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Report Highlights

Office of State Lands

Division of Administration

Audit Control # 80140098
Financial Audit Services • September 2014

Why We Conducted This Audit

We performed control and compliance procedures at the Office of State Lands (OSL) to determine if the Division of Administration (DOA) properly records acquisitions and dispositions of state lands and accurately reports the inventory of state lands in the annual report to the Legislature and in the Comprehensive Annual Financial Report.

What We Found

- OSL failed to report 26 parcels of land recorded at over \$26 million in its annual inventory report to the Legislature and misstated the value of other state lands.
- Lands that have been sold or transferred are inaccurately being reflected as part of the state's inventory.
- The DOA implemented the LaGov real estate module in November 2010 without providing proper training to system users or developing adequate policies and procedures to ensure the accuracy and reliability of the data in the system.
- Under LaGov, the DOA does not have procedures in place for estimating the fair market value of donated land and other acquisitions not valued by the OSL or for allocating acquisition costs between land and buildings purchased together.



Office of State Lands

The Office of State Lands is responsible for the identification, administration, and management of public lands and waterbottoms. This inventory is maintained in the real estate module of the LaGov, which replaced the Statewide Land and Buildings System in November 2010.

View the full report, including management's response, at www.la.gov.