

LEGISLATIVE AUDIT ADVISORY COUNCIL

Minutes of Meeting Tuesday, July 29, 2025 at 1:30 p.m. House Committee Room 5 State Capitol Building

The items listed on the Agenda are incorporated and considered to be part of the minutes herein.

Chairman Schamerhorn called the Legislative Audit Advisory Council (Council) meeting to order at 1:50 p.m. Ms. Tanya Phillips called the roll confirming that a quorum was present.

Members Present: Senator Beth Mizell
Senator Jay Luneau
Senator Regina Barrow (proxy for Senator Harris)
Representative Rodney Schamerhorn
Representative Barbara Freiberg
Representative Edmond Jordan
Representative Jason Hughes

Members Absent: Senator Jimmy Harris
Senator Adam Bass
Senator Patrick McMath
Representative Aimee Adatto Freeman

Also Present: Michael J. "Mike" Waguespack
Louisiana Legislative Auditor (LLA)

Approval of Minutes

Senator Luneau offered a motion to approve the minutes of the April 8, 2025, meeting and, with no objection, the motion was approved.

EXTENSION REQUESTS (Audit Reports)

Presented by Judith Dettwiller, Assistant Legislative Auditor and Director of Local Government Services

» Non-Emergency Extension Requests – 90 days or Less. There were 69 requests. The vast majority were due to personnel and staffing issues at the agencies. We have reviewed the requests and LLA recommended the committee approve. Senator Mizell moved to grant the extensions and, with no objection, the extensions were granted.

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Senator Mizell asked about the Village of Varnado. The reason for the extension was a change in report requirement. Ms. Dettwiller explained that if an agency receives a compilation, they do not need independence requirements. If they receive more revenue, they move up to a Review/Attestation and have to get a separate auditor. It isn't until the end of the year when they realize they need to provide a different type of audit report.

Senator Mizell moved to grant the extensions and, with no objection, the extensions were granted.

» Non-Emergency Extension Requests – Greater Than 90 Days. We had 23 requests. Three were for FYE 2023 and the rest were for FYE 2024. Most were due to personnel and staffing issues. We have reviewed the requests and LLA recommended the committee approve. Senator Luneau moved to grant the extensions and, with no objection, the extensions were granted.

» Emergency Extension Requests – Greater than 90 Days. We had 1 request. We reviewed the request and LLA recommended the committee approve. Representative Freiberg moved to grant the extension and, with no objection, the extension was granted.

» Reports Received from Agencies that Requested Extensions. We had 15 requests. This is the one for reports that have been received. Because they asked for extensions and we received the reports, LLA recommended approval of those. Representative Jordan moved to grant this motion and, with no objection, the motion was approved.

» Recommended Denial of Extension Requests. We had 12 extensions that were requested but we denied the requests. The agencies did not meet the requirements to receive an extension. LLA reviewed the requests and recommended the committee approve denial.

Representative Freiberg asked about the agency Options Foundation. Ms. Dettwiller explained that Options Foundation had not paid their auditor for the FYE 2022 audit. LLA spoke to the agency but the agency had not been responsive. They have not provided a plan of action to get back into compliance. Representative Freiberg asked if they are receiving federal or state funds? Ms. Dettwiller responded that they were, but if funds come in, we release the funds necessary to continue helping the people that need the help, but the remaining funds are held.

Representative Jordan commented that we have agencies like Hospital Service Districts and Fire Districts who provide important services. Are they able to receive services? Mr. Waguespack stated there is a protocol in place for releasing the funds needed to keep those services in place.

Senator Barrow asked if LLA reaches out to agencies regarding non-compliance. Ms. Dettwiller responded that we do, and we talk to their auditor and

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make sure everyone is communicating. Senator Barrow said she noticed there is an agency on every extension request. That speaks to a bigger issue. Mr. Waguespack said sometimes it's a lot of staffing issue at the CPA firm and not due to the agency.

Representative Freiberg asked about an agency not on any of the extension requests but asked for an update on BREC in East Baton Rouge Parish. Ms. Dettwiller said they received an extension. We are withholding funds from them. They are on non-compliance for FYE 2023 and FYE 2024.

Sen. Luneau asked about agencies with a prior grade A, namely Options Foundation, and now they are on the non-compliance list. What does that mean? Mr. Waguespack stated those agencies are not engaged for the current fiscal year and they have not paid the auditor for last fiscal year.

Representative Freiberg moved to grant this motion and, with no objection, the motion was approved.

Ms. Dettwiller notified the committee that the Legislative Auditor's Center for Local Government Excellence (CLGE) will hold a conference November 5-6, 2025 at the Pennington Biomedical Center which is offered online and in person.

LLA Performance Audit Reports

- ≥ *Louisiana Department of Health – Abuse and Neglect in Home and Community-Based Services (Performance Audit Report issued November 27, 2024)*

Ms. Emily Dixon, CIA, CGAP, CRMA, MBA, Assistant Legislative Auditor and Director of Performance Audit Services presented the report

- ≥ Louisiana Department of Health – Abuse and Neglect in Intermediate Care Facilities for Individuals with Developmental Disabilities (Performance Audit Report issued July 17, 2024)

Presented by Julie Floyd, CIA, CGAP, MPA, Senior Auditor 3, Performance Audit Services

Rep. Hughes stated the Committee sent invitations to five individuals at the Louisiana Department of Health (LDH) to appear before this Committee. He stated no one from LDH attended the meeting.

Senator Barrow asked about the recommendations made in the reports. Ms. Dixon stated that by law LLA is required to follow-up on a performance audit every two years. LLA requested an update from the agency, whether the recommendations were implemented or whether the agency is working on the recommendations, etc.

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LLA then reports that information to the Committee. She asked if LLA could provide the Committee with updates from LDH on the recommendations made in the two reports presented.

Public Comment

≥ Ms. Kim Smith, disability advocate, Ms. Theresa Harlin and Ms. Anne Delery McWhorter spoke about the two audits on Louisiana Department of Health.

≥ City of Bogalusa - Mayor Tyrin Truong, along with citizens of the City of Bogalusa, spoke about their concern over the City, the Fiscal Administration process, and the Fiscal Administrator.

Other Business

Senator Barrow wanted it on record to make sure LDH is at the next Council meeting to provide information in response to the Performance Audit reports.

Adjournment

Representative Hughes offered a motion to adjourn and, with no objection, the meeting was adjourned at 5:07 p.m.

Minutes Approved: Minutes Approved at the Legislative Audit Advisory Council meeting on July 29, 2025.

https://house.louisiana.gov/H_Video/VideoArchivePlayer?v=house/2025/Jul/0729_25_LAAC