

# Single Audit of federal funds recaps Louisiana faults in federal programs

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Three of the 31 major federally funded programs administered by the state failed to comply with federal program requirements and were given qualified opinions in the annual Single Audit of federal funds, according to a report issued Friday by Louisiana Legislative Auditor Daryl Purpera.

The state is required to annually inform the agencies overseeing 31 major federal programs whether the state complied with the requirements of the federal assistance programs. The [2014 Single Audit](#) recaps in one report the findings of previously published audit reports.

The three programs were:

Auditors found that the state's Division of Administration gave inadequate recovery of grants from the Homeowners' Assistance Program. The Office of Community Development's Disaster Recovery Unit identified \$939 million in noncompliant awards for 15,095 homeowners participating in the program. The state could be liable for repayment of noncompliant awards — about \$944,817 — if disallowed by the federal government. Auditors also found that the Office of Community Development assigned 747 property owners with Small Rental Property Program loans totaling nearly \$60 million to loan recovery status for noncompliance with loan requirements. The state could be liable for these amounts.

The legislative auditor found that the Louisiana Workforce Commission had not performed monitoring reviews on any of the 18 subrecipients that received approximately \$31 million of program funds. "Monitoring is necessary to ensure that funds are spent properly," the audit report said. It is the third year in a row the state agency was cited for the incomplete monitoring.

Also, the foster care program, administered jointly by the Department of Children and Family Services and Department of Public Safety and Corrections' Office of Juvenile Justice, according to the report, found that Children and Family Services "did not perform periodic reviews of payment rates" for \$2.6 million in foster care payments to Juvenile Justice. In addition, Juvenile Justice did not have "adequate support for rates used" in making \$2.4 million in foster care payments to six residential care facilities.

As a result of the findings included in the Single Audit, more than \$1 billion has been questioned by auditors, for which the state could be liable. "The resolution of these questioned costs will be determined by the respective (federal) grantors," the report said.

The state received \$15.4 billion in federal dollars, including loan programs, in the fiscal year that ended June 30.

A total of 34 separate findings were reported in the Single Audit for the last fiscal year, including "14 that were repeat findings from a prior audit" and 20 new ones. In 2013, there were a total of 35 findings, 25 new and 10 repeat findings.

## **Works Cited**

Capitol News Bureau. "Single Audit of federal funds recaps Louisiana faults in federal programs." *TheAdvocate*. 09 March 2015. Web. 10 March 2015.

<http://theadvocate.com/news/11779377-123/audit-recaps-state-faults-in>