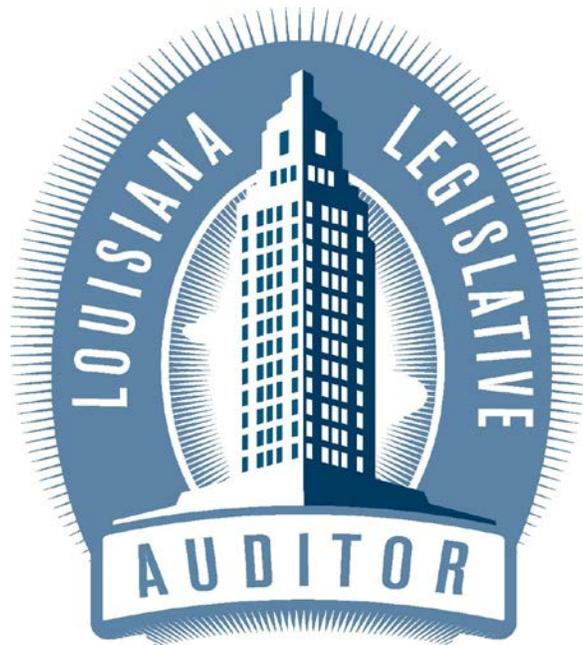


OFFICE OF PUBLIC HEALTH
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA



FINANCIAL AUDIT SERVICES
MANAGEMENT LETTER
ISSUED DECEMBER 3, 2014

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
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PAUL E. PENDAS, CPA

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THOMAS H. COLE, CPA

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 3, 2014

The Honorable John A. Alario, Jr.,
President of the Senate
The Honorable Charles E. "Chuck" Kleckley,
Speaker of the House of Representatives
Mr. J.T. Lane, Assistant Secretary
Department of Health and Hospitals

Dear Senator Alario, Representative Kleckley, and Mr. Lane:

This report includes the results of the procedures we performed at the Office of Public Health (OPH) for the period from July 1, 2013 through June 30, 2014, to evaluate its accountability over public funds. These procedures are a part of our Single Audit of the State of Louisiana for the year ended June 30, 2014. I hope the information in this report will assist you in your legislative and operational decision-making processes.

We would like to express our appreciation to the management and staff of OPH for their assistance during our work.

Sincerely,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

WDG:EFS:THC:ch

OPH 2014

Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



Office of Public Health

December 2014

Audit Control # 80140106

Introduction

As a part of our Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2014, we performed procedures at the Office of Public Health (OPH) to evaluate the effectiveness of OPH's internal controls over federal reporting and compliance, and to determine whether OPH complied with applicable laws and regulations. In addition, we determined whether management has taken actions to correct findings reported in the prior year.

OPH is comprised of 1,300 professionals across Louisiana who are charged with protecting and promoting the health of the communities of our state. The mission of the OPH is to protect and promote the health of Louisiana residents.

Results of Our Procedures

Follow-Up on Prior-Year Findings

Our auditors reviewed the status of the prior-year findings reported in a management letter dated December 12, 2013. We determined that management has resolved the prior-year findings related to lack of monitoring over food storage and distribution activities and lack of control over state administrative expenses.

Federal Compliance - Single Audit of the State of Louisiana

As a part of the Single Audit for the year ended June 30, 2014, we performed internal control and compliance testing on OPH's Commodity Supplemental Food Program (CFDA 10.565); Immunization Cooperative Agreements Program (CDFA 93.268); Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (CFDA 10.557); and HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) (CFDA 93.917), as required by the Office of Management and Budget (OMB) Circular A-133. Those tests included evaluating the effectiveness of OPH's internal controls designed to prevent or detect material noncompliance with program requirements and tests to determine whether OPH complied with applicable

program requirements. In addition, we performed procedures on OPH's Summary Schedule of Prior Federal Audit Findings (Schedule 8-3), as required by OMB Circular A-133.

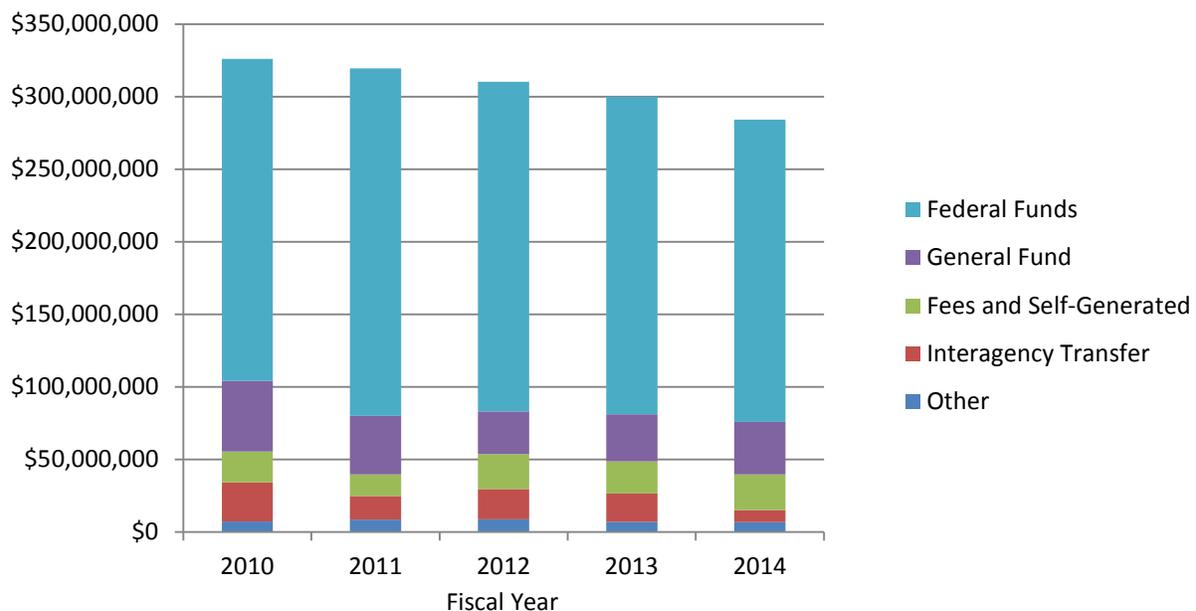
Based on the results of those procedures, we did not report any internal control deficiencies or noncompliance with program requirements required by OMB Circular A-133. In addition, OPH's Schedule 8-3, as adjusted, is materially correct.

Trend Analysis

We compared the most current- and prior-year financial activity using OPH's annual fiscal reports and/or system-generated reports and obtained explanations from OPH management for any significant variances. We also prepared an analysis of revenues and an analysis of federal expenditures over the last five years for the four major programs tested in this year's audit.

In analyzing the revenue of OPH over the past five years, total revenue has declined primarily because of budget cuts in state General Fund monies and the expiration of most American Recovery and Investments Act federal funding after 2012.

Exhibit 1
Revenue, by Funding Source



Sources: FY2010 through FY2014 OPH Annual Fiscal Reports

Under Louisiana Revised Statute 24:513, this letter is a public document and it has been distributed to appropriate public officials.

APPENDIX A: SCOPE AND METHODOLOGY

We performed certain procedures at the Office of Public Health (OPH) for the period from July 1, 2013 through June 30, 2014, to evaluate relevant systems of internal control in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. The procedures included inquiry, observation, and review of policies and procedures, and a review of relevant laws and regulations. Our procedures, summarized below, are a part of the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2014.

- We evaluated OPH's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to OPH.
- We performed procedures on the Commodity Supplemental Food Program; Immunization Cooperative Agreements Program; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); and HIV Care Formula Grants (Ryan White HIV/AIDS Program Part B) for the year ended June 30, 2014 to support the 2014 Single Audit.
- We compared the most current- and prior-year financial activity using OPH's annual fiscal reports and/or system-generated reports to identify trends and obtained explanations from OPH management for significant variances.

The purpose of this report is solely to describe the scope of our work at OPH and not to provide an opinion on the effectiveness of OPH's internal control over federal reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.

We did not audit or review OPH's Annual Fiscal Report and, accordingly, we do not express an opinion on that report. OPH's accounts are an integral part of the state of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.