

GOVERNOR'S OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
HAZARD MITIGATION GRANT PROGRAM
JUNE 2007 - MARCH 2008



AGREED-UPON PROCEDURES REPORT
ISSUED JUNE 18, 2008

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LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

June 18, 2008

Independent Accountant's Report on the
Application of Agreed-Upon Procedures

MARK COOPER, DIRECTOR
GOVERNOR'S OFFICE OF HOMELAND
SECURITY AND EMERGENCY PREPAREDNESS
Baton Rouge, Louisiana

We have performed the procedures enumerated below under the agreed-upon procedures engagement for the Hazard Mitigation Grant Program (HMGP) for the period June 2007 through March 2008, which were requested and agreed to by the former director of the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), primarily to assist in evaluating the operations of the state's HMGP. GOHSEP management is responsible for the day-to-day operations of HMGP. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the applicable attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of management of GOHSEP. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We reviewed 58 reimbursement requests totaling \$1,855,980 and supporting documentation as prepared by the GOHSEP grant administrators and the finance officer. The procedures we performed and our findings are as follows:

Grant Administration

1. Verify that the sub-grantee has submitted an SF 270 (Request for Advance or Reimbursement).
2. Review mathematical calculations performed by GOHSEP/HMGP personnel.
3. Verify that the calculations are in accordance with funding parameters.
4. Verify that the invoices, billings, photographs of work, et cetera, provided by sub-grantee support request for reimbursement.

HAZARD MITIGATION GRANT PROGRAM

5. Verify that previous payments are listed in block 11-h on the SF 270.
6. Verify original signature of authorized person on the SF 270.
7. Verify that the quarterly reporting is up-to-date.
8. Verify that documented expenses and project progression correspond with the performance period.
9. Confirm the work reflected by the documentation is within the scope approved for the grant.
10. Verify that at least one site inspection has been conducted for each project that is more than 50% complete.
11. Verify that an end of performance period letter has been prepared and processed for projects ending in less than 90 days.
12. Verify that a final site inspection has been conducted for each project that is 100% complete.

Finance Officer

1. Verify the finance officer entered the current payment on the federal and state declining balance Excel spreadsheet on the G:drive.
2. Verify the finance officer entered the current payment on the mitigation payments Excel spreadsheet on the G:drive.
3. Verify the finance officer prepared a reimbursement statement for the sub-grantee.
4. Verify the finance officer prepared a transmittal for payment for the sub-grantee.
5. Verify the finance officer saved the reimbursement and transmittal documents to the G:drive in the sub-grantee's folder.
6. Verify the finance officer placed a hard copy of the reimbursement and transmittal documents in the sub-grantee's file.

We did not detect any deficiencies in the 58 reimbursement requests submitted to GOHSEP.

We were not engaged to and did not conduct an examination, the objective of which would be to express an opinion on GOHSEP's compliance with federal and state regulations, GOHSEP's internal control over compliance with federal and state regulations, or GOHSEP's financial statements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you.

INDEPENDENT ACCOUNTANT'S REPORT

This report is intended primarily for the information and use of GOHSEP. However, by provisions of state law, this report is a public document and has been distributed to the appropriate public officials.

Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

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Management's Response



State of Louisiana

BOBBY JINDAL
GOVERNOR

GOVERNOR'S OFFICE OF HOMELAND SECURITY
AND
EMERGENCY PREPAREDNESS

MARK A. COOPER
DIRECTOR

June 12, 2008

Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

RE: Independent Accountant's Report - Application of Agreed-Upon Procedures

Dear Mr. Theriot:

We have received the draft report completed by the Legislative Auditor's Recovery Assistance Division after their review of the State's Hazard Mitigation Grants Program (HMGP) for the period June 2007 through March 2008. We appreciate the quality and professionalism the Legislative Auditor's Office has consistently provided the state in the administration of the Hazard Mitigation Grants Program. The spirit of cooperation demonstrated and the valuable advice provided by your office has greatly enhanced the State's recovery initiative.

We want to thank you and your team for the thorough execution of the procedures in our agreement. Their efforts have added value to the recovery process. It is good to know that the processes in place are helping to identify items which may be questionable in future audits.

We look forward to a continued relationship with your office as we proceed with the Louisiana recovery effort.

Sincerely

A handwritten signature in black ink, appearing to read "Mark A. Cooper".

for Mark A. Cooper