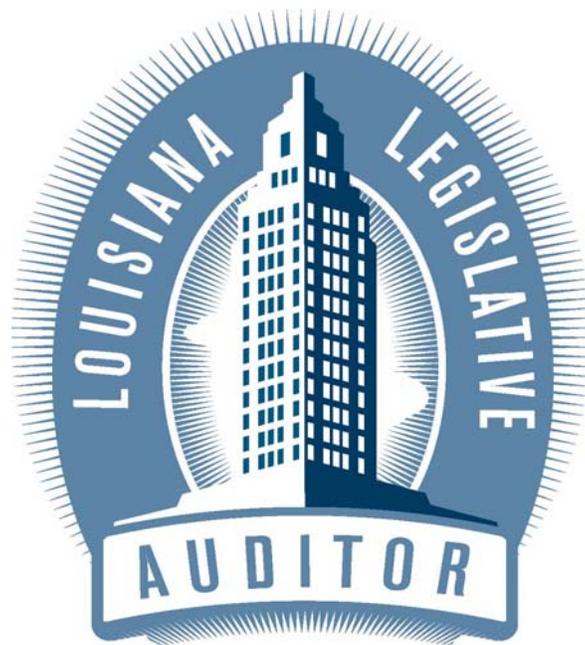


OFFICE OF GROUP BENEFITS
DIVISION OF ADMINISTRATION
STATE OF LOUISIANA



MANAGEMENT LETTER
ISSUED MARCH 10, 2010

**LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

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Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor.

This document is produced by the Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Six copies of this public document were produced at an approximate cost of \$16.62. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor’s Web site at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 3589 or Report ID No. 80090044 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Wayne “Skip” Irwin, Administration Manager, at 225-339-3800.

	Page
Management Letter	3
Budgetary Comparison Schedule (Unaudited)	7



LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

February 24, 2010

**OFFICE OF GROUP BENEFITS
DIVISION OF ADMINISTRATION
STATE OF LOUISIANA**
Baton Rouge, Louisiana

As part of our audit of the State of Louisiana's financial statements for the year ended June 30, 2009, we considered the Office of Group Benefits' internal control over financial reporting; we examined evidence supporting certain accounts and balances material to the State of Louisiana's financial statements; and we tested the office's compliance with laws and regulations that could have a direct and material effect on the State of Louisiana's financial statements as required by *Government Auditing Standards*.

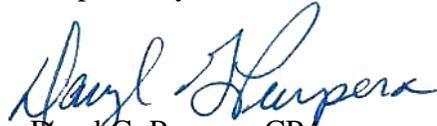
The Annual Fiscal Report of the Office of Group Benefits was not audited or reviewed by us, and, accordingly, we do not express an opinion on that report. The office's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

Based on the application of procedures referred to previously, we found no matters that required disclosure in this management letter or in the Single Audit Report for the State or Louisiana.

In addition, we have included a Budgetary Comparison Schedule, which was prepared from the Annual Fiscal Report of the Office of Group Benefits and from additional data in the Integrated Statewide Information System (ISIS), the state's accounting system. The schedule is presented as additional information but has not been subjected to auditing procedures.

This letter is intended for the information and use of the office and its management, others within the entity, and the Louisiana Legislature and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this letter is a public document and it has been distributed to the appropriate public officials.

Respectfully submitted,


Daryl G. Purpera, CPA
Temporary Legislative Auditor

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OGB09

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Agency 800 - Office of Group Benefits (Unaudited)7

UNAUDITED

**ANCILLARY FUNDS
AGENCY 800 -- OFFICE OF GROUP BENEFITS**

**Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2009**

APPROPRIATED REVENUES:

	TOTAL BEFORE ADJUSTMENTS	AGENCY ADJUSTMENTS	ADJUSTED TOTAL	REVISED BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
General Fund-SGR-ISF	1,600,501,708	(\$187,817)	\$1,600,313,891	1,266,533,447	\$333,780,444
General Fund-IAT-ISF				321,936	(321,936)
Total Appropriated Revenues	<u>\$1,600,501,708</u>	<u>(\$187,817)</u>	<u>\$1,600,313,891</u>	<u>\$1,266,855,383</u>	<u>\$333,458,508</u>

APPROPRIATED EXPENDITURES:

	STATE GROUP BENEFITS
Salaries	\$15,542,986
Other compensation	947,384
Related benefits	5,238,513
Travel & training	139,170
Operating services	5,332,784
Supplies	265,567
Professional services	2,618,699
Other charges	1,086,515,045
Capital outlay	684,982
IAT	1,380,846
Total appropriated expenditures before adjustments	1,118,665,976
Agency adjustments	<u>(1,668,342)</u>
Total Appropriated Expenditures	1,116,997,634
Revised Budget	<u>1,266,855,383</u>
Variance Favorable (Unfavorable)	<u>\$149,857,749</u>

NOTE: This schedule was prepared using information from the Integrated Statewide Information System (ISIS), the state's accounting system.

Additional detail is available on request.

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