

Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP)

Financial Audit Services - May 2012

Audit Control # 80110022

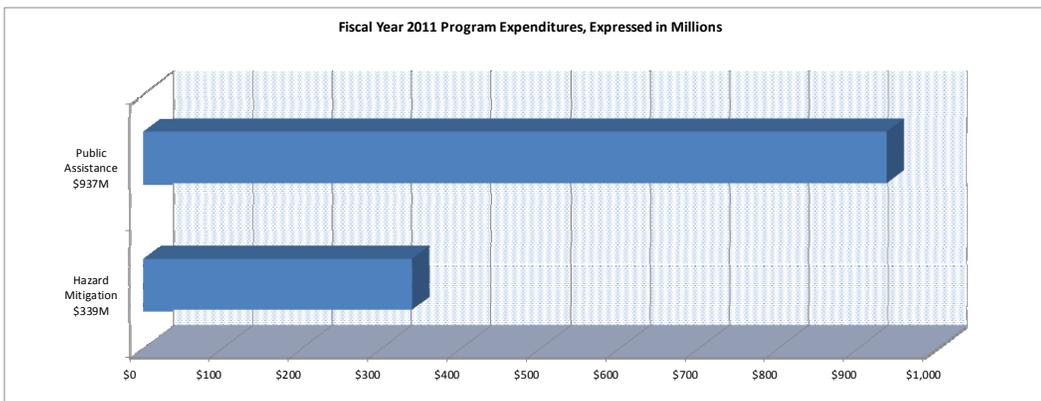


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Management Letter Highlights

Why We Conducted This Audit

We conducted certain procedures at GOHSEP to assist in the audit of the state's financial statements and the federal Single Audit report. For fiscal year 2011, we focused our efforts primarily on GOHSEP's administration of the **Public Assistance (PA)** and **Hazard Mitigation (HM)** programs.



Source: State of Louisiana 2011 Single Audit, p. A-157.

GOHSEP's Mission is to lead and support Louisiana and its citizens in the preparation for, response to, and recovery from all emergencies and disasters.

Public Assistance is a federal grant program to aid state and local governments in returning a disaster area to pre-disaster conditions.

Hazard Mitigation program provides grants to states and local governments to implement long-term hazard mitigation measures after a major disaster declaration. The purpose of the program is to reduce the loss of life and property due to natural disasters and to enable mitigation measures to be implemented during the immediate recovery from a disaster.

What We Found

- ◆ GOHSEP did not resolve monthly variances between federal PA payments in the state's project management database and the state's accounting system in a timely manner, resulting in \$240,028 in questioned costs.
- ◆ GOHSEP made a duplicate payment in the PA program for expenses that had already been paid in the prior fiscal year, resulting in \$53,000 in questioned costs.
- ◆ For several weeks, GOHSEP did not review documentation before making HM payments to the Office of Community Development (OCD), resulting in \$50,000 in questioned costs. In addition, GOHSEP did not ensure that homeowner projects were completed within required time frames and did not ensure that required final documentation from homeowners was submitted to OCD within 45 days of the final payment.
- ◆ GOHSEP did not adequately monitor subrecipients of the PA, HM, and Homeland Security Cluster federal programs. The process for determining which subrecipients receive site visits was flawed, and those subrecipients that were chosen for site visits were not evaluated for all requirements.
- ◆ GOHSEP did not ensure that applications submitted by PA and HM subrecipients contained a valid Dun and Bradstreet Universal Numbering System number, as required by federal regulations.

View the full report at la.la.gov.

For more information, contact Thomas Cole, Director, at 225-339-3800.