

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Department of Transportation
and Development
State of Louisiana
Baton Rouge, Louisiana

January 14, 1998



Financial and Compliance Audit Division

***Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor***

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**DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Baton Rouge, Louisiana**

**Management Letter
Dated December 1, 1997**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor.

January 14, 1998



OFFICE OF
LEGISLATIVE AUDITOR
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December 1, 1997

**DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
STATE OF LOUISIANA
Baton Rouge, Louisiana**

As part of our audit of the State of Louisiana's financial statements for the year ended June 30, 1997, we conducted certain procedures at the Department of Transportation and Development. Our procedures included (1) a review of the department's internal control structure; (2) tests of financial transactions; (3) tests of adherence to applicable laws, regulations, policies, and procedures governing financial activities; and (4) a review of compliance with prior year report recommendations.

The June 30, 1997, Annual Fiscal Report of the Department of Transportation and Development was not audited or reviewed by us, and, accordingly, we do not express an opinion or any form of assurance on that report. The department's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Our procedures included interviews with management personnel and selected department personnel. We also evaluated selected documents, files, reports, systems, procedures, and policies, as we considered necessary.

In our prior management letter dated December 2, 1996, we reported findings relating to repayment of the loan from the TIMED program, the sign shop inventory, underbilling of incidental billings, failure to obtain approval for professional service contract, non-state entity projects, and use of transportation trust funds for a government lobbyist. These findings have been resolved by management. Based on the application of the procedures referred to previously, there were no significant findings that required disclosure in this report.

This report is intended for the information and use of the department and its management. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

A handwritten signature in cursive script that reads "Daniel G. Kyle".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

DL:WMB:sds

[DOTD]