



Report Highlights

Louisiana State Racing Commission

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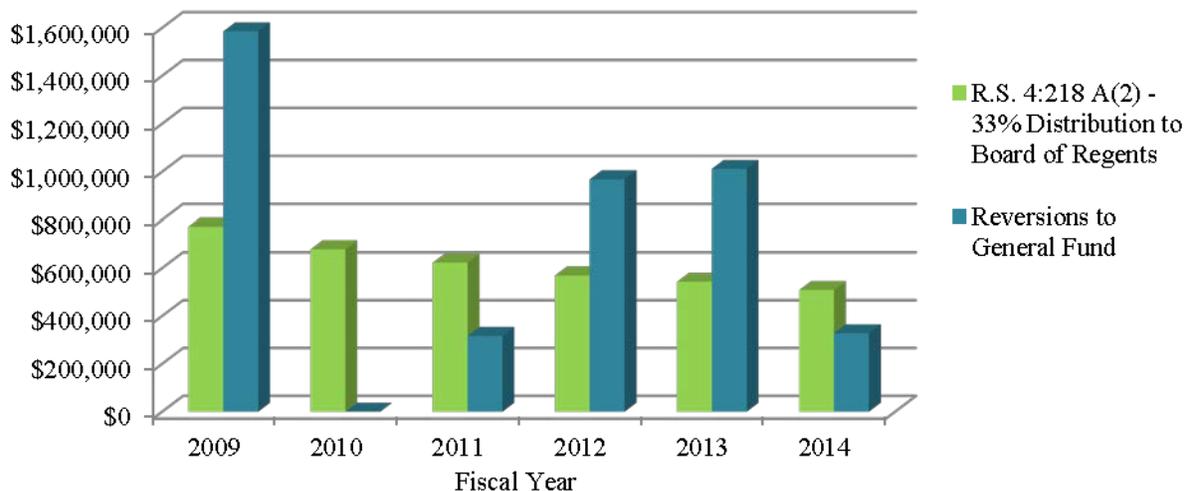
Why We Conducted This Audit

We conducted procedures at the Louisiana State Racing Commission (LSRC) to evaluate certain controls that LSRC uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and to provide overall accountability over public funds for the period July 1, 2012, through June 30, 2014.

What We Found

- LSRC failed to ensure compliance with the requirements of Louisiana Revised Statute (R.S.) 4:218(A)(2), which requires the distribution of 33% of license fees collected from off-track wagering facilities (OTB fees) to the Board of Regents. As a result, the Board of Regents has not received more than \$15 million for distribution to public and private institutions of higher education for the period of July 1996 through April 2015.
- As shown in the exhibit below, in three of the most recent six fiscal years, it appears that LSRC spent more than the 53% of OTB fees it is authorized to retain by law.
- We evaluated controls and transactions relating to self-generated revenue collections and payroll expenditures and found these controls provided reasonable assurance of accountability over public funds for the period examined.
- LSRC has controls in place to ensure pari-mutuel wagering pool taxes, other than OTB fees described above, and amounts deposited in the Video Draw Poker Fund, are distributed as required by applicable statutes.

Required Distributions to Board of Regents Versus Actual Reversions to General Fund



Source: Revenue data was obtained from the statewide accounting system (ISIS). State Treasury confirmed reversions to the State General Fund.

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