. Specifically, 19 employees across the system's campuses were identified who had submitted and approved their own time sheets. In addition, errors related to time entry, leave approval, and an unlocated employee action form were found.

## Louisiana Stadium and Exposition District

June 27, 2025

The district did not perform adequate technical reviews over several financial statement accounts, note disclosures, and required supplementary information, resulting in multiple inconsistencies with applicable accounting standards that required adjustments, some of which were material.

## Louisiana Department of Agriculture and Forestry

July 30, 2025

For the **second consecutive report**, the department did not have adequate controls in place over payroll processing, which resulted in employees failing to certify and supervisors failing to approve time statements in a timely manner.

## Second Circuit Court of Appeal

July 30, 2025

The court did not complete, review, and approve bank reconciliations in a timely manner; did not make timely deposits of fee revenue; and did not record interest income on a certificate of deposit during fiscal years 2024 and 2025.

## **Road Home Corporation d/b/a Louisiana Land Trust**

*August 20, 2025*

For the **fifth consecutive year**, Louisiana Land Trust (LLT) did not have adequate controls in place over its financial reporting. The agency's Annual Fiscal Report, financial statements, and note disclosures contained errors that required adjustments. In addition, LLT did not have adequate controls in place to ensure its credit card transactions and bank accounts were properly monitored and complied with the agency's policies and federal regulations. In their review of LLT's credit card statements, auditors found a charge for \$110 to a credit card assigned to an employee who had left the agency in 2016, as well as \$12,166 in charges to a credit card assigned to the chief financial officer, \$9,255 of which appeared to be non-business related. LLT management then reviewed the agency's bank statements from May 2021 to May 2025 and noted the CFO had concealed \$162,210 in deposits and made unauthorized withdrawals totaling the same amount.

## **Capital Area Human Services District**

*September 10, 2025*

For the **second consecutive engagement**, the district did not terminate employee or contractor access to its electronic health record system in a timely manner or perform adequate monitoring of access in accordance with district policy. In addition, district employees did not ensure that all purchases of movable property were properly tagged and recorded in the state property system in accordance with the district's movable property policy.

## **Governor's Office of Elderly Affairs**

*September 10, 2025*

The office did not follow established controls over payroll, which resulted in employees failing to certify and supervisors failing to approve time statements in a timely manner.

## **L.E. Fletcher Technical Community College**

*September 24, 2025*

For the **second consecutive report**, and despite noted improvements, the college did not maintain adequate internal controls over accounts payable. **A prior-report finding related to inadequate controls over bank reconciliations was resolved.**

## **Boards, Commissions, and Like Entities**

*October 1, 2025*

The Louisiana Boards & Commissions website contained information on 489 boards as of June 30, 2025, which was a net decrease of two from fiscal year 2024. Nineteen boards were added in fiscal year 2025, but 21 boards were removed, resulting in the decrease. In addition, one board did not respond to a request for personnel data and financial information. Nineteen boards were identified as inactive, not fully organized, or disbanded in fiscal 2025, 15 of which were also listed as inactive in fiscal 2024. Additionally, 37 boards reported their status as active, but had not reported any meeting notices or minutes since December 31, 2021. Eleven of the 37 also did not list any board members on the Boards & Commissions website.

**Imperial Calcasieu Human Services Authority***October 1, 2025*

For the **fifth consecutive report**, the authority failed to submit delinquent patients' account balances to the Office of Debt Recovery in accordance with contract terms and internal policy. In addition, the authority failed to deliver notices of patient balances to patients in a timely manner.

**Louisiana Department of State Civil Service***October 1, 2025*

For the **fifth consecutive report**, the Louisiana Board of Ethics (BOE) did not submit delinquent debts to the Attorney General's office in a timely manner. As of May 27, 2025, the BOE website noted 3,173 outstanding late fees totaling \$2.7 million from campaign finance disclosure reports, lobbying expenditure reports, and personal financial disclosure statements.

**Student Tuition Assistance and Revenue Trust Programs (START Programs)***December 8, 2025*

START has 3,266 accounts totaling approximately \$2.7 million that were created with federal scholarship funds awarded under the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). The agency had no mechanism in place to ensure compliance with federal regulations related to the redistribution and/or return of these scholarship funds if they are unused. Noncompliance with the regulations could mean the funds will have to be returned to the federal grantor. **A prior-year finding related to inadequate controls over financial reporting was resolved.**

**Southern University System***December 17, 2025*

The system did not deactivate access to its Banner Enterprise Resource Planning System (Banner) for terminated employees in a timely manner and did not review active Banner users to ensure access was appropriately restricted based on business need.

**University of New Orleans***December 17, 2025*

For the **second consecutive year**, the university did not have an effective internal audit function and did not fully adhere to the Institute of Internal Auditors' Global Internal Audit Standards. **A prior-report finding related to inadequate controls over accounts receivable was resolved.**

# INVESTIGATIVE AUDIT SERVICES

## Education Explosion, Inc. d/b/a Impact Charter School

February 5, 2025

Investigative auditors found Education Explosion's chief executive officer diverted \$1,504,268 in charter school funds to a bank account for Friends of Impact Charter School (FICS), diverted another \$171,659 to a third party on FICS' behalf, and used some of the money to make personal purchases. Auditors also found the CEO diverted at least \$221,506 in fees paid by students, parents, and others to the FICS account and other financial accounts not associated with the school. Auditors found as well that a contractor for the school appeared to have shared proceeds from school contracts with the CEO and that the CEO may have used charter school funds to pay for work on her personal residence. Additionally, auditors found the CEO used charter school funds to pay \$130,494 in travel expenses for herself, her husband, and her daughter, exceeding the school's travel budget by \$114,094. The CEO also used \$166,520 in charter school funds to lease and/or purchase vehicles for personal use and used at least \$129,493 in school funds to pay expenses and improvement costs for a building the school did not own. Auditors found, too, that the CEO used her school credit card to incur \$88,607 in charges that appeared to be personal in nature.

Summary of amounts diverted to or for the benefit of FICS	
Excessive lease payments (net)	\$ 846,068
PPP loan	\$ 458,200
Red River Charter Academy (RRCA) payments	\$ 200,000
<b>Total Education Explosion funds diverted to FICS</b>	<b>\$ 1,504,268</b>
<b>School property closing costs paid for the benefit of FICS</b>	<b>\$ 171,659</b>

## St. Bernard Parish Government

April 2, 2025

Investigative auditors found the former parish president and former chief administrative officer received \$19,200 and \$10,116, respectively, in vehicle allowances at the same time that they drove parish-owned vehicles. The two officials also used public funds to pay for their fuel - \$3,614 and \$1,364, respectively. Auditors found as well that the Parish waived fees and/or provided discounts totaling \$47,400 for the rental of parish-owned facilities from July 15, 2022, to October 26, 2023. According to records, the former parish president appears to have signed the contract and/or authorized a majority of the waived fees/discounts totaling \$38,825. In addition, the Parish failed to collect rental fees from a parish employee in a timely manner. Additionally, the Parish paid \$8,000 for the publication of an article on the former parish president's tenure in office. Auditors also found that the former parish president was given a pickup truck by a longtime parish vendor at the Parish's 2023 Christmas party.

## **City of Pineville**

April 16, 2025

Investigative auditors found the former Pineville mayor had the hire date of a new employee backdated to ensure the employee received health insurance before she was eligible under the City's policy. In addition, records showed the City increased the salaries for City Council members and the former mayor without passing an ordinance, as required by state law. The City also provided health insurance benefits to council members and the former mayor without passing an ordinance, as required by state law. Auditors found as well that the City hired a director of operations and special events who worked from February 13, 2023, to March 19, 2024. During that same time period, the City issued seven payments totaling \$4,100 to a company owned by the employee and/or her husband for providing cartoon characters for city events and parades, which could be a violation of state ethics law. Auditors found, too, that the former mayor's city-owned vehicle did not have a public license plate and a logo identifying it as a city vehicle, as required by state law.

## **Emergency Rental Assistance Program Landlord No. 1**

May 1, 2025

Investigative auditors found the Emergency Rental Assistance Program applications submitted to the Office of Community Development by a landlord and his tenants included false statements or misrepresentations of facts. As a result, the landlord received \$79,818 in emergency rental assistance for four rental properties in Lafourche and Terrebonne parishes. Auditors found the landlord was likely ineligible to receive \$78,018 of the \$79,818 because of the following issues in the applications: (1) inclusion of tenants who did not apply for rental assistance, (2) listing of tenants who did not reside at the claimed property addresses, (3) falsely asserting ownership of certain rental properties he allegedly rented to the tenant(s), and/or (4) overstating rental amounts on the applications.

## **Emergency Rental Assistance Program Landlord No. 2**

May 1, 2025

Investigative auditors found the Emergency Rental Assistance Program applications submitted to the Office of Community Development by a landlord and his tenants included false statements or misrepresentations of facts. As a result, the landlord received \$89,360 in emergency rental assistance for eight rental properties in Ascension, Livingston, and St. John the Baptist parishes. Auditors found the landlord was likely ineligible to receive \$60,182 of the \$89,360 because of the following issues in the applications: (1) inclusion of tenants who did not apply for rental assistance, (2) listing of tenants who did not reside at the claimed property addresses, (3) falsely asserting ownership of certain rental properties he allegedly rented to the tenant(s), and/or (4) overstating rental amounts on the applications.

## National Association for African American Economic Development

July 16, 2025

Investigative auditors found the organization improperly used state funds for charitable gaming activities. In February 2024, the organization signed a cooperative endeavor agreement (CEA) with the Louisiana Department of Treasury and received \$400,000 in state money to provide occupational skills training, job placement, and eviction prevention training within state House District 99. Auditors found, however, that from March to December 2024, the organization used \$199,568 of the money to support its bingo games. In addition, auditors found that while the organization did give \$185,000 of the \$400,000 to various subrecipients to carry out the CEA objectives, it failed to properly monitor the subrecipients and did not provide the required documentation to Treasury to show those funds were used properly.

## Lafayette Consolidated Government

August 13, 2025

Investigative auditors found that the Lafayette Consolidated Government (LCG) undertook a public works project involving the removal of a spoil bank on the St. Martin Parish side of the Vermilion River and its reconstruction on the Lafayette Parish side of the river, allegedly for flood mitigation purposes.

Auditors determined that LCG carried out the project without obtaining the required legal authority, land rights, or permits — raising significant legal, regulatory, and intergovernmental concerns. Specifically, LCG expended public funds outside of its jurisdiction without a joint service agreement or cooperative endeavor agreement, as required by its Home Rule Charter and Louisiana law; performed work on land it did not fully own, without documented consent from a known co-owner; failed to obtain a local permit from St. Martin Parish Government; and withdrew its federal permit application from the U.S. Army Corps of Engineers, but then proceeded with the project anyway.

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*Auditors determined that LCG carried out the project without obtaining the required legal authority, land rights, or permits — raising significant legal, regulatory, and intergovernmental concerns.*

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## South Louisiana Charter Foundation, Inc.

September 10, 2025

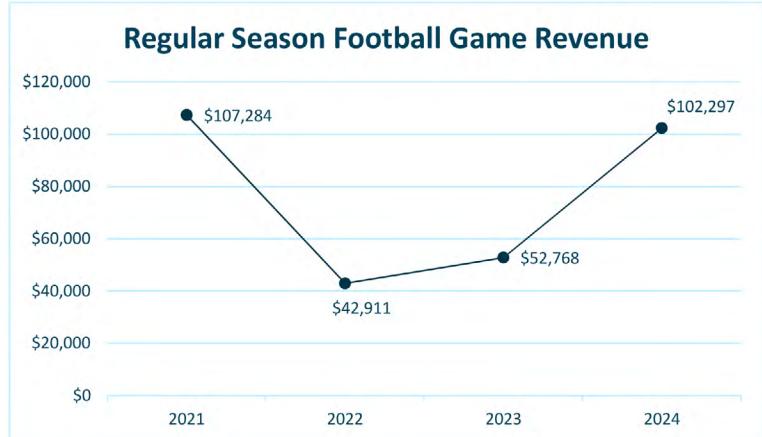
Investigative auditors examined the business practices of Charter Schools USA at Iberville, LLC and the collection of program fees at Red Stick Academy, a learning pod of Iberville Charter Academy (ICA). Charter Schools USA is the management organization for the South Louisiana Charter Foundation, which has a charter contract with the Louisiana Board of Elementary and Secondary Education (BESE). Auditors found that, between June 2019 and April 2023, Charter Schools USA paid its affiliated companies \$6,961,965 without board approval, written contracts, or adequate documentation. In addition, Blended & Online School Solutions, LLC of Florida (BOSS LLC), a related party of Charter Schools USA, opened two off-site locations as learning pods of ICA without complying with Louisiana law or BESE rules. Three of ICA's learning pods collected \$511,538 in fees from the parents of enrolled students between February 2019 and April 2023, which may be a violation of state law and the Foundation's charter contract.

In addition, the Foundation leased its school facility from a related party of Charter Schools USA, but lacked documentation demonstrating the lease represented fair market value. BOSS LLC is leasing two additional facilities from related parties for the operation of learning pods. Charter Schools USA also made net transfers totaling \$681,895 between ICA's bank account and its own bank account between June 2019 and April 2023 and transferred \$250,000 from ICA's bank account to BOSS LLC's bank account in February 2020. Some of these transfers were made without adequate supporting documentation, and none of them were approved by the Foundation board. Finally, Charter Schools USA failed to provide the Legislative Auditor's office with requested Foundation records in a timely manner, with delays extending to 184 days.

## Monroe City School Board - Neville High School Student Activity Fund

November 12, 2025

Investigative auditors found the athletic department's former secretary and bookkeeper made 255 cash deposits totaling \$281,561 to her personal bank account between June 2018 and July 2024, while records indicate revenue from school football games declined from \$107,284 in 2021 to \$42,911 in 2022, and \$52,768 in 2023. In addition, auditors found three checks totaling \$9,000 that were to be used for startup money were converted to cash and deposited into her personal bank account. The auditors also found that the Tiger Gridiron booster club kept the proceeds from seats auctioned off in a pavilion in the south end zone rather than depositing them into the school's bank account and used the funds to feed the football team. However, the booster club did not have a written agreement with the high school to do so.



# PERFORMANCE AUDIT SERVICES

## Adverse Actions Lists for Certified Nurse Aides and Direct Service Workers

January 8, 2025

[\(Podcast\)](#)

Auditors evaluated the Louisiana Department of Health's (LDH) oversight of its adverse actions lists for Certified Nurse Aides (CNAs) and Direct Service Workers (DSWs) with findings of abuse and neglect. They found LDH does not have formal criteria for what incidents of abuse and neglect should result in findings for CNAs/DSWs on the adverse actions lists or for how long CNA/DSW evidence reviews should take. Auditors also found the department took an average of 390 days for CNAs and 375 days for DSWs to add findings to the adverse actions lists after facilities reported allegations of abuse or neglect. In addition, auditors identified individuals who potentially worked as CNAs and DSWs in prohibited health care settings after being added to the adverse actions lists. Specifically, auditors identified 10 of 90 CNAs who worked for a nursing facility and 16 of 380 DSWs who worked for intermediate care facilities for individuals with developmental disabilities after being added to the adverse actions lists.

Findings for CNAs and DSWs added to the Adverse Actions Lists Fiscal Years 2019 through 2023		
Finding	CNAs	DSWs
Physical Abuse	33	183
Neglect	15	124
Exploitation/Misappropriation	20	92
Mental/Emotional Abuse	11	37
Sexual Abuse	3	10
Verbal Abuse	9	23
<b>Total*</b>	<b>91</b>	<b>469</b>

\*Total findings does not match the total number of CNAs/DSWs added to the adverse actions lists because some CNAs/DSWs had findings for multiple reasons. In addition, we excluded 13 records that did not include a reason.

**Source:** Prepared by legislative auditor's staff using data provided by LDH.

## Louisiana's Electric Profile

January 15, 2025

In this informational report, auditors examined Louisiana's generation and consumption of electricity, the Louisiana Public Service Commission's (LPSC) role in regulating electric utilities, and the challenges both the LPSC and the state's electric grid face.

## Managed Care Incentive Payment Program

March 5, 2025

[\(Podcast\)](#)

Auditors evaluated the Louisiana Department of Health's (LDH) design and oversight of the Medicaid Managed Care Incentive Payment (MCIP) Program, which totaled approximately \$2.39 billion from September 2019 through March 2024. They found that LDH's design and lack of oversight of the MCIP program led to the majority of MCIP program funds being paid for activities that did not have a direct, measurable result for how they improved access to health care, improved quality of care, or enhanced the health of Medicaid beneficiaries.

## Implementation Status of Recommendations from Select Performance Audits

### Issued During Fiscal Year 2022

March 12, 2025

In response to Louisiana Revised Statute 24:522.1, auditors evaluated the status of 72 recommendations contained in 13 performance audit reports issued during fiscal year 2022. Of the 72 recommendations, 64 (88.9%) were either implemented, partially implemented, or in the process of being implemented. Eight (11.1%) recommendations were not implemented. The report also highlighted examples of enacted Matters for Legislative Consideration contained in the performance audit reports.

### Maternal Health Outcomes

March 12, 2025

[\(Podcast\)](#)

Auditors evaluated the Louisiana Department of Health's (LDH) efforts to improve maternal health outcomes. Overall, they found an increase in the number of pregnant women in Louisiana who did not receive prenatal care as recommended, with pregnant Medicaid beneficiaries representing a disproportionate share of these women. Based on Medicaid data and other research, possible barriers to receiving recommended care included lack of obstetric providers in certain areas of the state, lack of Medicaid reimbursement for certain maternal health services, and potentially low provider reimbursement rates for birth-related costs.

### Homelessness Initiatives in New Orleans

March 21, 2025

[\(Podcast\)](#)

Auditors examined homelessness initiatives in New Orleans during January 2019 through December 2024 to provide information in response to a legislative request on funding and services, evaluate overall coordination, and identify processes that could be improved. They found that between January 2019 and June 2024, the City of New Orleans (City) and UNITY of Greater New Orleans (UNITY) spent \$216.3 million on homelessness initiatives, primarily from federal funds. They also found that the New Orleans Continuum of Care needs increased collaboration among the City, UNITY, and providers to develop and implement a cohesive strategic plan to address homelessness in New Orleans. In addition, the City is not providing adequate oversight of shelters to ensure they follow minimum health and safety standards. Auditors found, too, that family coordinated entry for shelters is not always accessible for families in need, because it is not always easy for them to contact UNITY. Additionally, providers surveyed by auditors indicated the City and UNITY need to improve communication.

## The Port of New Orleans – Nashville B Substructure

### Repairs Project

April 16, 2025

This informational brief was in response to a legislative request and provided information related to a change order for the Port of New Orleans' Nashville B Substructure Repairs Project. Auditors found the change order, which added almost \$1.2 million to the cost of the \$5.2 million construction contract, was the result of several factors. Those factors included inaccurate estimates of the amount of fiberglass wrap needed for the steel sheet piles underneath Nashville Wharf B and the failure to verify the contract quantities by the Port of New Orleans (Port) and the construction management contractor, missing an opportunity to catch the quantity errors between the project design plans and the Unit Price Bid Form.

In addition, even though the construction contractor identified the shortage early during construction, it failed to notify the Port or the construction management contractor of the discrepancy in writing. The construction contractor also did not submit a change order before ordering the additional material and performing the work needed to meet the deliverables of the contract.



Source: Photo was taken by legislative auditor's staff on April 8, 2025.

## Low-Income Housing Tax Credit Cost Containment

April 30, 2025

This informational report provided information about the costs associated with Low-Income Housing Tax Credit (LIHTC) projects and the state's Qualified Allocation Plan (QAP). Auditors found that the key costs in LIHTC-funded projects consisted of hard costs – primarily construction costs – and soft costs, such as consultant fees, insurance, permits, and appraisals. In addition, both hard and soft costs for LIHTC-funded projects can be higher than those for market-rate projects for various reasons. Auditors also found that Louisiana implemented new cost containment strategies as part of its 2025 QAP requirements. In comparison to the 12 states reviewed, Louisiana was the only state that did not limit developer fees for the 4% LIHTCs, and the only state to use the U.S. Department of Housing and Urban Development total development cost limits. Recommended practices to help states contain project costs include having state housing agencies implement credit allocation limits, procedures to ensure reasonable development costs, and fee limits in their QAPs.

## Opioid Settlement Funds

May 7, 2025

This informational report looked at how Louisiana oversees, distributes, and spends opioid settlement funds. Auditors found that no entity has been designated to enforce the terms of opioid settlement agreements in Louisiana.

The Louisiana Opioid Abatement Taskforce is the advisory body for all opioid settlement funds. Louisiana's Memorandum of Understanding (MOU) does not give the task force the authority to ensure parish and sheriff expenditures comply with the MOU. As of October 2024, the task force had distributed approximately \$98.5 million in opioid settlement funds to parishes and sheriffs. According to a survey auditors conducted, as of September 2024, 20 parishes and 24 sheriffs had spent approximately \$8.6 million on opioid settlement funds on treatment, prevention, and other strategies to address substance use. In addition, nine of 29 responding parishes and 19 of 43 responding sheriffs had not spent any of their opioid settlement funds. Parishes and sheriffs have encountered barriers to spending the funds, such as a lack of staff and a lack of programs and services in their areas and want more guidance from the task force. Louisiana's MOU requires that parishes, but not sheriffs, submit an annual expenditure report to the task force, and that the task force issue an annual report. As of December 2024, 36 of 53 expenditure reports due had been submitted to the task force.

According to the MOU, **approved purposes** means evidence-based forward-looking strategies, programming and services used to:

- provide treatment for citizens affected by substance use disorders;
- provide support for citizens in recovery from addiction who are under the care of SAMHSA qualified and appropriately licensed health care providers; and
- target treatment of citizens who are not covered by Medicaid or not covered by private insurance for addictive services.

## Treatment and Care of Incarcerated Females

May 14, 2025

([Podcast](#))

Auditors evaluated the treatment and care of women incarcerated in Louisiana in response to a legislative request. As of July 2024, 3,519 women were incarcerated in the state. Of this number, 1,582 were state offenders under the supervision of the Department of Public Safety and Corrections, Division of Correction Services. The remaining 1,937 were local offenders housed in local jails. Overall, auditors found that local jails lack sufficient procedures to comply with state laws related to the treatment of incarcerated women. Additionally, while the state correctional facility for incarcerated women generally provides sufficient access to basic medical and educational services for offenders, similar access in local jails varies. Auditors also found that incarcerated men in local jails receive more developmental opportunities than incarcerated women.

## Progress Report: Medicaid Residency

May 28, 2025

([Podcast](#))

In this follow-up report, auditors analyzed the progress made by the Louisiana Department of Health (LDH) with its processes to identify and remove Medicaid coverage for beneficiaries who no longer reside in Louisiana and therefore no longer qualify for Louisiana's Medicaid program. They also conducted this review, in part, to further the goals of the Governor's Fiscal Responsibility Program, also known as LA DOGE. Overall, auditors found LDH did not improve its processes during the scope of this progress report. They found the department made approximately \$103.1 million in per-member per-month (PMPM) payments to managed care organizations for 22,078 adult beneficiaries who did not appear to have lived in Louisiana during the coverage period paid for by these PMPMs. These beneficiaries were identified because their addresses either were changed to an out-of-state address in LDH's Medicaid eligibility system or they obtained a driver's license in another state. After LLA initiated this progress report, LDH ran its first data match using Office of Motor Vehicle data in April 2025.

## Truck Permitting Fees in Louisiana and Neighboring States

May 29, 2025

In this informational report, auditors looked at Louisiana's truck permitting fees, how these fees compare to neighboring states, and how changes to fees could impact state transportation revenues. They found the Louisiana Department of Transportation and Development issues 31 different types of truck permits. Of the four most common types, two—oversize single trip and overweight annual—had fees that were lower than neighboring states, while the other two—overweight single trip and oversize annual—had fees that were comparable. For example, Louisiana's overweight annual permit fee is \$2,500, where Texas' is \$4,090.26 and Mississippi's is \$4,500. Auditors found as well that if overweight and oversize permit fees were adjusted for certain economic conditions, such as inflation, or based on the costs attributed to heavy vehicles, Louisiana's permit fees would become more comparable to those of surrounding states over time. Auditors also estimated that Louisiana could maximize revenues from trucks passing through the state by increasing the fees for the overweight single trip permit (the most commonly issued permit) by approximately 127%, holding all other factors constant, including the cost of alternative routes that avoid Louisiana. For example, if the overweight single trip permit fee for a truck weighing 130,000 pounds and traveling between 51 and 100 miles were increased by 127%, the new fee would be \$578.85 instead of \$255. In addition, increasing the fees for oversize and overweight permits could generate additional revenue to help address the state's estimated \$23.9 billion backlog in transportation infrastructure needs.

## **Child Welfare Staffing and Caseload**

June 4, 2025

In this informational brief, auditors reviewed the Department of Children and Family Services' (DCFS) Child Welfare staffing levels, expenditures for personnel services, turnover rates, caseloads, and case backlogs, as well as its contract for supplemental staff in the Baton Rouge and Orleans regions, in response to a legislative request. Auditors found, among other things, that regional Child Welfare offices had unmet staffing needs of at least 129 workers in fiscal year 2024 and had personnel expenditures of \$149.8 million, which was an increase of \$6.2 million from fiscal year 2023. Positions with high vacancies included frontline Child Welfare workers, whose caseload rose from 9.3 active cases each month in fiscal 2023 to 15.9 between July 1, 2024, and January 31, 2025. Auditors also found that the statewide backlog of Child Protective Services cases decreased by 19.8% between July 1, 2022, and February 3, 2025. However, the backlog in the Alexandria Region increased by 65.9% over the same time period. Auditors found as well that, from May 2023 to January 2025, the Orleans and Baton Rouge regions added an average of 42 supplemental staff who worked a total of 3,076 Child Welfare cases.

## **Progress Report: Deceased Medicaid Beneficiaries**

August 6, 2025  
([Podcast](#))

Auditors reviewed the progress the Louisiana Department of Health (LDH) has made with its processes to identify and remove Medicaid coverage for beneficiaries who are deceased and therefore no longer qualify for the program. They also conducted this review, in part, to further the goals of the Governor's Fiscal Responsibility Program, also known as LA DOGE. Auditors found LDH could identify additional deceased Medicaid beneficiaries if it included other third-party data sources such as obituaries, the Social Security Administration's Death Master File, and other states' Vital Records databases. Auditors identified 1,072 deceased Medicaid beneficiaries for whom LDH made approximately \$9.6 million in per-member-per-month payments between February 2019 and March 2025.

## **Child Welfare Payments**

August 20, 2025

In this informational report, auditors reviewed the Department of Children and Family Services' (DCFS) controls over child welfare payments. Overall, auditors found DCFS could strengthen its controls. Specifically, auditors found DCFS could require approval for manual payment processing from staff at a higher level than supervisor and strengthen its retention of supporting documentation for payment approvals. In addition, DCFS could ensure that most services have standard rates, that the established rates are reasonable, and that services provided are paid in accordance with the established rates. DCFS also could create additional automatic controls in the Tracking, Information, and Payment System (TIPS) to help prevent incorrect payments, such as capturing the number of service hours and requiring more rates to be coded into TIPS.

## **Pregnancy and Baby Care Initiative**

*September 3, 2025*

In this informational report, auditors reviewed Louisiana's Pregnancy and Baby Care Initiative (PBCI) administered by the Department of Children and Family Services' (DCFS) Division of Family Support. The initiative calls for participating pregnancy centers to provide four services – counseling or mentoring, referrals, classes, and material items. Auditors found the centers provide more services than the ones eligible for payment, including some health care services even though they are not regulated as licensed health care providers. Auditors also found the initiative is funded solely with state general fund dollars. DCFS pays the pregnancy centers monthly using a fee-for-service model. However, the services eligible for state funding outlined in current PBCI contracts do not match what is allowed in state law. As a result, DCFS could have paid the centers for ineligible services. In addition, DCFS' contracts with the centers require them to report monthly on their progress with their performance measures. However, it is unclear if the centers met their performance measure targets for fiscal year 2025 because DCFS did not enforce the requirement that they submit monthly data after reaching their annual cap.

Auditors also found state law requires DCFS to promulgate rules and regulations to implement the PBCI program, which started in August 2024. However, as of July 2025, the department had not done so. Additionally, state law requires DCFS to select a single nonprofit organization to serve as general contractor and manage the provision of services under the initiative, including subcontracting with the existing nonprofit pregnancy centers. This could potentially decrease the funding available for the pregnancy centers because the general contractor will collect an administrative fee.

## **Technology Costs Charged to State Agencies and Other Entities**

*September 3, 2025*

In this informational brief, auditors analyzed technology costs charged to state agencies and other entities by the Office of Technology Services (OTS). They found that since both the agencies and OTS may play a role in information technology (IT) projects, the project costs may be paid by each. For example, agencies may oversee certain aspects of IT projects or the entire project and incur the associated costs. In such cases, OTS does not track the costs. However, OTS does track costs for specific projects if an agency requests it. During fiscal years 2022 through 2024, OTS billed an average of \$615 million each year to state agencies and other entities, which included direct bill pass-through costs. The pass-through costs made up just over \$1 billion of the approximately \$1.8 billion in technology costs OTS billed agencies and state ancillary agencies.

## Office of Motor Vehicles – Driver’s License Issuance and Reinstatement Fees

September 10, 2025

In this informational report, auditors reviewed driver’s license issuance and reinstatement fees collected by the Office of Motor Vehicles (OMV) in response to a legislative request. OMV charges issuance fees for obtaining and maintaining driver’s licenses and identification cards. The agency also charges reinstatement fees to return licenses that have been revoked or suspended to good standing. Auditors found OMV collected \$164 million in license and reinstatement fees in fiscal year 2024, with the majority (\$104 million) coming from Louisiana’s insurance cancellation fee. OMV used \$30.2 million of these fees, and the rest was distributed to other programs. Auditors also found Louisiana’s fees for driver’s license renewals were comparable to those of other states, but the state’s maximum reinstatement fees for insurance violations were higher than every other state reviewed except one. In addition, auditors found that 255,657 of Louisiana’s more than 2.8 million driver’s licenses were suspended or revoked as of June 2024, with insurance cancellations the most common violation. Auditors found as well that more than three-quarters of the licenses suspended and/or revoked in both June 2022 and June 2024 were due to unresolved insurance cancellation violations. Auditors suggested that the Legislature consider evaluating several areas of state law to help mitigate the negative impacts of license suspension and reinstatement fees. Additionally, auditors noted OMV’s difficulties with its outdated computer system.

## Progress Report: Medicaid Beneficiaries with No Services

October 13, 2025

[\(Podcast\)](#)

Auditors reviewed the progress the Louisiana Department of Health (LDH) has made with its processes to identify Medicaid beneficiaries who do not utilize Medicaid services and determine whether they are still eligible and whether their cases are being properly managed by the managed care organizations (MCOs). They also conducted this review, in part, to further the goals of the Governor’s Fiscal Responsibility Program, also known as LA DOGE. Auditors found LDH paid the MCOs \$1.23 billion to manage the care of 50,299 beneficiaries who appear to have been continuously enrolled in Medicaid for 36 to 84 months between January 2018 and December 2024 but received no services. Some of these Medicaid beneficiaries may not have needed or sought services because they were healthy. However, for some beneficiaries identified in the analysis, it is unlikely they did not need any services because of their Medicaid coverage type. Further, some of these beneficiaries may not have had access to providers or may have had other private insurance.

## Trends in Government Staffing

October 15, 2025

In this informational report, auditors provided information on state staffing trends during fiscal years 2021 through 2024. They found that, during this time period, the total number of employees in executive branch agencies increased from 35,553 to 37,465, while higher education staffing decreased from 30,823 to 29,182. In addition, the number of contract employees increased from 322 to 1,328. Auditors also found the average vacancy rate during fiscal years 2021 through 2024 was 14.7%, and the ratio of supervisors to staff averaged 1 to 5.72. According to U.S. Census Bureau data, Louisiana ranked 22nd in the nation in terms of total full-time employees per 10,000 residents during fiscal years 2021 through 2024.

### Total Number of Employees in State Government Fiscal Years 2013 through 2024



**Source:** Prepared by legislative auditor's staff using LaGov ZP39 data.

## Child Support Enforcement

November 26, 2025

[\(Podcast\)](#)

Auditors evaluated the Department of Children and Family Services' (DCFS) Child Support Enforcement program. Among the things they found: The number of child support cases in Louisiana decreased by 36,307, from 258,357 in federal fiscal year 2020 to 222,050 in 2024, which aligns with the national trend. At the same time, DCFS increased the percentage of current child support collected from 52.3% to 55.8% from federal fiscal years 2020 to 2024, collecting and distributing a total of \$2.2 billion during that time frame. However, Louisiana ranked 52nd out of 54 states and territories in the collection of current child support and 47th in the collection of past-due child support in federal fiscal year 2024. Auditors also found DCFS did not maintain complete or accurate case review data for quality assurance reviews conducted by regional staff during state fiscal years 2022 through 2025. According to DCFS, 2,033 of 7,975 cases reviewed by regional staff during state fiscal year 2025 had errors. In addition, 113 of 337 cases reviewed by DCFS Program Integration staff for district attorney caseworkers during state fiscal year 2025 had errors. Additionally, auditors found DCFS had not established procedures to assess the effectiveness of the case review process, including how results were analyzed, reported, and used.

## Special Supplemental Nutrition Program for Women, Infants, and Children

December 3, 2025

In this informational brief, auditors examined U.S. Department of Agriculture and Louisiana Women, Infants, and Children (WIC) program data. They found WIC participants must meet certain criteria related to residency, income, and nutritional risk. As of September 1, 2025, Louisiana had 104,064 WIC participants – 25,914 pregnant, breastfeeding, or postpartum women and 77,977 children under age 5. In addition, the state had 100 WIC clinics across 62 of the 64 parishes. Louisiana also has a history of low WIC participation, including the lowest state coverage rate in the nation in 2022. As of September 2025, the state had 406 authorized WIC vendors, compared to 723 authorized vendors in 2012, which was a 43.8% decrease.

## Higher Education Foreign Security Act of 2022

December 17, 2025

The Louisiana Higher Education Foreign Security Act (HEFSA) required LLA to audit higher education institutions' implementation of the Act's provisions. These provisions apply to institutions that receive state appropriations and that have annual research budgets of at least \$10 million. Five institutions that met this threshold for fiscal year 2024 included Louisiana State University and Agricultural & Mechanical College (LSU A&M), Louisiana State University Agricultural Center (LSU AgCenter), Louisiana State University Health Sciences Center in Shreveport (LSUHSC-S), University of Louisiana at Lafayette (UL Lafayette), and Louisiana Tech University (LA Tech). Auditors found two of the five institutions had not adopted all required policies regarding travel screening requirements. Specifically, LSUHSC-S had not finalized policies regarding travel screening requirements, and LA Tech's travel policy did not include HEFSA-specific requirements. In addition, applicant screening documentation from all five institutions lacked HEFSA-mandated hiring information. Auditors found as well that preapproval and travel screening documentation from LSU A&M, LSU AgCenter, and UL Lafayette lacked HEFSA-mandated information. However, auditors also found several of the institutions have implemented processes to address these deficiencies.

Federal regulations define **foreign adversary countries** as *foreign governments engaging in long-term patterns or serious instances of conduct significantly adverse to the national security of the United States*.

Effective July 18, 2024, federal regulations listed the following six countries as foreign adversaries:

1. The People's Republic of China, including the Hong Kong Special Administrative Region (China)
2. Republic of Cuba (Cuba)
3. Islamic Republic of Iran (Iran)
4. Democratic People's Republic of Korea (North Korea)
5. Russian Federation (Russia)
6. The Regime of Nicolas Maduro (Venezuela)

## **Residential Trash and Recyclables Collection – City of New Orleans**

*December 17, 2025*

In this informational brief, auditors evaluated curbside residential trash and recyclables collection services in the City of New Orleans (City) in response to a legislative request. Auditors found the Department of Sanitation sets the frequency of curbside trash pickups, with residential trash and recyclables currently picked up weekly in all areas except the French Quarter and the Downtown Development District. Before Hurricane Ida struck in August 2021, the City had two service areas outside the French Quarter and Downtown Development District that were provided with twice-per-week curbside trash collection services and weekly curbside recyclables collection services. However, trash collection was reduced to once a week following Hurricane Ida because of collection services performance issues.

Although the change was intended to be temporary, twice-per-week services were never resumed, and the companies continued to be paid at the twice-per-week rate. In October 2022 and January 2024, the City entered into new contracts with private trash collection companies specifying weekly curbside residential trash and recyclables collection services, primarily because of cost. Auditors also found that a city ordinance establishes two monthly fees – a \$24 sanitation fee and a \$1 recycling fee – for residential curbside trash and recyclables collection services. However, it is unclear whether the City charges the full amount of these fees, and the revenue generated from these fees is not sufficient to cover the City's cost of providing residential trash and recyclables collection services.

## **Family and Medical Leave Act – Louisiana Executive Branch Agency Employees**

*December 18, 2025*

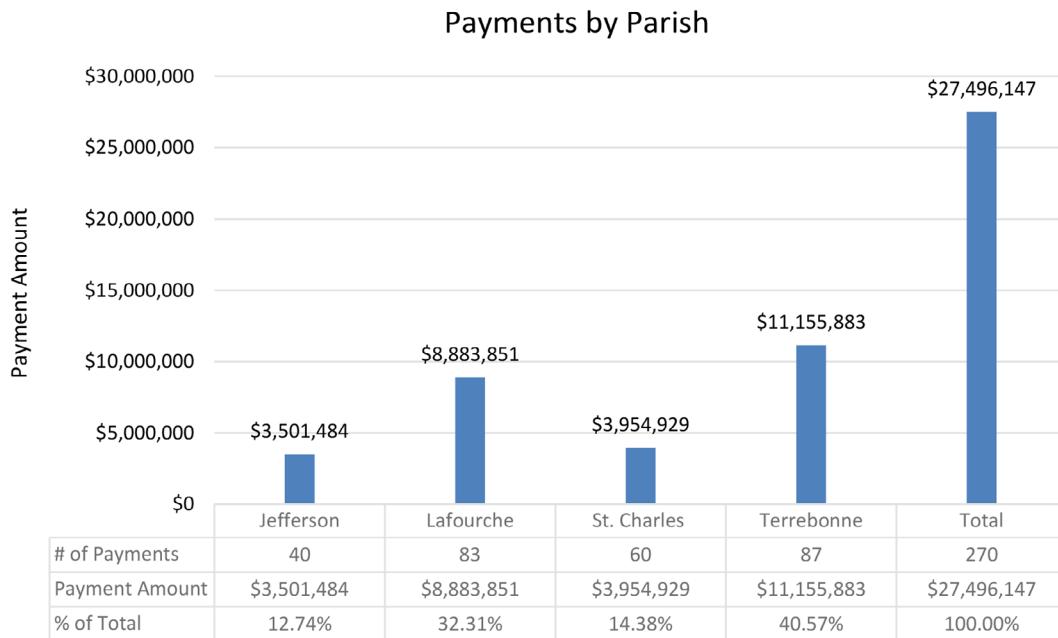
In this informational report, auditors examined executive branch employees' use of the Family and Medical Leave Act (FMLA). They also conducted this review, in part, to further the goals of the Governor's Fiscal Responsibility Program, also known as LA DOGE. Auditors found that, during fiscal year 2025, 5,707 out of 43,981 executive branch employees took FMLA leave. More than half of the employees who used the FMLA – 2,946 out of 5,707 – took 20 days or fewer of leave. In June 2025, FMLA leave made up 100,641, or 12.7%, of the 789,609 hours of total leave used across state agencies. Of the 5,707 employees, 3,011 used their FMLA leave intermittently. The others used their FMLA leave continuously. Auditors also found agency FMLA leave policies were inconsistent and did not always include essential FMLA provisions.

# RECOVERY ASSISTANCE SERVICES

## Department of the Treasury – Hurricane Ida Recovery Fund Program

September 3, 2025

Auditors examined payments made by the Louisiana Department of Treasury under the Hurricane Ida Recovery Fund (HIRF) Program to confirm the sufficiency of the documentation for the payments. Specifically, they reviewed the documentation for \$27.5 million in payments made between July 2022 and June 2025. They found no exceptions.



## Governor's Office of Homeland Security and Emergency Preparedness – Hazard Mitigation Grant Program – July 2024-June 2025

September 10, 2025

Of approximately \$70.67 million in Hazard Mitigation reimbursement requests, auditors found exceptions totaling \$8.77 million (12.41%). The problems cited fell into five categories: lack of supporting documentation, unsupported procurement, out-of-scope expenses, ineligible expenses, and errors. GOHSEP has resolved some of the documentation questions and is working to resolve the others before it issues final payments for these requests.

## Department of Energy and Natural Resources – The Infrastructure Investment and Jobs Act and Inflation Reduction Act (November 2024-June 2025)

September 17, 2025

Auditors examined payments made by the Louisiana Department of Energy and Natural Resources under the Infrastructure Investment and Jobs Act and Inflation Reduction Act to confirm the sufficiency of the documentation for the payments. Specifically, they reviewed the documentation for \$710,175 in payments made between November 2024 and June 2025. They found exceptions totaling \$409,816 (57.71%). DENR worked with the subrecipients to resolve \$287,316 of the exceptions during this period.

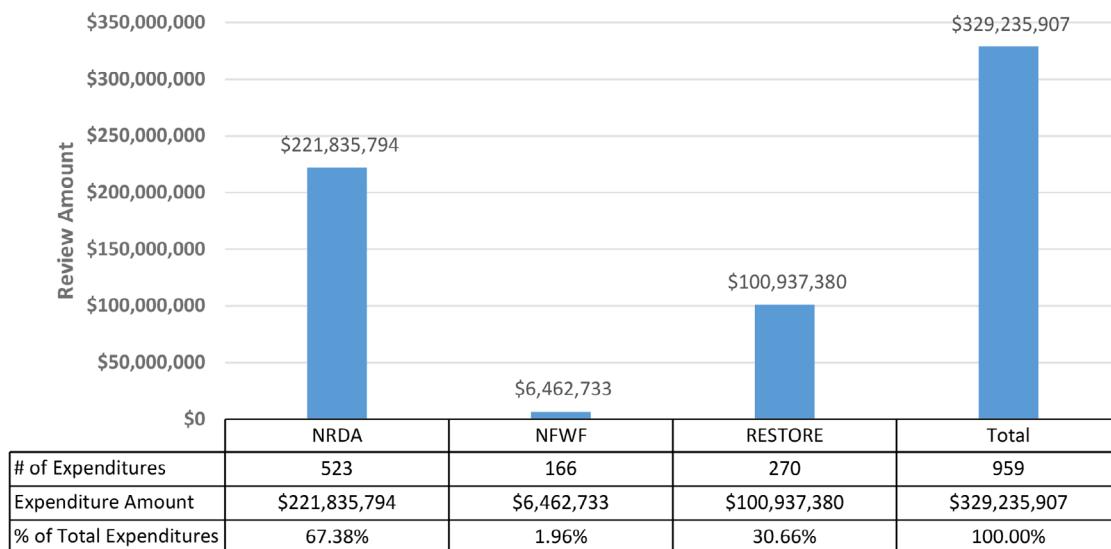
## Coastal Protection and Restoration Authority – Gulf of Mexico Oil Spill Restoration –

July 2024-June 2025

September 24, 2025

Auditors performed procedures on documentation totaling \$329.2 million for expenses. They found exceptions totaling \$119.9 million (36.4%) that lacked supporting documentation. CPRA has since provided the necessary documentation, and all exceptions have been fully resolved.

### Expenditures by Funding Source



## Governor's Office of Homeland Security and Emergency Preparedness –

Public Assistance Program – July 2024-June 2025

September 24, 2025

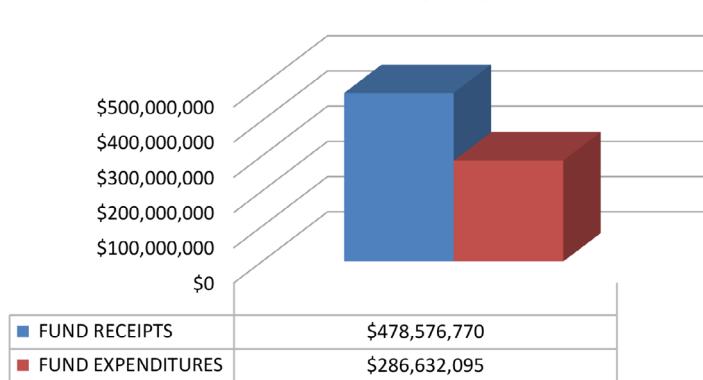
Of approximately \$1.47 billion in Public Assistance reimbursement requests, auditors found exceptions totaling \$206.3 million (14.05%). The problems cited fell into five categories: lack of supporting documentation, missing procurement documentation, out-of-scope expenses, ineligible expenses, and errors. GOHSEP has resolved some of the documentation questions and is working to resolve the others before it issues final payments for these requests.

### Coastal Restoration and Protection Authority – Natural Resource Damage Assessment and Restoration (NRDAR) Funds

November 19, 2025

Auditors performed procedures on documentation for NRDAR funds totaling \$478.6 million for receipts and \$286.6 million for expenditures. No exceptions were found.

### NRDAR DWH FUNDS





**Judith Dettwiler** CPA, CIA  
Assistant Legislative Auditor  
Director of Local Government Services

# LOCAL GOVERNMENT SERVICES

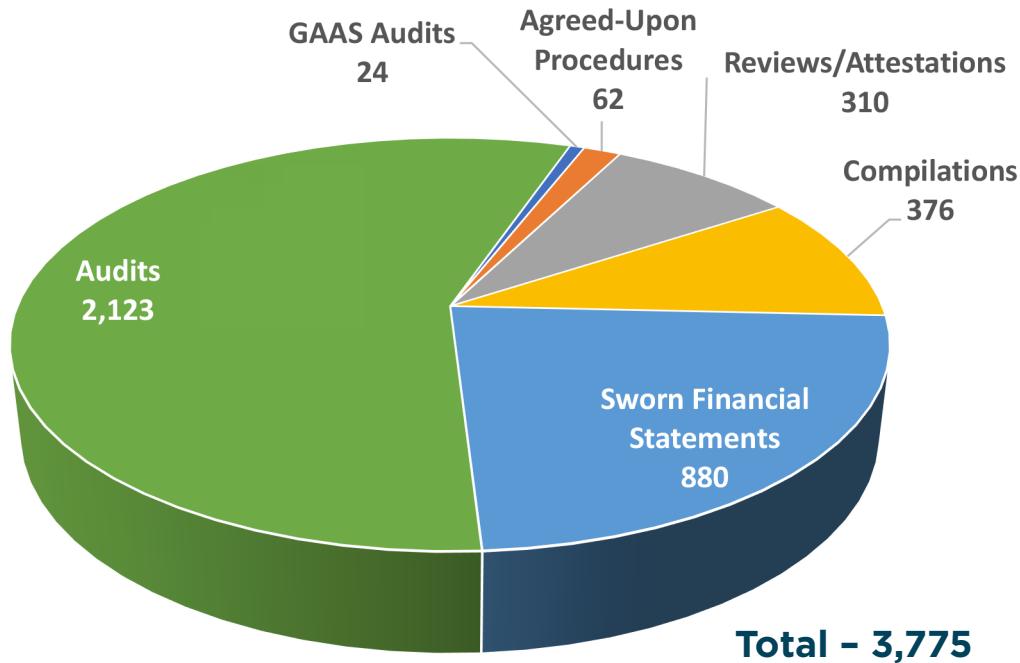
The Local Government Reporting and Advisory Services together comprise the Local Government Services (LGS) section of the LLA. As their names suggest, these groups assist and provide services to local governments across the state.

The **Local Government Reporting** staff provide critical support by enforcing audit law, processing statutorily required reports, monitoring legislative changes, offering guidance to local governments and quasi-public entities (local auditees), and providing general oversight of the work performed by LLA approved independent auditors.

The **Advisory Services** staff serve as fiscal advisers and operational consultants to local government entities and officials. They work collaboratively with local officials to promote sound financial management, transparency, and long-term fiscal sustainability.

## LOCAL GOVERNMENT REPORTING

Local Government Services staff reviewed and processed the following local auditee engagements and reports during 2025:



During the 2025 calendar year, local auditee reports contained hundreds of findings related to deficiencies in operations, controls, and compliance with laws and regulations.

These findings included:

- Misappropriations and ethics violations
- Noncompliance with federal regulations in local governments' administration of federal programs
- Noncompliance with bond covenants or loan agreements
- Noncompliance with state laws covering budgets, public bids, open meetings, untimely deposits, and late filings of financial statements
- Failure to remit fines and fees to other agencies as required by law
- Lack of reconciliation of bank and other accounts
- Errors in accounting records
- Deficit fund balances

## Extension Requests

Local auditees may request an extension of time to submit their reports to the LLA because of delays caused by declared emergencies and other non-emergencies that are nevertheless beyond the control of the local auditee. Local Government Services presented **372** extension requests to the Legislative Audit Advisory Council for approval in 2025, a 7% decrease over the prior year.

- Emergency (hurricanes Laura and Francine; 2025 Winter Storm)
  - 90 days or less: 2
  - Greater than 90 days: 2
- Non-emergency (turnover or illness in key staff; software implementation; other)
  - 90 days or less: 269
  - Greater than 90 days: 99

## Statewide Agreed-Upon Procedures

The objective of the statewide agreed-upon procedures, which have been required by those entities submitting an audit report since 2017, is to correct internal control processes of local entities in order to lessen their risks of fraud, waste, or abuse in the future. In 2024, a two-year cycle was introduced whereby entities that submitted the prior year's audit report within six months of the end of the fiscal year need only have tested in the current year those procedures that had exceptions in the prior year. The goal of implementing this two-year cycle was to provide a financial incentive to encourage entities to both submit their audit reports on time and resolve their statewide agreed-upon procedures exceptions.

In 2025, **1,538** audit reports were submitted with statewide agreed-upon procedures. A total of **4,001** exceptions were reported, the top five of which and their percentage of the total number of exceptions were:

- Written policies and procedures (16%)
- Bank reconciliations (15%)
- Collections (14%)
- Non-payroll disbursements (12%), and
- Credit cards (9%)

## 2020 Act 87: Justice System Funding Schedules

Act 87 of the 2020 Regular Legislative Session required the LLA and the Louisiana Supreme Court to develop a uniform reporting format for local and state entities that assess, collect, or receive revenue from pre- or post-adjudication costs, fines, and fees. The justice system funding reporting schedules were required to be included in reports beginning with fiscal years ending on or after December 31, 2020. In fiscal year 2025, **785** schedules were submitted.

## 2022 Act 669: Uniform Sales Tax Reporting

Act 669 of the 2022 Regular Legislative Session required the LLA and the Louisiana Uniform Local Sales Tax Board to develop a uniform reporting schedule for all entities that serve as single sales and use tax collectors for all taxing authorities within a parish that are compensated based on the cost of collection. The goal of the schedule is to provide a more complete and accurate understanding of how local sales and use taxes are collected and disbursed to local taxing authorities and of the actual cost of collecting local sales and use taxes. The Schedule of Collections, Distributions, and Costs of Collection were required to be included in reports beginning with fiscal years ending on or after December 31, 2023. In 2025, **41** schedules were submitted.

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## EDUCATIONAL OUTREACH TO LOCAL GOVERNMENTS



In 2025, the Center for Local Government Excellence (CLGE) offered complimentary training sessions in March and November that were available to participants both in-person and online. In addition, the sessions were recorded and uploaded to LLA's YouTube channel to make them available on demand to anyone interested in local governance.

The 2025 sessions focused on:

- Public laws that affect governments
- Fiduciary responsibilities and common ethical issues
- Accounting procedures and communicating with decision-makers
- Auditing essentials, including how to solve common audit findings
- Fraud detection and prevention
- Strategic use of generative AI
- Retirement rules for state and local agencies
- Leadership guidance and strategic planning
- Conflict resolution skills and documentation
- Overview of LLA and its role as trusted adviser



*CLGE attendees listen to Christel Slaughter of SSA Consultants during a Fall 2025 workshop as she talks about how employees from different generations can effectively work together.*

More than **2,300** individuals from **916** agencies, and more than **80** CPA and consulting firms participated in the two workshops, which offered a total of 19.5 hours of continuing professional education and 18.75 hours of continuing legal education. Since CLGE began in late 2015, more than **10,000** government officials and staff members, certified public accountants, and others have participated in the free training sessions. The proactive goal of these training sessions is to enable local officials and their staff to immediately apply the knowledge and skills they learn to their respective governments and use that knowledge to make a positive difference for those they serve. In recent years the audience for these sessions has expanded to include state agency personnel.

### **Making Presentations as Invited Guests**

From January through December 2025, six Local Government and Advisory staff members made **24** presentations to various entities throughout the state. Additionally, two LGR team members hosted an informational table at the Louisiana Department of Justice 2025 Spring and 2025 Fall Justices of the Peace and Constables Training.

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## **ADVISORY SERVICES**

The Advisory Services staff serve as fiscal advisers and operational consultants to local government entities and officials.

Over the past year, Advisory Services staff provided fiscal and programmatic guidance (such as fiscal monitoring with fiscal best practices and internal control recommendations) that directly touched approximately 159 state and local entities. In addition, Advisory Services reached thousands of local government officials and staff by participating in training conferences sponsored by organizations such as the Government Finance Officers Association of Louisiana, the Louisiana Municipal Association, and the LLA's Center for Local Government Excellence. In total, staff delivered **26** presentations across these events. Further, staff provided services when called upon by agencies such as the Louisiana State Bond Commission, the Louisiana Rural Water Association, and the Louisiana Legislature.

Some of the services the advisers provide include:

- Advice to assist governments in fiscal distress
- Recommendations to improve overall internal controls
- Recommendations to help governments and officials comply with applicable state laws
- Consulting and monitoring related to the fiscal status and health of government entities
- Follow-up on certain complaints received from officials and residents
- Advice to newly elected local government officials regarding overall best practices and effective financial management
- Advice to assist governments with resolving audit findings
- Training to guide the implementation of sound fiscal and operational practices, as well as instructor support for the Center for Local Government Excellence
- Support for the Louisiana Fiscal Review Committee and Legislative Audit Advisory Council
- Annual assessments of sheriffs participating in the Federal Equitable Sharing Program to ensure compliance with U.S. Departments of Justice and Treasury requirements
- Approval of water rate studies conducted by the Louisiana Rural Water Association

The LLA is also responsible for preparing fiscal notes for legislative instruments affecting expenditures of political subdivisions as well as receipts, expenditures, allocations, and dedications of funds of any state board, commission, or other entity not appropriated funds in an appropriations bill. Advisory Services is involved with overseeing this function. During the 2025 Regular Legislative Session, the office's analysts received requests and prepared **89** fiscal notes related to 29 bills.

Advisory Services also is charged with monitoring the budgets of the state's public defender district offices and preparing a report for the Legislature.

**Louisiana District Public Defenders – Compliance with Reporting Requirements  
for the Fiscal Year Ended June 30, 2023**

*March 5, 2025*

As of June 30, 2023, 16 public defender district offices reported spending more money than they brought in for the fiscal year, but all 42 district offices reported positive ending fund balances. The revenues of the public defender offices ranged from a high of \$12.7 million to a low of \$90,234, and their combined revenues totaled \$71 million. Over the same time period, their expenditures ranged from a high of \$11.3 million to a low of \$160,178, while their combined expenditures totaled \$67.7 million.

## **Louisiana District Public Defenders – Compliance with Reporting Requirements**

**for the Fiscal Year Ended June 30, 2024**

*November 19, 2025*

As of June 30, 2024, 12 public defender district offices reported spending more money than they brought in for the fiscal year, but all 12 reported positive ending fund balances. The revenues of the public defender offices ranged from a high of \$14 million to a low of \$66,511, and their combined revenues totaled \$74.8 million. Of that, \$37.8 million came from state funding distributed by the Office of the State Public Defender. The expenditures of the public defender offices in fiscal 2024 ranged from a high of \$13.5 million to a low of \$134,202, while their combined expenditures totaled \$69.6 million.

## **Act 792 Report on Judgments and Agreements for Fiscal Years Ended**

**July 2024-March 2025**

*November 26, 2025*

Act 792 of the 2024 Regular Legislative Session requires the Legislative Auditor to compile a report every other year of certain political subdivisions that at any point in the current or immediately prior year had total outstanding judgments in excess of \$7,500,000, not including accrued interest. Only one schedule submitted by an auditor on behalf of a political subdivision met the criteria for this report. The Sewerage and Water Board of New Orleans had a total of \$23,475,602.33 in outstanding judgments as of its fiscal year ending December 31, 2024.

## **Fiscal Administration**

2025 began with two local governments under fiscal administration, and two additional local governments entered fiscal administration in 2025.

Act 358 of the 2020 Regular Legislative Session requires that, once fiscal administration is terminated, local governments submit a proposed three-year plan with the goal of establishing and maintaining financial stability to the State Treasurer, the Attorney General, and the Legislative Auditor for approval. In 2025, LLA staff were actively monitoring two local governments for implementation of and compliance with their respective three-year financial sustainability plans.

## **2024 Act 144: Fiscal Status Verification of Community Sewerage Systems**

Act 144 of the 2024 Regular Legislative Session requires the LLA to provide to the State Bond Commission a fiscal status verification regarding certain community sewerage systems' level of financial sustainability. The fiscal status verifications were required on or after May 22, 2024. In 2025, nine fiscal status verifications were submitted.

# ACT 461 ANNUAL REPORT

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**Act 461 of the 2014 Regular Legislative Session** requires the Louisiana Legislative Auditor to make quarterly and annual reports to the Joint Legislative Committee on the Budget when audits identify more than \$150,000 in: waste or inefficiencies; missed revenue collections; erroneous or improper payments or overpayments by the state; theft of money; failure to meet funding obligations such as pension or health benefits; failure to comply with federal fund or grant requirements; failure to comply with state funding requirements, including failure to report as required; misappropriation of funds; errors in or insufficient support for disaster expenditures; accountability of public money associated with various disasters such as the Deepwater Horizon event; or repeat findings.



## Third Quarter, Fiscal Year 2025

(January-March 2025)

### State Agencies

#### Children and Family Services, Department of (DCFS)

- DCFS did not report subawards in compliance with the Federal Funding Accountability and Transparency Act (FFATA) in the FFATA Subaward Reporting System during fiscal year 2024 for the Foster Care - Title IV-E and Temporary Assistance for Needy Families programs. This is the third consecutive year we have reported noncompliance with FFATA reporting. **(Repeat)** (Amount: *\$10.5 million for Foster Care Title IV-E program and \$172 million for TANF*) (p.5)

#### Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP)

- GOHSEP did not fully comply with FFATA reporting requirements for the Hazard Mitigation Grant (HM) and Flood Mitigation Assistance (FMA) programs. This is the second consecutive year in which the FMA program was not compliant with FFATA reporting requirements. **(Repeat)** (Amount: *\$3.9 million for HM Grant and \$21.2 million for FMA program*) (p.1)

#### Health, Louisiana Department of

- Potential Violation of State Constitution* - No documentation to support expenditures for management fees and “other costs,” resulting in \$46,696,031 of the Quality and Outcome Improvement Network’s (QIN’s) payments to Ochsner for these items, potentially violating the Louisiana State Constitution. (Amount: *\$46,696,031*) (p.17)
- Potential Waste or Improper Payment* - No documentation existed to support any of the \$138,000,001 of viability payments other than QIN’s contracts with the participating hospitals. (Amount: *\$138,000,001*) (p.20)

## **Louisiana Tech University (LA Tech)**

- In December 2024, LA Tech discovered that, during the period from February 2024 through November 2024, nine electronic fund transfer (EFT) payments to an out-of-state university totaling \$206,451 had been fraudulently diverted to unknown person(s). The misappropriation of funds occurred after an unknown individual(s) submitted fraudulent emails impersonating La Tech's point of contact with the out-of-state university, requesting a change in payment method from physical check to EFT. LA Tech processed the request under the incorrect assumption that it was legitimate. (Amount: \$206,451) (p.1)

## **Thrive Academy**

- For the second consecutive engagement, Thrive failed to obtain proper approval for contracts prior to incurring expenditures and also procured professional and consulting services without the initiation of formal contracts as required by the Louisiana Administrative Code. In addition, Thrive failed to properly monitor contracts, failed to complete vendor performance evaluations in a timely manner, and made payments against current-year contracts for services provided during the prior-year contract period. (Repeat) (Amount: \$ 193,909) (p.2)

## **University of New Orleans (UNO)**

- UNO did not comply with the University of Louisiana System's (System) Students with Debt policy, including calculating the allowance for doubtful accounts for student receivables. UNO also failed to provide adequate support that delinquent student accounts and delinquent accounts related to separated employees who were overpaid in fiscal year 2019 as a result of the execution of a change in payment structure for its non-academic, unclassified employees were timely reported to the Louisiana Attorney General for collection in accordance with System and UNO policies, as well as with state law. (Amount: \$240,000) (p.2)

## **Veterans Affairs, Department of (LDVA)**

- LDVA employees did not ensure that all purchases of movable property were properly recorded in the state property system in accordance with state property regulations. (Amount: \$521,503) (p.3)
- LDVA did not comply with Louisiana Revised Statute 47:1676, which requires that all debts owed to the state be referred to either the Louisiana Attorney General's office, or to the Office of Debt Recovery within the Louisiana Department of Revenue, for collection, when the debt has been final for 60 days. (Amount: \$328,068) (p.7)

## Local Government Agencies

### East Baton Rouge Parish Charter School - Education Explosion, Inc. d/b/a Impact Charter School

- Chief Executive Officer (CEO) Diverted Charter School Funds to Nonprofit Corporation (*Amount: \$1,675,927*) (p.7)
- CEO Diverted Fees Paid by Parents and Students to Nonprofit Corporation and Financial Accounts Not Associated with the School (*Amount: \$292,993*) (p.15)
- School Contractor Appears to Have Shared Proceeds from School Contracts with the CEO (*Amount: \$50,625*) (p.26)
- CEO May Have Used Charter School Funds for Work on Personal Residence (*Amount: \$111,153*) (p.31)
- CEO Used Charter School Funds for Personal Travel (*Amount: \$114,094*) (p.38)
- Charter School Funds Used to Lease and/or Purchase Vehicles Used by CEO (*Amount: \$171,798*) (p.47)
- Charter School Used Funds to Obtain, Repair, and Improve a Building the School Did Not Own (*Amount: \$129,493*) (p.54)
- CEO May Have Used School Funds for Additional Personal Expenses (*Amount: \$88,607*) (p.58)

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### Fourth Quarter, Fiscal Year 2025 (April-June 2025)

## State Agencies

### Department of Education (DOE)

- DOE employees did not ensure that all purchases of movable property were properly recorded in the state property system in accordance with state property regulations. (*Amount: Largest noncompliance reported in the finding was \$3.9 million*) (p.2)

### Department of Public Safety and Corrections - Public Safety Services

- For the third consecutive engagement, the Office of State Fire Marshal did not timely certify and approve timesheets. Audit procedures noted 558 timesheets that were not certified by the employee, and 999 timesheets totaling \$3.3 million in salaries, wages, leave, and overtime paid were not approved by the supervisor prior to payroll processing. (**Repeat**) (*Amount: \$3.3 million*) (p.1)

- For the sixth consecutive engagement, the Office of State Police did not ensure that all property purchased was timely tagged and recorded in the state property system in accordance with state property regulations. **(Repeat)** (Amount: \$9.4 million) (p.2)

## Department of Transportation and Development

- Had the legislature started adjusting permitting fees for inflation using the Consumer Price Index since their origination, the state would have collected, assuming the same number of permits were issued, \$111.2 million instead of \$31.4 million in fiscal year 2024. (Amount: \$79.8 million) (p.15)

## Louisiana Department of Health (LDH)

- For the fourth consecutive year, LDH did not have adequate controls over financial reporting to ensure its financial reports were accurate, complete, and prepared in accordance with instructions from the Division of Administration, Office of Statewide Reporting and Accounting Policy. In addition, LDH also submitted inaccurate federal schedules used to prepare the Schedule of Expenditures of Federal Awards (SEFA). **(Repeat)** (Amount: Annual Fiscal Report adjustments ranging from \$0.9 million to \$768 million; SEFA adjustments ranging from \$9.9 million to \$75 million) (p.2)
- LDH did not have evidence that the state share of Medicaid expenditures associated with \$248 million of federal expenditures reported on the June 30, 2024, Centers for Medicare and Medicaid Services (CMS)-64 quarterly federal expenditure report was expended using state funds as of the date of the report. This resulted in federal questioned costs of \$168 million. (Amount: \$248 million) (p.6)
- LDH did not have adequate controls in place to ensure the Federal Medical Assistance Percentage was appropriately updated in the cost share tables within LaGov for two out of four quarters in the fiscal year ending June 30, 2024, for the Medicaid program. This error resulted in federal questioned costs of \$87.6 million. (Amount: \$87.6 million) (p.7)
- For the second consecutive year, LDH did not have adequate controls in place to ensure compliance with reporting and matching requirements for the Medicaid and CHIP programs for all four quarters of fiscal year 2024. As a result, LDH failed to detect multiple errors between the financial statements and CMS quarterly federal expenditure reports, as well as errors on various schedules in the quarterly reports. **(Repeat)** (Amount: Errors ranging from \$0.8 million to \$244 million) (p.7)
- LDH exceeded the federally-allocated 2016 Disproportionate State Hospital (DSH) funding limit by \$4.2 million, resulting in questioned costs. The overage occurred due to an inadequate reconciliation between the agency's actual DSH expenditures and the federal allotment. (Amount: \$4.2 million) (p.9)

- For the second consecutive year, LDH did not adhere to established policies and procedures regarding maternity kick payments for fiscal year 2024. As a result, there is an increased risk that maternity kick payments are being paid to Healthy Louisiana Managed Care Organizations (MCOs) for triggering events that may not have taken place or do not have satisfactory supporting evidence. **(Repeat)** (Amount: \$172,802) (p.10)
- For the sixth consecutive year, LDH, the MCOs, and Magellan Health Services did not have adequate controls in place to ensure that behavioral health services in the Medicaid and CHIP programs were properly billed and that improper encounters were denied. **(Repeat)** (Amount: \$14.4 million) (p.16)

### **Louisiana Department of Health – Progress Report: Medicaid Residency**

- LDH paid \$774,051 in per-member per-month payments (PMPMs) for 1,195 beneficiaries from March 2023 through December 2024 identified as residing out-of-state in LDH's eligibility system. **(Repeat)** (Amount: \$774,051) (p.4)
- LDH paid approximately \$102.3 million in PMPMs for 20,883 beneficiaries from March 2023 through December 2024 who, according to Louisiana Office of Motor Vehicles data, obtained a driver's license in another state. **(Repeat)** (Amount: \$102,390,550) (p.6)

### **Louisiana Department of Health, Office of Public Health – Drinking Water Revolving Loan Fund (DWRLF)**

- For the second consecutive year, the Office of Public Health did not have adequate controls over the preparation of the DWRLF financial statements and related note disclosures (Financial Report). Failure to perform an adequate review over the DWRLF's Financial Report resulted in undetected errors in the note disclosures to the financial statements, some of which were material. **(Repeat)** (Amount: Errors ranging from \$5.6 million to \$42.4 million) (Exhibit A.2)

### **Louisiana Stadium and Exposition District (LSED)**

- LSED did not perform adequate technical reviews over several financial statement accounts, note disclosures, and required supplementary information, resulting in multiple inconsistencies with applicable accounting standards requiring adjustments, some of which were material. (Amount: Largest error was \$281 million) (Exhibit A.2)

### **Louisiana State University at Eunice**

- For the third consecutive engagement, LSU Eunice did not submit past-due student accounts receivable to the Louisiana Attorney General for collection in accordance with state law and its written procedures. **(Repeat)** (Amount: \$3.3 million) (p.2)
- LSU Eunice did not maintain adequate controls over payroll to ensure payments were properly approved and in accordance with LSU Eunice policy or applicable laws and regulations. (Amount: \$216,496) (p.4)

## Louisiana State University Health Sciences Center in Shreveport (LSUHSC-S)

- LSUHSC-S did not ensure compliance and did not have adequate internal controls in place over federal Research and Development Cluster expenses. During our procedures related to requisition transactions, it was noted that LSUHSC-S lacked proper segregation of duties in the online requisition process. **(Repeat; however, the repeated portion of the finding was not related to this dollar amount.)** *(Amount: \$7.2 million)* *(p.2)*

## Louisiana Workforce Commission (LWC)

- For the sixth consecutive year, LWC did not adequately monitor the submission of and follow-up on Single Audit reports under the Workforce Innovation and Opportunity Act (WIOA) Cluster programs. LWC's total WIOA expenditures during state fiscal year 2024 totaled more than \$50 million, with approximately \$40.7 million provided to subrecipients. **(Repeat)** *(Amount: \$40.7 million)* *(p.1)*
- For the second consecutive year, LWC was not able to produce evidence of its process to review and approve data submissions required by the Federal Funding Accountability and Transparency Act for the WIOA Cluster programs. In addition, certain data submissions occurred after the due date specified by federal regulations, and there were errors in the reported amounts of two subawards. The 11 subawards submitted late each exceeded \$30,000 and collectively totaled more than \$25.2 million. **(Repeat)** *(Amount: \$25.2 million)* *(p.2)*

## Port of New Orleans - Nashville B Substructure Repairs Project

- The cost in the construction contract (\$5.2 million) for the project was inaccurate because the estimated units of fiberglass wrap for the piles included in the contract were insufficient to complete the work. This resulted in a \$1.2 million change order. *(Amount: \$1.2 million)* *(p.4)*

## Southern University System (SUS)

- SUS did not maintain adequate controls over payroll processing. Based on audit procedures performed, we identified 19 employees from multiple campuses who approved their own timesheets, as well as two employees who had the ability to approve their own timesheets, though no timesheets were submitted for these positions during fiscal year 2023. *(Amount: More than \$417,000)* *(Exhibit A.2)*

## Local Government Agencies

### Jefferson Parish Sheriff's Office (JPSO)

- During the fiscal year ended June 30, 2024, the email server of a governmental agency that JPSO works with, the Tax Collector Bureau, in the normal course of business appears to have been compromised by malicious actors who utilized an employee's agency email address to submit a change request to their agency's bank account information utilized for payment purposes. JPSO personnel who received the request accepted the change request at face value and subsequently implemented the change request in the JPSO online banking platform. The result was a series of wire transfers to a bank account not affiliated with the above referenced agency. JPSO lost \$1,106,086 and has recovered only \$292,964. (*Amount: \$1,106,086*) (p.203)



### First Quarter, Fiscal Year 2026

(July-September 2025)

## State Agencies

### Coastal Protection and Restoration Authority - Gulf of Mexico Oil Spill Restoration (July 2024 - June 2025)

- Expenditures were not supported by sufficient documentation. (*Amount: \$119,852,313*) (p.3)

### Department of Energy and Natural Resources - Infrastructure Investment and Jobs Act and Inflation Reduction Act (November 2024 - June 2025)

- Grant payments were not compliant with applicable federal and state laws, rules, and regulations. (*Amount: \$408,722*) (p.3)

### Governor's Office of Homeland Security and Emergency Preparedness - Hazard Mitigation Grant Program (July 2024 - June 2025)

- Completed work included in reimbursement requests was not within the approved scope of the project. (*Amount: \$651,868*) (p.3)
- Expenses included in reimbursement requests were not supported by sufficient documentation. (*Amount: \$7,029,515*) (p.3)
- Contracts and purchases included in reimbursement requests did not show evidence of compliance with applicable procurement guidelines. (*Amount: \$904,735*) (p.4)

*Since April 1, 2008, the LLA has noted exceptions totaling \$332,151,805, which includes \$8,770,171 noted this period, and GOHSEP has resolved \$260,948,771, which includes \$21,426,385 resolved this period.*

## **Governor's Office of Homeland Security and Emergency Preparedness - Public Assistance Program (July 2024 - June 2025)**

- Completed work included in reimbursement requests was not within the approved scope of work and/or the cost estimate was exceeded. (*Amount: \$12,778,601*) (p.4)
- Expenses included in reimbursement requests were not supported by sufficient documentation. (*Amount: \$108,740,200*) (p.4)
- Contracts and purchases included in reimbursement requests did not show evidence of compliance with applicable procurement guidelines. (*Amount: \$71,602,517*) (p.4)
- Expenses included in reimbursement requests were not in compliance with applicable FEMA regulations and guidance. (*Amount: \$9,083,143*) (p.4)
- Expenses included in reimbursement requests were duplicated, omitted, and/or miscategorized. (*Amount: \$4,089,988*) (p.4)

*Since April 1, 2008, the LLA has noted exceptions totaling \$2,625,571,168, which includes \$206,294,449 noted this period, and GOHSEP has resolved \$2,265,193,306, which includes \$327,873,887 resolved this period.*

### **L.E. Fletcher Technical Community College (FTCC)**

- For the second consecutive engagement, and despite noted improvements, FTCC did not maintain adequate internal controls over accounts payable. Subsequent to audit inquiries, FTCC identified various errors within accounts payable, resulting in accounting entries to correct prior-year general ledger errors of \$1,337,488 to accrued liabilities and \$10,463 to pay past-due accounts payable balances. (**Repeat**) (*Amount: \$1,347,951*) (p.1)

### **Louisiana Department of Health (LDH)**

- LDH paid approximately \$9.6 million in per-member per-month fees for 1,072 beneficiaries from February 2019 through March 2025 for Medicaid coverage after their date of death. (**Repeat**) (*Amount: \$9,603,074*) (p.4)

### **Road Home Corporation d/b/a Louisiana Land Trust (LLT)**

- For the fifth consecutive year, LLT did not have adequate controls over financial reporting to ensure its financial statements were accurate and complete. As a result, LLT submitted an inaccurate Annual Fiscal Report to the Division of Administration, Office of Statewide Reporting and Accounting Policy that contained multiple errors requiring adjustment. (**Repeat**) (*Errors noted included: Assets, \$2,786,939; Liabilities, \$317,226; Revenues, \$721,902; and Expenses, \$2,961,574*) (*Exhibit A.2*)
- LLT does not have adequate controls in place to ensure that credit card transactions and bank accounts are properly monitored and comply with its own policies and federal program regulations, increasing the risk of theft and fraud. Auditors noted apparent credit card misuse. (*Amount: \$171,465*) (*Exhibit A.4*)

## Local Government Agencies

### National Association for African American Economic Development

- State Funds Improperly Used for Charitable Gaming Activities (*Amount: \$199,568*) (p.4)

### Lafayette Consolidated Government

- Unauthorized Public Spending and Permit Failures (*Amount: \$3,699,800*) (p.7)

### South Louisiana Charter Foundation, Inc.

- Charter School Management Organization Paid Its Related Parties Without Foundation Board Approval, Written Contracts, or Adequate Documentation (*Amount: \$6,961,965*) (p.7)
- Learning Pods Charged Fees to Students (*Amount: \$511,538*) (p.21)
- Related-Party Leases of Iberville Charter Academy and Learning Pod Facilities (*Amount: \$13,897,828*) (p.28)
- Cash Transfers Between Charter School's Operating Bank Account and the Management Organization Were Made Without Adequate Documentation or Board Approval (*Amount: \$681,895*) (p.32)

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## Second Quarter, Fiscal Year 2026

(October-December 2025)

## State Agencies

### Louisiana Department of Health (LDH)

- LDH does not use Medicaid data as part of its Quality Strategy to identify beneficiaries who have not received any services. We found that LDH paid the Managed Care Organizations \$1.23 billion to manage the care of 50,299 beneficiaries who appear to have been continuously enrolled in Medicaid for 36 to 84 months between January 2018 and December 2024 but received no services. **(Repeat)** (*Amount: \$1,233,547,133*) (p.3)

### Department of State Civil Service

- For the fifth consecutive engagement, the Louisiana Board of Ethics (BOE) is not timely submitting delinquent debts to the Attorney General for collection. As of 5/27/25, the BOE website noted 3,173 outstanding late fees totaling \$2.7 million from campaign finance disclosure reports, lobbying expenditure reports, and personal financial disclosure statements. **(Repeat)** (*Amount: \$2,700,000*) (p.2)

## **Student Tuition Assistance and Revenue Trust (START) Program**

- The START Program maintained 3,266 START accounts totaling \$2,668,155 that were originally created with scholarship funds awarded under the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) federal program, with no mechanism to ensure compliance with federal regulations over the redistribution and/or return of these funds that have gone unused by the recipient within the prescribed number of years. (*Amount: \$2,668,155*) (p.A.2)

## **Local Government Agencies**

### **Jefferson Parish Council**

- The auditor noted one instance of misappropriation of funds totaling \$354,550 involving the federal Emergency Rental Assistance Program. The incident was committed by a landlord, not staff. A landlord falsified client information to submit fraudulent rental applications totaling \$354,550. The incident was not reported to the Jefferson Parish District Attorney's office or the Legislative Auditor's office in a timely manner, as required by law. At the time of the report, the case was being investigated by the FBI. (*Amount: \$354,550*) (p.346)

### **Monroe City School Board**

- Athletic Department Revenue Diverted to Former School Bookkeeper's Bank Account (*Amount: \$281,561*) (p.4)

### **St. Charles Parish Council**

- The auditor noted that the Parish was the victim of a cyberattack in which one of its third-party vendors was hacked, and the information taken was used to change the vendor's banking information. As a result, the Parish made a payment of \$1,264,603 to an unauthorized account. The Parish has since recovered \$360,180 from the financial institution involved and \$500,000 from its insurance policies. The investigation was ongoing as of the date of the report. (*Amount: \$1,264,603*) (p.198)

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