



Louisiana Legislative Auditor *Audit Risk Alert*

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AUDIT RISK ALERT # 45

DATE: April 7, 2022

SUBJECT: CHANGE IN CRITERIA FOR NON-EMERGENCY EXTENSION REQUESTS

Louisiana Revised Statute 24:513 and 24:514 (the audit law) requires local governments and quasi-public organizations (local auditees) to provide their annual financial reports to the Louisiana Legislative Auditor (LLA). The audit law also provides for the due dates of these reports.

LLA has the authority to approve extensions for local auditee reports under certain circumstances. A local auditee may ask for one of two types of extensions -

- ***Emergency extensions*** are requested when a gubernatorially declared disaster or emergency prevents a local auditee from completing its report by the statutory due date
- ***Non - emergency extensions*** are requested for any reason other than a gubernatorially declared disaster or emergency

Previously, the criteria for approval of a non-emergency extension request was:

- The local auditee must have engaged a CPA firm approved by LLA to perform its audit or other engagement no later than sixty days after its fiscal year end;
- The local auditee must have submitted two of its last three annual financial reports to LLA by the statutory due dates, **and**
- The reason for the extension request must be beyond the control of the local auditee

The criteria for approval of a non-emergency extension request has been changed as follows:

- The reason for the extension request must be beyond the control of the local auditee, **and**
- The local auditee must have engaged a CPA firm approved by LLA to perform its audit or other engagement no later than sixty days after its fiscal year end, **or**
- The local auditee must have submitted two of its last three annual financial reports to LLA by the statutory due dates

Section [500-1210](#) of the *Louisiana Governmental Audit Guide* has been updated accordingly.

The provision that an exception may be made when the denial of an extension will adversely and significantly impact public safety, health, or welfare; as determined by the Legislative Auditor and the chairperson of LAAC, has not changed.

We ask that the CPAs on LLA's approved list advise their local auditee clients of the change in LLA's policy for approval of non-emergency extension requests.

If there are any questions about this audit risk alert, please contact Diane Allison at dallison@lla.la.gov or (225) 339-3812.