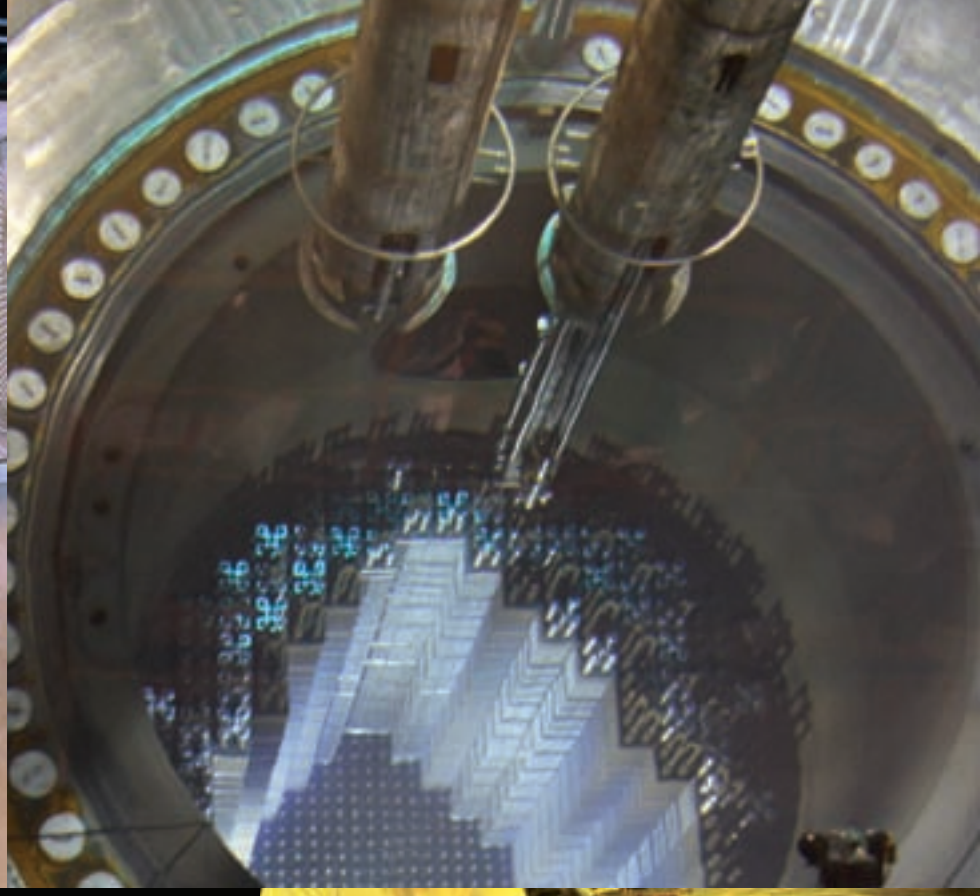


LOUISIANA

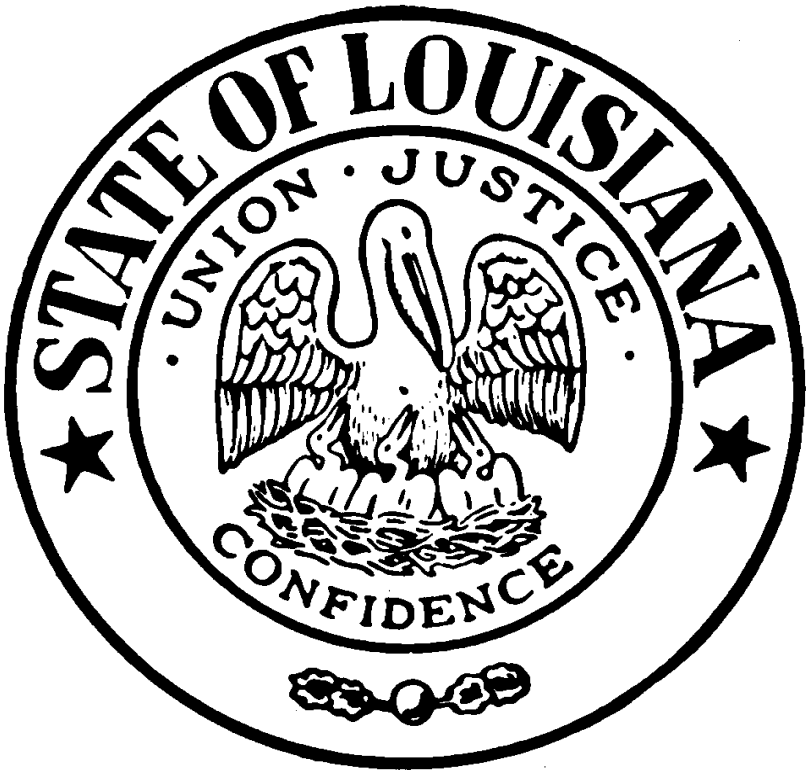
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

This public document was published at a total cost of $6,975.00. Five hundred (500) copies of this public document were published in the first printing at a cost of $6,975.00. The total cost of all printings of this document, including reprints was $6,975.00. This document was published for the Division of Administration, Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA. 70804-9095 by Moran Printing, Inc. to report the financial condition of the State for the fiscal year ended June 30, 2010 under authority of LRS 39:92. This material was printed in accordance with the standards for printing by state agencies established pursuant to LRS 43:31.

State of Louisiana
Comprehensive Annual Financial Report
for the Year Ended June 30, 2010

BOBBY JINDAL
Governor



Prepared By
DIVISION OF ADMINISTRATION
PAUL W. RAINWATER
Commissioner

On the Cover

Exploring Louisiana's Key Industries. Louisiana is home to strong traditional industries, such as petrochemicals and manufacturing, as well as newer growth industries with strong foundations in technology and research. Our state continues to work aggressively to strengthen our business environment, diversify our economy, and promote business investment opportunities. Louisiana's key industries include:

- **Advanced Manufacturing—Aviation, Shipbuilding, and General Manufacturing:** Louisiana has a strong academic infrastructure for advanced manufacturing, with research universities providing innovation and leadership in technology.
- **Agriculture, Food & Wood Products / Agribusiness:** In Louisiana, agriculture is a multibillion-dollar industry, employing thousands and generating great income throughout the state.
- **Digital Media:** With the strongest incentive program in the U.S. and an established creative culture, the digital media industry in Louisiana is thriving.
- **Energy:** An oil and gas leader, Louisiana is also making strides in the development of alternative energy sources, including nuclear and biofuel.
- **Entertainment:** With innovative incentives in digital media, live performance, motion picture and sound recording, Louisiana's entertainment industry is thriving.
- **Services:** Louisiana's aggressive incentives and business-friendly tax environment are attracting headquarters and shared services operations.
- **Life Science:** Louisiana places great emphasis on this growth industry, with bioscience centers throughout the state and aggressive biotech and biomed initiatives.
- **Logistics & Transportation:** Possessing extensive port, rail and highway systems, Louisiana is a leading distribution and logistics hub for traditional and new growth industries.
- **Nuclear:** An available workforce, a strong infrastructure and a favorable regulatory environment have made Louisiana the ideal location for nuclear module fabrication.
- **Technology:** Already home to more than 350 IT companies, Louisiana's technology industry is getting stronger, with incentives, incubators and a technology-driven workforce.

Photo Credits

Front Cover:

- Top-left: Louisiana Immersive Technologies Enterprise (LITE), Lafayette, Louisiana. The Total Immersion Space (TIS), which is located inside LITE's egg structure, is comprised of six 3D capable screens, each requiring its own projector. This venue at LITE allows data to be viewed in a fully immersive environment. Photograph courtesy of LITE. Photographer: Timothy Hursley.
- Top-right: Entergy's Waterford 3 nuclear power plant in Killona, Louisiana. Shown is the plant's reactor core during a refueling. The fuel is under water in rods that are bundled into fuel assemblies, which are being reinserted in preparation for plant startup. Photograph courtesy of Entergy Louisiana.
- Right-center: Metal fabrication at Stupp Corporation, Baton Rouge, Louisiana. Photograph courtesy of Louisiana Economic Development. Photograph by paeix.com.
- Bottom-right: Photograph of Louisiana's State Capitol, Baton Rouge, Louisiana. Courtesy of Louisiana Office of Tourism.
- Bottom-left: Shown is a live performance in the Stage Door Canteen at the National World War II Museum, New Orleans, Louisiana. Photograph courtesy of Louisiana Economic Development and the National World War II Museum.

Back Cover:

- Top left: Northrop Grumman's aviation Maintenance and Modification Center, Lake Charles, Louisiana. Photograph courtesy of Louisiana Economic Development and Northrop Grumman.
- Top-right: Shown is a subject participating in one of the many health and nutrition studies being conducted at the Pennington Biomedical Research Center in Baton Rouge, Louisiana. Photograph courtesy of Pennington Biomedical Research Center.
- Bottom-right: Shown is a 3-D visualization of Hurricane Katrina making landfall on the Louisiana coast. The image was created by Werner Benger, Shalini Venkataraman, Amanda Long, Ana Buleu, and Steve Beck (Scientific Visualization Group, Center for Computation & Technology at Louisiana State University). Image provided courtesy of LSU's Center for Computation and Technology, Baton Rouge, Louisiana.
- Bottom-left: Shown is a worker on an oil rig off the Louisiana coast. Photograph courtesy of Louisiana Economic Development and the Louisiana Department of Natural Resources.
- Left-center: Demonstrating the state's focus on agribusiness, sweet potatoes are one example of Louisiana products that are being turned into added value products. Photograph courtesy of Louisiana Economic Development.

Bobby Jindal

Governor

State of Louisiana

CONTENTS

Page

I. INTRODUCTORY SECTION

Letter of Transmittal 1
Principal State Officials 6
State Organizational Chart 7

II. FINANCIAL SECTION

Independent Auditor's Report 9

Management's Discussion and Analysis 13

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Assets 25
Statement of Activities 26

Governmental Fund Financial Statements

Balance Sheet 27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets 28
Statement of Revenues, Expenditures, and Changes in Fund Balances 29
Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities 30

Proprietary Fund Financial Statements

Balance Sheet 31
Statement of Revenues, Expenses, and Changes in Fund Net Assets 32
Statement of Cash Flows 33

Fiduciary Fund Financial Statements

Statement of Fiduciary Net Assets 35
Statement of Changes in Fiduciary Net Assets 36

Component Unit Financial Statements

Combining Balance Sheet 38
Combining Statement of Activities 40

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies 41
Note 2 – Deposits and Investments 51
Note 3 – Accounts Receivable and Accounts Payable 63
Note 4 – Interfund Accounts and Transfers 65
Note 5 – Capital Assets 67
Note 6 – Employee Benefits – Pensions 69
Note 6A – Employee Benefits – Other Postemployment Benefits (OPEB) 81
Note 6B – Employee Benefits – Termination Benefits 87
Note 7 – Leases 88
Note 8 – Long-term Obligations 90
Note 9 – Contingencies 98
Note 10 – Fund Balance/Net Assets Disclosures 102
Note 11 – Other Disclosures 103
Note 12 – Subsequent Events 105

Required Supplementary Information Other Than Management's Discussion and Analysis

Budgetary Comparison Schedule – General Fund 107
Note to Required Supplementary Information – Budgetary Reporting 108
Other Postemployment Benefits Plans 109

Budgetary Comparison Schedule – Major Debt Service Fund

Budgetary Comparison Schedule – Bond Security and Redemption Fund -
Budget to Actual (Non-GAAP Budgetary Basis) 111

Combining and Individual Fund Statements and Schedule – Nonmajor Funds

Governmental Funds

Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances 114

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget to Actual (Non-GAAP Budgetary Basis)……..150

Proprietary Funds

Enterprise Funds

Combining Balance Sheet 154
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets 156
Combining Statement of Cash Flows 158

Internal Service Funds

Combining Balance Sheet 162
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets 164
Combining Statement of Cash Flows 166

Fiduciary Funds

Combining Statement of Fiduciary Net Assets – Pension Trust Funds 168
Combining Statement of Changes in Fiduciary Net Assets – Pension Trust Funds 169
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds 170
Combining Statement of Changes in Assets and Liabilities – Agency Funds 171

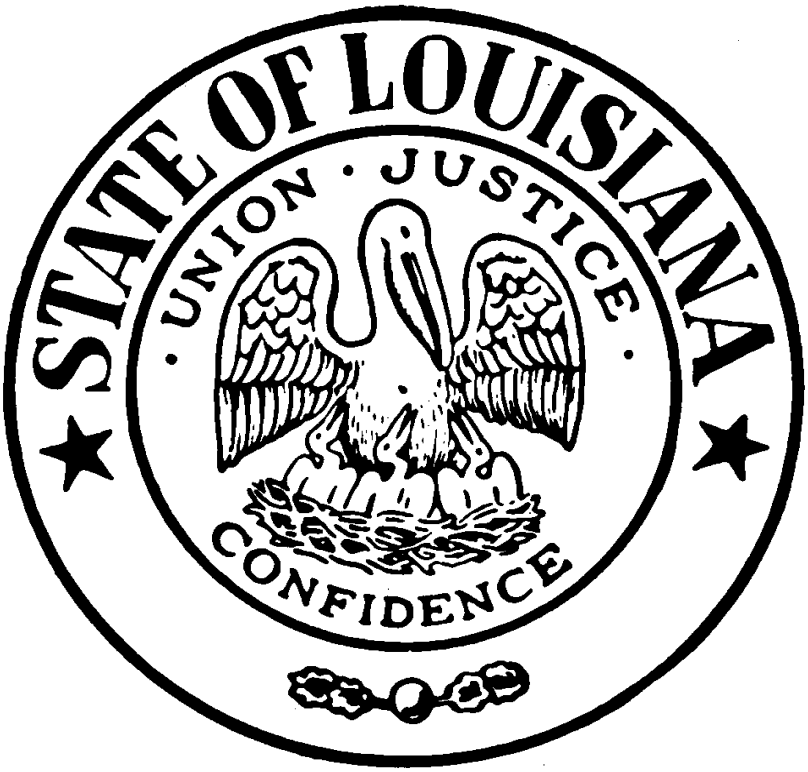
Component Units

Combining Balance Sheet 174
Combining Statement of Activities 177

III. STATISTICAL SECTION

Statistical Section Index 179
Net Assets by Component, Last Nine Fiscal Years 180
Changes in Net Assets, Last Nine Fiscal Years 182
Fund Balances, Governmental Funds, Last Nine Fiscal Years 186
Changes in Fund Balances, Governmental Funds, Last Nine Fiscal Years 188
Individual Income Tax, Last Four Fiscal Years 190
Personal Income - Earnings By Major Industry, Last Ten Calendar Years 191
Tax Rate by Major Sources of Revenue 192
Legal Debt Margin and Debt Limitations, Last Ten Fiscal Years 194
Revenue Bond Coverage, Last Ten Fiscal Years 196
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years 198
Demographic and Economic Statistics, Last Ten Calendar Years 199
Principal Employers, Current Year and Nine Years Ago 200
Capital Assets Statistics by Function/Program, Last Ten Fiscal Years 201
Louisiana State Employees by Function/Program, Last Nine Fiscal Years 202
Operating Indicators by Function/Program, Last Ten Years 204

Acknowledgments 207


STATE OF LOUISIANA
UNION · JUSTICE
CONFIDENCE

I. INTRODUCTORY SECTION

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of the Commissioner

December 30, 2010

To: The Honorable Bobby Jindal, Governor,
Members of the Legislature, and the
People of the State of Louisiana

It is my privilege to present the Comprehensive Annual Financial Report (CAFR) on the financial condition of the State of Louisiana for the fiscal year ended June 30, 2010. The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the Louisiana Revised Statutes.

The Division of Administration, Office of Statewide Reporting and Accounting Policy prepared the CAFR, with the objective of reporting the government's operations as a single unified entity, in addition to providing traditional fund-based financial statements.

The Division of Administration is responsible for the accuracy, completeness, and fair presentation of the data, representations, and disclosures presented in the CAFR. To the best of our knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations, and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the State.

The reporting entity of the State includes all primary government funds, and the activity of component units for which the State is financially accountable. Determination of the component units to be included in the CAFR was made in accordance with criteria established by GASB and is presented in Note 1A to the financial statements.

The CAFR is organized as follows:

- Introductory section containing background and organizational information on the State and summaries of some current initiatives

- Financial section including the independent auditor's report, Management's Discussion and Analysis (MD&A), Government-Wide Financial Statements, Fund Financial Statements, Notes to the Basic Financial Statements, Required Supplementary Information, and combining statements of the individual funds

- Statistical section presenting financial, demographic, economic, and operational data for Louisiana

GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

INDEPENDENT AUDIT

The State of Louisiana's basic financial statements have been audited by the Office of the Legislative Auditor. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the State for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the State of Louisiana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited internal controls of the government and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report for the State of Louisiana.

ACCOUNTING AND BUDGETARY CONTROL

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the State adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Final financial control is exercised through the budgetary system. Financial statements are presented in conformity with GAAP and are also presented on a non-GAAP budgetary basis to demonstrate legal compliance. Variances between the GAAP and non-GAAP budgetary presentations are caused by differences in reporting entity, accounting basis, and timing. The budgetary process is further described in Note 1 to the basic financial statements and reconciliation between GAAP and non-GAAP budgetary basis fund balances is presented as required supplementary information.

PROFILE OF THE GOVERNMENT

Located on the Gulf of Mexico and bounded by Arkansas, Texas, and Mississippi, Louisiana serves a population of 4,492,000. The Executive, Judicial, and Legislative Branches govern the State as provided by the Louisiana Constitution of 1974.

The State provides a variety of services to citizens including education, health care, public safety, road and highway development and maintenance, and recreation. These services are financed primarily through taxes, fees, mineral royalties, and federal revenues, which are accounted for by various funds (general fund, special revenue funds, capital project funds, etc.).

The State financial reporting entity includes 54 active component units, which are reported discretely in the financial statements. These component units include colleges and universities, boards and commissions, ports, levee districts, and other special purpose authorities.

CASH MANAGEMENT

The State Treasurer is responsible for managing all cash and investments, with the exception of certain component units included in the reporting entity that have independent powers to manage and invest their funds. During fiscal year 2010, cash management and investment transactions managed by

the State Treasurer included checking accounts, certificates of deposit, U.S. government and agency securities, corporate, municipal and foreign securities, mutual funds, repurchase agreements, and security lending agreements. Legal requirements for the investment of funds maintained by the State Treasurer are discussed in Note 2 to the basic financial statements.

For fiscal year 2010, the Treasury earned $189,420,318 on its fixed-income investments for the General Fund portfolios. The investments earned a cash rate of return of 2.65% during fiscal year 2010 compared to a 3.43% rate that earned $287,756,951 in the previous year. Additionally, the thirty-day Treasury bill yield averaged 0.088% and the two-year Treasury note averaged 2.771% during the same period. The investments of the Louisiana Education Quality Trust Fund earned a fixed income rate of return of 21.89% and a gain of 20.26% on equities for the 2010 fiscal year.

RISK MANAGEMENT

The primary government, through the Office of Risk Management, retains risk for property, casualty, and worker's compensation insurance, as well as coverage for all State property, with virtually no upper limits. Auto liability, comprehensive, and collision coverage is provided for the State fleet and other coverage, such as bonds, crime, aviation, and marine insurance, is provided as needed.

PENSIONS

State employees may be eligible to participate in the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, or the Louisiana State Police Retirement System, depending on their employing agency. Further information on the retirement systems can be found in Note 6 to the basic financial statements.

ECONOMIC OUTLOOK

The national recession has negatively impacted Louisiana's economy; however, it has been less severe in Louisiana than in many other states. According to figures obtained from the Bureau of Labor Statistics, the unemployment rate increased in Louisiana from 5.7% in the state fiscal year 2009 to 7.2% in state fiscal year 2010. During the same period, the U.S. unemployment rate increased from 7.6% to 9.8%. The national economy is showing signs of growth with the economic outlook for the nation and the state projected to be positive for the next two fiscal years.

The forecasts for the State of Louisiana are based on the following assumptions: 1) the national real gross domestic product is expected to rise by 2.4 percent in 2011 and 2.5 percent in 2012; 2) the consumer price index is expected to rise modestly by 1.9 percent in 2011 and 2.3 percent in 2012; and 3) oil prices will fluctuate between $80-$90 a barrel over the next two years and natural gas prices are expected to range between $4.50-$6 per mmbtu.

Louisiana's economy is quite diverse, as can be seen in comparing the Metropolitan Statistical Areas (MSAs) of Louisiana. Below are the forecasts for the major MSAs of Louisiana.

- The convention industry in the New Orleans MSA has stabilized and is projected to continue improving in 2011. Lockheed Martin plans to eliminate all 1,700 jobs in Michoud related to the Challenger space program. However, this loss may be partially offset by other gains at the Michoud site along with $2.4 billion dollars worth of new construction projects in the MSA expected to be completed over the next two years. The New Orleans MSA is projected to add 3,600 jobs in 2011 (0.7%) and 4,700 in 2012 (0.9%).
- Baton Rouge is tied with Lake Charles as the fastest growing MSA in the state in terms of percentage with an estimated growth of 3,000 jobs (0.8%) in 2011 and 3,700 jobs (1.0%) in 2011. The growth is being driven mostly by the construction sector, which is projected to add $4 billion in new construction over the next two years. Many of the construction projects are private business expansions which will generate permanent jobs in the future.

- Oil and gas extraction activity is projected to be weak in the Lafayette and Houma MSAs due to reduced economic activity in the Gulf of Mexico. These MSAs are highly dependent on extraction, with a high percentage of their jobs coming from this industry. Lafayette's forecast is 3,000 fewer jobs in 2011 (-2.0%) and 800 fewer jobs in 2012 (-0.6%). Houma can expect 1,500 fewer jobs in 2011 (-1.7%) and 500 fewer jobs in 2012 (-0.5%).

- The Lake Charles MSA experienced a temporary decline in growth due to construction stoppage of the Sugarcane Bay Casino which was scheduled to open in 2011. However, a well diversified economy helped Lake Charles tie Baton Rouge as the fastest growing MSA in the state in terms of percentages. It is projected that this MSA will add 800 new jobs per year for the next two years (0.9% each year).

- The Shreveport-Bossier MSA is the most sensitive region of the state to national economic conditions. General Motors has announced it will close its plant in 2012. Haynesville Shale is expected to continue being a major influence in the MSA's economy, but face a decline in drilling going forward as other shale sites around the country become more cost effective. This MSA is expected to create 1,100 jobs in 2011 (0.6%), and another 800 jobs in 2012 (0.2%).

- The Monroe MSA is projected to add 400 jobs in 2011 (0.5%) and another 400 jobs in 2012 (0.5%). Growth in this MSA is caused by Foster Farms reopening the Pilgrim's Pride chicken plant and by ConAgra's new sweet potato processing plant in nearby Richland Parish. A group of investors has purchased the Delphi Lighting plant and re-named it "Next Autoworks" hoping to create the new "V-Vehicle." The "Next Autoworks" vehicle plant would generate approximately 1,400 jobs.

- The Alexandria MSA is anticipated to add 400 jobs in 2011 (0.6%) and 400 more jobs in 2012 (0.6%). Union Tank Car and the lumber/logging firms will recover jobs slowly as demand is expected to be held down by the slow pace of the national economic recovery. State and Federal highway/bridge construction projects costing $203 million are scheduled for 2011-2012.

There is uncertainty regarding the long term effects of the oil spill on the Louisiana economy and the de facto drilling moratorium that continues to be in place. Additional federal regulations created and being considered as a result of the Deepwater Horizon oil spill, and a possible $36 billion tax on the oil and gas industry being proposed by the President will drive up costs of operating in the Gulf of Mexico and lead to an overall decline in economic activity in the Gulf in 2011 and 2012. Reduced economic activity in the Gulf of Mexico and below average growth in the national economy are expected to give Louisiana relatively flat job growth over the next two years, adding 3,100 jobs in 2011 (0.2%) and another 7,500 jobs in 2012 (0.4%).

The information for the economic discussion is from The Louisiana Economic Outlook: 2011 and 2012, by Loren C. Scott, James A. Richardson, M. Dek Terrell, and Judy S. Collins, published in October 2010.

ACKNOWLEDGEMENTS

In conclusion, I wish to express my appreciation to the staff of the Office of Statewide Reporting and Accounting Policy for their professionalism, dedication, and expertise in preparing this report, as well as their commitment to maintaining the highest standards of accountability in financial reporting. I also wish to thank the agency fiscal officers and accountants whose contributions helped make this report possible.

Sincerely yours,

Paul W. Rainwater
Commissioner of Administration

PR:AA

PRINCIPAL STATE OFFICIALS

Executive (Elected)

Bobby Jindal
Governor
Jay Dardenne
Lieutenant Governor
J. Thomas "Tom" Schedler
Secretary of State
James D. "Buddy" Caldwell
Attorney General
John Neely Kennedy
Treasurer
Dr. Mike Strain
Commissioner of Agriculture and Forestry
James J. Donelon
Commissioner of Insurance

Executive (Appointed)

Ruth Johnson
Secretary of Children and Family Services
Jay Dardenne
"de facto" Secretary of Culture, Recreation, and Tourism
Stephen Moret
Secretary of Economic Development
Paul G. Pastorek
State Superintendent of Education
Peggy M. Hatch
Secretary of Environmental Quality
Bruce D. Greenstein
Secretary of Health and Hospitals
Robert D. Harper
Secretary of Natural Resources
James M. LeBlanc
Secretary of Public Safety and Corrections
Colonel Michael D. Edmonson
Deputy Secretary of Public Safety and Corrections
Superintendent, Office of State Police
Eve Kahao Gonzalez
Secretary of Public Service Commission
Cynthia Bridges
Secretary of Revenue
Shannon S. Templet
Director of State Civil Service
Sherri LeBas
Secretary of Transportation and Development
Lane Carson
Secretary of Veterans Affairs
Robert Barham
Secretary of Wildlife and Fisheries
Curt Eysink
Executive Director of Louisiana Workforce Commission

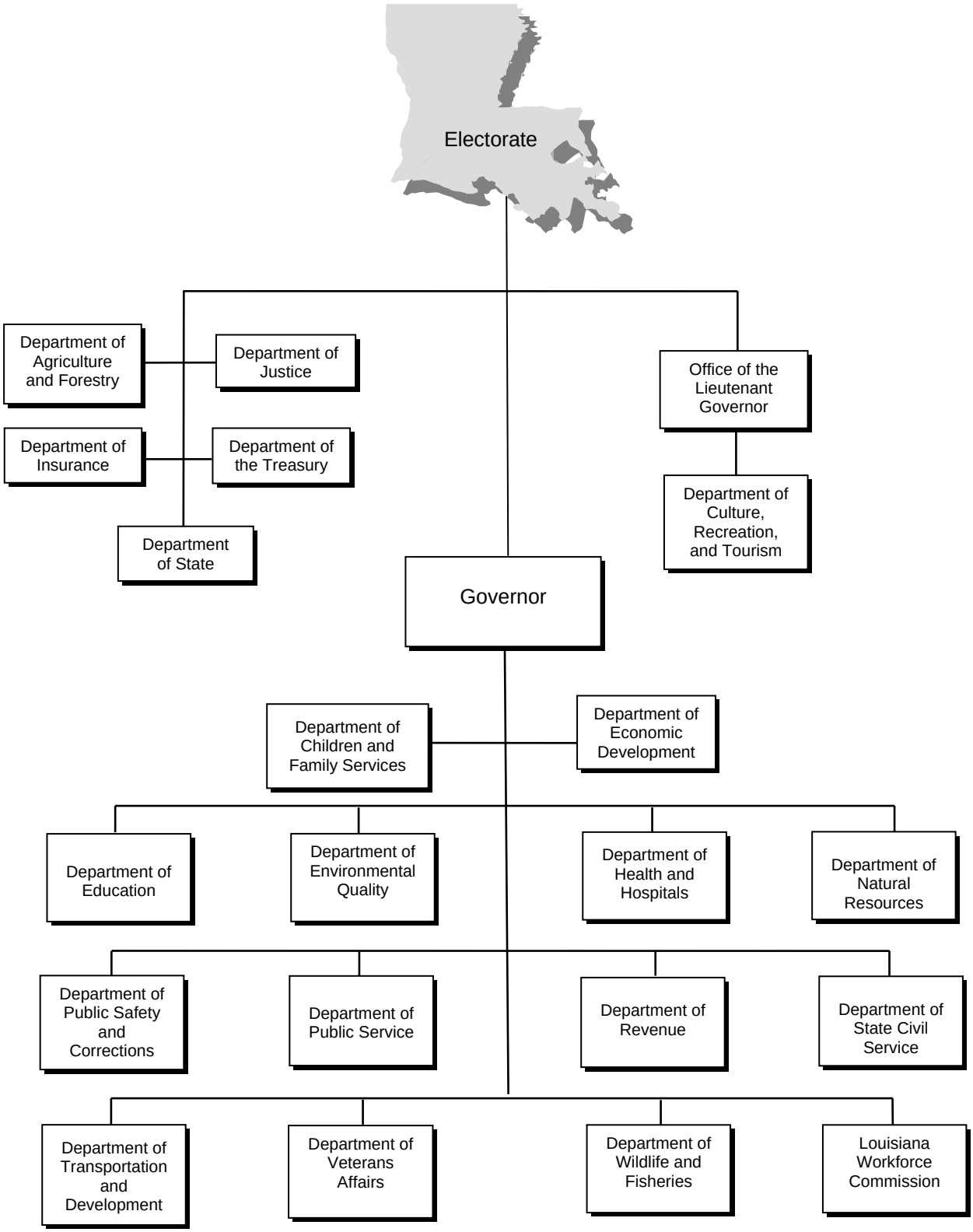
Legislative (Elected)

Jim Tucker
Speaker of the House of Representatives
Joel T. Chaisson, II
President of the Senate

Judicial (Elected)

Catherine D. "Kitty" Kimball
Chief Justice of the Supreme Court of Louisiana

STATE ORGANIZATIONAL CHART



STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

II. FINANCIAL SECTION

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 30, 2010

Independent Auditor's Report

Honorable Bobby Jindal, Governor
Honorable Joel T. Chaisson, President, and
Members of the Senate
Honorable Jim Tucker, Speaker, and
Members of the House of Representatives
State of Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the state's basic financial statements as listed in the table of contents. These financial statements are the responsibility of management of the State of Louisiana. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain pension trust funds, enterprise funds, and component units of government included within the basic financial statements of the State of Louisiana, which represent the following percentages of their related opinion units:

Opinion Unit	Percentage of Total Assets	Percentage of Net Assets or Fund Balance	Percentage of Revenues (Including Additions)
General Fund	1.3%	5.7%	0.7%
Business-Type Activities	1.4%	1.4%	2.3%
Aggregate Discretely Presented Component Units	19.0%	35.3%	6.9%
Aggregate Remaining Funds	71.3%	72.7%	53.4%

1600 NORTH THIRD STREET • POST OFFICE BOX 94397 • BATON ROUGE, LOUISIANA 70804-9397
WWW.LLA.LA.GOV • PHONE: 225-339-3800 • FAX: 225-339-3870

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the previously mentioned pension trust funds, enterprise funds, and component units, are based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the LSU Foundation and the Tiger Athletic Foundation, both component units of the Louisiana State University System (major component unit); the University Facilities, Inc., the University of Louisiana Monroe Facilities, Inc., the NSU Facilities Corporation, and the Black and Gold Facilities, Inc., all component units of the University of Louisiana System (major component unit); and the Southern University System Foundation and the SUSLA Facilities, Inc., both component units of the Southern University System (major component unit), which were audited by other auditors, were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of June 30, 2010, and the respective changes in financial position and, where applicable, the cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in note 11 to the financial statements, the State of Louisiana implemented Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* and Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, for the year ended June 30, 2010.

In accordance with *Government Auditing Standards*, a report on our consideration of the state's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants, and other matters will be issued under separate cover in the *State of Louisiana Single Audit Report*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That

report, upon its issuance, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the *Required Supplementary Information Other Than Management's Discussion and Analysis* presented on pages 13 through 24 and 107 through 109, respectively, are not required parts of the basic financial statements, but are supplementary information required by GASB. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

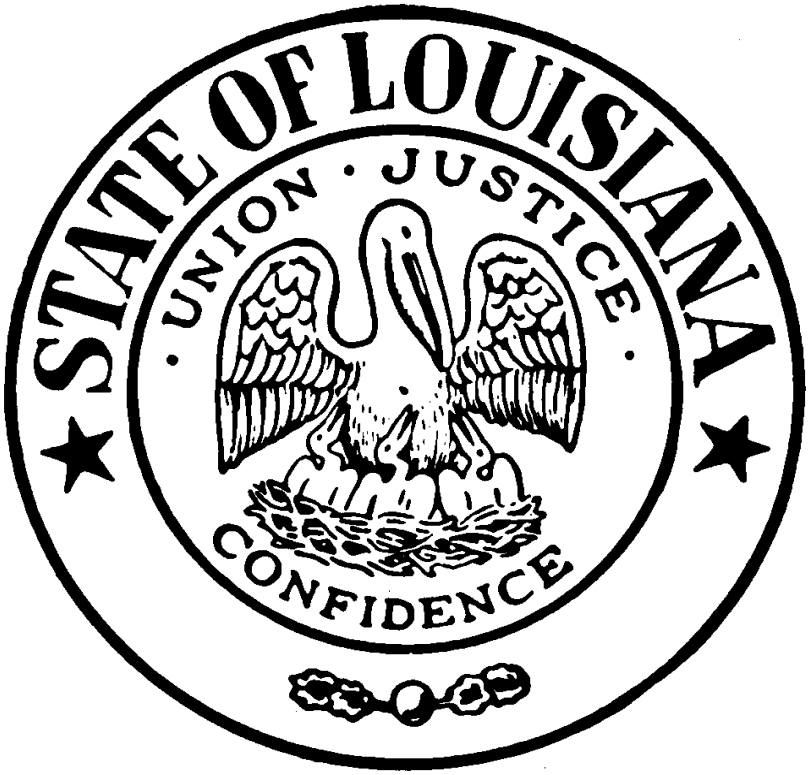
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying Introductory Section (pages 1 through 7), the Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund (page 111), the Combining and Individual Fund Statements and Schedule - Nonmajor Funds (pages 114 through 177), and the Statistical Section (pages 179 through 205) listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund and the Combining and Individual Fund Statements and Schedule - Nonmajor Funds have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and the Statistical Section listed in the table of contents have not been subjected to the procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

BC:THC:DGP:dl

CAFR 2010


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the financial performance of the State of Louisiana presents a narrative overview and analysis of the financial activities of the State for the year ended June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages 1 - 5 and the financial statements of the State, which begin on page 25.

FINANCIAL HIGHLIGHTS

- **Government Wide:**
  Net Assets – The assets of the State exceeded its liabilities at the close of the fiscal year by $19.5 billion, a decrease of 7.2% from the prior fiscal year. This amount includes $6.1 billion, which is restricted and not available to pay the general obligations of the State.

  Changes in Net Assets – Net assets of governmental activities decreased by $1 billion (5.4%), while net assets of the business-type activities decreased by $509 million (20.3%).

- **Fund Level:**
  As the State completed the year, its governmental funds (as presented in the balance sheet on page 27) reported a total fund balance of $9 billion (a 14.9% decrease from the prior year balance). Unreserved/undesignated fund balance constitutes 53% of this total, which is available for spending in the coming year. The remainder of this fund balance is reserved to indicate it is not available for spending because it has already been committed.

- **Long-term Debt:**
  The State's long-term obligations for governmental activities increased by $102 million (1%). The major portion of this increase in debt is due to other postemployment benefits, which increased $427 million (35%), and an increase in liabilities to the federal government of $529 million. These increases were partially offset by governmental activities because the Patient's Compensation Fund Oversight Board, with a claims liability of $773 million, is no longer reported with governmental activities, but reported with business-type activites.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the Basic Financial Statements of the State of Louisiana, which are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

This report also contains Required Supplementary Information in addition to the Basic Financial Statements.

Government-wide Financial Statements – Reporting the State as a Whole

The government-wide financial statements are designed to provide readers with a broad overview of the finances of the State of Louisiana as a whole, and are prepared in a manner similar to a private sector business. The statements provide both short-term and long-term information about the financial position of the State, which helps in assessing the economic condition of the State at the end of the fiscal year. These reports are prepared using the flow of economic resources measurement focus and the accrual basis of accounting, methods that are similar to those used by most businesses by taking into account all revenues earned and expenses incurred in the fiscal year, regardless of when cash is received or paid.

The government-wide financial statements include the following two statements:

The Statement of Net Assets (page 25) presents the current and long-term portions of the assets and liabilities of the State separately and is the basic government-wide statement of position at fiscal year end. Using the format of assets minus liabilities equal net assets, this statement reports the governmental activities separately from its business-type activities. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

The Statement of Activities (page 26) presents information showing how the net assets of the State changed as a result of current year operations and how those operations were financed. This statement presents expenses before revenues to emphasize the fact that revenues are generated expressly for providing services, rather than as an end in themselves. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused leave).

Both government-wide statements report three types of activities:

Governmental Activities – The activities in this section are primarily supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this section and they include general government; culture, recreation and tourism; transportation and development; public safety; health and welfare; corrections; youth services; conservation and environment; and education.

Business-type Activities – These activities normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities operated by the State include the Patient's Compensation Fund Oversight Board and the Unemployment Trust Fund, among others.

Component units – Component units are legally separate organizations for which the elected officials of the government are financially accountable or have significant influence in governing board appointments. Among the component units included are public colleges and universities, the Louisiana Stadium and Exposition District, and the Southeast Louisiana Flood Protection Authority-East and West. For a list of some of the component units included in the government-wide statements, see Note 1 of the notes to the basic financial statements.

Fund Financial Statements

The fund financial statements begin on page 27 and provide more detailed information than the government-wide statements by providing information about the most significant funds of the State. A fund is a grouping of related accounts used to maintain control over resources, which are segregated for specific activities or objectives. The State of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, fund financial statements indicate how these services were financed in the short-term as opposed to the government-wide statements, which present a long-term view of the State finances. The three categories into which the funds of the State can be classified are governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for most of the functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on short-term inflows and outflows of expendable resources and the balances of these resources available at fiscal year end. Such information may be useful in evaluating the current financing requirements of the State. Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

GASB Statement 34 has shifted the focus of governmental fund financial statements from fund types to major funds. Louisiana accounts for its activities in 263 active funds; of this total, 229 are governmental funds, 20 are proprietary funds, and 14 are fiduciary in nature. Information is presented separately on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the funds determined to be major funds; the remaining governmental funds are presented in a single column on these statements. Combining statements for these funds are presented on pages 114 - 153 of this report.

Proprietary funds encompass enterprise funds and internal service funds. When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other state agencies (internal service funds),

the services are generally reported in the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses. Internal service funds are used to accumulate and allocate costs internally among the various functions of the State. Because the internal service funds mainly benefit governmental rather than business-type functions, they are included in the governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support State programs. The State is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-106 of this report.

Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the General Fund, which can be found on page 107 of this report.

THE STATE AS A WHOLE

Government-wide Financial Analysis

The State's overall financial position and results of operations for the past two years for the primary government are summarized in the following statements based on the information included in the government-wide financial statements:

Statement of Net Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Current and other assets	$ 14,851,986	$ 16,770,822	$ 2,855,883	$ 2,539,849	$ 17,707,869	$ 19,310,671
Capital assets	17,749,674	16,760,618	337,254	283,682	18,086,928	17,044,300
Total assets	32,601,660	33,531,440	3,193,137	2,823,531	35,794,797	36,354,971
Other liabilities	4,468,248	4,494,292	190,537	78,974	4,658,785	4,573,266
Long-term debt outstanding	10,617,335	10,515,442	1,010,371	243,633	11,627,706	10,759,075
Total liabilities	15,085,583	15,009,734	1,200,908	322,607	16,286,491	15,332,341
Invested in capital assets, net of related debt	14,737,911	14,091,358	170,960	119,033	14,908,871	14,210,391
Restricted	5,096,314	5,489,526	1,048,285	1,417,455	6,144,599	6,906,981
Unrestricted	(2,318,148)	(1,059,178)	772,984	964,436	(1,545,164)	(94,742)
Total net assets	$ 17,516,077	$ 18,521,706	$ 1,992,229	$ 2,500,924	$ 19,508,306	$ 21,022,630

Net Assets:

As noted earlier, the overall financial position for the State decreased (7.2%) from the previous year with net assets decreasing to $19.5 billion. Net assets for governmental activities decreased by $1 billion (5.4%) and net assets for business-type activities decreased by $509 million (20.3%). The largest portion of the net assets of the State, $15 billion (76%), reflects investment in capital assets (e.g., land, roads, buildings, machinery, and equipment) net of related debt. These net assets are used to provide services to residents of the State, and consequently are not available for future spending. Capital assets increased by nearly $1 billion (6.1%), due mainly to infrastructure improvements under the Louisiana Transportation Infrastructure Model for Economic Development (TIMED) Program discussed in more detail in the capital asset section of the MD&A.

In contrast, current and other assets (e.g., cash, investments, receivables, and inventory) totaled $17.7 billion (49%) of total assets at fiscal year end, and the State uses these resources in part to repay debt associated with capital assets. The current and other assets of the State at June 30, 2010, represent a decrease of 8.3% from the prior fiscal year. Cash and investments have decreased by $1.5 billion (11.5%), largely due to the downturn in the economy, which has impacted tax collections and other revenues.

Restricted net assets represent those assets not available for spending as a result of legislative or constitutional requirements, donor agreements, or grant requirements. Restricted net assets decreased by $393 million (7.2%) from the previous fiscal year for governmental activities, reflecting a decrease in restricted net assets for other purposes of $468 million. This decrease is due in part to the use of the Budget Stabilization Fund's restricted net assets being used to offset budget deficits identified and declared by the Revenue Estimating Conference. Restricted net assets for funds held as permanent investments increased by $64.1 million over last year, $24.7 million for nonexpendable funds and $39.4 million for expendable funds.

Restricted net assets decreased by $369 million (26%) for business-type activities, and was primarily caused by a decrease in the amount restricted for unemployment compensation, which is reported in the Unemployment Trust Fund. Balances in the fund continue to decrease reflecting the large increase in unemployment claims following lay-offs related to the downturn in the nation's economy.

For fiscal year 2010, unrestricted net assets decreased by $1.3 billion (119%) from the previous year for governmental activities. A large portion of this decrease is due to the recessionary environment, which has had a negative impact on tax collections. A more detailed explanation of the decline in revenues is provided on page 21.

Unrestricted net assets decreased by $191 million (19.9%) for business-type activities. This decrease is mainly due to the addition of the Patient's Compensation Fund Oversight Board in FY 2010 to the business-type activities, which had a negative unrestricted balance of $234.1 million at the 2010 fiscal year end. The purpose of the Patient's Compensation Fund Oversight Board is to guarantee that affordable, medical malpractice coverage is available to all private healthcare providers and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

Changes in Net Assets:

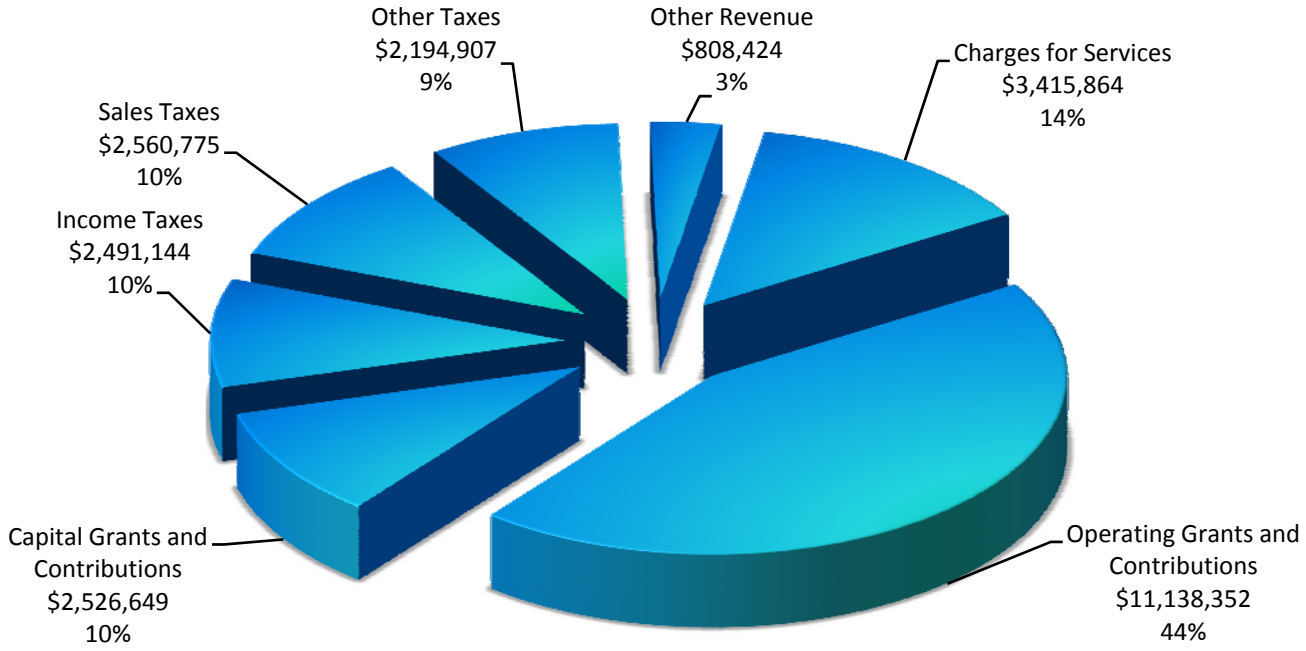
Changes in Net Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	$ 3,415,864	$ 3,783,473	$ 893,745	$ 702,282	$ 4,309,609	$ 4,485,755
Operating grants and contributions	11,138,352	11,068,209	412,463	99,339	11,550,815	11,167,548
Capital grants and contributions	2,526,649	3,010,693	68,045	86,934	2,594,694	3,097,627
General revenues:						
Income taxes	2,491,144	3,630,547	--	--	2,491,144	3,630,547
Sales and use taxes	2,560,775	3,016,254	--	--	2,560,775	3,016,254
Other taxes	2,194,907	2,343,600	--	--	2,194,907	2,343,600
Other	808,424	910,072	21,732	7,450	830,156	917,522
Total revenues	25,136,115	27,762,848	1,395,985	896,005	26,532,100	28,658,853
Expenses:						
Governmental activities:						
General government	5,896,826	6,972,403	--	--	5,896,826	6,972,403
Culture, recreation and tourism	86,845	122,928	--	--	86,845	122,928
Transportation and development	1,111,846	1,286,404	--	--	1,111,846	1,286,404
Public safety	349,369	371,326	--	--	349,369	371,326
Health and welfare	10,248,151	9,671,816	--	--	10,248,151	9,671,816
Corrections	686,957	727,095	--	--	686,957	727,095
Youth services	152,562	170,678	--	--	152,562	170,678
Conservation and environment	595,690	499,648	--	--	595,690	499,648
Education	6,599,451	7,136,960	--	--	6,599,451	7,136,960
Other	45,821	66,424	--	--	45,821	66,424
Intergovernmental	398,377	485,875	--	--	398,377	485,875
Interest on long-term debt	299,326	304,763	--	--	299,326	304,763
Business-type activities:						
Patient's Compensation	--	--	160,427	--	160,427	--
Unemployment Trust Fund	--	--	985,779	455,910	985,779	455,910
Other	--	--	344,750	335,166	344,750	335,166
Total expenses	26,471,221	27,816,320	1,490,956	791,076	27,962,177	28,607,396
Net increase (decrease) before transfers	(1,335,106)	(53,472)	(94,971)	104,929	(1,430,077)	51,457
Extraordinary item	--	(2,406)	--	--	--	(2,406)
Transfers In (out)	141,615	142,066	(141,615)	(142,066)	--	--
Net increase (decrease)	(1,193,491)	86,188	(236,586)	(37,137)	(1,430,077)	49,051
Net Assets–Beginning, as restated	18,709,568	18,435,518	2,228,815	2,538,061	20,938,383	20,973,579
Net Assets–Ending	$ 17,516,077	$ 18,521,706	$ 1,992,229	$ 2,500,924	$ 19,508,306	$ 21,022,630

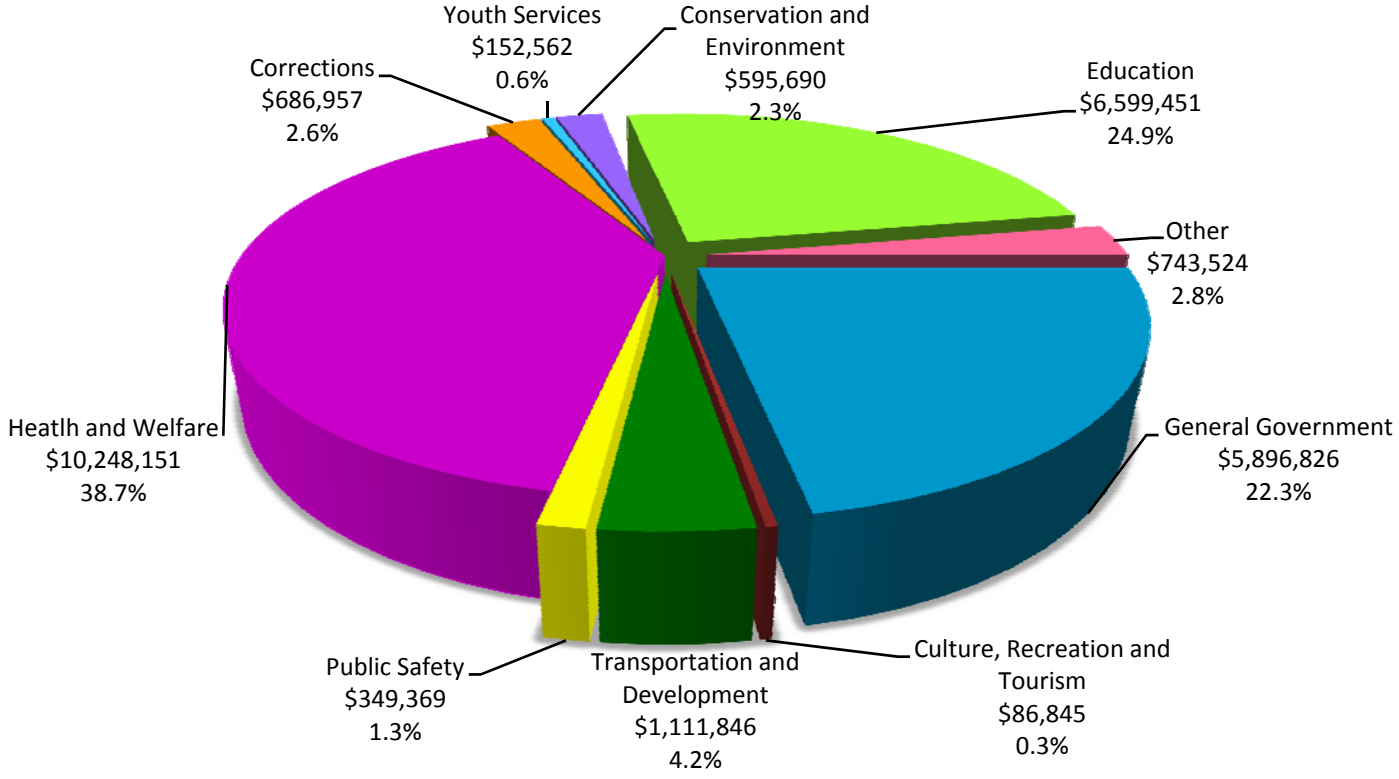
State of Louisiana

Governmental Activities - Net assets decreased by $1 billion from prior year, with a $2.6 billion decrease in total revenue and a $1.3 billion decrease in total expenses. Approximately 44% of the total revenue came from operating grants and contributions, 29% from taxes, and 14% from charges for services (see chart below). Sales tax collections decreased by $455 million from the prior year. The largest expenses were for health and welfare (38.7%), education (24.9%) and general government (22.3%) as depicted in the second chart below.

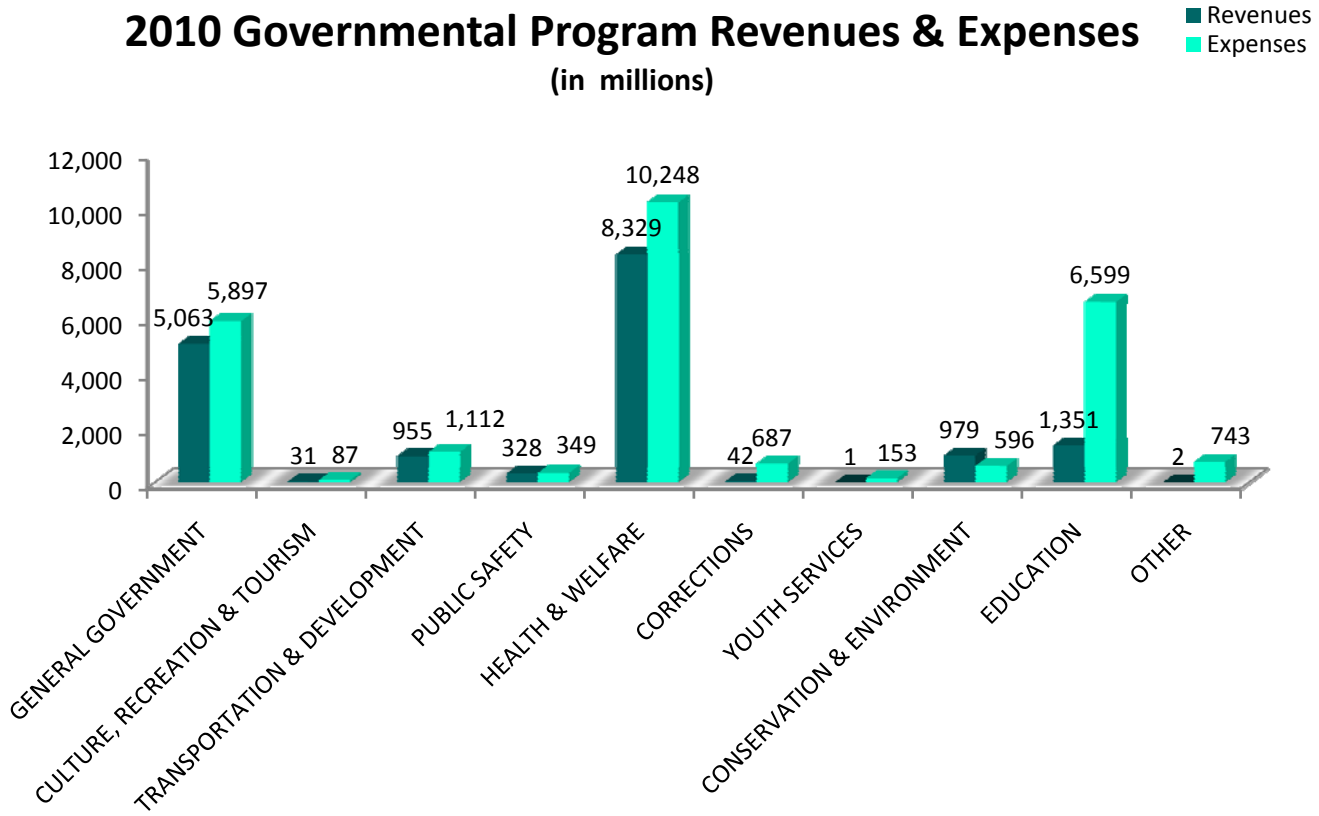
The following chart depicts the governmental activities' revenues by source for the fiscal year (in thousands):



The following chart depicts the governmental activities' expenses by function for the fiscal year (in thousands):

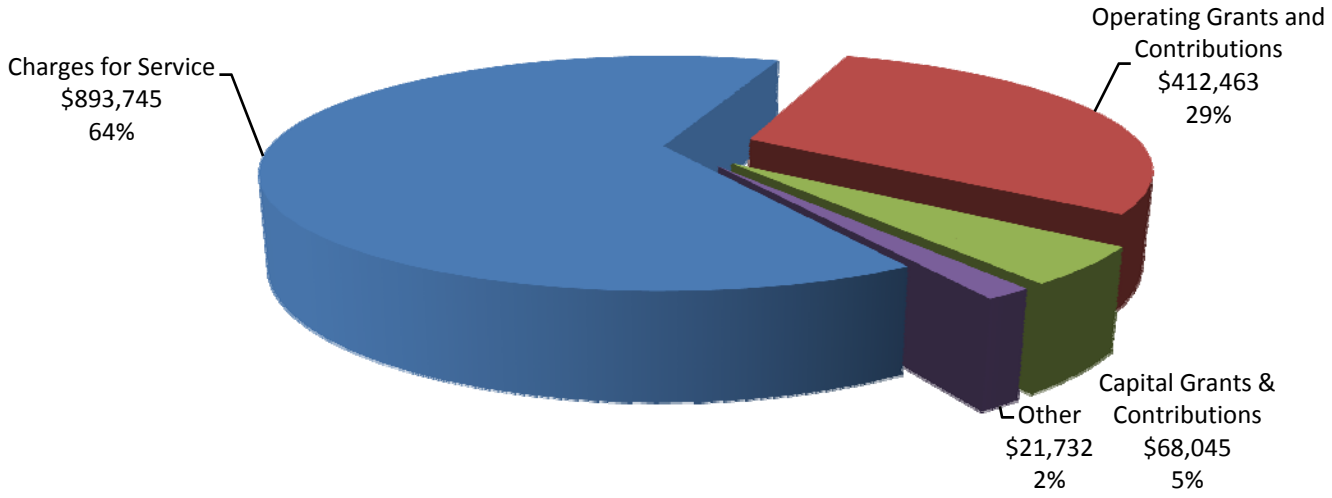


The following chart depicts the governmental activities' program revenues and expenses for the 2010 fiscal year:

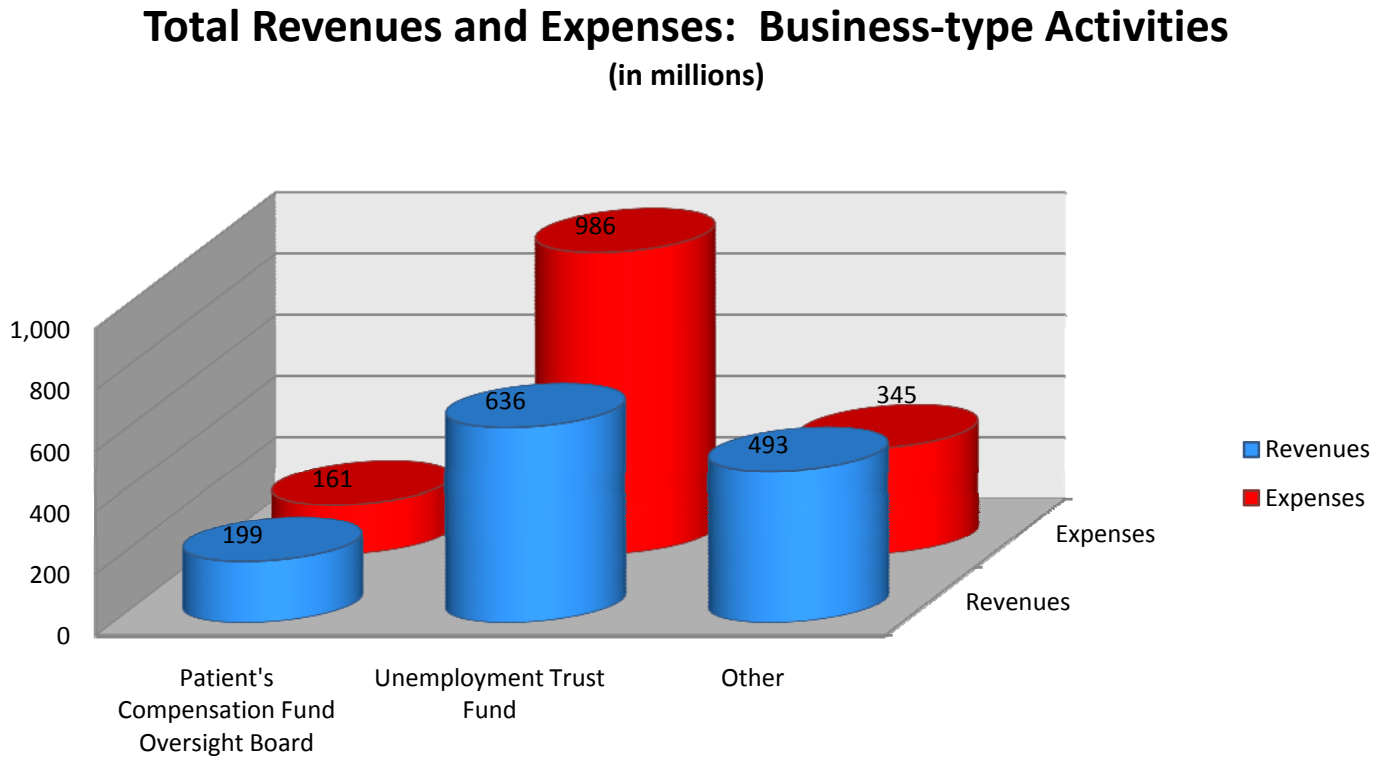


Business-Type Activities – Net assets decreased by $236 million (10.61%) from the prior year restated balance. Charges for Services of $894 million accounted for much of the total revenue (64%), while Operating Grants and Contributions provided $412 million (29%) and Capital Grants and Contributions provided $68 million (5%) of the total revenues. The largest component of business-type activity expenses was attributable to the Unemployment Trust Fund, which comprised 66% of the total. For fiscal year 2010, a deficit occurred for business-type activities because expenses and transfers exceeded revenues by $237 million.

The following chart depicts business-type activities' revenues for the 2010 fiscal year (in thousands):



The following chart depicts the business-type activities' revenues and expenses (including transfers) for fiscal year 2010:



Net assets of governmental activities decreased $1 billion as a result of a combination of decreases in both revenues and expenses; examples include Income Tax ($1.1 billion), Sales Tax ($455 million), and Capital Grants and Contributions ($484 million), which all declined. Other revenues reflected net decreases from the prior year ($548 million) as did expenditures ($1.3 billion). Net assets of business-type activities decreased $509 million. Information presented below provides further insight into the reasons behind these changes.

FINANCIAL ANALYSIS OF THE FUNDS OF THE STATE

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to assist in the management of its budgetary operations.

Governmental Funds

The major governmental funds are the General Fund, Bond Security and Redemption Fund, the Capital Outlay Escrow Fund, and Louisiana Education Quality Trust Fund. The General Fund is the main operating fund of the State. The Bond Security and Redemption Fund (BSRF) receives all monies deposited into the State Treasury except federal funds, donations, or other forms of assistance. The BSRF pays all obligations secured by the full faith and credit of the State that are due and payable in the current fiscal year. The Capital Outlay Escrow Fund accounts for the capital outlay expenditures of state government, state institutions and other public entities as appropriated by the annual Capital Outlay Act. The Louisiana Education Quality Trust Fund uses funds received from the federal government from mineral production or leases on the outer continental shelf; receipts are used to improve the quality of education in Louisiana.

The overall financial position of the General Fund decreased by $697 million from the prior year and the unreserved/undesignated fund balance decreased by $880 million (130%) resulting in a deficit balance of $201 million. General fund revenue for Fiscal Year 2010 decreased by 3% when compared to the prior fiscal year.

The following table ranks the revenue sources with the largest annual percentage growth and a $10 million or higher increase over the prior fiscal year:

Annual Revenue Increases Greater than $10 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Excise License (Insurance Premiums)	35.8	11.2
Various Agency Receipts	13.5	29.5

In this recessionary environment, few revenue sources are projected to show positive changes, compared to FY2008/09. The Excise License Tax is the only one that showed some strength in its collections. Various Agency Receipts reflects an increase in revenue due to a bond sale allocation included in this item.

The following table identifies revenue sources with a $50 million or more decline during Fiscal Year 2009/10:

Annual Revenue Decreases Greater than $50 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Individual Income Tax	-753.7	-25.4
Corporate Income Tax	-469.3	-76.6
Sales Tax	-455.0	-15.1
Corporate Franchise Tax	-181.1	-85.2
Lease Bonuses	-107.0	-79.8
Lease Royalties	-98.8	-19.1
Severance Tax	-92.9	-10.7

Individual Income Tax collections declined in response to numerous tax credits passed in previous legislative sessions, particularly continued phase-in of excess itemized deductions and the expansion of the taxable income brackets. The national recession's impact on the state's wages and employment also contributed to this decline. The General Sales Tax showed significant weakness in collections since early in the fiscal year and Corporate Income and Franchise Tax collections saw major reductions, fueled by the current recessionary environment. Lease Bonus revenues reverted to normal after the significant increase during last fiscal year, due to the Haynesville Shale exploration boom. Lease Royalties fell because oil prices decreased from their peaks in the previous fiscal year.

General Fund expenditures decreased by $1.9 billion (7.6%) from the previous year. The major reason that expenditures fell was due to the winding down of some of the disaster recovery programs that were created as a result of Hurricanes Katrina and Rita. Various recovery programs were created to provide for the restoration of infrastructure and buildings, assistance to small businesses, long-term loans to businesses for replacement or repair of buildings and equipment, funding for housing programs to compensate homeowners whose homes sustained major damage due to the hurricanes, and for other needs of the communities affected by these hurricanes. Although a significant amount of resources are still being expended on hurricane disaster recovery programs, such activity has declined as communities have been restored.

The Bond Security and Redemption Fund revenues decreased by $1.9 billion (14.5%) in fiscal year 2010, mainly due to decreased tax collections. The Louisiana Education Quality Trust Fund and the Louisiana Quality Education Support Funds reported interest earnings of $7.5 million (a 64.5% decrease) and an increase in the fair value of investments of $111 million.

Proprietary Funds

The major enterprise funds of the State are the Patient's Compensation Fund Oversight Board and Unemployment Trust Fund. The Unemployment Trust Fund accounts for 52% of the net assets of the enterprise funds. Combined net assets for the enterprise funds decreased by $509 million compared to the prior fiscal year's ending balance. This was primarily due to the addition of the Patient's Compensation Fund Oversight Board as a Major Fund in fiscal year 2010. In previous years, this fund was reported as a special revenue fund, which is a governmental fund. Last year, the fund reported a positive fund balance because it was reported using the modified accrual basis of accounting; the associated long-term liability was reported at the government-wide level only. This year, as a proprietary fund, the long-term liability

is included in the fund and creates negative unrestricted net assets of $234 million. In addition to the major funds, enterprise funds also include the Louisiana Lottery Corporation, the Municipal Facilities Revolving Loan Fund, the Drinking Water Revolving Loan Fund, and 8 other non-major enterprise funds.

The Unemployment Trust Fund accounts for the Unemployment Insurance Program in the State. Expenses for the Fund increased by more than $529 million (116%) and revenues increased by $310 million (95%). The national, state, and local economies have been in a recession since 2008, causing a high level of unemployment. The increase in expenditures reflects payment of unemployment benefits. The vast majority of the increase in revenues relates to draws of federally funded unemployment benefits, including additional federal grants received though the American Recovery and Reinvestment Act (ARRA) of 2009.

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental appropriations are usually approved before the end of the fiscal year based on revisions to estimated revenues by the Revenue Estimating Conference and the needs of various departments and programs. These supplemental appropriations are included in the final budget. Transfers between funds provide additional resources to make up the difference between revenues and expenditures. Final budgeted revenues were approximately $1.4 billion greater than originally budgeted, and final budgeted expenditures were approximately $1.8 billion greater than originally budgeted. Final budgeted revenues and expenditures in excess of original budgeted amounts include significant non-recurring budgets for the ARRA economic stimulus program and for remediation , economic recovery, and the other costs associated with the Deepwater Horizon Oil Spill.

The State is still recovering from the devastation caused by Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008. The U.S. Department of Housing and Urban Development provided grants for disaster recovery from the hurricanes. These programs are still in place and are the primary reason actual revenues and expenditures were less than the final budgeted amounts for FY 2010-- $4.7 billion for revenues and $6.0 billion for expenditures. The budgeted amount for the majority of federal grants is based upon the remaining grant balances, which naturally decrease each year as expenses are incurred. The entire amount of the remaining portion of the grants for disaster recovery programs, expected to have four remaining years on the grants, was placed in the State's budget for fiscal year 2010 because it was unknown how much money would be expended for the fiscal year. Ultimately, the State spent approximately $1.6 billion on the disaster recovery programs and was reimbursed by the federal government for these expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
(net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land	$ 2,198,173	$ 2,144,881	$ 5,667	$ 5,665	$ 2,203,840	$ 2,150,546
Buildings and Improvements	1,431,405	1,286,230	16,953	16,443	1,448,358	1,302,673
Equipment	210,711	246,142	6,475	7,040	217,186	253,182
Infrastructure	13,435,651	12,522,176	--	--	13,435,651	12,522,176
Intangible Assets	4,024	--	315	--	4,339	--
Construction-in-Progress	469,710	561,189	307,844	254,534	777,554	815,723
Total	$ 17,749,674	$ 16,760,618	$ 337,254	$ 283,682	$ 18,086,928	$ 17,044,300

Capital Assets

Investment in capital assets for governmental and business-type activities of the State as of June 30, 2010, totaled approximately $17.8 billion and $337 million (net of accumulated depreciation), respectively. Approximately 90% of combined governmental and business-type capital assets are depreciable. Investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The increase in investment in governmental capital assets for the current fiscal year is $989 million (5.9%). The majority of the increases in land and infrastructure can be attributed to the Transportation Infrastructure Model for Economic Development (TIMED) Program. This $4.6 billion improvement program involves specific transportation projects that include widening over 500 miles of state highways from two to four lanes to make Louisiana more attractive for companies moving goods from, into, and through the State; widening and/or new construction on three major bridges to expand shipping options; and improvements to the Port of New Orleans and Louis Armstrong International Airport to promote increased trade with Central and South American markets. An additional benefit of the TIMED Program is the improvement of vital north-south evacuation routes for southeast and southwest Louisiana.

Construction-in-progress for governmental activities decreased $91 million over last year due to the completion of several state park renovations and additions, including Bogue Chitto New State Park and Palmetto Island State Park. The completed projects were moved from construction-in-progress to the applicable asset class (buildings, infrastructure, or land improvements). Other completed projects included Grand Isle Marine Lab, the Louisiana School for Math, Science, and the Arts Annex building, and a number of other general government projects.

The investment in capital assets for business-type activities increased by $53 million over fiscal year 2009 because of ongoing construction-in-progress by the Louisiana Transportation Authority for improvement of Louisiana Highway 1 to enhance road accessibility to the Gulf of Mexico, one of the nation's major offshore oil and gas fields. The Louisiana Transportation Authority was created for the purpose of developing, improving, and maintaining an efficient intermodal transportation system in the State to promote the State's economic growth and ability to compete in regional, national, and global markets.

Refer to Note 5 – "Capital Assets" for more details of the changes in capital assets.

Outstanding Debt
General Obligation and Revenue Bonds
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
General obligation bonds	$ 2,467,675	$ 2,458,755	$ --	$ --	$ 2,467,675	$ 2,458,755
Revenue bonds and notes	3,869,615	3,897,812	195,800	195,800	4,065,415	4,093,612
Deferred Amounts	172,987	162,221	(31,235)	(32,124)	141,752	130,097
Total	$ 6,510,277	$ 6,518,788	$ 164,565	$ 163,676	$ 6,674,842	$ 6,682,464

Debt Administration

The State authorizes, issues, and sells debt obligations. General obligation bonds issued by the State are backed by the full faith and credit of the State. The State also issues revenue obligations, which are secured by a pledge of revenues or property derived from the operations of a program funded by the issuance of the obligations.

In fiscal year 2010, $200,000,000 in general obligation bonds were issued for the financing of certain capital projects. General obligation refunding bonds of $119,020,000 were also issued to advance refund the Series 1998-A bond issue. The Louisiana Bond Commission also authorized the issuance of $103,125,000 of Gasoline and Fuels Tax Revenue Bonds, Series 2010-A, for the purpose of refunding the Series 2009 A-2, which was used to finance TIMED specific highway and bridge projects associated with the Transportation Infrastructure Model for Economic Development. Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds, also known as Build America Bonds, were issued in the amount of $60,625,000. The Build America Bonds are taxable bonds, created by the American Recovery and Reinvestment Act to allow state and local governments to obtain funding, at lower borrowing costs, for new capital projects.

Bond ratings for general obligation debt remained at "AA-" as rated by Standard and Poor's. Moody's rating remained stable with an "A1" rating. Details on long-term debt, including debt authorization and limitations are discussed in Note 8, Long-Term Obligations.

ECONOMIC FACTORS

(The Louisiana Economic Outlook: 2011 and 2012, by Loren C. Scott, James A. Richardson, M. Dek Terrell, and Judy S. Collins, published in October 2010; the U.S. Census Bureau; and press releases from the Louisiana Department of Economic Development.)

Louisiana as a whole has done remarkably well during this "Great Recession." The U.S. economy began losing jobs in January 2008, experiencing a job decline of 6.1%; Louisiana did not begin losing jobs until January 2009. In fiscal year 2010 the unemployment rate in Louisiana was 7.2%, while the U.S. unemployment rate was 9.8% over the same period.

As in the past, Louisiana has done much better than the rest of the country due to its low dependence on durable goods (autos, furniture, electronics, etc). The lingering benefit of extra construction activity from the Go Zone legislation has protected the State from a serious economic decline.

The Deepwater Horizon drilling platform located in the Gulf of Mexico about 50 miles off the coast of Louisiana, exploded on April 20, 2010. Approximately 4.9 million barrels of oil leaked from the well before it was capped in August 2010. New environmental and safety regulations imposed after the Deepwater Horizon Oil Spill and proposed federal legislation of $36 billion in new taxes on the oil and gas extraction industry will have a major impact on Louisiana's economy.

Major economic achievements for Louisiana consist of new business development projects. Louisiana has made some major inroads in bringing new jobs into its economic system. Blade Dynamics will begin manufacturing advanced wind turbine blades and wind turbine components at the Michoud Assembly Facility in New Orleans. This move will establish an initial workforce of 200 jobs and Blade Dynamics has committed to create a total of 600 jobs by 2015. The average salary of the new jobs will be $48,000, plus benefits.

Work began in the summer of 2010 on the SNF Polymer's new water-soluble polymers manufacturing facility in Iberville Parish. The facility will operate under the name Flopam, Inc. and will create more than 500 new direct jobs when all phases of the $362 million facility are completed. In addition, the facility is expected to employ 100 permanent contractors and 250 construction-related jobs are expected to be created over the 5-year construction period.

Nucor Corporation will locate one of the largest industrial projects in Louisiana history in St. James Parish. Nucor will be constructing a direct reduced iron (DRI) facility as the first phase for the multiphase iron and steel project. Other phases include an additional DRI facility, a blast furnace and coke ovens, a pellet plant and a steel mill. The projects could create 1,250 jobs and include $3.4 billion in capital investment. Many indirect jobs will be created as a result of the above projects moving forward, with the employees of these companies establishing a need for goods and services to maintain their households.

Requests for Information

This financial report is designed to provide a general overview of the State's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information may be obtained by writing to the Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 or by telephoning (225) 342-0708. The component units of the State issue their own audited financial reports. Telephone numbers for these entities can also be obtained from the Office of Statewide Reporting and Accounting Policy. This report is available on our website at http://www.doa.la.gov/osrap/cafr-2.htm.

BASIC
FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET ASSETS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	COMPONENT UNITS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 6,358,387	$ 1,663,824	$ 8,022,211	$ 1,980,524
INVESTMENTS	3,418,013	391,112	3,809,125	1,524,776
DEFERRED OUTFLOW OF RESOURCES	112,380	--	112,380	14,259
RECEIVABLES (NET)	2,330,357	78,294	2,408,651	707,642
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	48,816
AMOUNTS DUE FROM COMPONENT UNITS	82,078	--	82,078	--
DUE FROM FEDERAL GOVERNMENT	2,003,706	7,487	2,011,193	90,360
INTERNAL BALANCES	19,908	(19,908)	--	--
INVENTORIES	75,152	5,469	80,621	51,791
PREPAYMENTS	355,231	122	355,353	40,766
NOTES RECEIVABLE	--	721,084	721,084	257,071
OTHER ASSETS	96,774	8,399	105,173	199,933
CAPITAL ASSETS (NOTE 5)				
LAND	2,198,173	5,667	2,203,840	476,250
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,431,405	16,953	1,448,358	2,922,309
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	210,711	6,475	217,186	455,015
INFRASTRUCTURE (NET OF DEPRECIATION)	13,435,651	--	13,435,651	405,982
INTANGIBLE ASSETS (NET OF AMORTIZATION)	4,024	315	4,339	6,130
CONSTRUCTION IN PROGRESS	469,710	307,844	777,554	584,082
TOTAL ASSETS	32,601,660	3,193,137	35,794,797	9,765,706
LIABILITIES				
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	3,169,723	17,832	3,187,555	485,045
ACCRUED INTEREST ON BONDS	51,662	--	51,662	--
DERIVATIVE INSTRUMENTS	112,380	--	112,380	56,574
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	82,078
AMOUNTS DUE TO COMPONENT UNITS	48,816	--	48,816	--
DUE TO FEDERAL GOVERNMENT	466,725	602	467,327	4,028
DUE TO LOCAL GOVERNMENTS	31,909	--	31,909	--
UNEARNED REVENUE	561,071	103,437	664,508	307,811
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	28,270
OTHER LIABILITIES	25,962	68,666	94,628	14,582
CURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	18,558	786	19,344	20,298
CAPITAL LEASE OBLIGATIONS	3,759	36	3,795	5,272
NOTES PAYABLE	71	62	133	27,227
BONDS PAYABLE	374,693	--	374,693	188,107
POLLUTION REMEDIATION OBLIGATIONS	62,572	--	62,572	51
ESTIMATED LIABILITY FOR CLAIMS	143,346	122,727	266,073	243
OTHER LONG-TERM LIABILITIES	3,600	--	3,600	17,519
NONCURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	208,435	1,949	210,384	200,850
CAPITAL LEASE OBLIGATIONS	2,756	56	2,812	56,537
NOTES PAYABLE	46	1,656	1,702	91,905
BONDS PAYABLE	6,135,584	164,565	6,300,149	3,491,186
OPEB PAYABLE	1,644,125	16,830	1,660,955	971,855
POLLUTION REMEDIATION OBLIGATIONS	21,521	--	21,521	125
ESTIMATED LIABILITY FOR CLAIMS	1,935,280	650,723	2,586,003	159,695
OTHER LONG-TERM LIABILITIES	62,989	50,981	113,970	83,430
TOTAL LIABILITIES	15,085,583	1,200,908	16,286,491	6,292,688
NET ASSETS				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	14,737,911	170,960	14,908,871	3,224,616
RESTRICTED FOR:				
CAPITAL PROJECTS	10,000	10,951	20,951	26,998
DEBT SERVICE	3,038	--	3,038	151,680
UNEMPLOYMENT COMPENSATION	--	946,139	946,139	--
OTHER PURPOSES	2,574,360	91,195	2,665,555	164,897
PERMANENT FUNDS AND ENDOWMENTS:				
NONEXPENDABLE	1,033,021	--	1,033,021	592,293
EXPENDABLE	1,475,895	--	1,475,895	795,784
UNRESTRICTED	(2,318,148)	772,984	(1,545,164)	(1,483,250)
TOTAL NET ASSETS	$ 17,516,077	$ 1,992,229	$ 19,508,306	$ 3,473,018

The notes to the financial statement are an integral part of this statement.

State of Louisiana

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
					PRIMARY GOVERNMENT			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	$ 5,896,826	$ 1,962,589	$ 1,357,983	$ 1,742,041	$ (834,213)		$ (834,213)	
CULTURE, RECREATION, AND TOURISM	86,845	17,281	8,014	5,958	(55,592)		(55,592)	
TRANSPORTATION AND DEVELOPMENT	1,111,846	70,665	136,300	748,416	(156,465)		(156,465)	
PUBLIC SAFETY	349,369	280,500	46,868	408	(21,593)		(21,593)	
HEALTH AND WELFARE	10,248,151	295,799	8,031,731	1,542	(1,919,079)		(1,919,079)	
CORRECTIONS	686,957	38,520	1,222	2,707	(644,508)		(644,508)	
YOUTH SERVICES	152,562	--	501	--	(152,061)		(152,061)	
CONSERVATION AND ENVIRONMENT	595,690	688,756	287,111	3,162	383,339		383,339	
EDUCATION	6,599,451	60,329	1,268,622	22,415	(5,248,085)		(5,248,085)	
OTHER	45,821	--	--	--	(45,821)		(45,821)	
INTERGOVERNMENTAL	398,377	1,425	--	--	(396,952)		(396,952)	
INTEREST ON LONG-TERM DEBT	299,326	--	--	--	(299,326)		(299,326)	
TOTAL GOVERNMENTAL ACTIVITIES	26,471,221	3,415,864	11,138,352	2,526,649	(9,390,356)		(9,390,356)	
BUSINESS-TYPE ACTIVITIES:								
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	160,427	183,576	--	--		$ 23,149	23,149	
UNEMPLOYMENT TRUST FUND	985,779	245,023	391,458	--		(349,298)	(349,298)	
NONMAJOR ENTERPRISE FUNDS	344,750	465,146	21,005	68,045		209,446	209,446	
TOTAL BUSINESS-TYPE ACTIVITIES	1,490,956	893,745	412,463	68,045		(116,703)	(116,703)	
TOTAL PRIMARY GOVERNMENT	$ 27,962,177	$ 4,309,609	$ 11,550,815	$ 2,594,694	(9,390,356)	(116,703)	(9,507,059)	
COMPONENT UNITS:								
STATE UNIVERSITIES:								
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,456,529	$ 2,053,471	$ 579,454	$ 111,637				$ (711,967)
UNIVERSITY OF LOUISIANA SYSTEM	1,105,111	381,106	187,200	51,224				(485,581)
SOUTHERN UNIVERSITY SYSTEM	261,122	48,581	67,517	8,640				(136,384)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	460,288	64,373	86,296	23,728				(285,891)
BOARD OF REGENTS	91,219	1,249	12,130	--				(77,840)
AUTHORITIES:								
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION (UNAUDITED)	220,661	173,233	--	--				(47,428)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	132,971	40,561	16,175	31,584				(44,651)
LOUISIANA UTILITIES RESTORATION CORPORATION	53,050	145,951	--	--				92,901
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	50,424	5,991	100	16,098				(28,235)
OTHER COMPONENT UNITS	582,784	71,183	305,969	15,945				(189,687)
TOTAL COMPONENT UNITS	$ 6,414,159	$ 2,985,699	$ 1,254,841	$ 258,856				(1,914,763)

GENERAL REVENUES:				
INCOME TAXES	2,491,144		2,491,144	
SALES TAXES	2,560,775		2,560,775	
SEVERANCE TAXES	776,464		776,464	
GASOLINE TAXES, restricted for transportation	624,554		624,554	
TOBACCO TAXES	135,927		135,927	
MISCELLANEOUS TAXES	657,962		657,962	
TOBACCO SETTLEMENT, restricted for education, health and welfare	142,279		142,279	
GAMING	668,235		668,235	
UNRESTRICTED INVESTMENT EARNINGS	(9,301)		(9,301)	
MISCELLANEOUS	338		338	1,339,269
OTHER	6,873	21,732	28,605	1,142,119
TRANSFERS	141,615	(141,615)	--	--
TOTAL GENERAL REVENUES AND TRANSFERS	8,196,865	(119,883)	8,076,982	2,481,388
CHANGE IN NET ASSETS	(1,193,491)	(236,586)	(1,430,077)	566,625
NET ASSETS - BEGINNING AS RESTATED	18,709,568	2,228,815	20,938,383	2,906,393
NET ASSETS - ENDING	$ 17,516,077	$ 1,992,229	$ 19,508,306	$ 3,473,018

The notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major Funds

GENERAL FUND

The General Fund, the principal operating fund of the State, was established administratively to provide for the distribution of funds appropriated by the State Legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are accounted for in the General Fund. Revenues are provided from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt service requirements have been met.

BOND SECURITY AND REDEMPTION FUND

This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations or other forms of assistance when the terms and conditions of the related agreements require otherwise.

Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the state, due and payable, within the current fiscal year, including principal, interest, premiums, and sinking or reserve funds. Except as other wise provided by law, money remaining in the fund is credited to the General Fund.

LOUISIANA EDUCATION QUALITY TRUST FUND

Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the Treasurer in this fund. The funds are held in a trustee capacity and interest earned is used for various educational purposes.

CAPITAL OUTLAY ESCROW FUND

The Capital Outlay Escrow Fund was created to provide for the capital outlay expenditures of the State as appropriated in the annual capital outlay appropriations act. The fund accounts for a large volume of ongoing and new construction, routine maintenance and repairs, as well as repairs and renovations related to the damage caused by hurricanes. The fund is financed by bond issues, federal funds, self-generated revenues, statutory dedications, and appropriations by the Louisiana Legislature.

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
CASH AND CASH EQUIVALENTS	$ 1,035,570	$ 385,704	$ 1,404,618	$ 143,133	$ 3,383,109	$ 6,352,134
INVESTMENTS	28,255	--	32,543	853,167	2,401,951	3,315,916
RECEIVABLES (NET)	344,085	1,377,666	34,188	--	11,125	1,767,064
DUE FROM OTHER FUNDS	1,041,868	224,063	171,963	19,557	771,332	2,228,783
AMOUNTS DUE FROM COMPONENT UNITS	74,742	7,336	--	--	--	82,078
DUE FROM FEDERAL GOVERNMENT	1,708,911	--	--	--	88,791	1,797,702
INVENTORIES	72,113	--	--	--	--	72,113
PREPAYMENTS	354,727	--	--	--	--	354,727
OTHER ASSETS	577	--	11,855	--	--	12,432
TOTAL ASSETS	$ 4,660,848	$ 1,994,769	$ 1,655,167	$ 1,015,857	$ 6,656,308	$ 15,982,949
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	$ 2,034,137	$ --	$ 258,288	$ --	$ 39,936	$ 2,332,361
OTHER PAYABLES	114,603	332,276	--	--	--	446,879
DUE TO OTHER FUNDS	540,945	1,001,894	20,406	--	645,626	2,208,871
AMOUNTS DUE TO COMPONENT UNITS	10,144	--	13,296	--	25,376	48,816
DUE TO FEDERAL GOVERNMENT	466,725	--	--	--	--	466,725
DUE TO LOCAL GOVERNMENTS	--	--	--	--	31,909	31,909
DEFERRED REVENUES	395,618	660,599	165,176	--	--	1,221,393
ESTIMATED LIABILITY FOR CLAIMS	134,260	--	--	--	--	134,260
OTHER LIABILITIES	--	--	--	--	60,032	60,032
TOTAL LIABILITIES	3,696,432	1,994,769	457,166	--	802,879	6,951,246
FUND BALANCES:						
RESERVED FOR:						
DEBT SERVICE	--	--	--	--	131,686	131,686
INVENTORIES	72,113	--	--	--	--	72,113
ENCUMBRANCES	121,314	--	--	--	97,785	219,099
CONTINUING PROJECTS	--	--	--	--	370,927	370,927
CONSTRUCTION	--	--	1,197,758	--	137,492	1,335,250
TRUST PRINCIPAL	--	--	--	1,015,857	17,164	1,033,021
OTHER SPECIFIC PURPOSES	820,322	--	--	--	79,688	900,010
UNRESERVED / DESIGNATED, REPORTED IN:						
GENERAL FUND	152,118	--	--	--	--	152,118
SPECIAL REVENUE FUNDS	--	--	--	--	16,355	16,355
DEBT SERVICE FUNDS	--	--	--	--	614	614
CAPITAL PROJECTS FUNDS	--	--	243	--	--	243
PERMANENT FUNDS	--	--	--	--	34,832	34,832
UNRESERVED / UNDESIGNATED, REPORTED IN:						
GENERAL FUND	(201,451)	--	--	--	--	(201,451)
SPECIAL REVENUE FUNDS	--	--	--	--	3,570,449	3,570,449
PERMANENT FUNDS	--	--	--	--	1,396,437	1,396,437
TOTAL FUND BALANCES	964,416	--	1,198,001	1,015,857	5,853,429	9,031,703
TOTAL LIABILITIES AND FUND BALANCES	$ 4,660,848	$ 1,994,769	$ 1,655,167	$ 1,015,857	$ 6,656,308	$ 15,982,949

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

(Expressed in Thousands)

Total Fund Balances - Governmental Funds		$ 9,031,703
Amounts reported for governmental activities in the Statement of Net Assets are different due to the following:		
Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. These assets consist of the following:		
Land	$ 2,197,872	
Buildings and Improvements	2,057,242	
Machinery and Equipment	788,457	
Infrastructure	23,628,000	
Intangible Assets	11,205	
Construction in Progress	469,710	
Accumulated Depreciation and Amortization	(11,404,792)	17,747,694
Net assets of the Internal Service Funds are reported separately in the proprietary funds, but are consolidated for the government-wide statements.		48,618
Commodities inventory is not reported in the funds. Ending inventory must be reported on the government-wide statements.		2,307
Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. These costs are deferred on the Statement of Net Assets.		81,136
The annual required contributions of certain pension trust funds have been under-funded, creating a year-end liability, which is not reported in the funds.		(24,282)
The other postemployment benefits (OPEB) annual required contributions of certain governmental funds have been under-funded, creating a year-end liability, which is not reported in the funds.		(1,637,469)
The pollution remediation obligations established under GASB 49 represent amounts not accrued at the fund level because of their long-term nature.		(24,093)
Some liabilities are not due and payable in the current period and are not reported in the funds. These liabilities consist of the following:		
Compensated Absences	(226,235)	
Capital Lease Obligations	(6,515)	
Bonds Payable	(6,510,277)	
Estimated Liabilities for Claims	(1,944,366)	
Accrued Interest Payable	(51,662)	
Termination Benefits	(1,648)	(8,740,703)
Some of the State's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and are deferred or not reported in the funds. Those revenues consist of the following:		
Accounts Receivable	553,376	
Due From Federal Government	206,004	
Deferred Revenues	660,599	
Other Assets	(380)	
Prepayments	473	1,420,072
Some payables do not meet the criteria for reporting under the modified accrual basis of accounting and are not reported in the fund level statements.		(388,906)
Net Assets of Governmental Activities		$ 17,516,077

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
INTERGOVERNMENTAL REVENUES	$ 12,381,334	$ 16,925	$ 242,022	$ --	$ 829,343	$ 13,469,624
TAXES	--	7,311,660	--	--	151,232	7,462,892
GAMING	--	671,527	--	--	--	671,527
TOBACCO SETTLEMENT	--	58,729	--	--	88,112	146,841
USE OF MONEY AND PROPERTY	781	786,091	(1,504)	25,724	196,888	1,007,980
LICENSES, PERMITS, AND FEES	--	565,849	--	--	67,751	633,600
SALES OF COMMODITIES AND SERVICES	--	933,549	--	--	--	933,549
OTHER	59,735	586,656	--	--	59,730	706,121
TOTAL REVENUES	12,441,850	10,930,986	240,518	25,724	1,393,056	25,032,134
EXPENDITURES						
CURRENT:						
GENERAL GOVERNMENT	4,911,766	--	--	--	--	4,911,766
CULTURE, RECREATION, AND TOURISM	71,088	--	--	--	--	71,088
TRANSPORTATION AND DEVELOPMENT	424,007	--	--	--	--	424,007
PUBLIC SAFETY	296,083	--	--	--	--	296,083
HEALTH AND WELFARE	9,497,394	--	--	--	--	9,497,394
CORRECTIONS	612,723	--	--	--	--	612,723
YOUTH SERVICES	138,506	--	--	--	--	138,506
CONSERVATION AND ENVIRONMENT	463,913	--	--	--	--	463,913
EDUCATION	6,319,886	--	--	--	--	6,319,886
OTHER	21,284	9,995	--	--	242,390	273,669
INTERGOVERNMENTAL	398,377	--	--	--	92,766	491,143
CAPITAL OUTLAY	--	--	2,384,130	--	--	2,384,130
DEBT SERVICE:						
PRINCIPAL RETIREMENT	38,270	185,595	--	--	44,840	268,705
INTEREST AND FISCAL CHARGES	30,306	113,045	--	--	156,258	299,609
TOTAL EXPENDITURES	23,223,603	308,635	2,384,130	--	536,254	26,452,622
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,781,753)	10,622,351	(2,143,612)	25,724	856,802	(1,420,488)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN	11,596,634	146,100	2,287,308	16,460	3,172,203	17,218,705
TRANSFERS OUT	(1,512,245)	(10,781,014)	(41,633)	--	(4,742,198)	(17,077,090)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	--	(125,997)	--	--	--	(125,997)
LONG-TERM DEBT ISSUED	--	138,560	200,000	--	60,459	399,019
TOTAL OTHER FINANCING SOURCES (USES)	10,084,389	(10,622,351)	2,445,675	16,460	(1,509,536)	414,637
NET CHANGE IN FUND BALANCES	(697,364)	--	302,063	42,184	(652,734)	(1,005,851)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,677,560	--	895,938	973,673	6,506,163	10,053,334
DECREASE IN RESERVES FOR INVENTORIES	(15,780)	--	--	--	--	(15,780)
FUND BALANCES AT END OF YEAR	$ 964,416	$ --	$ 1,198,001	$ 1,015,857	$ 5,853,429	$ 9,031,703

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

(Expressed in Thousands)

Net Change in Fund Balances - Total Governmental Funds		$ (1,005,851)
Amounts reported for governmental activities in the Statement of Activities are different due to the following:		
Governmental funds report capital outlays as expenditures. In the Statements of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. Those capital outlay expenditures consist of the following:		
Land	$ 53,292	
Buildings and Improvements	139,658	
Machinery and Equipment	(12,564)	
Infrastructure	913,475	
Intangible Assets	4,024	
Construction in Progress	(75,040)	1,022,845
Revenues and expenses in the statement of activities that do not provide current financial resources are not reported as revenues and expenditures in the funds.		(521,451)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term bonded debt in the Statement of Net Assets.		
Bond Proceeds and Premiums Received	(399,020)	
Repayment of Bond Principal	268,892	
Payment to Refunded Bond Escrow Agent	125,997	(4,131)
The net results of current year operations of internal service funds is included in the net income of the proprietary funds, but is presented as part of the primary government for government-wide statements.		(4,928)
Certain expenditures are reported in the funds. However, they either increase or decrease long-term liabilities reported on the Statement of Net Assets and have been eliminated from the Statement of Activities. Those expenditures consists of:		
Compensated Absences	(1,012)	
Capital Lease Obligations	4,954	
Accrued Interest Payable	(45,247)	
Estimated Liabilities for Claims	(207,420)	
Unamortized Bond Premium	15,253	
OPEB Payable	(427,121)	
Pollution Remediation Obligations	3,479	
Termination Benefits	(1,648)	
Deferred Charges - Bond Discounts	(450)	
Deferred Charges - Issuance Costs	(5,328)	(664,540)
Revenues and expenses relating to changes in inventory are not reported in the funds. Current year inventory activity must be reported on the government-wide statements.		(15,435)
Change in Net Assets of Governmental Activities		$ (1,193,491)

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

PROPRIETARY FUND FINANCIAL STATEMENTS

Major Funds

UNEMPLOYMENT TRUST FUND

The Unemployment Trust Fund accounts for the unemployment insurance contributions from employers and for the payment of unemployment benefits to eligible claimants.

PATIENT'S COMPENSATION FUND OVERSIGHT BOARD

The purpose of the Patient's Compensation Fund Oversight Board is to guarantee that affordable, medical malpractice coverage is available to all private healthcare providers by establishing and maintaining surcharge rates that are held to moderate levels and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

BALANCE SHEET

PROPRIETARY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 374,458	$ 1,021,041	$ 267,215	$ 1,662,714	$ 6,253
INVESTMENTS	256,732	--	34,557	291,289	71,807
RECEIVABLES (NET)	5,395	54,446	18,385	78,226	9,917
DUE FROM FEDERAL GOVERNMENT	--	7,069	418	7,487	--
INVENTORIES	--	--	5,469	5,469	732
PREPAYMENTS	--	--	122	122	31
NOTES RECEIVABLE	--	--	18,843	18,843	--
OTHER CURRENT ASSETS	--	--	21	21	483
TOTAL CURRENT ASSETS	636,585	1,082,556	345,030	2,064,171	89,223
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	--	--	1,110	1,110	--
INVESTMENTS	76	--	96,074	96,150	30,290
RECEIVABLES	--	--	68	68	--
INVESTMENTS	--	--	3,673	3,673	--
NOTES RECEIVABLE	--	--	702,241	702,241	--
CAPITAL ASSETS (NOTE 5)					
LAND	--	--	5,667	5,667	301
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	--	16,953	16,953	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	37	--	6,438	6,475	1,679
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	315	315	--
CONSTRUCTION IN PROGRESS	--	--	307,844	307,844	--
OTHER NONCURRENT ASSETS	--	--	8,378	8,378	3,103
TOTAL NONCURRENT ASSETS	113	--	1,148,761	1,148,874	35,373
TOTAL ASSETS	$ 636,698	$ 1,082,556	$ 1,493,791	$ 3,213,045	$ 124,596
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 189	$ --	$ 17,643	$ 17,832	$ 1,577
DUE TO OTHER FUNDS	--	6,953	12,955	19,908	4
DUE TO FEDERAL GOVERNMENT	--	602	--	602	--
DEFERRED REVENUES	91,832	7,027	4,360	103,219	277
OTHER CURRENT LIABILITIES	2,952	33,566	32,148	68,666	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	99	--	687	786	46
CAPITAL LEASE OBLIGATIONS	--	--	36	36	--
CLAIMS AND LITIGATION PAYABLE	122,727	--	--	122,727	--
NOTES PAYABLE	--	--	62	62	71
OTHER LONG-TERM LIABILITIES	--	--	--	--	3,600
TOTAL CURRENT LIABILITIES	217,799	48,148	67,891	333,838	5,575
NONCURRENT LIABILITIES:					
NON-CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	131	--	1,818	1,949	712
CAPITAL LEASE OBLIGATIONS	--	--	56	56	--
DEFERRED REVENUES	--	--	218	218	--
CLAIMS AND LITIGATION PAYABLE	650,673	--	50	650,723	--
NOTES PAYABLE	--	--	1,656	1,656	46
BONDS PAYABLE (NET OF UNAMORTIZED DISCOUNTS)	--	--	164,565	164,565	--
OPEB PAYABLE	2,093	--	14,737	16,830	6,656
OTHER LONG-TERM LIABILITIES	--	--	50,981	50,981	62,989
TOTAL NONCURRENT LIABILITIES	652,897	--	234,081	886,978	70,403
TOTAL LIABILITIES	870,696	48,148	301,972	1,220,816	75,978
NET ASSETS					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	37	--	170,923	170,960	1,863
RESTRICTED FOR CAPITAL PROJECTS	--	--	10,951	10,951	--
RESTRICTED FOR DEBT SERVICE	--	--	--	--	30,290
RESTRICTED FOR UNEMPLOYMENT COMPENSATION	--	946,139	--	946,139	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	76	88,269	2,850	91,195	--
UNRESTRICTED	(234,111)	--	1,007,095	772,984	16,465
TOTAL NET ASSETS	(233,998)	1,034,408	1,191,819	1,992,229	48,618
TOTAL LIABILITIES AND NET ASSETS	$ 636,698	$ 1,082,556	$ 1,493,791	$ 3,213,045	$ 124,596

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ --	$ --	$ 416,586	$ 416,586	$ 65,433
ASSESSMENTS	183,287	194,473	5,378	383,138	--
USE OF MONEY AND PROPERTY	--	50,550	10,165	60,715	22,269
LICENSES, PERMITS, AND FEES	289	--	30,233	30,522	--
FEDERAL GRANTS AND CONTRACTS	--	390,892	21,005	411,897	--
OTHER	--	566	2,784	3,350	182
TOTAL OPERATING REVENUES	183,576	636,481	486,151	1,306,208	87,884
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	156,263	--	272,674	428,937	52,249
ADMINISTRATIVE	4,147	--	65,027	69,174	39,346
DEPRECIATION	17	--	2,081	2,098	908
AMORTIZATION	--	--	353	353	(392)
UNEMPLOYMENT INSURANCE BENEFITS	--	985,779	--	985,779	--
TOTAL OPERATING EXPENSES	160,427	985,779	340,135	1,486,341	92,111
OPERATING INCOME (LOSS)	23,149	(349,298)	146,016	(180,133)	(4,227)
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	(1,023)	(1,023)	--
USE OF MONEY AND PROPERTY	15,172	--	3,072	18,244	12,754
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	315	315	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	(568)	(568)	(106)
INTEREST EXPENSE	--	--	(55)	(55)	(14,310)
OTHER REVENUES	--	--	3,173	3,173	961
OTHER EXPENSES	--	--	(2,969)	(2,969)	--
TOTAL NONOPERATING REVENUES (EXPENSES)	15,172	--	1,945	17,117	(701)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	38,321	(349,298)	147,961	(163,016)	(4,928)
CAPITAL CONTRIBUTIONS	--	--	68,045	68,045	--
TRANSFERS OUT	(10)	(6,760)	(134,845)	(141,615)	--
CHANGE IN NET ASSETS	38,311	(356,058)	81,161	(236,586)	(4,928)
TOTAL NET ASSETS - BEGINNING AS RESTATED	(272,309)	1,390,466	1,110,658	2,228,815	53,546
TOTAL NET ASSETS - ENDING	$ (233,998)	$ 1,034,408	$ 1,191,819	$ 1,992,229	$ 48,618

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES					
CASH RECEIVED FROM CUSTOMERS	$ 190,846	$ 575,440	$ 267,537	$ 1,033,823	$ 87,782
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,609)	--	(76,208)	(77,817)	(77,978)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(2,062)	--	(33,750)	(35,812)	(12,057)
CLAIMS PAID TO OUTSIDERS	(120,867)	(980,459)	(55,326)	(1,156,652)	--
OTHER OPERATING REVENUES	--	50,550	17,412	67,962	41
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	66,308	(354,469)	119,665	(168,496)	(2,212)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
PROCEEDS FROM SALE OF BONDS	--	--	11,230	11,230	--
PRINCIPAL PAID ON BONDS	--	--	(11,300)	(11,300)	--
TRANSFERS OUT	(10)	(6,760)	(134,504)	(141,274)	--
OTHER	--	--	(303)	(303)	2,514
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(10)	(6,760)	(134,877)	(141,647)	2,514
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
PROCEEDS FROM SALE OF BONDS	--	--	66,000	66,000	99,055
PRINCIPAL PAID ON BONDS	--	--	(66,000)	(66,000)	(122,005)
INTEREST PAID ON BOND MATURITIES	--	--	--	--	(14,951)
PRINCIPAL PAID ON NOTES PAYABLE	--	--	(2,476)	(2,476)	(372)
INTEREST PAID ON NOTES PAYABLE	--	--	(56)	(56)	(13)
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(21)	--	(10,377)	(10,398)	(482)
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	856	856	--
CAPITAL CONTRIBUTIONS	--	--	30,304	30,304	--
OTHER	--	--	89	89	33,855
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(21)	--	18,340	18,319	(4,913)
CASH FLOWS FROM INVESTING ACTIVITIES					
PURCHASES OF INVESTMENT SECURITIES	(157,392)	--	(93,570)	(250,962)	(17,213)
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	217,944	--	116,980	334,924	19,723
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	7,469	--	2,027	9,496	997
NET CASH PROVIDED BY INVESTING ACTIVITIES	68,021	--	25,437	93,458	3,507
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	134,298	(361,229)	28,565	(198,366)	(1,104)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	240,160	1,382,270	239,760	1,862,190	7,357
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 374,458	$ 1,021,041	$ 268,325	$ 1,663,824	$ 6,253
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 23,149	$ (349,298)	$ 146,016	$ (180,133)	$ (4,227)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
DEPRECIATION/AMORTIZATION	17	--	2,434	2,451	516
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	24	24	--
OTHER	--	--	(1,169)	(1,169)	--
CHANGES IN ASSETS AND LIABILITIES					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	1,753	(14,603)	1,248	(11,602)	(77)
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	(5,573)	(335)	(5,908)	--
(INCREASE)DECREASE IN PREPAYMENTS	--	--	379	379	(11)
(INCREASE)DECREASE IN INVENTORIES	--	--	123	123	175
(INCREASE)DECREASE IN OTHER ASSETS	--	--	(16,016)	(16,016)	45
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	(23)	--	(1,108)	(1,131)	(228)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	10	--	91	101	(1)
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	3,285	50	3,335	--
INCREASE(DECREASE) IN DEFERRED REVENUES	7,153	(1)	319	7,471	45
INCREASE(DECREASE) IN OPEB PAYABLE	485	--	3,411	3,896	1,596
INCREASE(DECREASE) IN OTHER LIABILITIES	33,764	11,721	(15,802)	29,683	(45)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 66,308	$ (354,469)	$ 119,665	$ (168,496)	$ (2,212)

(Continued)

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2010
LOUISIANA STATE BOARD OF MEDICAL EXAMINERS	
INTEREST ON CERTIFICATES OF DEPOSITS RE-INVESTED	36
LOUISIANA LOTTERY CORPORATION	
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,138
INTEREST ACCRUED ON DEPOSITS WITH MULTI-STATE LOTTERY ASSOCIATION	74
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	37,732

(Concluded)

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUNDS

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others. The Louisiana Asset Management Pool is the only investment trust fund of the State.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government. Currently, the Louisiana Education Tuition and Savings Fund is the only private-purpose trust fund Louisiana maintains.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity and do not involve measurement of results of operations. Among the largest of the agency funds are the Escrow Fund, Insurance Trusts, Payroll Clearing Fund, and the Miscellaneous Agency Funds.

Four separate pension trust funds are maintained for state government employees, teachers, and law enforcement officers. The pension funds are as follows:

- Louisiana School Employees' Retirement System
- Louisiana State Employees' Retirement System
- Louisiana State Police Retirement System
- Teachers' Retirement System of Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND *	PRIVATE PURPOSE TRUST FUND	AGENCY FUNDS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 251,537	$ 6,287	$ 7,526	$ 308,164
RECEIVABLES:				
EMPLOYER CONTRIBUTIONS	147,651	--	--	--
MEMBER CONTRIBUTIONS	78,370	--	--	--
INVESTMENT PROCEEDS	62,789	--	--	--
INTEREST AND DIVIDENDS	60,533	479	726	--
OTHER	14,391	--	171	141,470
TOTAL RECEIVABLES	363,734	479	897	141,470
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	906,954	743,566	--	--
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	1,429,760	1,130,610	75,967	--
BONDS - DOMESTIC	1,878,783	--	--	--
BONDS - INTERNATIONAL	1,062,512	--	--	--
MARKETABLE SECURITIES - DOMESTIC	5,907,871	--	--	--
MARKETABLE SECURITIES - INTERNATIONAL	5,259,111	--	--	--
ALTERNATIVE INVESTMENTS	4,889,708	--	--	--
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	2,092,050	--	--	--
REPURCHASE AGREEMENTS	--	150,000	--	--
OTHER	2,003	--	170,352	162,028
TOTAL INVESTMENTS	23,428,752	2,024,176	246,319	162,028
OTHER ASSETS	--	8	--	417
PROPERTY, PLANT AND EQUIPMENT (NET)	18,812	33	--	--
TOTAL ASSETS	24,062,835	2,030,983	254,742	612,079
LIABILITIES				
ACCOUNTS PAYABLE	14,241	160	2,596	--
INVESTMENT COMMITMENTS PAYABLE	130,602	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	455,816
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	2,139,838	--	--	--
OPEB PAYABLE	13,998	--	--	--
REFUNDS PAYABLE AND OTHER	25,809	36	--	--
OTHER LIABILITIES	--	--	--	156,263
TOTAL LIABILITIES	2,324,488	196	2,596	612,079
NET ASSETS				
HELD IN TRUST FOR:				
EMPLOYEES' PENSION BENEFITS	21,738,347	--	--	--
INVESTMENT POOL PARTICIPANTS	--	2,030,787	--	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	252,146	--
TOTAL NET ASSETS	$ 21,738,347	$ 2,030,787	$ 252,146	$ --

* Louisiana Asset Management Pool has a December 31 fiscal year end.

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND *	PRIVATE PURPOSE TRUST FUND
ADDITIONS			
CONTRIBUTIONS:			
EMPLOYER	$ 1,236,307	$ --	$ --
MEMBERS	580,240	--	--
POOL PARTICIPANTS (DEPOSITS)	--	2,360,386	--
TOTAL CONTRIBUTIONS	1,816,547	2,360,386	--
INVESTMENT INCOME:			
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,901,472	241	12,949
INTEREST AND DIVIDENDS	490,927	4,562	5,771
ALTERNATIVE INVESTMENT INCOME	275,478	--	--
LESS ALTERNATIVE INVESTMENT EXPENSES	(58,844)	--	--
GAIN ON SALE OF INVESTMENT	--	76	--
SECURITIES LENDING INCOME	53,069	--	--
LESS SECURITIES LENDING EXPENSES	965	--	--
OTHER INVESTMENT INCOME	6,337	3,559	--
LESS INVESTMENT EXPENSE OTHER THAN SECURITIES LENDING	(56,182)	--	--
NET INVESTMENT INCOME	2,613,222	8,438	18,720
OTHER INCOME	79,642	--	49,451
TOTAL ADDITIONS	4,509,411	2,368,824	68,171
DEDUCTIONS			
RETIREMENT BENEFITS	2,537,470	--	--
REFUNDS OF CONTRIBUTIONS	79,361	--	--
ADMINISTRATIVE EXPENSES	39,668	2,441	--
DEPRECIATION AND AMORTIZATION EXPENSES	2,786	--	--
DISTRIBUTIONS TO POOL PARTICIPANTS	--	2,187,974	--
OTHER	278	1	16,019
TOTAL DEDUCTIONS	2,659,563	2,190,416	16,019
CHANGE IN NET ASSETS HELD IN TRUST FOR:			
EMPLOYEES' PENSION BENEFITS	1,849,848	--	--
INVESTMENT POOL PARTICIPANTS	--	178,408	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	52,152
NET ASSETS - BEGINNING OF YEAR	19,888,499	1,852,379	199,994
NET ASSETS - END OF YEAR	$ 21,738,347	$ 2,030,787	$ 252,146

* Louisiana Asset Management Pool has a December 31 fiscal year end.

The notes to the financial statements are an integral part of this statement.

COMPONENT UNIT FINANCIAL STATEMENTS

COMPONENT UNIT FINANCIAL STATEMENTS

Major Component Units

COLLEGES AND UNIVERSITIES

The College and University Funds are used to account for all transactions relating to public institutions of higher education which are reported in the following systems:

- Louisiana State University System includes Louisiana State University and A&M College and Louisiana State University Agricultural Center at Baton Rouge, Louisiana State University at Alexandria, Louisiana State University at Eunice, Louisiana State University Medical Center at New Orleans, Louisiana State University Medical Center at Shreveport, University of New Orleans at New Orleans, Paul M. Hebert Law Center at Baton Rouge, and Pennington Biomedical Research Center at Baton Rouge. Louisiana State University's Board of Supervisors also operates the general medical facilities in the state.

- Southern University System includes Southern University and A&M College at Baton Rouge, Southern University at New Orleans, and Southern University at Shreveport.

- University of Louisiana System includes Grambling State University at Grambling, Louisiana Tech University at Ruston, McNeese State University at Lake Charles, Nicholls State University at Thibodaux, Southeastern Louisiana University at Hammond, Northwestern State University at Natchitoches, University of Louisiana at Monroe, and University of Louisiana at Lafayette.

- Louisiana Community and Technical College System includes seven community colleges, two technical community colleges and one technical college with forty campuses.

- Board of Regents is the policy making board for each of the university systems listed above and each System's Board of Supervisors.

LOUISIANA STADIUM AND EXPOSITION DISTRICT

The purpose of the district is to plan, finance, construct, develop, maintain, and operate facilities, including an enclosed and covered stadium within the district for various sporting events, exhibitions, and public meetings. The District is responsible for servicing and retiring the principal and interest on all bonds issued.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST

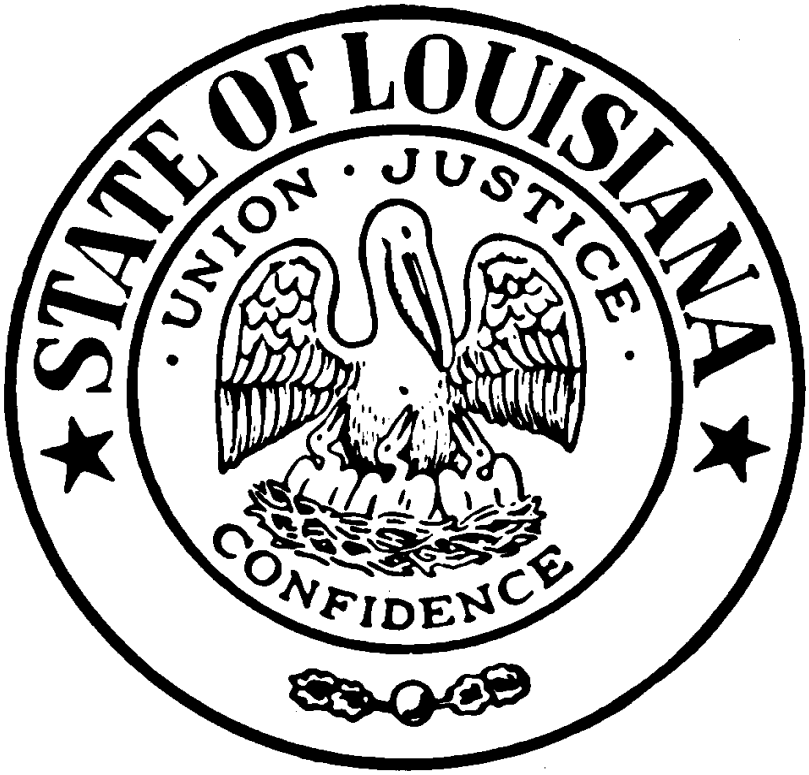
These two authorities, reported together, were created to provide regional coordination of flood protection. They exercise all authority, management, oversight, and control of the Boards of Commissioners East and West, portions of parishes lying east of the Mississippi River, and the following levee districts: East Jefferson, Lake Borgne Basin, Orleans, St. Tammany, Tangipahoa, Algiers, West Jefferson, St. Charles Parish, and St. John the Baptist Parish. St. Charles Parish and St. John the Baptist Parish Levee Districts are included in the authorities for voting purposes only. Their financial information is reported in the Pontchartrain Levee District, which is reported as a nonmajor component unit.

LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION

This nonprofit insurance corporation was created in 2003 to provide insurance to residential and commercial property owners who are in good faith entitled, but unable, to procure insurance through the voluntary insurance marketplace.

LOUISIANA UTILITIES RESTORATION CORPORATION

This nonprofit entity provides alternate financing mechanisms to the Public Service Commission and the New Orleans City Council to attract low-cost capital to finance utility company system restoration and capital contributions to financially strengthen and stabilize. The corporation issues bonds and the proceeds are provided to the utility companies to assist with restoration cost.


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

State of Louisiana

COMBINING BALANCE SHEET

COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE UNIVERSITY SYSTEM	UNIVERSITY OF LOUISIANA SYSTEM	SOUTHERN UNIVERSITY SYSTEM	LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM
ASSETS				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	$ 677,516	$ 196,675	$ 19,388	$ 112,868
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--	--
INVESTMENTS	238,984	15,872	3,109	--
RESTRICTED INVESTMENTS	--	--	--	--
DEFERRED OUTFLOW OF RESOURCES	--	--	--	--
RECEIVABLES (NET)	339,720	53,494	18,921	27,512
PLEDGES RECEIVABLE (NET)	11,487	737	149	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	5,438	605	666	1,557
DUE FROM FEDERAL GOVERNMENT	42,538	12,247	16,337	12,093
INVENTORIES	38,006	6,937	483	494
PREPAYMENTS	15,857	9,761	1,404	1,443
NOTES RECEIVABLE	3,714	4,047	147	--
OTHER CURRENT ASSETS	14,711	2,960	3,858	1
TOTAL CURRENT ASSETS	1,387,971	303,335	64,462	155,968
NONCURRENT ASSETS:				
RESTRICTED ASSETS:				
CASH	111,690	145,432	34,999	90,037
INVESTMENTS	633,156	221,724	6,204	4,117
RECEIVABLES (NET)	--	4,209	--	--
NOTES RECEIVABLE	27,121	26,627	--	22
OTHER	29,980	164	--	--
INVESTMENTS	21,254	--	--	--
NOTES RECEIVABLE	--	10	--	--
PLEDGES RECEIVABLE (NET)	31,674	1,856	--	--
CAPITAL ASSETS (NOTE 5)				
LAND	133,551	53,068	7,165	24,373
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,262,980	818,800	183,202	183,025
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	302,105	63,642	15,404	26,233
INFRASTRUCTURE (NET OF DEPRECIATION)	45,253	2,642	9,214	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	1,071	--	12	--
CONSTRUCTION IN PROGRESS	220,731	97,384	67,615	56,493
OTHER NONCURRENT ASSETS	48,334	16,124	1,838	3,336
TOTAL NONCURRENT ASSETS	2,868,900	1,451,682	325,653	387,636
TOTAL ASSETS	$ 4,256,871	$ 1,755,017	$ 390,115	$ 543,604
LIABILITIES				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	$ 186,105	$ 37,918	$ 12,211	$ 24,421
DERIVATIVE INSTRUMENTS	--	--	--	--
AMOUNTS DUE TO PRIMARY GOVERNMENT	72,021	5	--	7,512
DUE TO FEDERAL GOVERNMENT	3,223	--	--	41
DEFERRED REVENUES	99,535	26,812	12,070	26,448
AMOUNTS HELD IN CUSTODY FOR OTHERS	21,929	4,362	740	1,239
OTHER CURRENT LIABILITIES	1,572	4,724	4,376	--
CURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	--	--	68
COMPENSATED ABSENCES PAYABLE	10,912	3,876	794	1,167
CAPITAL LEASE OBLIGATIONS	2,728	338	444	367
ESTIMATED LIABILITY FOR CLAIMS	--	--	243	--
NOTES PAYABLE	8,081	378	1,154	--
BONDS PAYABLE	20,413	7,674	1,119	5,485
POLLUTION REMEDIATION OBLIGATIONS	--	51	--	--
OTHER LONG-TERM LIABILITIES	1,465	4,619	--	3,339
TOTAL CURRENT LIABILITIES	427,984	90,757	33,151	70,087
NONCURRENT LIABILITIES:				
NONCURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	--	--	256
COMPENSATED ABSENCES PAYABLE	130,056	33,536	12,836	17,498
CAPITAL LEASE OBLIGATIONS	46,139	340	724	3,505
ESTIMATED LIABILITY FOR CLAIMS	--	--	234	--
NOTES PAYABLE	5,425	2,015	38,232	--
BONDS PAYABLE	619,549	445,979	72,900	230,704
OPEB PAYABLE	498,920	261,953	65,928	88,654
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--
OTHER LONG-TERM LIABILITIES	69,555	4,698	1,876	--
TOTAL NONCURRENT LIABILITIES	1,369,644	748,521	192,730	340,617
TOTAL LIABILITIES	1,797,628	839,278	225,881	410,704
NET ASSETS:				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,412,509	641,312	177,027	127,931
RESTRICTED FOR:				
CAPITAL PROJECTS	--	--	--	--
DEBT SERVICE	--	--	--	--
NONEXPENDABLE	392,070	182,984	12,713	4,526
EXPENDABLE	480,151	212,043	40,393	58,999
OTHER PURPOSES	--	--	--	--
UNRESTRICTED	174,513	(120,600)	(65,899)	(58,556)
TOTAL NET ASSETS	2,459,243	915,739	164,234	132,900
TOTAL LIABILITIES AND NET ASSETS	$ 4,256,871	$ 1,755,017	$ 390,115	$ 543,604

* As of December 31, 2009.

The notes to the financial statements are an integral part of this statement.

BOARD OF REGENTS	LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION *	LOUISIANA STADIUM AND EXPOSITION DISTRICT	LOUISIANA UTILITIES RESTORATION CORPORATION	SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	NONMAJOR COMPONENT UNITS	TOTAL COMPONENT UNITS
$ 2,821	$ 105,073	$ 27,775	$ --	$ 97,498	$ 136,476	$ 1,376,090
--	--	--	75,187	841	76,986	153,014
--	--	--	--	8,034	79,122	345,121
--	--	--	--	--	797	797
--	--	14,259	--	--	--	14,259
212	73,740	23,908	15,290	6,910	57,518	617,225
--	--	--	--	--	--	12,373
15,338	--	16,927	--	19	8,266	48,816
4,310	--	--	--	--	2,835	90,360
--	--	98	--	406	5,367	51,791
1	11,077	43	--	--	1,180	40,766
--	--	--	--	--	9,174	17,082
--	18	--	--	766	5,737	28,051
22,682	189,908	83,010	90,477	114,474	383,458	2,795,745
--	--	22,831		--	46,431	451,420
--	183,316	--	--	--	40,140	1,088,657
--	--	841	--	--	39,464	44,514
--	--	--	--	--	176,599	230,369
--	--	--	--	--	5,203	35,347
--	--	--	--	--	68,947	90,201
--	--	--	--	--	9,610	9,620
--	--	--	--	--	--	33,530
--	--	13,944	--	41,891	202,258	476,250
--	--	281,722	--	49,979	142,601	2,922,309
3,055	545	9,066	--	4,305	30,660	455,015
--	--	--	--	150,424	198,449	405,982
--	3,633	--	--	--	1,414	6,130
--	--	47,231	--	25,749	68,879	584,082
--	48,417	33	4,800	--	13,653	136,535
3,055	235,911	375,668	4,800	272,348	1,044,308	6,969,961
$ 25,737	$ 425,819	$ 458,678	$ 95,277	$ 386,822	$ 1,427,766	$ 9,765,706
$ 21,388	$ 93,852	$ 45,952	$ 21,001	$ 4,159	$ 35,644	$ 482,651
--	--	56,574	--	--	--	56,574
1,343	--	270	--	--	927	82,078
--	--	--	--	--	764	4,028
--	118,763	9,219	--	36	14,928	307,811
--	--	--	--	--	--	28,270
--	--	10	--	38	3,862	14,582
--	--	--	--	893	1,177	2,138
104	55	368	--	337	2,685	20,298
1,226	--	--	--	--	169	5,272
--	--	--	--	--	--	243
--	--	--	--	3,346	14,268	27,227
--	36,030	--	88,797	1,025	27,564	188,107
--	--	--	--	--	--	51
--	--	--	--	16	8,080	17,519
24,061	248,700	112,393	109,798	9,850	110,068	1,236,849
--	--	--	--	--	--	256
831	--	--	--	825	5,268	200,850
5,653	--	--	--	--	176	56,537
--	130,921	--	--	24,983	3,557	159,695
--	--	7,500	--	33,416	5,317	91,905
--	914,576	274,258	782,724	3,893	146,603	3,491,186
2,566	947	--	--	6,093	46,794	971,855
--	--	--	--	--	125	125
--	--	--	--	567	6,734	83,430
9,050	1,046,444	281,758	782,724	69,777	214,574	5,055,839
33,111	1,295,144	394,151	892,522	79,627	324,642	6,292,688
(3,824)	4,178	76,273	--	267,429	521,781	3,224,616
--	--	--	--	1,168	25,830	26,998
--	123,288	13,370	--	313	14,709	151,680
--	--	--	--	--	--	592,293
4,198	--	--	--	--	--	795,784
--	--	23,672	--	2,235	138,990	164,897
(7,748)	(996,791)	(48,788)	(797,245)	36,050	401,814	(1,483,250)
(7,374)	(869,325)	64,527	(797,245)	307,195	1,103,124	3,473,018
$ 25,737	$ 425,819	$ 458,678	$ 95,277	$ 386,822	$ 1,427,766	$ 9,765,706

State of Louisiana

COMBINING STATEMENT OF ACTIVITIES

COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,456,529	$ 2,053,471	$ 579,454	$ 111,637	$ (711,967)
UNIVERSITY OF LOUISIANA SYSTEM	1,105,111	381,106	187,200	51,224	(485,581)
SOUTHERN UNIVERSITY SYSTEM	261,122	48,581	67,517	8,640	(136,384)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	460,288	64,373	86,296	23,728	(285,891)
BOARD OF REGENTS	91,219	1,249	12,130	--	(77,840)
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION * (UNAUDITED)	220,661	173,233	--	--	(47,428)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	132,971	40,561	16,175	31,584	(44,651)
LOUISIANA UTILITIES RESTORATION CORPORATION	53,050	145,951	--	--	92,901
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	50,424	5,991	100	16,098	(28,235)
NONMAJOR COMPONENT UNITS	582,784	71,183	305,969	15,945	(189,687)
TOTAL COMPONENT UNITS	$ 6,414,159	$ 2,985,699	$ 1,254,841	$ 258,856	$ (1,914,763)

	GENERAL REVENUES				
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 610,847	$ 430,752	$ 329,632	$ 2,129,611	$ 2,459,243
UNIVERSITY OF LOUISIANA SYSTEM	314,699	168,650	(2,232)	917,971	915,739
SOUTHERN UNIVERSITY SYSTEM	66,201	66,024	(4,159)	168,393	164,234
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	155,405	123,588	(6,898)	139,798	132,900
BOARD OF REGENTS	73,224	1,440	(3,176)	(4,198)	(7,374)
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION * (UNAUDITED)	--	122,029	74,601	(943,926)	(869,325)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	18,200	42,339	15,888	48,639	64,527
LOUISIANA UTILITIES RESTORATION CORPORATION	--	56	92,957	(890,202)	(797,245)
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	2,787	49,311	23,863	283,332	307,195
NONMAJOR COMPONENT UNITS	97,906	137,930	46,149	1,056,975	1,103,124
TOTAL COMPONENT UNITS	$ 1,339,269	$ 1,142,119	$ 566,625	$ 2,906,393	$ 3,473,018

* As of December 31, 2009.

The notes to the financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1	Summary of Significant Accounting Policies
Note 2	Deposits and Investments
Note 3	Accounts Receivable and Accounts Payable
Note 4	Interfund Accounts and Transfers
Note 5	Capital Assets
Note 6	Employee Benefits – Pensions
Note 6A	Employee Benefits – Other Postemployment Benefits (OPEB)
Note 6B	Employee Benefits – Termination Benefits
Note 7	Leases
Note 8	Long-Term Obligations
Note 9	Contingencies
Note 10	Fund Balance/Net Assets Disclosures
Note 11	Other Disclosures
Note 12	Subsequent Events

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Louisiana (State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements present the financial position and results of operations of the various funds of the State and the cash flows of the proprietary funds as of and for the year ended June 30, 2010.

A. REPORTING ENTITY

The State reporting entity consists of the various departments, agencies, activities, and organizational units that are within the control and authority of the Louisiana Legislature and/or constitutional officers of the State. The State, like the United States, has three branches of government – legislative (bicameral), executive, and judicial.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units,* a legally separate entity is considered a component unit of the State if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading or incomplete.

Depending upon the closeness of their relationship with the State, some component units are blended with the State reporting entity, while others are discretely reported.

The following component units were evaluated to identify those entities whose financial activities should be blended with the primary government, discretely reported, or disclosed in the Notes to the Basic Financial Statements as a related organization, a joint venture, or a jointly governed organization.

Blended Component Units

A component unit is considered blended and therefore would be included in the reporting entity's financial statements if the component unit's governing body is substantively the same as the governing body of the primary government, or if the component unit provides services exclusively, or almost exclusively, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. The following blended component units provide services almost exclusively to the primary government: Louisiana Lottery Corporation, Tobacco Settlement Financing Corporation, Louisiana Correctional Facilities Corporation, Louisiana Office Building Corporation, Office Facilities Corporation, Louisiana Coastal Protection and Restoration Financing Corporation, Louisiana Transportation Authority, and the various retirement systems.

Louisiana Lottery Corporation, 555 Laurel Street, Baton Rouge, LA 70801-1813, a nonprofit corporation, conducts and administers the State lottery to ensure the integrity of the lottery and maintain the dignity of the State and the general welfare of its people. The board of directors consists of nine members appointed by the Governor.

Tobacco Settlement Financing Corporation, P.O. Box 44154, Baton Rouge, LA 70804-4154, a special purpose, public corporate entity, is responsible for financing, purchasing, and managing 60% of the tobacco assets and related incidental activities for the State of Louisiana. The board of directors consists of thirteen members, seven appointed by the Governor.

Louisiana Correctional Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, acquires and finances correctional facilities for lease to the State and is authorized to issue revenue bonds for its purposes. The board of directors consists of five members appointed by the Governor.

Louisiana Office Building Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit quasi-public corporation, was created to construct, acquire and lease buildings and facilities on behalf of and for the benefit of the State and may finance such acquisitions by issuing revenue bonds. The board of directors consists of a designee of the Governor, the Commissioner of Administration, and the director of the Office of Facility Planning and Control.

Office Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, finances the acquisition or construction of public facilities for lease to the State through the issuance of revenue bonds. The board of directors consists of five members appointed by

the Governor.

Louisiana Coastal Protection and Restoration Financing Corporation, P.O. Box 94004, Baton Rouge, LA 70804-9004, carries out the financing, purchasing, and managing of the offshore royalty revenues and offshore royalty revenue assets. The board of directors consists of fifteen members, seven appointed by the Governor. The entity had no activity in the 2010 fiscal year.

Louisiana Transportation Authority, P.O. Box 94245, Baton Rouge, LA 70804, a nonprofit corporation was established in 2001 to promote, plan, finance, construct, operate, and maintain specific tollways or transitways constructed within Louisiana. The board of directors consists of nine members, including the Governor, the Department of Transportation and the Department of Economic Development secretaries, President of the Senate and Speaker of the House of Representatives.

Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, LA 70804-4516, was established in 1947 for the benefit of non-instructional personnel of the Louisiana public school system.

Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, was established in 1947 to benefit all State employees except those excluded by statute.

Louisiana State Police Retirement System, 3100 Brentwood Drive, Suite B, Baton Rouge, LA 70809-1752, was established in 1938 for the benefit of commissioned law enforcement officers as well as the secretary and deputy secretary of the Department of Public Safety.

Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123, was established in 1936 for the benefit of public school teachers.

Discretely Presented Component Units

Discretely presented component units are reported in separate columns to emphasize that they are legally separate from the State. The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations through budgetary oversight.

Board of Regents, 1201 North Third Street, Suite 6-200, Baton Rouge, LA 70802, is the policy-making board for the four higher education systems of the State.

Board of Supervisors of the Louisiana State University System, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, is the managing and supervising board for the Louisiana State University System (LSU), which includes the following campuses:

- LSU and A&M College at Baton Rouge
- LSU Agricultural Center at Baton Rouge
- LSU at Alexandria
- LSU at Eunice
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU at Shreveport
- University of New Orleans at New Orleans
- Paul M. Hebert Law Center at Baton Rouge
- Pennington Biomedical Research Center at Baton Rouge

The Board of Supervisors of the LSU System also operates the following general medical facilities in the State:

- Dr. Walter O. Moss Regional Medical Center at Lake Charles
- Earl K. Long Medical Center at Baton Rouge
- Huey P. Long Medical Center at Pineville
- Lallie Kemp Regional Medical Center at Independence
- Medical Center of Louisiana at New Orleans including Charity Hospital and University Hospital
- Leonard J. Chabert Medical Center at Houma
- University Medical Center at Lafayette
- Bogalusa Medical Center at Bogalusa
- University Hospital Shreveport
- E.A. Conway Medical Center in Monroe

Board of Supervisors of the University of Louisiana System, 1201 North Third Street, Suite 7-300, Baton Rouge, LA 70802, is the managing and supervising board for the following regional universities:

- Grambling State University at Grambling
- Louisiana Tech University at Ruston
- McNeese State University at Lake Charles
- Nicholls State University at Thibodaux
- University of Louisiana at Monroe
- Northwestern State University at Natchitoches
- Southeastern Louisiana University at Hammond
- University of Louisiana at Lafayette

Board of Supervisors of the Southern University System, P.O. Box 10878, Baton Rouge, LA 70813, is the managing and supervising board of the Southern University System, which includes the following campuses:

- Southern University and A&M College at Baton Rouge
- Southern University at New Orleans
- Southern University at Shreveport
- Southern University Law Center at Baton Rouge
- Southern University Agricultural Research and Extension Center at Baton Rouge

Board of Supervisors of the Louisiana Community and Technical College System, 265 S. Foster Drive, Baton Rouge, LA 70806, is the managing and supervising board of seven community colleges, two technical community colleges, and the Louisiana Technical College with 40 branch campuses.

The board of the following discretely presented component unit is appointed by and serves at the pleasure of the Governor.

Louisiana Stadium and Exposition District, P.O. Box 52439, New Orleans, LA 70152, is responsible for financing and operating an enclosed covered stadium, as well as other related facilities and structures for holding sporting events, athletic contests, exhibitions, and other events of public interest.

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations.

Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010, was created to construct, operate, and maintain the Greater New Orleans Expressway. The fiscal year end of the commission is October 31.

Kenner Naval Museum Commission, 2538 Williams Blvd., Kenner, LA 70062, is responsible for the public display, maintenance, and restoration of the aircraft carrier U.S.S. Cabot-Dedalo and other naval museum vessels.

Levee Districts provide services necessary to ensure adequate drainage control and to protect lands within their respective districts from damage by flood and include:

- Amite River Basin Drainage and Water Conservation District, 3535 S. Sherwood Forest Blvd., Suite 135 Baton Rouge, LA 70816
- Atchafalaya Basin Levee District, P.O. Box 170, Port Allen, LA 70767
- Bayou D'Arbonne Lake Watershed District, P.O. Box 696, Farmerville, LA 71241. The district has a December 31 fiscal year end.
- Bossier Levee District, P.O. Box 8279, Bossier City, LA 71113
- Caddo Levee District, P.O. Box 78282, Shreveport, LA 71137-8282
- Fifth Louisiana Levee District, 102 Burnside Drive, Tallulah, LA 71282
- Lafitte Area Independent Levee District, 2654 Jean Lafitte Blvd., Lafitte, LA 70067
- Lafourche Basin Levee District, P.O. Box 670, Vacherie, LA 70090. The district has a December 31 fiscal year end.
- Natchitoches Levee and Drainage District, P.O. Box 1036, Natchitoches, LA 71458
- North Bossier Levee and Drainage District, established by Act 321 of the 2009 regular session. No members have been appointed, and the entity had no activity in the 2010 fiscal year.
- Nineteenth Louisiana Levee District, P.O. Box 267, Colfax, LA 71417
- North Lafourche Conservation, Levee and Drainage District, P.O. Box 230, Raceland, LA 70394. The district has a December 31 fiscal year end.
- Pontchartrain Levee District, P.O. Box 426, Lutcher, LA 70071
- Red River, Atchafalaya, and Bayou Boeuf Levee District, P.O. Box 8235, Alexandria, LA 71306
- Red River Levee and Drainage District, P.O. Box 433, Coushatta, LA 71019
- South Lafourche Levee District, P.O. Box 426, Galliano, LA 70354
- Tensas Basin Levee District, P.O. Box 68, Rayville, LA 71269

Louisiana Agricultural Finance Authority, P.O. Box 3481, Baton Rouge, LA 70821-3481, was created to alleviate the severe shortage of capital and credit available for investment in agriculture in the State and to promote agriculture and forestry in Louisiana.

Louisiana Board of Cosmetology, 11622 Sunbelt Court, Baton Rouge, LA 70809, regulates and licenses members of the Cosmetology industry to maintain public health and welfare standards set by the State of Louisiana.

Louisiana International Deep Water Gulf Transfer Terminal Authority, 195 Strawberry Street, Slidell, LA 70460, was created to position Louisiana as an international hub for cargo ships. The entity had no activity in the 2010 fiscal year.

Louisiana Motor Vehicle Commission, 3519 12th Street, Metairie, LA 70002-3427, regulates all areas of the new car industry, including motor vehicle sales finance companies in Louisiana.

Louisiana Naval War Memorial Commission, 305 South River Road, Baton Rouge, LA 70802, has control over the destroyer U.S.S. Kidd or other naval memorial vessels.

Louisiana Public Facilities Authority, 2237 S. Acadian Thruway, Suite 650, Baton Rouge, LA 70808, is a public trust authorized to issue obligations and provide funds to finance projects and programs in the best interest of the citizens of Louisiana. The authority has a December 31 fiscal year end.

Louisiana State Board of Private Investigator Examiners, 2051 Silverside Dr., Suite 190, Baton Rouge, LA 70808,

regulates and licenses persons and businesses providing private investigative services.

Louisiana Used Motor Vehicle Commission, 3132 Valley Creek Dr., Baton Rouge, LA 70808, administers and enforces statutory provisions regarding the sale of used motor vehicles and parts.

Louisiana Utilities Restoration Corporation, 602 North 5th St. 12th Floor, Baton Rouge, LA 70821-9154, serves to finance utility system restoration costs.

Millennium Port Authority, 538 Clayton Court, Slidell, LA 70461-5710, was dissolved in fiscal year 2009. Act 423 of the 2010 regular session abolished the Millennium Port Authority effective 7/1/2010.

Ouachita Expressway Authority, P.O. Box 2653, West Monroe, LA 71294, provides a well-maintained limited access highway system and promotes economic growth. The entity had no activity in the 2010 fiscal year.

Poverty Point Reservoir District, P.O. Box 811, Delhi, LA 71232, was created to develop a multi-faceted water resource and recreation lake.

Relay Administration Board, P.O. Box 91154, Baton Rouge, LA 70821-9154, is charged with oversight of telephone relay services for the State, insuring equal access to telecommunications services for all hearing and speech impaired citizens. The board has a December 31 fiscal year end.

Road Home Corporation, P.O. Box 4549, Baton Rouge, LA 70821, was created for the acquisition, disposition, purchase, renovation, leasing, or expansion of housing stock to help Louisiana residents displaced by the hurricanes get back into a home or apartment as quickly and fairly as possible.

Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, is charged with the development of Toledo Bend resources within the State.

Although the State does not appoint a voting majority of the boards of the entities listed below, they are fiscally dependent on the State.

Greater Baton Rouge Port Commission, P.O. Box 380, Port Allen, LA 70767-0380, regulates commerce and traffic within the port area. The fiscal year end of the port commission is December 31.

Capital Area Human Services District, 4615 Government Street, Building 2, Baton Rouge, LA 70806, was established to direct the operation of community-based programs and services relative to public health, mental health, developmental disabilities, and addictive disorder services for the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Pointe Coupee, West Baton Rouge, and West Feliciana.

Florida Parishes Human Services Authority, 11236 Hwy. 16 West, Amite, LA 70422, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington parishes.

Jefferson Parish Human Services Authority, 3300 W. Esplanade Avenue, Suite 213, Metairie, LA 70002, was established to provide administration, management, and operation of mental health, developmental disabilities, and addictive disorders services for the residents of Jefferson parish.

Metropolitan Human Services District, 400 Poydras Street, Suite 1800, New Orleans, LA 70130, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Orleans, St. Bernard, and Plaquemines parishes.

Louisiana Economic Development Corporation, P.O. Box 94185, Baton Rouge, LA 70804-9185, was established to serve as the single review board and administrator of the Department of Economic Development's financial assistance programs, such as loan guarantees and venture capital for small- and medium-sized businesses.

Due to the nature and significance of the relationship between the following entities and the State, the financial statements would be misleading or incomplete if they were excluded.

Louisiana Asset Management Pool (LAMP), 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130-9957, is a cooperative endeavor to establish an external local government investment pool administered by the State Treasurer. LAMP has a December 31 fiscal year end.

Louisiana Cancer Research Center, 1615 Poydras St., Suite 1000, New Orleans, LA 70112, conducts research and promotes education in the diagnosis, detection, and treatment of cancer.

Louisiana Citizens Property Insurance Corporation, 433 Metairie Road, Suite 600, Metairie, LA 70005, is a nonprofit organization created to provide insurance plans to residential and commercial property applicants who are unable to procure insurance through the voluntary market. Louisiana Citizens Property Insurance has a December 31 fiscal year end.

Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, LA 70808, is authorized to undertake various programs to assist in financing housing needs of persons of low and moderate incomes and may issue bonds or other evidence of indebtedness to accomplish its purposes.

Southeast Louisiana Flood Protection Authority-East, 6508 Spanish Fort. Blvd., New Orleans, LA 70124-4322, and Southeast Louisiana Flood Protection Authority-West, 7001 River Road, Marrero, LA 70072, were created to provide regional coordination of flood protection. These two authorities are reported together as the Southeast Louisiana Flood Protection Authority-East and West (SLFPA-East and West). Entities under SLFPA-East and West for fiscal year 2010 include the Board of Commissioners-SLFPA-East, Board of Commissioners-SLFPA-West, Algiers Levee District, East Jefferson Levee District, Lake Borgne Basin Levee District, Orleans Levee District, and West Jefferson Levee District.

White Lake Preservation, Inc, 710 W. Prien Lake Road, Suite 202A, Lake Charles, LA 70601, operates, manages, and supervises all activities on the White Lake Property consistent with the “Conservation Purposes”.

Related Organizations

Related organizations are those entities for which a primary government’s accountability does not extend beyond appointing a voting majority of the board. The State is not financially accountable for the following related organizations, and they are not reported in the accompanying basic financial statements.

- Algiers Park Commission
- Allen Parish Reservoir District
- Ascension-St. James Airport and Transportation Authority
- Associated Branch Pilots of the Port of Lake Charles
- Associated Branch Pilots of the Port of New Orleans
- Bayou Desiard Restoration Commission
- Bayou Lafourche Fresh Water District
- Castor Creek Reservoir District
- Crescent River Port Pilots’ Association
- Ernest N. Morial New Orleans Exhibition Hall Authority
- Fourteenth and Sixteenth Wards Neighborhood Development District
- Gentilly Taxing District
- Grand Isle Independent Levee District
- Greater Ouachita Port Commission
- John K. Kelly Grand Bayou Reservoir District
- Louisiana Disaster Recovery Foundation, Inc.
- New Orleans and Baton Rouge Steamship Pilots’ Association
- North Lafayette Redevelopment Authority
- Parish Hospital Service Districts
- River Parishes Transit Authority
- River Region Cancer Screening and Early Detection District
- St. Mary Levee District
- Seventh Ward Neighborhood Development District
- South Tangipahoa Parish Port Commission
- Southwest Acadiana Parishes Public Housing Rehabilitation District
- Terrebonne Levee and Conservation District
- Twelfth and Thirteenth Wards Neighborhood Development District
- West Ouachita Parish Reservoir Commission

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (1) an ongoing financial interest or (2) an ongoing financial responsibility. The purposes of a joint venture are to pool resources and share the costs, risks, and rewards of providing goods or services to venture participants directly, or for the benefit of the general public or specific service recipients.

The Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, participates equally with the Sabine River Authority of Texas in the Sabine River Compact Administration (Compact) and through the Sabine River Authority, with the Sabine River Authority of Texas, 450 Spur 135, Burkeville, TX 75932, in the Toledo Bend Joint Operation (Joint Operation). Separate financial statements are prepared for the operations of both the Compact and the Joint Operation and may be obtained by contacting the entities at the addresses above. The Compact was created under authority granted by an act of the Congress of the United States to provide equitable apportionment of the waters of the Sabine River and its tributaries. A five-member board composed of two members appointed by the governors of each state and one non-voting, ex-officio member appointed by the President of the United States administers the Compact. The Joint Operation was established by joint resolution of the Sabine River Authorities of Texas and Louisiana for the construction and operation of the Toledo Bend Dam and Reservoir project administered by a board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Costs of the Compact not paid by the federal government are to be paid equally by the two States, which share equally in the costs of the Joint Operation. Each State owns an undivided one-half share of all lands acquired for the project, and each State owns and is entitled to 50% of the water produced and 50% of the power generated by the Joint Operation and may sell, use, or otherwise dispose of

its share without consent and permission of the other Authority.

The Sabine River Authority of Louisiana's share of the joint ventures is reported as a discrete component unit in the accompanying basic financial statements. For fiscal year 2010, the Sabine River Authority of Louisiana reported an increase in net assets of $5,382,648 from fiscal year 2009.

The Pest Control Compact Insurance Fund Governing Board, P.O. Box 3481, Baton Rouge, LA 70821-3481, participates equally in the multistate Pest Control Compact and through the Interstate Pest Control Compact, 845 Sutherland Drive, Saint Albans, WV 25177. The Insurance Fund must annually submit to the governor of each party state a report covering its activities for the preceding year. Louisiana's participation in the Compact was confirmed by the Louisiana Legislature to alleviate financial losses from the depredations of pests and to protect fully against those pests that present serious dangers. The governing board of the Insurance Fund is made up of one representative from each party state that shall be entitled to one vote on such board; if provisions are made, the United States may be represented on the board not to exceed three representatives with non-voting powers. The budget of each party state shall contain a specific recommendation of the amount or amounts to be appropriated by each party state, which is one-tenth of the total budget in equal shares and the remainder in proportion to the value of agriculture and forest crops and products. The party states may request expenditures from the Insurance Fund.

Jointly Governed Organizations

A jointly governed organization is one governed by representatives from each of the governments creating it and one in which the participants do not retain an ongoing financial interest or financial burden; therefore, they are not reported in the accompanying basic financial statements. These organizations include the Gulf States Marine Fisheries Commission, Southern Rapid Rail Transit Commission, Interstate Commission for Adult Offender Supervision, Interstate Insurance Product Regulation Compact and Commission, Interstate Commission for Juveniles and Interstate Commission on Educational Opportunity for Military Children.

B. BASIS OF PRESENTATION

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the State. The basic financial statements include the ***government-wide financial statements***, ***fund financial statements***, and ***notes to the basic financial statements***.

The government-wide statements consist of a Statement of Net Assets and a Statement of Activities. These statements are prepared using the economic resources measurement focus and accrual basis of accounting. Major revenues such as sales tax, general severance tax, gasoline tax, and tobacco tax are assessed, collected, and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the primary government and between the total primary government and its component units by reporting each in separate columns. Fiduciary activities and component units that are fiduciary in nature, whose resources are not available to finance the government's programs, are excluded from the government-wide statements.

All capital (long-lived) assets, receivables, and long-term obligations are reported in the Statement of Net Assets. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the State. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are sales of commodities, licenses, permits, and fees. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the State as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the General Fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 45 days after the end of the fiscal year, except for federal grants, which generally are considered available for 12 months after the end of the

fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities, which are recognized when due.

- The proprietary fund statements include a balance sheet; a statement of revenues, expenses, and changes in fund net assets; and a statement of cash flows. Each statement has a column for the major enterprise funds, one that combines all the nonmajor enterprise funds, and one column that reports all internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting, in order to make a determination of net income, financial position, and cash flows. Internal service funds are included in governmental activities for government-wide reporting purposes, and the excess revenues or expenses from the funds are allocated to the appropriate functional activity.
- The fiduciary fund statements include a statement of fiduciary net assets and a statement of changes in fiduciary net assets, with one column for each of the four types of fiduciary funds. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, except for agency fund statements which use the accrual basis but do not have a measurement focus, as they report only assets and liabilities.

Although the financial statements presented in each of these three schedules contain “total” columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/ expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of ***notes to the basic financial statements***.

Governmental Funds

The major governmental funds of the State are the General Fund, the Bond Security and Redemption Fund, Capital Outlay Escrow Fund, and the Louisiana Education Quality Trust Fund.

General Fund The General Fund is the principal operating fund of the State, and was established administratively to provide for the distribution of funds appropriated by the state legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues include the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt requirements and obligations to other funds are met.

Bond Security and Redemption Fund This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the State that are due and payable within the current fiscal year, including debt principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund at year-end.

Louisiana Education Quality Trust Fund Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the State Treasurer into this fund. The money is held in a trustee capacity to be used for various educational purposes.

Capital Outlay Escrow Fund This fund provides for the capital outlay expenditures of state government, state institutions, and other public entities as appropriated by the legislature. Sources of funding include federal revenues, transfers from the General Fund and Transportation Trust Fund, interest earnings, and contributions from other sources.

Proprietary Funds

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the State has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board statements, in accounting for enterprise funds and business-type activities. These funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services as their principal operation. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The State has two types of proprietary funds:

- *Internal service funds* account for the provision of services, primarily to internal customers, on a cost reimbursement basis. The activities accounted for in internal service funds include copy and mail services, aircraft services, telecommunications, regional laundry services, and financing and acquiring public facilities for lease to the State.
- *Enterprise funds* account for the activities for which fees are charged to external users for goods or services.

The State's major enterprise funds are Patient's Compensation Fund Oversight Board and Unemployment Trust Fund.

Patient's Compensation Fund Oversight Board This fund is comprised of collections from private health care providers. The purpose of the board is to guarantee that affordable medical malpractice coverage is available to all private healthcare providers and to provide a certain, stable source of compensation for legitimate injured parties of medical malpractice.

Unemployment Trust Fund This fund accounts primarily for the unemployment tax payments from employers for the payment of unemployment benefits to eligible claimants.

Fiduciary Funds

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. These funds are presented in the fund financial statements, but are not incorporated into the government-wide statements. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity for others (excluding agencies of the State) and do not involve measurement of results of operations. This method of reporting is consistent with GASB Statement No. 34, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments,* paragraph 111.

C. ASSETS, LIABILITIES, AND NET ASSETS, EQUITY, OR NET FUND BALANCES

Cash and Investments

The State Treasurer pools those cash resources for which he is responsible and invests them accordingly. For purposes of the financial statements, including the Statement of Cash Flows, the State considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. Cash and investment limitations are discussed in Note 2 (Deposits and Investments).

In accordance with bond resolution requirements, the trustee for Transportation Trust Fund debt service invests in repurchase agreements. These investments are included in the disclosure of custodial credit risk as U.S. Government Obligations (see Note 2).

Receivables and Payables

Activity between funds that is outstanding at the end of the fiscal year is referred to as either "due to or due from other funds" or "advances to or advances from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net assets as receivable from and payable to external parties rather than as "internal balances." All internal balances are eliminated in the total primary government column. Receivables of the primary government and its component units or between those components include all amounts susceptible to accrual that have not been collected at June 30, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected, at June 30. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Inventories and Prepaid Items

Inventories consist predominately of materials and supplies held for consumption, merchandise and livestock held for resale, and expendable medical supplies and are valued primarily using the average cost method. The consumption method is used for financial reporting. Certain payments to vendors reflect costs applicable to

future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Derivatives

In accordance with their investment authority, certain governmental funds and blended component units invest in derivative financial instruments. These derivatives are held in part to maximize yields on investments and in part to hedge against changes in interest rates. Risks associated with derivative instruments include the potential for credit loss in the event of nonperformance by other parties to the contracts, market risk as a result of possible future changes in market prices, and legal risk, the risk that a transaction will be prohibited by law, regulation, or contract.

Restricted Assets

Restricted assets represent primarily cash, investments, and receivables held separately and restricted according to applicable bond indenture agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure is reported retroactively to 1960. Capital assets are recorded as expenditures generally in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level; fixed assets of enterprise, and internal service funds are reported in the respective funds. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. For reporting purposes, the State has defined capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Movable property consists of assets that are not fixed or stationary in nature with an initial, individual cost of at least $5,000. The straight-line method of depreciation is used which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. The capitalization threshold for buildings and improvements is $100,000. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and improvements and 20 years for depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction in progress is not depreciated.
- Infrastructure assets are roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure has a capitalization threshold of $3,000,000, and is depreciated using the straight-line method with an estimated useful life of 40 years.
- Purchased computer software has a capitalization threshold of $1,000,000 and is depreciated using the straight-line method over an estimated useful life of 3 years.
- Internally generated software has a capitalization threshold of $1,000,000, and is depreciated using the straight-line method over an estimated useful life determined by its value. Internally generated software valued at $10,000,000 or less is depreciated over 7 years and that valued over $10,000,000 is depreciated over 10 years.
- Historical treasures and works of art are items held for public exhibition, educational purposes, or research in enhancement of public service instead of financial gain, and therefore are not capitalized or depreciated.
- Donated fixed assets are valued at their estimated fair market value at the time of donation.

Hospitals and medical units within Louisiana State University Health Sciences Center are subject to federal cost reporting requirements and use capitalization and depreciation policies of the Centers for Medicare and Medicaid Services (CMS) to ensure compliance with federal regulations. These capitalization policies include a threshold of $5,000 for all assets, depreciable lives greater than 40 years on some assets, and recognition of a half year of depreciation in the year of acquisition and final year of useful life.

Compensated Absences

Classified and unclassified state employees earn annual leave and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accrued by each employee is unlimited. An employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Louisiana Revised Statutes (LRS) 17:425 provides for payment of up to 25 days of unused sick leave at the time of retirement or death if prior to retirement for all employees under the supervision of the Board of Elementary and Secondary Education, or other boards of control of publicly supported educational institutions.

Upon a member's retirement, annual leave balances in excess of 300 hours and the number of hours of unused sick leave are converted to years or fractions of years and added to the number of years of service earned by the retiree. Unused annual and sick leave is applied to the number of years of service only for computing the rate of pay due to the retiree and does not count toward the number of years necessary for retirement. Act 343 of 1993 allows members retiring after August 15, 1993, to elect to receive an actuarially determined lump-sum payment for unused leave that would have been converted for retirement credit.

An employee who is required to work overtime may, at the option of the appointing authority, be credited with compensatory leave for the hours required to work. Certain employees earn this leave at time and one-half, whereas others earn on an hour-for-hour basis. Generally, employees in positions at or below a certain pay level may be paid upon separation or transfer, based on the employee's final regular rate of pay. Compensatory leave for all other employees is canceled upon separation or transfer from the department in which it was earned.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. In accordance with paragraph 16 of the Accounting Principles Board Opinion No. 21, unamortized balances of premiums and discounts are netted against the outstanding balance of the related bonds payable. Unamortized premium and discount balances are displayed in Note 8, Section D.

Fund Balances and Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Proprietary funds report an all-inclusive change in fund net assets that includes capital contributions, contributions to term and permanent endowments, special and extraordinary items, and transfers. Net assets are segregated into three categories on the government-wide statement of net assets: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. The State first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The use of restricted assets may be deferred based on a review of the specific transaction.

D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, assets and liabilities of internal service funds, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

E. BUDGETS AND BUDGETARY ACCOUNTING

Legislation requires that on or before November 15, the head of each spending agency submit to the Governor, the Joint Legislative Committee on the Budget, and the Legislative Fiscal Office an estimate of the financial requirements and receipts of the budget unit for the upcoming fiscal year (LRS 39:33). The Governor is required to prepare an executive budget and transmit a copy to each member of the Legislature on the first day of the regular session (LRS 39:37). The budget is enacted into law by the Legislature and sent to the Governor for signature. The State Constitution prohibits the passage of an unbalanced budget (Article VII, Section 10). The Governor may veto any line item appropriation, subject to legislative override.

LRS 39:73 authorizes the transfer of funds between programs within a budget unit. The Commissioner of Administration may approve such a transfer when in aggregate the transfers are not more than 1% of the total appropriation to the budget unit and sufficient evidence is presented. The Commissioner, with the approval of the Joint Legislative Committee on the Budget, may approve the transfer of funds between programs within the budget unit when in aggregate the transfers do not exceed 25% of the total appropriation to the budget unit and sufficient evidence is presented. These and other requests for transfers are to be submitted by the budget unit to the Legislative Fiscal Office.

According to LRS 39:111, the Governor is required to submit to the Legislature, no later than the eighth day of

the regular session, a proposed five-year capital outlay program. The Legislature enacts into law a bill incorporating the first year of the five-year capital outlay program. The Legislature adopts a concurrent resolution for the remaining four years of the five-year capital outlay program, itemizing the capital projects and the amount and source of funding for each of the subsequent four years.

According to LRS 39:77, in no event shall any budget unit commit to an expenditure in excess of the unencumbered balance of the allotment to which the resulting expenditure would be charged, without prior approval of the Interim Emergency Board and two-thirds of the Legislature. The Revenue Estimating Conference has been established to provide an official estimate of anticipated state revenues for each fiscal year. Appropriations by the Legislature from the state General Fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations are made. The Governor may direct the Commissioner of Administration to reduce or disapprove warrants in order to prevent a cash deficit.

In accordance with LRS 39:82(A), agencies are allowed 45 days for closing out prior year activities. This statute limits the use of appropriation balances after the June 30 close to true liabilities, delineates those items eligible for roll forward treatment, and establishes a 45-day period to request such carry-forwards. After that time, all appropriations lapse except permanent capital outlay appropriations that remain active until the projects are complete. Additionally, upon approval by the Commissioner of Administration, any federal funds and any state funds appropriated during a fiscal year specifically for matching federal grants may be carried forward into the upcoming year's appropriation.

Governments are required to present the *original*, *final,* and *actual* budgetary basis of the General Fund and each individual major special revenue fund that has a legally adopted budget. For fiscal year 2010, there are no major special revenue funds. The accompanying Required Supplementary Information includes notes and a schedule making this comparison for the General Fund.

Each year, the Legislature enacts an appropriation bill to establish and re-establish ancillary funds to include the following enterprise and internal service funds: Administrative Services, Central Regional Laundry, Drinking Water Revolving Loan Fund, Donald J. Thibodeaux Training Complex, Louisiana Federal Property Assistance Agency, Louisiana Property Assistance Agency, Clean Water State Revolving Fund, Office of Aircraft Services, Office of Telecommunications Management, Prison Enterprises, and Public Safety Services Cafeteria. Re-established funds are allowed to retain any fund equity resulting from prior year operations. These and all monies from self-generated revenues are available for expenditure in the amounts appropriated. The Commissioner of Administration may approve increases from self-generated revenues, not exceeding in aggregate 5% of appropriated self-generated revenues. Only with the approval of the Division of Administration and the Joint Legislative Committee on the Budget will any larger increase in self-generated revenue over the amount appropriated be available to agencies for expenditure.

F. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

A. DEPOSITS

Bank account and short-term investments, such as nonnegotiable certificates of deposit and money market deposit accounts, are included as deposits. In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmatured or payable on demand; or notes representing loans to students guaranteed by the Louisiana Student Financial Assistance Commission. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

The following chart presents bank deposit balances for the primary government and its component units as of June 30, 2010. Deposits are listed in terms of whether they are exposed to custodial credit risk, which is the risk that the state's deposits may not be returned in the event of a bank failure. Deposits are exposed to custodial credit risk if they are either: a) uninsured and uncollateralized, b) uninsured and collateralized with securities held by the pledging

financial institution, or c) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the State.

Bank Deposit Balances (Expressed in Thousands)

	Deposits Exposed to Custodial Credit Risk				
	Uninsured and Uncollateralized	Uninsured and Collateralized with Securities Held by Pledging Institution	Uninsured and Collateralized with Securities Held by Pledging Institution's Trust Dept. or Agent but not in State's Name	Total Bank Balances – All Deposits	Total Carrying Value – All Deposits
Primary Government:					
Cash	$ 5,328	$ 980	$ 10,993	$ 1,456,800	$ 1,202,610
Certificates of Deposit		259	1,035	252,076	252,078
Other	250			387,205	387,002
Total Primary Government	$ 5,578	$ 1,239	$ 12,028	$ 2,096,081	$ 1,841,690
Component Units:					
Cash	10,500	56,256	27,388	1,243,804	1,136,151
Certificates of Deposit		467	14,912	226,570	227,468
Other			2,627	128,530	109,304
Total Component Units	$ 10,500	$ 56,723	$ 44,927	$ 1,598,904	$ 1,472,923
Total Bank Balances	$ 16,078	$ 57,962	$ 56,955	$ 3,694,985	$ 3,314,613

B. INVESTMENTS

LRS 49:327 authorizes the State Treasurer to invest available monies in direct Treasury obligations, government agency obligations, corporate bonds, perfected repurchase agreements, and reverse repurchase agreements, time certificates of deposit in specified banks, savings accounts or shares of certain savings and loan associations and savings banks, or in share accounts and share certificate accounts of certain credit unions. Such securities shall not have maturity dates in excess of five years from the purchase date, except monies invested from special funds (those not considered general funds) which shall not exceed 10 years from the date of purchase. Repurchase Agreements must be collateralized by the pledge of securities at 102%. Funds not on deposit in the State Treasury are authorized to be invested in time certificates of deposit of specified banks, in savings accounts or shares of specified savings and loan associations and savings banks, or in share accounts and share certificate accounts of specified credit unions. Funds determined to be available for investment for less than 30 days are authorized to be invested in direct United States Treasury obligations that mature in not more than 29 days after the date of purchase. These funds are also required to be fully insured or collateralized.

Because of limited maturity dates, availability of securities, and yield, perfected repurchase agreements are entered into for short-term management purposes. LRS 49:341 - 343 grants defined public entities the authority to invest bond proceeds and monies held in any fund established in connection with bonds in any direct obligation of, or obligation guaranteed by, the United States and in tax-exempt bonds until proceeds are required to be expended for the purpose of the issue.

LRS 11:263 directs Louisiana's pension systems to invest in accordance with the prudent man rule. As used in this statute, the rule means that the systems ". . . act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Notwithstanding the prudent man rule, no governing authority of any system shall invest more than 55% of the total portfolio in equities. Act 1004 of the 2010 regular session amended LRS 11:263 to require that pension systems give weight to certain factors including, but not limited to the experience of the professionals who will manage each investment, the jurisdiction of the laws that govern each investment, and the risk of fluctuations in currency that may accompany each investment when making investment decisions. It further requires pension systems to submit quarterly reports, as specified in the statute, to the House and Senate committees beginning with the quarter ending June 30, 2010. The amendment is effective beginning July 1, 2010.

Generally, investment of funds by colleges and universities are subject to the same provisions of LRS 49:327 that govern the State Treasurer and State agencies. However, investment of funds of state colleges and universities derived from private sources such as gifts, grants, and endowments are governed by the "Uniform Management of Institutional Funds Act," LRS 9:2337.1 - 2337.8. If a

donor has not provided specific instructions, state law permits the colleges and universities to authorize expenditure of the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established. For the fiscal year ended June 30, 2010, $16,339,878 net appreciation of investments of endowment funds was available to be spent; all but $822,732 was restricted for specific purposes. These amounts are reported in the financial statements of the colleges and universities as restricted expendable net assets, except for that which is unrestricted.

Authorized investments include "mortgages, stocks, bonds, debentures, and other securities of profit or nonprofit corporations, shares in or obligations of associations, partnerships, or individuals, and obligations of any government or subdivision or instrumentality thereof." In investing funds, the governing board of the college or university must exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

Management of the cash and investments held by the State Treasurer is independent of the automated accounting system of the state. The vast majority of the cash reported on the financial statements within all fund types is reported by the State Treasurer as investments for this note disclosure. In order to accurately compare the cash and investments shown on the accompanying financial statements with the carrying values of deposits and investments in the schedules presented as part of this note disclosure, the following reconciliation is provided (amounts expressed in thousands):

Carrying Value of Deposits per Note	$ 3,314,613	
Carrying Value of Investments per Note	37,940,268	
		$ 41,254,881
Cash per Financial Statements	$ 9,970,705	
Investments per Financial Statements	29,979,282	
Restricted Cash per Financial Statements	605,544	
Restricted Investments per Financial Statements	1,215,894	
Reconciling Items between Note and Financial Statements	(516,544)	
		$ 41,254,881

C. INVESTMENTS - CUSTODIAL CREDIT RISK

The following chart presents the investment position of the State at June 30, 2010, unless otherwise noted. The various types of investments are listed and presented by whether they are exposed to custodial credit risk by the State. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the State will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent but not in the name of the State.

Schedule of Investments Carrying Amount
(Expressed in Thousands)

	Investments Exposed to Custodial Credit Risk			
	Uninsured, Unregistered, and Held by Counterparty	Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name	All Investments Reported Amount	All Investments Fair Value
General Government:				
Negotiable Certificates of Deposit			$3,724	$3,724
Repurchase Agreements		$17,940	1,607,109	1,607,109
U.S. Government Obligations:				
On Securities Loan			6,218,431	6,218,431
Not On Securities Loan	$53,676	21,688	314,219	314,219
Common & Preferred Stock	8,203		75,825	75,825
Domestic & Foreign Bonds	618		1,996,495	1,996,495
Mortgages, Notes and Other	16,549		106,220	106,220
Mutual Funds	16,376		583,602	583,602
Miscellaneous			10,811	10,811
Total General Government	95,422	39,628	10,916,436	10,916,436
Retirement Systems and Other Trusts:				
Repurchase Agreements			271,724	271,724
U.S. Government Obligations:				
On Securities Loan			245,878	245,878
Not On Securities Loan	39,527		2,506,098	2,506,098
Common & Preferred Stock:				
On Securities Loan			1,635,932	1,635,932
Not On Securities Loan			9,548,516	9,548,516
Domestic & Foreign Bonds:				
On Securities Loan			174,079	174,079
Not On Securities Loan			2,696,602	2,696,602
Mortgages, Notes and Other			1,205,633	1,205,633
Miscellaneous Short Term			846,058	846,058
Mutual Funds			145,868	145,868
Real Estate			664,464	664,464
Mezzanine Financing Investments			331,901	331,901
Alternative Investments			3,900,972	3,900,972
Collateral Held Under Securities Lending Program			1,397,363	1,397,363
Total Retirement Systems and Other Trusts	39,527		25,571,088	25,571,088
Total Primary Government	134,949	39,628	36,487,524	36,487,524
Component Units:				
Negotiable Certificates of Deposit		7,761	23,005	23,005
Repurchase Agreements		6,030	51,240	51,240
U.S. Government Obligations	2,059	6,687	360,300	360,300
Common & Preferred Stock	1,064	7,748	75,932	75,932
Domestic & Foreign Bonds	833	7,526	39,018	39,018
Mortgages, Notes & Other			123,170	123,170
Mutual Funds	11,695	90,553	457,375	457,375
External Investment Pool			224,309	224,309

Schedule of Investments Carrying Amount
(Expressed in Thousands)

	Investments Exposed to Custodial Credit Risk			
	Uninsured, Unregistered, and Held by Counterparty	Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name	All Investments Reported Amount	All Investments Fair Value
Real Estate			9,044	9,044
Guaranteed Investment Contracts			2,346	2,346
Alternative Investments			44,548	44,548
Investments Held in Private Foundations	1,761		42,457	42,457
Total Component Units	17,412	126,305	1,452,744	1,452,744
TOTAL INVESTMENTS	$152,361	$165,933	$37,940,268	$37,940,268

D. INVESTMENTS - INTEREST RATE RISK

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics.

State Treasury

The State Treasury limits the interest rate risk of the General Fund by limiting maturities of its investments to five years or less. The interest rate risk of certain special funds within the State Treasury is limited by restricting maturities of their investments to ten years or less. The interest rate risk of the Louisiana Education Quality Trust Fund (LEQTF), Millennium Trust Fund, and the Medicaid Trust Fund portfolios are limited by managing their maturity and duration using fixed income indices as benchmarks to gauge and limit such risk. Further, these portfolios' durations are limited by policy to 15 years or less for LEQTF, and 10 years or less for the Millennium Trust Fund and the Medicaid Trust Fund to minimize interest rate risk. The State Treasury has no investments with fair values that are highly sensitive to changes in interest rates due to their terms or characteristics.

As of June 30, 2010, the State Treasury had the following debt investments and maturities (amounts expressed in thousands).

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Government Obligations	$3,319,953	$414,712	$2,818,334	$48,284	$38,623
U.S. Agency Obligations	3,132,546	1,547,925	1,298,079	193,724	92,818
Corporate Bonds	913,147	49,308	368,817	221,724	273,298
Municipal Bonds	1,077,731	101,286	317,475	400,152	258,818
Foreign Bonds	5,000		5,000		
Total	$8,448,377	$2,113,231	$4,807,705	$863,884	$663,557

Retirement Systems and Other Trusts

At June 30, 2010, the Louisiana School Employees' Retirement System (LSERS) held $542,725,645 in total debt investments, $134,118,724 with maturities of less than 1 year, $135,052,842 with maturities of 1 to 5 years, $88,398,812 with maturities of 6 to 10 years, and $185,155,267 with maturities of more than 10 years. The Louisiana State Employees' Retirement System (LASERS) held $2,833,629,029 in total debt investments, $1,027,945,448 with maturities of less than 1 year, $678,453,841 with maturities of 1 to 5 years, $470,467,624 with maturities of 6 to 10 years, and $656,762,116 with maturities of more than 10 years. The Teachers' Retirement System of Louisiana (TRSLA) held $1,889,365,217 in total debt investments, $38,792,298 with maturities of less than 1 year, $460,163,478 with maturities of 1 to 5 years, $495,599,887 with maturities of 6 to 10 years, and $894,809,554 with maturities of more than 10 years. The Louisiana State Police Retirement System (LSPRS) held $34,830,284 in total debt investments, $6,851,445 with maturities of 1 to 5 years,

$10,093,834 with maturities of 6 to 10 years, and $17,885,005 with maturities of more than 10 years.

The TRSLA and LSPRS investment policies expect its fixed income managers to approximate the portfolio's duration to established benchmarks for fixed income investments. LSERS and LASERS have no formal interest rate risk policies, but LASERS's investment policy indicates that it expects its fixed income managers to approximate the portfolio's duration to within two years of its respective benchmarks for fixed income investments.

The table below displays the aggregate total of the state retirement systems and other trusts debt investments by type and maturities (amounts expressed in thousands) as of June 30, 2010.

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1-5**	**6-10**	**Greater Than 10**
U.S. Government obligations	$1,003,743	$5,692	$107,312	$259,118	$631,621
U.S. Agency obligations	426,029	10,121	24,856	63,326	327,726
Mortgage backed securities and Collateralized mortgage obligations	602,359	68,554	18,547	122,428	392,830
Corporate bonds	1,500,924	395,247	606,245	316,255	183,177
Foreign bonds	1,337,866	320,623	504,583	303,441	209,219
Mutual funds	1,962	1,962			
Other bonds	451		123	15	313
Other	429,421	399,336	19,045	312	10,728
Total	$5,302,755	$1,201,535	$1,280,711	$1,064,895	$1,755,614

E. INVESTMENTS - CREDIT RISK & CONCENTRATION OF CREDIT RISK

The credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools).

State Treasury

State statutes and investment policies limit the State Treasury investments to government securities with explicit guarantees by the U.S. government, agency securities with implicit U.S. government guarantees, and corporate securities with investment grade ratings by Moody's and S&P. The State Treasury has no limit on the amount it may invest in any one issuer. Of the State Treasury's total investments, 11.11% are issues of the Federal Home Loan Mortgage Corporation (Freddie Mac), 6.58% are issues of the Federal Home Loan Bank, and 10.18% are issues of the Federal National Mortgage Association (Fannie Mae).

The accompanying table illustrates the State Treasury's investments exposure to credit risk as of June 30, 2010 (expressed in thousands):

Rating	**Fair Value**
U.S. Government Securities	$3,319,953
U.S. Government Agencies (GSEs)	3,132,546
AAA	525,194
AA	415,268
A	445,891
BBB	514,891
BB	40,948
B	14,000
CCC	10,800
Not Rated	2,418,608
Total	$10,838,099

Retirement Systems and Other Trusts

The investment policies of the state's retirement systems and other trusts prescribe the level of credit risk to which their investments in debt securities are exposed. In addition, the Louisiana Asset Management Pool (LAMP, an investment trust fund) had investments in U.S. government agency obligations with a fair value of $1,130,609,891, all of which were rated AAA by S&P and $591,498,359 in commercial paper rated at either A-1 or A-1+.

None of the state's retirement systems or other trusts had investments in any one issuer (other than those issued or guaranteed by the U.S. government) that represented more than 5% of its total investments.

The following table details the total fair market value of investments in debt securities exposed to credit risk at June 30, 2010 for each of the state's retirement systems.

	Fair Value (in thousands)			
Rating	**LSERS**	**LASERS**	**TRSLA**	**LSPRS**
AAA	$51,095	$709,390	$291,374	
AA+	5,467	43,623		$1,069
AA	32,065	138,440		885
AA-	2,882	102,435		799
A+	12,930	83,082		820
A	37,415	98,318		8,238
A-	15,193	39,547		3,378
A-1		216,614	27,262	
A-2		330	63,403	
A-3		3,082	48,846	
AA1			36,813	
AA2			21,264	
AA3			30,595	
BBB+	14,957	53,315		2,926
BBB	19,281	53,357		724
BBB-	22,363	49,163		1,516
BB+	4,177	23,463		
BB	5,034	55,380		
BB-	2,556	72,442		
B+	1,267	92,234		
B	2,338	99,611		
B-	571	90,904		
B1		3,446	28,654	
B2		1,470	34,673	
B3		11,509	32,971	
BA1			10,308	
BA2		1,880	6,607	
BA3		464	28,721	
BAA1		6,651	52,810	
BAA2		555	47,373	
BAA3			20,394	
CA			1,090	
CAA1		7,200	27,297	
CAA2		9,257	17,074	
CAA3			3,065	
CCC+	3,372	41,167		
CCC	14,264	141,716		
CCC-		6,811		
CC	1,133	55,308		
C		822	1	
D	241	20,788		
NA				
P-1		40,700		
VMIG1-3			3,807	
Not Rated	148,361	436,623	1,054,963	
Sec. Lending Collat. Pool		22,532		
Total	$396,962	$2,833,629	$1,889,365	$20,355

F. FOREIGN CURRENCY RISK

State Treasury

The State Treasury limits the foreign currency risk of the State's investments by prohibiting investing in instruments denominated in foreign currencies. Also, the State has no deposits held by the State Treasury denominated in foreign currencies.

Retirement Systems and Other Trusts

Louisiana School Employees' Retirement System's (LSERS) investment policy targets 10% of its portfolio to be invested in foreign marketable securities. However, at June 30, 2010, the current position is 6% and totals $150,461,606. The Louisiana State Employees' Retirement System (LASERS) held foreign marketable securities with a fair value of $1,426,768,474 at June 30, 2010, the Teachers' Retirement System of Louisiana (TRSLA) held $2,789,716,180, and the Louisiana State Police Retirement System (LSPRS), $18,741,087. LSPRS' investment policy allows no more than 15.0% of their portfolio to be international equities. The following table illustrates the total exposure to foreign currency risk at June 30, 2010 of $4,385,687,347 by currency denomination and investment type:

	Fair Value (U.S. dollars) (in thousands)	
Currency	**Bonds**	**Stocks & Other**
Australian dollar	$114,353	$196,075
Brazilian real	14,896	17,817
British pound sterling	51,352	663,457
Canadian dollar	24,092	114,577
Czech koruna		195
Danish krone		62,657
European euro	236,729	1,060,038
Hong Kong dollar		206,913
Hungarian forint		36
Indonesian rupiah	14,370	763
International pooled funds		18,741
Israeli shekel		9,684
Japanese yen	162,799	702,013
Malaysian ringgit	25,698	3,006
Mexican new peso	31,649	5,537
New Turkish lira		11,697
New Zealand dollar	26,267	999
Norwegian krone	12,192	14,384
Pakistan rupee		276
Philippines peso		143
Polish zloty	62,902	744
Singapore dollar		76,544
South African rand	5,193	6,680
South Korean won	18,757	27,584
Swedish krona	15,948	101,141
Swiss franc		261,874
Thailand baht		4,916
Total	$817,197	$3,568,491

G. SECURITIES LENDING

State Treasury

In accordance with its authority under LRS. 49:327(c), the State has entered into a securities lending agreement that functions as a reverse repurchase/repurchase arrangement, with Morgan Stanley acting as principal. Under the arrangement, Morgan Stanley purchases (or borrows) on an overnight basis that portion of the State's pool of U.S. Treasury and Agency securities which the State from time to time makes available for such purposes, with a simultaneous agreement to resell or repurchase such securities at the termination of the transaction. The reverse repurchase and repurchase transactions are executed pursuant to the terms of a paired repurchase agreement among the State, the Bank of New York and Morgan Stanley. The State receives U.S. Government Sponsored Entity, or "agency", collateral in return for the securities that it reverses to Morgan Stanley under the terms of the reverse repurchase transaction on a fixed-spread basis.

Four separate funds were included in the securities lending agreement for the fiscal year ending June 30, 2010. At June 30, 2010, the collateral exceeded the value of the securities on loan by $109,035,016 for the general fund, $25,894,341 for the Louisiana Education Quality Trust Fund (LEQTF), $35,619,322 for the Medicaid Trust Fund for the Elderly (the Medicaid Trust), and $18,182,547 for the Millennium Trust Fund (the Millennium Trust).

At June 30, 2010, the value of securities on loan was $5,406,664,379 for the Treasurer's pooled general fund investments; $231,463,312 for LEQTF; $309,214,266 for the Medicaid Trust Fund; and $271,088,898 for the Millennium Trust Fund.

In each transaction, Morgan Stanley delivers collateral from its account at the Bank of New York to the State's custodial account at the Bank of New York. The Bank of New York monitors the movement of the collateral to ensure it is sufficient (equal to at least 102% of the value of the securities borrowed) and in compliance with the terms of the reverse repurchase/repurchase agreement. Each morning, the overnight repurchase transaction is "reversed" and Morgan Stanley receives the collateral against its return of investments to the State. During the term of any particular transaction, the State's right to receive or sell the collateral is determined pursuant to the terms of the repurchase agreement, which provides for such rights upon borrower default, and in accordance with other applicable state and federal laws. The State has experienced no losses on securities lending transactions and loss indemnification is provided in the contract with Morgan Stanley.

As of June 30, 2010, the State had limited credit risk exposure because the market value of the U.S. Government and Government Sponsored Entity securities pledged as collateral to the State exceeded the value of securities the State had out on loan by $188,731,225. The value of the securities on loan was $6,218,430,856 and the total market value of the securities held as collateral was $6,407,162,082. The value of the collateral securities was 103.04% of the value of loaned securities. The Risk to the State is further mitigated because loss indemnification is provided to the State in the securities lending contract with Morgan Stanley.

Retirement Systems and Other Trusts

The Teachers' Retirement System of Louisiana (TRSLA), the Louisiana State Police Retirement System (LSPRS), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS) are authorized by their respective boards of trustees to operate securities lending programs. These programs are designed to produce supplemental income on investments with little or no additional risk. All securities are available for loan to pre-approved securities dealers. Securities dealers must meet specific criteria to be approved. The TRSLA and LSPRS lend securities for cash, cash collateral or other securities/investment collateral. The LASERS and LSERS lend securities for cash, cash collateral, and U.S. government securities. Additionally, LSERS may lend its securities for irrevocable letters of credit and LASERS may lend securities for other securities/investments collateral. Collateral held under the programs, which may be reinvested by the systems under the terms of the agreement with the broker/dealer, is recorded as an asset with a corresponding liability; otherwise, the collateral is not recorded on the Statement of Net Assets. None of the retirement systems may pledge or sell collateral securities received unless the borrower defaults.

The TRSLA lends domestic securities for cash collateral of 100%, domestic securities for other securities collateral at 102%, and international securities for cash collateral or other securities collateral of 105%. The LSPRS, LSERS and LASERS lend U.S. securities for collateral valued at 102% of the market value of the securities. For the LSERS and LASERS, non-U.S. securities are loaned for collateral valued at 105% of the market value of the securities. In instances where LSPRS, TRSLA and LSERS loans are for term, the reinvestment of the cash is matched to the maturity of the loan. The majority of LASERS loans are terminable at will. Therefore, their duration will not generally match the duration of the investments made with cash collateral.

At June 30, 2010, neither LASERS, LSPRS, TRSLA nor LSERS had any credit risk exposure to borrowers at year

end because the amount the plan owes the borrowers exceeds the amount the borrowers owe the plan. Securities loans of all four systems may be terminated on demand by either party within a period specified in the related agreement. There were neither significant violations of legal or contractual provisions, nor borrower or lending agent default losses known to the securities lending agents of LSPRS and LSERS. However, Lehman Brothers and Sigma Finance Corporation defaulted in an aggregate amount of $5,773,039 on their securities lending contracts with TRSL and approximately $27,000,000 on their securities lending contracts with LASERS of which $3,000,000 in security lending income has been applied during fiscal year 2010. Additionally, LASERS realized a loss on a CIT Group bond of approximately $3,000,000. The LSPRS, LASERS and LSERS have indemnification agreements with their securities lending agents in case of borrower default. Securities on loan at June 30, 2010 totaled $722,799,444 for LASERS, $28,446,340 for LSPRS, $1,163,371,667 for TRSLA, and $141,271,143 for LSERS.

H. INVESTMENTS IN DERIVATIVES

During the fiscal year ended June 30, 2010, the State implemented Governmental Accounting Standards Board (GASB) Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments.* GASB requires certain derivative instruments be reported in the government-wide, proprietary fund, and fiduciary fund financial statements at fair value as of the balance sheet date. The Statement further requires certain risk disclosures associated with these derivatives.

Governmental Activities

As of June 30, 2010 the governmental funds of the State held derivative instruments in interest rate swaps. All pay-fixed swap transactions are associated with variable debt. Combining a pay-fixed receive-variable rate swap with variable debt results in what is termed “synthetic” fixed rate debt. It is called synthetic because the economics are similar to fixed rate debt, but another instrument is involved unlike regular fixed rate debt.

The primary function of the fixed rate swaps is to mitigate the interest rate exposure of the variable rate bonds. The state pays a fixed rate and receives a floating rate. In an interest rate environment whose level is generally higher than the rate at which the State is fixed, the swap would result in a positive value to the State. Correspondingly, a lower rate environment than the fixed rate would result in a negative value to the State.

The tables below provide summary data for the State’s outstanding derivative instruments within governmental activities as of June 30, 2010.

Summary of Hedging Derivative Instruments
(In Thousands)

		Changes in Fair Value		Fair Value at June 30	
	Notional	Classification	Amount	Classification	Amount
Governmental Activities:					
Hedging Derivative Instruments					
Cash Flow Hedges					
Pay-Fixed Interest Rate Swaps	$685,000	Deferred Outflow of Resources	($112,380)	Derivative Instrument Liability	($112,380)

Terms and Objectives of Hedging Derivative Instruments

(In Thousands)

Type	Notional	Objective	Effective Date	Maturity Date	Terms	Counterparty Credit Rating (Moody's/S&P)
Pay-Fixed Interest Rate Swap	$140,000	hedge changes in cash flows on the 2008 Series A bonds	07/17/08	07/15/26	Pay 4.303%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$60,000	hedge changes in cash flows on the 2008 Series A bonds	07/17/08	07/15/26	Pay 4.303%; Receive 70% of USD-LIBOR	Aa3/A
Pay-Fixed Interest Rate Swap	$46,500	hedge changes in cash flows on the 2010 Series A bonds	05/01/09	05/01/43	Pay 3.694%; Receive 70% of USD-LIBOR	Aa1/AA-
Pay-Fixed Interest Rate Swap	$14,125	hedge changes in cash flows on the 2009 Series A-1 and 2010 Series A bonds	05/01/09	05/01/41	Pay 3.699%; Receive 70% of USD-LIBOR	Aa1/AA-
Pay-Fixed Interest Rate Swapt	$56,500	hedge changes in cash flows on the 2010 Series A bonds	05/01/09	05/01/41	Pay 3.692%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$186,000	hedge changes in cash flows on the 2009 Series A-1 bonds	05/01/09	05/01/43	Pay 3.692%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed Interest Rate Swap	$14,125	hedge changes in cash flows on the 2009 Series A-4 bonds	05/01/09	05/01/41	Pay 3.690%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$46,500	hedge changes in cash flows on the 2009 Series A-4 bonds	05/01/09	05/01/43	Pay 3.682%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$93,000	hedge changes in cash flows on the 2009 Series A-3 bonds	05/01/09	05/01/43	Pay 3.6985%; Receive 70% of USD-LIBOR	A1/A+
Pay-Fixed Interest Rate Swap	$28,250	hedge changes in cash flows on the 2009 Series A-3 bonds	05/01/09	05/01/41	Pay 3.7065%; Receive 70% of USD-LIBOR	A2/A

In June 2006, the State Bond Commission (SBC) authorized the issuance of $200,000,000 General Obligation Refunding Bonds Series 2008-A to provide funds to refund the General Obligation Tax Credit Bonds Series 2006-A. On July 17, 2008 the State entered into forward floating fixed interest rate swap agreements to effectively hedge the change in the bonds' variable interest rate to a fixed interest rate. The interest rate swap mitigated the State's exposure to interest rate risk.

On October 16, 2008 the State Bond Commission, authorized the issuance of $485,000,000 of in Gasoline and Fuels Tax Revenue Bonds, Series 2009A bonds to replace the Series 2008 bonds that were authorized to finance multiple construction projects associated with the Transportation Infrastructure Model for Economic Development (TIMED). Due to market volatility and credit availability, the bonds were issued in four separate series (2009A, 2009A-1, 2009A-3, & 2009A-4). Forward floating to fixed interest rate swap agreements which were originally issued in December 2008 for the Series 2008 bonds were extended for the new bond issuance and became effective May 1, 2009.

As of June 30, 2010, the State of Louisiana determined that the pay-fixed interest rate swaps within governmental activities successfully meet the criteria for effectiveness. Accordingly, the accumulated changes in fair value and fair value of $112,380,453 of the swaps are reported as a deferred outflow of resources and derivative instrument liability, respectively on the statement of net assets.

The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bonds due on the date of each future net settlement payment on the swaps.

The interest rate swaps with an aggregate notional value of $685,000,000 includes $200,000,000 of General Obligation Series 2008-A Bonds and $485,000,000 of (TIMED) Bonds. No cash payment or receipt was paid or due by any party upon initiation of any of these agreements.

Risk Disclosures

Credit Risk: Credit risk is the risk that the swap provider will not fulfill its obligations. To mitigate the potential for credit risk, the hedge agreements include provisions for

collateral thresholds and transfer amounts that correspond to the credit ratings of the swap providers. However at June 30, 2010, the State is not exposed to credit risk since the fair values of the swap agreements are in the swap provider's favor.

Interest Rate Risk: Interest rate risk is the risk that an adverse change in variable interest rates will increase the overall cost of borrowing for the State. Interest rate swap agreements used to hedge variable rate bonds that extend through maturity of the related debt effectively eliminate interest rate risk, unless the swap agreement is terminated before maturity. At June 30, 2010, and as of the date of issuance of these financial statements, the State Bond Commission (SBC) has no plans to terminate the swap agreements.

The reference rate for the interest rate swaps is 70% of USD-LIBOR-BBA. Although not specifically identified in the information provided, there are embedded options. Also, there are puts associated with the underlying debt.

Foreign Currency Risk: At June 30, 2010, there was limited foreign currency risk associated with the interest rate swaps because the State Treasury prohibits investing in instruments denominated in foreign currencies.

Basis Risk: Basis risk is the risk that arises when variable interest rates on a swap and the associated debt are based on different indexes; i.e. when the variable payment component of a fixed payer interest rate swap does not match the associated underlying variable rate bonds. To mitigate this risk, the State has structured a higher percentage of the London Interbank Offered Rate (LIBOR) fixed payer hedge (70%) on the bonds.

Termination Risk: The State or the swap providers may terminate the swap agreement if the other party fails to perform under the terms of the contract. As long as the State continues to perform its obligations on the swap contracts, there is no termination risk arising from the provider actions during the next fiscal period. However, there is termination risks should the State determine to take actions currently under consideration regarding the outstanding bonds which would trigger an event of termination on the existing swaps. Also, if at the time of the termination the swap has a negative fair value, the State would be liable to the swap providers for a payment equal to the swap's fair value.

Market Access Risk: Market access risk is the risk that the State will not be able to enter credit markets or that credit will become more costly than normal. With the recovery of the financial markets, and provided no market dislocations occur, the State is currently not exposed to market access risk when issuing General Obligation or such debt.

Rollover Risk: Rollover risk is the risk that the swaps do not extend to the maturity of the associated debt. The State is exposed to rollover risk because the swap agreements on the 2008A, 2009A-3 and 2009A-4 series bonds will terminate prior to the maturity of the associated bonds.

The 2008A series general obligation bonds will mature in July 2026, however the bonds are currently variable rate demand obligations with a letter a credit expiring on July 17, 2011. The swap associated with these bonds will terminate on July 1, 2011 unless the letter of credit is renewed, or the letter of credit is replaced and the bonds are refunded with 3 to 5 year floating rate notes. The state also has the option to refinance the current bonds with fixed rate bonds, resulting in the termination of the swaps and a probable termination payment.

The swaps associated with the 2009A-3 and 2009A-4 series TIMED bonds will terminate in May and July 2012, respectively, while the bonds mature in May 2041 and 2043. In addition, the swaps associated with the 2009A-3 bonds have a hard put date of May 27, 2014, which leaves these bonds without a swap agreement for a period of two years. When the hard put is exercised, the State must redeem the bonds through a refinancing or through utilization of the available collected gas and fuels taxes.

Retirement Systems and Other Trusts

LASERS, TRSLA, and LSERS held investments in various derivative financial instruments including interest-only strips, principal-only strips, collateralized mortgage obligations, options, forward foreign exchange contracts, and futures contracts.

TRSLA invests in interest-only strips and principal-only strips which are mortgage-backed securities that involve the separation of the interest and principal components of a security.

TRSLA and LASERS invest in collateralized mortgage obligations which are collateralized by mortgages, mortgage pass-through securities, and stripped mortgage-backed securities and can be highly sensitive to interest rate fluctuations. Additionally, TRSLA and LASERS invest in forward foreign exchange contracts which are contractual agreements between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency for an agreed upon exchange rate. The systems also invests in futures contracts which are agreements for delayed delivery of securities, currency, commodities, or money market instruments in which the seller agrees to make delivery at a specified future date of a specified instrument, at a specific price or yield. TRSLA further invests in options on futures allowing the holder and writer of the option the right to exchange futures positions.

The table below provides summary data for the State's outstanding derivative instruments within governmental activities as of June 30, 2010.

Summary of Investment Derivative Instruments
(In Thousands)

	Notional	Changes in Fair Value Classification	Changes in Fair Value Amount	Fair Value at June 30 Classification	Fair Value at June 30 Amount
Fiduciary Funds					
Investment Derivative Instruments					
Futures Based Overlay Program	$153,511	Net Appreciation/Depreciation in Fair Value of Investments	($2,734)	Alternative Investments	($2,734)
Equity Futures	$1,873	Net Appreciation/Depreciation in Fair Value of Investments	$425	Investments Payable	($15)
Fixed Income Futures	($11,312)	Net Appreciation/Depreciation in Fair Value of Investments	($465)	Not Applicable	$0
Forward Foreign Exchange Contracts	$48,799	Investment Revenue	$2,681	Investments	$47,876

Risk Disclosures

Credit Risk: As of June 30, 2010, TRSLA's credit risk had not increased with the use of the overlay strategy because the futures based overlay program uses exchange traded futures contracts. Likewise, LSER's has no direct credit risk exposure from the equity futures or fixed income futures because the futures are settled daily by the exchange, which is the counterparty for all transactions.

Foreign Currency Risk: As of June 30, 2010, LSER's fixed income futures and LASER's forward currency forwards were exposed to foreign currency risk. At June 30, 2010 the fixed income futures, which are denominated in British pounds and Canadian dollars had a fair value of $-0-. The fair values of the forward currency forwards denominated in Euros and British pounds was $859,578 and $46,775,416, respectively.

At June 30, 2010 foreign currency risk has been reduced by use of the futures based overlay program. The use of the overlay program reduced the variance of TRSLA's actual return to the benchmark return.

Interest Rate Risk: At June 30, 2010 LSERS was exposed to interest rate risk on fixed income futures. The values of the futures are directly linked to interest rates indices which increase and decrease as interest rates change.

The interest rate risk associated with the foreign currency forwards at June 30, 2010 is summarized in the table below.

Interest Rate Risk
(In Thousands)

	Notional	Fair Value	Less than 1 Year	1 - 5 Years	6-10 Years	Greater than 10 Years
Fiduciary Funds:						
Investment Derivative Instruments:						
Foreign Currency Forward	$48,799	$47,876	$47,876			

NOTE 3: ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Balances of receivables and payables have been aggregated for presentation in the accompanying financial statements. The following schedules provide additional detail information concerning balances of receivables and payables by category and fund type.

A. RECEIVABLES

Receivable balances at June 30, 2010, are as follows (expressed in thousands):

	Governmental Funds				
	General Fund	Bond Security and Redemption Fund	Capital Outlay Fund	Nonmajor Funds	Total Governmental Funds
Applicants and Clients	$ 339,284	$ --	$ --	$ --	$ 339,284
Corporate/Individual Tax	--	484,170	--	--	484,170
Excise Tax	--	71,976	--	--	71,976
Gaming	--	12,117	--	--	12,117
Licenses, Permits, and Fees	--	12,505	--	--	12,505
Mineral Resources	--	52,539	--	6,029	58,568
Motor Fuel Tax	--	47,731	--	2	47,733
Public Assistance	--	11,244	--	--	11,244
Sales of Commodities and Services	--	18,024	--	--	18,024
Sales Tax	--	347,892	--	1,859	349,751
Severance Tax	--	91,981	--	470	92,451
Tobacco Products Tax	--	22,623	--	--	22,623
Other Taxes	--	151,438	--	22	151,460
Other	4,801	64,114	34,188	2,743	105,846
Total Receivables	344,085	1,388,354	34,188	11,125	1,777,752
Allowance for Uncollectibles	--	(10,688)	--	--	(10,688)
Receivables, Net	$ 344,085	$ 1,377,666	$ 34,188	$ 11,125	$ 1,767,064
Amounts Not Expected to be Collected Within One Year	$ --	$ 549,379	$ --	$ --	$ 549,379

	Proprietary Funds				
	Business-Type Activities - Enterprise Funds				Governmental Activities -
	Patient's Compensation Fund Oversight Board	Unemployment Trust Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Employer Contributions	$ --	$ 120,746	$ --	$ 120,746	$ --
Surcharges	5,395	--	--	5,395	--
Gaming	--	--	12,578	12,578	--
Other	--	--	5,807	5,807	9,917
Total Receivables	5,395	120,746	18,385	144,526	9,917
Allowance for Uncollectibles	--	(66,300)	--	(66,300)	--
Receivables, Net	$ 5,395	$ 54,446	$ 18,385	$ 78,226	$ 9,917
Amounts Not Expected to be Collected Within One Year	$ --	$ --	$ 68	$ 68	$ --

B. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable and accruals at June 30, 2010, are as follows (expressed in thousands):

	Governmental Funds			
	General Fund	Capital Outlay	Nonmajor Funds	Total Governmental Funds
Aid to Local Governments	$ 3,670	$ --	$ --	$ 3,670
Community Development	95,405	--	--	95,405
Disadvantaged Student Support	141,026	--	--	141,026
Economic Development	6,291	--	--	6,291
Emergency Preparedness and Disaster Recovery	610,745	--	--	610,745
Engineering and Operations	25,855	--	--	25,855
General Administration	29,504	--	--	29,504
Highway Operation and Maintenance	--	258,288	--	258,288
Inmate Housing	19,758	--	--	19,758
Job Training and Placement Programs	13,096	--	--	13,096
Medicaid	493,130	--	--	493,130
Personal and Mental Health	60,357	--	--	60,357
Public Assistance	100,707	--	--	100,707
Public Safety and Law Enforcement	29,713	--	--	29,713
Recovery School District	41,001	--	--	41,001
School and Community Educational Support	131,606	--	--	131,606
School, Student, and Educator Performance	66,147	--	--	66,147
Other State Programs	166,126	--	39,936	206,062
Total Accounts Payable and Accruals	$ 2,034,137	$ 258,288	$ 39,936	$ 2,332,361

Other payables include escheat property totaling $112,748 in the General Fund and tax refunds payable totaling $332,276 in the Bond Security and Redemption Fund (expressed in thousands).

	Proprietary Funds			
		Business-Type Activities – Enterprise Funds		Governmental Activities
	Patient's Compensation Fund Oversight Board	**Nonmajor Enterprise Fund**	**Total Enterprise Funds**	**Internal Service Funds**
Gaming	$ --	$ 2,221	$ 2,221	$ --
Other	189	15,422	15,611	1,577
Total Accounts Payable and Accruals	$ 189	$ 17,643	$ 17,832	$ 1,577

NOTE 4: INTERFUND ACCOUNTS AND TRANSFERS

A. RECEIVABLES AND PAYABLES

A summary of interfund receivables and payables at June 30, 2010 is shown below (expressed in thousands):

	Primary Government	
	Due From	Due To
GOVERNMENTAL FUNDS:		
General Fund	$ 1,041,868	$ 540,945
Bond Security and Redemption Fund	224,063	1,001,894
Capital Outlay Escrow Fund	171,963	20,406
Louisiana Education Quality Trust Fund	19,557	--
Nonmajor Funds	771,332	645,626
Total Governmental Funds	2,228,783	2,208,871
PROPRIETARY FUNDS:		
Unemployment Trust Fund	--	6,953
Nonmajor Funds	--	12,955
Internal Service Funds	--	4
Total Proprietary Funds	--	19,912
GRAND TOTALS	$ 2,228,783	$ 2,228,783

B. TRANSFERS IN AND OUT

A summary of transfers in and out at June 30, 2010, is shown below (expressed in thousands):

	Primary Government	
	Transfers In	Transfers Out
GOVERNMENTAL FUNDS:		
General Fund	$ 11,596,634	$ 1,512,245
Bond Security and Redemption Fund	146,100	10,781,014
Capital Outlay Escrow Fund	2,287,308	41,633
Louisiana Education Quality Trust Fund	16,460	--
Nonmajor Funds	3,172,203	4,742,198
Total Governmental Funds	17,218,705	17,077,090
PROPRIETARY FUNDS:		
Patient's Compensation Fund Oversight Board	--	10
Unemployment Trust Fund	--	6,760
Nonmajor Funds	--	134,845
Total Proprietary Funds	--	141,615
GRAND TOTALS	$ 17,218,705	$ 17,218,705

C. DETAILS OF INTERFUND BALANCES AND TRANSFERS

Per the Louisiana Constitution, most state revenues are deposited into the Bond Security and Redemption Fund (BSRF). The major exception is federal revenues, which are deposited directly into the General Fund. The BSRF was designed to protect the bond holders; therefore, general obligation debt is paid from the BSRF. This arrangement results in an extremely large number of transfers in and out of BSRF from and to a majority of the other funds, including the General Fund. At the end of the accrual period, a transfer is made to move the remaining monies in BSRF to the General Fund. Louisiana is unique in the way its debt service fund operates and parts A and B of this note provide the total amounts flowing through the BSRF.

The General Fund receives a large number of transfers from statutorily dedicated (special revenue) funds. Since the special revenue funds do not report expenditures, monies warranted in these funds are reclassified as transfers to the General Fund and the General Fund reports all expenditures for the special revenue funds. This reclassification of warrants along with the transfers reported in the BSRF account for the large volume of transfers from reported in the General Fund. The interfund balances and transfers are due to the regular functions of government in the Louisiana environment and, in general, all interfund balances are paid within the statutorily required close period.

Below is a discussion of the larger, more significant interfund transfers of the nonmajor funds.

- Budget Stabilization Fund – This fund was created in 1998 to restructure and rename the Revenue Stabilization/Mineral Trust Fund (Rainy Day Fund). Its funding is derived from several sources including twenty-five percent of non-recurring revenues, money available for appropriation from the state General Fund and dedicated funds in excess of certain expenditure limits, and mineral revenues in excess of cap. Money in the fund shall not be available for appropriation except under specific conditions as enumerated in the enabling legislation. For fiscal year 2010, transfers out totaled $296 million and transfers in were $86 million.

- Coastal Protection and Restoration Fund – This fund was created in 1989 to provide a dedicated, recurring source of revenues for the development and implementation of a program to protect and restore the coastal area of Louisiana. During fiscal year 2010, transfers out amounted to $479 million and transfers in were $386 million.

- Lottery Proceeds Fund – This fund was established in 1990 to receive the surplus revenues from the Louisiana Lottery Corporation. In fiscal year 2010, the fund had transfers out of $128 million and transfers in of $134 million.

- Louisiana Medical Assistance Trust Fund – This fund was established in 1992 to assist in the operation and maintenance of the Medicaid program in the State. In fiscal year 2010, transfers out amounted to $216 million and transfers in were $110 million.

- Medicaid Trust Fund for the Elderly – This fund was created in 2000 and may be used as state matching funds for Medicaid, to make enhanced payments to local government owned health care facilities, intergovernmental transfer program, and reimbursement to DHH for certain costs. In fiscal year 2010, the fund had transfers out of $117 million and transfers in of $29 million.

- Overcollections Fund – This fund was originally created in 2004 to receive self-generated revenue of the Office of Financial Institutions that exceeded those anticipated in the May 2004 official forecast of the Revenue Estimating Conference. Since then the fund has been continually reenacted as a General Purpose fund and was permanently reenacted in 2007. In fiscal year 2010, the fund had transfers out of $134 million and transfers in of $295 million.

- Support Education in Louisiana First Fund – This fund was created in 2001 to provide salary increases for public school certificated personnel and classroom teachers, and post secondary education faculty. In fiscal year 2010, the fund reported transfers out of $108 million and transfers in of $152 million.

- Transportation Infrastructure Model for Economic Development (TIMED) – This fund was established in 1989 to be used exclusively for specific road and bridge projects with portions designated for the Port of New Orleans and the New Orleans International Airport. During fiscal year 2010, this fund had transfers out of $457 million; and transfers in totaled $17 million.

- Transportation Trust Fund – This fund, established in 1989, was created to receive the excess revenues on gasoline, motor fuels, and special fuels taxes. Purposes of the fund include highway construction and maintenance, statewide flood control, and ports and airports priority programs, among others. During fiscal year 2010, transfers out amounted to $1.3 billion and transfers in were $572 million.

- Video Draw Poker Device Fund – This fund was created in 1991 to receive an allocation of the revenues collected by the Gaming Division of the Office of State Police for fees, fines, penalties, and all other monies collected. During fiscal year 2010, this fund had transfers out of $191 million and transfers in totaling $191 million.

NOTE 5: CAPITAL ASSETS

A. PRIMARY GOVERNMENT (in thousands)

	Capital Assets July 1, 2009	Additions	Deletions	Capital Assets June 30, 2010
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 2,144,881	$ 53,343	$ 51	$ 2,198,173
Construction in progress	*544,750	119,631	194,671	469,710
Total capital assets not being depreciated	2,689,631	172,974	194,722	2,667,883
Other capital assets historical cost:				
Buildings and improvements	*1,873,483	200,782	16,911	2,057,354
Machinery and equipment	*787,516	81,570	67,576	801,510
Infrastructure	22,179,446	1,488,339	39,785	23,628,000
Intangible assets	--	11,205	--	11,205
Total other capital assets historical cost	24,840,445	1,781,896	124,272	26,498,069
Less accumulated depreciation and amortization:				
Buildings and improvements	*581,736	49,160	4,947	625,949
Machinery and equipment	*563,635	94,634	67,470	590,799
Infrastructure	9,657,270	537,731	2,652	10,192,349
Intangible assets	--	7,181	--	7,181
Total accumulated depreciation & amortization	10,802,641	688,706	75,069	11,416,278
Other capital assets, net of depreciation & amortization	14,037,804	1,093,190	49,203	15,081,791
Governmental activities capital assets, net	$ 16,727,435	$ 1,266,164	$ 243,925	$ 17,749,674
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ 5,665	$ 2	$ --	$ 5,667
Construction in progress	254,534	53,941	631	307,844
Total capital assets not being depreciated	260,199	53,943	631	313,511
Other capital assets historical cost:				
Buildings and improvements	32,182	1,185	44	33,323
Machinery and equipment	*24,985	2,262	3,135	24,112
Intangible assets	*38	345	--	383
Total other capital assets historical cost	57,205	3,792	3,179	57,818
Less accumulated depreciation and amortization:				
Buildings and improvements	15,739	666	35	16,370
Machinery and equipment	*17,936	1,411	1,710	17,637
Intangible assets	*14	54	--	68
Total accumulated depreciation & amortization	33,689	2,131	1,745	34,075
Other capital assets, net of depreciation & amortization	23,516	1,661	1,434	23,743
Business-type activities capital assets, net	$ 283,715	$ 55,604	$ 2,065	$ 337,254

* Restated Beginning Balances

Depreciation and amortization expense was charged to functions as follows:

Governmental activities:

General government	$	53,238
Culture, recreation, and tourism		4,184
Transportation and development		562,782
Public safety		18,344
Health and welfare		14,962
Corrections		11,837
Youth Services		2,172
Conservation		14,039
Education		7,148
Total governmental activities depreciation and amortization expense	$	688,706

B. COMPONENT UNITS (in thousands)

	Capital Assets July 1, 2009 *	Additions	Deletions	Capital Assets June 30, 2010
Capital assets not being depreciated:				
Land	$ *475,832	$ 27,538	$ 27,120	$ 476,250
Construction in progress	*486,949	373,386	276,253	584,082
Total capital assets not being depreciated	962,781	400,924	303,373	1,060,332
Other capital assets historical cost:				
Buildings and improvements	*4,872,763	299,980	46,672	5,126,071
Machinery and equipment	*1,791,654	100,173	54,059	1,837,768
Infrastructure	*629,934	50,537	256	680,215
Intangible assets	*22,251	2,212	129	24,334
Total other capital assets historical cost	7,316,602	452,902	101,116	7,668,388
Less accumulated depreciation and amortization:				
Buildings and improvements	*2,066,854	141,242	4,334	2,203,762
Machinery and equipment	*1,303,841	129,141	50,229	1,382,753
Infrastructure	*261,015	13,457	239	274,233
Intangible assets	*14,432	3,830	58	18,204
Total accumulated depreciation & amortization	3,646,142	287,670	54,860	3,878,952
Other capital assets, net of depreciation & amortization	3,670,460	165,232	46,256	3,789,436
Component units capital assets, net	$ 4,633,241	$ 566,156	$ 349,629	$ 4,849,768

* Restated Beginning Balances

C. IMPAIRMENT OF CAPITAL ASSETS

In fiscal year 2006, State capital assets were impaired as a result of physical damage sustained from Hurricanes Katrina and Rita. An impairment loss was calculated for this damage as required by GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

The State's college systems have assets impaired as a result of damage received from Hurricanes Katrina and Rita that remain idle at the end of fiscal year 2010. The carrying value of these idle impaired assets is as follows:

	Buildings	Machinery & Equipment
Louisiana State University System	$ --	$ 206,736
Louisiana Community & Technical College System	4,017,936	--
Southern University	1,365,985	--
	$ 5,383,921	$ 206,736

Impairment losses calculated for Governmental Activity assets include $69,200 for physical damage to a fleet canopy at the Department of Public Safety and Corrections. Impairment losses calculated for discrete entities include $5.3 million for Hurricane Katrina and Gustav damages at Louisiana State University.

There were no insurance recoveries received during fiscal year 2010 by the Office of Risk Management (ORM) for property damage from Hurricane Katrina, Rita, or Gustav. Insurance recoveries of $15,957,343 for discrete entities were paid during the year by ORM as property claims for damage from Hurricanes Rita and Gustav.

Other entities reporting insignificant insurance recovery from impairment losses not related to Hurricanes Katrina, Rita, and Gustav include the University of Louisiana System for a building that had wind damage and mechanical failure along with a vehicle that was totaled.

NOTE 6: EMPLOYEE BENEFITS – PENSION

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEMS

Background

The State of Louisiana maintains four defined benefit pension plans (DBP) that are considered component units of the State and are included in the Comprehensive Annual Financial Report (CAFR) as a part of the primary government. Those plans are administered by four public employee retirement systems. The Louisiana State Employees' Retirement System (LASERS) established July 1, 1947, includes classified and unclassified employees of the State. The Teachers' Retirement System of Louisiana (TRSLA) was established August 1, 1936, for the benefit of public school teachers and, effective July 1, 1983, includes school lunch employees. TRSLA offers a defined contribution plan to a relatively small, select group of employees in higher education. The Louisiana School Employees' Retirement System (LSERS) was established on July 1, 1947, for persons employed as school bus drivers, school janitors, school custodians, school maintenance employees, and any regular school employee who works on a school bus helping with the transportation of school children. The Louisiana State Police Retirement System (LSPRS) was established by Act 293 of 1938. Its members include commissioned law enforcement officers of the Office of State Police and the Superintendent of the Office of State Police.

In 1987, a constitutional amendment was ratified by the electorate that added subsection (E) to Article 10, Section 29, mandating the actuarial soundness of state and statewide retirement systems. In compliance with that amendment, the Legislature enacted Louisiana Revised Statute (LRS) 11:1-127 in its 1988 regular session to consolidate the public retirement law. LASERS and TRSLA must use the projected unit credit cost method to determine their actuarially required contributions; LSERS and LSPRS must use the entry age normal cost method for this determination.

LRS 11:42B (4), (5), (10), and (11) establish requirements for the amortization of unfunded accrued liabilities of these Public Employees Retirement Systems (PERS). LRS 11:42(B)(4) requires the unfunded accrued liability of LSERS as of June 30, 1988, be amortized over a forty-year period, beginning in fiscal year 1989-1990, with level dollar payments annually.

LASERS and TRSLA requirements before LRS 11:42(B)(5) and (11) were amended as follows:

The unfunded accrued liability as of June 30, 1988, determined under the projected unit credit funding method "...shall be amortized over a forty year period, commencing with the fiscal year 1989-1990."

LRS 11:42(B)(5) and (11) were amended in 1992 to require that the outstanding balance of the unfunded accrued liability as of June 30, 1992, for LASERS and TRSLA, "…shall be amortized over the remaining thirty-seven year period with payments forming an annuity at four and one half percent annually." LRS 11:42(B)(5) and (11) were amended in fiscal year 2009 by Act 497 of 2009 Regular Session to require that the outstanding balance of the unfunded accrued liability as of June 30, 2009, for LASERS and TRSLA, "…shall be consolidated with other

amortization bases and credits as provided in R.S. 11:102.1, and that consolidated total shall be amortized over the remaining constitutionally-mandated period with annual payments beginning in fiscal year 2010-2011. The final payment shall be made in fiscal year 2028-2029."

LRS 11:42(B)(10) specifies that the unfunded accrued liability of the LSPRS as of June 30, 1988, be amortized over a twenty year period, beginning in fiscal year 1989-1990, with level dollar payments annually.

LRS 11:62 specifies employee contribution rates each year for each system, while LRS 11:102 details the calculation of the employer contribution rate each year for each system.

Act 588 of the 2004 Regular Session made significant changes to prospective funding for LASERS, TRSLA, and LSERS. As a result of the Act, the outstanding balances of changes in liabilities prior to 1999 were re-amortized using the level dollar method until 2029. The remaining amortization periods for changes in liabilities, beginning with 1999 through 2003, were extended to a thirty year period from the date of occurrence and amortized as a level percentage of projected payroll. Bases established after June 30, 2004, are amortized over a thirty year period as level dollar payments. In addition, the Act authorizes the Legislature to set employer contribution rates based on specific criteria but no less than fifteen and one-half percent for LASERS and TRSLA. The Employer Credit Account is credited with contributions from the Actuarially Required Contribution rate that is in excess of the minimum rate set by the Legislature.

Act 852 of the 2008 Regular session establishes LRS 11:102(B)(3)(d)(viii) relative to the amortization periods and methods of amortizing outstanding balances of established amortization bases established before June 30, 2009, for the LSPRS. Effective July 1, 2009 the outstanding balances of existing increasing bases payable through June 30, 2029, are re-amortized as a level dollar. New bases established on and after the effective date will be amortized over a 30 year period as a level dollar.

Act 497 of the 2009 Regular Session provides that effective July 1, 2010, all LASERS & TRSLA amortization payment schedules established on or before July 1, 2008, except those established due to an increase in benefits for Peace Officers, Alcohol Tobacco Control employees and regular employees per Act 262 of 2008, will be consolidated into two amortization schedules, the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The OAB will consist of the outstanding balance of the Initial Unfunded Accrued Liability and schedules with negative outstanding balances. The outstanding balance of this schedule will be credited with funds from the Initial UAL account, excluding the subaccount of this fund. For TRSLA, the outstanding balance of this schedule will also be credited with the balance of the Employer Credit Account. The Initial UAL account will be credited interest at 8.25% in fiscal year 2009 and 2010.

For TRSLA, the OAB payment schedule will increase by 7% for 3 years, 6.5% for 4 years, and 2% until paid off in fiscal year 2029.

For LASERS, the OAB payment schedule will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for 2 years, and 2% until paid off in fiscal year 2029.

The EAAB will consist of the 2004 schedule and all remaining schedules. The outstanding balance of this schedule will be credited with the balance of funds from the Initial UAL subaccount, which were transferred from the Employee Experience Account on June 30, 2009.

For TRSLA, the EAAB payment schedule will increase by 7% for 3 years, 6.5% for 4 years, then will be level until paid off in fiscal year 2040.

For LASERS, the EAAB payment schedule will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for 2 years, then will be level until paid off in fiscal year 2040.

Act 497 also revises the amortization of contribution variances. For TRSLA, any overpayment of contributions received from fiscal years 2010 through 2040 will be credited to the EAAB and the EAAB will be re-amortized according to the new payment schedule. For LASERS, any overpayment of contributions received through fiscal year 2017 will be credited to the OAB and the OAB will be re-amortized according to the new payment schedule. Similarly, any overpayment resulting from the statutory minimum contribution of 15.5% exceeding the actuarially calculated contribution from fiscal year 2010 through 2040 for TRSLA and through 2017 for LASERS, will be credited to the EAAB and the EAAB will be re-amortized. Additionally, TRSLA's first $100,000,000 and LASERS' first $50,000,000 of investment gain above the actuarially assumed investment rate will be used to reduce and re-amortize the OAB. TRSLA's next $100,000,000 and LASERS' next $50,000,000 of excess investment return will be used to reduce and re-amortize the EAAB. Fifty percent of any excess return above $200,000,000 for TRSLA and $100,000,000 for LASERS will be credited to the Employee Experience Account.

Plan Description

Louisiana State Employees' Retirement System. Although there are 359 contributing employers in this system, LASERS is considered a single employer plan because the material portion of its activity is with one

employer - the State of Louisiana. The system is established and provided for within Title 11, Subtitle II, Chapter 1, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:441-501.

Those employees considered eligible for membership in LASERS include all employees of the State (except those specifically excluded by statute) and are eligible immediately upon employment. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. Effective January 1, 1996, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches retirement age, benefits are payable at 2.5% of the average of the highest three consecutive years of compensation, multiplied by the number of years of creditable service. Once an employee has accumulated 10 years of service, disability benefits apply based on the regular benefit formula without age restrictions. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Act 740 of the 2008 Regular Session changes the eligibility requirement of enforcement personnel of the Alcohol and Tobacco Control Office of the Department of Revenue to 25 years of service at any age, or 10 years of service at age 60. Final average compensation will be based on the member's average earned compensation for the highest 60 consecutive months of employment. Act 835 of the 2006 Regular Session increases the maximum retirement allowance for peace officers (other than state troopers) employed by the Department of Public Safety and Corrections, Office of State Police, to 3.33% for each year of qualifying service. Act 353 of the 2007 Regular Session, effective June 30, 2007, increases the maximum retirement allowance for personnel employed by the Department of Revenue, Office of Alcohol and Tobacco Control to 3.33% for each year of qualifying service. All other benefit provisions remain the same as those for regular members.

Act 992 of 2010 Regular Session, effective January 1, 2011, provides for the creation of three new plans for LASERS' members who are hired on or after January, 1, 2011: Rank and File Plan, Judges Plan, and Hazardous Duty Plan. The act also provides for a change in retirement eligibility for Act 75 members from 10 years of service at age 60 to 5 years of service at age 60.

The Rank and File Plan created within LASERS combines certain subplans and eliminates enhanced benefit provisions with LASERS relative to certain members. It further provides that the governor, lieutenant governor and certain legislators will receive the same benefits as rank and file members. The Judges Plan created within LASERS is for judges and court officers with special retirement eligibility requirements and benefit provisions.

The Hazardous Duty Services Plan created within LASERS is for persons whose first employment making them eligible for LASERS membership occurred on or after January 1, 2011, for certain hazardous duty positions. Each member of an existing hazardous duty plan with LASERS may retain membership in that plan. Final average compensation will be based on the member's average earned compensation for the highest 60 consecutive months of employment. For members under this new plan, retirement eligibility is 25 years of service at any age, 12 years or more at age 55, or 20 years at any age with reduced benefits and are not eligible to participate in Deferred Retirement Option Plan (DROP) or IBO. Retirement benefits are payable at 3.33% of the members' average salary, multiplied by the number of creditable service not to exceed 100% of the average compensation. Disability benefits are provided based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duty of 75% of average compensation regardless of years of service. This benefit is payable only if the injury or injuries were sustained while on active duty status.

Act 301 of 2009 Regular Session allows a member employed at a public college or university who voluntary or involuntarily participates in a furlough plan implemented as a result of budget reductions the option to accrue service credit for the periods of the furlough. The service credit shall be used for calculation of benefits and attaining retirement eligibility. The employee and the employer shall remit their respective contributions which would have been remitted if not for the furlough. The service credit accrued, together with certain other credit purchases, shall not exceed 5 years. This provision shall not apply to furloughs implemented as a result of a declaration of financial exigency or force majeure. The furlough days shall not exceed 30 days in any fiscal year.

In 1990, the Legislature created the DROP with Act 14. When members enter DROP, they continue to work at their regular job and draw their regular salary for a period of up to three years. While in DROP, the retiree's retirement benefits are paid into a special account. The election is irrevocable once participation begins. Interest is credited after participation ends, at which time the member must choose a distribution option for benefits that have accumulated in the DROP account. The DROP program was designed to have no actuarial effect on LASERS' unfunded liability. Currently, there are 2,629 members in the program.

Teachers' Retirement System of Louisiana. The TRSLA is the administrator of a cost-sharing multiple employer plan.

The system was established and provided for within Title 11, Subtitle II, Chapter 2, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:761-813.

The word “plan” as used below does not carry the same definition as referred to in GASB Statements 25, 26, and 27. Our use of the word “plan” in this context refers to individual benefit options. Those employees considered eligible for membership in TRSLA include teachers and eligible school lunch employees who are eligible immediately upon employment. Under the Teachers' Regular Plan, as amended by Act 1055 of 2001, members are vested after 5 years of service. A teacher member who became a member prior to July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age, and will receive benefits based on a formula of 2%; a teacher member who retires with 25 years of service at age 55, 20 years at age 65, or 30 years at any age will receive benefits based on a formula of 2.5%. A teacher member who became a member on or after July 1, 1999, is eligible to retire after at least 5 years of service at age 60, 20 years at any age (actuarially reduced), 25 years of service at age 55, or 30 years at any age and will receive benefits based on a formula of 2.5%. In 1983 the Louisiana School Lunch Employees' Retirement System was merged into this system. The Louisiana School Lunch Employees' Retirement System contained two plans that were acquired by TRSLA: Plan A for members who are employed by the school system and are not covered by the Social Security system, and Plan B for members who are employed by the school system and are covered by Social Security. Plan A members are eligible to receive benefits based on a 3% benefit formula after 5 years of service at age 60, 25 years at age 55, or 30 years service at any age. A 2% benefit formula accrues to Plan B members after 5 years service at age 60 and after 30 years service at age 55. These benefits are calculated on a percentage of the member's average salary for the thirty-six highest successive months.

The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. After an employee has accumulated five years of service, he becomes eligible for disability benefits based on the regular benefit formula without age restrictions if determined eligible by the medical board. Act 992 of 2010 Regular Session changed the eligibility for disability benefits from five years to ten years for members hired on or after January 1, 2011. The member must also be in active service at the time of filing the application for disability retirement. Otherwise, reduced benefits are available based on varying percentage formulas for each plan.

The Optional Retirement Plan (ORP), in LRS 11:921-931, provides a defined contribution program for academic employees in higher education. Eligible members have the option of making an irrevocable election to participate in the ORP rather than the TRSLA and purchase annuity contracts for benefits payable at retirement. Monthly contributions based on percentages of salary are made by the employee and the employer to companies selected as providers of the plan. ORP provides for portability of assets and full and immediate vesting of all contributions submitted to the participating companies on behalf of the employees. In accordance with LRS 11:927(B), the system retains 9.74% of the 15.5% ORP employer contributions to be applied to the unfunded accrued liability of the system. Thus, the amount transferred to the carrier is the employer's portion of the normal cost contribution, which has been determined by the Public Retirement Systems' Actuarial Committee to be 5.76%. The number of employers participating in the ORP program is currently 122. Current membership in the program is 24,047. The ORP is not an obligation of the State or TRSLA, and is therefore not included in the CAFR.

Act 301 of 2009 Regular Session allows a member employed at a public college or university who voluntary or involuntarily participates in a furlough plan implemented as a result of budget reductions the option to accrue service credit for the periods of the furlough. The service credit shall be used for calculation of benefits and attaining retirement eligibility. The employee and the employer shall remit their respective contributions which would have been remitted if not for the furlough. The service credit accrued, together with certain other credit purchases, shall not exceed 5 years. This provision shall not apply to furloughs implemented as a result of a declaration of financial exigency or force majeure. The furlough days shall not exceed 30 days in any fiscal year. Members of the ORP are eligible for this provision but they do not earn service credit, rather the employee and the employer contributions are remitted to a third-party provider who invests the ORP funds on behalf of the participant.

Members of TRSLA also have the option of participating in a three-year DROP program. Although Act 1055 of 2001 changes the vesting requirements, members must still have 10 years of service credit to participate in DROP. Current membership in the program is 3,148. The election is irrevocable once participation begins.

The Initial Lump-Sum Benefit (ILSB) became effective January 1, 1996. Under this program, a retiring member who does not participate in DROP can select an ILSB alternative. This alternative provides the retiree with a one-time payment of up to 36 months of a regular maximum monthly retirement benefit with a reduced regular monthly retirement benefit for life.

On January 1, 2000, TRSLA established the Excess Benefit Plan. This plan is an unfunded, non-qualified plan intended to be a qualified excess benefit arrangement. It is designed to pay excess benefits to those members who retired on July 1, 1988, or later. The excess benefit is the portion of the TRSLA benefit that exceeds the maximum benefit allowed under Section 415 of the Internal Revenue Code.

Louisiana School Employees' Retirement System. Although the LSERS is considered part of the State of Louisiana financial reporting entity, it is not a part of the State payroll. LSERS is the administrator of a cost-sharing, multiple-employer, defined-benefit pension plan. The system was established and provided for by LRS 11:1001-1206. LRS 11:1116 mandates that specified employees become members of the system as a condition of employment. Benefit provisions are authorized in LRS 11:1141-1153.

Membership is mandatory for all employees under age 60 employed by a Louisiana parish or city school board, who work more than 20 hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, and any regular school employee who works on a school bus helping with the transportation of school children. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches retirement age. The maximum retirement benefit is an amount equal to 3.33% of the average compensation for the 3 highest consecutive years of membership service, multiplied by the number of years of service limited to 100% of final average compensation, plus a supplementary allowance of $2 per month for each year of service. For members who joined the system on or after July 1, 2006, the average compensation used to calculate benefits consist of the 5 highest consecutive years' average salary. Once an employee has accumulated 5 years of service, disability benefits apply based on the normal benefit formula without age restrictions. A member who joined the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Other benefits have resulted from legislative changes and include cost-of-living benefits.

Effective July 1, 1992, members of the LSERS may elect to participate in the DROP and defer receipt of benefits. The election may be made one time only and is limited to three years. Monthly retirement benefits are paid into the plan and credited to a subaccount for that individual. Interest credited and payments from the DROP account are made in accordance with LRS 11:1152(F)(3). Upon termination of participation in both the plan and employment, a participant may receive either a lump sum payment from the account or systematic disbursements. All employers are eligible to participate in DROP. The number of employers currently having plan members participating in the DROP program is 68. As of June 30, 2010, there were 599 members participating in the program.

Effective January 1, 1996, the Legislature authorized the Plan to establish the Initial Benefit Retirement Plan (IBRP). IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in DROP. IBRP provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from the IBRP account are made in accordance with LRS 11:1152(F)(3).

Louisiana State Police Retirement System. The LSPRS was established by Act 293 of 1938 and is the administrator of a single employer plan. Benefit provisions are authorized within LRS 11:1307-1322.

Those employees considered eligible for membership in LSPRS include commissioned law enforcement officers of the Office of State Police and the Superintendent of State Police, and are eligible immediately upon employment.

After 10 years of service at age 50, benefits are determined by multiplying the years of service credit by 3.33% to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed before September 8, 1978, with 20 years of service at any age, benefits are determined by multiplying the years of service by 3.33% to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed on or after September 8, 1978, with 25 years of service at any age, benefits are determined by multiplying the years of service by 3.33% to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.

Act 992 of 2010 Regular Session created a new State Police Retirement Plan within LSPRS for members whose first employment making them eligible for membership in LSPRS occurred on or after January 1, 2011. For members under this new plan, retirement eligibility is 25 years of service at any age, 12 years or more at age 55, or 20 years at any age with reduced benefits and are not eligible to participate in the Back-DROP. Retirement benefits are payable at 3.33% of the members' average salary, multiplied by the number of creditable service not to exceed 100% of the average compensation. Disability

benefits are provided based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duty of 75% of average compensation regardless of years of service. This benefit is payable only if the injury or injuries were sustained while on active duty status.

The following Acts of the 2003 Regular Legislative Session affect LSPRS as described. Act 211 provides a retroactive (to January 1, 1999) benefit to the surviving spouse of less than two years of any member who died of terminal cancer diagnosed prior to April 1, 2003. Act 538 provides a benefit of 100% of final average compensation or $36,000 annually, whichever is greater, for certain catastrophic disability retirees as of June 30, 2003. Act 748 provides a 20% longevity bonus or benefits as provided by LRS 11:1307.1, whichever is greater, for members who participated in DROP on or before June 30, 2003, and who continued in employment after DROP. Act 876 amended the plan to make it eligible for tax-shelter qualification with the Internal Revenue Service effective January 1, 2004. Disability benefits equal 50% of average salary plus one and one-half percent of average salary for each year in excess of 10 years. Disability benefits shall be modified whenever a non-service disability retiree is engaged in gainful employment. Non-duty disability rates vary depending on length of service, but begin after 5 years of service credit. Death benefits vary whether cause was in the line of duty and whether there is a surviving spouse and/or number of minor children. The system provides for deferred benefits for vested members who terminate before being eligible for retirement.

Any active member who is eligible to receive a service retirement allowance is eligible to participate in the DROP and defer receipt of benefits. The participation period shall not exceed 3 years. Upon termination of employment at the end of the DROP period, a participant may receive benefits in a lump sum payment, by a true annuity or in any other manner approved by the Board. Current membership in the program is 5.

Effective October 1, 2009, active members who have not participated in DROP may elect to participate in BACK-DROP. BACK-DROP allows an eligible member, at retirement, to look back up to three years and make an election to have entered DROP based on service and final average compensation that existed at that time. Benefit adjustments are made to the benefit accruals and employee contributions that occurred during the DROP period.

A summary of government employers participating in the plans at June 30, 2010, is as follows:

		Number of Employers
LASERS	State Agencies	219
	Other Public Employers	140
	Total	359
TRSLA	School Boards	69
	Colleges and Universities	27
	State Agencies	63
	Charter Schools	33
	Other	16
	Total	208
LSERS	School Boards	64
	Other Agencies	41
	Total	105
LSPRS		1

Summary of Significant Accounting Policies

All four systems use the accrual basis of accounting for operating income and operating expenses. Within this context, interest income is recognized when earned, as are employer and employee contributions. Dividends are recognized when declared. State fund appropriations are recognized when earned by LASERS, TRSLA, and LSPRS. LASERS, LSERS, and TRSLA use the trade date basis to record investment purchases and sales. In addition, contributions are recognized in the period in which the amounts are due pursuant to formal commitments. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

As required by GASB Statement 25*, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, investments are reported at fair value. Investments are reported as follows:

LASERS. Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgage securities are valued on the basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value (such as private equity, real estate, and tangible assets) has been determined by management based on the individual investment's capital account balance, reported at fair value, at the closest available reporting period, adjusted for subsequent contributions, distributions, and management fees. Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near-term. Investments that do not have an established market are reported at

estimated fair value. Unrealized gains and losses are included as investment earnings in the Statement of Changes in Fiduciary Net Assets.

LASERS has no investments in any single organization (other than those issued or guaranteed by the U.S. Government) that represents more than 5% of the plan net assets nor does LASERS hold more than 5% of any corporation's stock available for benefits.

Land, building, equipment, furniture, and computer software are carried at historical cost. Depreciation is computed using the straight-line method based on useful lives of 40 years for the building, 3 to 15 years for equipment and furniture, and 7 years for computer software.

TRSLA. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rate. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be sold. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on a basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value as determined by the custodian under the direction of trustees.

TRSLA has no investments of any single organization (other than those issued or guaranteed by the U.S. Government) that represents more than 5% of the plan net asset, available for pension benefits nor does TRSLA hold more than 5% of any corporation's outstanding stock.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

LSERS. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Shares in external investment pool and mutual funds are equivalent to the fair value of the external investment pool and mutual funds. Real estate held for investment is valued at fair market value which is based upon appraised value.

LSERS has no investments of any one organization (other than those issued or guaranteed by the U.S. Government) that represent more than 5% of the plan net assets, nor does LSERS hold more than 2% of a companies' outstanding equity. There are no investments in loans to or leases with parties related to the pension plan. The investment activity of LSERS is subject to an investment policy adopted by the Board of Trustees and to oversight by the Board of Trustees.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

LSPRS. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rates. Investments that do not have an established market are reported at estimated fair value as determined by the Retirement System's investment consultant.

LSPRS has the following investments that represent 5% or more of LSPRS's total investments at June 30, 2010: (1) Loomis Sayles Fixed Income Fund; (2) Templeton Institutional Funds; (3) Institutional Equity Funds; (4) State Street S&P Mid Cap 400 Index Securities Lending (5) State Street S&P 500 Flagship Fund; and (6) State Street Aggregate Bond Market Index Securities Lending.

Furniture, fixtures, and equipment are stated at cost and are being depreciated on the straight-line basis over their estimated useful lives. The estimated useful lives range from 3 to 10 years.

Contributions

A system's funding policy refers to the amounts and timing of contributions to be made by employers, participants, and any other sources to provide the benefits a pension plan specifies. Employee and employer contributions for all systems are provided for in Chapter 2 of Title 11 of the Louisiana Revised Statutes. Each system is described separately in the following paragraphs.

LASERS. The vast majority of employees of the State who became members before July 1, 2006, contribute 7.5% of their salaries. Act 75 of the 2005 Regular Session increases the member contribution rate from 7.5% to 8.0% for new members hired after June 30, 2006. Act 835 of the 2006 Regular Session increases the contribution rate of peace officers employed by the Department of Public Safety and Corrections, Office of State Police, other than state troopers to 9.0%. Act 353 of the 2007 Regular Session increases the contribution rate of personnel employed by the Department of Revenue, Office of Alcohol and Tobacco Control, to 9%. Other exceptions include: judges, court officers, the governor, lieutenant governor, and legislators, who contribute 11.5% of their respective

salaries; the Clerk of the House of Representatives, the Secretary of the Senate, and special legislative employees who contribute 9.5% of their salaries; correctional officers, security personnel, and probation officers who contribute 9.0%; wildlife agents who contribute 9.5%; Bridge Police employees for the Crescent City Connection who contribute 8.5% of their salaries; and the State Treasurer who contributes 7.5% of his salary. The employers of each group listed contributed 18.6% of the employees' salaries toward future benefits for fiscal year 2010.

Act 992 of 2010 Regular Session changed the rate for members whose first employment making them eligible for membership in LASERS occurs on or after January 1, 2011, as follows: rank-and-file members - 8%; court officers, the governor, lieutenant governor and legislators - 8%; Clerk of the House of Representatives and Secretary and special legislative employees of the Senate - 8%; members of the Hazardous Duty Services Plan - 9.5%; and judges holding positions specified in LRS 11:553 - 13%. Act 1004 of 2010 Regular Session provides for an additional benefit equal to 1% times the number of creditable service years as a judge in a position specified in LSR 11:553.

RS 11:429 allows any LASERS member with at least one year of service credit in the system to purchase up to five years of additional service credit in one-year increments. The purchased service credit is to be used solely for the calculation of retirement benefits, and may not be used for the attainment of additional years of retirement eligibility.

TRSLA. Contributions required of TRSLA members and their employers are based on the plan in which the employee participates. During the year ended June 30, 2010, members of the system's Regular Plan contributed 8.0% of their earned compensation, with the employer contributing 15.5%. Members of the TRSLA Plan A contributed 9.1% of their salary and the employer contributed 15.5%. Members of TRSLA Plan B contributed 5.0% of their compensation and the employer made a 15.5% contribution. The sources of employer contributions are appropriated state funds and tax proceeds collected in the parishes and remitted by the respective parishes' sheriff's office.

Act 7 of the Second Extraordinary Session of 2008 provided additional appropriations for LASERS and TRSLA. The act specifies that these appropriations are to be used to re-amortize the remaining outstanding balance of the Initial Unfunded Actuarial Liability (IUAL) when the amortization will produce a fixed payment that is less than the remaining increasing payments. The amounts appropriated for LASERS and TRSLA were $20,000,000 and $40,000,000, respectively.

LSERS. Member contributions are established by statute and are currently 7.5% of earned compensation. Act 318 of 2010 Regular Session increased the member's contribution from 7.5% to 8% for members employed on or after July 1, 2010. Employer contributions, provided by the Board of Trustees, were decreased to 17.6% for fiscal year 2010.

Act 1331 of the 1999 Regular Session provides for the establishment of an Employer Credit Account consisting of the accumulated excess employer contributions which exceeded the actuarially required employer rate.

LSPRS. Effective October 1, 2009, member contributions are 8.5% of earned compensation and are deducted from the member's salary. Act 992 of 2010 Regular Session changed the rate for members whose first employment making them eligible for membership in one of the state systems occurs on or after January 1, 2011, is 9.5%. The employer's contribution includes various fees collected by the Office of Motor Vehicles and appropriations from the State.

As required by GASB Statement 27, paragraph 20(b)(3), the LSERS and the TRSLA, both cost-sharing employers, disclose the following information:

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage Contributed
LSERS		
6/30/08	$ 50,003,327	103.5%
6/30/09	$ 57,895,311	96.2%
6/30/10	$ 75,027,998	71.0%
TRSLA		
6/30/08	$ 637,097,695	116.2%
6/30/09	$ 697,190,561	106.4%
6/30/10	$ 904,382,657	83.5%

The ARC differs significantly from actual contributions made. This difference is in part due to a state statute that requires the contribution rate to be calculated and set two years prior to the year effective and in part due to each Plan's requirement to contribute the actuarially required amount or the contribution percentage required by the Louisiana Constitution, whichever is greater.

Excess contributions collected over the amount set by the Legislature are added to the Employer Credit Account. The Employer Credit Account is used to fund future years' actuarially required employer contributions. At June 30, 2010, the balance in the account for LSERS remains at $0 and the balance for TRSLA is $0.

LASERS, subject to the minimum contribution requirement, currently has a balance of $0 in the Employer Credit Account.

As required by GASB Statement 27, paragraph 21, the LASERS and LSPRS, both single employers, disclose the following information.

The state's annual pension cost and net pension obligation to LASERS and LSPRS for the current year are as follows:

	LASERS	LSPRS
Annual required contribution	$ 585,268,922	$ 34,935,975
Interest on net pension obligation	(4,113,251)	(1,187,907)
Adjustment to annual required contribution	9,665,777	5,402,542
Annual pension cost	**590,821,448**	**39,150,610**
Contributions made	(510,541,641)	(29,641,699)
Increase (Decrease) in net pension obligation	80,279,807	9,508,911
Net pension obligation beginning of year	(49,857,589)	(15,838,774)
Net pension obligation end of year	$ **30,422,218**	$ **(6,329,863)**

In accordance with GASB 27, paragraph 21(b), the LASERS and LSPRS disclose the following:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
LASERS			
6/30/08	$440,894,520	119.5 %	$(34,972,651)
6/30/09	$491,379,499	103.0 %	$(49,857,589)
6/30/10	$590,821,448	86.4 %	$ 30,422,218
LSPRS			
6/30/08	$ 19,099,665	99.0 %	$(19,824,130)
6/30/09	$ 23,854,267	83.3 %	$(15,838,774)
6/30/10	$ 39,150,610	75.7 %	$ (6,329,863)

Actuarial Methods and Assumptions

The following table provides information concerning actuarial methods and assumptions as of the June 30, 2010, actuarial valuation date.

	LASERS	TRSLA	LSERS	LSPRS
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age	Entry Age
Amortization Method	Level Dollar*	Level Dollar*	Level Dollar*	Level Dollar**
Remaining Amortization **** Period (Open or Closed Period)	Up to 30 years* Closed	Up to 30 years* Closed	19-30 years* Closed	19 years** Closed
Asset Valuation Method	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average
Actuarial Assumptions:				
Investment Rate of Return#	8.25%	8.25%	7.5%	7.5%
Projected Salary Increases	4.3 – 14%***	3.5 – 7.50%	4.0– 6.0%	4.5 – 15.5%
Cost of Living Adjustment	None##	None##	None	None
#Includes inflation at:	3%	3%	3%	3%

Act 144 of 2009 provides a one-time minimum benefit increase, effective July 1, 2009, to retirees who meet the eligibility requirements. The increase in actuarial accrued liability resulting from the minimum benefit increase will be funded from the Employee Experience account, prior to liquidating per Act 497. Act 497 of 2009 moves the remaining balance of this Employee Experience account on June 30, 2009, after deducting the cost of the minimum benefit increase to a subaccount of the IUAL Amortization Fund.

Act 270 of 2009 Regular Session, effective July 1, 2009, provides a member, upon applying for retirement, the irrevocable option to elect a retirement plan whereby his benefit is actuarially reduced, but he shall receive a 2.5% cost of living adjustment (COLA) annually on his retirement anniversary date. The COLA shall be payable to any retiree who is age 55 and older. This provision is not available to disability retirees in LASERS. This provision is available to disability retirees upon conversion to a service retirement in TRSLA, LSERS and LSPRS, but this provision does not apply to any participant in a Back-DROP or program in LSPRS.

* Effective July 1, 2004, RS 11:102 mandated the following amortization periods and methods of unfunded accrued liabilities for changes, gains and losses:

System	Occurring	Amortization Method	Remaining Period
LASERS	Before 1999	Level Dollar	Through 2029
	1999-2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change
TRSLA	Before 2001	Level Dollar	Through 2029
	2001 - 2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change
LSERS	Before 2001	Level Dollar	Through 2029
	2001 - 2003	Annuity increasing at 4.5% annually	30 years from change
	2004 and later	Level Dollar	30 years from change

** Effective July 1, 2009, RS 11:102 mandates the following amortization periods and methods of unfunded accrued liabilities for changes, gains and losses for the LSPRS:

Occurring	Amortization Method	Remaining Period
Before 2009	Level Dollar	Through 2029
2009 and later	Level Dollar	30 years from change

*** The listed projected salary rates do not include those for judges, correction officers and wildlife agents.

Changes to Actuarial Methods and Assumptions from prior year:

	2010	2009
LSERS		
Cost of Living Adjustment	None	None
Remaining Amortization Period	19-30	20-30
LASERS		
Cost of Living Adjustment	None	3%
TRSLA		
Projected Salary Increases	3.5 – 7.5%	3.5 – 7.5%
Cost of Living Adjustment	None	None
Inflation Rate	3%	3%
LSPRS		
Projected Salary Increases	4.5 – 15.5%	4.0 – 15.5%
Inflation Rate	3%	3%
Remaining Amortization Period	19	20

**** Act 497 of 2009 consolidates the outstanding balance of all amortization schedules established on or before July 1, 2008, into two amortization schedules, the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The consolidation is effective July 1, 2010.

Funding Status and Progress

Because the purpose of each system is to provide specific benefits to groups of employees at various times in the future, actuarial valuations and assumptions are made regularly. The most recent actuarial valuation for the four statewide retirement systems is as of June 30, 2010. The Schedule of Funding Progress for the six* most recent actuarial valuations are as follows:

Schedule of Funding Progress
(Expressed in Thousands)

LASERS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$8,512,403	$8,499,662	$9,167,170	$8,345,495	$7,430,784	$6,673,500
Actuarial Accrued Liability	$14,764,015	$13,986,847	$13,562,214	$12,421,907	$11,548,680	$10,847,062
Unfunded AAL	$6,251,612	$5,487,185	$4,395,044	$4,076,411	$4,117,896	$4,173,562
Funded Ratio	57.7%	60.8%	67.6%	67.2%	64.3%	61.5%
Annual Covered Payroll	$2,546,457	$2,562,576	$2,436,956	$2,175,367	$1,979,705	$2,100,043
UAAL as a Percentage of Covered Payroll	245.5%	214.1%	180.3%	187.4%	208.0%	198.7%
Unfunded Funding Actuarial Liability	$6,251,612	$5,693,998	$4,473,115	$4,129,688	$4,164,544	$4,202,817

TRSLA	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$12,868,484	$13,500,766	$15,507,834	$14,812,298	$13,088,358	$12,082,682
Actuarial Accrued Liability	$23,674,842	$22,839,411	$22,090,516	$20,772,330	$19,390,781	$18,699,765
Unfunded AAL	$10,806,358	$9,338,645	$6,582,683	$5,960,032	$6,302,423	$6,617,083
Funded Ratio	54.4%	59.1%	70.2%	71.3%	67.5%	64.6%
Annual Covered Payroll	$3,977,819	$3,912,326	$3,675,014	$3,224,566	$2,892,959	$3,132,169
UAAL as a Percentage of Covered Payroll	271.7%	238.7%	179.1%	184.8%	217.9%	211.3%
Unfunded Funding Actuarial Liability	$10,806,358	$10,117,515	$6,967,625	$6,250,578	$6,554,990	$6,812,643

Schedule of Funding Progress
(Expressed in Thousands)

LSERS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$1,350,073	$1,410,316	$1,578,991	$1,558,328	$1,480,748	$1,423,207
Actuarial Accrued Liability	$2,213,362	$2,153,360	$2,060,242	$1,947,603	$1,872,594	$1,889,445
Unfunded AAL	$863,289	$743,044	$481,251	$389,275	$391,846	$466,238
Funded Ratio	61.0%	65.5%	76.6%	80.0%	79.1%	75.3%
Annual Covered Payroll	$306,333	$315,400	$289,259	$259,045	$239,321	$259,232
UAAL as a Percentage of Covered Payroll	281.8%	235.6%	166.2%	150.3%	163.7%	179.9%
Unfunded Funding Actuarial Liability	$863,289	$743,044	$481,251	$389,275	$391,846	$466,238

LSPRS	2010	2009	2008	2007	2006	2005
Actuarial Valuation Date	6/30/10	6/30/09	6/30/08	6/30/07	6/30/06	6/30/05
Actuarial Value of Assets	$391,669	$395,905	$438,075	$428,880	$379,704	$322,482
Actuarial Accrued Liability	$704,747	$678,307	$637,832	$587,527	$546,238	$516,427
Unfunded AAL	$313,078	$282,402	$199,757	$158,646	$166,534	$193,945
Funded Ratio	55.6%	58.4%	68.7%	73.0%	69.5%	62.4%
Annual Covered Payroll	$59,340	$59,556	$56,728	$49,763	$49,256	$49,290
UAAL as a Percentage of Covered Payroll	527.6%	474.2%	352.1%	318.8%	338.1%	393.5%
Unfunded Funding Actuarial Liability	$313,078	$282,402	$199,757	$158,646	$166,534	$238,206

(* GASB 25, paragraph 34, requires only three years of valuations for single employer plans. We chose to show six years for all statewide retirement systems.)

Unfunded Actuarial Accrued Liability (UAAL) differs from the Unfunded Funding Actuarial Liability (UFAL) for funding purposes. UFAL for funding purposes excludes Initial Unfunded Actuarial Liability (IUAL) Amortization Fund Assets and the Employer Credit Account, when applicable.

Pursuant to Act 497 of the 2009 Regular Session, the balance in the Experience Account (formerly the Employee Experience Account) is reset to zero effective June 30, 2009, and is limited to no more than the reserve for two permanent benefit increases (formerly cost-of-living adjustments). Funds remaining in the Experience Account at June 29, 2009, were moved to a subaccount of the Initial Unfunded Actuarial Liability Amortization Fund and retained there until applied in a manner consistent with the provisions of this Act. The account is used to fund permanent benefit increases for retirees. At June 30, 2010, the Experience Accounts for both LASERS and TRSLA had zero balances as prescribed by the Act.

NOTE: A Schedule of Funding Progress is Required Supplementary Information for each of the individual retirement systems. This RSI can be found on the following pages of the individual reports: LASERS – 40, TRSLA – 61, LSERS – 31, LSPRS – 21.

Readers wishing to see pension information not included in this report, such as Required Supplementary Information, may request a copy of the separately issued financial reports by writing to each retirement system individually at the addresses listed in Note 1.

B. LOUISIANA LOTTERY CORPORATION RETIREMENT PLANS

Pursuant to LRS 47:9015(A), the Louisiana Lottery Corporation provides two defined contribution retirement plans for its employees.

1. Basic Retirement

The Basic Retirement Plan was established effective September 1, 1993, with all employees eligible except those who elect coverage under a State retirement plan and those who are either independent contractors or leased employees. Eligible employees may participate in the Plan immediately upon employment. Employer contributions for fiscal year 2010 were 5% of the participant's compensation. Employee contributions were 6.2% of their compensation. Participants are fully vested immediately. Plan assets do not revert for the benefit of the employer. Benefit distributions commence as of the date designated by the participant (annuity starting date) after termination of employment, but not later than April 1st of the year following the calendar year in which the participant attains age seventy and one half. The participant must make a qualified election to receive the distribution in the form of a single-sum payment or in the form of a qualified joint and survivor annuity or single life annuity contract. Employee and employer contributions for fiscal year 2010 were $331,287 and $267,169, respectively.

2. Supplemental Retirement

Substantially all full-time employees are eligible to participate in the Supplemental Retirement Plan. The Louisiana Lottery Corporation contributed 4.5% of each

participant's compensation for fiscal year 2010. Generally, participants are not permitted to contribute to the Plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRS Section 402. Effective July 1, 1991, all eligible employees employed by the Corporation on or before that date participate in the Plan. Thereafter, an eligible employee participates in the Plan as of the entry date that coincides with or immediately follows the date on which the eligible employee completes 90 consecutive calendar days of employment with the Corporation. Each plan year, the board of directors of the Corporation may determine the amount of a discretionary contribution not to exceed 2% of each participant's compensation for any plan year. Plan participants are fully vested and amounts are nonforfeitable upon the participant's death, disability, or attainment of the normal retirement date or upon the completion of three years of service. Plan assets do not revert for the benefit of the employer. The distribution of a participant's vested and nonforfeitable portion of his or her account is made in the form of a single-sum payment after the participant terminates employment with the employer, attains the normal retirement age (65 years of age), or dies. Employer contributions for fiscal year 2010 were $318,085.

NOTE 6A: EMPLOYEE BENEFITS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Background

The State of Louisiana compensates its employees in a variety of ways in exchange for their services. In addition to a salary, many employees are provided benefits over their years of service that will not be received until their employment with the State ends. The most common type of these postemployment benefits is a pension. Other postemployment benefits (OPEB) provided are healthcare and life insurance benefits. For fiscal year 2010, costs of providing the State's portion of retiree medical and life insurance benefit premiums were recognized as an expense when the benefit premiums were due and thus were financed on a pay-as-you-go basis.

A. OFFICE OF GROUP BENEFITS (OGB) PLAN

Plan Description

Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, effective for the fiscal year ending June 30, 2007, addresses the OPEB reporting requirements for the State's OPEB plan, Office of Group Benefits (OGB). Through self-insured and self-funded OGB programs, premiums are collected and benefits are paid as they come due in accordance with an agreement between the employers and plan members, and their beneficiaries. OGB is the administrator for the agent multiple-employer defined benefit OPEB plan; it provides healthcare coverage and life insurance to eligible participants who are employees of the State, some school systems, and certain non-state employers. A summary of employers and members participating in the plan at June 30, 2010, is as follows:

	Number of Employers		Plan Membership
States	1	Retirees and	
School systems	43	beneficiaries	48,165
Non-state agencies	88	Active plan members	85,230
State agencies	237	Total	133,395
Total	369		

Benefit provisions are established or may be amended under the authority of LRS 42:802. All benefits and premium structures are reviewed by the OGB Policy and Planning Board. A written report from this Board is forwarded to the House Appropriations Committee and Senate Finance Committee for oversight. OGB does not issue a stand alone financial report on the Plan; however, the financial information is included in the State's Comprehensive Annual Financial Report (CAFR). A copy of the CAFR can be obtained on the website at www.doa.la.gov/OSRAP/CAFR-2.htm.

Summary of Significant Accounting Policies

OGB's financial statements are prepared on the full-accrual basis of accounting using the economic resources measurement focus. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The financial statements of OGB include the financial transactions of only the state agencies and are reported in the General Fund. There were no long-term contracts for contributions to the plan, legally required reserves, or designations of net assets for the plan at the reporting date. The financial statements of the non-state agencies and school systems collectively are reported in the agency fund, Non-State Entities OPEB Fund. These agency fund statements are prepared on the accrual basis but do not have a measurement focus, as they report only assets and liabilities.

Funding Policy

Substantially all employees become eligible for postretirement benefits if they reach normal retirement age while working for the State and are a member of OGB. Life insurance for the individual employee is financed by equal contributions from the State and the employee; insurance for eligible dependents and voluntary optional life products are funded totally through employees'

contributions. To be eligible for retiree health insurance coverage, the coverage must be in effect prior to the retirement date. For those beginning participation or rejoining on or after January 1, 2002, the state subsidy of the premium is based on the number of years of participation in a Group Benefits Health Plan. This also applies to dependents that begin coverage after July 1, 2002. LRS 42:851 provides the authority under which the obligations of the plan members, employers, and other contributing entities that contribute to the plan are established or may be amended. OGB offers four standard healthcare plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan, the Health Maintenance Organization (HMO) plan, and the Medical Home HMO Plan (MHHP). Retired employees who have Medicare Part A and Part B coverage also have access to five OGB Medicare supplemental plans. Administrative costs of the OGB plan are financed through the premiums collected for all classes of active and retired plan members. Contribution amounts vary depending on which healthcare provider is selected from the plan, years of participation, and if the member has Medicare coverage. Following is a summary of plan provisions:

Summary of Plan Provisions

Health Insurance Monthly Premiums

Employees hired before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2009-2010 are shown in the table below.

Employees hired on or after January 1, 2002 pay a percentage of the total contribution rate upon retirement based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

Total premium rates are as follows:

	PPO	EPO	HMO	MHHP
Active				
Single	558.64	581.04	536.36	532.00
With Spouse	1186.56	1234.04	1139.12	1129.96
With Children	681.32	708.60	654.12	649.04
Family	1251.40	1301.44	1201.36	1191.68
Retired No Medicare & Re-employed Retiree				
Single	1039.28	1080.80	997.72	989.52
With Spouse	1835.20	1908.56	1761.72	1747.60
With Children	1157.64	1203.92	1111.40	1102.28
Family	1826.32	1899.36	1753.28	1739.12
Retired with 1 Medicare				
Single	337.96	351.48	324.44	321.84
With Spouse	1248.72	1298.64	1198.68	1189.00
With Children	584.96	608.36	561.60	557.00
Family	1663.80	1730.32	1597.20	1584.28
Retired with 2 Medicare				
With Spouse	607.48	631.72	583.16	578.28
With Family	752.16	782.24	722.08	716.08

All members who retire on or after July 1, 1997 must have Medicare Parts A and B in order to qualify for the reduced premium rates.

Medicare Supplemental Rates	Retired with	
	1 Medicare	2 Medicare
Humana HMO	149.00	298.00
Peoples Health	142.00	284.00
Vantage	198.00	396.00
Humana FFS	165.00	330.00
Secure Horizons	198.50	397.00

Life Insurance Premiums

Retiree pays 50 cents for each $1,000 of life insurance.

Retiree pays 88 cents for each $1,000 of spouse life insurance.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Effective July 1, 2007, the State implemented GASB 45 prospectively which requires reporting on an accrual basis the liability associated with other postemployment benefits and the OPEB liability at transition was zero. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year for the OGB plan are as follows (dollar amounts in thousands):

	Primary Government	Component Units
Annual required contribution	$ 576,478	$ 274,834
Interest on OPEB obligation	48,969	24,853
Adjustment to annual required contribution	(46,780)	(23,742)
Annual OPEB cost (expense)	578,667	275,945
Contributions made	(147,050)	(69,427)
Increase in net OPEB obligation	431,617	206,518
Net OPEB obligation beginning of year, restated	1,224,617	621,334
End of year	$ 1,656,234	$ 827,852

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Gov't:			
6/30/2008	737,730	18.46%	601,527
6/30/2009	765,524	18.46%	1,225,742
6/30/2010	578,667	25.41%	1,656,234
Component Units:			
6/30/2008	379,186	17.64%	312,311
6/30/2009	377,200	18.09%	621,277
6/30/2010	275,945	25.16%	827,852

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $7,490,167,000 for the primary government and $3,413,382,000 for component units. The covered payroll (annual payroll of active employees covered by the plan) was $1,830,427,000 for the primary government and $1,491,615,000 for the component units, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 409% for the primary government and 229% for the component units. As of June 30, 2010, the State did not have an OPEB trust. A trust was established with an effective date of July 1, 2008, but was not funded at all, had no assets, and hence had a funded ratio of zero.

Actuarial valuations of the State's plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that

are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), which is based on the expected long-term investment returns on the employer's own investments, and on initial annual healthcare cost trend rates of 8.5% and 9.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll amortization method on an open basis. The remaining amortization period at June 30, 2010, was thirty years.

B. LSU HEALTH PLAN

Plan Description

The Louisiana State University (LSU) System (System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries the opportunity to participate in one of two healthcare coverage plans. One offering is OGB, which has already been discussed in this note, and the other is LSU Health Plan (the Plan). The Plan is also offered to members of the State House of Representatives and the State Senate, its officers and staff, and the Legislative Budgetary Control Council which are primary government entities. Upon leaving employment with LSU, the State House of Representatives, State Senate, or the Legislative Budgetary Control Council, employees can transfer the Plan to OGB eligible employers provided the employer signs a successor employer agreement with LSU. Therefore, some participants of the Plan are currently employees of the primary government. Participation in the Plan by primary government employees is limited and not material. As a result, the plan is identified as a single-employer defined benefit healthcare plan that is not administered as a trust or equivalent arrangement. The System selects claim and pharmaceutical administrators to administer the plan; they are selected through a formal Request for Proposals process followed by negotiations between the System and qualified vendors. The Plan does not issue a stand alone financial report, but the financial information on the Plan is included in the System's audited Financial Report which can be obtained on the System's website at www.fas.lsu.edu/acctservices/far_b/supp_2010.html. A summary of members participating in the plan at June 30, 2010, is as follows:

Retirees and beneficiaries	1,944
Active plan members	11,656
Total	13,600

Summary of Significant Accounting Policies

The System's financial statements are prepared on the full-accrual basis of accounting using the economic resources measurement focus. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. There were no long-term contracts for contributions to the plan, legally required reserves, or designations of net assets for the plan at the reporting date.

Funding Policy

Administrative costs of the LSU Health Plan are financed through the premiums collected for all classes of active and retired plan members. The plan rates are actuarially determined and must be approved by OGB under LRS 42:851.B; they are in effect for one year and members have the opportunity to change providers during the open enrollment period which usually occurs in April. Employees become eligible for postemployment benefits if they reach normal retirement age while working for the State. The Plan offers plan members a choice of selecting Option 1 or Option 2. Contribution amounts vary depending on which option is selected from the plan. Following is a summary of plan provisions:

Summary of Plan Provisions

Health Insurance Monthly Premiums

Employees hired before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2009-2010 are shown in the table below.

Employees hired on or after January 1, 2002, pay a percentage of the total contribution rate upon retirement based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

Total Premium Rates are as follows:

	Option 1	Option 2
Active		
Single	532.38	460.32
With Spouse	949.84	821.26
With Children	653.22	583.68
Family	1,135.54	993.44
Retired No Medicare & Re-employed Retiree		
Single	1,010.94	924.02
With Spouse	1,785.15	1,631.60
With Children	1,126.06	1,024.72
Family	1,776.52	1,619.30
Retired with 1 Medicare		
Single	309.86	267.90
With Spouse	1,070.14	925.30
With Children	588.60	529.74
Family	1,518.40	1,327.48
Retired with 2 Medicare		
With Spouse	540.74	467.56
Family	734.24	641.94

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Effective July 1, 2007, the State implemented GASB 45 prospectively which requires reporting on an accrual basis the liability associated with other postemployment benefits and the OPEB liability at transition was zero. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year were as follows (dollar amounts in thousands):

	Primary Government	Component Unit
Annual required contribution	$ 2,067	$ 62,333
Interest on OPEB obligation	157	4,205
Adjustment to annual required contribution	(120)	(3,210)
Annual OPEB costs (expense)	2,104	63,328
Contributions made	(515)	(12,599)
Increase in net OPEB obligation	1,589	50,729
Net OPEB obligation beginning of year	3,132	84,096
Net OPEB obligation end of year	$ 4,721	$ 134,825

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Government:			
6/30/2008	N/A	N/A	N/A
6/30/2009	3,644	14.05%	3,132
6/30/2010	2,104	24.48%	4,721
Component Units:			
6/30/2008	49,787	20.37%	39,646
6/30/2009	55,745	20.27%	84,096
6/30/2010	63,328	19.90%	134,825

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $15,585,000 for the primary government and $608,551,000 for component units. The covered payroll (annual payroll of active employees covered by the plan) was $23,197,000 for the primary government and $629,381,000 for the component units, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 67.19% for the primary government and 96.69% for the component units. As of June 30, 2010, the plan had no assets, and hence had a funded ratio of zero.

Actuarial valuations of the LSU Health Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarial determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% investment rate of return (net of administrative expenses), which is based on the expected long-term investment returns on the employer's own investments, and on an initial healthcare inflation rate of 10%, and an ultimate rate of 5%. The unfunded actuarial accrued liability is being amortized using the level percentage of projected payroll amortization method on an open basis. The remaining amortization period at June 30, 2010, was thirty years. Projected salary increases were 4% per annum.

C. OTHER PLANS

Six discretely presented component units of the State have their own Postemployment Benefits Plan and provided actuarial valuation results to the State. The net OPEB obligation at June 30, 2010 for each of the six plans was Southeast Louisiana Flood Protection Authority – East $5,717, Greater New Orleans Expressway Commission $1,604, Louisiana Citizens Property Insurance Corporation $947, Southeast Louisiana Flood Protection Authority – West $376, Tensas Basin Levee Board $267, and Louisiana Motor Vehicle Commission $267 for a total of $9,178 (dollar amounts in thousands). These plans are not disclosed in detail in the CAFR but are available in the agencies' separate financial statements. For the addresses of the agencies, see note 1 of this CAFR.

NOTE 6B: EMPLOYEE BENEFITS - TERMINATION BENEFITS

A. Background

The State of Louisiana implemented Governmental Accounting Standards Board (GASB) Statement No. 47, *Accounting for Termination Benefits*, effective for the fiscal year ending June 30, 2006, which addresses the reporting requirements for termination benefits. Termination benefits are benefits other than salary and wages that are provided by the state as settlement for involuntary terminations initiated by management or as an incentive for voluntary terminations initiated by employees. These benefits include:

- Early retirement incentives, such as cash payments
- Continued access to healthcare, including COBRA
- Career counseling
- Outplacement services

B. Description of Termination Benefits

In fiscal year 2010 some state agencies adopted lay off avoidance plans to provide a mechanism to balance budget deficits while delaying or avoiding layoffs. These layoff avoidance plans included early retirement incentives, which resulted in the payment of termination benefits by some state agencies. The retirement incentives consisted of 32% to 50% of the employees' annual salary which would be saved in a fiscal or calendar year calculated on the employees' actual salary for the year without the need for future discounting. Each layoff avoidance plan was approved by the Department of Civil Service per Civil Service Rules 17.2 and 17.9. The retirement incentives were offered to employees who were eligible for regular retirement in accordance with state retirement systems regulations. Employees who were eligible for early retirement were excluded. See Pensions note 6 for qualifications for regular retirement.

A summary of state agencies that adopted lay off avoidance plans and number of state employees accepting early retirement incentives are as follows:

	Number of Terminations
Primary Government	267
Component Units	31
Total	298

C. Schedule of Termination Benefits

A summary of liabilities, expenditures and expenses for termination benefits for Primary Government are as follows: the liabilities are $2,950,249 and the expenditures are $4,377,548. In the government-wide statements, the expenses for termination benefits are $6,025,267 and the liabilities are $4,597,968, which is reported as other liabilities in the Statement of Net Assets.

A summary of liabilities and expenses for termination benefits for Component Units are as follows: the liabilities are $0 and the expenses are $926,595.

NOTE 7: LEASES

A. LEASE AGREEMENTS

The State of Louisiana has entered into numerous operating and capital lease agreements for equipment, land, and buildings. Most leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all leases contracted by the state are included in the schedules below:

B. OPERATING LEASES

Operating lease payments are recorded as expenditures or expenses of the applicable fund when the related liability is incurred and primary government and component units totaled $73,293 and $29,382 (expressed in thousands) respectively, for the fiscal year ended June 30, 2010. Commitments of the primary government under operating lease agreements for equipment, land, and buildings provide for future annual rental payments as follows (expressed in thousands):

Fiscal Year	Office Space	Equipment	Land	Other	Total
2011	$ 47,067	$ 2,643	$ 205	$ 5,568	$ 55,483
2012	36,205	1,708	160	5,258	43,331
2013	27,296	1,691	148	5,092	34,227
2014	17,390	1,575	148	4,307	23,420
2015	11,047	1,594	100	4,138	16,879
2016-2020	15,591	6,104	180	9,289	31,164
2021-2025	17,715	6,418	125	10,182	34,440
Total	$ 172,311	$ 21,733	$ 1,066	$ 43,834	$ 238,944

Operating leases for component units are as follows (expressed in thousands):
Office space - $54,658; Equipment - $7,208; Land - $2,224; and Other - $58,217 for a total of $122,307

C. CAPITAL LEASES AND INSTALLMENT PURCHASE AGREEMENTS

Capital lease obligations are payable from resources of the governmental and proprietary funds. The following is a schedule of future minimum payments remaining under contracts in existence at June 30, 2010 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2011	$ 3,759	$ 36	$ 8,259
2012	1,680	36	7,412
2013	949	23	7,038
2014	264	--	6,756
2015	255	--	6,990
2016-2020	--	--	28,184
2021-2025	--	--	18,230
2026-2030	--	--	1,533
2031-2035	--	--	--
2036-2040	--	--	--
Subtotal	6,907	95	84,402
Less interest and executory costs	392	3	22,593
Present value of minimum lease payments	$ 6,515	$ 92	$ 61,809

The gross amount of the leased assets at June 30, 2010 (expressed in thousands) for governmental activities is $5,919 for office space and $10,746 for equipment; for business-type activities is $432 for equipment; and for component units is $5,882 for office space, $94,251 for equipment, and $257 for other.

Total capital leases by asset classes include the following (expressed in thousands):

	Governmental Activities	Business-Type Activities	Component Units
Buildings	$ 1,646	$ --	$ --
Office Space	498	--	6,535
Equipment	4,763	95	77,753
Land	--	--	--
Other	--	--	114
Total Capital Leases	$ 6,907	$ 95	$ 84,402

D. LESSOR LEASES

Various property and facilities are leased to outside parties as leases from port authorities, levee districts, universities, and various other entities. The current amount of lease revenues (expressed in thousands) is $1,654 for the primary government and $8,344 for component units for the fiscal year ended June 30, 2010.

The value of the property carried on the financial reports for the entities included below (expressed in thousands) is $10,000 for land, $257,099 for buildings, and $2,825 for equipment. Accumulated depreciation on the buildings and equipment totaled $139,277.

OPERATING LEASES

The following is a schedule by years of minimum future rentals on operating leases as of June 30, 2010 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2011	$ 1,396	$ 217	$ 14,179
2012	128	130	12,783
2013	24	42	9.948
2014	24	7	9,324
2015	7	--	9,152
2016-2020	11	--	38,531
2021-2025	11	--	20,071
2026-2030	11	--	13,617
2031-2035	--	--	12,730
2036-2040	--	--	1,120
Total	$ 1,612	$ 396	$ 141,455

The contingent rental revenue received from the lessor operating leases above as of June 30, 2010 (expressed in thousands) is $2,062 for office rentals, $98 for equipment rentals, $412 for land, and $54 for other rentals totaling $2,626.

NOTE 8: LONG-TERM OBLIGATIONS

A. DEBT AUTHORIZATION AND LIMITATIONS

The Louisiana Constitution of 1974 provides that the State shall have no power, directly or indirectly, through any board, agency, commission, or otherwise, to incur debt or issue bonds except by law enacted by two-thirds of the elected members of each house of the Legislature. LRS 39:1365(25) limits the legislative authorization of general obligation bonds and other general obligations secured by the full faith and credit of the State by prohibiting total authorized bonds from exceeding an amount equal to two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years prior to such authorization. The bond authorization limitation is $25,194,775,000. The total general obligation bonds authorized are $2,099,285,000 at June 30, 2010, or 8.33% of the bond authorization limit.

LRS 39:1402(D) limits issuance by the Louisiana State Bond Commission of general obligation bonds or other general obligations secured by the full faith and credit of the State. The highest annual debt service requirement for the current or any subsequent fiscal years for general obligation debt, including the debt service on any bonds or other obligations that are proposed to be sold by the Louisiana State Bond Commission, may not exceed 10% of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to the issuance being proposed. The general obligation debt issuance limitation is $1,259,739,000. At June 30, 2010, the highest current or future annual general obligation debt service requirement is $322,987,000, which represents 25.64% of the debt issuance limitation.

LRS 39:1367, enacted pursuant to a constitutional amendment, provides that the State Bond Commission establish annually a limit on the net State tax-supported debt issued subject to certain percentages established in the statutes and based on General Fund and dedicated funds revenues forecast by the Revenue Estimating Conference. The maximum amount of net State tax-supported debt allowed by statute for fiscal year 2009-2010 is 6.00% of estimated General Fund and dedicated funds revenues established by the Revenue Estimating Conference, which was $592,098,000. During the fiscal year 2009-2010, the total net State tax-supported debt paid was $483,010,377 or 4.89% of the estimated General Fund and dedicated funds' revenues established by the Revenue Estimating Conference.

B. AUTHORIZED BUT UNISSUED DEBT

The Omnibus Bond Authorization Act of 2010 provides for the repeal of all acts authorizing the issuance of general obligation bonds, except for any act authorizing issuance of refunding bonds and Act 41 of the 2006 First Extraordinary Session. Act 41 authorized the sale of bonds to provide relief to political subdivisions of the state affected by natural catastrophes. The Omnibus Bond Authorization Act requires the legislature to annually repeal the issuance of general obligation bond authorizations for projects that are no longer found feasible or desirable; to reauthorize general obligation bonds for projects deemed to be essential, and to authorize new projects. As a result, there were no authorized but unissued general obligation bonds outstanding at June 30, 2010.

C. PURPOSE AND RETIREMENT OF GENERAL OBLIGATION BONDS

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities including ports, university facilities, public schools, parks, bridges, roads, and charity hospitals. General obligation bonds are backed by the full faith, credit, and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and discretely presented component units and is therefore recorded in these funds, the State remains contingently liable for its payment. General obligation debt issued to finance the construction and equipping of education buildings and other facilities for colleges and universities and not secured by a pledge of revenues from the related facilities is a direct obligation of the State and is reported in the government-wide financial statements. Other general obligation debt of the college and university funds, which is being retired from pledged resources of those funds, is reported as a liability of the component units although the State remains contingently liable for its retirement. Interest on variable-rate bonds is generally reset each Wednesday and is based on the SIFMA Rate, plus a fixed percentage, depending on the bond offering, except for the Series 2008-A that is based on the SIFMA Rate only.

In order to facilitate the funding of capital improvements by certain governmental units and political subdivisions of the State, the Omnibus Bond Authorization Act of 2009 authorized the issuance of general obligation bonds contingent upon executing a reimbursement contract with the State Bond Commission pertaining to the reimbursement payments and reimbursement reserve account payments for such projects. A reimbursement contract is a contract between the State, as bond issuer, and an entity, through which the entity receives a portion of bond money for its project. The entity repays or reimburses the State at the same interest rate and the same maturity dates as the bond issue. Entities utilize reimbursement contracts to attempt to obtain a better interest rate.

Reimbursement contracts include colleges and universities in the amount of $570,000 and miscellaneous contracts in the amount of $6,408,263. Applicable interest to maturity is $58,363 and $641,409, respectively. In the accompanying financial statements, reimbursement contracts are shown as accounts receivable and the debt shown is not reduced for these items.

D. LONG-TERM OBLIGATIONS OUTSTANDING AT JUNE 30, 2010

Long-term obligations outstanding at June 30, 2010, principal only, are as follows (expressed in thousands):

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
GOVERNMENTAL ACTIVITIES:						
General obligation bonds payable	$ 2,458,755	$ 319,020	$ 310,100	$ 2,467,675	$ 194,445	Variable
Other bonds payable by agency:						
Crescent City Connection	8,780	--	2,045	6,735	2,195	2.00 – 3.65%
Health Education Authority of Louisiana	7,465	--	185	7,280	175	5.70 – 8.30%
Louisiana Correctional Facilities Corporation	21,640	--	1,565	20,075	1,630	4.00 – 5.00%
Office Facilities Corporation	276,570	94,910	120,440	251,040	17,955	4.00 - 7.75%
Public Safety LPFA	63,290	--	4,365	58,925	4,590	5.00 – 5.88%
Office Facilities Corporation LPFA	284,967	--	10,292	274,675	10,750	3.20 – 6.50%
Tobacco Settlement Financing*	938,005	--	38,960	899,045	123,095	5.50 – 6.36%
Transportation Infrastructure Model for Economic Development	2,297,095	163,750	109,005	2,351,840	6,090	2.70 – 6.50%
Total other bonds payable	3,897,812	258,660	286,857	3,869,615	166,480	
Less/add deferred amounts:						
Discounts*	(16,818)	--	(450)	(16,368)	(1,135)	
Premiums*	179,039	25,569	15,253	189,355	14,903	
Net unamortized amounts	162,221	25,569	14,803	172,987	13,768	
Total bonded debt	6,518,788	603,249	611,760	6,510,277	374,693	
Other liabilities:						
Compensated absences	225,980	93,579	92,566	226,993	18,558	
Capital lease obligations	11,469	--	4,954	6,515	3,759	
Claims and litigation payable*	1,706,159	807,053	434,586	2,078,626	143,346	
Notes payable	490	--	373	117	71	
OPEB payable*	1,215,408	575,689	146,972	1,644,125	--	
Pollution remediation liabilities	27,572	62,484	5,963	84,093	62,572	
Other long-term obligations	67,848	--	1,259	66,589	3,600	
Total other liabilities	3,254,926	1,538,805	686,673	4,107,058	231,906	
Total long-term obligations Governmental Activities*	$ 9,773,714	$ 2,142,054	$ 1,298,433	$ 10,617,335	$ 606,599	

***restated**

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
BUSINESS-TYPE ACTIVITIES						
Bonds payable						
Revenue bonds*	$ 195,800	$ 66,000	$ 66,000	$ 195,800	$ --	3.50 – 4.45%
Deferred discount*	(32,124)	--	(889)	(31,235)	--	
Total bonds payable	163,676	66,000	65,111	164,565	--	
Other liabilities:						
Compensated absences*	2,633	312	210	2,735	786	
Capital lease obligations	120	24	52	92	36	
Notes payable	4,142	--	2,424	1,718	62	
Claims and litigation payable*	738,050	35,400	--	773,450	122,727	
OPEB payable*	12,341	5,085	596	16,830	--	
Other long-term liabilities	61,913	11,251	22,183	50,981	--	
Total other liabilities	819,199	52,072	25,465	845,806	123,611	
Total long-term obligations Business-Type Activities	$ 982,875	$ 118,072	$ 90,576	$ 1,010,371	$ 123,611	

***restated**

COMPONENT UNITS:						
Bonds payable:						
Revenue bonds*	$ 3,705,370	$ 210,005	$ 240,253	$ 3,675,122	$ 187,991	Variable
Deferred Costs and Premiums*	5,310	--	1,139	4,171	116	
Total bonds payable	3,710,680	210,005	241,392	3,679,293	188,107	
Other liabilities:						
Compensated absences*	221,275	35,093	35,220	221,148	20,298	
Capital lease obligations	65,832	1,335	5,358	61,809	5,272	
Amounts held in custody for others	15,930	--	15,930	--	--	
Contracts payable	9,191	341	7,138	2,394	2,138	
Notes payable*	93,563	54,594	29,025	119,132	27,227	
Claims and litigation payable	28,696	132,571	1,329	159,938	243	
OPEB payable*	711,166	343,771	83,082	971,855	--	
Pollution remediation liabilities*	140	51	15	176	51	
Other long-term liabilities	65,492	49,956	14,499	100,949	17,519	
Total other liabilities	1,211,285	617,712	191,596	1,637,401	72,748	
Total long-term obligations Component units	$ 4,921,965	$ 827,717	$ 432,988	$ 5,316,694	$ 260,855	

***restated**

E. DEBT SERVICE REQUIREMENTS AT JUNE 30, 2010

Annual principal and interest payments for bonds and notes (expressed in thousands) are as follows. Interest requirements for variable-rate debt are calculated using the rate in effect at the financial statement date.

	Governmental Activities								
	General Obligation Bonds			Other Bonded Debt			Totals		
Year:	Principal	Interest	Total	Principal	Interest	Total	Total Principal	Total Interest	Total
2011	$ 194,445	$ 132,311	$ 326,756	$ 166,480	$ 153,153	$ 319,633	$ 360,925	$ 285,464	$ 646,389
2012	184,260	123,977	308,237	120,565	189,068	309,633	304,825	313,045	617,870
2013	173,120	114,711	287,831	129,120	183,317	312,437	302,240	298,028	600,268
2014	181,725	105,948	287,673	136,055	176,446	312,501	317,780	282,394	600,174
2015	165,795	97,390	263,185	145,330	168,918	314,248	311,125	266,308	577,433
2016–20	766,335	376,912	1,143,247	772,225	710,188	1,482,413	1,538,560	1,087,100	2,625,660
2021–25	648,335	215,198	863,533	329,739	559,342	889,081	978,074	774,540	1,752,614
2026–30	153,660	34,001	187,661	355,645	475,737	831,382	509,305	509,738	1,019,043
2031–35	--	--	--	465,594	379,978	845,572	465,594	379,978	845,572
2036–40	--	--	--	674,106	245,664	919,770	674,106	245,664	919,770
2041–45	--	--	--	574,756	64,367	639,123	574,756	64,367	639,123
Costs	117,044	--	117,044	55,943	--	55,943	172,987	--	172,987
Total	$ 2,584,719	$ 1,200,448	$ 3,785,167	$ 3,925,558	$ 3,306,178	$ 7,231,736	$ 6,510,277	$ 4,506,626	$ 11,016,903

	Business-Type Activities			Component Units		
	Revenue Bonds			Revenue Bonds		
Year:	Principal	Interest	Total	Principal	Interest	Total
2011	$ --	$ 3,382	$ 3,382	$ 187,991	$ 182,049	$ 370,040
2012	--	3,382	3,382	173,605	174,106	347,711
2013	--	3,382	3,382	195,881	164,508	360,389
2014	1,605	6,820	8,425	199,780	154,533	354,313
2015	225	6,787	7,012	212,315	144,132	356,447
2016–20	10,915	33,242	44,157	957,523	549,831	1,507,354
2021–25	36,965	28,445	65,410	652,000	359,173	1,011,173
2026–30	66,670	23,553	90,223	570,743	188,535	759,278
2031–35	43,063	14,735	57,798	369,681	85,573	455,254
2036–40	36,357	6,642	42,999	155,603	14,986	170,589
2041–45	--	--	--	--	--	--
Costs	(31,235)	--	(31,235)	4,171	--	4,171
Total	$ 164,565	$ 130,370	$ 294,935	$ 3,679,293	$ 2,017,426	$ 5,696,719

	Governmental Activities			Business-Type Activities			Component Units		
	Notes Payable			Notes Payable			Notes Payable		
Year:	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	$ 71	$ 3	$ 74	$ 62	$ 1	$ 63	$ 27,227	$ 7,235	$ 34,462
2012	46	1	47	1,656	--	1,656	17,952	2,771	20,723
2013	--	--	--	--	--	--	3,807	1,956	5,763
2014	--	--	--	--	--	--	4,898	1,829	6,727
2015	--	--	--	--	--	--	4,072	1,687	5,759
2016–20	--	--	--	--	--	--	19,947	6,402	26,349
2021–25	--	--	--	--	--	--	18,310	3,235	21,545
2026–30	--	--	--	--	--	--	11,263	909	12,172
2031–35	--	--	--	--	--	--	8,243	399	8,642
2036-40	--	--	--	--	--	--	3,413	43	3,456
2041-45	--	--	--	--	--	--	--	--	--
Total	$ 117	$ 4	$ 121	$ 1,718	$ 1	$ 1,719	$ 119,132	$ 26,466	$ 145,598

F. DEFEASED BONDS

The following table enumerates the principal balances of previously outstanding bonds considered defeased at June 30, 2010 (expressed in thousands). The defeased bonds are not included in the accompanying financial statements.

Bond Series	Date Defeased	Maturity Date	Amount Defeased	Outstanding at June 30, 2010
Primary Government:				
1994-A	5/98	Various	108,245	--
1997-A	1/05	Various	142,925	--
1998-B	1/05	Various	130,540	--
2000-A	1/05	11/10	190,930	190,930
2002-A	1/05	04/12	92,970	92,970
2003-A	1/05	05/13	39,915	39,915
2004-A	1/05	10/14	45,240	45,240
1998-A	11/09	Various	124,505	94,440
Component Units:				
Louisiana Stadium and Exposition District:				
1994-A	12/98	Various	$ 48,475	$ 46,455
1995-A	12/98	7/24	10,500	10,500
1995-B	12/98	7/25	12,140	12,050
1996-A	12/98	Various	63,095	62,205
Greater New Orleans Expressway Commission	11/92	Various	54,920	44,005

G. REFUNDING OF BONDS

Office Facilities Corporation Lease Revenue Bonds

On November 17, 2009, Office Facilities Corporation issued $94,910,000 of Series 2009 Office Facilities Corporation Lease Revenue Refunding Bonds (Louisiana State Capitol Complex Program), bearing interest rates of 2.5% to 5.0%, to advance refund $100,435,000 of outstanding Series 1999-A Office Facilities Corporation Lease Revenue Bonds (Louisiana State Capitol Complex Program) bearing interest rates of 5.0% to 5.375%. Refunding proceeds of $113,535,111 included bond proceeds at the par amount of $94,910,000, the original issue premium of $4,527,616, and cash from the Series 1999-A Reserve Account of the Debt Service Reserve Fund of $14,097,495. Proceeds of $103,020,330 (which included a 1% call penalty of $1,004,350) were deposited in an irrevocable trust with an escrow agent to provide for the full redemption of the outstanding Series 1999-A bonds on December 17, 2009. In addition, $9,943,762 was deposited in the Series 2009 Reserve Account of the Debt Service Reserve Fund and $571,019 was paid for issuance costs. As a result, the liability for the Series 1999-A bonds has been removed from the governmental activities column of the statement of net assets. The State advance refunded the bonds to reduce its total gross debt

service payments over the next nine years by $10,542,321 and to obtain an economic gain of $6,389,784. Unamortized 1999-A bond issuance costs were $522,394 at the date of refunding.

General Obligation Refunding Bonds

On October 30, 2009, the State issued $119,020,000 of General Obligation Refunding Bonds, Series 2009-B, with interest rates ranging from 2.0% to 5.0%, to advance refund the balance outstanding of $124,505,000 in General Obligation Refunding Bonds, Series 1998-A, bearing interest rates ranging from 3.65% to 4.875%. Refunding proceeds of $126,137,040 included bond proceeds at the par amount of $119,020,000 and a premium of $7,117,040. Proceeds of $125,997,361 were deposited in an irrevocable trust with an escrow agent to provide for the full redemption of the outstanding Series1998-A bonds of $124,505,000 on December 4, 2009. Also deposited was $622,525 for a 0.5% call penalty and $869,836 for accrued interest. Issuance costs of $139,679 were also paid from the proceeds. As a result, the liability for the Series 1998-A bonds has been removed from the governmental activities column of the statement of net assets. The State advance refunded the bonds to reduce its total gross debt service payments over the next 4 years by $8,131,372 and to obtain an economic gain of $7,847,132.

Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds

In June 2010, the Louisiana State Bond Commission current refunded its Series 2009 A-2 State of Louisiana Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds (Build America Bonds). The bonds' interest rate was based on the London Interbank Offered Rate (LIBOR), plus 275 basis points (the "Indexed Rate"), provided, however, that the Indexed Rate would never be less than 3% percent per annum nor more than 12% per annum. The bonds were refunded with State of Louisiana Gasoline and Fuels Tax Second Lien Revenue Refunding Bonds Series 2010-A [SIFMA Index Bonds], with an interest rate equal to the Securities Industry and Financial Markets Association (SIFMA) rate, plus 0.75% (the "Indexed Rate"), provided, however, that the Indexed Rate shall never exceed 12% per annum. This was a refunding designed to convert the debt from a taxable structure for federal tax purposes to a tax-exempt structure. The Series 2010-A final payment is due May 2043. The sources of the refunding included bond proceeds at par amount of $103,125,000 and a contribution from the State of $487,266, totaling $103,612,266. Of this amount, $103,125,000 was used to redeem the Series 2009 A-2 bonds and $487,265.50 was for issuance costs. As a result, the liability for the Series 2009 A-2 bonds has been removed from the governmental activities column of the statement of net assets. The refunding provides an approximate 100 basis point spread savings on the outstanding issue. The projected gross debt service savings over the three year period of the transaction is $3.3 million, all of which accrues to the benefit of the Transportation Trust Fund.

H. CONDUIT DEBT

Revenue bonds were issued by the Louisiana Agricultural Finance Authority (LAFA), a component unit, which constituted conduit debt outstanding at year-end totaling $86,407,949 which is currently in default. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

Revenue bonds were issued by the Louisiana Public Facilities Authority (LPFA), a component unit, which constituted conduit debt outstanding at year-end totaling $6,111,175,087. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

I. OTHER GENERAL LONG-TERM OBLIGATIONS

The liability for compensated absences is described in detail in Note 1, Section C; the liability for capital leases is described in more detail in Note 7, Section C; the liability for claims and litigation is described in more detail in Notes 9, Section B; the liability for OPEB is described in more detail in Note 6A; and the liability for pollution remediation is described in more detail in Note 9, Section F.

J. PLEDGED REVENUES

Governmental Activities

Vehicular License Taxes

Mississippi River Bridge Authority issued its bridge revenue refunding bonds in 2002 for the Crescent City Connection Project in the amount of $19,900,000 to refund all or a portion of the outstanding 1992 bonds and fund the costs of issuance. The bonds are payable from and secured by a pledge of Highway Fund No. 2 moneys (comprised of the annual vehicular license taxes collected in six parishes), income earned from investment and any other moneys accruing to the Authority. The Authority has obligated the Highway Fund No. 2 moneys to cover the principal and interest requirements until the bonds are fully paid in 2012. The Authority earned $5,441,447 of Highway Fund No. 2 revenue as of June 30, 2010, and paid principal and interest of $2,045,000 and $336,631, respectively, on the bonds. The outstanding bond principal and interest is $6,735,000 and $460,284, respectively.

Contract Parking Agreement – Tulane University

Health Education Authority of Louisiana (HEAL) is a body corporate created to operate a multi-institutional facility that included public and private institutions dedicated to health related services (the Medical Complex). HEAL

issued taxable revenue bonds of $9,350,000 in December 1998 to finance the acquisition, construction and installation of an additional 516 parking spaces to an existing multilevel parking garage and build a skywalk to another facility. The garage was for Tulane Medical Center employees and students, visitors to the Medical Complex and the public. The bonds are payable solely from the income and revenues derived by the Authority from the parking garage, including payments received from Tulane University pursuant to a contract parking agreement and lease agreement through 2031. The Authority has agreed to pay the principal and interest requirements as they become due and payable until the bonds are fully paid in 2031. The total principal and interest remaining on the bonds is $7,300,000 and $6,249,860, respectively. The principal and interest paid for the current year was $165,000 and $480,825.

Office of Motor Vehicle Handling Fees

Louisiana Public Facilities Authority (LPFA) issued revenue bonds to the Department of Public Safety and Corrections, an agency of the State, in 1999 and in 2001 to enable the department to acquire, construct, and equip a new Department of Public Safety Services complex and a new Joint Emergency Services Training Center complex. LPFA issued refunding bonds of $62,895,000 in October 2007 to advance refund the 1999 and 2001 outstanding revenue bonds. The 2007 bonds are secured by an irrevocable pledge and dedication of the handling fees collected by the Office of Motor Vehicles; $13,555,178 of handling fees were collected during fiscal year ended June 30, 2010. This revenue will remain pledged until the bonds and the loan agreement have been fully paid and discharged in 2022. The total principal and interest remaining on the bonds is $56,625,000 and $16,843,125. The principal and interest paid for the current year was $3,870,000 and $2,928,000, respectively.

Fire Insurance Premiums

LPFA issued revenue bonds of $5,255,000 in 2002 for the Department of Public Safety and Corrections, an agency of the State, to provide funds to relocate, plan, acquire, construct, and equip the Department of Public Safety Fire Marshal's Headquarters. The Department agrees to make all bond-related payments due subject to annual appropriation by the Legislature from the Louisiana Fire Marshal Fund. In addition, the appropriated funds may be utilized first to satisfy payroll obligations prior to making the debt service payments. Failure by the Legislature to appropriate sufficient funds to satisfy the obligation of the Department under the funding agreement will not constitute an event of default, and the funding agreement will continue in full force and effect as if the appropriation had been made. The bonds are payable through 2014. Louisiana Fire Marshal Fund revenues are comprised of an annual tax levied on the gross annual premium receipts from any business that insures property in Louisiana against loss or damage by fire and any moneys collected from the imposition of fees on sprinkler systems. In fiscal year ended June 30, 2010, the legislature appropriated $9,976,598 to the Department from the Fire Marshal Fund. Total principal and interest remaining on the bonds is $2,300,000 and $347,506, respectively. The principal and interest paid for the current year was $495,000 and $164,205.

Tobacco Settlement Revenues

Tobacco Settlement Financing Corporation, a special purpose public corporate entity and an instrumentality independent of the State, issued $1,202,770,000 of tobacco settlement asset-backed bonds in 2001. The revenue bonds were issued to finance the Corporation's purchase of the pledged tobacco settlement revenues (TSRs). The pledged TSRs consist of 60% of all amounts required to be paid to the State after the issuance of the Series 2001 Bonds. Participating cigarette manufacturers (PMs) entered into a Master Settlement Agreement (MSA) with 46 states and six other U.S. jurisdictions in 1998. The MSA requires the PMs to make certain initial, annual and strategic contribution payments to each entity included in the MSA. The Corporation's claim to pledged TSRs is on parity with the State's claim of the remaining 40% of all amounts payable to the State. The Bonds are secured by and payable from (i) the pledged TSRs and all investment earnings on the amounts on deposit in certain collection accounts, (ii) amounts held in a liquidity reserve account, and (iii) all amounts, if any, on deposit in other accounts established. The Corporation received pledged revenues of $88,112,026 for fiscal year 2010. The bonds, payable through 2039, have total principal and interest outstanding of $899,045,000 and $274,857,920, respectively. The principal and interest paid for the current year was $38,960,000 and $54,332,150.

Gasoline and Motor Fuels Taxes and Special Fuels Taxes

Louisiana State Bond Commission on behalf of the State issued gasoline and fuels tax revenue bonds in 2002, 2005, 2006, and 2009. In June 2010, the Commission issued Refunding Bond Series 2010A to refund the current Bond Series 2009A-2 in the amount of $103,125,000 (See Note 8, Section G). The total debt secured for gasoline and fuels tax revenue bonds amounts to $2,392,490,000. The bonds mature in 2032, 2035, 2041, and 2043, respectively. Bond proceeds are to be used for financing the construction of highway and bridge projects. The bonded debt is payable solely from and secured by a pledge of gasoline and fuel taxes, including investment income and securities on the gasoline and fuel taxes on deposit in the Transportation Trust Fund and all funds and accounts created under the bond resolutions. Revenues available in fiscal year 2010 for funding debt service due were $617,795,379. The total principal and interest remaining on the bonds is $2,351,840,000 and $2,786,393,806, respectively. Principal and interest paid for the current year was $5,880,000 and $100,787,543.

Business-Type Activities

Highway 1 Tolls

Louisiana Transportation Authority, a public corporation within the Department of Transportation and Development (DOTD), issued toll revenue bonds of $195,800,000 in 2005 to finance a highway project in the lower portion of Lafourche Parish. In August 2009, LTA issued Series 2005 TIFIA Bonds to refinance the Series 2005 Subordinate Lien BANS in the amount of $66,000,000. These bonds are payable solely from a second lien on the pledge of toll revenues. The project will create elevated highways that run parallel to Highway 1, with a bridge over Bayou Lafourche. The bonds are secured by a pledge of toll revenues on the southbound lane of the new highway from Leeville to Port Fourchon and are payable through 2040. The Authority has committed the toll revenues to cover the principal and interest requirements until the bonds are fully paid and discharged. Toll revenues collected in fiscal year 2010 totaled $2,853,353. The total principal and interest remaining on the bonds is $195,800,000 and $130,370,347, respectively. The interest paid for the current year was $4,192,551, with no principal payment due.

Component Units

Bridge Toll and Vehicular License Taxes

Greater New Orleans Expressway Commission (GNOEC) issued improvement bonds in 1999 and refunding (the 1992 series bonds), improvement bonds in 2003. In 2009, GNOEC issued revenue bonds refunding the 1999A series bonds. The total bonds issued of $77,505,000 were used to finance safety and capacity improvements to the North Toll Plaza parking area, and at westbound West Esplanade Avenue, and at Causeway Boulevard. The bonds are payable solely from a pledge of tolls and other revenues derived from the ownership or operation of the Expressway, as supplemented by funds dedicated from the collection of vehicular license taxes (Highway Fund No. 2). The Commission has committed the tolls and vehicular license taxes to cover the principal and interest requirements until the bonds are fully paid and discharged in 2034. In fiscal year ended October 31, 2009, the Commission recognized revenue of $22,253,790 from tolls and Highway No. 2 vehicular taxes. Total principal and interest remaining on the bonds at October 31, 2009, is $65,195,000 and $37,424,656, respectively. The principal and interest paid for that fiscal year was $1,955,000 and $2,784,887.

Syrup Mill and Slot Machine Revenues

Louisiana Agricultural Finance Authority issued revenue bonds in 2004 in the amount of $45,000,000 to acquire, construct and equip a syrup mill and other facilities related to the use of sugar cane in Lacassine, Louisiana. The bonds are secured by the pledge of net revenues from the operation of the mill and the avails of net slot machine proceeds as described in Louisiana Revised Statute 27:392(B)(4). The statute provides $12 million annually to the Authority to fund or secure revenue bonds for agricultural, agronomic, horticultural, etc. and other economic development programs. The Authority is obligated to cover the principal and interest requirements each year until the bonds are fully paid and discharged in 2015. Act 122 of 2009 provided $15,000,000 to retire bonds. The total principal and interest remaining on the bonds is $30,000,000 and $1,977,624, respectively. Principal and interest paid for the current year was $15,000,000 and $1,275,500, respectively.

Fertilizer, Feed, and Pesticide Fees

Louisiana Agricultural Finance Authority issued revenue bonds in 2006 in the amount of $9,608,438 to refund series 1998 bonds and acquire, construct and install facilities for the Department of Agriculture pursuant to a lease agreement. The bonds are secured and payable solely from and by a pledge of income and revenues from the sale of fertilizers, commercial feed and pesticides and are payable through 2013. The Department has committed to pay amounts sufficient to cover the principal and interest on the bonds for the duration of the debt. Total revenue reported by the Fertilizer Fund, the Feed Fund, and the Pesticide Fund for the current fiscal year is $6,976,166. The total principal and interest remaining on the bonds is $5,765,064 and $163,384. The principal and interest paid for the current year was $1,921,688 and $107,345, respectively.

Lease Agreement

Louisiana Agricultural Finance Authority issued revenue bonds of $37,000,000 in 2007 to (i) renovate an office building, (ii) purchase new trucks, bulldozers, and other equipment for firefighting and other agricultural purposes, (iii) acquire, construct, and equip buildings and related facilities, and (iv) acquire emergency generators for the Department of Agriculture and Forestry. The bonds are secured solely from income and revenues, and receipts derived or to be derived from payments made or collections obtained in a lease agreement and are payable through 2027. The lease requires the Department to pay from legally available funds, subject to annual appropriation by the Louisiana Legislature, annually, all the amounts necessary to pay the annual debt service and administrative expenses. The total principal and interest remaining on the bonds is $36,100,000 and $12,449,805. The principal and interest paid for the current year was $300,000 and $1,917,480.

Hotel Occupancy Tax

Louisiana Stadium and Exposition District issued revenue bonds for $294,325,000 in 2006 to refund all or a portion of prior debt, to pay operational expenses of the District, and to finance the cost of the new construction projects in or around New Orleans, such as the betterments at the Superdome, the baseball stadium, basketball facility, the

football training facility, and the multipurpose facility. The bonds are secured by a pledge of all revenues of the District that are not previously dedicated for another use; however, the hotel occupancy tax revenues in the parishes of Orleans and Jefferson are expected to be the primary source of funding. The District has committed all revenues, especially the hotel occupancy tax, to cover principal and interest requirements until the bonds are fully paid and discharged in 2037. Pledged revenues for fiscal year ended June 30, 2010, totals $100,502,977. Total principal and interest remaining on the bonds is $294,325,000 and $290,342,702, respectively. Interest paid for the current year was $20,747,730, with no principal payment due.

Commodities and Utilities

Sabine River Authority issued refunding bonds for $5,765,000 and taxable revenue bonds for $2,825,000 in 2003. The refunding bonds allowed the Authority to defease its Series 1999 bonds. The taxable revenue bonds were used to replace two hydroelectric generating units at Toledo Bend and to pay a portion of the cost of redeeming outstanding Series 1964 general obligation bonds. The bonds are secured by a pledge of (i) the net compensation, revenues, and receipts derived from all commodities sold and rendered by Sabine River Authority (except for revenues derived from the sale of water from the Sabine River Diversion Canal); (ii) all net revenues derived or to be derived from leases or operating agreements; and (iii) all net revenues derived from the sale of electric power and energy. The Authority has dedicated an amount sufficient for the payment of the bonds to cover the principal and interest requirements as they become due and payable until the bonds are fully paid and discharged in 2014. Revenues available for debt service coverage during the current fiscal year were approximately $12,000,000. The total principal and interest remaining on the bonds is $3,700,000 and $391,777, respectively. The principal and interest paid for the current year was $820,000 and $191,127, respectively.

NOTE 9: CONTINGENCIES

A. CLAIMS AND LIABILITIES HANDLED BY THE OFFICE OF RISK MANAGEMENT

Pursuant to Act 448 of the 1988 Regular Session of the Louisiana Legislature, R.S. 39:1533 was re-enacted to reactivate the "Self-Insurance Fund" within the Department of the Treasury. The Self-Insurance Fund consists of all premiums paid by State agencies under the State's risk management program, the investment earnings thereon, and commissions retained. The Self-Insurance Fund may only be used for the payment of losses incurred by state agencies under the self-insurance program together with insurance premiums, legal expenses, and administrative costs. The Office of Risk Management (ORM) is responsible for the State's risk management program and that office now has the duty to negotiate, compromise, and settle all claims, including all tort claims against the State or State agencies covered by the Self-Insurance Fund, and all tort claims against the State or State agencies not covered by the Self-Insurance Fund when funding is provided by the legislature through the State General Fund.

For fiscal year 2009-2010, the Self-Insurance Fund paid $202,253,986 to satisfy claims and judgments. At June 30, 2010, outstanding non-discounted reserve valuations of the open claims within the programs totaled $891,023,796. Because the Self-Insurance Fund is now in a deficit posture and is no longer a viable internal service fund, discounts are not applicable under GASB Statement No. 10. At June 30, 2010, ORM cash balances included $16,369,798 in the Self-Insurance Fund and $9,382,394 in the Future Medical Care Fund. ORM advises that the non-discounted liability reserve valuation for the claims in litigation against state agencies being handled by that office is valued at $230,947,914 at June 30, 2010.

B. CLAIMS AND LIABILITIES HANDLED OUTSIDE OF THE OFFICE OF RISK MANAGEMENT

The estimated probable future liability resulting from litigation, contract claims, and judgments against the State that is not being handled by the Office of Risk Management, not including contract claims reported by the Department of Transportation and Development ("DOTD"), is approximately $313,410,186 (accrued in the accompanying financial statements). In addition, as of June 30, 2010, there are claims against the State, not including contract claims reported by DOTD, totaling $285,026,621 for which it is reasonably possible that the State will incur liability.

In September of 1993, the Louisiana Supreme Court invalidated, on constitutional grounds, R.S. 13:5106, limiting the State's liability for general damages to a maximum of $500,000. In January of 1994, following the same reasoning, the Supreme Court invalidated R.S. 13:5112(C), limiting the State's liability for pre-judgment interest to 6%. Subsequently, the voters approved a constitutional amendment curing the defect found by the Supreme Court in the two cases. This amendment, along with the re-enactment of the two cited statutes, as well as several other statutes intended to protect the State in tort claims, became effective in November of 1995. The State's efforts to have the amendment and the legislation made applicable to then pending claims to limit recovery in

accordance with the statutes were unsuccessful. Consequently, any case pending in September of 1993 will have no upper limit on general damages, any case pending in January of 1994 will not be subject to 6% interest pre-judgment, and any claim arising as late as November 24, 1995 will not be limited by either statute. The financial impact of this court-imposed hiatus has been significant but is declining as cases are resolved. The State's Medical Malpractice Statute (R.S. 40:1299.39) was not impacted by the Supreme Court's decision vis a vis R.S. 13:5106.

In February of 2004, the Louisiana Supreme Court held that the parents who brought a wrongful death action against the State of Louisiana were each entitled to the statutory cap of $500,000 for wrongful death actions. Previously, it was the belief that the limit was $500,000 per death victim. This could impose an adverse impact upon the State's liability for tort compensation. In the 2005 Regular Legislative Session, the Legislature passed Senate Bill No. 258 which was signed by the Governor and enacted as Act No. 1 of the 2005 Regular Legislative Session in response to the Louisiana Supreme Court's erroneous interpretation of the statutory cap found under R.S. 13:5106 in Lockett v. the State of Louisiana, Department of Transportation and Development, 2003 – 1767 (La 2/25/04), 869 So.2d 87. The provisions of Act No. 1 are intended to explain the original intent of the legislature, notwithstanding the contrary interpretation by the Louisiana Supreme Court in Lockett, but shall be applied prospectively only from its effective date of May 27, 2005.

Act 3 of the First Extraordinary Session of the Legislature of 1996 amended Article 2323 of the Louisiana Civil Code to require trial quantification of the degree of liability of known non-parties, unknown persons not made a party, and statutorily immune parties such as the employer of a plaintiff suing a third party tortfeasor. The same act also amended Article 2324 of the Civil Code to provide that a negligent defendant would pay compensation calculated solely on the degree of his liability under comparative fault, regardless of the ability of co-defendants to pay their respective shares. The Louisiana Supreme Court declared that the provisions of Act 3 were remedial in nature and, therefore, retroactive in application to pending cases. This ruling will result in some reduction of the ultimate liability of the State in pending and future cases.

In June of 2001, the Louisiana Supreme Court, in the Pope decision, held that the administrative remedy procedure for inmates in the custody of the Department of Corrections was unconstitutional. Under the procedure, inmate complaints that reached the state court system did so as judicial review of agency decisions. Many of those complaints will now be lawsuits rather than administrative matters. The financial impact of this decision has been significant, both in the expense of defending these cases and in the potential judgments, but declined as cases were resolved.

In the First Extraordinary Session of 2002, the Legislature passed Act 89 to address the impact of the Supreme Court's inmate administrative remedy decision. The legislation was signed into law on April 19, 2002, and affects suits filed thereafter. The Act may significantly limit litigation costs and the tort exposure of the State in inmate claims going forward from enactment; however, it does not significantly limit the hundreds of suits filed before enactment. Again, the expense of defense and potential judgments is declining as cases are resolved. The Louisiana Supreme Court has held in Cheron v. LCS Corrections Services that exhaustion of inmate claims is not required during the time period from the Pope decision, in June of 2001, until the passage of Act 89 in April of 2002. The Constitutionality of Act 89 was upheld in the 1st and 2nd Circuit Courts of Appeal.

From the beginning of fiscal year 2002-2003 to the present, the State's self-insurance fund has not been available as a source of funds to settle tort claims involving road defect allegations nor to pay final judgments in such matters. As a result, settlements and judgments in such road hazard tort claims have been and will continue to be funded and paid only through individual legislative appropriation. Since fiscal year 2002 the sum appropriated for such matters totaled approximately $147,835,550. Of that amount, $19,552,289 was appropriated in fiscal year 2009-2010.

While not included in the dollar values set forth above, it should be noted that suits have been filed challenging the constitutionality of various provisions of state law, including the seizure of property, environmental cleanup, private railroad crossing, closure of state facilities, retirement and employment provisions, insurance claims, executory process and liability for termination of pregnancy. While these cases do not seek recovery for damages, rulings adverse to the state could result in liability for the plaintiffs' attorneys' fees.

As of June 30, 2010, the Department of Transportation and Development (DOTD) advises that there are 836 expropriation cases pending with a total estimated exposure of $134,071,238. As payment of its estimate of just compensation upon filing of these suits, DOTD deposited $50,325,292 into the registry of the court. A reasonable possibility exists that DOTD will incur expropriation-related costs of $83,745,946 in excess of the just compensation on deposit with the courts. As of June 30, 2010, there were 51 outstanding inverse condemnation suits with an estimated demand of $4,631,325. DOTD has determined that it is reasonably possible that the actual settlements will total approximately $1,157,831.

Expropriation suits filed by levee boards and other expropriating entities, other than DOTD, have not been included in the above liability of pending expropriation suits, because the State does not appropriate amounts for other expropriating entities. In addition to the amount reported as Fund Balance-Reserve for Construction in the Capital Outlay Escrow Fund, DOTD indicates that $807,037,998 in flood control and construction contracts is outstanding and unfunded at June 30, 2010. In addition, DOTD estimates that there are contract and miscellaneous suits totaling $1,035,000 for which it is reasonably possible that the State will incur liability.

As of June 30, 2010, the State is not aware of any pending suits concerning the ability of the State to issue bonds or other evidences of indebtedness.

The Department of Revenue (DOR) has advised that the total amount of pending litigation affecting the DOR's right to tax, where there is a probable likelihood that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2010, is $32,313,439 (accrued in the accompanying financial statements). The DOR has also advised that the total dollar amount of pending litigation affecting the DOR's right to tax, where it is reasonably possible that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2010, is $84,742,177. These estimates include a large number of refund claims that were filed as a result of the enactment of Act 6 of the First Extraordinary Session of the Louisiana Legislature of 2001. This legislation amended R.S. 47:1621 and expanded the conditions under which the DOR is now authorized to make tax refunds.

The Injured Worker Reemployment Program encourages employers to hire physically handicapped employees who have a permanent partial disability, by reimbursing the employer or, if insured, his or her insurance carrier for part of the workers' compensation costs for on-the-job injuries. The estimated total future payments to be made for claims outstanding at June 30, 2010, were $142,990,460, which is included in the accompanying financial statements. Funds to make these payments will come from an annual assessment made against all insurance companies writing workers' compensation insurance in the State and all employers that are self-insured.

Discrete Component Units

The future liability for disallowed costs, existing claims, and contracts against the discrete component units of the State is approximately $159,173,865, which is accrued in the accompanying financial statements. Also, as of June 30, 2010, there are existing claims and contracts totaling $34,473,023 against discrete component units of the State where there is a reasonable possibility that the entities will incur liability. These probable and reasonably possible liabilities include claims and contract cases against Louisiana Citizens Property Insurance Corporation - $130,921,180; Pontchartrain Levee District - $25,175,000; Southeast Louisiana Flood Protection Authority–East - $24,982,623; Louisiana Agricultural Finance Authority - $4,800,000; Greater Baton Rouge Port Commission - $2,500,000; Louisiana Housing Finance Agency - $1,000,000; and other component units - $4,268,085.

C. DISALLOWANCES

A significant amount of federal grant dollars is received by the State subject to financial and compliance audits mandated by the grantors. Questioned costs resulting from these audits may be disallowed by the Federal grantor and may become a liability of the State. Liabilities from disallowances and settlement agreements with the federal government are estimated to be $529,416,364 (accrued in the accompanying financial statements). In addition, as of June 30, 2010, there are disallowed costs of $26,146,132 for which it is reasonably possible that the State will incur liability.

D. LIABILITIES AS A RESULT OF ADMINISTRATIVE RESPONSIBILITY

The State is the recipient of food commodities from the federal government and is responsible for distribution to the agencies, institutions, etc., that will ultimately distribute the food. The value of surplus commodities on hand in State warehouses at June 30, 2010, is $2,307,182. At this time, the State anticipates no material losses because of this federal program.

E. UNDERGROUND STORAGE TANKS

The 765 Underground Storage Tanks (UST) sites are remediated under The Resource Conservation and Recovery Act (RCRA) Subtitle I and may be eligible for funding through the state's Motor Fuels Underground Storage Tank Trust Fund or the U.S. EPA's Leaking Underground Storage Tank (LUST) Trust Fund. The Underground Storage Tank Trust Fund is established by statute to collect fees from underground storage tank owners; fund assets are then used to finance remediation and/or removal of leaking storage tanks.

Additionally, as of July 1, 2001, a new state source of funding for LUST remediation is available to the Louisiana Department of Environmental Quality (DEQ) to address "orphan" LUST sites. DEQ has identified and prioritized 11 "orphan" sites among the 765 known leaking UST sites.

Act 1121 of the 2001 Regular Session directed that beginning July 1, 2001, all interest monies earned by the Motor Fuels Underground Storage Tank Trust Fund shall be used for the closure of abandoned motor fuel USTs and assessment and remediation of property contaminated by abandoned motor fuel USTs. Additionally, as of July 9,

2009, the EPA awarded $2.68 million to Louisiana under the American Recovery and Reinvestment Act of 2009 (ARRA) to assess and clean-up UST petroleum leaks. The EPA funding is to be used on "shovel ready" assessment and clean-up projects where the responsible party is unknown, unwilling or unable to finance the clean-up. This funding source will be used in conjunction with the interest monies to fund assessments and clean ups in the upcoming fiscal year.

Louisiana spent $10,807,528 assessing and remediating USTs in fiscal year ending June 30, 2010. The ending liability of $36,828,821 will be funded by the Motor Fuels Underground Storage Tank Trust Fund.

F. POLLUTION REMEDIATION OBLIGATIONS

Louisiana is involved in various types of pollution and contamination remediation activities across the state. These activities include site assessments, site investigations, clean-up activities, and post-remediation monitoring. Remediation costs are usually funded by the Capital Outlay Escrow Fund through the Office of Facility Planning and Control or through the Department of Environmental Quality, which may obtain federal grants and state General Fund appropriations for such projects.

The current value of a remediation obligation liability is based on assumptions or expectations about future events that affect the measurement of the liability under the expected cash flow technique. However, the expectations are subject to change over time due to changes in technology, changes in applicable federal, state, and local laws or regulations, price increases or decreases, or changes in the remediation plan. In addition, the state seeks insurance recovery or the identification of potentially responsible parties to recover remediation costs. These recoveries may reduce costs of remediation when the recovery becomes recognizable or probable. Under specific circumstances, costs of remediation may be capitalized as part of a capital asset.

During the fiscal year, Louisiana spent $11,841,345 for pollution and contamination remediation activities and recovered $6,058,668 from responsible parties. At June 30, 2010, the State had a pollution remediation obligation of $84,092,711. These amounts include expenditures, recoveries and ending liability for the BP oil spill discussed below.

The Louisiana Department of Transportation and Development (DOTD) has filed a lawsuit against ConocoPhillips Petroleum Inc. to either remediate hazardous waste or reimburse DOTD for all costs of remediating the contamination and redesigning planned construction, if necessary. ConocoPhillips released hazardous waste on its own property in Calcasieu Parish in 1987 and 1994. DOTD determined that the hazardous substance has migrated onto state property that is to be used for the reconstruction and expansion of Interstate-10. The costs of remediating the contamination cannot be estimated because the extent of the contamination has not yet been determined.

On April 20, 2010, the British Petroleum Exploration Inc. (BP) experienced a fire and explosion on their leased Oil Rig in the Gulf of Mexico which was being operated by Transocean Ltd. at the time of the incident. This explosion resulted in an unprecedented spill of oil into the Gulf of Mexico along the Louisiana coast. The State responded to protect its environment by adopting a series of measures that included assessment of the damage, environmental impact, immediate clean up and remediation of the polluted environment, estimation of long term impact on its people and the environment, the cost of the clean up, and determination of the expected recovery from BP. The State's remediation activities have included use of suction technology as well as building of coastal sand berms for removal of the oil spill. At June 30 2010, the state spent $5,878,025.00 on remediation activities and received reimbursements for those expenditures. The liability for future remediation of the pollution and the expected recovery cannot be reasonably estimated at this time. Although the full impact of the spill cannot be reasonably estimated, BP has taken responsibility for the cleanup of the spill, and the restoration of the State's environment.

G. COOPERATIVE ENDEAVORS

R.S. 33:9022 defines "cooperative endeavor" as any form of economic development assistance between and among the State, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The State has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the State. The estimated amounts outstanding for governmental units as of June 30, 2010, which are not reflected on the accompanying financial reports, are as follows:

• General funds	$1,284,830,345
• Self-Generated funds	251,476,459
• Statutorily Dedicated funds	486,507,903
• General Obligation Bonds	1,054,435,345
• Federal funds	2,806,194,884
• Interagency transfers	9,431,985
• Other funds	220,775,151
Total	$6,113,652,072

NOTE 10: FUND BALANCE/NET ASSETS DISCLOSURES

A. RESERVATIONS AND DESIGNATIONS OF FUND BALANCE

Reservations of fund balance are those amounts either legally restricted to a specific future use or not available for appropriation or expenditure. Designations of fund balance represent self-imposed limitations on the use of otherwise available expendable financial resources. The following table enumerates the fund balance reservations and designations (expressed in thousands).

	General Fund	Capital Outlay Escrow Fund	Louisiana Education Quality Trust Fund	Nonmajor Funds	Component Units
Reserved for:					
Debt service	$ --	$ --	$ --	$ 131,686	$ 151,680
Inventories	72,113	--	--	--	--
Encumbrances	121,314	--	--	97,785	--
Continuing projects	--	--	--	370,927	--
Construction	--	1,197,758	--	137,492	26,998
Trust principal	--	--	1,015,857	17,164	--
Other specific purposes	820,322	--	--	79,688	164,897
Nonexpendable	--	--	--	--	592,293
Expendable	--	--	--	--	795,784
Total Reservations of Fund Balances	$ 1,013,749	$ 1,197,758	$ 1,015,857	$ 834,742	$ 1,731,652
Designated for:					
Total Net Unrealized Gains on Fair Value of Investments	$ 152,118	$ 243	$ --	$ 51,801	

B. ENCUMBRANCES

Total encumbrances amounted to $358,276,081. Encumbrances relating to federal revenues not deferred totaling $135,387,025 are not reported on the face of the General Fund balance sheet. Encumbered interagency transfers of $2,258,814 and self-generated funds of $1,531,920 are also not included in the reserve for encumbrances on the General Fund balance sheet because monies were not available at fiscal year end to cover these encumbrances. Encumbrances of statutory dedications totaling $97,784,317 are reported in the appropriate fund types as reserve for encumbrances. The amount reserved for encumbrances on the General Fund balance sheet is $121,314,005.

C. NET ASSETS RESTRICTED BY ENABLING LEGISLATION
(expressed in thousands)

The government-wide statement of net assets reports $6,144,599 of restricted net assets for the primary government, of which $624,189 is restricted by enabling legislation.

D. NET ASSETS RESTATEMENT – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table discloses restatements of net assets for governmental activities in the government-wide financial statements (expressed in thousands):

	Governmental Activities
Net Assets at June 30, 2009	$ 18,521,706
Prior Period Adjustments	187,862
Beginning Net Assets as Restated	$ 18,709,568

E. FUND BALANCE/NET ASSETS RESTATEMENT – FUND FINANCIAL STATEMENTS

The following table discloses restatements of certain fund balances/net assets by fund type (expressed in thousands):

	General Fund	Major/Nonmajor Governmental Funds	Major/Nonmajor Enterprise Funds	Component Units
Fund Balances/Net Assets at June 30, 2009	$ 1,658,777	$ 8,955,399	$ 2,500,924	$ 3,045,455
Reclassification of Fund Types	--	(554,219)	(272,109)	1,374
Prior period adjustments	18,783	(25,406)	--	(140,436)
Beginning Fund Balances/Net Assets as Restated	$ 1,677,560	$ 8,375,774	$ 2,228,815	$ 2,906,393

F. ENTITY RECLASSIFICATIONS

For the year ended June 30, 2010, the Patient's Compensation Fund Oversight Board was reclassified from a special revenue fund to an enterprise fund which resulted in a decrease in beginning fund balance for non-major governmental funds of $(554,219) and a decrease in beginning net assets of $(272,309) for enterprise funds. The Addictive Disorder Regulatory Authority was reclassified from a governmental entity (agency) to a proprietary entity (board) which resulted in an increase of beginning net assets of $200 for enterprise funds. The Louisiana State Board of Cosmetology was reclassified from primary government to discrete component unit which resulted in an increase in beginning net assets of $1,374 for discrete component units.

G. PRIOR PERIOD ADJUSTMENTS
(expressed in thousands)

An adjustment in the General Fund increased beginning fund balance by $18,783. This adjustment is due to various entries including prior year off-system adjustments.

For major and non-major governmental funds, the adjustment to beginning fund balance is due to a decrease in beginning fund balance of $(18,146) for the Louisiana Education Quality Trust Fund and a decrease in beginning fund balance of $(7,260) for the State Highway Improvement Fund for various prior period adjustments. For discrete component units, the adjustment to beginning net assets is due to a decrease in beginning net assets of $(140,436) for Colleges and Universities, the Louisiana Citizens Property Insurance Corporation, the Louisiana Utilities Restoration Corporation, and the Louisiana Stadium and Exposition District for various prior period adjustments.

NOTE 11: OTHER DISCLOSURES

A. PATIENT'S COMPENSATION FUND OVERSIGHT BOARD

The Patient's Compensation Fund acts primarily as an agent to facilitate payment of medical malpractice claims by covering excess liability of private sector health care providers practicing in the State. The fund levies surcharges to private sector health care providers to pay settled claims and administrative expenses paid on behalf of health care providers during the prior year. Although RS 40:1299.44 indicates that the fund and any income from it are not public monies, the fund's financial transactions and long-term obligations of $773,400,000 are included in the accompanying financial statements in accordance with the provisions of GASB Codification Section 1100.108-112. The long-term obligations reported at June 30, 2010, are based on actuarial projections made as of December 31, 2009.

B. LOUISIANA HOUSING FINANCE AGENCY

The Louisiana Housing Finance Agency has single and multifamily mortgage revenue bonds outstanding of $958,000,000 which are not included in the accompanying financial statements. The obligations of the bond programs are not obligations of the State, and the State is not liable for such obligations. The ability of the programs to meet the debt service requirements on bonds issued to finance mortgage loans is dependent on the ability of the mortgagers in such programs to generate sufficient funds to meet their respective mortgage repayments.

C. OFFICE OF RISK MANAGEMENT

The Office of Risk Management purchases annuities to settle portions of certain claims. Third-party trustees then make payments to the claimants. Annuities totaling $36,999,765 have been purchased as of June 30, 2010. At

June 30, 2010, there were 98 active annuities valued at $203,774,626. Of the 98 annuities, 82 annuities release the State from further liability on the related claims. The remaining 16 annuities, valued at $41,907,485, do not contain the wording necessary to release the State from any possible future liability, although the probability of these becoming a liability is remote.

D. RECONCILIATION OF CLAIMS LIABILITY FOR STATE RISK PROGRAMS

In addition to risks related to the Office of Risk Management, the State is exposed to various risks of the self-insured and self-funded State Employees' Group Benefits Program, which provides health and life insurance benefits to active and retired employees. Beginning in 1989, the State stopped carrying commercial insurance because of the prohibitive cost and began covering all claim settlements and judgments with the resources of the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Total claims and judgments expenditures were $960,783,158. Changes in the reported liability since June 30, 2009, resulted from the following (expressed in thousands):

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Recoveries from Settled and Unsettled Claims	Balance at Fiscal Year End
2009-10	$949,177	$956,140	($950,740)	$180	$954,757
2008-09	$949,163	$921,252	($915,168)	($6,070)	$949,177

E. RELATED PARTY TRANSACTIONS

The State Board of Elementary and Secondary Education (SBESE) serves as the governing board for the Department of Education. The State Superintendent of Education is appointed by the SBESE and is responsible for the daily administration of the department and submits educational policy and funding issues and awards to the SBESE for implementation authority.

The SBESE consists of eleven members representing eight geographic regions of the State (SBESE districts). Eight members are elected by citizens in the representative SBESE districts and three members at large are appointed by the governor. Elected and appointed members serve a term of four years concurrent with the term of the governor.

The Department of Education presents funding awards and/or allocations to the Finance Committee of the SBESE for recommendation to the full board. A majority of the board constitutes department authority to award funds to sub-recipients.

The elected SBESE member for the fourth SBESE district is currently the Superintendent of DeSoto Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ended June 30, 2010, DeSoto Parish School Board received amounts totaling $32,287,168 in funding authorized by SBESE and released by the Department of Education.

Louisiana Educational Television Authority (LETA) leases space on their satellite to various universities and the monies are deposited into the Foundation for Excellence in Louisiana Public Broadcasting. At June 30, 2010, the net amount held by the Foundation for rentals is $7,485,015, which includes $2,697,607 of interest earnings.

In addition, the Foundation entered into a contract with the Louisiana Lottery Corporation to provide production and nightly distribution services for the various lottery games. All equipment used in providing these services was purchased by the Foundation on behalf of LETA and was recorded on LETA's fixed asset listing in the prior years. Accordingly, the cumulative net revenue included for the services amounted to $841,587 and is owed to LETA.

F. CONTINGENT RECEIVABLES AND PAYABLES FOR UNCOMPENSATED CARE COSTS

Section 13621 of the Omnibus Budget Reconciliation Act (OBRA) of 1993 amended Section 1923 of the Social Security Act to limit disproportionate share hospital (DSH) payments. For State fiscal years beginning after January 1, 1995, payments to all hospitals were limited to 100% of uncompensated costs. Uncompensated costs were defined as cost of services to Medicaid patients, less the amount paid by the State under the non-DSH payment provisions; plus cost of services to uninsured patients, less any cash payments made by them.

Estimates and draws for DSH costs requested from the Federal Health and Human Services Agency by LSUHSC-HCSD through the Louisiana Department of Health and Hospitals were, after audit adjustments, found to include unallowable expenditures of $362,053,628 in Federal Financial Participation (FFP). The original letter dated December 2, 2002, from the Centers for Medicare and Medicaid Services (CMS) requested the State establish accounts receivable for these overpayments and refund the FFP within 60 days of receipt of the letter. Because the State did not do this, CMS again requested in a September 15, 2009, letter that the State make an adjustment to reduce FFP expenditures by $362,053,628 on the next quarterly expenditure report (Form CMS-64), which would result in a reduction of federal funds owed to the State. The CMS letter dated September 15, 2009, further stated "The State has the opportunity to appeal to the Departmental Appeals Board."

The State has appealed the decision of the CMS based upon the advice of legal counsel. Effective June

30, 2010, an adjustment was made to the disallowed amount reducing the unallowable FFP expenditures to $300,512,746.

G. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANTS (HUD)

A class action lawsuit has been filed alleging discriminatory practices relating to HUD grants disbursed as part of the Road Home program. The Road Home program provided Louisiana residents affected by Hurricanes Katrina or Rita with various types of grants to either repair and return to their homes or sell their homes to the Road Home Corporation and relocate. Plaintiffs allege that the calculation for a specific type of program grant was discriminatory toward African-American homeowners in Orleans Parish and are seeking the recalculation of grants given to affected residents, and further relief as the court may deem just. The state and other named defendants have filed motions to dismiss. No estimation of liability, if any, can be made as of the date of these financial statements.

H. HURRICANE KATRINA-RELATED CLASS ACTION LAWSUIT

The State of Louisiana, the State Board of Elementary and Secondary Education, and the State Department of Education, along with the Orleans Parish School Board, are defendants in a class action lawsuit. Plaintiffs were employees of the Orleans Parish School Board in 2005 when Hurricane Katrina destroyed the area's economy and infrastructure, and dislocated residents. The Plaintiffs contend that they were wrongfully terminated after the hurricane and should be compensated for back pay (including related benefits), emotional distress, and judicial interest. No estimation of liability, if any, can be made as of the date of these financial statements.

I. ADOPTION OF NEW ACCOUNTING PRINCIPLES

For the year ended June 30, 2010, the State of Louisiana implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets;* GASB Statement No. 53, *Accounting and Financial Reporting for Derivative* Instruments*;* and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

NOTE 12: SUBSEQUENT EVENTS

A. BOND ISSUANCES

1. Gasoline and Fuels Tax Second Lien Revenue Bonds, Series 2010-B

On August 26, 2010, the State issued $394,310,000 in Gasoline and Fuels Tax Second Lien Revenue Bonds, Series 2010-B. These bonds are special and limited obligations of the State, payable solely from and secured by a second lien and security interest in pledged gasoline and fuels tax collections available after payment of all amounts due for the first lien bonds. Series 2010-B was issued to finance the remaining highway and bridge projects specified in La. R.S. 47:820.2(B)(2).

2. General Obligation Bonds Series 2010-A and General Obligation Refunding Bonds Series 2010-B

On October 13, 2010, the State issued $206,495,000 in General Obligation Bonds Series 2010-A and $91,510,000 in General Obligation Refunding Bonds Series 2010-B. Both Series were sold at a competitive sale and premiums of $36,394,154.20 and $16,602,409.60, respectively, were received.

Proceeds from Series 2010-A will be used to defease General Obligation Refunding Bonds, Series 2000-A, 2002-A, and 2003-A. Series 2010-B will be used to defease a portion of the General Obligation Refunding Bonds Series 2004-A.

3. Lease Revenue Refunding Bonds, Series 2010-A, for Office Facilities Corporation

On November 23, 2010, Office Facilities Corporation, a nonprofit corporation that is a blended component unit, issued $57,610,000 in lease revenue refunding bonds Series 2010-A. Proceeds from the bonds, together with other funds available to the Corporation, will be used to advance refund the Corporation's Lease Revenue Bonds Series 2001 outstanding balance of $63,780,000, which were used for the Louisiana State Capitol Complex Program, and to pay issuance costs.

Discrete Component Units

4. Revenue Bond Series 2010 for the Louisiana Community and Technical College System (LCTCS)

The LCTCS Facilities Corporation, a blended component unit of the LCTCS, issued revenue bonds on August 31, 2010, through the Louisiana Local Government Environmental Facilities and Community Development Authority. The revenue bonds were issued as Series 2010 for $64,025,000 on parity with the Series 2009 Bonds. Series 2010 was issued to finance Phase Two of the

capital improvements and enhancements to certain facilities and properties of colleges within LCTCS.

5. Louisiana Local Government Environmental Facilities and Community Development Authority System Restoration Bonds Series 2010 for the Louisiana Utilities Restoration Corporation (LURC)

In conjunction with the Louisiana Public Service Commission, and the LURC, the Louisiana Local Government Environmental Facilities and Community Development Authority issued $244,100,000 in System Restoration Bonds (Louisiana Utilities Restoration Corporation Project/EGSL) Series 2010 and $468,900,000 in System Restoration Bonds (Louisiana Utilities Restoration Corporation Project/ELL) Series 2010 on July 22, 2010. These issues are to finance non-shareholder capital contributions to Entergy Gulf States Louisiana, LLC (EGSL) and Entergy Louisiana, LLC (ELL); both EGSL and ELL are utility subsidiaries of Entergy Corporation.

B. CONSTITUTIONAL AMENDMENTS

Two amendments to the Louisiana Constitution of 1974 were proposed and voted on at a general statewide election held October 2, 2010. Both were passed. A summary of the two amendments follows:

- Moves the convening of regular sessions of the legislature in even-numbered years to noon on the second Monday in March. Moves the convening of regular sessions of the legislature in odd-numbered years to noon on the second Monday in April. Changes the effective date of all laws enacted during a regular session of the legislature to August first of the calendar year in which the regular session is held unless an earlier or later effective date is specified in the bill.
- Provides that the director, deputy director, and all employees of the Governor's Office of Homeland Security and Emergency Preparedness shall be in the unclassified service of the state civil service.

Ten additional proposed amendments to the Louisiana Constitution of 1974 were voted on at a general statewide election held November 2, 2010. The eight amendments that passed are summarized below:

- To provide that any salary increase enacted by law for certain state elected officials not be implemented until a subsequent term of office.
- To decrease the amount of taxes retained by the state on the severance of natural resources, other than sulphur, lignite, and timber, and to increase the maximum amount of such revenues which are remitted to the parish governing authority from where the severance occurs.
- To exempt from ad valorem tax, in addition to the homestead exemption, the next seventy-five thousand dollars of value of property which is owned and occupied by a veteran with a service-connected disability rating of one hundred percent and to authorize the exemption to apply to the surviving spouse of a deceased veteran, if the exemption was in effect on the property prior to the death of the veteran and the surviving spouse remains the owner of the property.
- To authorize continuation of the homestead exemption and the special assessment level for a homestead that has been destroyed or is uninhabitable due to a disaster for two years if the homeowner's claim for damages is pending in a formal appeal process with a governmental agency or against the insurer of the property.
- To require a two-thirds vote of the elected members of each house of the legislature to enact any benefit provision for members of a Louisiana public retirement system if the provision has an actuarial cost.
- Provides that property expropriated for the public purpose of removing a threat to public health or safety caused by the existing use or disuse of the property shall not be subject to the requirement of offering the property back to the original owner who allowed the property to become a threat to public health and safety or to the requirement of public sale.
- To provide that, in civil matters only, when a court of appeal is to modify or reverse an administrative agency determination in a worker's compensation claim and one judge dissents, the case shall be reargued before a panel of at least five judges prior to rendition of judgment, and a majority shall concur to render judgment.
- To permit criminal defendants, except in capital cases, to waive their right to a trial by jury no later than forty-five days prior to the trial date.

C. LOUISIANA RECOVERY SCHOOL DISTRICT SETTLEMENT

The Recovery School District (RSD) and the Orleans Parish School Board (OPSB) reached a settlement with the United States Federal Emergency Management Agency (FEMA) of approximately $1.8 billion for the value of nearly all of the districts' damages attributable to Hurricane Katrina. The funds will be used to repair, maintain and, in some cases, demolish public schools that sustained damage from Hurricane Katrina.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 14,774,645	$ 16,112,858	$ 11,491,429	$ (4,621,429)
USE OF MONEY AND PROPERTY	--	--	781	781
SALES OF COMMODITIES	833,772	830,673	815,567	(15,106)
OTHER	154,613	178,546	185,563	7,017
INTERAGENCY TRANSFERS	661,011	662,097	586,102	(75,995)
TOTAL REVENUES	16,424,041	17,784,174	13,079,442	(4,704,732)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	8,087,465	8,726,637	4,207,066	4,519,571
CULTURE, RECREATION, AND TOURISM	93,119	111,435	81,367	30,068
TRANSPORTATION AND DEVELOPMENT	540,681	565,744	496,718	69,026
PUBLIC SAFETY	364,533	420,448	351,261	69,187
HEALTH AND WELFARE	9,166,595	9,791,109	9,215,517	575,592
CORRECTIONS	654,888	683,174	670,764	12,410
YOUTH SERVICES	159,524	162,453	152,829	9,624
CONSERVATION	600,829	718,550	518,277	200,273
EDUCATION	8,592,287	8,877,673	8,286,918	590,755
OTHER	23,621	21,834	21,284	550
INTERGOVERNMENTAL	380,603	393,417	398,506	(5,089)
DEBT SERVICE	75,053	76,829	66,194	10,635
TOTAL EXPENDITURES	28,739,198	30,549,303	24,466,701	6,082,602
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,315,157)	(12,765,129)	(11,387,259)	1,377,870
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	11,601,581	11,292,351	12,308,931	1,016,580
TRANSFERS OUT	(856,371)	(860,071)	(1,512,245)	(652,174)
TOTAL OTHER FINANCING SOURCES	10,745,210	10,432,280	10,796,686	364,406
NET CHANGES IN FUND BALANCES	$ (1,569,947)	$ (2,332,849)	$ (590,573)	$ 1,742,276

The notes to required supplementary information are an integral part of this schedule.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY REPORTING

FOR THE YEAR ENDED JUNE 30, 2010

The Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2010, is presented below (expressed in thousands) for the General Fund.

Net Change in Fund Balances (GAAP)	$	(697,364)
Reconciling Adjustments:		
Basis Differences:		
To Adjust for Revenue Accruals and Deferrals		1,794,137
To Adjust for Expenditure Accruals		(1,678,818)
To Delete IAT Related Transfers In		2,078,340
To Delete IAT Expenditures		(2,086,868)
Net Change in Fund Balances (Budgetary Basis)	$	(590,573)

Generally, revenues and expenditures are budgeted using the modified accrual basis of accounting. The budget is prepared for each budget unit at the appropriated program level which is the lowest level at which appropriations are adopted. This level of control also applies to the special revenue funds.

The General Fund Budget and Actual Schedule is reported by agency in the *Supplementary Information to the Comprehensive Annual Financial Report* available on request from the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

OTHER POSTEMPLOYMENT BENEFITS PLANS

FOR THE YEAR ENDED JUNE 30, 2010

OGB Plan

The State's Other Postemployment Benefits (OPEB) Plan is administered by the Office of Group Benefits (OGB) as an agent multiple-employer defined benefit OPEB plan. It provides health and life insurance coverage to eligible members. The following tables present the actuarially determined funding progress and required contributions for the OGB OPEB Plan using the projected unit credit cost method.

Schedule of Funding Progress
(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2007	$0	$7,892,905	$7,892,905	0.00%	$1,463,356	539.37%
Primary Government	7/1/2008	$0	$9,317,980	$9,317,980	0.00%	$1,641,049	567.81%
Primary Government	7/1/2009	$0	$7,490,167	$7,490,167	0.00%	$1,830,427	409.20%
Component Units	7/1/2007	$0	$4,179,108	$4,179,108	0.00%	$1,264,524	330.49%
Component Units	7/1/2008	$0	$4,409,394	$4,409,394	0.00%	$1,452,549	303.56%
Component Units	7/1/2009	$0	$3,413,382	$3,413,382	0.00%	$1,491,615	228.84%

Schedule of Employer Contributions
(Expressed in Thousands)

	Fiscal Year Ended	Annual Required Contribution (ARC) (a)	Contributions (b)	Percentage Contributed (b/a)
Primary Government	6/30/2008	$737,730	$135,644	18.39%
Primary Government	6/30/2009	$764,448	$141,309	18.49%
Primary Government	6/30/2010	$576,478	$147,050	25.51%
Component Units	6/30/2008	$379,186	$63,892	16.85%
Component Units	6/30/2009	$376,648	$68,234	18.12%
Component Units	6/30/2010	$274,834	$69,427	25.26%

LSU Health Plan

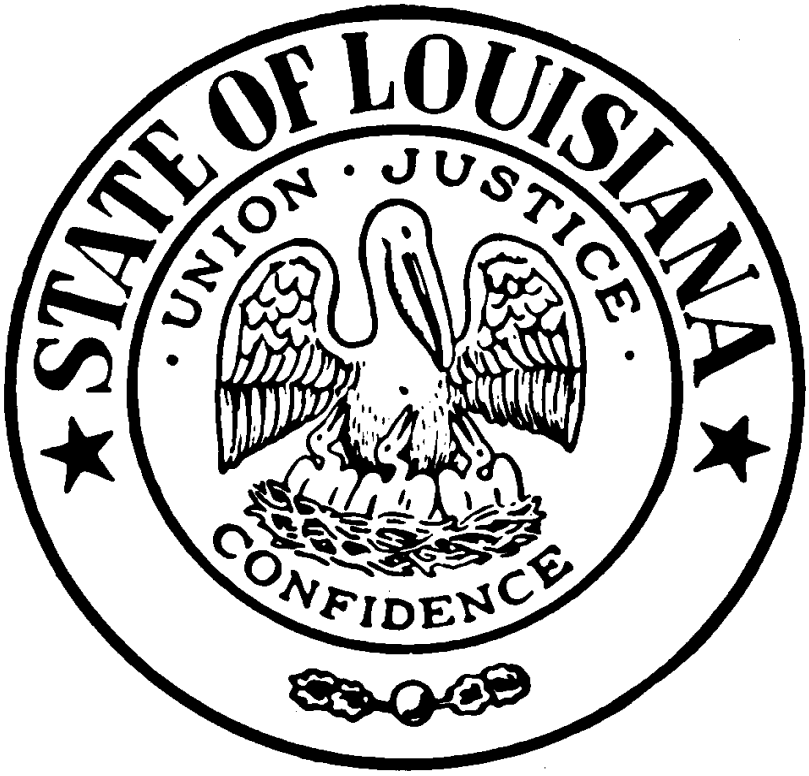
The Louisiana State University (LSU) System (System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries healthcare coverage through the LSU Health Plan. It is a single-employer defined benefit plan. The following tables present the actuarially determined funding progress and required contributions for the LSU Health Plan using the projected unit credit cost method.

Schedule of Funding Progress
(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2008	$0	$16,685	$16,685	0.00%	$23,011	72.51%
Primary Government	7/1/2009	$0	$15,585	$15,585	0.00%	$23,197	67.19%
Component Units	7/1/2007	$0	$470,940	$470,940	0.00%	$552,044	85.31%
Component Units	7/1/2008	$0	$471,004	$471,004	0.00%	$612,660	76.88%
Component Units	7/1/2009	$0	$608,551	$608,551	0.00%	$629,381	96.69%

Schedule of Employer Contributions
(Expressed in Thousands)

	Fiscal Year Ended	Annual Required Contribution (ARC) (a)	Contributions (b)	Percentage Contributed (b/a)
Primary Government	6/30/2009	$3,626	$512	14.12%
Primary Government	6/30/2010	$2,067	$515	24.92%
Component Units	6/30/2008	$49,787	$10,141	20.37%
Component Units	6/30/2009	$55,291	$11,295	20.43%
Component Units	6/30/2010	$62,333	$12,599	20.21%


STATE OF LOUISIANA
UNION · JUSTICE
CONFIDENCE

BUDGETARY COMPARISON SCHEDULE
MAJOR DEBT SERVICE FUND

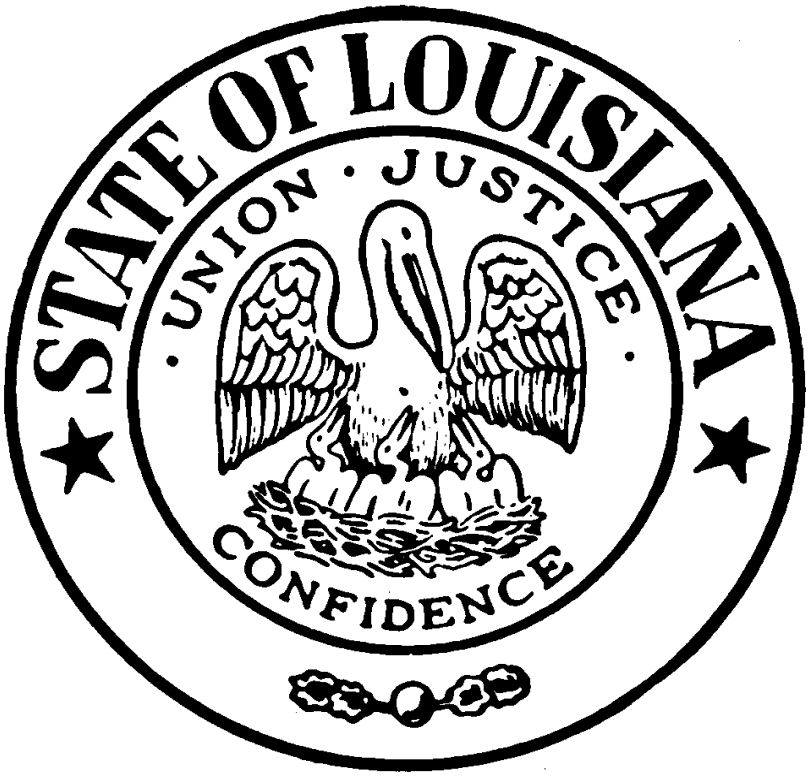
BUDGETARY COMPARISON SCHEDULE - BOND SECURITY AND REDEMPTION FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

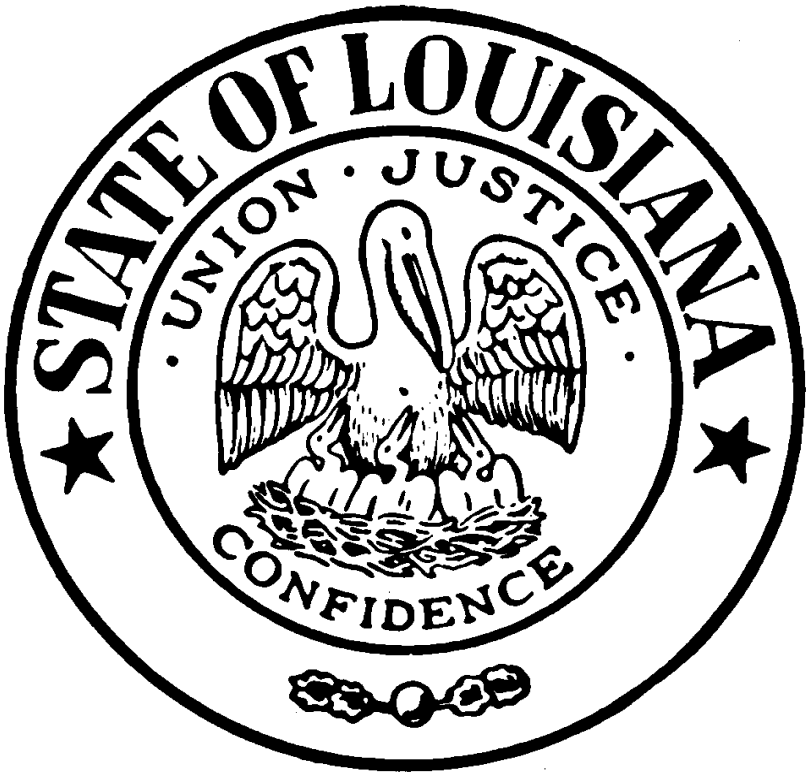
FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 8,899	$ 7,890	$ 17,501	$ 9,611
TAXES	7,853,900	7,024,760	6,792,398	(232,362)
GAMING	864,000	814,084	804,900	(9,184)
TOBACCO SETTLEMENT	81,500	63,400	58,729	(4,671)
USE OF MONEY AND PROPERTY	608,834	639,587	615,585	(24,002)
LICENSES, PERMITS, AND FEES	253,899	278,896	390,386	111,490
SALES OF COMMODITIES	41,793	50,242	72,323	22,081
OTHER	546,787	594,158	610,010	15,852
INTERAGENCY TRANSFERS	1,891,842	2,216,758	1,688,141	(528,617)
TOTAL REVENUES	12,151,454	11,689,775	11,049,973	(639,802)
EXPENDITURES:				
CURRENT:				
DEBT SERVICE	318,466	298,644	308,496	(9,852)
TOTAL EXPENDITURES	318,466	298,644	308,496	(9,852)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,832,988	11,391,131	10,741,477	(649,654)
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	--	--	9,399	9,399
TRANSFERS OUT	(11,832,988)	(11,391,131)	(10,750,876)	640,255
TOTAL OTHER FINANCING SOURCES AND (USES)	(11,832,988)	(11,391,131)	(10,741,477)	649,654
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULE – NONMAJOR FUNDS


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	ADULT PROBATION AND PAROLE OFFICER RETIREMENT FUND	AGRICULTURAL COMMODITY COMMISSION SELF-INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 5,417	$ --	$ 1,803	$ 993	$ 371
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	95	732	--	--	84
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 5,512	$ 732	$ 1,803	$ 993	$ 455
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	561	57	--	193
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	561	57	--	193
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	5,512	171	1,746	993	262
TOTAL FUND BALANCES	5,512	171	1,746	993	262
TOTAL LIABILITIES AND FUND BALANCES	$ 5,512	$ 732	$ 1,803	$ 993	$ 455

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	ADULT PROBATION AND PAROLE OFFICER RETIREMENT FUND	AGRICULTURAL COMMODITY COMMISSION SELF-INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	46	852	1,746	56	1,454
TRANSFERS OUT	(4,931)	(709)	--	--	(1,439)
TOTAL OTHER FINANCING SOURCES (USES)	(4,885)	143	1,746	56	15
NET CHANGE IN FUND BALANCES	(4,885)	143	1,746	56	15
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	10,397	28	--	937	247
FUND BALANCES AT END OF YEAR	$ 5,512	$ 171	$ 1,746	$ 993	$ 262

(Continued)

SPECIAL REVENUE FUNDS

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION FUND	APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AUDUBON GOLF TRAIL DEVELOPMENT FUND	AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND
$ 11	$ --	$ 608	$ 26	$ 3,488	$ 19	$ 16	$ --
--	--	--	--	41,030	--	--	--
--	--	--	--	--	--	--	--
--	--	11	4	--	1	--	318
--	--	--	--	--	--	--	--
$ 11	$ --	$ 619	$ 30	$ 44,518	$ 20	$ 16	$ 318
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
7	--	169	--	18,225	1	1	318
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
7	--	169	--	18,225	1	1	318
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,024	--	--	--
4	--	450	30	25,269	19	15	--
4	--	450	30	26,293	19	15	--
$ 11	$ --	$ 619	$ 30	$ 44,518	$ 20	$ 16	$ 318

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION FUND	APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AUDUBON GOLF TRAIL DEVELOPMENT FUND	AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,032	--	--	--
--	--	--	--	--	--	--	--
100	1	436	30	10,379	18	27	1,257
(100)	(1)	(400)	(112)	(18,952)	(17)	(24)	(1,257)
--	--	36	(82)	(8,573)	1	3	--
--	--	36	(82)	(7,541)	1	3	--
4	--	414	112	33,834	18	12	--
$ 4	$ --	$ 450	$ 30	$ 26,293	$ 19	$ 15	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BEAUTIFICATION PROJECT FOR NEW ORLEANS NEIGHBORHOODS FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 18	$ 649	$ 305	$ 215	$ 1,329
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	12	135	--	1	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 30	$ 784	$ 305	$ 216	$ 1,329
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	29	779	--	11	47
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	29	779	--	11	47
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--		--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1	5	305	205	1,282
TOTAL FUND BALANCES	1	5	305	205	1,282
TOTAL LIABILITIES AND FUND BALANCES	$ 30	$ 784	$ 305	$ 216	$ 1,329

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BEAUTIFICATION PROJECT FOR NEW ORLEANS NEIGHBORHOODS FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	71	2,205	101	35	314
TRANSFERS OUT	(70)	(2,200)	--	(25)	(665)
TOTAL OTHER FINANCING SOURCES (USES)	1	5	101	10	(351)
NET CHANGE IN FUND BALANCES	1	5	101	10	(351)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	--	204	195	1,633
FUND BALANCES AT END OF YEAR	$ 1	$ 5	$ 305	$ 205	$ 1,282

(Continued)

SPECIAL REVENUE FUNDS

BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL PROTECTION AND RESTORATION FUND	COASTAL RESOURCES TRUST FUND
$ 883	$ 643,857	$ 3	$ 1,168	$ --	$ 1,380	$ 449,879	$ 338
--	--	--	--	--	--	--	--
--	--	--	--	--	--	1,066	--
103	--	--	146	--	--	256,521	--
--	--	--	--	--	--	--	--
$ 986	$ 643,857	$ 3	$ 1,314	$ --	$ 1,380	$ 707,466	$ 338
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
655	--	--	758	--	--	257,303	56
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
655	--	--	758	--	--	257,303	56
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	1,954	--
331	643,857	3	556	--	1,380	448,209	282
331	643,857	3	556	--	1,380	450,163	282
$ 986	$ 643,857	$ 3	$ 1,314	$ --	$ 1,380	$ 707,466	$ 338

BOLL WEEVIL ERADICATION FUND	BUDGET STABLIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL PROTECTION AND RESTORATION FUND	COASTAL RESOURCES TRUST FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	(6,757)	--	--	--	--	239	--
--	--	--	--	--	--	--	--
--	--	--	2	--	--	4,192	--
--	(6,757)	--	2	--	--	4,431	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	126	--	--	--
--	--	--	--	126	--	--	--
--	(6,757)	--	2	(126)	--	4,431	--
--	--	--	--	--	--	--	--
1,575	86,177	3	926	1	381	386,246	769
(1,440)	(296,039)	(1)	(1,456)	--	--	(479,193)	(634)
135	(209,862)	2	(530)	1	381	(92,947)	135
135	(216,619)	2	(528)	(125)	381	(88,516)	135
196	860,476	1	1,084	125	999	538,679	147
$ 331	$ 643,857	$ 3	$ 556	$ --	$ 1,380	$ 450,163	$ 282

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	COMMUNITY AND FAMILY SUPPORT SYSTEM FUND	COMMUNITY WATER ENRICHMENT FUND	COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 4,353	$ 7,321	$ 117	$ 449	$ 16,007
INVESTMENTS	--	--	--	--	
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	--	287	234	8,898
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 4,353	$ 7,321	$ 404	$ 683	$ 24,905
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	635	--	--	3
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	635	--	--	3
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	6,466	--	--	219
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	692
UNDESIGNATED	4,353	220	404	683	23,991
TOTAL FUND BALANCES	4,353	6,686	404	683	24,902
TOTAL LIABILITIES AND FUND BALANCES	$ 4,353	$ 7,321	$ 404	$ 683	$ 24,905

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	COMMUNITY AND FAMILY SUPPORT SYSTEM FUND	COMMUNITY WATER ENRICHMENT FUND	COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	489
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	489
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	489
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	4,353	47	2,528	1,247	51,696
TRANSFERS OUT	--	(2,993)	(2,222)	(1,418)	(61,843)
TOTAL OTHER FINANCING SOURCES (USES)	4,353	(2,946)	306	(171)	(10,147)
NET CHANGE IN FUND BALANCES	4,353	(2,946)	306	(171)	(9,658)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	9,632	98	854	34,560
FUND BALANCES AT END OF YEAR	$ 4,353	$ 6,686	$ 404	$ 683	$ 24,902

(Continued)

SPECIAL REVENUE FUNDS

CRAB PROMOTION AND MARKETING ACCOUNT	CRIME VICTIMS REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEPARTMENT OF JUSTICE DEBT COLLECTION FUND	DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND	DEPARTMENT OF PUBLIC SAFETY PEACE OFFICERS FUND	DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO CONTROL OFFICERS FUND
$ 145	$ 804	$ 6,341	$ 57	$ 755	$ 569	$ 259	$ 157
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	206	296	8	18	7	4	14
--	--	--	--	--	--	--	--
$ 145	$ 1,010	$ 6,637	$ 65	$ 773	$ 576	$ 263	$ 171
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	94	464	--	567	216	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	94	464	--	567	216	--	--
--	--	--	--	--	--	--	--
--	--	1,882	--	--	157	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
145	916	4,291	65	206	203	263	171
145	916	6,173	65	206	360	263	171
$ 145	$ 1,010	$ 6,637	$ 65	$ 773	$ 576	$ 263	$ 171

CRAB PROMOTION AND MARKETING ACCOUNT	CRIME VICTIMS REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEPARTMENT OF JUSTICE DEBT COLLECTION FUND	DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND	DEPARTMENT OF PUBLIC SAFETY PEACE OFFICERS FUND	DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO CONTROL OFFICERS FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	80
--	--	--	--	--	--	--	80
--	--	--	--	--	--	--	(80)
--	--	--	--	--	--	--	--
74	2,616	4,478	154	1,133	634	472	153
(4)	(2,376)	(13,367)	(106)	(1,154)	(518)	(627)	--
70	240	(8,889)	48	(21)	116	(155)	153
70	240	(8,889)	48	(21)	116	(155)	73
75	676	15,062	17	227	244	418	98
$ 145	$ 916	$ 6,173	$ 65	$ 206	$ 360	$ 263	$ 171

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	DERELICT CRAB TRAP REMOVAL PROGRAM ACCOUNT	DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST-CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	EMERGENCY MEDICAL TECHNICIAN FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 141	$ 116	$ 77	$ 174	$ 50
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	11	--	13	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 141	$ 127	$ 77	$ 187	$ 50
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	--	79	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	79	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	141	127	77	108	50
TOTAL FUND BALANCES	141	127	77	108	50
TOTAL LIABILITIES AND FUND BALANCES	$ 141	$ 127	$ 77	$ 187	$ 50

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	DERELICT CRAB TRAP REMOVAL PROGRAM ACCOUNT	DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST-CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	EMERGENCY MEDICAL TECHNICIAN FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	46	206	29	160	8
TRANSFERS OUT	(11)	(171)	--	(349)	(2)
TOTAL OTHER FINANCING SOURCES (USES)	35	35	29	(189)	6
NET CHANGE IN FUND BALANCES	35	35	29	(189)	6
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	106	92	48	297	44
FUND BALANCES AT END OF YEAR	$ 141	$ 127	$ 77	$ 108	$ 50

(Continued)

SPECIAL REVENUE FUNDS

EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENTERTAINMENT PROMOTION AND MARKETING FUND	ENVIRONMENTAL TRUST FUND	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEED COMMISSION FUND
$ 5,030	$ 196	$ 293	$ 9,694	$ --	$ 632	$ 18,689	$ 658
--	--	--	--	--	--	--	--
22	--	--	10	--	--	--	248
660	--	--	4,128	--	9	--	38
--	--	--	--	--	--	--	--
$ 5,712	$ 196	$ 293	$ 13,832	$ --	$ 641	$ 18,689	$ 944
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 38
77	--	5	--	--	--	37	38
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
77	--	5	--	--	--	37	76
--	--	--	--	--	--	--	868
--	--	35	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	102	--	--	94	--
5,635	196	253	13,730	--	641	18,558	--
5,635	196	288	13,832	--	641	18,652	868
$ 5,712	$ 196	$ 293	$ 13,832	$ --	$ 641	$ 18,689	$ 944

EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENTERTAINMENT PROMOTION AND MARKETING FUND	ENVIRONMENTAL TRUST FUND	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEED COMMISSION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
4,120	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
14	--	--	13	--	--	(83)	2
--	--	--	--	--	--	--	887
--	--	--	47	--	--	150	--
4,134	--	--	60	--	--	67	889
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	750	--	--	364
--	--	--	--	750	--	--	364
4,134	--	--	60	(750)	--	67	525
--	--	--	--	--	--	--	--
--	1	278	55,862	750	727	--	162
(690)	--	(209)	(64,242)	--	(221)	(2,022)	(162)
(690)	1	69	(8,380)	750	506	(2,022)	--
3,444	1	69	(8,320)	--	506	(1,955)	525
2,191	195	219	22,152	--	135	20,607	343
$ 5,635	$ 196	$ 288	$ 13,832	$ --	$ 641	$ 18,652	$ 868

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	FEMA REIMBURSEMENT FUND	FERTILIZER FUND	FIRE INSURANCE FUND	FISH AND WILDLIFE VIOLATIONS REWARD FUND	FISHERMEN'S GEAR COMPENSATION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 24,920	$ 248	$ 14,885	$ --	$ 121
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	354	--	--	--
DUE FROM OTHER FUNDS	--	230	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 24,920	$ 832	$ 14,885	$ --	$ 121
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ 231	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	230	14,237	--	40
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	461	14,237	--	40
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	371	--	--	--
ENCUMBRANCES	15,287	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	110	--	--	--	--
UNDESIGNATED	9,523	--	648	--	81
TOTAL FUND BALANCES	24,920	371	648	--	81
TOTAL LIABILITIES AND FUND BALANCES	$ 24,920	$ 832	$ 14,885	$ --	$ 121

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	FEMA REIMBURSEMENT FUND	FERTILIZER FUND	FIRE INSURANCE FUND	FISH AND WILDLIFE VIOLATIONS REWARD FUND	FISHERMEN'S GEAR COMPENSATION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	14	1	--	--	--
LICENSES, PERMITS, AND FEES	--	352	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	14	353	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	641	2,710	--	--
TOTAL EXPENDITURES	--	641	2,710	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14	(288)	(2,710)	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	1,843	230	20,511	--	263
TRANSFERS OUT	--	(230)	(17,277)	(1)	(987)
TOTAL OTHER FINANCING SOURCES (USES)	1,843	--	3,234	(1)	(724)
NET CHANGE IN FUND BALANCES	1,857	(288)	524	(1)	(724)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	23,063	659	124	1	805
FUND BALANCES AT END OF YEAR	$ 24,920	$ 371	$ 648	$ --	$ 81

(Continued)

SPECIAL REVENUE FUNDS

FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND	FRAUD DETECTION FUND	FRIENDS OF NORD FUND	GRAIN AND COTTON INDEMNITY FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	GREATER NEW ORLEANS SPORTS FOUNDATION FUND
$ 5	$ 673	$ 37	$ 556	$ 305	$ 248	$ 62	$ 9
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1	511	--	242	--	18	--	--
--	--	--	--	--	--	--	--
$ 6	$ 1,184	$ 37	$ 798	$ 305	$ 266	$ 62	$ 9
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
6	120	--	31	--	--	4	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
6	120	--	31	--	--	4	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,064	37	767	305	266	58	9
--	1,064	37	767	305	266	58	9
$ 6	$ 1,184	$ 37	$ 798	$ 305	$ 266	$ 62	$ 9

FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND	FRAUD DETECTION FUND	FRIENDS OF NORD FUND	GRAIN AND COTTON INDEMNITY FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	GREATER NEW ORLEANS SPORTS FOUNDATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	39	--	--	--	--
--	--	--	39	--	--	--	--
--	--	--	(39)	--	--	--	--
--	--	--	--	--	--	--	--
814	2,212	--	369	101	422	4	1,003
(814)	(1,753)	--	(466)	--	(412)	--	(1,393)
--	459	--	(97)	101	10	4	(390)
--	459	--	(136)	101	10	4	(390)
--	605	37	903	204	256	54	399
$ --	$ 1,064	$ 37	$ 767	$ 305	$ 266	$ 58	$ 9

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH CARE REDESIGN FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 82	$ 5,863	$ 5,776	$ 4	$ 7,210
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	26	--	--	16
DUE FROM OTHER FUNDS	7	668	4,000	867	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 89	$ 6,557	$ 9,776	$ 871	$ 7,226
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	622	--	--	44
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	622	--	--	44
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	291	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	89	5,644	9,776	871	7,182
TOTAL FUND BALANCES	89	5,935	9,776	871	7,182
TOTAL LIABILITIES AND FUND BALANCES	$ 89	$ 6,557	$ 9,776	$ 871	$ 7,226

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH CARE REDESIGN FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ 41
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	48
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	52	--	--	--
TOTAL REVENUES	--	52	--	--	89
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	52	--	--	89
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	345	5,140	4,055	6,793	--
TRANSFERS OUT	(1,119)	(5,257)	(4,742)	(5,924)	(2,750)
TOTAL OTHER FINANCING SOURCES (USES)	(774)	(117)	(687)	869	(2,750)
NET CHANGE IN FUND BALANCES	(774)	(65)	(687)	869	(2,661)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	863	6,000	10,463	2	9,843
FUND BALANCES AT END OF YEAR	$ 89	$ 5,935	$ 9,776	$ 871	$ 7,182

(Continued)

SPECIAL REVENUE FUNDS

HIGHER EDUCATION INITIATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INCUMBENT WORKER TRAINING ACCOUNT	INDUSTRIALIZED BUILDING PROGRAM FUND	INSURANCE FRAUD INVESTIGATION FUND	INSURE LOUISIANA INCENTIVE PROGRAM FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND
$ 812	$ 148	$ 100	$ 33,092	$ 72	$ 149	$ --	$ 14
--	--	--	--	--	--	--	--
--	--	--	126	--	--	--	--
--	6	--	3,272	9	--	--	--
--	--	--	--	--	--	--	--
$ 812	$ 154	$ 100	$ 36,490	$ 81	$ 149	$ --	$ 14
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	124	100	3,560	79	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	124	100	3,560	79	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	85	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	145	--	--	--	--
812	30	--	32,785	2	64	--	14
812	30	--	32,930	2	149	--	14
$ 812	$ 154	$ 100	$ 36,490	$ 81	$ 149	$ --	$ 14

HIGHER EDUCATION INITIATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INCUMBENT WORKER TRAINING ACCOUNT	INDUSTRIALIZED BUILDING PROGRAM FUND	INSURANCE FRAUD INVESTIGATION FUND	INSURE LOUISIANA INCENTIVE PROGRAM FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	24,220	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	(150)	--	--	(808)	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	24,070	--	--	(808)	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
6,611	--	--	--	--	--	--	--
6,611	--	--	--	--	--	--	--
(6,611)	--	--	24,070	--	--	(808)	--
--	--	--	--	--	--	--	--
62	833	3,984	--	81	3,678	--	5,006
--	(803)	(4,000)	(23,440)	(79)	(3,608)	(75,587)	(5,005)
62	30	(16)	(23,440)	2	70	(75,587)	1
(6,549)	30	(16)	630	2	70	(76,395)	1
7,361	--	16	32,300	--	79	76,395	13
$ 812	$ 30	$ --	$ 32,930	$ 2	$ 149	$ --	$ 14

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT	LEAD HAZARD REDUCTION FUND	LEGISLATIVE CAPITOL TECHNOLOGY ENHANCEMENT FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 4	$ 4,370	$ 111	$ 17,898	$ 509
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	24	--	--	--
DUE FROM OTHER FUNDS	--	2,095	--	--	5
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 4	$ 6,489	$ 111	$ 17,898	$ 514
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ 4,308	$ --
DUE TO OTHER FUNDS	4	358	111	--	264
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	4	358	111	4,308	264
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--		--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	6,131	--	13,590	250
TOTAL FUND BALANCES	--	6,131	--	13,590	250
TOTAL LIABILITIES AND FUND BALANCES	$ 4	$ 6,489	$ 111	$ 17,898	$ 514

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT	LEAD HAZARD REDUCTION FUND	LEGISLATIVE CAPITOL TECHNOLOGY ENHANCEMENT FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	3,887	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	52	--	--	--
LICENSES, PERMITS, AND FEES	--	109	--	--	--
OTHER	--	15	--	--	--
TOTAL REVENUES	--	4,063	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	6,650	--
TOTAL EXPENDITURES	--	--	--	6,650	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	4,063	--	(6,650)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	3	--	103	10,088	783
TRANSFERS OUT	(5)	(2,544)	(182)	--	(783)
TOTAL OTHER FINANCING SOURCES (USES)	(2)	(2,544)	(79)	10,088	--
NET CHANGE IN FUND BALANCES	(2)	1,519	(79)	3,438	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	2	4,612	79	10,152	250
FUND BALANCES AT END OF YEAR	$ --	$ 6,131	$ --	$ 13,590	$ 250

(Continued)

SPECIAL REVENUE FUNDS

LIVESTOCK BRAND COMMISSION FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA ANIMAL WELFARE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
$ 47	$ 70,206	$ 1,507	$ 1,719	$ 66	$ 549	$ 3,660	$ 21,657
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	12,815	--	19	--	--	1	2,007
--	--	--	--	--	--	--	--
$ 47	$ 83,021	$ 1,507	$ 1,738	$ 66	$ 549	$ 3,661	$ 23,664
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	1,472	64	--	--	--	473
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	1,472	64	--	--	--	473
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	6,409
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	354	--	--	--	--	--	141
47	82,667	35	1,674	66	549	3,661	16,641
47	83,021	35	1,674	66	549	3,661	23,191
$ 47	$ 83,021	$ 1,507	$ 1,738	$ 66	$ 549	$ 3,661	$ 23,664

LIVESTOCK BRAND COMMISSION FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA ANIMAL WELFARE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	43	--	--	--	--	--	17
--	--	--	--	--	--	--	--
--	--	--	--	19	--	--	348
--	43	--	--	19	--	--	365
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	43	--	--	19	--	--	365
--	--	--	--	--	--	--	--
23	133,543	12,012	1,567	--	3	418	11,816
(10)	(127,574)	(12,000)	(1,495)	--	(1)	(144)	(23,917)
13	5,969	12	72	--	2	274	(12,101)
13	6,012	12	72	19	2	274	(11,736)
34	77,009	23	1,602	47	547	3,387	34,927
$ 47	$ 83,021	$ 35	$ 1,674	$ 66	$ 549	$ 3,661	$ 23,191

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 537	$ 7	$ 6,681	$ 540	$ --
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	16	333	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 553	$ 340	$ 6,681	$ 540	$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	286	340	289	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	286	340	289	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	267	--	6,392	540	--
TOTAL FUND BALANCES	267	--	6,392	540	--
TOTAL LIABILITIES AND FUND BALANCES	$ 553	$ 340	$ 6,681	$ 540	$ --

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	979	13,226	14,712	34	21
TRANSFERS OUT	(1,132)	(13,226)	(14,380)	(8)	(282)
TOTAL OTHER FINANCING SOURCES (USES)	(153)	--	332	26	(261)
NET CHANGE IN FUND BALANCES	(153)	--	332	26	(261)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	420	--	6,060	514	261
FUND BALANCES AT END OF YEAR	$ 267	$ --	$ 6,392	$ 540	$ --

(Continued)

SPECIAL REVENUE FUNDS

LOUISIANA HIGHWAY SAFETY COMMISSION FUND	LOUISIANA INDIGENT PARENT REPRESENTATION PROGRAM FUND	LOUISIANA INTEROPERABILITY COMMUNICATIONS FUND	LOUISIANA LIFE SAFETY AND PROPERTY PROTECTION TRUST FUND	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA MEGA-PROJECT DEVELOPMENT FUND	LOUISIANA MILITARY FAMILY ASSISTANCE FUND
$ 2	$ 148	$ 4,035	$ 98	$ 171	$ 288,567	$ 263,392	$ 436
--	--	--	--	--	--		--
--	--	--	--	--	--	--	23
--	--	--	132	113	23,542	--	2
--	--	--	--	--	--	--	--
$ 2	$ 148	$ 4,035	$ 230	$ 284	$ 312,109	$ 263,392	$ 461
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	25	2,350	--	--	--	11,357	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	25	2,350	--	--	--	11,357	--
--	--	--	--	--	--	--	--
--	--	1,458	--	--	19,194	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	1,725	1,538	--
2	123	227	230	284	291,190	250,497	461
2	123	1,685	230	284	312,109	252,035	461
$ 2	$ 148	$ 4,035	$ 230	$ 284	$ 312,109	$ 263,392	$ 461

LOUISIANA HIGHWAY SAFETY COMMISSION FUND	LOUISIANA INDIGENT PARENT REPRESENTATION PROGRAM FUND	LOUISIANA INTEROPERABILITY COMMUNICATIONS FUND	LOUISIANA LIFE SAFETY AND PROPERTY PROTECTION TRUST FUND	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA MEGA-PROJECT DEVELOPMENT FUND	LOUISIANA MILITARY FAMILY ASSISTANCE FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	(313)	--	--	211	(977)	--
--	--	--	--	--	--	--	--
--	--	--	--	2	--	--	181
--	--	(313)	--	2	211	(977)	181
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	(313)	--	2	211	(977)	181
--	--	--	--	--	--	--	--
2	715	9,426	714	375	110,423	--	4
--	(712)	(10,399)	(913)	(535)	(216,202)	(86,588)	(816)
2	3	(973)	(199)	(160)	(105,779)	(86,588)	(812)
2	3	(1,286)	(199)	(158)	(105,568)	(87,565)	(631)
--	120	2,971	429	442	417,677	339,600	1,092
$ 2	$ 123	$ 1,685	$ 230	$ 284	$ 312,109	$ 252,035	$ 461

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	LOUISIANA PUBLIC DEFENDER FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 67	$ 7,930	$ 1,237	$ 2	$ --
INVESTMENTS	--	47,269	--	--	--
RECEIVABLES (NET)	--	8	--	--	--
DUE FROM OTHER FUNDS	77	1,663	1,808	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 144	$ 56,870	$ 3,045	$ 2	$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	31,313	142	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	13,536	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	44,849	142	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	50	--	--	--	
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	94	12,021	2,903	2	--
TOTAL FUND BALANCES	144	12,021	2,903	2	--
TOTAL LIABILITIES AND FUND BALANCES	$ 144	$ 56,870	$ 3,045	$ 2	$ --

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	LOUISIANA PUBLIC DEFENDER FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	82,730	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	664	--	2	--
TOTAL REVENUES	--	83,394	--	2	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	29,118	--	--	--
TOTAL EXPENDITURES	--	29,118	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	54,276	--	2	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	27,428	51,720	7,286	15,600	1
TRANSFERS OUT	(28,608)	(38,596)	(10,073)	(15,600)	(1)
TOTAL OTHER FINANCING SOURCES (USES)	(1,180)	13,124	(2,787)	--	--
NET CHANGE IN FUND BALANCES	(1,180)	67,400	(2,787)	2	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,324	(55,379)	5,690	--	--
FUND BALANCES AT END OF YEAR	$ 144	$ 12,021	$ 2,903	$ 2	$ --

(Continued)

SPECIAL REVENUE FUNDS

LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA WILD TURKEY STAMP FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAID TRUST FUND FOR THE ELDERLY	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL AND ENERGY OPERATION FUND
$ 3,495	$ 42	$ 609	$ 340	$ 281	$ 81,827	$ 7,095	$ 12,973
--	--	--	--	--	634,729	--	--
1,859	--	--	--	42	--	--	--
14,732	49	--	--	--	2,600	103	450
--	--	--	--	--	--	--	--
$ 20,086	$ 91	$ 609	$ 340	$ 323	$ 719,156	$ 7,198	$ 13,423
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
12,655	91	10	241	323	883	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
12,655	91	10	241	323	883	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	4,663	--	--
7,431	--	599	99	--	713,610	7,198	13,423
7,431	--	599	99	--	718,273	7,198	13,423
$ 20,086	$ 91	$ 609	$ 340	$ 323	$ 719,156	$ 7,198	$ 13,423

LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA WILD TURKEY STAMP FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAID TRUST FUND FOR THE ELDERLY	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL AND ENERGY OPERATION FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
21,158	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
4	--	--	--	314	38,999	--	--
--	--	--	--	--	--	--	--
9	--	--	--	--	--	--	--
21,171	--	--	--	314	38,999	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
21,171	--	--	--	314	38,999	--	--
--	--	--	--	--	--	--	--
14,729	351	65	2,000	464	28,937	7,898	13,139
(34,637)	(351)	(28)	(2,631)	(778)	(116,855)	(700)	(13,676)
(19,908)	--	37	(631)	(314)	(87,918)	7,198	(537)
1,263	--	37	(631)	--	(48,919)	7,198	(537)
6,168	--	562	730	--	767,192	--	13,960
$ 7,431	$ --	$ 599	$ 99	$ --	$ 718,273	$ 7,198	$ 13,423

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARENESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 86	$ --	$ 50,049	$ 64	$ --
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	80	495	3	114
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 86	$ 80	$ 50,544	$ 67	$ 114
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	59	2,983	67	114
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	59	2,983	67	114
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	212	--	--
UNDESIGNATED	86	21	47,349	--	--
TOTAL FUND BALANCES	86	21	47,561	--	--
TOTAL LIABILITIES AND FUND BALANCES	$ 86	$ 80	$ 50,544	$ 67	$ 114

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARENESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	25	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	25	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	25	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	--	266	22,463	208	1,894
TRANSFERS OUT	--	(731)	(17,070)	(208)	(1,894)
TOTAL OTHER FINANCING SOURCES (USES)	--	(465)	5,393	--	--
NET CHANGE IN FUND BALANCES	--	(465)	5,418	--	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	86	486	42,143	--	--
FUND BALANCES AT END OF YEAR	$ 86	$ 21	$ 47,561	$ --	$ --

(Continued)

SPECIAL REVENUE FUNDS

NATURAL HERITAGE ACCOUNT	NATURAL RESOURCE RESTORATION TRUST FUND	NEW OPPORTUNITIES WAIVER FUND	NEW ORLEANS SPORTS FRANCHISE ASSISTANCE FUND	NEW ORLEANS URBAN TOURISM AND HOSPITALITY TRAINING IN ECONOMIC DEVELOPMENT FOUNDATION FUND	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
$ 446	$ 10,018	$ 42,399	$ 1,496	$ 306	$ 4,379	$ 822	$ 2,621
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	249	326	--	--	223	41
--	--	--	--	--	--	--	--
$ 446	$ 10,018	$ 42,648	$ 1,822	$ 306	$ 4,379	$ 1,045	$ 2,662
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	6,160	--	--	--	774	110
--	--	--	1,550	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	6,160	1,550	--	--	774	110
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	10,000	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	238	--	--	--	--	--
446	18	36,250	272	306	4,379	271	2,552
446	10,018	36,488	272	306	4,379	271	2,552
$ 446	$ 10,018	$ 42,648	$ 1,822	$ 306	$ 4,379	$ 1,045	$ 2,662

NATURAL HERITAGE ACCOUNT	NATURAL RESOURCE RESTORATION TRUST FUND	NEW OPPORTUNITIES WAIVER FUND	NEW ORLEANS SPORTS FRANCHISE ASSISTANCE FUND	NEW ORLEANS URBAN TOURISM AND HOSPITALITY TRAINING IN ECONOMIC DEVELOPMENT FOUNDATION FUND	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	12	--	--	--	--	--
--	--	--	--	--	--	--	--
--	10,000	--	--	--	--	--	--
--	10,000	12	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	4,550	--	--	--	--
--	--	--	4,550	--	--	--	--
--	10,000	12	(4,550)	--	--	--	--
--	--	--	--	--	--	--	--
15	--	--	3,280	101	716	6,469	12,438
(34)	--	(14,630)	--	--	(144)	(9,721)	(12,862)
(19)	--	(14,630)	3,280	101	572	(3,252)	(424)
(19)	10,000	(14,618)	(1,270)	101	572	(3,252)	(424)
465	18	51,106	1,542	205	3,807	3,523	2,976
$ 446	$ 10,018	$ 36,488	$ 272	$ 306	$ 4,379	$ 271	$ 2,552

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OVERCOLLECTIONS FUND	OYSTER DEVELOPMENT ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	$ 1,573	$ 77,894	$ 8,366	$ 86,307	$ 69
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	272	4,082	20	278,500	--
DUE FROM FEDERAL GOVERNMENT	--	1,940	--	--	--
TOTAL ASSETS	$ 1,845	$ 83,916	$ 8,386	$ 364,807	$ 69
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	439	39,056	7
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	60,000	--	--	--
TOTAL LIABILITIES	--	60,000	439	39,056	7
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	18,572	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,845	23,916	7,947	307,179	62
TOTAL FUND BALANCES	1,845	23,916	7,947	325,751	62
TOTAL LIABILITIES AND FUND BALANCES	$ 1,845	$ 83,916	$ 8,386	$ 364,807	$ 69

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OVERCOLLECTIONS FUND	OYSTER DEVELOPMENT ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ 5,878	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	25,000	--	66	--
TOTAL REVENUES	--	30,878	--	66	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	3,659	--
TOTAL EXPENDITURES	--	--	--	3,659	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	30,878	--	(3,593)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	10,032	194	--	295,448	164
TRANSFERS OUT	(9,677)	(12,896)	(13,726)	(133,963)	(144)
TOTAL OTHER FINANCING SOURCES (USES)	355	(12,702)	(13,726)	161,485	20
NET CHANGE IN FUND BALANCES	355	18,176	(13,726)	157,892	20
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,490	5,740	21,673	167,859	42
FUND BALANCES AT END OF YEAR	$ 1,845	$ 23,916	$ 7,947	$ 325,751	$ 62

(Continued)

SPECIAL REVENUE FUNDS

OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUNDS	PARISH ROYALTY FUND	PESTICIDE FUND	PET OVERPOPULATION FUND	PETROLEUM PRODUCTS FUND
$ 280	$ 454	$ 4,108	$ 19,695	$ 15,222	$ 2,354	$ 4	$ 259
--	--	--	--	--	--	--	--
--	--	--	--	5,795	23	--	--
--	2,839	142	8,148	--	571	7	1,083
--	--	--	--	--	--	--	--
$ 280	$ 3,293	$ 4,250	$ 27,843	$ 21,017	$ 2,948	$ 11	$ 1,342
$ --	$ --	$ --	$ --	$ --	$ 572	$ --	$ --
--	3,293	812	5,110	--	577	--	1,342
--	--	--	1,739	--	--	--	--
--	--	--	--	21,017	--	--	--
--	--	--	--	--	--	--	--
--	3,293	812	6,849	21,017	1,149	--	1,342
--	--	--	--	--	1,799	--	--
--	--	56	964	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
280	--	3,382	20,030	--	--	11	--
280	--	3,438	20,994	--	1,799	11	--
$ 280	$ 3,293	$ 4,250	$ 27,843	$ 21,017	$ 2,948	$ 11	$ 1,342

OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUNDS	PARISH ROYALTY FUND	PESTICIDE FUND	PET OVERPOPULATION FUND	PETROLEUM PRODUCTS FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	42,935	7	--	--
--	--	--	--	--	1,822	--	--
--	--	--	1	--	1	--	--
--	--	--	1	42,935	1,830	--	--
--	--	--	--	42,935	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	50	701	5,111	--	968	--	--
--	50	701	5,111	42,935	968	--	--
--	(50)	(701)	(5,110)	--	862	--	--
--	--	--	--	--	--	--	--
340	58,683	2,952	42,418	--	3,512	11	4,942
(585)	(58,633)	(3,138)	(31,806)	--	(3,512)	(2)	(5,049)
(245)	50	(186)	10,612	--	--	9	(107)
(245)	--	(887)	5,502	--	862	9	(107)
525	--	4,325	15,492	--	937	2	107
$ 280	$ --	$ 3,438	$ 20,994	$ --	$ 1,799	$ 11	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	POVERTY POINT RESERVOIR DEVELOPMENT FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND	PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	$ 142	$ 1,122	$ 1,736	$ 138	$ 47
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	37	3	2,799	47	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 179	$ 1,125	$ 4,535	$ 185	$ 47
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	73	--	--	11	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	73	--	--	11	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	230	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	106	895	4,535	174	47
TOTAL FUND BALANCES	106	1,125	4,535	174	47
TOTAL LIABILITIES AND FUND BALANCES	$ 179	$ 1,125	$ 4,535	$ 185	$ 47

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	POVERTY POINT RESERVOIR DEVELOPMENT FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND	PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	58	--	--	--
TOTAL EXPENDITURES	--	58	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	(58)	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	574	22	696	602	4
TRANSFERS OUT	(745)	--	(139)	(766)	--
TOTAL OTHER FINANCING SOURCES (USES)	(171)	22	557	(164)	4
NET CHANGE IN FUND BALANCES	(171)	(36)	557	(164)	4
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	277	1,161	3,978	338	43
FUND BALANCES AT END OF YEAR	$ 106	$ 1,125	$ 4,535	$ 174	$ 47

(Continued)

SPECIAL REVENUE FUNDS

RAILROAD CROSSING SAFETY FUND	RAPID RESPONSE FUND	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	REVENUE SHARING FUND	RIGHT-OF-WAY PERMIT PROCESSING FUND	RIGHT-TO-KNOW FUND
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 31
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	11
--	--	--	--	--	--	--	--
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 42
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	2,852	275	--	--	--	200	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	2,852	275	--	--	--	200	--
--	--	--	--	--	--	--	--
--	15,680	165	--	--	--		--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	198	--	--	--	--	--	--
3	11,275	1,000	1	--	--	--	42
3	27,153	1,165	1	--	--	--	42
$ 3	$ 30,005	$ 1,440	$ 1	$ --	$ --	$ 200	$ 42

RAILROAD CROSSING SAFETY FUND	RAPID RESPONSE FUND	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	REVENUE SHARING FUND	RIGHT-OF-WAY PERMIT PROCESSING FUND	RIGHT-TO-KNOW FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	24	--	--	--	--	--	--
--	--	--	--	53,031	--	--	--
--	--	--	--	--	--	--	--
--	24	--	--	53,031	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	53,031	--	--	--
--	--	--	--	53,031	--	--	--
--	24	--	--	--	--	--	--
--	--	--	--	--	--	--	--
2	10,981	2,000	4	--	90,000	331	186
--	(33,843)	(1,835)	(18)	--	(90,000)	(331)	(291)
2	(22,862)	165	(14)	--	--	--	(105)
2	(22,838)	165	(14)	--	--	--	(105)
1	49,991	1,000	15	--	--	--	147
$ 3	$ 27,153	$ 1,165	$ 1	$ --	$ --	$ --	$ 42

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 1,142	$ 5,908	$ 3,344	$ 1	$ 1,641
INVESTMENTS	--	--	52,545	--	--
RECEIVABLES (NET)	--	94	--	--	--
DUE FROM OTHER FUNDS	174	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 1,316	$ 6,002	$ 55,889	$ 1	$ 1,641
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	155	452	55	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	155	452	55	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,161	5,550	55,834	1	1,641
TOTAL FUND BALANCES	1,161	5,550	55,834	1	1,641
TOTAL LIABILITIES AND FUND BALANCES	$ 1,316	$ 6,002	$ 55,889	$ 1	$ 1,641

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	1,304	4,274	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	435	--	--	--
TOTAL REVENUES	--	1,739	4,274	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	1,739	4,274	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	56,406	--	--	1	8
TRANSFERS OUT	(56,897)	(3,013)	(839)	(32)	--
TOTAL OTHER FINANCING SOURCES (USES)	(491)	(3,013)	(839)	(31)	8
NET CHANGE IN FUND BALANCES	(491)	(1,274)	3,435	(31)	8
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,652	6,824	52,399	32	1,633
FUND BALANCES AT END OF YEAR	$ 1,161	$ 5,550	$ 55,834	$ 1	$ 1,641

(Continued)

SPECIAL REVENUE FUNDS

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT ACCOUNT	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND	SEVERANCE TAX FUND
$ 139	$ 8,750	$ --	$ 744	$ 2	$ 253	$ 354	$ --
13,434	--	--	11,226	--	--	--	--
--	--	--	--	--	--	--	470
92	220	--	--	--	1	65	10,450
--	--	--	--	--	--	--	--
$ 13,665	$ 8,970	$ --	$ 11,970	$ 2	$ 254	$ 419	$ 10,920
$ --	$ --	$ --	$ 96	$ --	$ --	$ --	$ --
--	--	--	--	--	58	179	28
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	10,892
--	--	--	--	--	--	--	--
--	--	--	96	--	58	179	10,920
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	407	--	--	--	--
13,665	8,970	--	11,467	2	196	240	--
13,665	8,970	--	11,874	2	196	240	--
$ 13,665	$ 8,970	$ --	$ 11,970	$ 2	$ 254	$ 419	$ 10,920

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT ACCOUNT	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND	SEVERANCE TAX FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
987	44	--	286	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	1,701	--	--	--	--
987	44	--	1,987	--	--	--	--
--	--	--	--	--	--	--	44,056
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	544	--	--	--	--
--	--	--	544	--	--	--	44,056
987	44	--	1,443	--	--	--	(44,056)
--	--	--	--	--	--	--	--
92	220	1	284	2	330	499	44,056
(464)	--	(112)	--	(11)	(321)	(523)	--
(372)	220	(111)	284	(9)	9	(24)	44,056
615	264	(111)	1,727	(9)	9	(24)	--
13,050	8,706	111	10,147	11	187	264	--
$ 13,665	$ 8,970	$ --	$ 11,874	$ 2	$ 196	$ 240	$ --

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SHRIMP TRADE PETITION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 75	$ 92	$ 77	$ 2,472	$ 170
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	14	55	1	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 89	$ 147	$ 78	$ 2,472	$ 170
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	--	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	89	147	78	2,472	170
TOTAL FUND BALANCES	89	147	78	2,472	170
TOTAL LIABILITIES AND FUND BALANCES	$ 89	$ 147	$ 78	$ 2,472	$ 170

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SHRIMP TRADE PETITION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	1,050
TOTAL REVENUES	--	--	--	--	1,050
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	750
TOTAL EXPENDITURES	--	--	--	--	750
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	300
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	843	72	1	919	750
TRANSFERS OUT	(834)	(54)	(285)	(2,664)	(880)
TOTAL OTHER FINANCING SOURCES (USES)	9	18	(284)	(1,745)	(130)
NET CHANGE IN FUND BALANCES	9	18	(284)	(1,745)	170
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	80	129	362	4,217	--
FUND BALANCES AT END OF YEAR	$ 89	$ 147	$ 78	$ 2,472	$ 170

(Continued)

SPECIAL REVENUE FUNDS

SPORTS FACILITY ASSISTANCE FUND	STATE EMERGENCY RESPONSE FUND	STATE HIGHWAY FUND #2	STATE HIGHWAY IMPROVEMENT FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND
$ 2,569	$ 82,436	$ 10,883	$ 5,165	$ 206	$ 1,930	$ 7	$ 48
--	--	--	--	--	--	--	--
--	--	667	--	--	--	--	--
--	--	--	7,056	67	1,862	2	453
--	--	--	--	--	--	--	--
$ 2,569	$ 82,436	$ 11,550	$ 12,221	$ 273	$ 3,792	$ 9	$ 501
$ --	$ --	$ 5,775	$ --	$ --	$ --	$ --	$ --
100	10,288	5,775	4,045	272	3	9	350
1,650	--	--	--	--	2,123	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1,750	10,288	11,550	4,045	272	2,126	9	350
--	--	--	--	--	--	--	--
--	365	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	641	--	--	--	--	--	--
819	71,142	--	8,176	1	1,666	--	151
819	72,148	--	8,176	1	1,666	--	151
$ 2,569	$ 82,436	$ 11,550	$ 12,221	$ 273	$ 3,792	$ 9	$ 501

SPORTS FACILITY ASSISTANCE FUND	STATE EMERGENCY RESPONSE FUND	STATE HIGHWAY FUND #2	STATE HIGHWAY IMPROVEMENT FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	79	--	--	--	--	--	--
--	--	11,550	--	--	--	--	--
--	--	--	--	--	--	--	--
--	79	11,550	--	--	--	--	--
--	--	5,775	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
4,150	--	--	--	--	43,177	--	--
4,150	--	5,775	--	--	43,177	--	--
(4,150)	79	5,775	--	--	(43,177)	--	--
--	--	--	--	--	--	--	--
3,328	90,352	--	34,842	733	151,527	158	563
(100)	(76,008)	(5,775)	(27,351)	(732)	(108,333)	(158)	(513)
3,228	14,344	(5,775)	7,491	1	43,194	--	50
(922)	14,423	--	7,491	1	17	--	50
1,741	57,725	--	685	--	1,649	--	101
$ 819	$ 72,148	$ --	$ 8,176	$ 1	$ 1,666	$ --	$ 151

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	TEACHER EDUCATIONAL AID FOR CHILDREN FUND	TELECOMMUN-ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TELEPHONIC SOLICITATION RELIEF FUND	TIDELANDS FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ --	$ 5,646	$ 29,661	$ 68	$ 5
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	183	4,661	14	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ --	$ 5,829	$ 34,322	$ 82	$ 5
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	350	24,318	13	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	350	24,318	13	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	200	--	--
UNDESIGNATED	--	5,479	9,804	69	5
TOTAL FUND BALANCES	--	5,479	10,004	69	5
TOTAL LIABILITIES AND FUND BALANCES	$ --	$ 5,829	$ 34,322	$ 82	$ 5

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	TEACHER EDUCATIONAL AID FOR CHILDREN FUND	TELECOMMUN-ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TELEPHONIC SOLICITATION RELIEF FUND	TIDELANDS FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	25	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	25	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	25	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	--	882	29,047	307	--
TRANSFERS OUT	(42)	(2,265)	(20,064)	(446)	--
TOTAL OTHER FINANCING SOURCES (USES)	(42)	(1,383)	8,983	(139)	--
NET CHANGE IN FUND BALANCES	(42)	(1,383)	9,008	(139)	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	42	6,862	996	208	5
FUND BALANCES AT END OF YEAR	$ --	$ 5,479	$ 10,004	$ 69	$ 5

(Continued)

SPECIAL REVENUE FUNDS

TOBACCO CONTROL SPECIAL FUND	TOBACCO REGULATION ENFORCEMENT FUND	TOBACCO SETTLEMENT ENFORCEMENT FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	UNCLAIMED PROPERTY LEVERAGE FUND
$ 1	$ 52	$ 1,013	$ 1,179	$ 395,455	$ 2,814	$ 1,891	$ 45,027
--	--	--	--	--	--	--	--
--	--	--	--	2	--	--	--
--	118	--	7,024	83,741	3	--	--
--	--	--	--	86,851	--	--	--
$ 1	$ 170	$ 1,013	$ 8,203	$ 566,049	$ 2,817	$ 1,891	$ 45,027
$ --	$ --	$ --	$ --	$ 75	$ --	$ --	$ --
--	170	23	3,188	109,566	140	6	24
--	--	--	4,778	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	170	23	7,966	109,641	140	6	24
--	--	--	--	--	--	--	--
--	--	--	--	10,400	--	--	--
--	--	--	--	360,927	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	1,745	--	--	172
1	--	990	237	83,336	2,677	1,885	44,831
1	--	990	237	456,408	2,677	1,885	45,003
$ 1	$ 170	$ 1,013	$ 8,203	$ 566,049	$ 2,817	$ 1,891	$ 45,027

TOBACCO CONTROL SPECIAL FUND	TOBACCO REGULATION ENFORCEMENT FUND	TOBACCO SETTLEMENT ENFORCEMENT FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	UNCLAIMED PROPERTY LEVERAGE FUND
$ --	$ --	$ --	$ --	$ 823,424	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	214	--	--	21
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	823,638	--	--	21
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	9,979	--	--	--
--	--	--	26,169	18,373	--	--	--
--	--	--	26,169	28,352	--	--	--
--	--	--	(26,169)	795,286	--	--	21
--	--	--	--	--	--	--	--
6	635	400	37,782	571,923	1,884	1,624	15,065
(42)	(656)	(378)	(13,198)	(1,281,307)	(3,230)	(2,078)	(1,205)
(36)	(21)	22	24,584	(709,384)	(1,346)	(454)	13,860
(36)	(21)	22	(1,585)	85,902	(1,346)	(454)	13,881
37	21	968	1,822	370,506	4,023	2,339	31,122
$ 1	$ --	$ 990	$ 237	$ 456,408	$ 2,677	$ 1,885	$ 45,003

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	UNDERGROUND DAMAGES PREVENTION FUND	UNDERWATER OBSTRUCTION REMOVAL FUND	UNIFIED CARRIER REGISTRATION AGREEMENT FUND	UNO SLIDELL TECHNOLOGY PARK FUND	UTILITY AND CARRIER INSPECTION AND SUPERVISION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 256	$ 731	$ 18	$ 362	$ 425
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	98	--	--	--
DUE FROM OTHER FUNDS	1	24	20	--	2,344
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 257	$ 853	$ 38	$ 362	$ 2,769
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	--	7	--	1,868
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	7	--	1,868
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	257	853	31	362	901
TOTAL FUND BALANCES	257	853	31	362	901
TOTAL LIABILITIES AND FUND BALANCES	$ 257	$ 853	$ 38	$ 362	$ 2,769

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	UNDERGROUND DAMAGES PREVENTION FUND	UNDERWATER OBSTRUCTION REMOVAL FUND	UNIFIED CARRIER REGISTRATION AGREEMENT FUND	UNO SLIDELL TECHNOLOGY PARK FUND	UTILITY AND CARRIER INSPECTION AND SUPERVISION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	213	--	--	--
TOTAL REVENUES	--	213	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	213	--	--	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	257	253	1,188	1	7,693
TRANSFERS OUT	(104)	(148)	(2,745)	--	(11,760)
TOTAL OTHER FINANCING SOURCES (USES)	153	105	(1,557)	1	(4,067)
NET CHANGE IN FUND BALANCES	153	318	(1,557)	1	(4,067)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	104	535	1,588	361	4,968
FUND BALANCES AT END OF YEAR	$ 257	$ 853	$ 31	$ 362	$ 901

(Continued)

SPECIAL REVENUE FUNDS

VARIABLE EARNINGS TRANSACTION FUND	VIDEO DRAW POKER DEVICE FUND	VIDEO DRAW POKER DEVICE PURSE SUPPLEMENT FUND	VITAL RECORDS CONVERSION FUND	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WEIGHTS AND MEASURES FUND	WHITE LAKE PROPERTY FUND
$ 25	$ 4,393	$ 2,498	$ 25	$ 2,351	$ 143	$ 656	$ 2,319
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
2	6,811	114	3	122	--	7	--
--	--	--	--	--	--	--	--
$ 27	$ 11,207	$ 2,612	$ 28	$ 2,473	$ 143	$ 663	$ 2,319
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	11,207	--	--	1,080	--	613	7
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	11,207	--	--	1,080	--	613	7
--	--	--	--	--	--	--	--
--	50	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
27	(50)	2,612	28	1,393	143	50	2,312
27	--	2,612	28	1,393	143	50	2,312
$ 27	$ 11,207	$ 2,612	$ 28	$ 2,473	$ 143	$ 663	$ 2,319

VARIABLE EARNING TRANSACTION FUND	VIDEO DRAW POKER DEVICE FUND	VIDEO DRAW POKER DEVICE PURSE SUPPLEMENT FUND	VITAL RECORDS CONVERSION FUND	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WEIGHTS AND MEASURES FUND	WHITE LAKE PROPERTY FUND
$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	3	--	--	--	--	--	--
--	--	--	--	--	--	--	--
27	190,518	2,977	33	10,131	16	1,985	1,012
(67)	(190,521)	(3,350)	(62)	(10,324)	--	(1,982)	(721)
(40)	(3)	(373)	(29)	(193)	16	3	291
(40)	--	(373)	(29)	(193)	16	3	291
67	--	2,985	57	1,586	127	47	2,021
$ 27	$ --	$ 2,612	$ 28	$ 1,393	$ 143	$ 50	$ 2,312

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS				
	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST	WORKERS' COMPENSATION SECOND INJURY FUND	WORKFORCE TRAINING RAPID RESPONSE FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,094
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	--	--	--	4
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
TOTAL ASSETS	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,098
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	172	1,897	--	2,800
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	172	1,897	--	2,800
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	44	9,790	34,491	30	298
TOTAL FUND BALANCES	44	9,790	34,491	30	298
TOTAL LIABILITIES AND FUND BALANCES	$ 44	$ 9,962	$ 36,388	$ 30	$ 3,098

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST	WORKERS' COMPENSATION SECOND INJURY FUND	WORKFORCE TRAINING RAPID RESPONSE FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
OTHER	--	29	267	--	--
TOTAL REVENUES	--	29	267	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	10,000	--
TOTAL EXPENDITURES	--	--	--	10,000	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	29	267	(10,000)	--
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	--
TRANSFERS IN	9	917	46,213	9,918	305
TRANSFERS OUT	--	(399)	(40,261)	--	(3,175)
TOTAL OTHER FINANCING SOURCES (USES)	9	518	5,952	9,918	(2,870)
NET CHANGE IN FUND BALANCES	9	547	6,219	(82)	(2,870)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	35	9,243	28,272	112	3,168
FUND BALANCES AT END OF YEAR	$ 44	$ 9,790	$ 34,491	$ 30	$ 298

(Continued)

SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS			PERMANENT FUNDS		
TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2010	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2010	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND
$ 3,123,142	$ 252	$ 95,454	$ 95,706	$ 89,890	$ 216	$ 36,528
800,233	128,403	109,169	237,572	468,341	--	439,251
10,976	3	--	3	--	--	--
771,187	--	--	--	137	--	--
88,791	--	--	--	--	--	--
$ 4,794,329	$ 128,658	$ 204,623	$ 333,281	$ 558,368	$ 216	$ 475,779
$ 11,095	$ 10	$ 28,648	$ 28,658	$ 100	$ --	$ --
607,165	--	37,869	37,869	--	--	6
25,376	--	--	--	--	--	--
31,909	--	--	--	--	--	--
60,000	--	--	--	--	--	--
735,545	10	66,517	66,527	100	--	6
3,038	128,648	--	128,648	--	--	--
97,785	--	--	--	--	--	--
370,927	--	--	--	--	--	--
--	--	137,492	137,492	--	--	--
--	--	--	--	--	100	--
230	--	--	--	78,777	--	--
16,355	--	614	614	12,070	--	11,381
3,570,449	--	--	--	467,421	116	464,392
4,058,784	128,648	138,106	266,754	558,268	216	475,773
$ 4,794,329	$ 128,658	$ 204,623	$ 333,281	$ 558,368	$ 216	$ 475,779

TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2010	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2010	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND
$ 829,343	$ --	$ --	$ --	$ --	$ --	$ --
53,385	--	97,847	97,847	--	--	--
--	88,112	--	88,112	--	--	--
165,371	4,169	78	4,247	9,262	1	8,295
67,751	--	--	--	--	--	--
44,449	--	--	--	15,281	--	--
1,160,299	92,281	97,925	190,206	24,543	1	8,295
92,766	--	--	--	--	--	--
--	38,960	5,880	44,840	--	--	--
9,979	54,332	91,947	146,279	--	--	--
218,380	111	20	131	21,800	--	--
321,125	93,403	97,847	191,250	21,800	--	--
839,174	(1,122)	78	(1,044)	2,743	1	8,295
--	--	60,459	60,459	--	--	--
3,062,320	--	17,417	17,417	30,401	--	30,698
(4,231,223)	--	(456,518)	(456,518)	(15,382)	--	(21,697)
(1,168,903)	--	(378,642)	(378,642)	15,019	--	9,001
(329,729)	(1,122)	(378,564)	(379,686)	17,762	1	17,296
4,388,513	129,770	516,670	646,440	540,506	215	458,477
$ 4,058,784	$ 128,648	$ 138,106	$ 266,754	$ 558,268	$ 216	$ 475,773

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	PERMANENT FUNDS				
	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2010	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2010
ASSETS					
CASH AND CASH EQUIVALENTS	$ 870	$ 333	$ 36,424	$ 164,261	$ 3,383,109
INVESTMENTS	--	17,303	439,251	1,364,146	2,401,951
RECEIVABLES (NET)	146	--	--	146	11,125
DUE FROM OTHER FUNDS	--	8	--	145	771,332
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	88,791
TOTAL ASSETS	$ 1,016	$ 17,644	$ 475,675	$ 1,528,698	$ 6,656,308
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 83	$ --	$ --	$ 183	$ 39,936
DUE TO OTHER FUNDS	--	580	6	592	645,626
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	25,376
DUE TO LOCAL GOVERNMENTS	--	--	--	--	31,909
OTHER LIABILITIES	32	--	--	32	60,032
TOTAL LIABILITIES	115	580	6	807	802,879
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	131,686
ENCUMBRANCES	--	--	--	--	97,785
CONTINUING PROJECTS	--	--	--	--	370,927
CONSTRUCTION	--	--	--	--	137,492
TRUST PRINCIPAL	--	17,064	--	17,164	17,164
OTHER	681	--	--	79,458	79,688
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	11,381	34,832	51,801
UNDESIGNATED	220	--	464,288	1,396,437	4,966,886
TOTAL FUND BALANCES	901	17,064	475,669	1,527,891	5,853,429
TOTAL LIABILITIES AND FUND BALANCES	$ 1,016	$ 17,644	$ 475,675	$ 1,528,698	$ 6,656,308

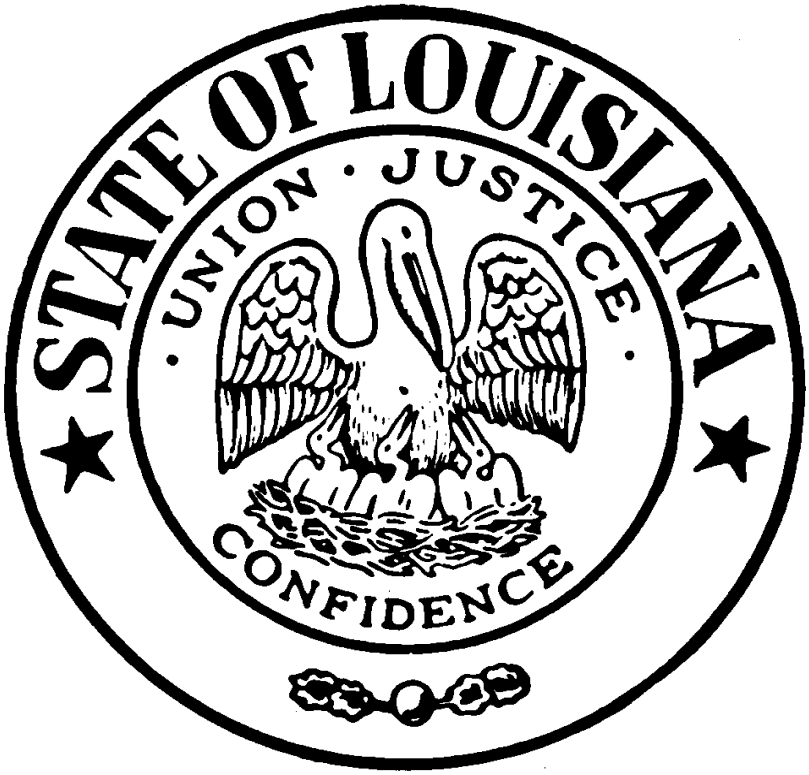
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2010	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2010
REVENUES:					
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --	$ 829,343
TAXES	--	--	--	--	151,232
TOBACCO SETTLEMENT	--	--	--	--	88,112
USE OF MONEY AND PROPERTY	1,417	--	8,295	27,270	196,888
LICENSES, PERMITS, AND FEES	--	--	--	--	67,751
OTHER	--	--	--	15,281	59,730
TOTAL REVENUES	1,417	--	8,295	42,551	1,393,056
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	92,766
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	44,840
INTEREST AND FISCAL CHARGES	--	--	--	--	156,258
OTHER	2,079	--	--	23,879	242,390
TOTAL EXPENDITURES	2,079	--	--	23,879	536,254
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(662)	--	8,295	18,672	856,802
OTHER FINANCING SOURCES (USES):					
LONG-TERM DEBT ISSUED	--	--	--	--	60,459
TRANSFERS IN	--	692	30,675	92,466	3,172,203
TRANSFERS OUT	--	--	(17,378)	(54,457)	(4,742,198)
TOTAL OTHER FINANCING SOURCES (USES)	--	692	13,297	38,009	(1,509,536)
NET CHANGE IN FUND BALANCES	(662)	692	21,592	56,681	(652,734)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,563	16,372	454,077	1,471,210	6,506,163
FUND BALANCES AT END OF YEAR	$ 901	$ 17,064	$ 475,669	$ 1,527,891	$ 5,853,429

(Concluded)


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

State of Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	COASTAL PROTECTION AND RESTORATION FUND			EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	4,651	4,120	(531)
USE OF MONEY AND PROPERTY	--	--	--	--	14	14
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	4,192	4,192	--	--	--
TOTAL REVENUES	--	4,192	4,192	4,651	4,134	(517)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	4,192	4,192	4,651	4,134	(517)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	28,200	390,594	362,394	--	--	--
TRANSFERS OUT	(28,200)	(479,193)	(450,993)	(4,651)	(690)	3,961
TOTAL OTHER FINANCING SOURCES (USES)	--	(88,599)	(88,599)	(4,651)	(690)	3,961
NET CHANGES IN FUND BALANCES	$ --	$ (84,407)	$ (84,407)	$ --	$ 3,444	$ 3,444

	FEDERAL ENERGY SETTLEMENT FUND			HELP LOUISIANA VOTE FUND		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ 41	$ 41
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	16,778	100	(16,678)	14,427	48	(14,379)
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	150	150	--	--	--
TOTAL REVENUES	16,778	250	(16,528)	14,427	89	(14,338)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,778	250	(16,528)	14,427	89	(14,338)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(16,778)	(2,022)	14,756	(14,427)	(2,750)	11,677
TOTAL OTHER FINANCING SOURCES (USES)	(16,778)	(2,022)	14,756	(14,427)	(2,750)	11,677
NET CHANGES IN FUND BALANCES	$ --	$ (1,772)	$ (1,772)	$ --	$ (2,661)	$ (2,661)

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses) is required for the budgetary basis.

(Continued)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	INCUMBENT WORKER TRAINING ACCOUNT			LABOR PENALTY AND INTEREST ACCOUNT		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	45,362	24,220	(21,142)	2,375	3,887	1,512
USE OF MONEY AND PROPERTY	--	154	154	--	52	52
LICENSES, PERMITS, AND FEES	--	--	--	--	109	109
OTHER	--	--	--	--	15	15
TOTAL REVENUES	45,362	24,374	(20,988)	2,375	4,063	1,688
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,362	24,374	(20,988)	2,375	4,063	1,688
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(45,362)	(23,440)	21,922	(2,375)	(2,544)	(169)
TOTAL OTHER FINANCING SOURCES (USES)	(45,362)	(23,440)	21,922	(2,375)	(2,544)	(169)
NET CHANGES IN FUND BALANCES	$ --	$ 934	$ 934	$ --	$ 1,519	$ 1,519

	LOUISIANA TOURISM PROMOTION DISTRICT			MARSH ISLAND OPERATING FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL **	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	19,500	21,158	1,658	--	--	--
USE OF MONEY AND PROPERTY	--	4	4	713	778	65
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	9	9	--	--	--
TOTAL REVENUES	19,500	21,171	1,671	713	778	65
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19,500	21,171	1,671	713	778	65
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	14,729	14,729	--	--	--
TRANSFERS OUT	(19,500)	(34,637)	(15,137)	(713)	(778)	(65)
TOTAL OTHER FINANCING SOURCES (USES)	(19,500)	(19,908)	(408)	(713)	(778)	(65)
NET CHANGES IN FUND BALANCES	$ --	$ 1,263	$ 1,263	$ --	$ --	$ --

State of Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	PARISH ROYALTY FUND			RETIREMENT SYSTEM INSURANCE PROCEEDS FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	42,200	42,935	735	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	54,900	53,031	(1,869)
OTHER	--	--	--	--	--	--
TOTAL REVENUES	42,200	42,935	735	54,900	53,031	(1,869)
EXPENDITURES:						
INTERGOVERNMENTAL	42,200	42,935	(735)	--	--	--
OTHER	--	--	--	54,900	53,031	1,869
TOTAL EXPENDITURES	42,200	42,935	(735)	54,900	53,031	1,869
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	--	--
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	--	--
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --	$ --	$ --

	ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE FUND			ROCKEFELLER WILDLIFE REFUGE AND TRUST AND PROTECTION FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	6,200	1,304	(4,896)	1,008	1,698	690
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	435	435	--	--	--
TOTAL REVENUES	6,200	1,739	(4,461)	1,008	1,698	690
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,200	1,739	(4,461)	1,008	1,698	690
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(6,200)	(3,013)	3,187	(1,008)	(839)	169
TOTAL OTHER FINANCING SOURCES (USES)	(6,200)	(3,013)	3,187	(1,008)	(839)	169
NET CHANGES IN FUND BALANCES	$ --	$ (1,274)	$ (1,274)	$ --	$ 859	$ 859

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses) is required for the budgetary basis.

(Concluded)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	SEVERANCE TAX FUND			STATE HIGHWAY FUND #2		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL **	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	11,300	11,550	250
OTHER	--	--	--	--	--	--
TOTAL REVENUES	--	--	--	11,300	11,550	250
EXPENDITURES:						
INTERGOVERNMENTAL	38,800	44,056	(5,256)	11,300	11,550	(250)
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	38,800	44,056	(5,256)	11,300	11,550	(250)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,800)	(44,056)	(5,256)	--	--	--
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	38,800	44,056	5,256	--	--	--
TRANSFERS OUT	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	38,800	44,056	5,256	--	--	--
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --	$ --	$ --

	TRANSPORTATION TRUST FUND			TOTAL BUDGETED SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ 675,660	823,424	$ 147,764	$ 675,660	$ 823,465	$ 147,805
TAXES	--	--	--	71,888	53,385	(18,503)
USE OF MONEY AND PROPERTY	--	--	--	81,326	47,087	(34,239)
LICENSES, PERMITS, AND FEES	--	--	--	66,200	64,690	(1,510)
OTHER	--	--	--	--	4,801	4,801
TOTAL REVENUES	675,660	823,424	147,764	895,074	993,428	98,354
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	92,300	98,541	(6,241)
OTHER	--	28,352	(28,352)	54,900	81,383	(26,483)
TOTAL EXPENDITURES	--	28,352	(28,352)	147,200	179,924	(32,724)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	675,660	795,072	119,412	747,874	813,504	65,630
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	540,600	574,675	34,075	607,600	1,024,054	416,454
TRANSFERS OUT	(1,216,260)	(1,281,307)	(65,047)	(1,355,474)	(1,831,213)	(475,739)
TOTAL OTHER FINANCING SOURCES (USES)	(675,660)	(706,632)	(30,972)	(747,874)	(807,159)	(59,285)
NET CHANGES IN FUND BALANCES	$ --	$ 88,440	$ 88,440	$ --	$ 6,345	$ 6,345

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 22,225	$ 204,833	$ 26,519	$ 1,108	$ --
INVESTMENTS	11,463	--	--	--	--
RECEIVABLES (NET)	1,459	1,550	741	115	--
DUE FROM FEDERAL GOVERNMENT	--	418	--	--	--
INVENTORIES	2	--	--	183	--
PREPAYMENTS	49	--	--	--	--
NOTES RECEIVABLE	--	14,611	4,232	--	--
OTHER CURRENT ASSETS	7	--	--	--	--
TOTAL CURRENT ASSETS	35,205	221,412	31,492	1,406	--
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	1,053	--	--	--	--
INVESTMENTS	364	--	--	--	--
RECEIVABLES	53	--	--	--	--
INVESTMENTS	3,673	--	--	--	--
NOTES RECEIVABLE	--	212,511	90,942	--	398,788
CAPITAL ASSETS (NOTE 5)					
LAND	2,185	--	--	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	6,743	--	--	708	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	802	--	--	69	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	315	--	--	--	--
CONSTRUCTION IN PROGRESS	103	--	--	--	--
OTHER NONCURRENT ASSETS	45	--	--	--	--
TOTAL NONCURRENT ASSETS	15,336	212,511	90,942	777	398,788
TOTAL ASSETS	$ 50,541	$ 433,923	$ 122,434	$ 2,183	$ 398,788
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 1,871	$ 384	$ --	$ 113	$ --
DUE TO OTHER FUNDS	--	72	--	--	--
DEFERRED REVENUES	4,032	--	--	--	--
OTHER CURRENT LIABILITIES	269	--	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	258	--	--	12	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
NOTES PAYABLE	--	--	--	--	--
TOTAL CURRENT LIABILITIES	6,430	456	--	125	--
NONCURRENT LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	914	--	--	43	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
DEFERRED REVENUES	218	--	--	--	--
CLAIMS AND LITIGATION PAYABLE	50	--	--	--	--
NOTES PAYABLE	1,639	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OPEB PAYABLE	7,264	--	--	418	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL NONCURRENT LIABILITIES	10,085	--	--	461	--
TOTAL LIABILITIES	16,515	456	--	586	--
NET ASSETS					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	8,509	--	--	777	--
RESTRICTED FOR CAPITAL PROJECTS	--	--	--	--	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	1,843	895	112	--	--
UNRESTRICTED	23,674	432,572	122,322	820	398,788
TOTAL NET ASSETS	34,026	433,467	122,434	1,597	398,788
TOTAL LIABILITIES AND NET ASSETS	$ 50,541	$ 433,923	$ 122,434	$ 2,183	$ 398,788

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 44	$ 7,709	$ --	$ 4,040	$ 149	$ 588	$ 267,215
23,094	--	--	--	--	--	34,557
12,578	146	--	1,345	32	419	18,385
--	--	--	--	--	--	418
--	--	--	4,828	50	406	5,469
68	--	--	5	--	--	122
--	--	--	--	--	--	18,843
14	--	--	--	--	--	21
35,798	7,855	--	10,218	231	1,413	345,030
--	--	57	--	--	--	1,110
74,936	--	20,774	--	--	--	96,074
--	--	15	--	--	--	68
--	--	--	--	--	--	3,673
--	--	--	--	--	--	702,241
1,542	695	--	--	--	1,245	5,667
3,072	3,018	--	907	2,073	432	16,953
783	257	--	4,293	22	212	6,438
--	--	--	--	--	--	315
--	--	307,739	2	--	--	307,844
4,396	--	3,937	--	--	--	8,378
84,729	3,970	332,522	5,202	2,095	1,889	1,148,761
$ 120,527	$ 11,825	$ 332,522	$ 15,420	$ 2,326	$ 3,302	$ 1,493,791
$ 2,221	$ 1,916	$ 9,229	$ 1,298	$ 50	$ 561	$ 17,643
12,815	--	--	--	61	7	12,955
--	--	327	1	--	--	4,360
30,894	--	985	--	--	--	32,148
362	13	--	26	5	11	687
--	--	--	36	--	--	36
--	62	--	--	--	--	62
46,292	1,991	10,541	1,361	116	579	67,891
--	128	--	440	12	281	1,818
--	--	--	56	--	--	56
--	--	--	--	--	--	218
--	--	--	--	--	--	50
--	17	--	--	--	--	1,656
--	--	164,565	--	--	--	164,565
--	1,250	--	3,835	331	1,639	14,737
50,981	--	--	--	--	--	50,981
50,981	1,395	164,565	4,331	343	1,920	234,081
97,273	3,386	175,106	5,692	459	2,499	301,972
5,398	3,970	143,174	5,111	2,095	1,889	170,923
--	--	10,951	--	--	--	10,951
--	--	--	--	--	--	2,850
17,856	4,469	3,291	4,617	(228)	(1,086)	1,007,095
23,254	8,439	157,416	9,728	1,867	803	1,191,819
$ 120,527	$ 11,825	$ 332,522	$ 15,420	$ 2,326	$ 3,302	$ 1,493,791

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ 1,274	$ --	$ --	$ 2,103	$ --
ASSESSMENTS	5,378	--	--	--	--
USE OF MONEY AND PROPERTY	--	7,066	3,099	--	--
LICENSES, PERMITS, AND FEES	27,373	--	--	--	--
FEDERAL GRANTS AND CONTRACTS	--	17,853	3,152	--	--
OTHER	757	1,128	407	--	--
TOTAL OPERATING REVENUES	34,782	26,047	6,658	2,103	--
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	6,392	17,853	3,152	1,388	--
ADMINISTRATIVE	26,806	--	--	1,174	--
DEPRECIATION	572	--	--	39	--
AMORTIZATION	16	--	--	--	--
TOTAL OPERATING EXPENSES	33,786	17,853	3,152	2,601	--
OPERATING INCOME (LOSS)	996	8,194	3,506	(498)	--
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	--	--	--
USE OF MONEY AND PROPERTY	177	--	--	5	--
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	--	8	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	--	--	--
INTEREST EXPENSE	(50)	--	--	--	--
OTHER REVENUES	2,862	--	--	18	--
OTHER EXPENSES	(2,651)	(128)	(44)	--	--
TOTAL NONOPERATING REVENUES (EXPENSES)	338	(128)	(44)	31	--
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,334	8,066	3,462	(467)	--
CAPITAL CONTRIBUTIONS	--	13,084	17,229	--	--
TRANSFERS OUT	--	(1,082)	--	--	--
CHANGE IN NET ASSETS	1,334	20,068	20,691	(467)	--
TOTAL NET ASSETS - BEGINNING AS RESTATED	32,692	413,399	101,743	2,064	398,788
TOTAL NET ASSETS - ENDING	$ 34,026	$ 433,467	$ 122,434	$ 1,597	$ 398,788

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 372,366	$ 9,461	$ --	$ 25,620	$ 1,135	$ 4,627	$ 416,586
--	--	--	--	--	--	5,378
--	--	--	--	--	--	10,165
7	--	2,853	--	--	--	30,233
--	--	--	--	--	--	21,005
321	--	--	--	--	171	2,784
372,694	9,461	2,853	25,620	1,135	4,798	486,151
223,867	5,227	--	14,108	687	--	272,674
17,179	3,280	23	11,245	348	4,972	65,027
474	238	--	525	65	168	2,081
--	--	337	--	--	--	353
241,520	8,745	360	25,878	1,100	5,140	340,135
131,174	716	2,493	(258)	35	(342)	146,016
--	--	--	(1,023)	--	--	(1,023)
2,835	31	--	20	1	3	3,072
74	--	--	233	--	--	315
--	--	--	(559)	--	(9)	(568)
--	(3)	--	(2)	--	--	(55)
--	--	--	278	15	--	3,173
--	--	(11)	(135)	--	--	(2,969)
2,909	28	(11)	(1,188)	16	(6)	1,945
134,083	744	2,482	(1,446)	51	(348)	147,961
--	--	37,732	--	--	--	68,045
(133,702)	--	--	--	(61)	--	(134,845)
381	744	40,214	(1,446)	(10)	(348)	81,161
22,873	7,695	117,202	11,174	1,877	1,151	1,110,658
$ 23,254	$ 8,439	$ 157,416	$ 9,728	$ 1,867	$ 803	$ 1,191,819

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	$ 34,681	$ 25,597	$ 10,697	$ 2,511	$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(15,278)	--	(3,152)	(1,998)	--
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(15,558)	--	--	(780)	--
CLAIMS PAID TO OUTSIDERS	--	(34,322)	(21,004)	--	--
OTHER OPERATING REVENUES (EXPENSES)	(347)	17,527	232	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	3,498	8,802	(13,227)	(267)	--
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	5,974	5,256	--	--
PRINCIPAL PAID ON BONDS	--	(6,000)	(5,300)	--	--
TRANSFERS OUT	--	(1,070)	--	--	--
OTHER	26	(347)	--	18	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	26	(1,443)	(44)	18	--
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	--	--	--	--
PRINCIPAL PAID ON BONDS	--	--	--	--	--
PRINCIPAL PAID ON NOTES PAYABLE	(2,316)	--	--	--	--
INTEREST PAID ON NOTES PAYABLE	(50)	--	--	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(880)	--	--	(149)	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	341	--	--	8	--
CAPITAL CONTRIBUTIONS	--	13,075	17,229	--	--
OTHER	--	--	--	--	--
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(2,905)	13,075	17,229	(141)	--
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(7,804)	--	--	--	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	8,420	--	--	--	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	223	--	--	5	--
NET CASH PROVIDED BY INVESTING ACTIVITIES	839	--	--	5	--
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,458	20,434	3,958	(385)	--
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	21,820	184,399	22,561	1,493	--
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 23,278	$ 204,833	$ 26,519	$ 1,108	$ --
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 996	$ 8,194	$ 3,506	$ (498)	$ --
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION/AMORTIZATION	588	--	--	39	--
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	--	--	--
OTHER	--	(12)	--	--	--
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(219)	114	(222)	434	--
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	23	(358)	--	--	--
(INCREASE)DECREASE IN PREPAYMENTS	46	--	--	--	--
(INCREASE)DECREASE IN INVENTORIES	4	--	--	210	--
(INCREASE)DECREASE IN OTHER ASSETS	1	494	(16,511)	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	217	358	--	(554)	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	71	--	--	12	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	(23)	12	--	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	323	--	--	--	--
INCREASE(DECREASE) IN OPEB PAYABLE	1,444	--	--	90	--
INCREASE(DECREASE) IN OTHER LIABILITIES	27	--	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 3,498	$ 8,802	$ (13,227)	$ (267)	$ --

(Continued)

LOUISIANA LOTTERY CORPORATION	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 147,975	$ 10,748	$ 2,853	$ 26,582	$ 1,192	$ 4,701	$ 267,537
(27,605)	(6,220)	(23)	(18,980)	(908)	(2,044)	(76,208)
(6,311)	(2,040)	--	(6,596)	(235)	(2,230)	(33,750)
--	--	--	--	--	--	(55,326)
--	--	--	--	--	--	17,412
114,059	2,488	2,830	1,006	49	427	119,665
--	--	--	--	--	--	11,230
--	--	--	--	--	--	(11,300)
(133,373)	--	--	--	(61)	--	(134,504)
--	--	--	--	--	--	(303)
(133,373)	--	--	--	(61)	--	(134,877)
--	--	66,000	--	--	--	66,000
--	--	(66,000)	--	--	--	(66,000)
--	(107)	--	(53)	--	--	(2,476)
--	(3)	--	(3)	--	--	(56)
(467)	(242)	(7,681)	(834)	(8)	(116)	(10,377)
74	5	--	428	--	--	856
--	--	--	--	--	--	30,304
--	--	--	89	--	--	89
(393)	(347)	(7,681)	(373)	(8)	(116)	18,340
(11,416)	--	(74,350)	--	--	--	(93,570)
29,377	--	79,183	--	--	--	116,980
1,744	31	--	20	1	3	2,027
19,705	31	4,833	20	1	3	25,437
(2)	2,172	(18)	653	(19)	314	28,565
46	5,537	75	3,387	168	274	239,760
$ 44	$ 7,709	$ 57	$ 4,040	$ 149	$ 588	$ 268,325
$ 131,174	$ 716	$ 2,493	$ (258)	$ 35	$ (342)	$ 146,016
474	238	337	525	65	168	2,434
31	--	--	(7)	--	--	24
--	--	--	(1,157)	--	--	(1,169)
(1,342)	1,447	--	965	(3)	74	1,248
--	--	--	--	--	--	(335)
333	--	--	--	--	--	379
--	--	--	304	(8)	(387)	123
--	--	--	--	--	--	(16,016)
(792)	(185)	--	(467)	(168)	483	(1,108)
10	8	--	(2)	(3)	(5)	91
--	--	--	--	61	--	50
--	--	--	(4)	--	--	319
--	264	--	1,107	70	436	3,411
(15,829)	--	--	--	--	--	(15,802)
$ 114,059	$ 2,488	$ 2,830	$ 1,006	$ 49	$ 427	$ 119,665

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

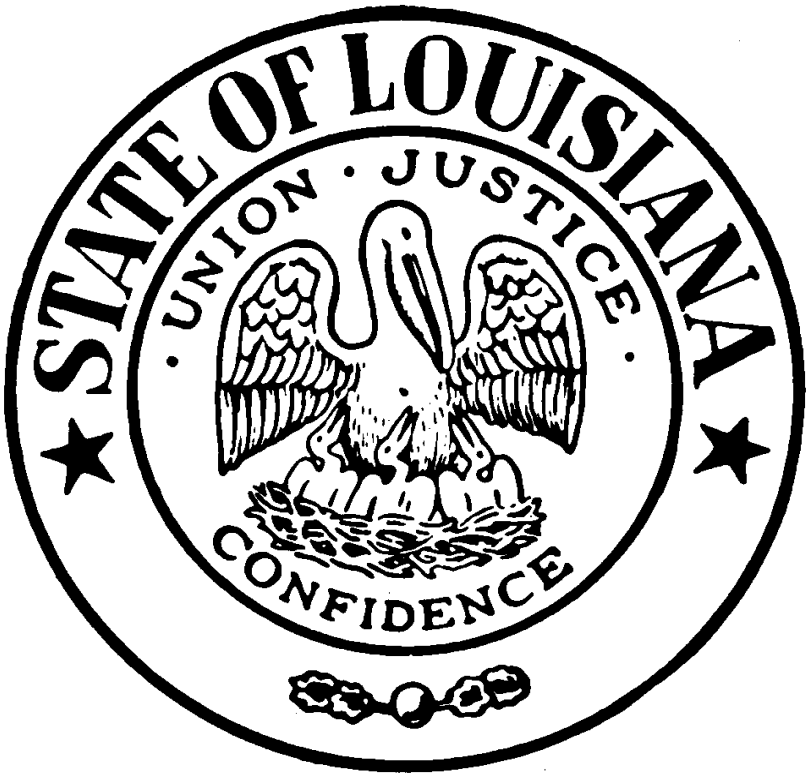
FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2010
LOUISIANA STATE BOARD OF MEDICAL EXAMINERS	
INTEREST ON CERTIFICATES OF DEPOSITS RE-INVESTED	36
LOUISIANA LOTTERY CORPORATION	
NET INCREASE IN FAIR VALUE OF INVESTMENTS	1,138
INTEREST ACCRUED ON DEPOSITS WITH MULTI-STATE LOTTERY ASSOCIATION	74
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	37,732

(Concluded)


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

State of Louisiana

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION
ASSETS			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	$ 1,986	$ 165	$ 34
INVESTMENTS	--	--	3,311
RECEIVABLES (NET)	1,234	36	--
INVENTORIES	633	12	--
PREPAYMENTS	2	--	--
OTHER CURRENT ASSETS	--	--	410
TOTAL CURRENT ASSETS	3,855	213	3,755
NONCURRENT ASSETS:			
RESTRICTED ASSETS			
INVESTMENTS	--	--	2,406
CAPITAL ASSETS (NOTE 5)			
LAND	--	--	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	370	19	--
OTHER NONCURRENT ASSETS	--	--	--
TOTAL NONCURRENT ASSETS	370	19	2,406
TOTAL ASSETS	$ 4,225	$ 232	$ 6,161
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND ACCRUALS	$ 292	$ 26	$ --
DUE TO OTHER FUNDS	--	--	--
DEFERRED REVENUES	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	14	3	--
NOTES PAYABLE	71	--	--
OTHER LONG-TERM LIABILITIES	--	--	300
TOTAL CURRENT LIABILITIES	377	29	300
NONCURRENT LIABILITIES:			
NONCURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	206	25	--
NOTES PAYABLE	46	--	--
OPEB PAYABLE	2,376	148	--
OTHER LONG-TERM LIABILITIES	--	--	646
TOTAL NONCURRENT LIABILITIES	2,628	173	646
TOTAL LIABILITIES	3,005	202	946
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	253	19	--
RESTRICTED FOR DEBT SERVICE	--	--	2,406
UNRESTRICTED	967	11	2,809
TOTAL NET ASSETS	1,220	30	5,215
TOTAL LIABILITIES AND NET ASSETS	$ 4,225	$ 232	$ 6,161

LOUISIANA OFFICE BUILDING CORPORATION	OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ 291	$ 6	$ 162	$ 3,609	$ 6,253
--	68,496	--	--	71,807
182	2,921	561	4,983	9,917
--	--	87	--	732
--	29	--	--	31
--	73	--	--	483
473	71,525	810	8,592	89,223
--	27,884	--	--	30,290
--	301	--	--	301
--	188	2	1,100	1,679
--	3,103	--	--	3,103
--	31,476	2	1,100	35,373
$ 473	$ 103,001	$ 812	$ 9,692	$ 124,596
$ --	$ 167	$ 96	$ 996	$ 1,577
--	--	--	4	4
--	277	--	--	277
--	--	2	27	46
--	--	--	--	71
--	3,300	--	--	3,600
--	3,744	98	1,027	5,575
--	--	28	453	712
--	--	--	--	46
--	--	148	3,984	6,656
--	62,343	--	--	62,989
--	62,343	176	4,437	70,403
--	66,087	274	5,464	75,978
--	489	2	1,100	1,863
--	27,884	--	--	30,290
473	8,541	536	3,128	16,465
473	36,914	538	4,228	48,618
$ 473	$ 103,001	$ 812	$ 9,692	$ 124,596

State of Louisiana

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA OFFICE BUILDING CORPORATION
OPERATING REVENUES:				
SALES OF COMMODITIES AND SERVICES	$ 9,349	$ 393	$ --	$ --
USE OF MONEY AND PROPERTY	--	--	--	--
OTHER	--	--	--	182
TOTAL OPERATING REVENUES	9,349	393	--	182
OPERATING EXPENSES:				
COST OF SALES AND SERVICES	5,155	144	--	--
ADMINISTRATIVE	4,513	412	564	142
DEPRECIATION	173	3	--	--
AMORTIZATION	--	--	(26)	--
TOTAL OPERATING EXPENSES	9,841	559	538	142
OPERATING INCOME (LOSS)	(492)	(166)	(538)	40
NONOPERATING REVENUES (EXPENSES):				
USE OF MONEY AND PROPERTY	10	1	(12)	--
LOSS ON DISPOSAL OF FIXED ASSETS	(4)	--	--	--
INTEREST EXPENSE	(6)	--	(923)	--
OTHER REVENUES	16	--	943	--
TOTAL NONOPERATING REVENUES (EXPENSES)	16	1	8	--
CHANGE IN NET ASSETS	(476)	(165)	(530)	40
TOTAL NET ASSETS - BEGINNING	1,696	195	5,745	433
TOTAL NET ASSETS - ENDING	$ 1,220	$ 30	$ 5,215	$ 473

OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ --	$ 1,383	$ 54,308	$ 65,433
22,269	--	--	22,269
--	--	--	182
22,269	1,383	54,308	87,884
--	1,006	45,944	52,249
23,852	395	9,468	39,346
78	1	653	908
(366)	--	--	(392)
23,564	1,402	56,065	92,111
(1,295)	(19)	(1,757)	(4,227)
12,739	2	14	12,754
--	--	(102)	(106)
(13,374)	--	(7)	(14,310)
--	2	--	961
(635)	4	(95)	(701)
(1,930)	(15)	(1,852)	(4,928)
38,844	553	6,080	53,546
$ 36,914	$ 538	$ 4,228	$ 48,618

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	CENTRAL REGIONAL LAUNDRY	LOUISIANA CORRECTIONAL FACILITIES CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM CUSTOMERS	$ 8,919	$ 393	$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(6,128)	(148)	(564)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(2,854)	(382)	--
OTHER OPERATING REVENUES	--	25	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(63)	(112)	(564)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
OTHER	16	--	2,496
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	16	--	2,496
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
PROCEEDS FROM SALE OF BONDS	--	--	--
PRINCIPAL PAID ON BONDS	--	--	(1,565)
INTEREST PAID ON BOND MATURITIES	--	--	(943)
PRINCIPAL PAID ON NOTES PAYABLE	(71)	--	--
INTEREST PAID ON NOTES PAYABLE	(6)	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	--	--	--
OTHER	(4)	--	--
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(81)	--	(2,508)
CASH FLOWS FROM INVESTING ACTIVITIES:			
PURCHASE OF INVESTMENT SECURITIES	--	--	(2,504)
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	--	--	3,079
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	9	1	2
NET CASH PROVIDED BY INVESTING ACTIVITIES	9	1	577
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(119)	(111)	1
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,105	276	33
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1,986	$ 165	$ 34
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	$ (492)	$ (166)	$ (538)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION/AMORTIZATION	173	3	(26)
CHANGES IN ASSETS AND LIABILITIES:			
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(430)	32	1
(INCREASE)DECREASE IN PREPAYMENTS	--	--	--
(INCREASE)DECREASE IN INVENTORIES	175	(4)	--
(INCREASE)DECREASE IN OTHER ASSETS	--	--	45
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	(56)	(6)	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	(1)	5	--
INCREASE(DECREASE) IN DEFERRED REVENUES	--	--	--
INCREASE(DECREASE) IN OPEB PAYABLE	567	24	--
INCREASE(DECREASE) IN OTHER LIABILITIES	1	--	(46)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (63)	$ (112)	$ (564)

LOUISIANA OFFICE BUILDING CORPORATION	OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ --	$ 22,548	$ 1,210	$ 54,712	$ 87,782
(142)	(23,855)	(963)	(46,178)	(77,978)
--	--	(306)	(8,515)	(12,057)
16	--	--	--	41
(126)	(1,307)	(59)	19	(2,212)
--	--	2	--	2,514
--	--	2	--	2,514
--	99,055	--	--	99,055
--	(120,440)	--	--	(122,005)
--	(14,008)	--	--	(14,951)
--	--	--	(301)	(372)
--	--	--	(7)	(13)
--	(78)	--	(404)	(482)
--	33,859	--	--	33,855
--	(1,612)	--	(712)	(4,913)
--	(14,709)	--	--	(17,213)
--	16,644	--	--	19,723
--	969	2	14	997
--	2,904	2	14	3,507
(126)	(15)	(55)	(679)	(1,104)
417	21	217	4,288	7,357
$ 291	$ 6	$ 162	$ 3,609	$ 6,253
$ 40	$ (1,295)	$ (19)	$ (1,757)	$ (4,227)
--	(288)	1	653	516
(166)	255	(173)	404	(77)
--	(11)	--	--	(11)
--	--	4	--	175
--	--	--	--	45
--	(13)	80	(233)	(228)
--	--	1	(6)	(1)
--	45	--	--	45
--	--	47	958	1,596
--	--	--	--	(45)
$ (126)	$ (1,307)	$ (59)	$ 19	$ (2,212)

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2010
ASSETS					
CASH AND CASH EQUIVALENTS	$ 16,283	$ 84,434	$ 23	$ 150,797	$ 251,537
RECEIVABLES:					
EMPLOYER CONTRIBUTIONS	7,899	37,243	5,611	96,898	147,651
MEMBER CONTRIBUTIONS	3,259	15,610	243	59,258	78,370
INVESTMENT PROCEEDS	19,318	7,455	--	36,016	62,789
INTEREST AND DIVIDENDS	4,859	26,788	431	28,455	60,533
OTHER	81	2,895	--	11,415	14,391
TOTAL RECEIVABLES	35,416	89,991	6,285	232,042	363,734
INVESTMENTS (AT FAIR VALUE):					
SHORT TERM INVESTMENTS	60,895	127,616	6,001	712,442	906,954
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	143,922	543,635	14,475	727,728	1,429,760
BONDS - DOMESTIC	152,270	1,054,002	80,723	591,788	1,878,783
BONDS - INTERNATIONAL	100,770	391,157	736	569,849	1,062,512
MARKETABLE SECURITIES - DOMESTIC	568,649	1,963,558	172,596	3,203,068	5,907,871
MARKETABLE SECURITIES - INTERNATIONAL	153,879	1,871,908	43,513	3,189,811	5,259,111
ALTERNATIVE INVESTMENTS	91,103	2,009,101	43,214	2,746,290	4,889,708
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	145,764	717,219	29,367	1,199,700	2,092,050
OTHER	1,993	10	--	--	2,003
TOTAL INVESTMENTS	1,419,245	8,678,206	390,625	12,940,676	23,428,752
PROPERTY, PLANT AND EQUIPMENT:					
LAND	1,010	858	--	858	2,726
BUILDINGS AND IMPROVEMENTS	3,633	5,519	--	5,540	14,692
FURNITURE AND EQUIPMENT	313	2,842	125	4,570	7,850
INTANGIBLE ASSETS	--	10,887	--	--	10,887
LESS ACCUMULATED DEPRECIATION AND AMORTIZATION	(1,589)	(8,916)	(119)	(6,719)	(17,343)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,367	11,190	6	4,249	18,812
TOTAL ASSETS	1,474,311	8,863,821	396,939	13,327,764	24,062,835
LIABILITIES					
ACCOUNTS PAYABLE	1,211	10,859	604	1,567	14,241
INVESTMENT COMMITMENTS PAYABLE	39,502	18,150	195	72,755	130,602
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	145,764	765,007	29,367	1,199,700	2,139,838
OPEB PAYABLE	1,883	5,262	252	6,601	13,998
REFUNDS PAYABLE AND OTHER	99	--	--	25,710	25,809
TOTAL LIABILITIES	188,459	799,278	30,418	1,306,333	2,324,488
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS	$ 1,285,852	$ 8,064,543	$ 366,521	$ 12,021,431	$ 21,738,347

(Schedule of Funding Progress - Note 6)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2010
ADDITIONS					
CONTRIBUTIONS:					
EMPLOYER	$ 53,297	$ 490,701	$ 27,089	$ 665,220	$ 1,236,307
MEMBERS	22,349	205,328	5,449	347,114	580,240
TOTAL CONTRIBUTIONS	75,646	696,029	32,538	1,012,334	1,816,547
INVESTMENT INCOME:					
NET INCREASE IN FAIR VALUE OF INVESTMENTS	118,523	701,945	33,511	1,047,493	1,901,472
INTEREST AND DIVIDENDS	30,482	199,676	6,084	254,685	490,927
ALTERNATIVE INVESTMENT INCOME	2,403	232,043	--	41,032	275,478
LESS ALTERNATIVE INVESTMENT EXPENSES	--	(28,296)	--	(30,548)	(58,844)
SECURITIES LENDING INCOME	609	47,549	132	4,779	53,069
LESS SECURITIES LENDING EXPENSES	(174)	128	(14)	1,025	965
OTHER INVESTMENT INCOME	1,523	4,720	--	94	6,337
LESS INVESTMENT EXPENSE OTHER THAN ALTERNATIVE INVESTMENTS AND SECURITIES LENDING	(3,554)	(18,463)	(1,347)	(32,818)	(56,182)
NET INVESTMENT INCOME	149,812	1,139,302	38,366	1,285,742	2,613,222
OTHER INCOME	--	12,690	2,006	64,946	79,642
TOTAL ADDITIONS	225,458	1,848,021	72,910	2,363,022	4,509,411
DEDUCTIONS					
RETIREMENT BENEFITS	135,746	829,237	39,961	1,532,526	2,537,470
REFUNDS OF CONTRIBUTIONS	2,783	35,676	67	40,835	79,361
ADMINISTRATIVE EXPENSES	4,381	16,763	556	17,968	39,668
DEPRECIATION AND AMORTIZATION EXPENSES	106	2,135	2	543	2,786
OTHER	278	--	--	--	278
TOTAL DEDUCTIONS	143,294	883,811	40,586	1,591,872	2,659,563
NET INCREASE IN NET ASSETS	82,164	964,210	32,324	771,150	1,849,848
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS					
BEGINNING OF YEAR	1,203,688	7,100,333	334,197	11,250,281	19,888,499
END OF YEAR	$ 1,285,852	$ 8,064,543	$ 366,521	$ 12,021,431	$ 21,738,347

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	DEBT SERVICE RESERVE FUND	ESCROW FUND	FREE SCHOOL FUND	FUTURE MEDICAL CARE FUND	INSURANCE TRUSTS
ASSETS					
CASH AND CASH EQUIVALENTS	$ 3,977	$ 202,029	$ 3,533	$ 9,431	$ 2,284
INVESTMENTS	--	99,120	22,500	--	40,408
RECEIVABLES	--	125,375	403	6	12,227
OTHER ASSETS	--	--	--	--	417
TOTAL ASSETS	$ 3,977	$ 426,524	$ 26,436	$ 9,437	$ 55,336
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,977	$ 287,768	$ 26,436	$ 9,437	$ 50,640
OTHER LIABILITIES	--	138,756	--	--	4,696
TOTAL LIABILITIES	$ 3,977	$ 426,524	$ 26,436	$ 9,437	$ 55,336

	MISCEL-LANEOUS AGENCY FUNDS	NON-STATE ENTITIES OPEB	PAYROLL CLEARING FUND	TOTAL JUNE 30, 2010
ASSETS				
CASH AND CASH EQUIVALENTS	$ 18,347	$ 66,687	$ 1,876	$ 308,164
INVESTMENTS	--	--	--	162,028
RECEIVABLES	--	3,459	--	141,470
OTHER ASSETS	--	--	--	417
TOTAL ASSETS	$ 18,347	$ 70,146	$ 1,876	$ 612,079
LIABILITIES				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 18,347	$ 57,335	$ 1,876	$ 455,816
OTHER LIABILITIES	--	12,811	--	156,263
TOTAL LIABILITIES	$ 18,347	$ 70,146	$ 1,876	$ 612,079

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
DEBT SERVICE RESERVE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 3,975	$ 2	$ --	$ 3,977
TOTAL ASSETS	$ 3,975	$ 2	$ --	$ 3,977
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,975	$ 2	$ --	$ 3,977
TOTAL LIABILITIES	$ 3,975	$ 2	$ --	$ 3,977
ESCROW FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 216,479	$ 999,721	$ 1,014,171	$ 202,029
INVESTMENTS	77,844	21,276	--	99,120
RECEIVABLES	133,245	125,375	133,245	125,375
TOTAL ASSETS	$ 427,568	$ 1,146,372	$ 1,147,416	$ 426,524
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 281,404	$ 1,013,111	$ 1,006,747	$ 287,768
OTHER LIABILITIES	146,164	138,756	146,164	138,756
TOTAL LIABILITIES	$ 427,568	$ 1,151,867	$ 1,152,911	$ 426,524
FREE SCHOOL FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 8,608	$ 4,138	$ 9,213	$ 3,533
INVESTMENTS	16,707	5,798	5	22,500
RECEIVABLES	455	57	109	403
TOTAL ASSETS	$ 25,770	$ 9,993	$ 9,327	$ 26,436
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 24,988	$ 4,905	$ 3,457	$ 26,436
OTHER LIABILITIES	782	--	782	--
TOTAL LIABILITIES	$ 25,770	$ 4,905	$ 4,239	$ 26,436

(Continued)

State of Louisiana

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
FUTURE MEDICAL CARE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 9,479	$ 570	$ 618	$ 9,431
RECEIVABLES	--	6	--	6
TOTAL ASSETS	$ 9,479	$ 576	$ 618	$ 9,437
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 9,479	$ 576	$ 618	$ 9,437
TOTAL LIABILITIES	$ 9,479	$ 576	$ 618	$ 9,437
INSURANCE TRUSTS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 1,635	$ 16,405	$ 15,756	$ 2,284
INVESTMENTS	51,892	4,204	15,688	40,408
RECEIVABLES	12,410	3,431	3,614	12,227
OTHER ASSETS	774	19	376	417
TOTAL ASSETS	$ 66,711	$ 24,059	$ 35,434	$ 55,336
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 65,635	$ 19,363	$ 34,358	$ 50,640
OTHER LIABILITIES	1,076	4,696	1,076	4,696
TOTAL LIABILITIES	$ 66,711	$ 24,059	$ 35,434	$ 55,336
MISCELLANEOUS AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
TOTAL ASSETS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 18,845	$ 80,046	$ 80,544	$ 18,347
TOTAL LIABILITIES	$ 18,845	$ 80,046	$ 80,544	$ 18,347

(Continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
NON-STATE ENTITIES OPEB				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 68,693	$ 162,307	$ 164,313	$ 66,687
RECEIVABLES	2,753	163,012	162,306	3,459
TOTAL ASSETS	$ 71,446	$ 325,319	$ 326,619	$ 70,146
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 57,879	$ 163,013	$ 163,557	$ 57,335
OTHER LIABILITIES	13,567	163,557	164,313	12,811
TOTAL LIABILITIES	$ 71,446	$ 326,570	$ 327,870	$ 70,146
PAYROLL CLEARING FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL ASSETS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL LIABILITIES	$ 2,015	$ 2,906,494	$ 2,906,633	$ 1,876
TOTAL ALL AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 329,729	$ 4,169,683	$ 4,191,248	$ 308,164
INVESTMENTS	146,443	31,278	15,693	162,028
RECEIVABLES	148,863	291,881	299,274	141,470
OTHER ASSETS	774	19	376	417
TOTAL ASSETS	$ 625,809	$ 4,492,861	$ 4,506,591	$ 612,079
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 464,220	$ 4,187,510	$ 4,195,914	$ 455,816
OTHER LIABILITIES	161,589	307,009	312,335	156,263
TOTAL LIABILITIES	$ 625,809	$ 4,494,519	$ 4,508,249	$ 612,079

(Concluded)

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CAPITAL AREA HUMAN SERVICES DISTRICT	FLORIDA PARISHES HUMAN SERVICES AUTHORITY	GREATER BATON ROUGE PORT COMMISSION **	GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	JEFFERSON PARISH HUMAN SERVICES AUTHORITY
ASSETS						
CURRENT ASSETS:						
CASH AND CASH EQUIVALENTS	$ 4,571	$ 2,078	$ 370	$ 6,864	$ 6,007	$ 10,297
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--	--	19,933	789
INVESTMENTS	197	--	--	10,849	--	--
RESTRICTED INVESTMENTS	--	--	--	797	--	--
RECEIVABLES (NET)	266	1,046	456	969	242	881
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	1,788	1,385	--	--	628
DUE FROM FEDERAL GOVERNMENT	--	244	52	44	--	--
INVENTORIES	--	2,604	1,392	--	320	85
PREPAYMENTS	6	--	--	85	503	28
NOTES RECEIVABLE	--	--	--	--	--	--
OTHER CURRENT ASSETS	--	--	--	--	--	--
TOTAL CURRENT ASSETS	5,040	7,760	3,655	19,608	27,005	12,708
NONCURRENT ASSETS:						
RESTRICTED ASSETS:						
CASH	--	--	--	--	3,518	--
INVESTMENTS	398	--	--	--	15,772	--
RECEIVABLES (NET)	--	--	--	--	1,744	--
NOTES RECEIVABLE	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
INVESTMENTS	22,313	--	--	--	--	--
NOTES RECEIVABLE	--	--	--	--	--	--
CAPITAL ASSETS (NOTE 5)						
LAND	402	--	--	7,380	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	686	--	--	30,819	2,192	361
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	98	257	420	1,435	2,740	360
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	--	8,264	104,915	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	--	--	--	--
CONSTRUCTION IN PROGRESS	--	--	--	5,065	--	--
OTHER NONCURRENT ASSETS	--	--	--	151	1,608	--
TOTAL NONCURRENT ASSETS	23,897	257	420	53,114	132,489	721
TOTAL ASSETS	$ 28,937	$ 8,017	$ 4,075	$ 72,722	$ 159,494	$ 13,429
LIABILITIES						
CURRENT LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	$ 392	$ 1,634	$ 1,471	$ 999	$ 2,154	$ 1,978
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	211	285	--	--	--
DUE TO FEDERAL GOVERNMENT	--	--	--	--	--	--
DEFERRED REVENUES	19	--	--	481	1,164	--
OTHER CURRENT LIABILITIES	303	--	--	158	1,360	715
CURRENT PORTION OF LONG-TERM LIABILITIES:						
CONTRACTS PAYABLE	--	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	30	666	339	--	--	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--	--
NOTES PAYABLE	--	--	--	440	--	--
BONDS PAYABLE	--	--	--	--	9,771	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--	--
TOTAL CURRENT LIABILITIES	744	2,511	2,095	2,078	14,449	2,693
LONG-TERM LIABILITIES:						
NONCURRENT PORTION OF LONG-TERM LIABILITIES:						
COMPENSATED ABSENCES PAYABLE	212	745	528	--	1,337	940
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	--	764	--
NOTES PAYABLE	--	--	--	5,317	--	--
BONDS PAYABLE	--	--	--	--	56,100	--
OPEB PAYABLE	2,027	10,261	5,155	1,367	1,605	6,974
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	125	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	1,125	--
TOTAL LONG-TERM LIABILITIES	2,239	11,006	5,683	6,809	60,931	7,914
TOTAL LIABILITIES	2,983	13,517	7,778	8,887	75,380	10,607
NET ASSETS:						
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,186	257	420	47,206	43,976	721
RESTRICTED FOR:						
CAPITAL PROJECTS	--	--	--	--	16,135	--
DEBT SERVICE	--	--	--	199	12,505	--
OTHER PURPOSES	--	--	--	--	--	946
UNRESTRICTED	24,768	(5,757)	(4,123)	16,430	11,498	1,155
TOTAL NET ASSETS	25,954	(5,500)	(3,703)	63,835	84,114	2,822
TOTAL LIABILITIES AND NET ASSETS	$ 28,937	$ 8,017	$ 4,075	$ 72,722	$ 159,494	$ 13,429

* As of October 31, 2009.
** As of December 31, 2009.

(Continued)

KENNER NAVAL MUSEUM COMMISSION	LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA CANCER RESEARCH CENTER	LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	LOUISIANA HOUSING FINANCE AGENCY	LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	LOUISIANA PUBLIC FACILITIES AUTHORITY **	METROPOLITAN HUMAN SERVICES DISTRICT
$ 1	$ 1,101	$ 14,261	$ 24,047	$ 2,742	$ 139	$ 5,628	$ 1,026
--	--	--	398	55,565	--	--	--
--	--	11,097	--	--	--	1,576	--
--	--	--	--	--	--	--	--
--	16	7,374	16,566	461	10	1,992	116
--	2,448	--	--	--	--	--	2,017
--	--	--	--	2,072	--	--	396
--	--	--	--	--	15	--	928
--	--	--	--	--	20	10	--
--	7,669	--	257	1,229	--	--	--
--	449	--	4,499	734	--	--	--
1	11,683	32,732	45,767	62,803	184	9,206	4,483
--	8,108	--	--	32,062	--	--	--
--	--	--	--	13,822	--	--	--
--	--	--	--	31,100	--	6,620	--
--	85,353	--	--	91,246	--	--	--
--	--	--	--	5,203	--	--	--
--	--	--	32,244	--	--	14,390	--
--	--	--	9,610	--	--	--	--
--	6,857	672	--	712	269	--	--
--	33,462	--	--	38,247	2,149	--	--
--	10,046	2,026	--	452	5	47	319
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	685	39,392	--	20,796	--	--	--
--	8,450	--	2,974	--	--	--	--
--	152,961	42,090	44,828	233,640	2,423	21,057	319
$ 1	$ 164,644	$ 74,822	$ 90,595	$ 296,443	$ 2,607	$ 30,263	$ 4,802
$ --	$ 63	$ 3,297	$ 83	$ 890	$ 30	$ 114	$ 2,517
--	39	--	--	--	--	--	392
--	477	--	--	287	--	--	--
--	2	--	--	13,057	10	--	--
--	1,101	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	23	866	--	--	431
--	--	--	--	--	--	--	--
--	--	--	--	13,828	--	--	--
--	9,082	--	--	6,796	--	--	--
--	--	--	--	8,020	--	60	--
--	10,764	3,297	106	43,744	40	174	3,340
--	--	--	--	--	28	--	404
--	--	--	--	--	--	--	--
--	--	--	--	1,000	--	--	--
--	--	--	--	--	--	--	--
--	62,783	--	--	20,130	--	--	--
--	--	--	--	3,926	195	--	3,791
--	--	--	--	--	--	--	--
--	--	--	1,962	--	--	3,647	--
--	62,783	--	1,962	25,056	223	3,647	4,195
--	73,547	3,297	2,068	68,800	263	3,821	7,535
--	15,365	42,090	--	49,652	2,423	47	319
--	6,171	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,907	--	398	135,559	--	--	--
1	67,654	29,435	88,129	42,432	(79)	26,395	(3,052)
1	91,097	71,525	88,527	227,643	2,344	26,442	(2,733)
$ 1	$ 164,644	$ 74,822	$ 90,595	$ 296,443	$ 2,607	$ 30,263	$ 4,802

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2010

(EXPRESSED IN THOUSANDS)

	OTHER LEVEE DISTRICTS	ROAD HOME CORPORATION	SABINE RIVER AUTHORITY	WHITE LAKE PRESERVATION, INCORPORATED	TOTAL NONMAJOR COMPONENT UNITS
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 46,526	$ 109	$ 10,694	$ 15	$ 136,476
RESTRICTED CASH AND CASH EQUIVALENTS	301	--	--	--	76,986
INVESTMENTS	55,403	--	--	--	79,122
RESTRICTED INVESTMENTS	--	--	--	--	797
RECEIVABLES (NET)	8,539	17,188	1,396	--	57,518
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	--	8,266
DUE FROM FEDERAL GOVERNMENT	27	--	--	--	2,835
INVENTORIES	23	--	--	--	5,367
PREPAYMENTS	234	294	--	--	1,180
NOTES RECEIVABLE	19	--	--	--	9,174
OTHER CURRENT ASSETS	55	--	--	--	5,737
TOTAL CURRENT ASSETS	111,127	17,591	12,090	15	383,458
NONCURRENT ASSETS:					
RESTRICTED ASSETS:					
CASH	367	--	2,376	--	46,431
INVESTMENTS	10,148	--	--	--	40,140
RECEIVABLES (NET)	--	--	--	--	39,464
NOTES RECEIVABLE	--	--	--	--	176,599
OTHER	--	--	--	--	5,203
INVESTMENTS	--	--	--	--	68,947
NOTES RECEIVABLE	--	--	--	--	9,610
CAPITAL ASSETS (NOTE 5)					
LAND	7,260	177,276	1,430	--	202,258
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	5,113	--	29,572	--	142,601
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	11,308	147	1,000	--	30,660
INFRASTRUCTURE (NET OF DEPRECIATION)	65,470	--	19,800	--	198,449
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	1,414	--	1,414
CONSTRUCTION IN PROGRESS	2,590	--	351	--	68,879
OTHER NONCURRENT ASSETS	3	395	72	--	13,653
TOTAL NONCURRENT ASSETS	102,259	177,818	56,015	--	1,044,308
TOTAL ASSETS	$ 213,386	$ 195,409	$ 68,105	$ 15	$ 1,427,766
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 1,753	$ 18,029	$ 240	$ --	$ 35,644
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	--	927
DUE TO FEDERAL GOVERNMENT	--	--	--	--	764
DEFERRED REVENUES	166	--	29	--	14,928
OTHER CURRENT LIABILITIES	128	97	--	--	3,862
CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	1,177	--	--	--	1,177
COMPENSATED ABSENCES PAYABLE	111	--	219	--	2,685
CAPITAL LEASE OBLIGATIONS	169	--	--	--	169
NOTES PAYABLE	--	--	--	--	14,268
BONDS PAYABLE	1,050	--	865	--	27,564
OTHER LONG-TERM LIABILITIES	--	--	--	--	8,080
TOTAL CURRENT LIABILITIES	4,554	18,126	1,353	--	110,068
LONG-TERM LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	971	103	--	--	5,268
CAPITAL LEASE OBLIGATIONS	176	--	--	--	176
ESTIMATED LIABILITY FOR CLAIMS	1,793	--	--	--	3,557
NOTES PAYABLE	--	--	--	--	5,317
BONDS PAYABLE	4,755	--	2,835	--	146,603
OPEB PAYABLE	9,914	--	1,579	--	46,794
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--	125
OTHER LONG-TERM LIABILITIES	--	--	--	--	6,734
TOTAL LONG-TERM LIABILITIES	17,609	103	4,414	--	214,574
TOTAL LIABILITIES	22,163	18,229	5,767	--	324,642
NET ASSETS:					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	90,881	177,423	49,815	--	521,781
RESTRICTED FOR:					
CAPITAL PROJECTS	3,524	--	--	--	25,830
DEBT SERVICE	546	--	1,459	--	14,709
OTHER PURPOSES	180	--	--	--	138,990
UNRESTRICTED	96,092	(243)	11,064	15	401,814
TOTAL NET ASSETS	191,223	177,180	62,338	15	1,103,124
TOTAL LIABILITIES AND NET ASSETS	$ 213,386	$ 195,409	$ 68,105	$ 15	$ 1,427,766

* As of October 31, 2009.
** As of December 31, 2009.

(Concluded)

COMBINING STATEMENT OF ACTIVITIES

NONMAJOR COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2010

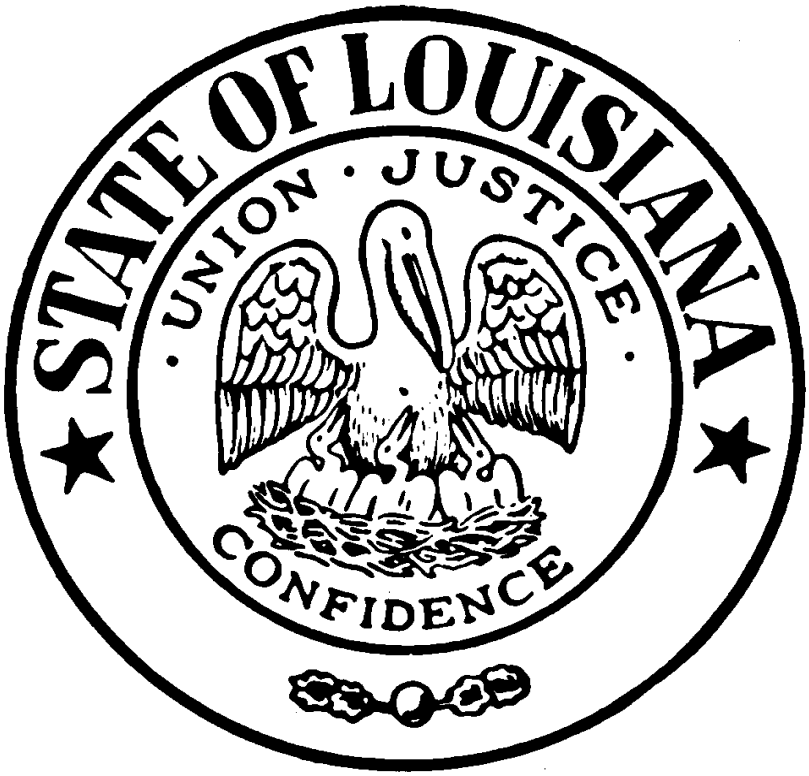
(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	$ 8,799	$ 6,883	$ --	$ --	$ (1,916)
CAPITAL AREA HUMAN SERVICES DISTRICT	38,122	1,121	--	--	(37,001)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	22,204	178	--	--	(22,026)
GREATER BATON ROUGE PORT COMMISSION **	7,740	4,986	--	1,251	(1,503)
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	23,190	17,051	331	--	(5,808)
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	31,758	2,603	5,274	--	(23,881)
KENNER NAVAL MUSEUM COMMISSION	2	--	--	--	(2)
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	20,339	2,513	7,569	10	(10,247)
LOUISIANA CANCER RESEARCH CENTER	17,538	--	43,203	--	25,665
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	32,223	1,661	--	--	(30,562)
LOUISIANA HOUSING FINANCE AGENCY	179,712	16,400	162,224	--	(1,088)
LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	977	574	223	--	(180)
LOUISIANA PUBLIC FACILITIES AUTHORITY **	2,736	3,619	--	--	883
METROPOLITAN HUMAN SERVICES DISTRICT	31,265	902	--	--	(30,363)
OTHER LEVEE DISTRICTS	52,846	68	8,524	4,301	(39,953)
ROAD HOME CORPORATION	105,233	--	78,621	10,383	(16,229)
SABINE RIVER AUTHORITY	8,099	12,624	--	--	4,525
WHITE LAKE PRESERVATION, INCORPORATED	1	--	--	--	(1)
TOTAL NONMAJOR COMPONENT UNITS	$ 582,784	$ 71,183	$ 305,969	$ 15,945	$ (189,687)

	GENERAL REVENUES				
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	$ 300	$ 2,631	$ 1,015	$ 24,939	$ 25,954
CAPITAL AREA HUMAN SERVICES DISTRICT	17,621	9,587	(9,793)	4,293	(5,500)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	20,126	--	(1,900)	(1,803)	(3,703)
GREATER BATON ROUGE PORT COMMISSION **	--	435	(1,068)	64,903	63,835
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	--	5,280	(528)	84,642	84,114
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	23,064	33	(784)	3,606	2,822
KENNER NAVAL MUSEUM COMMISSION	--	2	--	1	1
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	--	43,105	32,858	58,239	91,097
LOUISIANA CANCER RESEARCH CENTER	--	269	25,934	45,591	71,525
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	7,200	9,224	(14,138)	102,665	88,527
LOUISIANA HOUSING FINANCE AGENCY	--	17,050	15,962	211,681	227,643
LOUISIANA NAVAL WAR MEMORIAL COMMISSION **	--	4	(176)	2,520	2,344
LOUISIANA PUBLIC FACILITIES AUTHORITY **	--	398	1,281	25,161	26,442
METROPOLITAN HUMAN SERVICES DISTRICT	28,120	1,431	(812)	(1,921)	(2,733)
OTHER LEVEE DISTRICTS	1,475	47,624	9,146	182,077	191,223
ROAD HOME CORPORATION	--	--	(16,229)	193,409	177,180
SABINE RIVER AUTHORITY	--	857	5,382	56,956	62,338
WHITE LAKE PRESERVATION, INCORPORATED	--	--	(1)	16	15
TOTAL NONMAJOR COMPONENT UNITS	$ 97,906	$ 137,930	$ 46,149	$ 1,056,975	$ 1,103,124

* For the period ending October 31, 2009.

** For the period ending December 31, 2009.


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

III. STATISTICAL SECTION

Statistical Section Index

This part of the Louisiana comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Louisiana's overall financial health.

Contents **Page**

Financial Trends **180**
These schedules contain trend information to help the reader understand how Louisiana's financial performance and well-being have changed over time.

Revenue Capacity **190**
These schedules contain information to help the reader assess Louisiana's most significant state revenue source, income tax.

Debt Capacity **194**
These schedules present information to help the reader assess the affordability of Louisiana's current levels of outstanding debt and Louisiana's ability to issue additional debt in the future.

Demographic and Economic Information **199**
These schedules offer demographic and economic indicators to help the reader understand the environment within which Louisiana's financial activities take place.

Operating Information **201**
These schedules contain service and infrastructure data to help the reader understand how the information in Louisiana's financial report relates to the services Louisiana provides and the activities it performs.

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
GOVERNMENTAL ACTIVITIES				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 14,737,911	$ 14,091,358	$ 12,780,381	$ 11,841,240
RESTRICTED	5,096,314	5,489,526	5,214,389	5,504,064
UNRESTRICTED	(2,318,148)	(1,059,178)	682,749	379,890
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS	$ 17,516,077	$ 18,521,706	$ 18,677,519	$ 17,725,194
BUSINESS-TYPE ACTIVITIES				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 170,960	$ 119,033	$ 19,755	$ 22,290
RESTRICTED	1,048,285	1,417,455	1,572,760	1,476,729
UNRESTRICTED	772,984	964,436	940,801	905,398
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS	$ 1,992,229	$ 2,500,924	$ 2,533,316	$ 2,404,417
PRIMARY GOVERNMENT				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	$ 14,908,871	$ 14,210,391	$ 12,800,136	$ 11,863,530
RESTRICTED	6,144,599	6,906,981	6,787,149	6,980,793
UNRESTRICTED	(1,545,164)	(94,742)	1,623,550	1,285,288
TOTAL PRIMARY GOVERNMENT NET ASSETS	$ 19,508,306	$ 21,022,630	$ 21,210,835	$ 20,129,611

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 11,304,859	$ 10,982,851	$ 10,438,398	$ 9,963,831	$ 9,844,678
6,988,644	6,825,025	5,750,785	5,513,915	5,313,419
(3,460,580)	(4,449,263)	(4,065,966)	(2,982,946)	(2,881,310)
$ 14,832,923	$ 13,358,613	$ 12,123,217	$ 12,494,800	$ 12,276,787
$ 22,353	$ 20,251	$ 21,512	$ 22,036	$ 46,716
1,407,337	1,547,700	1,573,788	1,602,480	1,648,089
467,360	433,632	397,431	369,811	348,715
$ 1,897,050	$ 2,001,583	$ 1,992,731	$ 1,994,327	$ 2,043,520
$ 11,327,212	$ 11,003,102	$ 10,459,910	$ 9,985,867	$ 9,891,394
8,395,981	8,372,725	7,324,573	7,116,395	6,961,508
(2,993,220)	(4,015,631)	(3,668,535)	(2,613,135)	(2,532,595)
$ 16,729,973	$ 15,360,196	$ 14,115,948	$ 14,489,127	$ 14,320,307

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
EXPENSES				
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	$ 5,896,826	$ 6,972,403	$ 8,693,766	$ 7,492,929
CULTURE, RECREATION, AND TOURISM	86,845	122,928	148,178	100,246
TRANSPORTATION AND DEVELOPMENT	1,111,846	1,286,404	1,052,169	889,606
PUBLIC SAFETY	349,369	371,326	331,086	337,962
HEALTH AND WELFARE	10,248,151	9,671,816	8,615,435	7,626,096
CORRECTIONS	686,957	727,095	649,858	540,284
YOUTH SERVICES	152,562	170,678	165,840	121,335
CONSERVATION AND ENVIRONMENT	595,690	499,648	439,009	331,891
EDUCATION	6,599,451	7,136,960	6,871,321	6,085,878
OTHER	45,821	66,424	43,217	40,008
INTERGOVERNMENTAL	398,377	485,875	540,505	182,741
INTEREST ON LONG-TERM DEBT	299,326	304,763	297,201	296,223
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	26,471,221	27,816,320	27,847,585	24,045,199
BUSINESS-TYPE ACTIVITIES:				
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	160,427	--	--	--
UNEMPLOYMENT TRUST FUND	985,779	455,910	189,095	185,308
NONMAJOR ENTERPRISE FUNDS	344,750	335,166	333,801	307,483
TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES	1,490,956	791,076	522,896	492,791
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 27,962,177	$ 28,607,396	$ 28,370,481	$ 24,537,990
PROGRAM REVENUES				
GOVERNMENTAL ACTIVITIES:				
CHARGES FOR SERVICES				
GENERAL GOVERNMENT	$ 1,962,589	$ 2,029,900	$ 2,063,639	$ 2,116,712
CULTURE, RECREATION, AND TOURISM	17,281	8,984	33,232	34,932
TRANSPORTATION AND DEVELOPMENT	70,665	230,874	222,756	197,283
PUBLIC SAFETY	280,500	303,813	306,615	273,481
HEALTH AND WELFARE	295,799	215,112	278,254	266,603
CORRECTIONS	38,520	39,018	32,553	41,657
YOUTH SERVICES	--	7,827	584	1,073
CONSERVATION AND ENVIRONMENT	688,756	905,157	1,046,365	841,171
EDUCATION	60,329	41,544	31,158	30,058
INTERGOVERNMENTAL	1,425	1,244	1,246	1,027
OPERATING GRANTS AND CONTRIBUTIONS	11,138,352	11,068,209	8,848,637	8,962,433
CAPITAL GRANTS AND CONTRIBUTIONS	2,526,649	3,010,693	5,405,015	3,964,479
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	17,080,865	17,862,375	18,270,054	16,730,909
BUSINESS-TYPE ACTIVITIES:				
CHARGES FOR SERVICES				
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	183,576	--	--	--
UNEMPLOYMENT TRUST FUND	245,023	227,260	237,406	249,631
NONMAJOR ENTERPRISE FUNDS	465,146	475,022	468,369	447,678
OPERATING GRANTS AND CONTRIBUTIONS	412,463	99,339	2,695	3,800
CAPITAL GRANTS AND CONTRIBUTIONS	68,045	86,934	41,003	19,355
TOTAL BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES	1,374,253	888,555	749,473	720,464
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 18,455,118	$ 18,750,930	$ 19,019,527	$ 17,451,373

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

(Continued)

2006	2005	2004	2003	2002
$ 4,806,262	$ 2,655,471	$ 2,620,442	$ 2,726,764	$ 2,392,167
66,927	69,415	63,512	69,659	71,718
1,054,044	835,901	820,757	807,856	746,564
301,338	271,118	225,307	291,283	289,396
7,412,815	7,458,289	7,267,104	6,805,797	6,755,431
550,627	664,961	640,371	625,391	609,607
116,975	--	--	--	--
283,692	297,097	289,712	274,926	298,436
5,514,318	5,310,194	5,162,768	4,789,472	4,425,915
26,251	33,833	16,048	4,793	2,042
1,037,043	375,373	354,846	362,099	322,025
230,976	216,750	216,514	149,798	117,769
21,401,268	18,188,402	17,677,381	16,907,838	16,031,070
--	--	--	--	--
823,987	264,458	338,910	372,160	307,878
298,879	274,268	327,375	297,902	303,784
1,122,866	538,726	666,285	670,062	611,662
$ 22,524,134	$ 18,727,128	$ 18,343,666	$ 17,577,900	$ 16,642,732
$ 2,017,870	$ 1,905,839	$ 1,597,757	$ 1,717,172	$ 1,161,310
30,531	29,145	27,435	23,696	5,453
79,099	136,642	65,507	74,451	60,849
276,020	271,052	252,990	253,206	264,066
187,920	305,674	581,160	533,205	968,463
33,926	33,407	36,376	36,878	33,645
513	--	--	--	--
653,286	647,685	618,354	513,999	465,156
49,735	39,783	50,026	23,496	36,663
954	1,396	1,273	1,265	1,187
9,323,509	7,052,411	6,914,691	6,369,929	5,858,641
978,072	520,376	552,527	578,082	492,072
13,631,435	10,943,410	10,698,096	10,125,379	9,347,505
--	--	--	--	--
264,349	267,602	255,914	252,430	232,828
422,489	385,309	445,427	412,562	396,212
419,438	7,104	46,221	70,249	142,735
16,588	21,188	30,344	15,221	22,473
1,122,864	681,203	777,906	750,462	794,248
$ 14,754,299	$ 11,624,613	$ 11,476,002	$ 10,875,841	$ 10,141,753

State of Louisiana

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
NET (EXPENSE) REVENUE				
GOVERNMENTAL ACTIVITIES	$ (9,390,356)	$ (9,953,945)	$ (9,577,531)	$ (7,314,290)
BUSINESS-TYPE ACTIVITIES	(116,703)	97,479	226,577	227,673
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (9,507,059)	$ (9,856,466)	$ (9,350,954)	$ (7,086,617)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS				
GOVERNMENTAL ACTIVITIES:				
INCOME TAXES	$ 2,491,144	$ 3,630,547	$ 3,869,834	$ 4,140,496
SALES TAXES	2,560,775	3,016,254	3,147,604	3,059,073
SEVERANCE TAXES *	776,464	876,579	1,095,244	916,125
GASOLINE TAXES, restricted for transportation	624,554	599,192	604,683	617,498
TOBACCO TAXES	135,927	105,469	96,314	104,051
MISCELLANEOUS TAXES *	657,962	762,360	806,213	820,904
TOBACCO SETTLEMENT, restricted for education, health and welfare	142,279	71,966	64,294	61,016
GAMING	668,235	715,443	742,518	726,165
UNRESTRICTED INVESTMENT EARNINGS	(9,301)	(12,169)	(3,601)	6,071
MISCELLANEOUS	338	330	310	6,105
OTHER	6,873	134,502	141,410	13,337
EXTRAORDINARY ITEM - loss on impairment of capital assets	--	(2,406)	--	--
TRANSFERS	141,615	142,066	132,219	(270,126)
TOTAL GOVERNMENTAL ACTIVITIES	8,196,865	10,040,133	10,697,042	10,200,715
BUSINESS-TYPE ACTIVITIES:				
OTHER	21,732	7,450	12,784	9,568
EXTRAORDINARY ITEM - gain (loss) on impairment of capital assets	--	--	--	--
TRANSFERS	(141,615)	(142,066)	(132,219)	270,126
TOTAL BUSINESS-TYPE ACTIVITIES	(119,883)	(134,616)	(119,435)	279,694
TOTAL PRIMARY GOVERNMENT	$ 8,076,982	$ 9,905,517	$ 10,577,607	$ 10,480,409
CHANGE IN NET ASSETS				
GOVERNMENTAL ACTIVITIES	$ (1,193,491)	$ 86,188	$ 1,119,511	$ 2,886,425
BUSINESS-TYPE ACTIVITIES	(236,586)	(37,137)	107,142	507,367
TOTAL PRIMARY GOVERNMENT	$ (1,430,077)	$ 49,051	$ 1,226,653	$ 3,393,792

* Miscellaneous taxes have been revised to include franchise taxes and exclude severance taxes for previous fiscal years.

(Concluded)

2006	2005	2004	2003	2002
$ (7,769,833)	$ (7,244,992)	$ (6,979,285)	$ (6,782,459)	$ (6,683,565)
(2)	142,477	111,621	80,400	182,586
$ (7,769,835)	$ (7,102,515)	$ (6,867,664)	$ (6,702,059)	$ (6,500,979)
$ 3,129,906	$ 3,030,085	$ 2,457,114	$ 2,022,765	$ 2,054,025
3,108,824	2,483,101	2,455,444	2,489,153	2,605,908
714,279	681,836	540,205	427,436	497,652
621,683	590,286	559,274	446,706	481,562
96,872	105,476	102,231	82,217	128,570
660,619	689,039	583,789	663,339	759,921
50,102	57,249	58,987	66,234	1,135,519
711,378	624,271	596,693	578,152	547,695
25,739	4,127	28,518	76,586	99,150
--	8,940	18,682	114,379	63,613
23,924	14,148	--	786	49
(24,464)	--	--	--	--
119,977	108,582	120,808	108,596	108,411
9,238,839	8,397,140	7,521,745	7,076,349	8,482,075
13,505	3,232	4,824	8,297	22,803
186	--	--	--	--
(119,977)	(108,582)	(120,808)	(108,596)	(108,411)
(106,286)	(105,350)	(115,984)	(100,299)	(85,608)
$ 9,132,553	$ 8,291,790	$ 7,405,761	$ 6,976,050	$ 8,396,467
$ 1,469,006	$ 1,152,148	$ 542,460	$ 293,890	$ 1,798,510
(106,288)	37,127	(4,363)	(19,899)	96,978
$ 1,362,718	$ 1,189,275	$ 538,097	$ 273,991	$ 1,895,488

FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
GENERAL FUND				
RESERVED	$ 1,013,749	$ 856,166	$ 790,670	$ 620,540
UNRESERVED	(49,333)	802,611	840,256	1,157,981
TOTAL GENERAL FUND	$ 964,416	$ 1,658,777	$ 1,630,926	$ 1,778,521
ALL OTHER GOVERNMENTAL FUNDS				
RESERVED	$ 3,048,357	$ 3,136,568	$ 3,948,806	$ 4,653,805
UNRESERVED, REPORTED IN:				
SPECIAL REVENUE FUNDS	3,586,804	4,447,259	4,634,052	4,256,788
DEBT SERVICE FUNDS	614	1,534	8,645	1,399
CAPITAL PROJECTS FUNDS	243	636	849	383
PERMANENT FUNDS	1,431,269	1,369,402	1,309,646	1,258,805
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 8,067,287	$ 8,955,399	$ 9,901,998	$ 10,171,180

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 340,384	$ 312,266	$ 298,138	$ 327,878	$ 424,998
442,346	264,185	(10,998)	18,330	(33,953)
$ 782,730	$ 576,451	$ 287,140	$ 346,208	$ 391,045
$ 2,250,615	$ 2,744,131	$ 2,055,580	$ 2,249,286	$ 2,087,078
3,383,163	2,880,995	2,389,374	2,106,328	1,929,626
--	--	--	2,859	3,042
21	157	204	366	297
1,209,392	1,207,338	1,140,736	1,128,191	1,032,244
$ 6,843,191	$ 6,832,621	$ 5,585,894	$ 5,487,030	$ 5,052,287

State of Louisiana

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
REVENUES				
INTERGOVERNMENTAL REVENUES	$ 13,469,624	$ 14,053,062	$ 14,192,359	$ 13,389,561
TAXES	7,462,892	8,936,444	9,575,194	9,655,262
GAMING	671,527	719,530	746,993	730,812
TOBACCO SETTLEMENT	146,841	175,503	160,626	138,124
USE OF MONEY AND PROPERTY	1,007,980	1,163,356	1,516,763	1,242,707
LICENSES, PERMITS, AND FEES	633,600	637,350	629,226	604,204
SALES OF COMMODITIES AND SERVICES	933,549	1,073,318	1,067,478	1,074,537
OTHER	706,121	547,335	542,653	587,956
TOTAL REVENUES	25,032,134	27,305,898	28,431,292	27,423,163
EXPENDITURES				
GENERAL GOVERNMENT	4,911,766	6,435,832	8,172,304	6,473,720
CULTURE, RECREATION, AND TOURISM	71,088	97,709	129,615	92,220
TRANSPORTATION AND DEVELOPMENT	424,007	438,634	433,359	385,408
PUBLIC SAFETY	296,083	305,054	290,245	321,763
HEALTH AND WELFARE	9,497,394	9,372,783	8,330,132	7,564,017
CORRECTIONS	612,723	666,542	606,876	535,772
YOUTH SERVICES	138,506	154,821	155,475	120,926
CONSERVATION AND ENVIRONMENT	463,913	368,850	324,512	274,861
EDUCATION	6,319,886	6,713,924	6,587,432	5,940,907
OTHER	273,669	263,915	296,703	264,145
INTERGOVERNMENTAL	491,143	584,944	674,639	572,363
CAPITAL OUTLAY	2,384,130	2,941,236	2,254,867	1,696,915
DEBT SERVICE:				
PRINCIPAL RETIREMENT	268,705	266,108	233,460	214,559
INTEREST AND FISCAL CHARGES	299,609	305,184	297,543	296,431
TOTAL EXPENDITURES	26,452,622	28,915,536	28,787,162	24,754,007
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,420,488)	(1,609,638)	(355,870)	2,669,156
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	17,218,705	18,247,948	20,460,820	20,778,329
TRANSFERS OUT	(17,077,090)	(18,105,772)	(20,328,601)	(21,048,455)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	(125,997)	--	(71,593)	--
LONG-TERM DEBT ISSUED	399,019	424,026	74,129	1,927,456
OTHER	--	3,585	11,081	4,681
TOTAL OTHER FINANCING SOURCES (USES)	414,637	569,787	145,836	1,662,011
NET CHANGES IN FUND BALANCES	$ (1,005,851)	$ (1,039,851)	$ (210,034)	$ 4,331,167
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.5%	2.3%	2.1%	2.3%

Note: Ten years are required; however, only nine fiscal years since the implementation of GASB 34 in Fiscal Year 2002.

Source: Office of Statewide Reporting and Accounting Policy

2006	2005	2004	2003	2002
$ 9,727,962	$ 7,669,450	$ 7,313,906	$ 6,824,065	$ 6,237,834
8,118,548	7,618,194	6,719,543	6,292,535	6,546,634
715,446	628,757	601,762	582,795	552,734
131,952	142,794	141,653	66,234	1,135,519
710,240	849,292	557,457	827,233	565,457
588,034	592,363	568,391	546,596	534,581
1,320,721	983,254	905,207	910,719	759,136
437,717	576,553	889,689	773,508	1,191,539
21,750,620	19,060,657	17,697,608	16,823,685	17,523,434
4,373,467	2,300,964	2,172,105	2,121,596	1,872,348
61,264	64,548	60,370	60,647	59,745
350,486	356,665	330,164	323,289	303,177
303,951	272,785	256,403	221,504	223,170
7,386,464	7,408,900	7,061,555	6,625,988	6,704,422
542,143	651,974	623,629	611,685	594,467
115,369	--	--	--	--
235,235	244,059	240,743	234,402	219,965
5,253,731	5,077,793	4,929,255	4,674,987	4,335,452
211,181	220,012	210,800	167,133	233,735
850,151	477,374	445,930	447,504	400,549
1,621,367	1,184,140	1,126,958	1,159,534	1,009,660
131,835	212,956	247,278	352,402	248,329
231,146	216,152	206,990	152,569	115,544
21,667,790	18,688,322	17,912,180	17,153,240	16,320,563
82,830	372,335	(214,572)	(329,555)	1,202,871
17,110,073	14,846,799	13,211,047	12,737,089	14,067,966
(16,990,096)	(14,735,078)	(13,090,239)	(12,628,493)	(13,959,551)
--	(710,543)	--	--	--
--	1,807,149	--	588,684	296,825
4,534	(58,430)	2,475	3,654	8,093
124,511	1,149,897	123,283	700,934	413,333
$ 207,341	$ 1,522,232	$ (91,289)	$ 371,379	$ 1,616,204
1.9%	2.5%	2.8%	3.2%	2.4%

State of Louisiana

INDIVIDUAL INCOME TAX
(by adjusted gross income bracket)
LAST FOUR FISCAL YEARS

	Fiscal Year 2009			
Adjusted Gross Income Class	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Less than $0	7,023	0.35%	$ 92,927	0.00%
$0	90,927	4.58%	2,792,336	0.09%
$1 - 25,000	752,959	37.89%	108,193,148	3.67%
$25,001 - 50,000	463,147	23.30%	358,010,146	12.13%
$50,001 - 75,000	258,947	13.03%	389,736,911	13.21%
$75,001 - 100,000	160,734	8.09%	378,927,045	12.84%
Greater than $100,001	253,658	12.76%	1,713,765,336	58.06%
Totals	1,987,395	100.00%	$ 2,951,517,849	100.00%

	Fiscal Year 2008			
Adjusted Gross Income Class	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Less than $0	6,413	0.32%	$ 206,752	0.00%
$0	96,901	4.87%	1,469,695	0.05%
$1 - 25,000	777,344	39.08%	109,120,876	3.76%
$25,001 - 50,000	462,103	23.24%	357,596,517	12.31%
$50,001 - 75,000	255,880	12.87%	389,125,059	13.39%
$75,001 - 100,000	155,809	7.83%	373,887,537	12.87%
Greater than $100,001	234,532	11.79%	1,674,295,571	57.62%
Totals	1,988,982	100.00%	$ 2,905,702,007	100.00%

	Fiscal Year 2007			
Adjusted Gross Income Class	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Less than $0	8,489	0.44%	$ 156,734	0.00%
$0	91,391	4.73%	866,990	0.03%
$1 - 25,000	785,245	40.67%	110,039,043	4.16%
$25,001 - 50,000	445,197	23.06%	355,021,171	13.42%
$50,001 - 75,000	247,248	12.80%	394,310,036	14.90%
$75,001 - 100,000	147,899	7.66%	375,040,772	14.17%
Greater than $100,001	205,478	10.64%	1,410,540,689	53.32%
Totals	1,930,947	100.00%	$ 2,645,975,435	100.00%

	Fiscal Year 2006			
Adjusted Gross Income Class	Number of Filers	Percent of Total	Tax Liability	Percent of Total
Less than $0	3,179	0.19%	$ --	0.00%
$0	49,542	3.02%	630,088	0.03%
$1 - 25,000	743,561	45.34%	100,690,392	5.44%
$25,001 - 50,000	386,812	23.59%	302,996,392	16.36%
$50,001 - 75,000	204,678	12.48%	320,256,923	17.30%
$75,001 - 100,000	114,525	6.98%	286,814,171	15.49%
Greater than $100,001	137,531	8.40%	840,351,278	45.38%
Totals	1,639,828	100.00%	$ 1,851,739,244	100.00%

Note: Ten years are required; however, only four fiscal years since the publication of information.

Source: Louisiana Department of Revenue and Taxation

PERSONAL INCOME - EARNINGS BY MAJOR INDUSTRY
LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

	2009	2008	2007	2006	2005
Private earnings:					
Health Care and Social Assistance	$ 12,247,791	$ 11,635,605	$ 10,858,334	$ 10,115,201	$ 9,926,712
Professional, Scientific, and Technical	8,156,865	8,312,362	7,486,155	6,826,905	6,097,803
Mining	7,222,814	8,119,855	5,787,667	5,864,975	4,754,011
Construction	9,552,079	9,993,692	9,508,852	8,740,509	7,286,484
Retail Trade	7,326,500	7,535,722	7,744,462	7,546,051	6,953,141
Transportation and Warehousing	5,625,326	5,920,279	5,550,298	5,101,352	4,635,696
Manufacturing - Durable goods	4,996,495	5,468,365	5,408,224	4,985,639	4,493,627
Manufacturing - Nondurable goods	6,501,021	6,494,728	6,054,758	6,045,464	5,799,226
Wholesale Trade	5,065,263	5,318,695	5,154,869	4,809,101	4,438,826
Farm	833,800	786,867	828,479	721,221	713,911
Finance and Insurance	4,294,107	4,399,740	4,402,229	4,242,098	4,138,379
Other Services	22,324,192	22,951,905	21,884,804	20,469,294	19,753,321
Government and government enterprises:					
Federal, Civilian	3,139,003	3,055,825	2,910,690	2,900,953	2,871,868
Military	2,733,951	2,553,824	2,346,169	2,233,770	2,354,746
State and Local	17,656,744	17,068,069	15,547,958	14,279,615	14,463,357
Total Personal Income-					
Earnings by Major Industry	$ 117,675,951	$ 119,615,533	$ 111,473,948	$ 104,882,148	$ 98,681,108

	2004	2003	2002	2001	2000
Private earnings:					
Health Care and Social Assistance	$ 9,767,492	$ 9,059,510	$ 8,478,599	$ 7,933,518	$ 7,147,930
Professional, Scientific, and Technical	5,906,916	5,412,362	5,288,296	5,400,984	4,882,203
Mining	4,417,549	4,308,901	3,903,696	4,282,096	3,712,303
Construction	6,865,235	6,615,911	6,376,251	6,391,867	6,242,831
Retail Trade	6,714,091	6,527,018	6,229,731	5,944,834	5,585,011
Transportation and Warehousing	4,398,190	4,177,584	3,982,765	4,168,436	3,623,612
Manufacturing - Durable goods	4,430,189	4,378,471	4,107,496	4,063,864	3,856,617
Manufacturing - Nondurable goods	5,691,485	5,767,323	5,744,092	5,283,576	4,946,901
Wholesale Trade	4,249,075	4,000,414	3,866,444	3,716,750	3,592,025
Farm	822,360	860,755	424,004	654,374	619,422
Finance and Insurance	3,849,657	3,627,589	3,528,817	3,280,738	3,111,371
Other Services	19,154,051	18,055,960	17,574,522	16,888,805	15,668,074
Government and government enterprises:					
Federal, Civilian	2,766,813	2,613,268	2,510,959	2,383,138	2,361,959
Military	2,166,326	2,013,885	1,680,694	1,439,432	1,332,095
State and Local	13,811,689	13,159,760	12,303,482	11,477,040	10,857,996
Total Personal Income-					
Earnings by Major Industry	$ 95,011,118	$ 90,578,711	$ 85,999,848	$ 83,309,452	$ 77,540,350

Source: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis

TAX RATE BY MAJOR SOURCES OF REVENUE

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Alcoholic Beverage Taxes		
Beer Tax	Department of Revenue	$10 per 31-gallon barrel. This includes all alcoholic beverages with alcohol content of 6% or less and malt beverages with alcohol content more than 6%.
Liquor and Wine Tax	Department of Revenue	$0.66 per liter on liquor; $0.42 per liter on sparkling wine and still wines with alcoholic content more than 24%; $0.03 per liter on still wine with alcoholic content not more than 14%; $0.06 per liter on still wine with alcoholic content over 14% but not more than 24%.
Corporation Franchise Tax	Department of Revenue	The tax is currently assessed on the taxable base at the rate of $1.50 per $1,000 on the first $300,000 and $3.00 per $1,000 over $300,000. The minimum tax of $10 per year was repealed effective for franchise taxable period beginning on or after January 1, 2010.
Gasoline Tax	Department of Revenue	$0.20 per gallon. Petroleum Products Testing Fee – the fee for testing the quality and quantity of petroleum products is 4/32 cent per gallon.
Hazardous Liquid Pipeline Tax	Department of Natural Resources	Annual user fee of $22.40 per mile, or fraction thereof, of hazardous liquids pipeline operated.
Hazardous Waste Disposal Tax	Department of Revenue	$30 per dry-weight ton for waste disposed of on-site, $40 per dry-weight ton for waste disposed of off-site from where generated, and $100 per dry-weight ton on extremely hazardous waste disposed of in Louisiana.
Income Tax		
Corporate Income Tax	Department of Revenue	4% on the first $25,000 of net taxable income; 5% on the next $25,000; 6% on the next $50,000; 7% on the next $100,000; and 8% on all net taxable income in excess of $200,000.
Individual Income Tax	Department of Revenue	For taxable periods beginning after December 31, 2008, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first $12,500; 4% on the next $37,500, and 6% on the taxable income above $50,000. Married persons filing a joint return or qualifying surviving spouse are taxed at the following rates: 2% on the first $25,000; 4% on the next $75,000; and 6% on the taxable income above $100,000. The combined personal exemption and standard deduction is $4,500 for single individuals and married persons filing separately; $9,000 for married couples filing jointly, qualified surviving spouses, and heads of households. A dependency deduction of $1,000 is allowed for each dependent, each taxpayer and/or spouse who is 65 years of age or older, and for each taxpayer and/or spouse who is blind.
Inheritance Tax	Department of Revenue	Inheritance tax is repealed effective January 1, 2010. However, Act 822 of 2008, effective January 1, 2008, provides that inheritance taxes shall prescribe within three years from December 31st of the year in which the taxes become due. For deaths before July 1, 2004, the date that the taxes become due is determined by whether an inheritance tax return has been filed. If a return has been filed, the taxes become due nine months following death. But under Act 822, if a return was not filed, taxes become due January 1, 2008, and will prescribe January 1, 2011. For those deaths occurring before July 1, 2004, for which a return has been filed, the rates are as follows: A. Inheritances of a surviving spouse are totally exempt from the tax. B. Inheritances are taxed on all amounts that exceed the following exemption per heir or legatee: Class A (lineal descendants and ascendants), $25,000; Class B (collateral relationships such as brothers and sisters and their descendants), $1,000; Class C (nonrelated), $500. The tax rate for Class A is two percent of the first $20,000 of taxable value and three percent of amounts over $20,000 of taxable value. Class B is taxed at five percent of the first $20,000 of taxable value and at seven percent of amounts over $20,000 of taxable value. Class C is taxed at five percent of the first $5,000 of taxable value and at 10 percent of amounts over $5,000 of taxable value. C. For deaths occurring after June 30, 1998 and before July 1, 2001, the tax rates were reduced by eighteen percent; for deaths occurring after June 20, 2001, and before July 1, 2002, the tax rate shall be reduced by forty percent; for deaths occurring after June 30, 2002 and before July 1, 2003, the tax rates shall be reduced by sixty percent; for deaths occurring after June 30, 2003, and before July 1, 2004, the tax rates shall be reduced by eighty percent; and for deaths occurring after June 30, 2004, the tax shall not apply when judgment of possessions is rendered or when the succession is judicially opened no later than the last day of the ninth month following the death of the decedent.
Insurance Excise License Tax	Department of Insurance	A. The tax rate for life, accident, health and service is $140 for annual premiums up to $7,000 and $225 for each additional $10,000 or fraction thereof. B. The rate for fire, marine, transportation and casualty and surety is $185 for annual premiums up to $6,000 and $300 for each additional $10,000 or fraction thereof.

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Mineral Resources - Royalties and Bonuses	Department of Natural Resources	These are not taxes. However, all oil and gas leases provide for a bonus, which is bid on at the time the lease is given. Leasehold payments contained within the lease form, such as "delay rentals," "in-lieu royalty," and "deferred development" payments, and royalty which is bid on at the lease sale cannot, by statutory law, be less than 1/8th of the value of production. Mineral leases for solid mineral, such as sulfur, potash, salt, or lignite, provide for a royalty based on tonnage production at a market price paid per ton.
Motor Vehicle - Licenses and Fees	Department of Public Safety	A. The minimum vehicle registration license tax is $20 biannually for private passenger vehicles purchased before January 1, 1990. If purchased after January 1, 1990, the registration is based on the value of the vehicle – .1% of the value of the vehicle per year; with a minimum base of $10,000. The license plates are sold in two-year increments; therefore, the minimum price is $20.00. The registration fee is $40 (four-year increments) for trucks up to 6,000 pounds and the fees vary annually for trucks over 6,000 pounds depending on the use and the gross axle weight (usually from $10 to $480). B. Driver's license fees range from $21.50 to $36.00 for four years for drivers of private vehicles. Other driver's license fees may vary. C. A fee not to exceed $3 per service or transaction, at a local field office, enacted by LRS 32:429, is used solely to defray cost of operations of that office not fully funded by the State.
Natural Gas Franchise	Department of Revenue	1% of the gross receipts from the operation of franchises or charters in the State.
Sales Tax	Department of Revenue	4% sales tax is collected on the sale, use, consumption, distribution, or storage for use or consumption of any tangible personal property, on retail sales, leases, and rentals, and on certain sales of services including repairs of tangible personal property; 3% aggregate sales tax is collected on intrastate telecommunications and certain prepaid telephone services; effective April 1, 2004, the sales tax rate on interstate telecommunication services was reduced to 2%. Most statutory exemptions were partially and temporarily suspended from July 1, 1986, through June 30, 2009, and are currently taxed at the suspended rate of 1% except for sales of electricity, water, natural gas and steam for other than residential use.
Severance Tax	Department of Revenue	A. The tax on oil/condensate is based on the value. The full rate of oil/condensate is 12.5% of the value. The incapable oil rate is 6.25% of the value. The stripper oil rate is 3 1/8% of the value. Stripper oil is exempt as long as the average value is less than $20 per barrel. B. The severance tax on natural gas is based on per thousand cubic feet. The full rate is adjusted annually on July 1, and may never be less than 7 cents per thousand cubic feet. As of July 1, 2010, the full rate is $0.164 per thousand cubic feet at 15.025 pounds per square inch absolute. The rate on incapable oil well gas is $0.03 per thousand cubic feet. The rate on incapable gas well gas is $0.013 per thousand cubic feet. C. The tax rate on sulfur is $1.03 per long-ton (2,240 pounds). D. The tax rate on salt is $0.06 per ton. E. The tax rates on timber are 2.25% of stumpage value and 5% of stumpage value of pulpwood. F. The tax rate on shell and sand is $0.06 per ton. G. The tax rate on stone is $0.03 per ton. H. The tax rate on lignite is $0.12 per ton. I. The tax rate on marble is $0.20 per ton.
Special Fuels Tax	Department of Revenue	The tax on special fuels is levied at a rate of $0.20 per gallon on motor fuels other than gasoline. It is subject to the Petroleum Products Tesing Fee of 4/32 cents per gallon effective September 1, 2003.
Surface Mining and Reclamation Fee	Department of Revenue	The fee on coal and lignite mined in Louisiana is $0.08 per ton.
Tobacco Tax	Department of Revenue	An excise tax is imposed on the first dealer who handles a tobacco product in the State. Cigars invoiced up to $120 per thousand are taxed at 8% of the manufacturer's net invoice price, whereas cigars invoiced over $120 per thousand are taxed at 20% on the net invoice price. The tax rate on smoking tobacco is computed at 33% of the invoice price to wholesalers. The tax rate on smokeless tobacco is 20% of the invoice price. The tax rate on cigarettes is $0.018 per cigarette.
Transportation and Communications Utilities Tax	Department of Revenue	2% of the gross receipts from intrastate business.

LEGAL DEBT MARGIN AND DEBT LIMITATIONS
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	2010	2009	2008	2007
LEGAL DEBT MARGIN				
BOND AUTHORIZATION LIMITATION	$ 25,194,775	$ 26,856,498	$ 26,233,962	$ 24,443,616
TOTAL NET DEBT APPLICABLE TO LIMITATION	2,099,285	2,076,570	2,233,980	2,383,665
LEGAL DEBT MARGIN	$ 23,095,490	$ 24,779,928	$ 23,999,982	$ 22,059,951
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	8.33%	7.73%	8.52%	9.75%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2010

BSRF REVENUES (3 YEARS)	$ 37,792,162
DEBT LIMIT CALCULATION (Revenues divided by 3 times 2)	25,194,775
DEBT APPLICABLE TO LIMIT:	
GENERAL OBLIGATION BONDS	2,099,285
LEGAL DEBT MARGIN	$ 23,095,490

TAX-SUPPORTED DEBT LIMITATION				
ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUE PER REVENUE ESTIMATING	$ 9,868,300	$ 11,144,900	$ 10,470,000	$ 8,949,200
PERCENTAGE ESTABLISHED PER LRS 39:1367	6.00%	6.00%	6.00%	6.00%
NET STATE TAX-SUPPORTED DEBT LIMIT	592,098	668,694	628,200	536,952
TOTAL NET STATE TAX-SUPPORTED DEBT PAID	$ 483,010	$ 421,408	$ 425,828	$ 432,818
PERCENTAGE OF ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUES PER REVENUE ESTIMATING	4.89%	3.78%	4.07%	4.84%

GENERAL OBLIGATION DEBT LIMITATION				
THREE YEAR AVERAGE BOND SECURITY REVENUES	$ 12,597,387	$ 13,428,249	$ 13,116,981	$ 12,221,817
PERCENTAGE DEBT LIMITATION	10.00%	10.00%	10.00%	10.00%
GENERAL OBLIGATION DEBT LIMITATION	1,259,739	1,342,825	1,311,698	1,222,182
HIGHEST CURRENT OR FUTURE ANNUAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	$ 322,987	$ 265,315	$ 265,766	$ 266,212
PERCENTAGE OF THE GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	25.64%	19.76%	20.26%	21.78%

2006	2005	2004	2003	2002	2001
$ 22,239,690	$ 20,693,990	$ 20,742,360	$ 20,458,126	$ 19,585,399	$ 17,373,270
2,038,810	2,121,610	1,846,790	2,010,977	2,000,590	1,941,026
$ 20,200,880	$ 18,572,380	$ 18,895,570	$ 18,447,149	$ 17,584,809	$ 15,432,244
9.16%	10.25%	8.90%	9.83%	10.21%	11.18%
$ 9,005,330	$ 8,325,500	$ 7,889,700	$ 7,837,100	$ 7,858,900	$ 7,556,100
6.00%	6.00%	6.00%	6.50%	6.40%	6.60%
540,320	499,530	473,382	509,412	502,970	498,703
$ 289,724	$ 348,715	$ 373,134	$ 479,909	$ 368,921	$ 311,714
3.22%	4.19%	4.73%	6.13%	4.70%	4.13%
$ 11,119,845	$ 10,346,995	$ 10,371,180	$ 10,229,060	$ 9,792,696	$ 8,686,635
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
1,111,985	1,034,700	1,037,118	1,022,906	979,270	868,664
$ 240,685	$ 240,685	$ 264,601	$ 268,395	$ 286,909	$ 309,553
21.64%	23.26%	25.51%	26.24%	29.30%	35.64%

State of Louisiana

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT COVERAGE RATIO)

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
PRIMARY GOVERNMENT:								
PUBLIC FACILITIES BONDS:								
Louisiana Correctional Facilities Corporation	2010	$ 931	$ 564	$ 367	$ 1,565	$ 943	$ 2,508	0.15
	2009	1,151	144	1,007	1,570	1,092	2,662	0.38
	2008	1,055	58	997	5,335	1,055	6,390	0.16
	2007	1,081	147	934	5,075	857	5,932	0.16
	2006	1,271	161	1,110	4,840	1,097	5,937	0.19
	2005	1,474	34	1,440	4,610	1,326	5,936	0.24
	2004	3,413	904	2,509	4,410	1,526	5,936	0.42
	2003	9,967	133	9,834	38,705	2,524	41,229	0.24
	2002	5,766	53	5,713	15,290	2,304	17,594	0.32
	2001	6,523	28	6,495	14,315	3,093	17,408	0.37
Office Facilities Corporation	2010	$ 35,008	$ 23,852	$ 11,156	$ 20,005	$ 9,742	$ 29,747	0.37
	2009	40,644	22,663	17,981	18,055	14,767	32,822	0.55
	2008	43,627	22,091	21,536	17,310	15,515	32,825	0.66
	2007	43,997	20,975	23,022	16,580	16,242	32,822	0.70
	2006	32,529	13,411	19,118	11,680	16,854	28,534	0.67
	2005	33,618	15,555	18,063	11,160	17,364	28,524	0.63
	2004	30,975	21,433	9,542	10,700	15,415	26,115	0.37
	2003	22,844	11,952	10,892	6,775	13,001	19,776	0.55
	2002	19,592	7,267	12,325	6,500	14,360	20,860	0.59
	2001	11,421	3,267	8,154	1,075	8,444	9,519	0.86
COMPONENT UNITS:								
HOUSING LOAN BONDS:								
Louisiana Housing Finance Authority	2010	$ 33,522	$ 13,155	$ 20,367	$ 2,145	$ 1,280	$ 3,425	5.95
	2009	23,462	14,236	9,226	6,572	2,924	9,496	0.97
	2008	17,807	12,284	5,523	12,390	4,055	16,445	0.34
	2007	21,931	10,405	11,526	21,140	2,795	23,935	0.48
	2006	18,716	12,599	6,117	39,965	2,843	42,808	0.14
	2005	14,398	7,494	6,904	4,005	4,299	8,304	0.83
	2004	11,956	7,967	3,989	1,625	604	2,229	1.79
	2003	13,630	6,445	7,185	465	569	1,034	6.95
INFRASTRUCTURE BONDS:								
Greater Baton Rouge Port Commission *	2010	$ --	$ --	$ --	$ --	$ --	$ --	--
	2009	--	--	--	--	--	--	--
	2008	--	--	--	--	--	--	--
	2007	--	--	--	--	--	--	--
	2006	--	--	--	--	--	--	--
	2005	4,980	4,919	61	320	433	753	0.08
	2004	4,827	4,025	802	300	455	755	1.06
	2003	5,280	3,850	1,430	285	477	762	1.88
	2002	6,391	4,136	2,255	270	499	769	2.93
	2001	4,899	3,217	1,682	260	520	780	2.16
Greater New Orleans Expressway Commission	2010	$ 22,662	$ 15,430	$ 7,232	$ 1,955	$ 2,785	$ 4,740	1.53
	2009	23,444	16,622	6,822	1,905	2,848	4,753	1.44
	2008	23,771	14,028	9,743	1,835	2,886	4,721	2.06
	2007	20,402	15,235	5,167	1,760	2,981	4,741	1.09
	2006	14,276	10,925	3,351	1,750	3,013	4,763	0.70
	2005	16,090	11,024	5,066	1,230	1,961	3,191	1.59
	2004	15,934	8,935	6,999	650	3,709	4,359	1.61
	2003	15,130	8,275	6,855	5,795	3,867	9,662	0.71
	2002	17,314	8,051	9,263	--	4,014	4,014	2.31
	2001	582	381	201	2,685	4,147	6,832	0.03

* Greater Baton Rouge Port Commission reclassified the bonds payable as notes payable in fiscal year 2005-2006.

Source: Office of Statewide Reporting and Accounting Policy

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
Levee Districts	2010	$ 73,854	$ 50,941	$ 22,913	$ 46,320	$ 2,942	$ 49,262	0.47
	2009	57,627	64,895	(7,268)	7,855	3,340	11,195	(0.65)
	2008	59,394	27,927	31,467	7,010	3,300	10,310	3.05
	2007	15,654	22,937	(7,283)	6,430	3,846	10,276	(0.71)
	2006	12,734	27,526	(14,792)	5,970	3,948	9,918	(1.49)
	2005	18,629	33,903	(15,274)	5,605	4,232	9,837	(1.55)
	2004	18,944	31,977	(13,033)	3,145	1,852	4,997	(2.61)
	2003	20,892	32,214	(11,322)	2,205	1,983	4,188	(2.70)
	2002	19,671	30,102	(10,431)	1,925	2,165	4,090	(2.55)
	2001	27,451	23,960	3,491	1,955	2,297	4,252	0.82
Sabine River Authority	2010	$ 12,628	$ 5,784	$ 6,844	$ 820	$ 191	$ 1,011	6.77
	2009	8,046	5,893	2,153	2,370	195	2,565	0.84
	2008	8,764	5,791	2,973	730	288	1,018	2.92
	2007	5,755	4,129	1,626	695	274	969	1.68
	2006	4,581	4,457	124	660	386	1,046	0.12
	2005	6,581	4,253	2,328	630	282	912	2.55
	2004	6,282	3,603	2,679	9,035	724	9,759	0.27
	2003	6,042	4,030	2,012	1,985	473	2,458	0.82
	2002	5,922	3,570	2,352	1,210	523	1,733	1.36
	2001	7,054	4,259	2,795	1,150	572	1,722	1.62
PUBLIC FACILITIES BONDS:								
Louisiana Agricultural Finance Authority	2010	$ 12,284	$ 5,106	$ 7,178	$ 2,222	$ 3,300	$ 5,522	1.30
	2009	14,764	6,980	7,784	17,222	10,976	28,198	0.28
	2008	10,563	7,529	3,034	300	4,684	4,984	0.61
	2007	7,474	10,286	(2,812)	--	1,171	1,171	(2.40)
	2006	22,866	14,270	8,596	7,608	266	7,874	1.09
	2005	4,624	5,364	(740)	841	929	1,770	(0.42)
	2004	5,791	6,379	(588)	275	72	347	(1.69)
	2003	1,937	3,679	(1,742)	7,275	79	7,354	(0.24)
	2002	1,590	2,946	(1,356)	820	116	936	(1.45)
	2001	2,416	2,983	(567)	785	152	937	(0.61)
Louisiana Stadium and Exposition District	2010	$ 81,538	$ 60,169	$ 21,369	$ --	$ 20,748	$ 20,748	1.03
	2009	73,602	55,384	18,218	--	8,692	8,692	2.10
	2008	36,530	55,347	(18,817)	--	5,193	5,193	(3.62)
	2007	25,569	37,868	(12,299)	--	6,904	6,904	(1.78)
	2006	7,404	19,517	(12,113)	4,580	9,586	14,166	(0.86)
	2005	25,130	43,596	(18,466)	4,545	9,820	14,365	(1.29)
	2004	30,597	45,581	(14,984)	4,120	9,663	13,783	(1.09)
	2003	32,112	48,331	(16,219)	3,905	9,876	13,781	(1.18)
	2002	29,466	43,045	(13,579)	3,710	10,076	13,786	(0.98)
	2001	29,079	39,838	(10,759)	3,520	10,264	13,784	(0.78)
STUDENT UNIVERSITY BONDS:								
Colleges and Universities	2010	$ 979,671	$ 4,951,958	$ (3,972,287)	$ 44,420	$ 60,966	$ 105,386	(37.69)
	2009	918,590	3,743,593	(2,825,003)	69,281	59,746	129,027	(21.89)
	2008	901,920	3,610,696	(2,708,776)	82,711	55,265	137,976	(19.63)
	2007	909,169	3,040,456	(2,131,287)	24,406	34,629	59,035	(36.10)
	2006	851,690	4,036,354	(3,184,664)	15,728	22,043	37,771	(84.32)
	2005	848,806	2,916,686	(2,067,880)	75,675	21,739	97,414	(21.23)
	2004	757,334	2,687,044	(1,929,710)	32,430	20,773	53,203	(36.27)
	2003	669,838	2,502,360	(1,832,522)	51,851	13,611	65,462	(27.99)
	2002	656,545	2,316,838	(1,660,293)	12,494	12,435	24,929	(66.60)

State of Louisiana

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL ACTIVITIES				
FISCAL YEAR	GENERAL OBLIGATION BONDS (1)	TIMED BONDS	TOBACCO SETTLEMENT FINANCING CORPORATION	OFFICE FACILITIES CORPORATION	OTHER (2)
2010	$ 3,667,101	$ 5,138,234	$ 1,173,903	$ 332,779	$ 530,876
2009	3,691,879	4,958,754	1,264,174	377,717	567,698
2008	3,563,209	4,060,540	1,373,742	410,538	156,536
2007	3,844,626	4,158,092	1,476,119	443,363	151,732
2006	2,844,454	1,568,930	1,563,849	476,186	168,891
2005	3,033,297	1,612,998	1,648,561	504,719	181,520
2004	2,608,149	494,088	1,740,216	350,468	198,675
2003	2,876,617	545,788	1,831,987	223,226	218,719
2002	2,778,041	67,807	1,941,223	238,129	92,415
2001	2,661,486	101,710	--	15,035	115,269

	BUSINESS-TYPE ACTIVITIES			
FISCAL YEAR	OFFICE FACILITIES CORPORATION (3)	OTHER (4)	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME
2010	$ --	$ 335,609	$ 11,178,502	* %
2009	--	251,041	11,111,263	1.64
2008	--	257,665	9,822,230	1.53
2007	--	267,600	10,341,532	1.68
2006	--	274,224	6,896,534	1.28
2005	--	277,889	7,258,984	1.61
2004	182,776	--	5,574,372	1.13
2003	155,826	851	5,853,014	1.26
2002	160,806	3,261	5,281,682	1.17
2001	399,228	5,468	3,298,196	0.75

(1) General Obligation Bonds less Reimbursable Contracts

(2) Includes Crescent City Connection, Health Education Authority, LA Correctional Facilities Corporation, Public Safety LPFA, LA Agricultural Finance Authority, Parish Road Fund (2001-2003), LPFA-Industrial Development Board of the City of New Orleans, and LPFA-Hurricane Recovery Revenue Bonds

(3) Part of Office Facilities Corporation was an enterprise fund, then reclassified to a governmental fund in fiscal year 2004-2005.

(4) Includes the Louisiana Transportation Authority, Drinking Water Revolving Loan Fund (2001-2006), and Louisiana Opportunity Loan Fund (2001-2004).

* Information not yet available

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

YEAR	POPULATION (A)(B)(1)(2)	PERSONAL INCOME (A)(2)	PER CAPITA PERSONAL INCOME (C)(2)	MEDIAN AGE (1)
2009	4,492	$ 168,544,450	$ 37,520	35.4
2008	4,411	160,658,930	36,424	35.6
2007	4,293	153,569,577	35,770	35.6
2006	4,288	134,504,614	31,369	35.7
2005	4,524	111,200,646	24,582	35.2
2004	4,516	122,913,214	27,581	34.9
2003	4,496	116,176,096	26,038	34.7
2002	4,483	112,709,180	25,370	34.5
2001	4,465	110,256,197	24,084	34.3
2000	4,469	103,150,742	23,041	34.0

YEAR	CIVILIAN LABOR FORCE (A)(1)	LOUISIANA UNEMPLOYMENT RATE (1)	U.S. UNEMPLOYMENT RATE (1)
2009	2,068	6.8%	9.3%
2008	2,079	4.6	5.8
2007	1,998	3.8	4.6
2006	1,990	4.0	4.6
2005	2,077	6.7	5.1
2004	2,058	5.7	5.5
2003	2,037	6.6	6.0
2002	2,006	6.1	5.8
2001	2,050	6.0	4.8
2000	2,030	5.5	4.0

(A) Expressed in thousands
(B) Population figures are estimated by the U.S. Census Bureau and are revised yearly; however, only the original estimates are reported here
(C) Expressed in dollars

Sources: (1) U.S. Census Bureau
(2) Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis

State of Louisiana

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2010 EMPLOYERS	RANGE
STATE OF LOUISIANA (1)	50,000+
LOUISIANA STATE UNIVERSITY SYSTEM (2)	25,000+
OSCHNER HEALTH SYSTEM	10,000+
UNIVERSITY OF LOUISIANA SYSTEM (2)	5,000 - 9,999
NORTHROP GRUMMAN SHIP SYSTEMS	5,000 - 9,999
EAST JEFFERSON HOSPITAL	5,000 - 9,999
LAFAYETTE MEDICAL CENTER	5,000 - 9,999
OUR LADY OF THE LAKE MEDICAL CENTER	5,000 - 9,999
TULANE UNIVERSITY	5,000 - 9,999
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM (2)	5,000 - 9,999
WILLIS KNIGHTON HEALTH SYSTEM	1,000 - 4,999
US POST OFFICE	1,000 - 4,999
SOUTHERN UNIVERSITY SYSTEM (2)	1,000 - 4,999
HARRAH'S ENTERTAINMENT	1,000 - 4,999
NORTH OAKS HEALTH SYSTEM	1,000 - 4,999

2001 EMPLOYERS *
WAL-MART STORES, INC.
WINN DIXIE LOUISIANA, INC.
AVONDALE INDUSTRIES, INC.
BURGER KING, CORP.
THE HIBERNIA NATIONAL BANK
EXXON CORPORATION
BELLSOUTH TELECOMMUNICATIONS
SEARS ROEBUCK & CO.
K MART CORPORATION
THE SHAW GROUP, INC.
WILLIS-KNIGHTON MEDICAL CENTER, INC.
GENERAL HEALTH, INC.
DILLARDS DEPARTMENT STORES, INC.
OUR LADY OF THE LAKE MEDICAL CENTER
ALTON OCHSNER FOUNDATION HOSPITAL

* 2001 employer list is from the Office of Statewide Reporting and Accounting Policy archive files - range information not available and limited to private employers.

(1) Government - Primary
(2) Government - Component Unit

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2010	2009	2008	2007	2006
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	26	25	25	24	24
STATE PARKS (ACREAGE)	34,215	32,428	32,181	30,984	30,984
STATE HISTORIC SITES	22	20	20	20	20
STATE HISTORIC SITES (ACREAGE)	2,676	2,557	2,557	2,539	2,539
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,678	16,682	16,685	16,691	16,691
PARISH ROADS (MILES)	33,580	31,560	33,366	33,280	33,319
CITY STREETS (MILES)	11,056	12,836	11,010	10,949	10,935
BRIDGES ON STATE HIGHWAYS	7,984	7,934	7,931	7,914	7,889
BRIDGES OFF STATE HIGHWAYS	5,182	5,520	5,226	5,261	5,292
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

	2005	2004	2003	2002	2001
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	24	24	24	23	23
STATE PARKS (ACREAGE)	30,984	30,984	30,664	27,649	26,907
STATE HISTORIC SITES	21	21	21	21	22
STATE HISTORIC SITES (ACREAGE)	2,617	2,617	2,617	2,617	2,620
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,697	16,694	16,699	16,706	16,698
PARISH ROADS (MILES)	33,332	33,311	33,311	33,223	33,220
CITY STREETS (MILES)	10,921	10,932	10,907	10,898	10,899
BRIDGES ON STATE HIGHWAYS	7,899	7,887	7,875	7,869	7,928
BRIDGES OFF STATE HIGHWAYS	5,307	5,336	5,374	5,405	5,612
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

Sources:
1. Louisiana Department of Culture, Recreation, and Tourism, Office of Tourism and Office of State Parks
2. Louisiana Department of Transportation and Development, Traffic and Planning Section and Bridge Maintenance Section
3. Louisiana Department of Public Safety and Corrections, Office of State Police

LOUISIANA STATE EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

	2010	2009	2008	2007
GENERAL GOVERNMENT				
CLASSIFIED	6,691	6,410	6,456	6,322
UNCLASSIFIED	3,850	4,056	4,036	4,273
CULTURE, RECREATION, AND TOURISM				
CLASSIFIED	659	667	690	665
UNCLASSIFIED	525	567	562	406
TRANSPORTATION AND DEVELOPMENT				
CLASSIFIED	4,479	4,668	4,536	4,641
UNCLASSIFIED	98	144	171	122
PUBLIC SAFETY				
CLASSIFIED	2,811	2,836	2,827	2,833
UNCLASSIFIED	156	111	88	96
HEALTH AND WELFARE				
CLASSIFIED	15,084	16,965	16,875	16,835
UNCLASSIFIED	1,368	1,455	1,509	1,341
CORRECTIONS				
CLASSIFIED	5,684	6,145	6,136	5,902
UNCLASSIFIED	140	147	331	334
YOUTH SERVICES *				
CLASSIFIED	971	1,012	1,039	1,005
UNCLASSIFIED	93	155	203	179
CONSERVATION AND ENVIRONMENT				
CLASSIFIED	2,006	2,166	2,152	2,162
UNCLASSIFIED	160	183	177	177
EDUCATION				
CLASSIFIED	1,004	1,140	1,158	1,133
UNCLASSIFIED	2,446	2,923	3,017	2,331
COLLEGES AND UNIVERSITIES				
CLASSIFIED	17,478	18,209	17,931	17,076
UNCLASSIFIED	26,899	27,807	27,813	26,613
OTHER				
CLASSIFIED	1,545	1,794	1,793	1,830
UNCLASSIFIED	953	926	973	979
TOTAL	95,100	100,486	100,473	97,255

* Office of Youth Services moved from Corrections in FY 2006.

Source: Louisiana Department of State Civil Service

2006	2005	2004	2003	2002
6,138	6,414	6,282	6,343	6,287
4,229	4,165	4,030	4,082	4,027
594	715	722	708	754
352	676	664	665	685
4,705	5,005	5,168	5,228	5,181
96	92	103	105	91
2,835	2,890	2,892	2,834	2,762
85	93	125	113	112
16,373	17,688	17,687	17,840	17,672
1,030	1,091	1,020	1,010	1,000
5,794	7,370	7,378	7,660	7,701
256	546	583	536	569
1,029	--	--	--	--
175	--	--	--	--
2,098	2,239	2,235	2,219	2,163
146	244	255	262	288
1,135	1,269	1,249	1,194	1,167
1,091	1,165	1,162	1,357	1,307
16,129	19,759	19,995	20,634	20,552
25,716	27,663	26,887	26,394	24,640
2,040	2,189	2,261	2,270	2,282
898	827	808	768	713
92,944	102,100	101,506	102,222	99,953

State of Louisiana

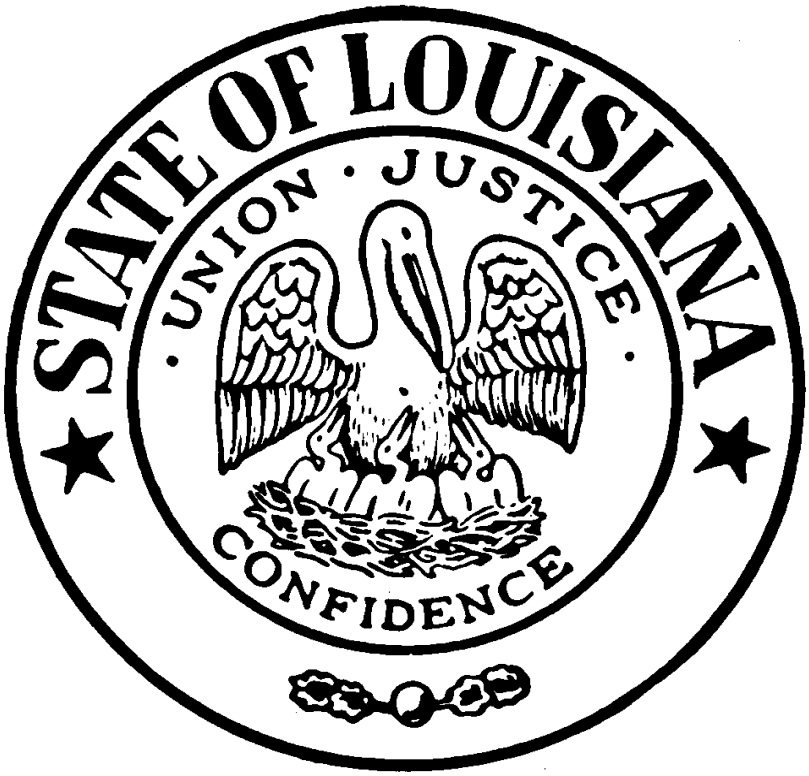
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

	2010	2009	2008	2007
GENERAL GOVERNMENT				
AGRICULTURE - CROPS (in thousands) - [1]	*	$1,761,590	$1,984,873	$1,768,902
AGRICULTURE - LIVESTOCK (in thousands) - [1]	*	$777,568	$1,049,816	$941,322
AGRICULTURE - TIMBER (in thousands) - [1]	*	$408,112	$471,227	$558,445
ELECTIONS - REGISTERED VOTERS (in thousands) - [1]	*	2,916	2,945	2,838
REVENUE - TAX RETURNS FILED (in thousands) - [2]	4,538	4,663	4,686	4,702
REVENUE - TAX RETURNS FILED ELECTRONICALLY - [2]	53%	48%	45%	45%
CULTURE, RECREATION, AND TOURISM				
STATE PARKS VISITORS (in thousands) - [2]	2,069	2,079	1,784	1,678
TRANSPORTATION AND DEVELOPMENT				
NUMBER OF BRIDGES	13,166	13,154	13,157	13,175
PUBLIC SAFETY				
STATE POLICE ROAD PATROL MILEAGE (in thousands) - [2]	13,615	14,373	10,699	9,262
HEALTH AND WELFARE				
DHH - MEDICAID CLAIMS PROCESSED (in thousands) - [2]	62,618	57,261	51,089	64,914
DHH - CHILDREN IMMUNIZED - [3]	*	99%	93.3%	96.0%
CORRECTIONS				
AVERAGE DAILY COST PER INMATE BED - [2]	$55.54	$61.49	$56.25	$48.97
CONSERVATION AND ENVIRONMENT				
WLF - FISH AND SHELLFISH (in thousands) - [1]	*	$241,611	$235,494	$289,536
WLF - ALLIGATOR AND GAME (in thousands) - [1]	*	*	$58,882	$74,149
WLF - HUNTER DAYS ANNUALLY (in millions) - [1]	*	4.9	4.9	5.1
WLF - LICENSED COMMERCIAL FISHERMEN - [1]	*	12,266	11,207	11,785
EDUCATION				
GRADES K-12 (number of students) - [3]	*	656,696	629,264	632,923
AVERAGE ACT SCORE - [4]	20.1	20.1	20.3	20.1
START PRINCIPAL DEPOSITS (in thousands, cumulative) - [1]	*	$45,575	$182,970	$171,689
TOPS TUITION AWARDS (in thousands) - [2]	$129,868	$123,032	$117,146	$121,660
TOPS AWARDS RECIPIENTS (number of students) - [2]	42,375	43,203	42,031	43,952
COLLEGES & UNIVERSITIES (number of students) - [5]	*	*	207,760	198,016

* Information for this year is not yet available

Sources: [1] based on calendar years
[2] based on fiscal years
[3] based on school year reported on October 1
[4] based on graduating class
[5] based on preliminary reported on September 1

2006	2005	2004	2003	2002	2001
$1,321,910	$1,204,605	$1,347,810	$1,296,021	$1,159,194	$1,115,793
$864,269	$920,093	$877,993	$697,345	$614,049	$701,131
$727,747	$581,709	$593,094	$605,357	$568,440	$559,383
2,894	2,845	2,820	2,787	2,720	2,763
3,848	4,061	4,195	3,949	4,084	4,341
41%	32%	25%	17%	14%	11%
1,596	2,183	2,087	2,064	2,008	1,970
13,181	13,206	13,223	13,249	13,274	13,540
10,119	10,204	10,904	10,447	10,378	11,452
46,725	51,930	47,133	40,399	35,242	32,753
95.3%	95.0%	92.3%	90.4%	95.0%	97.3%
$47.00	$48.99	$44.97	$43.38	$41.62	$40.33
$270,633	$251,895	$275,634	$271,113	$279,989	$345,091
$64,370	$52,617	$44,748	$37,252	$32,886	$25,614
5.0	5.0	--	5.8	6.0	5.8
12,095	14,120	15,832	17,070	18,419	19,080
636,233	587,205	701,471	705,534	708,238	714,020
20.1	19.8	19.8	19.6	19.6	19.6
$127,082	$93,217	$63,049	$37,317	$9,207	$7,707
$116,203	$118,882	$110,926	$103,729	$103,273	$90,492
42,130	42,435	41,034	40,107	40,851	35,726
195,380	205,300	214,345	210,527	204,197	201,295


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

ACKNOWLEDGMENTS

REPORT PREPARED BY:

State of Louisiana
Division of Administration
Paul W. Rainwater, Commissioner
Mark Brady, Deputy Commissioner

Office of Statewide Reporting and Accounting Policy
Afranie Adomako, CPA, Director
Devery Pierce, CPA, Assistant Director
Holly Ketterer, Administrative Assistant

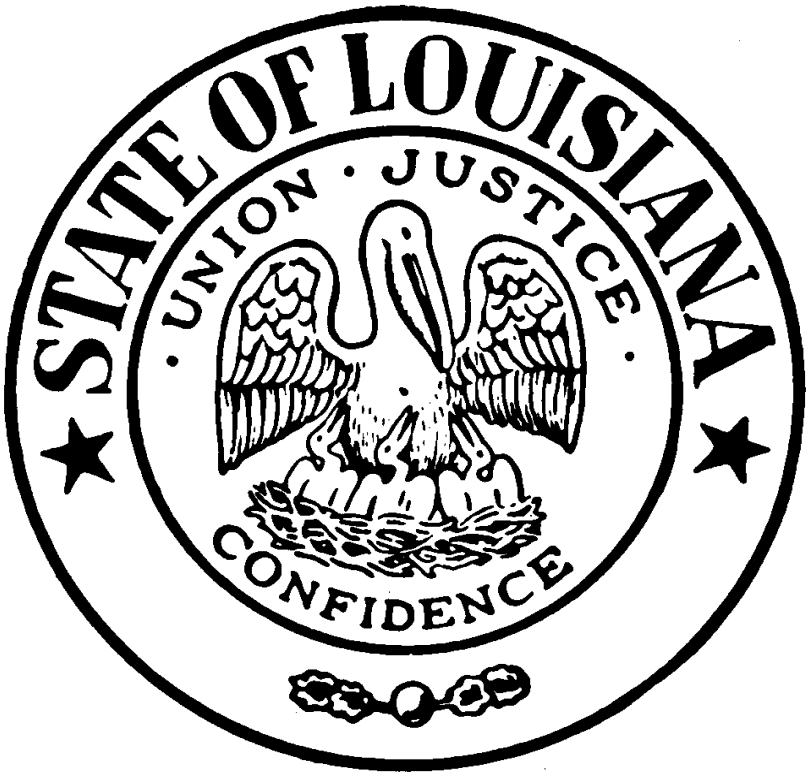
Financial Reporting Section
Yuchi Fong, Manager
Mark Rhodes, CPA, Manager
Kimberly Dwin, Consultant
Tonia Jackson, CPA, Consultant
Inga Kimbrough, Consultant
Sean Langlois, Consultant
Katherine Porche, CPA, Supervisor
Sue Seab, CPA, Inactive, Consultant
Pamela Stephens, CGFM, Supervisor
Michael Taylor, Consultant
Deborah Zundel, CPA, Consultant

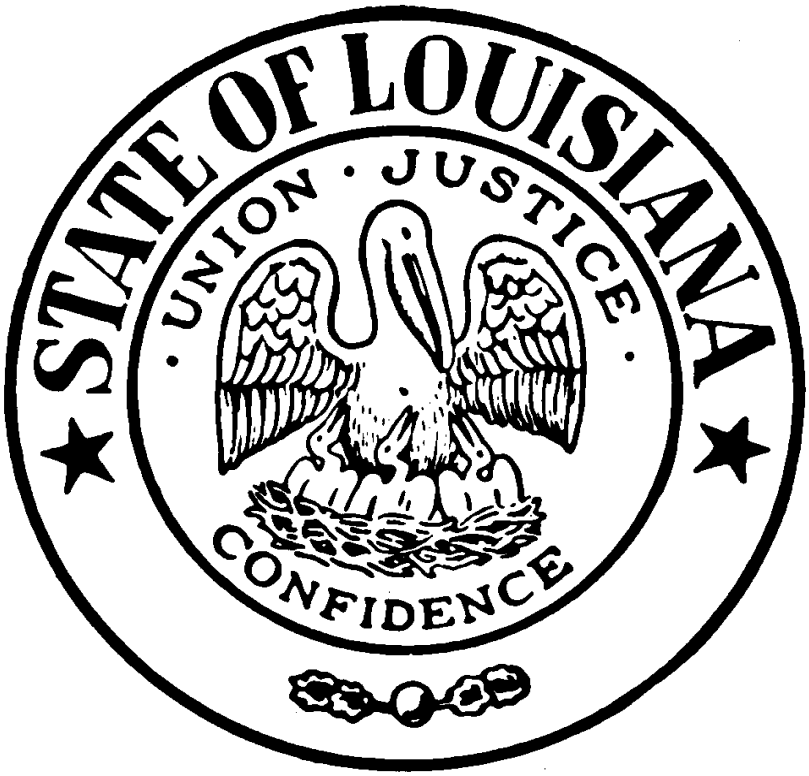
Additional Assistance Provided By
Office of Computing Services
Office of Electronic Services
Office of Information Services
All State Fiscal Personnel

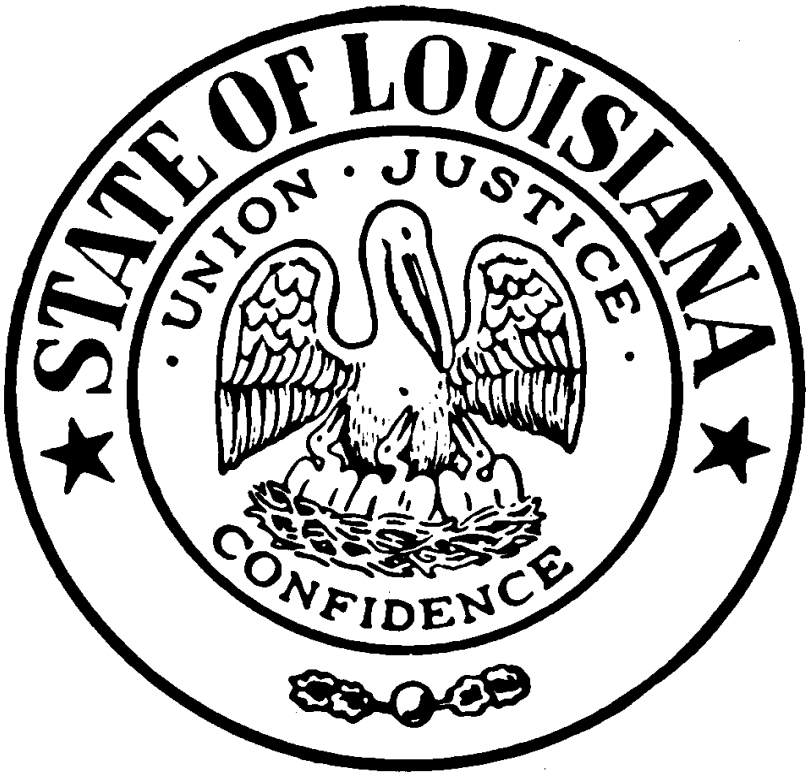
Special thanks to the Financial Systems section of the Office of Statewide Reporting and Accounting Policy for their valued input into the Comprehensive Annual Financial Report:

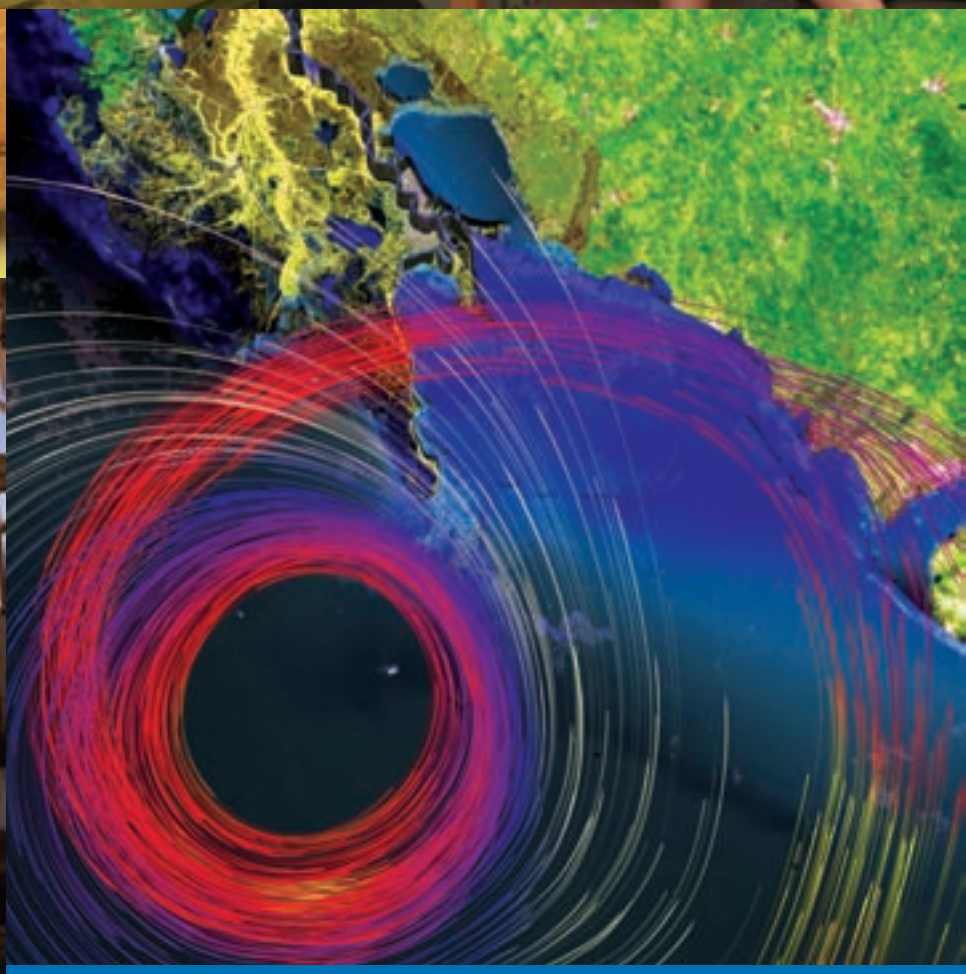
Financial Systems

Donnie Ladatto, CPA, Manager
Tacyra Autrey, Consultant
Carmencita Christian, Consultant
Judy Davidson, Administrative Manager
Kurt Demmerly, CPA, Supervisor
Heidi Israel, Consultant
James Lodge, Consultant
Angela Murphy, Supervisor
Evelyn Myles, Administrative Coordinator
Bridget Theriot, Consultant
Jennifer Wells, Administrative Coordinator


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE



www.doa.la.gov/osrap/cafr-2.htm

STATE OF LOUISIANA

SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2010
STATE OF LOUISIANA

DARYL G. PURPERA, CPA, CFE
LEGISLATIVE AUDITOR

State of Louisiana

Single Audit Report
For the Year Ended June 30, 2010

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. Five copies of this public document were produced at an approximate cost of $125.55. 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.lla.la.gov. When contacting the office, you may refer to Agency ID No. 7354 or Report ID No. 80100040 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.

STATE OF LOUISIANA

Single Audit Report
For the Year Ended June 30, 2010

The Auditor's Report on the State of Louisiana's Basic Financial Statements dated December 30, 2010, has been issued under separate cover.

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 and New Orleans offices of the Legislative Auditor. A copy of this report is also being submitted to the federal audit clearinghouse. The clearinghouse will retain an archival copy of the report and also distribute a copy of the report to each federal awarding agency that provided federal financial assistance to the State of Louisiana for which audit findings were disclosed in the schedules of findings and questioned costs or the summary schedule of prior federal audit findings. The report will be distributed to any pass-through entities that provided federal financial assistance to the state for which audit findings were disclosed in the schedules of findings and questioned costs or the summary schedule of prior federal audit findings. The report is also being transmitted to the Office of Inspector General of the United States Department of Health and Human Services, which is the cognizant federal agency for the Single Audit of the State of Louisiana.

March 31, 2011

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

March 31, 2011

To the Governor, Members of the Legislature, and Taxpayers of Louisiana

The Legislative Auditor audits the activities of state departments, agencies, universities, and other organizational units to ensure accountability and to review compliance with certain laws and regulations relating to financial matters. The audit scope encompasses both state and federal funds. The State of Louisiana Single Audit Report, along with the state's *Comprehensive Annual Financial Report*, provides an overview of the financial operations of Louisiana state government for the fiscal year ended June 30, 2010.

The state's June 30, 2010, basic financial statements were issued on December 30, 2010. This year, we issued an unqualified opinion on the statements.

The State of Louisiana's 2010 Single Audit Report includes an audit report on the Schedule of Expenditures of Federal Awards, along with reports on compliance with laws and regulations and internal control over financial reporting and federal programs for the state. This year's report contains matters that require the attention of state government. Of the 62 reported findings, 28 are repeat findings from previous audits. Findings related to federal programs include total questioned costs of approximately $296 million. The respective federal grantors will ultimately determine the resolution of the questioned costs. For fiscal year 2010, we were not able to obtain sufficient evidence to support an opinion on compliance with the allowable costs/cost principles, eligibility, and reporting requirements applicable to the CCDF Cluster. In addition, we issued an adverse opinion on the state's compliance with the matching, level of effort, and earmarking requirements applicable to the State Fiscal Stabilization Fund Cluster. We also qualified our opinion on the state's compliance with various program requirements applicable to the Unemployment Insurance Program, the Disaster Grants - Public Assistance (Presidentially Declared Disasters) Program, the Hazard Mitigation Program, the CDBG - State-Administered Small Cities Program Cluster, the Workforce Investment Act Cluster, the Highway Planning and Construction Cluster, and the Community Services Block Grant Cluster.

Material weaknesses were identified in the internal control over preparing complete and accurate annual fiscal reports for several entities. Material weaknesses in controls over compliance were also identified relating to the opinion modifications noted above.

1600 NORTH THIRD STREET • POST OFFICE BOX 94397 • BATON ROUGE, LOUISIANA 70804-9397
WWW.LLA.LA.GOV • PHONE: 225-339-3800 • FAX: 225-339-3870

We are pleased with the attention that state agencies have directed toward resolving issues we present in our Single Audit Report. As noted in the various charts in the Executive Summary, while federal awards have grown, there has been a significant decrease in the number of findings included in the report and an emphasis by state entities to resolve prior year findings.

Sincerely,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

THC:DGP:dl

TRANSMITTAL 2010

STATE OF LOUISIANA

SINGLE AUDIT REPORT
For the Fiscal Year Ended June 30, 2010

TABLE OF CONTENTS

		Page No.
Executive Summary		ix
Audit Reports:		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*		1
Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program, on Internal Control Over Compliance in Accordance With OMB Circular A-133, and on the Schedule of Expenditures of Federal Awards		5
	Schedule	**Page No.**
Schedules of Findings and Questioned Costs:		
Summary of Auditor's Results	A	11
Financial Statement Findings	B	13
Federal Award Findings and Questioned Costs	C	33
Schedule of Unresolved Prior Audit Findings	D	111
	Appendix	
Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards	A	
Management's Corrective Action Plans and Responses to the Findings and Recommendations	B	
Findings and Recommendations, Index by State Agency	C	
Summary Schedule of Prior Federal Audit Findings	D	

Executive Summary

EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2010

Introduction

The Single Audit Report for the fiscal year ended June 30, 2010, contains the Schedule of Expenditures of Federal Awards along with the auditor's report thereon. Also included are the auditor's reports on internal control and compliance and other matters related to the financial statements and internal control and compliance related to major federal award programs. These audit reports are supported by the schedules of findings and questioned costs in the accompanying report.

The Single Audit, as performed by the Legislative Auditor and other auditors, meets the requirements of the Single Audit Act as amended in 1996, and the associated U.S. Office of Management and Budget (OMB) Circular A-133.

The Single Audit includes various departments, agencies, universities, and other organizational units included in the *Comprehensive Annual Financial Report* of the State of Louisiana using the criteria established by Governmental Accounting Standards Board Statement 14, *The Financial Reporting Entity*, as amended.

Findings and Questioned Costs

As a result of auditing Louisiana's basic financial statements and Schedule of Expenditures of Federal Awards, we noted certain deficiencies concerning internal control and compliance with laws and regulations. These deficiencies are presented in the schedules of findings and questioned costs as described in the Table of Contents of the accompanying report.

A total of 62 findings were reported within this year's Single Audit Report. This total includes 28 findings (45%) that were repeat findings from a prior audit.

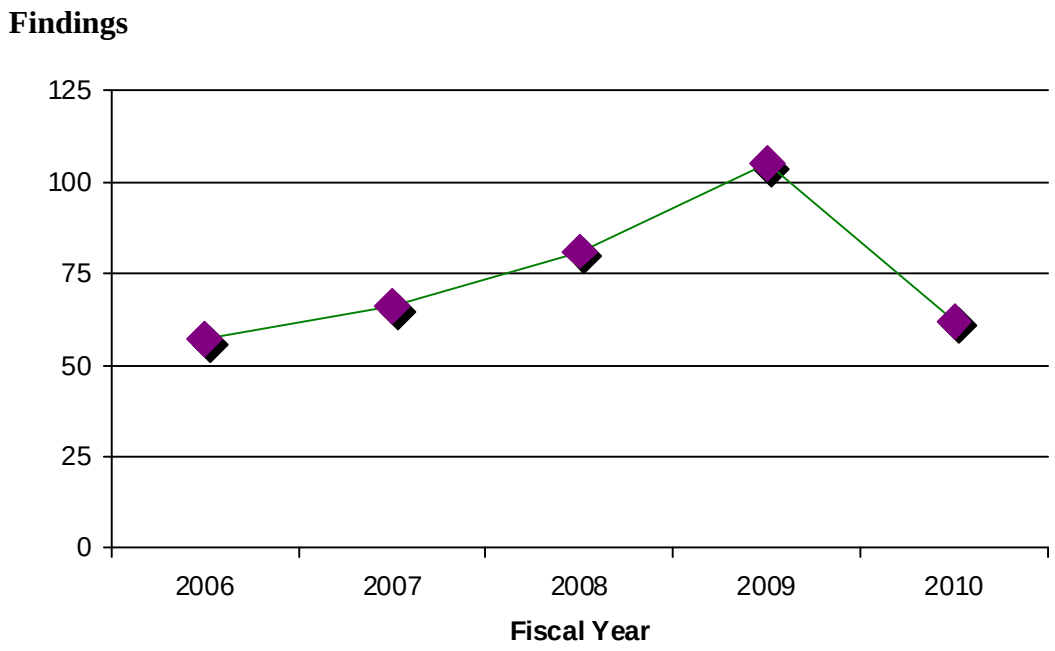
The 2010 Single Audit Report discloses questioned costs of $296,450,997, which are detailed within the findings that are presented in the Schedule of Federal Award Findings and Questioned Costs (Schedule C) of the accompanying report. The resolution of these questioned costs will be determined by the respective grantors.

The following pages contain graphical descriptions of the trend of total findings over the past five years, the number of repeat findings as compared to new findings for this fiscal year, and the state's reported questioned costs over the past five years.

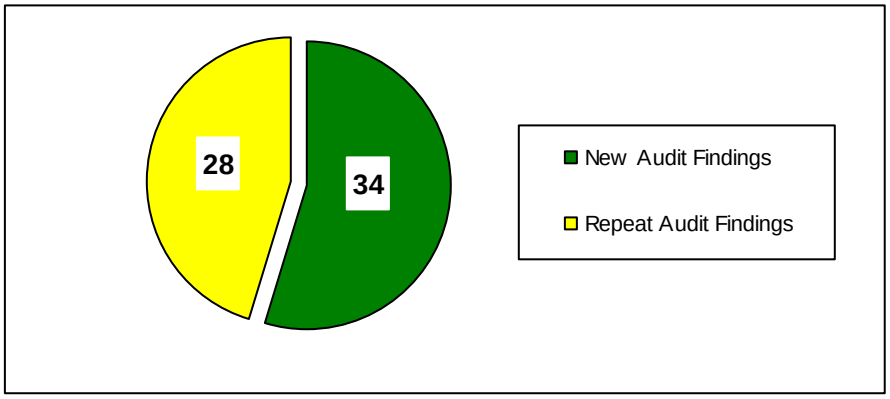
EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2010

Trend of Findings
Over the Past Five Years



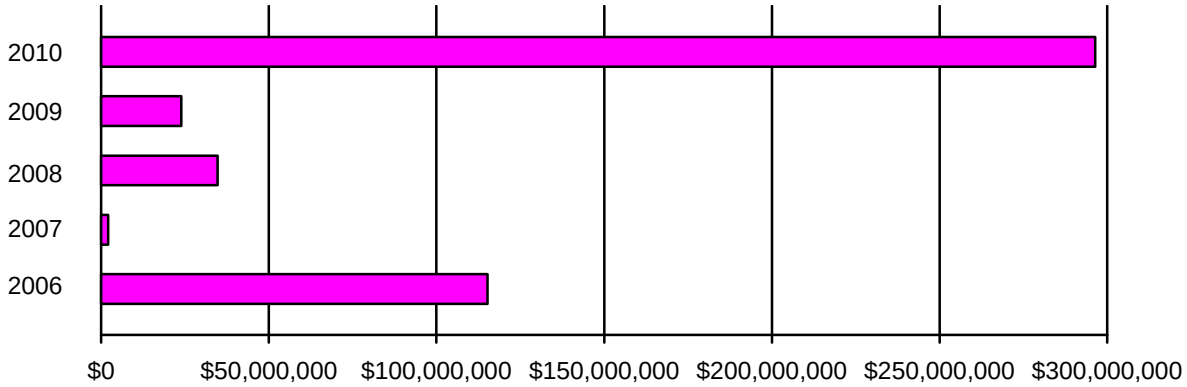
Fiscal Year 2010
Comparison of Repeat Findings
to New Findings



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2010

Trend of Questioned Costs
Over the Past Five Years



Statewide Area of Concern

One recurring issue was noted in the 2010 Single Audit Report that warranted statewide concern. For a finding to be considered a statewide area of concern, it has one or more of the following characteristics:

1. It exists at numerous departments throughout the state.
2. It arises from current statewide policies that do not satisfactorily address the state's needs.
3. It could have a significant fiscal impact on either the state as a whole or on a segment of the state.

As a result of the 2010 Single Audit, findings related to "Inadequate Preparation of Annual Fiscal Reports" warrant statewide concern because of its existence at numerous departments throughout the state and are reported in detail in Schedule B of the Schedule of Findings and Questioned Costs.

Material Weaknesses in Internal Control

Financial Statement Findings

As a result of the 2010 Single Audit, the following eight findings were considered to be material weaknesses in internal control over financial reporting and are reported in detail in Schedule B.

FS-10-EXEC-DOA-OSRAP-1 - Inadequate Controls Over Compilation of the Schedule of Expenditures of Federal Awards (Executive Department - Division of Administration - Office of Statewide Reporting and Accounting Policy, Schedule B, page 15)

FS-10-EXEC-LPCF-1 - Inaccurate Annual Fiscal Report (Executive Department - Louisiana Patient's Compensation Fund, Schedule B, page 17)

FS-10-GSU-1 - Inaccurate Annual Financial Report (Grambling State University, Schedule B, page 18)

FS-10-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (Governor's Office of Homeland Security and Emergency Preparedness, Schedule B, page 20)

FS-10-DSS-1 - Inaccurate Schedule of Expenditures of Federal Awards (Department of Social Services, Schedule B, page 24)

FS-10-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation (Southern University System, Schedule B, page 25)

FS-10-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report (Department of Transportation and Development, Schedule B, page 27)

FS-10-ULM-1 - Inaccurate Annual Fiscal Report (University of Louisiana at Monroe, Schedule B, page 29)

Opinions on Compliance With Compliance Requirements Applicable to Major Federal Programs

As a result of the 2010 Single Audit, auditors issued unqualified opinions on all of the major programs except for the following:

17.225 - Unemployment Insurance (Qualified on Cash Management and Eligibility) (Schedule C, pages 67-68)

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Qualified on Reporting) (Schedule C, page 102)

97.039 - Hazard Mitigation Grant (Qualified on Reporting) (Schedule C, page 102)

CDBG - State-Administered - Small Cities Program Cluster (Qualified on Eligibility, Reporting, and Subrecipient monitoring) (Schedule C, pages 56, 59, 61)

WIA Cluster - (Qualified on Subrecipient monitoring) (Schedule C, page 66)

Highway Planning and Construction Cluster - (Qualified on Reporting) (Schedule C, page 72)

State Fiscal Stabilization Fund Cluster - (Adverse on Matching, Level of effort, and Earmarking) (Schedule C, page 85)

CSBG Cluster - (Qualified on Subrecipient monitoring) (Schedule C, page 99)

CCDF Cluster - (Disclaimer on Allowable costs/cost principles, Eligibility, and Reporting) (Schedule C, page 100)

Material Weaknesses in Internal Control

Federal Award Findings

As a result of the 2010 Single Audit, the following 11 findings were considered to be material weaknesses in internal control over compliance with federal program requirements and are reported in detail in Schedule C.

F-10-HUD-EXEC-DOA-OCD-2 - Inadequate Recovery of Homeowner Assistance Program Awards (Executive Department - Division of Administration - Office of Community Development) (page 56)

F-10-HUD-EXEC-DOA-OCD-4 - Noncompliance With Federal Reporting Requirements (Executive Department - Division of Administration - Office of Community Development) (page 59)

F-10-HUD-EXEC-DOA-OCD-6 - Noncompliance With Subrecipient Monitoring Compliance Requirements (Executive Department - Division of Administration - Office of Community Development) (page 61)

F-10-USDOL-LWC-3 - Inadequate Monitoring of Subrecipient Findings and A-133 Audits (Louisiana Workforce Commission) (page 66)

F-10-USDOL-LWC-4 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments (Louisiana Workforce Commission) (page 67)

F-10-USDOL-LWC-5 - Noncompliance With Record Retention Policy (Louisiana Workforce Commission) (page 68)

F-10-USDOT-DOTD-1 - Inadequate Controls Over American Recovery and Reinvestment Act Reporting Requirements (Department of Transportation and Development) (page 72)

F-10-USDOT-DOTD-4 - Inadequate Controls Over Incidental and Indirect Cost Billings (Department of Transportation and Development) (page 77)

F-10-HHS-LWC-8 - Inadequate Subrecipient Monitoring for the Community Services Block Grant (Louisiana Workforce Commission) (page 99)

F-10-HHS-DSS-5 - Child Care Cluster: Noncompliance With Program Requirements (Department of Social Services) (page 100)

F-10-DHS-GOHSEP-1 - Inaccurate Federal Financial Reports (Governor's Office of Homeland Security and Emergency Preparedness) (page 102)

Expenditures of Federal Awards

In addition to auditing the state's financial statements, we examined expenditures of major federal award programs administered by the State of Louisiana reporting entity. For fiscal year ended June 30, 2010, the State of Louisiana reported over $18.1 billion in monetary and non-monetary activity (including loan programs) for the federal award programs administered by the state.

Major federal award programs within the State of Louisiana were identified on a statewide basis in accordance with the criteria established by OMB Circular A-133 and the Single Audit Act as amended in 1996. Major federal award programs for the year ended June 30, 2010, as defined by the criteria mentioned above, accounted for approximately 95% of the state's expenditures (activity) of federal award programs for the year ended June 30, 2010.

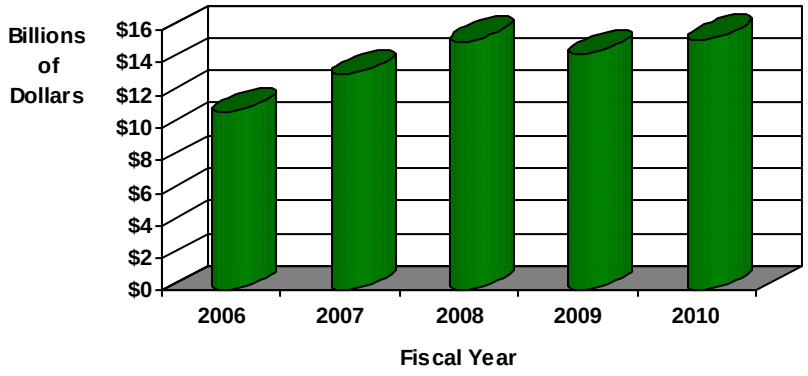
EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2010

The following graphs illustrate total expenditures of federal awards disbursed by the state. Illustrations include the trend of expenditures (excluding loan programs) over the past five years, total major versus other programs, and the percentage of total federal awards by federal agency.

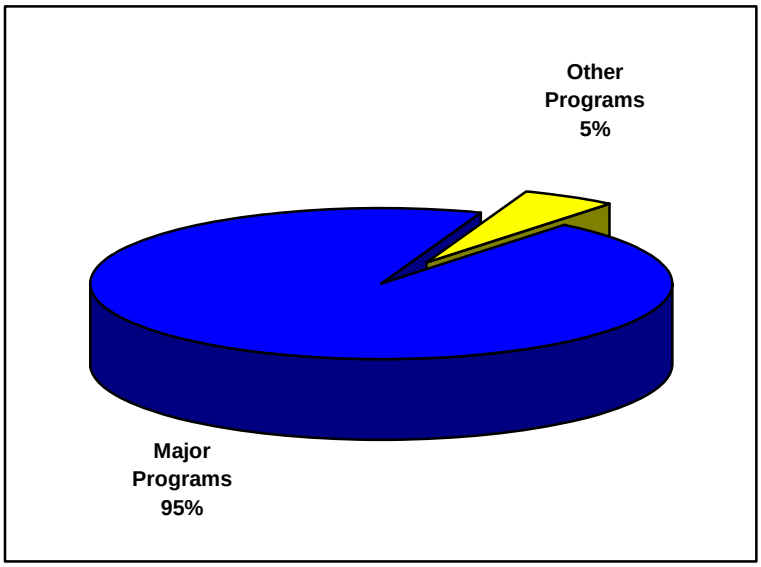
Trend of Expenditures of Federal Awards Over the Past Five Years

Fiscal Year 2010 Total Expenditures of Federal Awards
(Appendix A)
$15,430,716,765
(excluding loan programs)



Fiscal Year 2010 Activity of Major vs. Other Programs

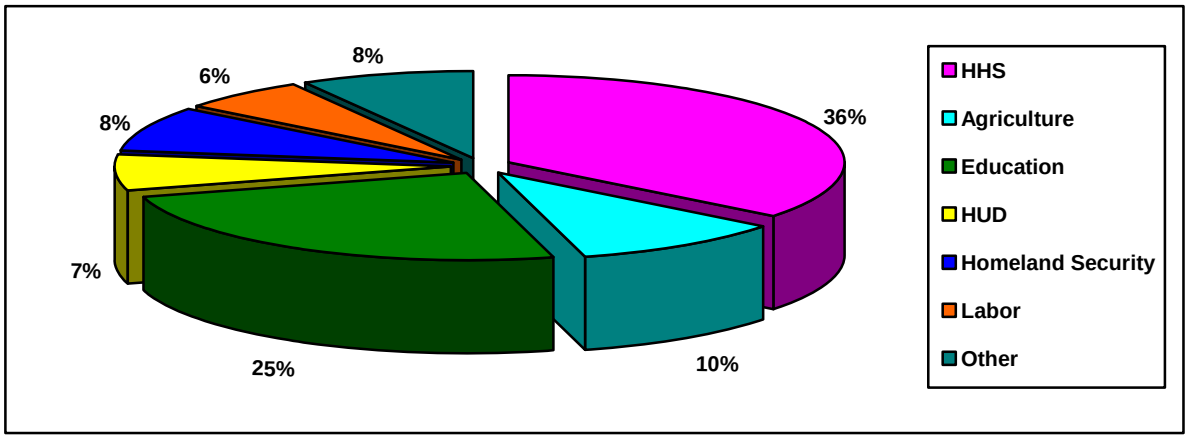
$18,174,641,334
(including loan programs)



EXECUTIVE SUMMARY

For the Fiscal Year Ended June 30, 2010

Percentage of Total Expenditures of Federal Awards by Federal Agency
(including loan programs)



Audit Reports

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 30, 2010

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards*

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the state's basic financial statements and have issued our report thereon dated December 30, 2010. Our report was modified to include a reference to other auditors and an explanatory paragraph for the implementation of new accounting strandards. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other auditors audited the financial statements of certain pension trust funds, enterprise funds, and component units of government as described in our report on the basic financial statements of the State of Louisiana. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the LSU Foundation and the Tiger Athletic Foundation, both component units of the Louisiana State University System (major component unit); the University Facilities, Inc., the University of Louisiana Monroe Facilities, Inc., the NSU Facilities Corporation, and the Black and Gold Facilities, Inc., all component units of the University of Louisiana System (major component unit); and the Southern University System Foundation and the SUSLA Facilities, Inc., both component units of the Southern University System (major component unit), which were audited by other auditors, were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Louisiana's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in Schedule B of the accompanying schedule of findings and questioned costs (pages 13 through 31), we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: FS-10-EXEC-DOA-OSRAP-1 (page 15), FS-10-EXEC-LPCF-1 (page 17), FS-10-GSU-1 (page 18), FS-10-GOHSEP-1 (page 20), FS-10-DSS-1 (page 24), FS-10-SOUTHERN SYSTEM-1 (page 25), FS-10-DOTD-1 (page 27), and FS-10-ULM-1 (page 29).

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in Schedule B (pages 13 through 31) and Schedule C (pages 39 and 48) of the accompanying schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in Schedule B (pages 13 through 31) and Schedule C (pages 33 through 110) of the accompanying schedule of findings and questioned costs.

We also noted certain matters which we have reported in separate letters to management of the State of Louisiana that are not required to be reported herein under *Government Auditing Standards*.

The State of Louisiana's responses to the findings identified in our audit are included in Management's Corrective Action Plans and Responses to the Findings and Recommendations (Appendix B) as listed in the table of contents. We did not audit the State of Louisiana's responses, and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Governor and certain other statewide elected officials of the State of Louisiana and their appointees, others within the entity, the Division of Administration, the Louisiana Legislature, and federal awarding agencies and pass-through entities 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 report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

RRR:BQD:THC:dl

AUDIT REPORTS 2010

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

March 31, 2011, except for the
Schedule of Expenditures of Federal Awards,
dated December 30, 2010

Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program, on Internal Control Over Compliance in Accordance With OMB Circular A-133, and on the Schedule of Expenditures of Federal Awards

Independent Auditor's Report

HONORABLE BOBBY JINDAL, GOVERNOR
HONORABLE JOEL T. CHAISSON II, PRESIDENT, AND
MEMBERS OF THE SENATE
HONORABLE JIM TUCKER, SPEAKER, AND
MEMBERS OF THE HOUSE OF REPRESENTATIVES
STATE OF LOUISIANA
Baton Rouge, Louisiana

Compliance

We have audited the State of Louisiana's compliance with the types of compliance requirements described in the Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the State of Louisiana's major federal programs for the year ended June 30, 2010. The State of Louisiana's major federal programs are identified in the Summary of Auditor's Results section (Schedule A, page 11) of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Governor and other statewide elected officials of the State of Louisiana and their appointees (management). Our responsibility is to express an opinion on the State of Louisiana's compliance based on our audit. We did not audit compliance with those requirements by Grambling State University and the Southern University System. Compliance with the requirements by those universities was tested by other auditors whose reports have been furnished to us. Our report, insofar as it relates to compliance with the requirements referred to previously by Grambling State University and the Southern University System, is based solely upon the reports of the other auditors.

The State of Louisiana's basic financial statements include the operations of certain entities that were audited by other external auditors as described in note P of Appendix A (page A-153). During the year ended June 30, 2010, six of these entities expended a total of $196,696,154 in federal awards, which is not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described in the following paragraph, did not include the operations of these six entities because these component units engaged other auditors to perform an audit in accordance with OMB Circular A-133.

Except as discussed in the following paragraph, we conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the State of Louisiana's compliance with those requirements.

As described in item F-10-HHS-DSS-5 (page 100) of the accompanying schedule of findings and questioned costs, we were unable to obtain sufficient documentation supporting the compliance of the State of Louisiana with the compliance requirements regarding allowable costs/cost principles, eligibility, and reporting applicable to the CCDF Cluster (CFDA 93.575, 93.596, 93.713), nor were we able to satisfy ourselves as to the State of Louisiana's compliance with those requirements by other auditing procedures.

As described in items F-10-USDOL-LWC-4 (page 67), F-10-USDOL-LWC-5 (page 68), F-10-DHS-GOHSEP-1 (page 102), F-10-HUD-EXEC-DOA-OCD-2 (page 56), F-10-HUD-EXEC-DOA-OCD-4 (page 59), F-10-HUD-EXEC-DOA-OCD-6 (page 61), F-10-USDOL-LWC-3 (page 66), F-10-USDOT-DOTD-1 (page 72), F-10-ED-EXEC-DOA-1 (page 85), and F-10-HHS-LWC-8 (page 99) in the accompanying schedule of findings and questioned costs, the

State of Louisiana did not comply with requirements regarding cash management and eligibility applicable to the Unemployment Insurance Program and the ARRA - Unemployment Insurance Program (CFDA 17.225); the requirements regarding reporting applicable to the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA 97.036), the Hazard Mitigation Grant Program (CFDA 97.039), and the Highway Planning and Construction Cluster (CFDA 20.205); the requirements regarding subrecipient monitoring applicable to the WIA Cluster (CFDA 17.258, 17.259, 17.260) and the CSBG Cluster (CFDA 93.569, 93.710); the requirements regarding eligibility, reporting, and subrecipient monitoring applicable to the CDBG Cluster (CFDA 14.228, 14.255); and the requirements regarding matching, level of effort, and earmarking applicable to the State Fiscal Stabilization Fund Cluster (CFDA 84.394, 84.397). Compliance with such requirements is necessary, in our opinion, for the State of Louisiana to comply with requirements applicable to those programs.

In our opinion, because of the effects of noncompliance described in the preceding paragraph, the State of Louisiana did not comply in all material respects with the matching, level of effort, and earmarking requirements that could have a direct and material effect on the State Fiscal Stabilization Fund Cluster (CFDA 84.394, 84.397). Also, in our opinion, except for the noncompliance described in the preceding paragraph and except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the State of Louisiana's compliance with the requirements of the CCDF Cluster (CFDA 93.575, 93.596, 93.713) regarding allowable costs/cost principles, eligibility, and reporting, the State of Louisiana complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended June 30, 2010. The results of our auditing procedures and the reports of the other auditors also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in Schedule C (pages 33 through 110) of the accompanying schedule of findings and questioned costs.

Internal Control Over Compliance

The Governor and other statewide elected officials of the State of Louisiana and their appointees (management) are responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of Louisiana's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Louisiana's internal control over compliance. We did not consider the internal control over compliance with the requirements of the federal award programs administered by Grambling State University and the Southern University System. The internal control over federal program requirements for these universities was considered by other auditors whose reports have been furnished to us. Our report, insofar as it relates to the internal control used in administering federal award programs of these universities, is based solely upon the reports of the other auditors.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of

compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items F-10-HUD-EXEC-DOA-OCD-2 (page 56), F-10-HUD-EXEC-DOA-OCD-4 (page 59), F-10-HUD-EXEC-DOA-OCD-6 (page 61), F-10-USDOL-LWC-3 (page 66), F-10-USDOL-LWC-4 (page 67), F-10-USDOL-LWC-5 (page 68), F-10-USDOT-DOTD-1 (page 72), F-10-USDOT-DOTD-4 (page 77), F-10-HHS-LWC-8 (page 99), F-10-HHS-DSS-5 (page 100), and F-10-DHS-GOHSEP-1 (page 102) to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in Schedule C (pages 33 through 110) of the accompanying schedule of findings and questioned costs to be significant deficiencies.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana as of and for the year ended June 30, 2010, and have issued our report thereon dated December 30, 2010.

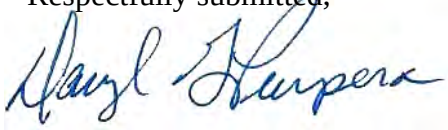
Certain portions of the Schedule of Expenditures of Federal Awards (Appendix A) accompanying this report were not audited by us but were audited by other auditors whose audit reports have been furnished to us, including federal award programs administered by Grambling State University and the Southern University System. The federal award programs for these universities reflect total activity and the federal government's risk in their outstanding loan balances of $231,677,958, which comprise approximately 1.27% of total activity and the federal government's risk in outstanding loan balances for the state as of and for the year ended June 30, 2010. Our assurance, insofar as it relates to the amounts included for Grambling State University and the Southern University System, is based solely upon the reports of the other auditors.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (Appendix A) is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The State of Louisiana's responses to the findings identified in our audit are included in Management's Corrective Action Plans and Responses to the Findings and Recommendations (Appendix B) as listed in the table of contents. We did not audit the State of Louisiana's responses, and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Governor and certain other statewide elected officials of the State of Louisiana and their appointees, others within the entity, the Division of Administration, the Louisiana Legislature, and federal awarding agencies and pass-through entities 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 report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

RRR:BQD:THC:dl

AUDIT REPORTS 2010

Schedule A

Summary of Auditor's Results
For the Year Ended June 30, 2010

Schedule A

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditor's Results
For the Year Ended June 30, 2010

Financial Statements

Type of auditor's report issued: Unqualified for all opinion units

Internal control over financial reporting:
Material weakness(es) identified? X yes ____ no
Significant deficiency(ies) identified that are not considered to be material weaknesses? X yes ____ none reported

Noncompliance material to financial statements noted? ____ yes X no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? X yes ____ no
Significant deficiency(ies) identified that are not considered to be material weaknesses? X yes ____ none reported

Type of auditor's report issued on compliance for major programs:

Unqualified for all major programs except for:	**Opinion**
17.225 - Unemployment Insurance	Qualified
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Qualified
97.039 - Hazard Mitigation Grant	Qualified
CDBG - State-Administered Small Cities Program Cluster	Qualified
WIA Cluster	Qualified
Highway Planning and Construction Cluster	Qualified
SFSF Cluster	Adverse
CSBG Cluster	Qualified
CCDF Cluster	Disclaimer

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? X yes ____ no

Dollar threshold used to distinguish between Type A and Type B programs: $30,000,000

Auditee qualified as low-risk auditee? ____ yes X no

(Continued)

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Summary of Auditor's Results

Federal Awards (Cont.)

Identification of major programs:

CFDA Number - Name of Federal Program or Cluster

10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children
10.558 - Child and Adult Care Food Program
SNAP Cluster
Child Nutrition Cluster
12.400 - Military Construction, National Guard
CDBG - State-Administered Small Cities Program Cluster
15.426 - Coastal Impact Assistance Program (CIAP)
17.225 - Unemployment Insurance
WIA Cluster
20.223 - Transportation Infrastructure Finance and Innovation Act (TIFIA) Program
Highway Planning and Construction Cluster
66.436 - Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements
66.458 - Capitalization Grants for Clean Water State Revolving Funds
84.032 - Federal Family Education Loans
84.287 - Twenty-First Century Community Learning Centers
84.367 - Improving Teacher Quality State Grants
Title I, Part A Cluster
Special Education Cluster (IDEA)
Vocational Rehabilitation Cluster
State Fiscal Stabilization Fund Cluster
93.563 - Child Support Enforcement
93.658 - Foster Care - Title IV-E
93.667 - Social Services Block Grant
93.767 - Children's Health Insurance Program
93.779 - Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
TANF Cluster
CSBG Cluster
CCDF Cluster
Medicaid Cluster
Student Financial Assistance Cluster
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant
97.087 - Alternative Housing Pilot Program
Homeland Security Cluster
Research and Development Cluster

(Concluded)

Schedule B

Financial Statement Findings
For the Year Ended June 30, 2010

Schedule B

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings

Page No.

EXECUTIVE DEPARTMENT - DIVISION OF ADMINISTRATION - OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY
FS-10-EXEC-DOA-OSRAP-1 - Inadequate Controls Over Compilation of the Schedule of Expenditures of Federal Awards 15

EXECUTIVE DEPARTMENT - LOUISIANA PATIENT'S COMPENSATION FUND
FS-10-EXEC-LPCF-1 - Inaccurate Annual Fiscal Report....17

GRAMBLING STATE UNIVERSITY
FS-10-GSU-1 - Inaccurate Annual Financial Report....18

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF
FS-10-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report....20

LOUISIANA STATE UNIVERSITY SYSTEM
FS-10-LSU-1 - Energy Efficiency Contract Contrary to State Law....21

RISK MANAGEMENT, OFFICE OF
FS-10-ORM-1 - Ineffective Internal Audit Function....23

SOCIAL SERVICES, DEPARTMENT OF (now Department of Children and Family Services)
FS-10-DSS-1 - Inaccurate Schedule of Expenditures of Federal Awards....24

SOUTHERN UNIVERSITY SYSTEM
FS-10-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation 25

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF
FS-10-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report 27

UNIVERSITY OF LOUISIANA AT MONROE
FS-10-ULM-1 - Inaccurate Annual Fiscal Report....29

This page is intentionally blank.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

EXECUTIVE DEPARTMENT - DIVISION OF ADMINISTRATION - OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY

FS-10-EXEC-DOA-OSRAP-1 - Inadequate Controls Over Compilation of the Schedule of Expenditures of Federal Awards

The Division of Administration (DOA), Office of Statewide Reporting and Accounting Policy (OSRAP) did not have adequate controls over the compilation of the Schedule of Expenditures of Federal Awards (SEFA) and related note disclosures, which resulted in numerous misstatements requiring audit adjustments. Office of Management and Budget (OMB) Circular A-133, Section 310(b) states that the auditee shall prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements. Good internal controls over financial reporting for the preparation of the SEFA should include (1) adequate procedures to compile an accurate and complete SEFA; (2) adequate training and supervision of staff; and (3) a review of the SEFA so that preparation errors can be detected and corrected before submitting for inclusion in the state's Single Audit report.

The SEFA and related note disclosures prepared by OSRAP for the fiscal year ended June 30, 2010, included numerous errors requiring adjustments as follows:

- Errors in the compilation of the SEFA resulted in a net understatement of total federal expenditures totaling $971,452 and misclassifications between federal programs and/or federal agencies totaling $42,434,234. These errors included the following:
  - OSRAP used an incorrect, original version of a large state agency's SEFA, not considering that the agency had submitted a revised SEFA.
  - In a separate instance, OSRAP reported expenditures in the wrong federal program although the applicable state agency reported it correctly on the SEFA in its Annual Fiscal Report (AFR).
  - OSRAP did not detect state agency misclassifications between federal grantor agencies within the Research and Development Cluster.

  The largest of the above noted errors was $39,142,650 of U.S. Department of Health and Hospitals funds incorrectly classified as Research and Development.
- Errors in the compilation of note O, Major Federal Award Programs, resulted in material misstatements as follows:
  - The "Total Activity" column was understated by $2,652,603,714. The majority of the error was due to the exclusion of $2,086,458,485 in loan activity from the Federal Family Education Loans program (CFDA 84.032).

- The "Amounts Provided to Subrecipients" column was understated by $66,645,432. The largest two errors were the exclusion of subrecipients for the Capitalization Grants for Clean Water State Revolving Funds (CFDA 66.458), causing a $30,220,991 understatement and the exclusion of subrecipients for the Community Services Block Grant Cluster (CFDA 93.569/93.710), causing a $22,046,844 understatement.

- The "Amounts Provided to Subrecipients" column included misclassifications between federal programs totaling $717,907. The majority of the error was the incorrect reporting of $453,986 for CFDA 84.027 with the Research and Development Cluster instead of the Special Education Cluster.

- The "Programs Included in a Cluster" column was understated by $149,693,746 for Temporary Assistance for Needy Families (CFDA 93.558) funds which were excluded in error.

- OSRAP employees did not appear to be aware of pertinent information in preparing the note disclosures to the SEFA. For instance, OSRAP was unaware of the changes to the Student Loan Program, specifically the Health Care and Education Reconciliation Act (HCERA) of 2010, which affected notes F and G. OSRAP also was not aware that a new disclosure was required in fiscal year 2010 relating to the Supplemental Nutrition Assistance Program (SNAP) American Recovery and Reinvestment Act (ARRA) of 2009 Presentation, which OSRAP added in the notes (note Q) to the SEFA after being advised by the auditor.

- Other minor errors were also noted such as missing Catalog of Federal Domestic Assistance (CFDA) reference numbers, incorrect federal program names, and duplicate or incorrect CFDA numbers.

Management of OSRAP has not established adequate internal controls over financial reporting for the compilation of the SEFA and related note disclosures and has not adequately trained its staff in OMB reporting requirements. In addition, management has not developed an adequate review process to ensure that the SEFA and related note disclosures are accurately presented.

Failure to establish adequate internal controls over financial reporting, to include the proper supervision of employees who prepare the SEFA and an adequate supervisory review of the SEFA, increases the risk of material misstatements in the financial statements, whether caused by error or fraud, that remain undetected. In addition, an incomplete or inaccurate SEFA may cause errors in major program determinations, misstatements in the state's Single Audit report, and/or delay the issuance of the Single Audit report.

Management of OSRAP should establish a compilation process to ensure that all personnel are adequately trained and the SEFA and related note disclosures are adequately reviewed before submitting for inclusion in the Single Audit report. Management concurred in part with the finding and outlined a plan of corrective action. Management agrees certain compilation procedures can be improved, but stated OSRAP does have adequate internal controls over financial reporting for the compilation of the SEFA and related note disclosures, has adequately trained staff in OMB reporting requirements, and has developed an adequate review process to ensure that the SEFA and related note disclosures are accurately presented. See management's response at B-30.

Additional Comments: Management indicates in the response that OSRAP has adequate controls over SEFA reporting to ensure the SEFA and related note disclosures are accurately presented; however, material errors occurred and were not detected or corrected by OSRAP's controls. Management's response suggests that errors were in drafts of the SEFA and related note disclosures; however, all errors noted in this finding were based on our audit of the final version of the SEFA. In addition, management's response states that OSRAP depends on the state entities to prepare complete and accurate schedules; however, several of the noted errors were the result of compilation errors at OSRAP which had been reported accurately by the applicable state entity to OSRAP.

EXECUTIVE DEPARTMENT - LOUISIANA PATIENT'S COMPENSATION FUND

FS-10-EXEC-LPCF-1 - Inaccurate Annual Fiscal Report

The Louisiana Patient's Compensation Fund (PCF) did not submit an accurate AFR to the DOA, OSRAP. Louisiana Revised Statute (R.S.) 39:79 authorizes the commissioner of administration to establish the content and format of each state entity's AFR and requires a signed affidavit that the AFR presents fairly the financial position of the entity. Good internal control over financial reporting should include adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR and a review process that will identify preparation errors and correct those errors before submitting the AFR to OSRAP for inclusion in the state's Comprehensive Annual Financial Report (CAFR).

PCF submitted an initial AFR packet to OSRAP by the due date of August 31, 2010. Subsequently, OSRAP requested PCF revise its AFR packet to include the requirements of an enterprise fund type. The revised AFR submitted to OSRAP on October 15, 2010, included material errors, which necessitated correction by audit adjustment. PCF did not defer unexpired surcharges related to provider enrollments for the fiscal years ending June 30, 2009 and 2010. Governmental Accounting Standard's Board (GASB) Statement 10 requires premium contributions to be earned in proportion to the risk coverage provided. Since PCF insures

participating providers on an annual basis, surcharges should be earned evenly over the provider's enrollment year and any unexpired portion relating to these enrollments at the end of the fiscal year should be deferred. As a result, beginning net assets were overstated by $82 million, deferred revenues were understated by $88 million, and surcharge revenues were overstated by $6 million.

This error occurred because management did not have a complete understanding of applicable GASB pronouncements and OSRAP reporting requirements to perform an adequate review of the AFR. Lack of adequate review may allow misstatements from errors or fraud to occur and remain undetected. In addition, failure to submit an accurate AFR could delay the compilation and issuance of the state's CAFR.

Management should enhance its written compilation procedures to ensure that its AFR is properly prepared and reviewed to identify and correct errors before submitting to OSRAP and ensure that personnel responsible for preparing the AFR are adequately trained in GASB and OSRAP reporting requirements. Management concurred with the finding and recommendations and provided a corrective action plan (B-32).

GRAMBLING STATE UNIVERSITY

FS-10-GSU-1 - Inaccurate Annual Financial Report

For the fourth consecutive year, Grambling State University (university) did not compile an accurate AFR, resulting in a $3.2 million understatement of assets; a $1.4 million overstatement of liabilities; a $3.8 million overstatement of operating revenues; a $2.1 million understatement of operating expenses; and a $3.6 million understatement of capital appropriations on its financial statements and related note disclosures.

A review of the university's AFR for the fiscal year ended June 30, 2010, disclosed the following significant errors on the university's Statement of Net Assets (SNA); Statement of Revenues, Expenses, and Changes in Net Assets (SRECNA); Statement of Cash Flows (SCF); and related notes to the financial statements:

- Management omitted $3.3 million in capital assets, net of depreciation, on its SNA and related note disclosure, resulting in a further $3.6 million adjustment to the SCF.

- Management overstated accounts payable and accrued liabilities by $1.7 million on its SNA relating to inaccurate year-end payroll accruals and vendor payables, resulting in errors in several expense categories on the SRECNA.

- Management misclassified $1.3 million of net assets on the SNA and related note disclosure, resulting in an understatement of restricted net assets and an overstatement of unrestricted net assets.

- Management included preliminary amounts from the Black & Gold Facilities, Inc., report in its SNA, SRECNA, SCF, and related note disclosures, resulting in errors in several asset, liability, and operating expense accounts and a net understatement of net assets of $57,060.

- Management miscalculated and misclassified scholarship allowances on the SNA, resulting in a net allowance understatement of $200,904, with related errors in revenues, expenses, receivables, liabilities, activity on the SCF, and related note disclosures.

- Management omitted $2.7 million of nonnegotiable certificates of deposit in its cash note. Also, management incorrectly reported $25 million of investments as having concentrated credit risk and $24 million of investments as not having interest rate risk.

Good internal control and sound business practices require that (1) accounting records and reports reflect all financial transactions incurred by the entity for the reporting cycle and these transactions be properly classified in accordance with applicable standards; (2) subsidiary records be routinely reconciled to control records to ensure financial information is consistently and properly reported; and (3) reports be reviewed by competent members of management for accuracy and compliance with applicable laws.

Management of the university did not adequately analyze and adjust the accounts in its accounting system before closing the system and preparing its AFR. In addition, supporting schedules and work papers were not prepared and agreed to the supporting accounting records before presenting the financial statements. As a result, the university's financial information submitted to the auditors for the audit and to the University of Louisiana System required significant time and effort by the auditors to identify and correct errors that should have been detected by management. Furthermore, failure to timely analyze accounts and identify errors subjects university assets to potential fraud and/or abuse.

Once again, university management should immediately begin analyzing and reconciling all accounts and should make all adjustments necessary to the records to reflect current, accurate financial information. In addition, management should develop a compilation process that requires the timely reconciliation of all general ledger accounts to the subsidiary or supporting records and schedules. The compilation process should include the performance of analytical procedures and a high level supervisory review of financial information and note disclosures to detect and correct errors in a timely manner before submitting that information to the University

of Louisiana System and the Louisiana Legislative Auditor. Management concurred with the finding and outlined a plan of corrective action (B-36).

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF

FS-10-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report

For the fourth consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit an accurate AFR and SEFA to the DOA, OSRAP. R.S. 39:79 authorizes the commissioner of administration to establish the format of each agency's AFR and requires a signed affidavit that the AFR presents fairly the financial position of the agency. Good internal control over financial reporting should include (1) adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR, including the SEFA; (2) adequate training and supervision of staff; and (3) a review process that will identify preparation errors and correct those errors before submitting the reports to OSRAP for inclusion in the state's CAFR and Single Audit.

Audit procedures revealed that the AFR contained significant and material errors in the accruals and note disclosures that were corrected with audit adjustments.

Account Balances/Notes	Original AFR	Audit Adjustments	Final Adjusted AFR
Receivables:			
Modified Accrual	$65,145,895	($9,270,955)	$55,874,940
Adjustment to Full Accrual	812,564,736	99,803,119	912,367,855
Payables:			
Modified Accrual	92,818,539	(9,224,831)	83,593,708
Adjustment to Full Accrual	812,564,735	99,803,119	912,367,854
Prepayments (Advances) - note Z	361,014,910	(6,405,448)	354,609,462
Deferred Revenue (2010 Activity) - note G	197,071,744	6,711,006	203,782,750
Deferred Revenue Balance	333,837,103	20,772,359	354,609,462
Cooperative Endeavors - Schedule 16 - Net Liability	1,000,940,532	(67,935,760)	933,004,772
Disallowed Costs Amount - note I	26,320,205	7,818,947	34,139,152

Audit procedures revealed that the SEFA contained the following errors: (1) the amount reported for the Public Assistance program was understated by $120 million; (2) Schedule 8 and recap of Schedule 8 were not prepared in accordance with OSRAP's instructions; (3) federal program clusters were not properly identified; and (4) the reconciliation between the SEFA and the financial statements included unsupported adjustments.

Management has not adequately trained its accounting staff in the OSRAP format, GASB requirements, or OMB A-133 reporting requirements. In addition, management has not developed an adequate review process to ensure that the AFR is accurately presented. The lack of adequate review may allow misstatements from errors or fraud to occur and remain undetected. The failure to submit an accurate AFR can delay the compilation and issuance of the state's CAFR.

GOHSEP management should (1) enhance its written compilation procedures to include all steps in the compilation process; (2) ensure its AFR and SEFA are properly prepared and reviewed to identify and correct errors before submitting these reports to OSRAP; and (3) ensure its accounting staff is adequately trained in OSRAP, GASB, and OMB A-133 reporting requirements. Management concurred with the finding and outlined a plan of corrective action (B-51).

LOUISIANA STATE UNIVERSITY SYSTEM

FS-10-LSU-1 - Energy Efficiency Contract Contrary to State Law

Three campuses and two hospitals within the Louisiana State University (LSU) System entered into performance-based energy efficiency contracts with Johnson Controls, Inc. (JCI) that include stipulated savings and therefore do not comply with state law. This is the third consecutive year for this finding. R.S. 39:1496.1(A) provides that a state agency may enter into a performance-based energy efficiency contract for services and equipment. R.S. 39:1484(A)(14) requires the payment obligation to be either a percentage of the annual energy cost savings attributable to the services or equipment under the contract or guaranteed by the company under contract to be less than the annual energy cost savings attributable to the services or equipment under the contract. R.S. 39:1496.1(D) requires the contract to contain a guarantee of energy savings to the university. The statute further provides that the annual calculation of the energy savings must include maintenance savings that result from operational expenses eliminated and future capital replacement expenditures avoided as a result of equipment installed or services performed by the contractor.

Attorney General Opinion 07-0002 provides "…for the stipulated operational savings to be included in the total guaranteed savings, those savings must actually be guaranteed. In order for the operational savings to be guaranteed, the contract would have to provide for some type of

measurement and/or verification of the operational savings…." Although the attorney general opinion was directed to local government, the same guarantee is required in state law.

The energy efficiency contracts between JCI and LSU and A&M College, the University of New Orleans (UNO), the LSU Health Sciences Center in Shreveport (HSC-Shreveport), and two hospitals within the Health Care Services Division (HCSD) provided that operational savings are agreed by the parties to be achieved (stipulated) and will not be additionally measured or monitored during the contract term. Therefore, the operational savings are not guaranteed because the contract does not provide for measurement and/or verification of the savings. In addition, these campuses and hospitals are at risk of making payments specified in the contract that are greater than the energy cost savings attributable to the services or equipment under the contract. A review of the energy efficiency contracts at the campuses and hospitals within the LSU System disclosed the following:

- LSU and A&M College's contract with JCI guaranteed a total of $3,427,380 in savings during the 15-year term of the contract, consisting of measurable savings of $2,614,658 and operational savings of $812,722. The contract specifies payments of approximatley $3.5 million over the life of the contract.

- UNO's original energy efficiency contract guaranteed a total of $29,572,695 in savings during the 19-year term of the contract. The savings consist of measurable savings of $18,742,695 and operational savings of $10,830,000. A contract amendment effective July 1, 2004, increased the guaranteed savings by $146,160. The total rental and service payments due to JCI are approximately $30.7 million over the life of the amended contract.

- The energy efficiency contract between the HSC-Shreveport and JCI guaranteed a total of $15,493,562 in savings during the 17-year term of the contract, consisting of measurable utility savings of $8,926,000; measurable operational savings of $3,480,869; and stipulated operational savings of $3,086,693. Excluding the stipulated operational savings, the guaranteed savings over the life of the contract are only the measurable savings of $12,406,869. The total payments due to JCI over the life of the contract are approximately $15.7 million. In addition, neither the measurable utility savings nor the measurable operational savings are being adequately measured or verified by the center.

- The University Medical Center contract, as amended, with JCI guaranteed a total of $4,762,185 in savings during the 20-year term of the contract, consisting of measurable savings of $1,943,165 and operational savings of $2,819,020. The total payments due to JCI over the life of the contract are approximately $4.7 million. In addition, the contract states that JCI may credit any excess savings, in whole or in part, toward the annual guaranteed savings in any future year of the

term. R.S. 39:1496.1 requires the payment obligation for each year of the contract to be less than the annual energy cost savings; therefore, it is not appropriate to carry forward excess savings to future years.

- Lallie Kemp Regional Medical Center entered into an energy efficiency contract with JCI which guaranteed a total of $3,489,692 in savings during the 17-year term of the contract. The savings consist of measurable savings of $1,550,162 and operational savings of $1,939,530. The total rental and service payments due to JCI over the life of the contract are approximately $3.5 million.

At the signing date of the contracts, management believed that the contracts complied with state law. However, because the operational savings are stipulated and are not measurable and verifiable, the contracts are not in compliance with state law. In addition, for each of these contracts, the expected payment obligation exceeds the measurable cost savings.

Management of the LSU System has represented to us that the system's legal counsel has conducted detailed investigations and evaluations of each of the agreements, has retained an industry expert to assist in a comprehensive review of the technical materials and calculations associated with these contracts, and is currently actively engaged in extensive settlement discussions with JCI's legal counsel regarding resolution of the issues associated with each of these contracts.

Management should revise its energy efficiency contracts to ensure that savings components are verifiable and that the guaranteed savings have been realized. In addition, management should ensure that the payments required by the contract are not greater than the energy cost savings attributable to the services or equipment under the contract. LSU System management concurred with the finding and is addressing the issue as described previously (B-55).

RISK MANAGEMENT, OFFICE OF

FS-10-ORM-1 - Ineffective Internal Audit Function

For the sixth consecutive year, the Office of Risk Management (ORM) did not have an effective internal audit function to examine, evaluate, and report on its internal controls, including information systems, and to evaluate compliance with the policies and procedures that comprise internal controls. Act 40 of the 2009 Regular Session of the Louisiana Legislature requires ancillary agencies with budgets in excess of $30 million to include within its existing table of organization positions which perform the function of internal auditing. An effective internal audit function should identify high risk areas and evaluate and report on whether internal controls have been implemented to properly safeguard assets and prevent or detect errors and fraud.

The Internal Audit Section of DOA is responsible for the internal audit function of 26 agencies under the DOA, including ORM. The audit administrator position of the DOA Internal Audit Section was vacant for approximately five months during fiscal year 2010. As a result, the Internal Audit Section did not prepare a detailed audit plan, perform risk assessments, or complete any internal audits at ORM. Considering ORM's reported assets of approximately $79 million and revenues of approximately $233 million, an effective internal audit function is important to ensure that assets are safeguarded and that management's policies and procedures are uniformly applied. Failure to provide an effective internal audit function increases the risk that errors and/or fraud could occur and remain undetected.

Management of DOA should continue to provide resources to and develop an effective internal audit function for all agencies within the division, including ORM, to ensure that assets are safeguarded and that management's policies and procedures are applied consistently in accordance with management's intentions. Management concurred with the finding and outlined a plan of corrective action (B-75).

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)

FS-10-DSS-1 - Inaccurate Schedule of Expenditures of Federal Awards

The Department of Social Services (DSS) included a material classification error on its SEFA. Specifically, DSS did not consider current federal reporting guidance when it disaggregated the total Supplemental Nutrition Assistance Program (SNAP) benefit expenditures and separately identified $149,448,196 in SNAP benefits funded by ARRA.

The 2010 OMB Circular A-133 *Compliance Supplement* states that memoranda issued by the U.S. Department of Agriculture, Food and Nutrition Services on October 23, 2009, and July 23, 2010, preclude a state from disaggregating total SNAP benefit expenditures into regular and ARRA components. Errors on the SEFA may delay the compilation and issuance of the state's Single Audit report. In addition, inadequate SEFA compilation and review procedures may result in additional undetected errors on the SEFA.

Management's SEFA compilation and review process should include consideration of current federal reporting guidance. Management concurred with the finding and recommendation and provided a corrective action plan (B-82).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Financial Statement Findings (Continued)

SOUTHERN UNIVERSITY SYSTEM

FS-10-SOUTHERN SYSTEM-1 - Inaccurate Annual Fiscal Report Preparation

For the fourth consecutive year, the Southern University System (System) did not have adequate controls over the financial information included in the System's AFR to ensure that its AFR and related note disclosures were prepared timely and accurately. R.S. 39:79 authorizes the commissioner of administration to establish the format for obtaining each agency's financial information. Good internal control includes establishing formal written procedures for compiling financial information included in the AFR and developing an adequate review process to ensure that financial statements are prepared accurately and submitted timely.

OSRAP designed an AFR to obtain this information, which requires a signed affidavit from each agency or university system that the financial statements present fairly the financial information of the System. OSRAP uses the university systems' AFRs during its compilation of the state's CAFR. For the fiscal year ended June 30, 2010, the System's AFR was due to OSRAP by September 21, 2010. The System's AFR was submitted 35 days late on October, 26, 2010.

A review of the fiscal year ending June 30, 2010, financial information included the following errors and omissions:

The Statement of Net Assets included the following errors:

- The New Orleans campus understated receivables and deferred revenue by $1,216,651 for funds due from the DOA, Office of Facility Planning.
- The Shreveport campus overstated federal receivables by $400,414. The receivables have been outstanding for over 24 months and it is uncertain whether these receivables can be collected since the period of availability has elapsed.
- The New Orleans campus misclassified $1,349,267 of noncurrent cash and cash equivalents as current.

The Statement of Cash Flows included the following errors:

- The New Orleans campus incorrectly reported $1,027,669 of Pell grant payments as a payment for supplies and services and incorrectly reported federal receivables of $1,027,699 as cash flow from tuition and fees.

The financial statement's related note disclosures included the following errors:

- The Shreveport campus did not disclose its related party transaction with its blended component unit (SUSLA Facilities, Inc).
- The New Orleans campus did not disclose a lessor lease for office space with a carrying amount of $2,128,533 in note P.
- The New Orleans campus incorrectly included investments totaling $987,852 in certificates of deposit in note C.1. In addition, it included the Building Use Fee savings account of $436,189 in certificates of deposit instead of cash.
- The Shreveport campus did not disclose $487,948 in FY11-14 future rental payments pertaining to SUSLA's office space lease with Shreveport Airport Authority in note P.
- The Shreveport campus understated interest outstanding as of June 30, 2010, for the SUSLA Facilities, Inc., bonds by $14,935,938 in Schedule 1-A.
- The Shreveport campus overstated the net receivables due on several federal grants by $400,414 in note D. In addition, SUSLA understated its doubtful accounts in note D by $1,832,104 and understated gross accounts receivables by $1,431,690.

The System did not provide detailed supporting schedules for the information listed below resulting in alternate audit procedures being performed to compensate for the lack of support.

- Book balance amounts reported in note C.1
- Receivables amounts related to the New Orleans campus that were reported in note D
- Restricted expendable net assets as reported in note Q

During our test for unrecorded payables for the period ending June 30, 2010, we noted the following for the New Orleans campus:

- Three checks out of five (60%) tested represented payables that existed at June 30, 2010, but were not recorded on the Statement of Net Assets. These exceptions were for transactions totaling $137,296.

Management of the System has not placed sufficient emphasis on ensuring that financial information included in the AFR is properly prepared and reviewed for errors or omissions. Currently, each campus is responsible for its financial statement and note disclosure preparation and each uses different Financial Record System reports and/or different methods for using the information in those reports. In addition, management failed to timely provide detailed supporting schedules that agreed to the System's AFR and related note disclosures. Failure to provide accurate and timely financial information to the auditors and OSRAP results in audit delays and increased audit procedures and could result in a misstatement of the state's CAFR.

System management should develop procedures to include written instructions, a timetable for compiling the required financial information with detailed supporting schedules that each campus adheres to, and a system-level supervisory review of the financial information and note disclosures submitted by each campus to detect and correct material errors in the campuses' financial information before it is included in the System's AFR. Management should also ensure that adjustments presented in previous audits are reviewed to ensure the same errors do not reoccur in subsequent years. Management concurred with the finding and provided a corrective action plan (B-86).

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

FS-10-DOTD-1 - Inadequate Preparation of the Annual Fiscal Report

For the fourth consecutive year, the Department of Transportation and Development (DOTD) did not submit an accurate AFR to the DOA, OSRAP. R.S. 39:79 authorizes the commissioner of administration to establish the format of each agency's AFR and requires a signed affidavit that the AFR presents fairly the financial position of the agency. Good internal control over financial reporting should include (1) adequate procedures to record, process, and transmit financial data needed to prepare an accurate and complete AFR; (2) adequate training and supervision of staff; and (3) a review of the AFR so that any preparation errors can be detected and corrected before submitting the AFR to OSRAP for inclusion in the state's CAFR.

DOTD's AFR for the fiscal year ended June 30, 2010, contained the following significant errors requiring adjustments as follows:

- Total infrastructure (note H, Capital Outlay) was overstated by $2,979,680, net of depreciation totaling $516,276, as a result of the following errors:
    - Prior period adjustments were understated by $29,785,376, net of depreciation totaling $2,223,249 and retirements were understated by $37,132,875, net of depreciation totaling $2,652,125. The majority of this error occurred because DOTD incorrectly presented roads transferred to

local governments during the fiscal year as prior period adjustments instead of current year retirements.

- Additions were understated by $4,367,819, net of depreciation totaling $87,399.

- Operating grants and contributions and capital grants and contributions (note H, Operating) were understated by $12,256,175 and $2,490,561, respectively.

- The modified accrual receivable for Transportation Trust Fund (TTF) federal funds was overstated by $11,503,826 on Schedule 14.

Although some improvement was noted from the prior year, management of DOTD should provide additional training for the accounting staff in OSRAP and GASB reporting requirements and should continue to strengthen the AFR review process to ensure that the department's AFR is accurately presented. In addition, the errors relating to operating and capital grants and contributions and the error in the modified accrual receivables could have been detected by reconciling those amounts to the revenue and receivables reported on Schedule 1 of the AFR.

Failure to establish adequate internal controls over financial reporting, to include the proper supervision of employees who prepare the AFR and an adequate supervisory review of the AFR, increases the risk of material misstatements in the financial statements, whether caused by error or fraud, that may remain undetected. In addition, an incomplete or inaccurate AFR may cause misstatements in the state's CAFR or delay the CAFR's issuance.

Management of DOTD should continue to improve the compilation process to ensure that all personnel are adequately trained, and the department's AFR is adequately reviewed before its submission to OSRAP. Management concurred in part with the finding and recommendation and outlined a plan of corrective action. Management noted that transferred and abandoned roads were reported consistent with prior years and the net effect of the overstated receivables on total TTF revenue was zero. Management also disagreed that DOTD staff is not adequately trained and that there is an inadequate system of review. See management's response at B-104.

Additional Comments: Although management's response indicates the transferred and abandoned roads were reported consistently with prior years and the net overstatement was only .02% of net infrastructure, the amount of current year transferred and abandoned roads resulted in a material overstatement of prior period adjustments and a material understatement of retirements in the department's AFR. Management's response indicates that the modified and full accrual TTF revenues on Schedule 14 were accurately reported and indicates that since the misstatement of receivables had no net effect on revenues, it should be considered insignificant. We do not agree with that conclusion and believe an $11.5 million overstatement of receivables is significant even if the net effect to revenues is zero. We maintain that improvement of internal

controls such as training and additional review over the AFR compilation process is necessary to prevent and detect these types of errors.

UNIVERSITY OF LOUISIANA AT MONROE

FS-10-ULM-1 - Inaccurate Annual Fiscal Report

The University of Louisiana at Monroe (university) did not compile an accurate AFR. As authorized by R.S. 39:79, the commissioner of administration through the DOA, OSRAP prescribes the content and format for the preparation of the university's AFR, which is then submitted to the Louisiana Legislative Auditor for audit and to the University of Louisiana System (System) office for inclusion in the AFR for the System.

Good internal control and sound business practices require that (1) accounting records and reports reflect all financial transactions incurred by an entity for the reporting cycle and these transactions be properly classified in accordance with applicable standards; (2) subsidiary records be analyzed before closing the books to ensure financial information is consistently and properly reported; and (3) reports be reviewed by competent members of management for accuracy and compliance with applicable requirements.

A review of the university's AFR for the fiscal year ended June 30, 2010, disclosed the following errors, which resulted in significant adjustments to the financial statements:

- Management did not eliminate $2,240,337 of auxiliary interagency transactions during the blending process between the university and University of Louisiana at Monroe Facilities, Inc.

- Management inadvertently reported $13,903,677 of Pell receipts on the Statement of Cash Flows as Federal Non-operating Receipts but later determined that these receipts should have been reported as Gifts and Grants for Other than Capital Purposes in the same section of the Statement of Cash Flows.

- Management did not thoroughly analyze its accounts payable, resulting in an overstatement of $303,038. The overstatement consisted of $265,878 of deferred revenues and $37,160 of fiscal year 2011 expenses. This adjustment also required adjustment to the related note disclosure.

- Management incorrectly reported $4,467,869 of Capital Appropriations on the Statement of Cash Flows as a capital financing activity instead of a non-cash transaction.

- Management overstated Other Operating Revenues by $1,611,113 when it included electronic course fees, proceeds from the sale of cattle, FEMA reimbursements, and principal amounts collected on Perkins and Pharmacy loans.

- Management incorrectly reported a negative $1,363,625 for its Restricted Expendable Net Assets instead of reducing Unrestricted Net Assets by this amount. This error also required adjustment to the related note disclosure.

- Management understated current cash by $110,426 by not removing void checks from its outstanding checklists on its bank reconciliation. This error caused the overstatement of accounts payable by $105,704; the understatement of Unrestricted Net Assets by $4,722; the overstatement of various expenses by $2,027; and the understatement of beginning net assets by $2,695.

- Management incorrectly reported bank balances of $1,039,161 that were uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's name. This error required adjustment to note C.1 - Deposits with Financial Institutions.

- Management incorrectly calculated the other postemployment benefits expense allocation by function, using total employee salaries instead of the salaries of only those employees who participated in the Office of Group Benefits. This error overstated and understated the functional expense categories and overstated nonoperating revenue by $101,510.

Several different factors contributed to these problems, including implementation of the university's new accounting system. Also, management did not analyze and adjust the accounts before closing the system, made errors in the blending of the financial information of the university and its component unit, did not strictly enforce its policies and procedures, and did not follow established reporting guidelines and requirements. As a result, the university's financial information submitted to the auditors and the System required significant time and effort by the auditors to identify errors that should have been detected by management. Furthermore, failure to timely analyze accounts and identify errors subjects university assets to potential fraud and/or abuse.

University management should begin analyzing and reconciling all accounts and should make all adjustments necessary to the records to reflect current, accurate financial information. In addition, management should develop a compilation process that requires the timely reconciliation of all general ledger accounts to subsidiary or supporting records and schedules. The compilation process should include the performance of analytical procedures and a high level supervisory review of financial information and note disclosures to detect and correct errors in a timely manner before submitting that information to the System and the Louisiana Legislative Auditor. Finally, management should strictly enforce its existing policies and

procedures and also become more familiar with authoritative financial recording and reporting guidance. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-108).

FEDERAL AWARD FINDINGS WITH A FINANCIAL STATEMENT IMPACT

The following findings were reported as federal award findings in Schedule C, but also have a financial statement impact. These findings are listed below and referenced to where they are reported in detail in Schedule C.

EXECUTIVE DEPARTMENT - DIVISION OF ADMINISTRATION - OFFICE OF STATE PURCHASING AND TRAVEL

F-10-CC-EXEC-DOA-OSP-1 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement and State Purchasing Regulations (page 39)

GRAMBLING STATE UNIVERSITY

F-10-CC-GSU-1 - Grant Management Procedures (page 48)

This page is intentionally blank.

Schedule C

Federal Award Findings
and Questioned Costs
For the Year Ended June 30, 2010

Schedule C

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs

Page No.

FINDINGS COVERING MORE THAN ONE FEDERAL AGENCY

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF STATE PURCHASING AND TRAVEL
F-10-CC-EXEC-DOA-OSP-1 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement and State Purchasing Regulations 39

GRAMBLING STATE UNIVERSITY
F-10-CC-GSU-1 - Allowable Cost 47
F-10-CC-GSU-2 - Grant Management Procedures..... 48
F-10-CC-GSU-3 - Matching 49

LOUISIANA WORKFORCE COMMISSION
F-10-CC-LWC-1 - Improper Charging of Administrative Expenditures to Federal Awards 41

NATURAL RESOURCES, DEPARTMENT OF
F-10-CC-DNR-1 - Untimely Federal Financial Reporting 43

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
F-10-CC-DSS-1 - Improper Employee Activity in Federal Programs 44
F-10-CC-DSS-2 - Noncompliance With Suspension and Debarment Requirements..... 46

SOUTHERN UNIVERSITY AND A&M COLLEGE (BATON ROUGE)
F-10-CC-SUBR-1 - Late Submission of American Recovery and Reinvestment Act Reports Under Section 1512 50

U.S. DEPARTMENT OF AGRICULTURE

PUBLIC HEALTH, OFFICE OF
F-10-USDA-OPH-1 - Noncompliance With WIC Program Requirements..... 51

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
F-10-USDA-DSS-3 - Disaster Supplemental Nutrition Assistance Program: Intentional Program Violations and Ineligible Benefits 52

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Page No.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF COMMUNITY DEVELOPMENT
F-10-HUD-EXEC-DOA-OCD-1 - Duplication of Benefits Under the Homeowner Assistance Program and the Small Rental Property Program 55
F-10-HUD-EXEC-DOA-OCD-2 - Inadequate Recovery of Homeowner Assistance Program Awards 56
F-10-HUD-EXEC-DOA-OCD-3 - Noncompliance With A-87 Allowable Cost Principles for the Road Home Program 58
F-10-HUD-EXEC-DOA-OCD-4 - Noncompliance With Federal Reporting Requirements 59
F-10-HUD-EXEC-DOA-OCD-5 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement 60
F-10-HUD-EXEC-DOA-OCD-6 - Noncompliance With Subrecipient Monitoring Compliance Requirements 61

UNIVERSITY OF LOUISIANA AT MONROE
F-10-HUD-ULM-1 - Reimbursement in Excess of Actual Expenses Incurred 63

U.S. DEPARTMENT OF INTERIOR

WILDLIFE AND FISHERIES, DEPARTMENT OF
F-10-USDOI-DWF-1 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement 64

U.S. DEPARTMENT OF LABOR

LOUISIANA WORKFORCE COMMISSION
F-10-USDOL-LWC-2 - Inaccurate Federal Reporting 65
F-10-USDOL-LWC-3 - Inadequate Monitoring of Subrecipient Findings and A-133 Audits 66
F-10-USDOL-LWC-4 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments 67
F-10-USDOL-LWC-5 - Noncompliance With Record Retention Policy 68
F-10-USDOL-LWC-6 - Weaknesses in Controls Over Remittance Processing System 69

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Page No.

U.S. DEPARTMENT OF TRANSPORTATION

PUBLIC SAFETY AND CORRECTIONS,
PUBLIC SAFETY SERVICES, DEPARTMENT OF
F-10-USDOT-DPS-1 - Misappropriation by Office of Motor Vehicles Employee 71

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF
F-10-USDOT-DOTD-1 - Inadequate Controls Over American Recovery and Reinvestment Act Reporting Requirements 72
F-10-USDOT-DOTD-2 - Inadequate Controls Over Contract Time Extensions 74
F-10-USDOT-DOTD-3 - Inadequate Controls Over Davis-Bacon Act (Including ARRA) 75
F-10-USDOT-DOTD-4 - Inadequate Controls Over Incidental and Indirect Cost Billings 77
F-10-USDOT-DOTD-5 - Inadequate Controls Over Subrecipient Monitoring 78

U.S. DEPARTMENT OF EDUCATION

ACADIANA TECHNICAL COLLEGE
(formerly Louisiana Technical College, Region 4)
F-10-ED-ATC-1 - Weakness Over Federal Academic Competitiveness Grant 80
F-10-ED-ATC-2 - Weakness Over Return of Federal Pell Grant Program Funds 81
F-10-ED-ATC-3 - Weakness Over Verification of Federal Pell Grant Program 82

EDUCATION, DEPARTMENT OF
F-10-ED-EDUC-1 - Noncompliance With Federal and State Equipment Management Regulations 83

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION
F-10-ED-EXEC-DOA-1 - Noncompliance With Level of Effort Requirements 85

GRAMBLING STATE UNIVERSITY
F-10-ED-GSU-4 - Return of Title IV Funds 91

RECOVERY SCHOOL DISTRICT
F-10-ED-RSD-1 - Inadequate Controls Over Payroll 86
F-10-ED-RSD-2 - Noncompliance With A-87 Payroll Certification Regulations 88

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Page No.

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
F-10-ED-DSS-4 - Inaccurate and Untimely Federal Financial Reports 89

SOUTHERN UNIVERSITY AT NEW ORLEANS
F-10-ED-SUNO-1 - Return of Title IV Funds 92
F-10-ED-SUNO-2 - Verification 93

UNIVERSITY OF LOUISIANA AT LAFAYETTE
F-10-ED-ULL-1 - Untimely Federal Reporting 90

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH AND HOSPITALS, DEPARTMENT OF
F-10-HHS-DHH-1 - Improper Claims by Long Term Personal Care Services Providers 94
F-10-HHS-DHH-2 - Improper Payments to Non-Emergency Medical Transportation Service Providers 95
F-10-HHS-DHH-3 - Improper Payments to Waiver Services Providers 97

LOUISIANA WORKFORCE COMMISSION
F-10-HHS-LWC-7 - Failure to Subgrant American Recovery and Reinvestment Act Funds Timely 98
F-10-HHS-LWC-8 - Inadequate Subrecipient Monitoring for the Community Services Block Grant 99

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
F-10-HHS-DSS-5 - Child Care Cluster: Noncompliance With Program Requirements 100
F-10-HHS-DSS-6 - Ineligible Payments in the Temporary Assistance for Needy Families Program 101

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Page No.

U.S. DEPARTMENT OF HOMELAND SECURITY

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF
F-10-DHS-GOHSEP-1 - Inaccurate Federal Financial Reports 102

LOUISIANA STATE UNIVERSITY - BATON ROUGE
F-10-DHS-LSUBR-1 - Inadequate Controls Over Purchasing Within the School of Music 103

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF
F-10-DHS-DOTD-6 - Inadequate Controls Over the Disaster Grants - Public Assistance Program (97.036) 105

OTHER REPORTS 109

This page is intentionally blank.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

FINDINGS COVERING MORE THAN ONE FEDERAL AGENCY

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF STATE PURCHASING AND TRAVEL

F-10-CC-EXEC-DOA-OSP-1 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement and State Purchasing Regulations

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Procurement and suspension and debarment

	Questioned Costs
	None noted

10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children
15.426 - Coastal Impact Assistance Program (CIAP)
17.225 - Unemployment Insurance
66.436 - Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act
93.563 - Child Support Enforcement
93.658 - Foster Care - Title IV-E (Including ARRA)
93.667 - Social Services Block Grant
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant
SNAP Cluster:
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Including ARRA)
WIA Cluster (Including ARRA):
17.258 - WIA Adult Program
17.259 - WIA Youth Activities
17.260 - WIA Dislocated Workers
Vocational Rehabilitation Cluster:
84.126 - Rehabilitation Services - Vocational Rehabilitation Grants to States
84.390 - Rehabilitation Services - Vocational Rehabilitation Grants to States, Recovery Act
TANF Cluster:
93.558 - Temporary Assistance for Needy Families State Programs

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

	Questioned Costs
	None noted

CSBG Cluster:
93.569 - Community Services Block Grant
CCDF Cluster:
93.575 - Child Care and Development Block Grant
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713 - ARRA - Child Care and Development Block Grant
Homeland Security Cluster:
97.067 - Homeland Security Grant Program

The Division of Administration, Office of State Purchasing and Travel (OSP) did not have controls in place to comply with federal requirements prohibiting the state from contracting with debarred or suspended vendors and did not consistently ensure that individuals contracting with the state on behalf of an agency, corporation, or partnership had the proper authority to do so.

Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement*, Part 3, Section I stipulates that when a non-federal entity enters into a covered transaction that is expected to equal or exceed $25,000 with an entity at a lower tier, the non-federal entity must verify that the other entity is not suspended, debarred, or otherwise excluded from doing business with the federal government. To evidence compliance with this requirement, OSP Policy Memorandum PP-44 requires a vendor certification clause to be included in all contract solicitations for $25,000 or more. In addition, Louisiana Revised Statute (R.S.) 39:1594(C)(4) requires evidence that the person submitting a bid has the authority to submit that bid on behalf of the named agency, corporation, or partnership.

Our test of 36 contracts awarded from July 1, 2009, to March 9, 2010, disclosed the following:

- Of the 36 contracts tested, OSP did not maintain documentation to ensure that 17 (47%) of these contracts were signed by an individual with appropriate authority to act on behalf of the agency, corporation, or partnership.

- Six (25%) of the 24 contracts that exceeded $25,000 did not include the required vendor certification clause. Though the remaining 18 contracts included the certification clause, they were not updated to reflect a previous change in regulations from $100,000 to $25,000. In addition, no alternate procedures were performed on any of the 24 contracts to ensure the vendor was not suspended or debarred.

OSP's written procurement policies were not updated timely to reflect a change made in November 2003 that decreased the contract amount requiring vendor certification from $100,000 to $25,000. Responsible personnel also failed to follow procedures to ensure the vendor certification clause was properly included in contracts. In addition, OSP does not have policies and procedures to ensure that the person submitting a bid has the authority to submit that bid on behalf of the named entity.

Failure to ensure compliance with the procurement, suspension, and debarment compliance requirement increases the risk that OSP could contract with entities that have been suspended or debarred by the federal government. Any federal funds paid to a suspended or debarred vendor could be disallowed by the federal government. In addition, failure to ensure a bid is submitted by an authorized person could invalidate the contract and subject the office to potential litigation.

Management should ensure that policies are updated timely for changes in regulations and contracts include appropriate vendor certification clauses. Management should also ensure that responsible personnel verify the authority of the individual submitting a bid on behalf of an agency, corporation, or partnership before awarding a contract. Management concurred in part with the finding and recommendations, stating it is not in complete agreement with the portion of the finding related to R.S. 39:1594(C)(4). See management's response at B-28.

Additional Comments: Management contends in its response that its practice is to rely on various types of records to verify proper signature authority. However, management could not provide evidence to support the authority of the signer for any of the 17 exceptions noted in our test. In addition, management's response references a change in the process for verifying signature authority that will occur with the implementation of the statewide Enterprise Resource Planning (ERP) system. The statewide implementation of the ERP has been put on hold with no set date of implementation. Management should ensure that the authority of individuals submitting bids is verified and that supporting documentation for that verification is maintained.

LOUISIANA WORKFORCE COMMISSION

F-10-CC-LWC-1 - Improper Charging of Administrative Expenditures to Federal Awards

Award Year: Various
Award Number: Various
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

	Questioned Costs
17.225 - Unemployment Insurance	**$600,477**
17.245 - Trade Adjustment Assistance	**29**
17.271 - Work Opportunity Tax Credit Program (WOTC)	**969**
17.504 - Consultation Agreements	**9**
SNAP Cluster:	
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	**38,229**
Employment Service Cluster (including ARRA):	
17.207 - Employment Service/Wayner Peyser Funded Activities	**464,362**
17.207 - ARRA - Employment Service/Wayner-Peyser Funded Activities	**27,296**
17.801 - Disabled Veterans' Outreach Program (DVOP)	**95,731**
17.804 - Local Veterans' Employment Representative Program	**51,326**
WIA Cluster (Including ARRA):	
17.258 - WIA Adult Program	**104,774**
17.259 - WIA Youth Activities	**104,775**
17.260 - WIA Dislocated Workers	**155,490**
17.260 - ARRA - WIA Dislocated Workers	**347**
CSBG Cluster:	
93.569 - Community Services Block Grant	**1,883**
	$1,645,697

The Louisiana Workforce Commission (LWC) did not have adequate controls in place to ensure that administrative costs for local field offices were properly charged and allocated to federal programs administered by LWC. OMB Circular A-87 states that costs are allowable if they are allocated to a particular program to the extent of the relative benefits received and are appropriately documented. In allocating administrative costs to federal programs, LWC uses a cost allocation plan. This plan establishes the methodology to be used in allocating administrative costs to the various state and federal programs administered by LWC. LWC should update the cost allocation percentages timely to ensure programs are appropriately charged an equitable share of administrative expenditures.

A review of administrative expenditures allocated to federal programs disclosed $1,645,697 in questioned costs as follows:

- Rental cost expenditures totaling $279,662 were allocated using an outdated allocation base. The cost allocation plans, which are based on the number of personnel that charge their time to the federal programs, were not updated for changes in personnel since 2007. Additional administrative expenditures for LWC field offices totaling $1,343,111 were allocated to various federal programs

using the same cost allocation plan. Since we have determined the plan has not been properly updated, we consider these questioned costs.

- Rental cost expenditures totaling $22,924 were paid in excess of the amount specified in the lease agreement for that field office. The lease was renewed in September 2008 at a lower monthly rate; however, the fiscal division was not notified of the lease renewal terms until January 2010, 17 months after the lease was renewed.

Failure to ensure that allocation percentages in LWC's cost allocation plan are properly updated impairs LWC's ability to accurately allocate expenditures to federal programs, which could lead to disallowed costs. Also, failure to timely notify the fiscal division of changes in financial commitments, such as lease agreements, increases the risk of inaccurate payments and improper charges to federal programs.

Management should review and update cost allocation plans and supporting documentation in a timely manner and should adequately notify the fiscal division of changes in lease arrangements and other financial commitments to ensure that costs charged to federal programs are in accordance with the cost principles outlined in OMB Circular A-87. Management concurred in part with the finding and recommendations and provided a plan of corrective action (B-58).

NATURAL RESOURCES, DEPARTMENT OF

F-10-CC-DNR-1 - Untimely Federal Financial Reporting

Award Year: 2008
Award Number: CIAP - M07AF12594, EPA - X7-96668801-0, EPA - X7-96669001-0
Compliance Requirement: Reporting

	Questioned Costs
	None noted

15.426 - Coastal Impact Assistance Program (CIAP)
66.436 - Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act

The Department of Natural Resources (DNR) failed to timely submit federal financial reports for the Coastal Impact Assistance Program (CIAP, CFDA 15.426) and the Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements Program (EPA, CFDA 66.436). The CIAP and EPA grant award agreements require annual financial reports to be submitted within 90 days of the end of the grant year.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

In our test of required reporting for the CIAP grant, we determined that the annual federal financial report for the period ended June 4, 2010, was not submitted to the federal grantor until November 22, 2010, which is 80 days late.

In addition, for two EPA grant projects the annual federal financial report for the period ended June 30, 2010, was not submitted to the federal grantor until January 14, 2011, which is 108 days late.

Although DNR contacted the federal grantor for guidance on the EPA grant reporting requirements, there was a misunderstanding and the department was not aware that annual reports should be submitted. DNR initially submitted quarterly financial reports on the CIAP grant during fiscal year 2010 but later received guidance that annual reports are required. The department also cites personnel turnover in the fiscal section as a contributing factor for not submitting the CIAP annual report timely. Failure to timely submit financial reports results in noncompliance with federal regulations and could result in termination of the award.

Management of DNR should assign adequate resources and implement procedures to ensure that financial reports are submitted timely to the grantor agency. Management concurred with the finding and outlined a plan of corrective action (B-65).

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)

F-10-CC-DSS-1 - Improper Employee Activity in Federal Programs

Award Year: 2003-2009
Award Number: Various
Compliance Requirements: Allowable costs/cost principles, Eligibility

	Questioned Costs
SNAP Cluster:	
10.551 - Supplemental Nutrition Assistance Program	**$7,477**
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	**None noted**
CCDF Cluster:	
93.575 - Child Care and Development Block Grant	**10,728**
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	**None noted**
93.713 - ARRA - Child Care and Development Block Grant	**None noted**
	$18,205

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

The Department of Social Services (DSS), Fraud and Recovery Section, identified fraudulent activity by its own employees in two federal programs. The affected federal programs are the Supplemental Nutrition Assistance Program (SNAP) Cluster (CFDA 10.551 and 10.561) and the Child Care and Development Fund (CCDF) Cluster (CFDA 93.575, 93.596, and 93.713). DSS, Office of Family Support (OFS), Policy G-310 states falsification of records consists of any deliberate act of annotating an activity which in fact differs factually from the activity that actually transpired. Falsification of records is strictly prohibited. In addition, DSS, OFS Policy I-510 states that OFS employees are prohibited from taking any action on their personal case, a case involving an immediate family member, friend, or social acquaintance of himself/herself or his/her supervisor. Managers are responsible for ensuring that all employees are advised of these policies and are made aware that violation of these policies will result in disciplinary action, including suspension, reduction in pay, reassignment, demotion, or dismissal.

Certain DSS employees did not adhere to department policies and state laws, resulting in the following instances of fraud and questioned costs totaling $18,205:

- On September 21, 2009, a Louisiana Rehabilitation Services employee pled guilty to the offense of Theft Over $500. The employee did not report her husband or his earnings when applying for child care assistance, thereby receiving $3,394 of ineligible child care benefits. The employee was sentenced to a two-year suspended sentence, two years of supervised probation, restitution of $3,394, court costs, and a $50 monthly supervision fee. The employee was removed from employment on May 9, 2009.

- On June 3, 2009, a Social Services Analyst was placed on Pre-Trial Diversion. The employee provided false information and received $7,334 of ineligible child care benefits. The employee was ordered to pay full restitution and was placed on three years of probation. The employed resigned to avoid dismissal on December 1, 2009.

- On August 31, 2009, a Social Services Analyst was placed on Pre-Trial Diversion. The employee fraudulently certified a woman for SNAP benefits and obtained an EBT card for the employee's own use, resulting in the issuance of $1,738 of ineligible SNAP benefits. The employee was ordered to pay full restitution. The employee resigned to avoid dismissal on August 22, 2009.

- On March 15, 2010, a Social Services Analyst pled guilty to the unauthorized use of SNAP benefits. The employee’s husband, with whom she was living, received ineligible benefits totaling $5,739 for him and two children because his income was not reported and the employee was not listed as a member of the household. The employee was sentenced to six months misdemeanor probation, full

restitution, $500 fine, $55 per month supervisory fee, and 40 hours of community service. The employee resigned on February 20, 2009.

Management should continue to investigate the possibility of fraudulent activity among DSS employees and strengthen existing controls within the affected federal programs to reduce the likelihood that fraudulent activities occur in the future. In addition, management should work with the grantors to resolve the questioned costs. Management concurred with the finding and provided a corrective action plan (B-80).

F-10-CC-DSS-2 - Noncompliance With Suspension and Debarment Requirements

Award Year: 2008, 2009, 2010
Award Number: Various
Compliance Requirement: Procurement and suspension and debarment

	Questioned Costs
	None noted

93.563 - Child Support Enforcement
93.667 - Social Services Block Grant
SNAP Cluster:
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Including ARRA)
TANF Cluster:
93.558 - Temporary Assistance for Needy Families State Programs
CCDF Cluster:
93.575 - Child Care and Development Block Grant
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713 - ARRA - Child Care and Development Block Grant

DSS did not comply with the suspension and debarment requirements for the Temporary Assistance for Needy Families (CFDA 93.558), State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (CFDA 10.561), Child Care and Development Fund Cluster (CFDA 93.575, 93.596 and 93.713), Child Support Enforcement (CFDA 93.563), and Social Services Block Grant (CFDA 93.667) programs. Although required by 2 Code of Federal Regulations (CFR 180.300), for 11 of 30 (37%) covered transactions (contracts) tested, DSS did not verify that the contracting entity was not suspended, debarred, or otherwise excluded from participation in federal or state programs by checking the Excluded Parties List System, collecting a certification from the entity, or adding a clause or condition to the contract with the

entity certifying that the entity has not been excluded from participation. In the remaining 19 (63%) contracts tested, DSS inserted the necessary clauses into the contracts or obtained certifications; however, this practice was not required by department-wide policy.

The lack of a formal department-wide policy to comply with the federal suspension and debarment requirements increases the risk of DSS contracting with an excluded party which could result in unallowable costs that would need to be returned to the federal grantor. DSS management should establish a department-wide policy to comply with federal regulations and ensure that its contracting entities are not suspended, debarred, or otherwise excluded from participation in federal or state programs. Management concurred with the finding and outlined a plan of corrective action (B-84).

SUMMARY OF FINDINGS FROM OTHER EXTERNAL AUDITORS FOR THE YEAR ENDED JUNE 30, 2010

GRAMBLING STATE UNIVERSITY

Independent auditors performed an audit of the Grambling State University Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2010. The following findings were provided based upon that audit.

F-10-CC-GSU-1 - Allowable Cost

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles
Pass-through Entity: Clarkson Aerospace Corporation

	Questioned Costs
93.658 - Foster Care - Title IV-E	**None noted**
93.859 - Biomedical Research Training	
Research and Development Cluster:	
12.800 - Air Force Defense Research Sciences Program	

For the third consecutive year, auditors reported that grant personnel failed to follow prescribed procedures to ensure that indirect costs charged to grant programs conform to guidelines contained in the grant agreement. The grant programs for which the conditions were noted include the Air Force Defense Research Sciences Program (CFDA 12.800), the Foster Care Title

IV-E Program (CFDA 93.658), and the Biomedical Research Training Program (CFDA 93.859). Auditors noted that indirect costs were not properly calculated, billed, or recorded in the general ledger. Auditors also noted there was no review process in place to ensure that indirect costs are properly calculated, billed, and recorded on a timely basis.

OMB Circular A-133 *Compliance Supplement*, Part 3, Section B stipulates that indirect costs must conform to the limitations or exclusions set forth in the circulars, federal laws, state or local laws, sponsored agreements, or other governing regulations as to the types or amounts of cost items.

Grant personnel failed to follow established procedures that require indirect costs charged to grant programs to be reconciled on a monthly basis to amounts allowed per grant agreements causing noncompliance with applicable federal rules and regulations. The auditors did not question any costs as a result of this finding.

The auditors recommended that grant personnel follow prescribed procedures that require indirect costs charged to grant programs be reconciled and reviewed by management on a monthly basis. Management concurred with the finding and provided a corrective action plan (B-34).

F-10-CC-GSU-2 - Grant Management Procedures

Award Year: 2010
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed;
Allowable costs/cost principles; Cash management; Matching;
Level of effort; Earmarking; Subrecipient monitoring;
Special tests and provisions
Pass-through Entity: Clarkson Aerospace Corporation

	Questioned Costs
	None noted

93.658 - Foster Care - Title IV-E
93.859 - Biomedical Research Training
Research and Development Cluster:
12.800 - Air Force Defense Research Sciences Program
WIA Cluster:
17.259 - WIA Youth Activities
Student Financial Assistance Cluster:
84.007 - Federal Supplemental Educational Opportunity Grants
84.032 - Federal Family Education Loans

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

84.033 - Federal Work-Study Program
84.063 - Federal Pell Grant Program
84.375 - Academic Competitiveness Grants
84.376 - National Science and Mathematics Access to Retain Talent (SMART) Grants

For the second consecutive year, auditors noted that there was little or no oversight over the staff of the office of grants and contracts, resulting in indirect costs not being calculated and properly recorded in the general ledger, funds not being drawn down timely, and the matching requirement not being properly documented.

Effective control and accountability must be maintained for all grants. Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to ensure compliance with applicable federal compliance requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

The office of grants and contracts did not have a director for a portion of the year and staff did not receive any training during the year, which increases the risk that the university may not comply with significant grant conditions and could result in disallowed costs. The auditors did not question any costs as a result of this finding.

The auditors recommended the university follow appropriate internal controls over grants administration to ensure compliance with applicable federal rules and regulations. Such controls should ensure that grants administration personnel are appropriately trained and grants records and reports are subjected to appropriate review procedures. Management concurred with the finding and provided a corrective action plan (B-35).

F-10-CC-GSU-3 - Matching

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Matching; Level of effort; Earmarking

	Questioned Costs
	None noted

93.658 - Foster Care - Title IV-E
WIA Cluster:
17.259 - WIA Youth Activities

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

For the fourth consecutive year, auditors noted that grant personnel failed to properly document the match that is required by the grant agreements for the Foster Care Title IV-E Program (CFDA 93.658) and the Workforce Investment Act - Youth Activities Program (CFDA 17.259).

OMB Circular A-133 *Compliance Supplement*, Part 3, Section G stipulates that a nonfederal entity must provide matching or cost sharing of a specified amount or percentage as provided in the contract or grant agreement with the federal government.

The office of grants and contracts did not have procedures in place that require grant personnel to ensure that all compliance requirements are met during the year and properly documented, resulting in noncompliance with applicable federal matching requirements. The auditors did not question any costs as a result of this finding.

The auditors recommended that grant personnel provide the oversight needed to ensure that the matching requirement is complied with and properly documented. Management concurred with the finding and provided a corrective action plan (B-37).

SOUTHERN UNIVERSITY AND A&M COLLEGE (BATON ROUGE)

Independent auditors performed an audit of the Southern University and A&M College (Baton Rouge) Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2010. The following findings were provided based on their audit.

F-10-CC-SUBR-1 - Late Submission of American Recovery and Reinvestment Act Reports Under Section 1512

Award Year: 2009
Award Number: Unknown
Compliance Requirement: Reporting

	Questioned Costs
Research and Development Cluster:	**None noted**
47.082 - ARRA TRANS - NSF Recovery Act Research Support	
93.701 - ARRA TRANS - NIH Recovery Act Research Support	

Auditors noted the following conditions in the ARRA-TRANS-NSF Recovery Act Research Support Program (CFDA 47.082) and the ARRA-TRANS-NIH Recovery Act Research Support Program (CFDA 93.701):

- Two of 12 reports tested were submitted after 10 calendar days after each calendar quarter.

- One of 12 reports tested could not be located.

Reporting and registration requirements under Section 1512 of the ARRA of 2009 (Public Law 111-5) requires reports to be submitted no later than 10 calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act.

The auditors noted that the principal investigator was out of the country either before or during the submission period, causing the delay in submission and resulting in noncompliance with Section 1512 of ARRA. The auditors did not question any costs as a result of this finding.

The auditors recommended that management assign secondary personnel to submit the reports when the principal investigator is unavailable. Management concurred with the finding and provided a corrective action plan (B-87).

U.S. DEPARTMENT OF AGRICULTURE

PUBLIC HEALTH, OFFICE OF

F-10-USDA-OPH-1 - Noncompliance With WIC Program Requirements

Award Year: 2010
Award Number: 6LA700503
Compliance Requirement: Special tests and provisions

	Questioned Costs
10.557 - Special Supplemental Nutrition Program for Women, Infants, and Children	**None noted**

The Office of Public Health (OPH) did not comply with certain federal program requirements in administering the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program (CFDA 10.557). OPH did not perform the required one-to-one reconciliations of Food Instruments (FIs) and Cash Value Vouchers (CVVs) or comply with requirements relating to statewide cost neutrality assessments.

OMB Circular A-133 and the Code of Federal Regulations [7 CFR 246.12 (q)] require state agencies to account for all FIs and CVVs within 120 days of the first valid date for participant use. The state agency must identify all FIs and CVVs as either issued or voided and identify issued FIs and CVVs as either redeemed or unredeemed. Redeemed FIs and CVVs must be

identified as one of the following: (1) validly issued, (2) lost or stolen, (3) expired, (4) duplicate, or (5) not matching valid enrollment and issuance records.

The Public Health Automated Management Enabler (PHAME) System, used by OPH, does not produce a report that summarizes the disposition of FIs into the above mentioned categories. In fiscal year 2010, food costs of $91,000,856 were expended for the WIC program. Since OPH does not reconcile its records to issued FIs and CVVs on a one-to-one basis, it cannot be determined how much was expended as a result of error, fraud, or abuse. United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) can establish a claim against any state agency that has not accounted for the disposition of all redeemed FIs and CVVs and taken appropriate follow-up action on all redeemed FIs and CVVs that cannot be matched against valid enrollment and issuance records.

OPH did not conduct any fiscal year 2010 quarterly statewide cost neutrality assessments. The last cost neutrality assessment was completed in June 2009. OPH management noted that the lack of resources has affected its ability to perform these duties.

OPH management should establish procedures relating to performing one-to-one reconciliations of FIs and CVVs and complying with requirements relating to statewide cost neutrality assessments to ensure compliance with program regulations. Management concurred with the finding and outlined a plan of corrective action (B-66).

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)

F-10-USDA-DSS-3 - Disaster Supplemental Nutrition Assistance Program: Intentional Program Violations and Ineligible Benefits

Award Year: 2005, 2006, 2008
Award Number: Various
Compliance Requirements: Allowable costs/cost principles, Eligibility

	Questioned Costs
SNAP Cluster:	
10.551 - Supplemental Nutrition Assistance Program	**$108,655**
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	**None noted**
	$108,655

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

The Department of Social Services (DSS) through its internal investigations identified instances of ineligible benefits in the Disaster Supplemental Nutrition Assistance Program (DSNAP), formerly the Disaster Food Stamp Program, including 46 employee cases and 58 non-employee cases in which intentional program violations (IPV) were committed.

As a result of concerns relating to ineligible employees, the USDA, FNS required DSS to review 100% of the employee DSNAP cases. As of August 2, 2010, DSS had determined the following:

- In addition to the 40 IPV employee cases identified in prior audits, 46 employee cases were identified in the current year as IPV. Thirty of the 46 cases involved DSS employees, while 16 cases involved relatives of DSS employees with the employee implicated in the case. These 46 individuals were determined by DSS to have understated income, overstated hurricane-related expenses, and/or misrepresented their household composition to improperly obtain DSNAP benefits. In these 46 cases, DSNAP benefits totaling $31,383 were distributed. Twenty-one of the 46 employees are still employed by DSS with no disciplinary action occurring besides restitution of funds. The department is in the process of recouping funds related to these 46 cases.

- DSS has rendered decisions in 1,741 of 1,746 (99%) employee cases and determined that 1,134 of the 1,741 (65%) employees were not eligible to receive DSNAP benefits.

- As of August 2, 2010, DSS records indicate that DSNAP benefits totaling $686,965 were provided to ineligible DSS employees and their relatives. DSS reports that DSNAP benefits totaling $510,369 have been repaid to the department. Of the total $686,965, DSS identified questioned costs of $634,882 as of August 10, 2009, which was reported in our prior year audit report. The remaining $52,083, including $31,383 for the IPV cases previously noted, represents questioned costs identified by DSS since August 10, 2009.

- On March 17, 2010, a former Social Services Analyst entered into a Pre-Trial Diversion agreement because of unauthorized use of DSNAP benefits. The employee certified her husband's case then included him in her own case which duplicated benefits. The employee also falsely reported household members who were not living in her home. As a result, the employee and her spouse received $1,000 in ineligible benefits that are not included in the IPV amounts above. In the Pre-Trial Diversion agreement, the employee was ordered to pay a $150 fine, remain arrest and conviction free for one year, complete 30 hours of community service, and pay restitution of $1,000. The employee was terminated on March 20, 2009. Questioned costs are $1,000.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Between September 30, 2009, and August 17, 2010, DSS also completed the investigation of 110 non-employee cases. Of those 110 cases, all were determined ineligible to receive DSNAP benefits, with 58 cases identified as IPV. DSS records indicate that the DSNAP benefits totaling $55,572 were provided to ineligible applicants and represent questioned costs for the current year.

The DSNAP is a part of the Supplemental Nutrition Assistance Program Cluster, which is comprised of the Supplemental Nutrition Assistance Program (CFDA 10.551) and the State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (CFDA 10.561). Code of Federal Regulations (7 CFR 273.16) defines IPV as intentionally making false or misleading statements, or misrepresenting, concealing or withholding facts; or committing any act that constitutes a violation of the Food Stamp Act, the Food Stamp program regulations, or any state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of coupons, authorization cards or reusable documents used as part of an automated benefit delivery system (access device). In addition, the FNS *Disaster Food Stamp Handbook 320* states that agencies must develop strategies to prevent fraud and ensure program integrity from the start of the disaster response. Office of Risk Management's (ORM) Insurance Notification No. 2002-2 also provides that ORM, the state's self-insurance fund, will deny any bond claim associated with employees who have previously committed any dishonest act.

DSS did not establish adequate control procedures to prevent DSNAP applicants, including DSS employees and their relatives, from obtaining ineligible benefits. Failure to establish adequate internal control procedures over the distribution of DSNAP benefits resulted in benefits made to ineligible applicants and questioned program costs. In addition, the risk exists that ORM could deny any future bond claims associated with those employees who were involved in the IPV cases and are still employed by the department.

Management should continue to investigate the possibility of additional ineligible DSNAP benefits, including those obtained through intentional program violations, and should work with the grantor to resolve any questioned costs. In addition, DSS should take steps to ensure that those employees who were involved in the IPV cases are not in position to cause any further losses to the department. Management concurred with the finding and outlined a plan of corrective action (B-78).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF COMMUNITY DEVELOPMENT

F-10-HUD-EXEC-DOA-OCD-1 - Duplication of Benefits Under the Homeowner Assistance Program and the Small Rental Property Program

Award Year: 2010
Award Number: B-06-DG-22-0001, B-06-DG-22-0002, B-08-DG-22-0003
Compliance Requirement: Eligibility

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster: **14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii**	**$755,587**

The Division of Administration, Office of Community Development (OCD) disbursed multiple awards totaling $755,587 for the same damaged property from the Homeowner Assistance Program (HAP) and Small Rental Property Program (SRPP), which are both under the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CDBG, CFDA 14.228). Title 42 Section 5155 of the United States Code, *Duplication of Benefits*, provides that no individual shall receive assistance with respect to disaster losses for which the individual has already received financial assistance for such losses from any other source.

A comparison of property addresses for which HAP and SRPP awards were disbursed identified five individuals that received duplicate benefits. For these five properties, applicants were paid $376,211 and $379,376 under HAP and SRPP, respectively, which represent duplicate payments and results in questioned costs totaling $755,587.

OCD failed to follow its established procedures, which require verification of HAP awards received by an applicant prior to determining eligibility and awarding funds under SRPP. OCD management should follow its established procedures and should strengthen its controls to ensure that no duplicate benefits are disbursed. In addition, management should reevaluate the eligibility determinations, recalculate award amounts, and recoup any amounts relating to the five awards that resulted in duplication of benefits. Management concurred with the finding and recommendations and outlined a corrective action plan (B-11).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F-10-HUD-EXEC-DOA-OCD-2 - Inadequate Recovery of Homeowner Assistance Program Awards

Award Year: 2010
Award Number: B-06-DG-22-0001, B-06-DG-22-0002, B-08-DG-22-0003
Compliance Requirement: Eligibility

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster: **14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii**	**$2,145,547**

OCD failed to fully implement procedures to recover HAP awards under the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228) for the fiscal year ended June 30, 2010.

OMB Circular A-87, *Cost Principles for State, Local and Indian Tribe Governments*, stipulates that the state (OCD) assume responsibility for administering federal awards in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the federal award. In response to hurricanes Katrina and Rita, the state was awarded approximately $9.5 billion to administer the HAP, as part of the Road Home program, in accordance with its Action Plan approved by the Department of Housing and Urban Development (HUD). The state's Action Plan stipulates that eligible homeowners must agree in legally binding documents, referred to as covenants, to follow through on certain future actions in exchange for up to $150,000 in compensation for their damaged property. Funds are disbursed to the homeowner upon the effective date of signing the covenant which is referred to as the closing date. Occupancy and insurance covenants relating to the damaged property or replacement property expire three years after the closing date. Homeowners are required to occupy their damaged property or replacement property within three years of the closing date, maintain homeowners insurance on their property, and maintain flood insurance, if necessary. The homeowners must continue to occupy the damaged or replacement property until the covenant expires. For those homeowners choosing to reoccupy their damaged property, all repairs must comply with local building codes and, if applicable, any required elevation must conform to the advisory base flood elevation regulation for the parish their homes are located in. In addition, the homeowners agree in the covenant to provide OCD with evidence of their compliance with covenant and grant agreement within three years of the closing date. The state's Action Plan states that homeowners that fail to meet all of the program's requirements may not receive benefits or may be required to repay all or some of the compensation received back to the program. Good internal controls would ensure that policies and procedures are in place with an established timeline to monitor compliance with the covenants, give grant recipients a time frame for submitting evidence of compliance, and provide for specific actions (i.e., recoupment) if a homeowner does not provide

evidence of compliance with the covenants within the three-year period after receiving grant funds.

OCD contracted with HGI Catastrophe Services, LLC (HGI) to monitor homeowner's compliance with covenants. OCD approved HGI's Covenant Compliance Monitoring Plan on August 10, 2009, which requires HGI to select a sample of homeowners to monitor. Homeowners that are determined to be noncompliant or failed to respond to HGI's requests are reported to OCD for further action. OCD's State Grant Review and Recovery Procedures were developed to address grant recovery as a result of final file reviews, audits, appeals, suspected frauds, and HGI's covenant compliance monitoring. However, OCD has not fully implemented these procedures and has not taken any action on noncompliant homeowners identified by HGI.

There were 24,823 homeowner awards totaling $2,102,516,775 with three-year compliance expiration dates on or before June 30, 2010. As of June 30, 2010, HGI monitored 5,210 of these homeowner awards totaling $454,418,622 for covenant compliance.

Our review of 30 homeowners who HGI monitored disclosed that 23 (77%) homeowners with awards totaling $2,145,547 failed to provide adequate evidence of compliance with one or more covenant requirements. Fourteen (47%) of those homeowners were completely unresponsive to any of HGI's requests. Although HGI timely reported all 23 noncompliant homeowners to OCD, no further action has been taken to recover benefits paid to the noncompliant homeowners. Therefore, questioned costs are $2,145,547.

OCD's failure to take appropriate action to recover benefits paid to noncompliant homeowners could result in disallowed costs. OCD management should allocate additional resources to fully implement its procedures and take appropriate action to recover benefits paid to homeowners that failed to comply with program requirements. Management did not concur with the finding and contends that additional strategies were implemented to assist homeowners in complying with covenant compliance obligations. See management's response at B-14.

Additional Comments: OCD states it has recognized the need to provide counseling services to homeowners who may be unaware of their covenant compliance responsibilities and has executed a contract with Beacon of Hope to assist OCD in its attempt to locate nonresponsive homeowners; however, the contract with Beacon of Hope was not executed until February 16, 2011.

We acknowledge that OCD developed a software application that allows for more efficient and effective tracking and reporting of homeowner covenant compliance and participation in other programs, and that these 23 noncompliant homeowners were appropriately tracked in the system. However, no further action was taken by OCD to recover benefits after HGI reported the noncompliant homeowners to OCD.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Management states that OCD has initiated grant recovery efforts with the Attorney General's Office attorneys, who are actively working with homeowners to recover or develop repayment plans for homeowners not in compliance with their grant agreement or covenant obligations. However, as of January 27, 2011, these 23 noncompliant homeowners had not been processed through the grant recovery phases as stated in OCD's State Grant Review and Recovery Procedures, which precedes referral to the attorney general.

Management states that OCD has also made available several options whereby homeowners can become compliant by providing homeowners with covenant extensions, option changes, and construction advisory services; however, as of January 27, 2011, none of the 23 noncompliant homeowners were granted any of these options.

Management states that OCD has assisted homeowners in complying with covenants by implementing and administering additional programs, including the Non-Profit Pilot Rebuilding Program, Hazard Mitigation Grant Program, the Additional - Additional Compensation Grant, and the Individual Mitigation Measures Grant that will provide homeowners with additional funds in rebuilding their homes. However, as January 27, 2011, these 23 noncompliant homeowners were not recipients of these programs.

These corrective actions described by OCD in its response will be evaluated in the fiscal year 2011 OCD audit.

F-10-HUD-EXEC-DOA-OCD-3 - Noncompliance With A-87
Allowable Cost Principles for the Road Home Program

Award Year: 2009, 2010
Award Number: B-06-DG-22-0001, B-06-DG-22-0002, B-08-DG-22-0003, B-08-DI-22-0001
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster:	**$1,840,977**
14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	

OCD did not comply with OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* relating to contractor payments totaling $1,840,977 charged to the Road Home program under the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228). To be allowable for reimbursement, OMB Circular A-87 requires that costs charged to federal programs must be adequately documented, necessary, and reasonable. Because these contractor payments did not meet those requirements, they are not allowable under OMB Circular A-87 and are considered questioned costs.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

At the request of OCD, the Louisiana Legislative Auditor Recovery Assistance Services (RAS) performed agreed-upon procedures to evaluate the completeness and accuracy of documentation submitted by OCD contractors for payment under the Road Home program. The RAS report dated January 12, 2011, cited unresolved exceptions for payments totaling $1,840,977 for the period September 1, 2008, through June 30, 2010. These payments were either not supported by adequate documentation before payment, not in accordance with rates specified in the contract, or not reasonable considering program requirements. These costs, which were subsequently reimbursed by the federal government, are not allowable costs according to the guidelines established in OMB Circular A-87 and, therefore, we question those costs.

OCD failed to follow its established procedures to ensure all payments complied with federal cost principles. OCD management should follow its established procedures and should strengthen its controls to ensure that all payments charged to the Road Home program are supported by adequate documentation before payment, are made in accordance with rates established in the vendor's contract, and are reasonable considering program requirements. Management concurred with the finding and recommendations and provided a corrective action plan (B-17).

F-10-HUD-EXEC-DOA-OCD-4 - Noncompliance With Federal Reporting Requirements

Award Year: 2010
Award Number: B-06-DG-22-0001, B-06-DG-22-0002, B-08-DG-22-0003, B-08-DI-22-0001
Compliance Requirement: Reporting

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster: **14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii**	**None noted**

OCD failed to comply with the federal performance reporting requirements for four disaster recovery grants received through the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228). HUD awarded the State of Louisiana three appropriations for hurricanes Katrina and Rita, and one appropriation for hurricanes Gustav and Ike. All four of these awards, as specified in the related Action Plans approved by HUD, require quarterly performance reports no later than 30 days following each calendar quarter.

OCD was required to submit quarterly reports for each of the four federal disaster appropriations during fiscal year 2010 resulting in 16 required quarterly reports. As of November 29, 2010, OCD has not submitted six (38%) of those reports and three (19%) were submitted between 83 and 175 days late.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OCD personnel did not follow policies and procedures relating to the preparation and submission of quarterly performance reports to HUD. Noncompliance with federal reporting requirements could result in the suspension or loss of federal funding. Management should place additional emphasis on its policies and procedures and ensure the required quarterly performance reports are prepared and submitted timely. Management concurred with the finding and recommendations and provided a corrective action plan (B-19).

F-10-HUD-EXEC-DOA-OCD-5 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement

Award Year: 2010
Award Number: B-06-DG-22-0001, B-06-DG-22-0002, B-08-DG-22-0003, B-08-DI-22-0001
Compliance Requirement: Procurement and suspension and debarment

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster: **14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii**	**None noted**

OCD did not maintain documentation evidencing a review of contractors for the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228) to ensure the contractors were not suspended, debarred, or otherwise excluded from doing business with the federal government, as required by OMB Circular A-133 *Compliance Supplement.* OMB Circular A-133 *Compliance Supplement*, Part 3, Section I stipulates that when a non-federal entity enters into a covered transaction that is expected to equal or exceed $25,000 with an entity at a lower tier, the non-federal entity must verify that the other entity is not suspended, debarred, or otherwise excluded from doing business with the federal government.

Our review of 17 active contracts exceeding $25,000 disclosed that OCD did not maintain documentation for 14 (82%) contracts to ensure that contracted entities were not suspended or debarred.

OCD personnel were not consistently reviewing for suspension and debarment and OCD has not implemented a formal policy to ensure this review is performed. Failure to ensure compliance with suspension and debarment requirements increases the risk that OCD could contract with entities that have been suspended or debarred by the federal government. Any federal funds paid to a suspended or debarred entity could be disallowed by the federal government.

Management should implement a formal policy to require verification procedures for suspension and debarment. This verification may be accomplished by checking the *Excluded Parties List System* (EPLS) maintained by the General Services Administration, collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity to ensure that contracting entities paid with federal funds are not suspended or debarred. The electronic version of the EPLS can be accessed on the Internet (http://epls.arnet.gov). Management concurred with the finding and recommendation and provided a corrective action plan (B-22).

F-10-HUD-EXEC-DOA-OCD-6 - Noncompliance With Subrecipient Monitoring Compliance Requirements

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster: **14.228 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii**	**None noted**

OCD did not obtain any of the required single audits from its subrecipients of the Long Term Community Recovery Infrastructure Program (LTCRIP) under the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228) for the fiscal year ended June 30, 2010. In addition, OCD did not adequately manage consultants contracted by OCD to perform monitoring reviews during the fiscal year for OCD's 13 subrecipients who received $40.8 million of LTCRIP funds.

OMB Circular A-133 *Compliance Supplement* requires pass-through entities to (1) ensure that subrecipients expending $500,000 or more in federal awards during the subrecipient's fiscal year have a single audit and that the required audits are completed within nine months of the end of the subrecipient's audit period; (2) issue a management decision on audit findings within six months after receipt of the subrecipient's audit report; and (3) ensure the subrecipient takes timely and appropriate corrective action on all audit findings. Furthermore, the *Federal Register*, Volume 74, Number 29 stipulates that states shall make reviews and audits, including on-site reviews of any subrecipients, designated public agencies, and units of general local governments, as may be necessary or appropriate to meet the requirements of the program.

Management has not dedicated adequate resources to ensure that the subrecipient monitoring requirements of the program are met. Failure to adequately monitor its subrecipients impairs OCD's ability to evaluate the impact of its subrecipients' activities on overall compliance with program requirements and could result in disallowed costs.

Management should implement procedures to ensure that subrecipients obtain the required single audits, implement procedures to review these single audits, issue a management decision on any relevant findings, and ensure appropriate corrective action is taken. In addition, management should implement procedures to ensure consultants contracted by OCD are adequately monitoring the subrecipient's compliance with the program requirements. Management concurred in part with the finding and outlined a corrective action plan to ensure that it obtains required single audits from its subrecipients. OCD management does not concur with the portion of the finding regarding inadequate managing of consultants contracted with to perform monitoring reviews. See management's response at B-24).

Additional Comments: Management states in its response that an audit tracking system was implemented in December 2009 and information on subrecipients and the audit tracking process was provided to the auditors on September 22, 2010. We agree that information on the audit tracking process was provided on this date; however, no single audits had been obtained and reviewed before this date. The calendar year 2009 subrecipient single audits provided to us on January 13, 2011, that were obtained and reviewed by management were issued between October 2010 and December 2010, which does not support an adequate monitoring function during the fiscal year ended June 30, 2010.

Management states in its response that the consultants were hired as an extension of the OCD infrastructure staff and are able to provide more effective ongoing monitoring; however, we maintain that OCD is responsible for ensuring that program funds are used in accordance with program regulations and cannot shift all of its monitoring responsibilities to a contractor. The Code of Federal Regulations (24 CFR 570.501) provides that "The recipient is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the recipient of this responsibility."

In addition, management states in its response that it implemented a monitoring Web site to remotely access compliance files and conduct ongoing desktop monitoring, that it manages its consultants through a task order system, and that it monitors completion of the consultants' work through reports that the consultants submit with each invoice. In July and again in November 2010, auditors were informed that OCD was implementing monitoring procedures in fiscal year 2011, but that no monitoring procedures had been performed before June 30, 2010. In December 2010, auditors viewed the monitoring Web site, but could not find sufficient evidence of monitoring by OCD that occurred during fiscal year 2010. Auditors were not informed of the task order system until receiving management's formal response; however, in viewing the task

order system, it also does not evidence any monitoring to ensure compliance with program regulations. Auditors made an open-ended request to OCD management to provide any documentation to evidence an adequate monitoring function; however, auditors were told OCD could not provide any written documentation.

UNIVERSITY OF LOUISIANA AT MONROE

F-10-HUD-ULM-1 - Reimbursement in Excess of Actual Expenses Incurred

Award Year: 2010
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed;
Allowable costs/cost principles; Cash management; Reporting

	Questioned Costs
CDBG - State-Administered Small Cities Program Cluster:	**$72,149**
14.228 - Community Development Block Grants/State's Program	

The University of Louisiana at Monroe (ULM) requested and received reimbursements totaling $72,149 more than the actual expenses it incurred under the Community Development Block Grant (CDBG) program (CFDA 14.228).

In May 2007, ULM entered into a cooperative endeavor agreement with the Louisiana Department of Economic Development (LED) to receive up to $1,200,000 in CDBG funds to be used to establish a Louisiana Small Business Technical Assistance Program in areas impacted by hurricanes Katrina and Rita. The agreement provided that ULM will be compensated on a cost reimbursement basis for actual expenses incurred and that ULM shall certify that all services billed have been completed and all expenses incurred are true and correct. During the term of the agreement, ULM incurred $1,108,917 of actual expenses; however, it requested and received $1,181,066 of reimbursements. We consider the excess reimbursements over actual expenses of $72,149 to be questioned costs.

ULM did not comply with the terms of the cooperative endeavor agreement because it did not have controls in place to ensure that only actual expenses were submitted for reimbursement. The excess reimbursement may be disallowed by the grantor and ULM may be required to repay the grantor.

ULM management should implement the controls necessary to ensure that it only requests reimbursement for actual expenses incurred. Furthermore, management should contact the LED to determine if it should repay the excess funds. Management concurred with the finding and recommendations and outlined a plan of corrective action (B-109).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF INTERIOR

WILDLIFE AND FISHERIES, DEPARTMENT OF

F-10-USDOI-DWF-1 - Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement

Award Year: Various
Award Number: Various
Compliance Requirement: Procurement and suspension and debarment

	Questioned Costs
Research and Development Cluster:	**None noted**
15.611 - Wildlife Restoration	
15.615 - Cooperative Endangered Species Conservation Fund	
15.625 - Wildlife Conservation and Restoration	
15.626 - Hunter Education and Safety Program	
15.631 - Partners for Fish and Wildlife	
15.632 - Conservation Grants Private Stewardship for Imperiled Species	
15.633 - Landowner Incentive Program	
15.634 - State Wildlife Grants	

The Department of Wildlife and Fisheries (LDWF) does not maintain verification that entities entering into covered transactions with LDWF are not suspended, debarred, or otherwise excluded from doing business with the federal government.

OMB Circular A-133 *Compliance Supplement*, Part 3, Section I stipulates that when non-federal entities enter into covered transactions with an entity at a lower tier, the non-federal entity must verify that the other entity is not suspended, debarred, or otherwise excluded from doing business with the federal government. Non-federal entities must demonstrate compliance with the requirement.

Management represented that verification of suspension and debarment is performed but it does not maintain documentation of the verification because there is no formal mechanism in place to require the documentation. Failure to document the verification of suspension and debarment places the department in noncompliance with the procurement, suspension, and debarment compliance requirement and increases the risk that LDWF could contract with entities that have been suspended or debarred by the federal government.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Management should establish formal procedures that require responsible personnel to document verification of compliance with the procurement, suspension, and debarment compliance requirement. Management concurred with the finding and recommendation and outlined a plan of corrective action (B-110).

U.S. DEPARTMENT OF LABOR

LOUISIANA WORKFORCE COMMISSION

F-10-USDOL-LWC-2 - Inaccurate Federal Reporting

Award Year: 2009
Award Number: AA-17124-08-55-A-22
Compliance Requirement: Reporting

	Questioned Costs
WIA Cluster (ARRA only):	**None noted**
17.258 - WIA Adult Program	
17.259 - WIA Youth Activities	
17.260 - WIA Dislocated Workers	

LWC did not submit an accurate report on the use of American Recovery and Reinvestment Act (ARRA) funds for the Workforce Investment Act (WIA) Cluster (CFDA 17.258, 17.259, and 17.260). The *Federal Register*, Volume 74, Number 61 and standard data elements for reports under Section 1512 of the ARRA of 2009, Public Law 111-5 require a quarterly report on the use of Recovery Act funds and further require recipients to report the cumulative amount of cash disbursed to subrecipients as of the reporting period end date. Good internal controls should include an adequate review process to ensure that the data presented in federal reports are accurately recorded, summarized, and reported.

Our review of the ARRA Section 1512 report submitted for the quarter ending March 31, 2010, disclosed that the total funds disbursed to subrecipients were incorrectly based on cumulative activity as of December 31, 2009. As a result, total subrecipient disbursements were understated by $4,147,683 (18%). This error occurred because LWC inadvertently used prior period disbursement data to compile the March 31, 2010, report.

Management did not place sufficient emphasis on the review process to ensure that preparation errors were properly identified and corrected. The lack of an adequate review may result in misstatements from errors and/or fraud to occur and remain undetected. LWC should strengthen its procedures to ensure that federal reports are properly prepared and reviewed. Management

concurred in part with the finding and recommendation, but does not believe any corrective action is warranted (B-59).

Additional Comments: While management agrees that the ARRA 1512 report for the quarter ended March 30, 2010, understated total subrecipient disbursements, LWC contends that the current review process is adequate and there is no need for additional procedures or increased controls. We contend that management is responsible for accurate reporting and that the error in the report indicates a weakness in controls. We maintain our recommendation that LWC management strengthens procedures to ensure accurate federal reporting.

F-10-USDOL-LWC-3 - Inadequate Monitoring of Subrecipient Findings and A-133 Audits

Award Year: Various
Award Number: Various
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
WIA Cluster (Including ARRA):	**None noted**
17.258 - WIA Adult Program	
17.259 - WIA Youth Activities	
17.260 - WIA Dislocated Workers	

For the second consecutive year, LWC did not adequately monitor internal subrecipient findings and OMB Circular A-133 audits for WIA Cluster (CFDA 17.258, 17.259, and 17.260) subrecipients.

OMB Circular A-133, Section 400 (d) requires LWC, as the pass-through entity, to (1) ensure subrecipients expending $500,000 or more in federal awards during the subrecipients' fiscal year have a single audit and that the required audits are completed within nine months of the end of the subrecipients' audit period; (2) issue a management decision on audit findings within six months after receipt of subrecipients' audit reports; and (3) ensure subrecipients take timely and appropriate corrective action on all audit findings. Furthermore, pass-through entities are responsible for evaluating the impact of subrecipient activities on the pass-through entity's ability to comply with applicable federal regulations.

Our review of the Office of Workforce Development's (OWD) subrecipient monitoring procedures disclosed that the OWD Compliance Division conducts on-site reviews to monitor the activities of subrecipients and performs tests for compliance with laws, regulations, and provisions of contracts or grant agreements. However, OWD did not establish adequate

procedures to ensure that costs questioned by the OWD Compliance Division were resolved in a timely manner.

In addition, although OWD maintained an audit control log on required Single Audits for subrecipients under OMB Circular A-133, it did not always ensure that audit reports were received and findings or questioned costs were resolved properly. Our review of OWD's audit control log and audit resolution procedures for all WIA Cluster subrecipients revealed the following:

- LWC did not adequately maintain the audit control log to ensure audit reports were received and findings or questioned costs were resolved in a timely manner. As of December 16, 2010, the log had not been updated since August 2009 and the log indicated receipt of an audit that could not be located.

- Management decision letters were not issued for all six (100%) subrecipient audits that contained findings related to the WIA program.

LWC has not placed sufficient emphasis on implementing internal controls to ensure that internal monitoring reports issued by the OWD Compliance Division are adequately resolved. In addition, management did not ensure that the required information on subrecipient A-133 audits was properly received, reviewed, and resolved. Failure to adequately monitor internal subrecipient findings and A-133 audits impairs the department's ability to evaluate the impact of subrecipient activities on overall compliance with laws and regulations. Costs incurred by a subrecipient that have not been appropriately monitored could result in possible misuse of federal funds and are at an increased risk of being disallowed by the federal grantors.

LWC should ensure that procedures are in place to review internal subrecipient monitoring reports and Single Audits performed under OMB Circular A-133. Management should establish adequate procedures to timely identify and resolve any audit findings and questioned costs related to WIA funds disbursed to subrecipients. Management concurred with the finding and recommendations and outlined a corrective action plan (B-60).

F-10-USDOL-LWC-4 - Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments

Award Year: Not applicable
Award Number: Not applicable
Compliance Requirement: Cash management

	Questioned Costs
17.225 - Unemployment Insurance (Including ARRA)	**None noted**

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

For the third consecutive year, LWC paid Unemployment Insurance (UI) (CFDA 17.225) benefits to other states without recouping the cost of these claims from Louisiana employers. During fiscal year 2010, LWC paid $44,538,395 in UI benefits to other states.

The State of Louisiana participates in the Interstate Benefit Payment Plan, which is an interstate agreement that allows claimants to file for unemployment in a different state from where wages are primarily earned. The states where wages are earned are charged for the unemployment paid by the filing state. Administrative Rule 341 of the Louisiana Employment Security Law provides the methods by which LWC is to recoup the cost of interstate claims from the appropriate Louisiana employers, requires notification to these employers of the potential liability, and allows 10 days for the employers to protest the charges.

Although LWC implemented procedures to notify employers of these claims, the department did not complete the programming necessary to begin charging the appropriate Louisiana employers for interstate unemployment compensation benefits. We reviewed 39 UI Interstate claimants and found that LWC has made no effort to recoup the cost of interstate claims from employers in accordance with Administrative Rule 341.

Failure to recoup the cost of interstate claims from the appropriate Louisiana employers reduces the size of the trust fund and may result in higher rates being charged to all other Louisiana employers to recoup the costs of these claims. LWC should make the necessary programming modifications needed to ensure that interstate benefit claims totaling $44,538,395 are recouped from the appropriate employers. Management concurred with the finding and recommendation and represented in its response that in October 2010, LWC implemented procedures to recoup the costs of Interstate Unemployment Insurance Benefits (B-62).

F-10-USDOL-LWC-5 - Noncompliance With Record Retention Policy

Award Year: Not applicable
Award Number: Not applicable
Compliance Requirements: Eligibility

	Questioned Costs
17.225 - Unemployment Insurance - Federal	**$57,419**
17.225 - ARRA - Unemployment Insurance	**20,500**
17.225 - Unemployment Insurance - State	**127,697**
	$205,616

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

For the fourth consecutive year, LWC did not retain employer wage records for the UI program (CFDA 17.225). Employer wage records are the basis for determining whether applicants for UI benefits have earned sufficient wages in a base period to qualify for those benefits. The Code of Federal Regulations (29 CFR 97.42) requires grantees to maintain all financial and programmatic records, supporting documents, statistical records, and other records of grantees considered to be pertinent to program regulations or the grant agreement. In addition, R.S. 44:411.A (1) requires that the head of each state agency submit a record retention schedule to the state archivist. LWC's current record retention schedule was approved by the state archivist on June 6, 2006, and it requires that employer tax records be maintained for 11 years.

Our tests of 60 claimants' eligibility of UI benefits disclosed that employer wage records for 24 (40%) claimants were not retained by LWC. Benefits paid to the 24 claimants totaled $205,616 and are considered questioned costs.

In addition, our tests disclosed that LWC did not retain employer wage records received on electronic media that supported tax payments to LWC for six (67%) of nine electronic payments tested. LWC received the wage records on electronic media and returned the records to the employers after they were input into LWC's UI benefit master files. These wage records will be needed in the future to verify wages for UI claimants.

Failure to retain records to support employee wages and eligibility may result in improper benefit payments and/or questioned costs, and failure to maintain records of employer tax payments increases the risk that LWC's records may not accurately reflect employer UI tax payments. LWC management should strengthen its controls to ensure that records are retained in accordance with state and federal laws and regulations. Management concurred in part with the finding and recommendation and provided a corrective action plan (B-63).

F-10-USDOL-LWC-6 - Weaknesses in Controls Over Remittance Processing System

Award Year: Not applicable
Award Number: Not applicable
Compliance Requirement: Other

	Questioned Costs
17.225 - Unemployment Insurance	**None noted**

For the second consecutive year, LWC did not timely deposit and update the records for all employer tax payments received to ensure that its records adequately reflect employer taxes paid to the Unemployment Compensation Fund (UCF) and the related employee wages earned. Title 42 of the United States Code, Section 503(a) (4) [42 USC 503(a) (4)] requires that state law provide for the immediate deposit of all money received to the credit of the unemployment trust

fund. The United States Code [42 USC 503(b)] provides that when the state fails to comply substantially with these provisions, future payments to the state will be withheld until there is no longer a failure to comply. R.S. 23:1492 requires that all monies received and payable to the UCF be immediately deposited into a clearing account from which funds are allocated to various accounts. The Office of Statewide Reporting and Accounting Policy (OSRAP) *Control Agencies Policies and Procedures Manual* (PPM), Cash Receipts Policy Number 4.2.1 defines immediately as "within 24 hours of receipt." Good internal controls require that employer tax records and employee wage files are updated timely to provide management with accurate information.

LWC implemented a new remittance processing system on July 7, 2009, to process employer tax payments for the UCF. In fiscal year 2010, the system processed 195,272 checks totaling $115,184,772. Our test of 48 tax payments received disclosed the following:

- One check was deposited 21 days after receipt.
- Thirty-three checks were deposited from two to seven days after receipt, an average of 3.2 days.
- One employer tax payment and related employee wages were posted to the employer tax record and employee wage files 20 days after deposit.

Implementation of the new system required a manually intensive workflow process before the electronic deposit and posting of payments. The department did not adequately study the effects of this manual workflow process on the department's ability to comply with federal requirements to timely deposit and post payments received from employers.

Failure to timely deposit all employer tax payments received and to update records timely delays the transfer of amounts payable to various accounts as required by Louisiana laws. Failure to maintain accurate employer tax records may delay identification of errors in payments and issuance of delinquency notices to employers making late and/or inadequate tax payments and increases the risk of fraud and abuse. In addition, failure to comply with state law for the timely deposit of funds to the UCF causes noncompliance with federal regulations and could result in lost federal funds to the state.

LWC should institute policies and procedures to (1) comply with OSRAP's PPM 4.2.1; (2) evaluate the workflow process involved in the deposit and posting of payments received from employers; (3) and make necessary revisions to ensure that deposits are made timely and amounts are posted timely to the taxpayer accounts and employee wage files. Management concurred with the finding and recommendations and provided a corrective action plan (B-64).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF TRANSPORTATION

PUBLIC SAFETY AND CORRECTIONS,
PUBLIC SAFETY SERVICES, DEPARTMENT OF

F-10-USDOT-DPS-1 - Misappropriation by Office of Motor Vehicles Employee

Award Year: 2010
Award Number: 17X05790CD-2009-0905790CDL-0022000000-41000
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
20.232 - Commercial Driver's License Program Improvement Grant	**$8,215**

On March 29, 2010, the Department of Public Safety and Corrections, Public Safety Services (DPS) reported a misappropriation of funds by an Office of Motor Vehicles employee totaling $8,215, which represents questioned costs. These funds were reimbursed by the U.S. Department of Transportation through the Commercial Driver's License Program Improvement Grant (CFDA 20.232). R.S. 14:67 defines theft as the misappropriation or taking of anything of value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. R.S. 42:1461.A further states that public employees assume a personal obligation not to misappropriate, misapply, convert, misuse, or otherwise wrongfully take any funds, property or other thing of value belonging to or under the custody or control of the public entity in which they are employed.

During an internal quality control review of the federal program, DPS determined that payments were made to an Office of Motor Vehicles employee for overtime hours and mileage expenses that were not actually earned between May 2009 and March 2010. The employee has been placed on administrative leave pending the completion of the investigation being conducted by the Office of State Police.

Although the misappropriation was eventually discovered through the internal quality control review, management's initial control procedures were not sufficient to timely detect inaccurate time sheets and requests for reimbursement of mileage expenses. Failure to establish and follow adequate control procedures increases the risk that errors and/or fraud could occur and not be detected in a timely manner.

Management should continue its efforts to detect fraudulent activity committed by its employees and strengthen its existing controls to reduce the likelihood that fraudulent activities occur in the future. Management should seek restitution from the employee. In addition, management

should work with the grantor to resolve the questioned costs. Management concurred with the finding and outlined a plan of corrective action (B-69).

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

F-10-USDOT-DOTD-1 - Inadequate Controls Over American Recovery and Reinvestment Act Reporting Requirements

Award Year: Various
Award Number: Various
Compliance Requirement: Reporting

	Questioned Costs
Highway Planning and Construction Cluster: **20.205 - Highway Planning & Construction (ARRA only)**	**None noted**

The Department of Transportation and Development (DOTD) does not have adequate controls over the ARRA, Section 1512 reporting for the Highway Planning and Construction program (CFDA 20.205).

In a review of 18 ARRA funded highway projects reported on the 1512 report for the quarter ending March 31, 2010, we identified the following deficiencies:

- Expenditures reported on FederalReporting.gov did not include incidental and indirect costs.
- Two projects contained duplicated expenditures for subawards.
- Expenditures reported on FederalReporting.gov were based on construction and engineering estimates rather than actual disbursements.

These deficiencies resulted in a $10,110,677 net overstatement of Total Federal ARRA Expenditures on FederalReporting.gov.

Section 1512 of the ARRA requires each recipient that received ARRA funds from a federal agency to submit quarterly reports to the federal awarding agency containing (1) the total amount of recovery funds received from that agency; (2) the amount of recovery funds received that were expended or obligated to projects or activities; (3) a detailed list of all projects or activities for which recovery funds were expended or obligated; and (4) detailed information on any subcontracts or subgrants awarded by the recipient. To facilitate reporting of this information, a nationwide data collection system was created at www.FederalReporting.gov. According to OMB Implementing Guidance for the Reports on Use of Funds Pursuant to the American

Recovery and Reinvestment Act of 2009 (M-09-21) issued in June 22, 2009, federal agencies may issue clarifying guidance to funding recipients, but it must be in accordance with OMB guidance. The OMB Recipient Reporting Data Model V3.0 (Supplement 2) provides a data dictionary describing the required data elements for recipient reporting. This guidance, effective for the quarter ended December 31, 2009, defines the data element "Total Federal Amount of ARRA Expenditure" as the amount of recovery funds received that were expended on projects or activities. For reports prepared on a cash basis, expenditures are the sum of cash disbursements for direct charges, the amount of indirect expense charged, and payments made to subcontractors and subawardees.

DOTD is required to report monthly to the Federal Highway Administration (FHWA) using the federal Recovery Act Data System (RADS). The monthly reporting information can be extracted from RADS and uploaded to FederalReporting.gov for the Section 1512 reporting. According to DOTD, the version of RADS used for the March 31, 2010, reporting period did not contain a field for incidental and indirect expenses. In addition, DOTD reported subaward expenses in both the Payments and Subpayments Table of RADS, which resulted in double counting expenses on the Section 1512 reports. Finally, DOTD chose to use construction and engineering estimates rather than actual disbursements because its personnel thought that the estimates more accurately reflected the status of the projects.

According to OMB guidance M-09-21, noncompliance with the reporting requirement is considered a violation of the award agreement. The federal awarding agency may use any remedial action necessary to ensure compliance, including withholding funds, termination, or suspension and debarment, as appropriate. DOTD should establish policies and procedures to ensure compliance with Section 1512 ARRA reporting requirements. Management should also establish data quality reviews to ensure the accuracy of the Section 1512 reports. Management concurred in part with the finding and provided a plan of corrective action. While management agrees that expenditures reported on FederalReporting.gov do not include incidental and indirect costs and that some projects contain duplicate expenditures for subawards, DOTD maintains the errors are due to problems with RADS and guidance provided by FHWA. Also, management does not agree that expenditures should be reported at FederalReporting.gov using actual disbursements from its accounting system rather than estimates from Site Manager. See management's response at B-89.

Additional Comments: Although DOTD maintains that the errors with unreported incidental and indirect costs and duplicate expenditures for subawards were due to problems with RADS and guidance provided by FHWA, DOTD was not aware that incidental and indirect costs should be included in the reporting nor was it aware of the duplicate reporting of expenditures until our audit procedures were performed. DOTD should have data quality reviews in place to ensure the accuracy of information in FederalReporting.gov. DOTD should have contacted FHWA if further guidance was needed on properly reporting incidental and indirect costs and expenditures for subawards.

DOTD references the definition of federal awards expended from OMB Circular A-133, section 205 in its response as support for why estimates are reported rather than actual disbursements. This is inconsistent with its application of OMB Circular A-133, section 205 in reporting on the Schedule of Expenditures of Federal Awards (SEFA). DOTD uses the accounting system to report actual cash disbursements on the SEFA. In addition, as previously mentioned, the OMB Recipient Data Model V3.0 (Supplement 2) specifically provides that total ARRA expenditures for cash basis reports is the sum of cash disbursements for direct charges, the amount of indirect expense charged, and payments made to subcontractors and subawardees. We believe that reporting estimates that have not been subject to all internal controls to ensure completeness, accuracy, and allowability are misleading and in violation of the ARRA reporting requirements. DOTD should seek additional clarification from FHWA, if needed.

F-10-USDOT-DOTD-2 - Inadequate Controls Over Contract Time Extensions

Award Year: Various
Award Number: Various
Compliance Requirement: Special tests and provisions

	Questioned Costs
Highway Planning and Construction Cluster:	**None noted**
20.205 - Highway Planning & Construction (Including ARRA)	

DOTD did not obtain the required approval of the FHWA for contract time extensions on construction projects funded with Highway Planning and Construction (CFDA 20.205) grant funds, as required by federal regulations. Title 23 of the CFR Section 635.121 requires the state transportation department to obtain FHWA approval of contract time extensions.

Of eight projects tested with contract time extensions, three (38%) did not have the required FHWA approval. Each of the three projects had two change orders that extended the contract time.

DOTD's internal controls were not effective to ensure change orders for contract time extensions were submitted to FHWA for approval. DOTD's project management system has a field to indicate whether FHWA approval is required on that project. For one of the three exceptions noted, that field was not properly marked in the project management system. Although the other two projects were appropriately marked for FHWA approval, DOTD did not obtain FHWA approval when completing the change order.

Failure to obtain the required FHWA approval could result in reduced federal participation, increased costs to the state, and noncompliance with federal regulations. DOTD should strengthen its controls and properly train its staff to ensure that the required FHWA approvals on

contract time extensions are obtained before completing change orders extending contract time. Management concurred with the finding and outlined a plan of corrective action (B-95).

F-10-USDOT-DOTD-3 - Inadequate Controls Over Davis-Bacon Act (Including ARRA)

Award Year: Various
Award Number: Various
Compliance Requirement: Davis-Bacon Act

	Questioned Costs
Highway Planning and Construction Cluster:	**None noted**
20.205 - Highway Planning & Construction (Including ARRA)	

DOTD did not conduct necessary interviews to test for contractor compliance with Davis-Bacon Act requirements and did not include the required clause in contracts funded with Highway Planning and Construction Cluster (CFDA 20.205) ARRA funds to override the general exemptions to the Davis-Bacon Act requirements.

The Davis-Bacon Act (Title 40 of the United States Code, Section 3141-3144) provides that laborers and mechanics on federally funded construction projects should be paid, at a minimum, the prevailing wage rate established by the Secretary of the U.S. Department of Labor for the location of the project. To ensure compliance with Davis-Bacon Act requirements, DOTD's *Labor Compliance Manual* requires a minimum of two employee interviews each month for each federally funded project. Section 1606 of ARRA incorporates the Davis-Bacon Act requirements into ARRA funded projects and further Implementing Guidance issued by the FHWA requires that to comply with Section 1606, "Contracting agencies must include…a contract provision that overrides the general applicability provisions in Form FHWA-1273 (Required Contract Provisions Federal-Aid Construction Contracts), Sections IV & V." Sections IV & V provide certain exemptions from paying the predetermined minimum wage and submitting payroll records, including federal-aid construction contracts below $2,000, and any projects located on roadways classified as local roads or rural minor collectors.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Our testing disclosed the following deficiencies:

- DOTD failed to conduct all required monthly interviews to ensure employees were paid the amounts reported in the contractor payrolls. In the month selected for testing, three of the five projects had no interviews conducted and another project only had one interview conducted.

- DOTD did not include the clause required by FHWA to override exemptions in Form FHWA-1273, Sections IV & V for ARRA funded projects. We reviewed four contracts relating to five ARRA projects. None of the contracts contained the required overriding clause because management was not initially aware of the requirement.

  - FHWA conducted a contract review in December 2009 and informed DOTD the contracts were missing the overriding clause. DOTD added a clause to override the exemptions to Section IV for contracts written after December 2009; however, because of a misunderstanding, DOTD still did not include a clause to override Section V of the FHWA-1273 form.

Failure to conduct the monthly interviews and ensure contracts contain the FHWA required override clauses increases the risk of noncompliance with Davis-Bacon Act requirements and could result in questioned costs.

Management should enforce its policy and strictly adhere to the interview guidelines in the *Labor Compliance Manual* as well as communicate the importance of this requirement to the DOTD employees responsible for conducting the interviews. In addition, DOTD should ensure compliance with all ARRA requirements, including the Implementing Guidance issued by FHWA. Management concurred in part with the finding and recommendation and outlined a plan of corrective action. Management does not concur with the portion of the finding citing DOTD for not including the FHWA overriding clause required for ARRA projects. DOTD management indicated in its response that it was their opinion this portion of the ARRA Implementing Guidance was "negated" by the minimum wage rate tables included in the ARRA contracts. See management's response at B-97.

Additional Comments: The previously referenced ARRA Implementing Guidance required that ARRA contracts include clauses to override certain general applicability provisions of the Davis-Bacon Act. Although DOTD management indicated in its response that it was their opinion that the clauses were not necessary, we believe that the correspondence with FHWA in December 2009 further supports our position that the referenced clauses were required for inclusion in the ARRA contracts.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F-10-USDOT-DOTD-4 - Inadequate Controls Over Incidental and Indirect Cost Billings

Award Year: Various
Award Number: Various
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
Highway Planning and Construction Cluster:	
20.205 - Highway Planning & Construction (Including ARRA)	**$15,312**

DOTD overbilled the FHWA for incidental and indirect costs totaling $1,817,861 relating to the Highway Planning and Construction program (CFDA 20.205). Incidental and indirect costs are subject to the provisions of OMB Circular A-87 *Cost Principles for State, Local and Indian Tribal Governments*. Title 49 of CFR Section 18.20(b)(2) provides that grantees and subgrantees must maintain records that adequately identify the source and application of funds provided for financially assisted activities. Good internal controls require that adequate procedures be developed and implemented to ensure only allowable costs are included in requests for reimbursement and all transactions are properly supported.

Incidental billings include costs arising from DOTD activities at the district or section level on federally funded highway construction projects. These costs are generally payroll charges directly related to the highway projects and allocated to the various federal programs. DOTD overbilled FHWA $1,802,549 for incidental costs, which include funding from the America Recovery and Reinvestment Act (ARRA). As of December 16, 2010, only $737 had not been reimbursed to FHWA based on documentation provided by DOTD.

Indirect billings include distributed overhead costs such as utilities and payroll that are indirectly related to federally funded highway construction projects and are derived from progress billings. DOTD is required by FHWA to exclude certain pass-through appropriation codes from its indirect cost billings. DOTD failed to exclude six of these appropriation codes. However, only one of the appropriation codes had billings charged to it resulting in DOTD overbilling FHWA $15,312. According to FHWA, the overbilled costs should have been credited back to the affected projects. As of December 16, 2010, DOTD had not reimbursed FHWA for the overdraw and are, therefore, questioned costs.

The indirect cost overbilling was caused by DOTD's failure to properly update the billing system for all appropriation codes required to be excluded by FHWA. The incidental cost overbilling was caused by a DOTD employee adding a new payroll additive record in the billing system rather than modifying the existing record for the fiscal year 2010 approved rate. The program code in the billing system was set to only read the existing record when billing for incidental costs.

DOTD should ensure when program codes and records are modified, the changes are logged and reviewed by another employee with knowledge of the program before any request for funds are submitted to FHWA. In addition, DOTD should ensure all unallowed appropriation codes are excluded from indirect cost billings. Finally, DOTD should ensure the full amount overbilled is reimbursed timely to FHWA to avoid potential interest charges. Management concurred with the finding and outlined a plan of corrective action (B-100).

F-10-USDOT-DOTD-5 - Inadequate Controls Over Subrecipient Monitoring

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Subrecipient monitoring

	Questioned Costs
Highway and Planning and Construction Cluster:	**None noted**
20.205 - Highway Planning & Construction (Including ARRA)	
20.219 - Recreational Trails Program	

DOTD has not established effective internal controls to adequately and consistently identify and report subrecipients of the Highway Planning and Construction Cluster (Highway Planning and Construction Program, CFDA 20.205 and Recreational Trails Program, CFDA 20.219). Also, DOTD failed to properly identify federal award information to subrecipients at the time of the award.

OMB Circular A-133 Subpart D, Section 400(d) requires a pass-through entity to identify federal awards made by informing each subrecipient of the CFDA title and number, award name and number, award year, and name of the federal agency. A pass-through entity is also responsible for advising subrecipients of requirements imposed on them and monitoring the activities of subrecipients as necessary to ensure the federal awards are used for authorized purposes. In addition, OSRAP requires state agencies to prepare an annual fiscal report (AFR), including the reporting of certain disbursements of federal funds to subrecipients on the Schedule of Non-State Sub-Recipients of Major Federal Programs (Schedule 8-4) or Schedule of State Entity Sub-Recipients of Federal Programs (Schedule 8-5). Good internal controls require adequate procedures to properly identify subrecipients to ensure pass-through entity responsibilities are met and to ensure accurate reporting of subrecipient activity.

Our review of subrecipient monitoring activities found the following deficiencies:

- Controls over identifying and reporting subrecipient activity are decentralized with no consistent criteria being used to identify subrecipients. We noted two contracts with local entities that outlined similar roles and responsibilities for both

DOTD and the local entity; however, DOTD identified one as a subrecipient and the other as a vendor.

- In a review of nine subrecipient contracts and/or other awarding documents for proper award identification, none included the CFDA title or name.

- Two subrecipients for the Safe Routes to Schools Program, a part of the Highway Planning and Construction Program, were not reported on the Schedule 8-4 or Schedule 8-5 of the AFR. Fiscal year 2010 expenditures for these subrecipients totaled $10,447.

DOTD district and section personnel are responsible for identifying and monitoring subrecipients and are required to provide the DOTD Financial Services Division a listing of all known subrecipients for proper reporting in the AFR. The decentralization of DOTD and lack of understanding by district and section employees has led to inconsistent subrecipient identification. Also, the individuals responsible for providing contracts and other awarding documentation to subrecipients were unaware of federal regulations requiring CFDA title and number, award name and number, award year, and name of federal agency to be provided to the subrecipient.

Failure to establish adequate internal controls to ensure the identification of subrecipients increases the risk that DOTD will not report all subrecipients and, in turn, submit an inaccurate AFR. Also, DOTD may not comply with federal regulations for properly identifying and monitoring subrecipients. Failure to supply subrecipients with the federal award information results in DOTD's noncompliance with OMB Circular A-133 pass-through entity responsibilities.

DOTD management should provide its personnel with detailed training to appropriately identify, monitor, and accurately report all subrecipients in the department's AFR as required by OSRAP and OMB Circular A-133. Management should also strengthen its policies and procedures to ensure that subrecipients' awarding documents include all required federal award information. Management concurred with the finding and provided a corrective action plan (B-93).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

U.S. DEPARTMENT OF EDUCATION

ACADIANA TECHNICAL COLLEGE
(formerly Louisiana Technical College, Region 4)

F-10-ED-ATC-1 - Weakness Over Federal Academic Competitiveness Grant

Award Year: 2010
Award Number: Unknown
Compliance Requirements: Eligibility, Period of availability of federal funds

	Questioned Costs
Student Financial Assistance Cluster:	**None noted**
84.375 - Academic Competitiveness Grants	

The Acadiana Technical College did not maintain sufficient controls over the Academic Competitiveness Grant (ACG) (CFDA 84.375) to determine eligibility and disburse grant funds in a timely manner. ACG is available for first and second year college students who qualify for Pell Grant funds and have completed a required high school curriculum. ACG will provide up to $750 for the first year of undergraduate study and up to $1,300 for the second year of undergraduate study to eligible full-time students. Beginning in fiscal year 2010, a part-time student may be eligible to receive ACG with the grant being prorated proportionally to the student's enrollment. CFR Title 34, Chapter VI, Part 668.164(b) states that an institution must disburse funds on a payment period basis. The payment period as defined by CFR Title 34, Chapter VI, Part 668.4 is an academic term or semester.

For fiscal year 2010, two of the seven campuses of Acadiana Technical College did not determine, as of March 23, 2010, which students were eligible to receive ACG funds. As a result, no funds were disbursed by the end of the payment period for the fall 2009 semester. Failure to determine eligibility and disburse funds in a timely manner results in noncompliance with federal regulations. In addition, eligible students were not provided funds that should have been available to them.

Management should strengthen its control procedures to ensure that ACG funds are timely disbursed to or on behalf of eligible students in compliance with program regulations. Management concurred with the finding and provided a corrective action plan (B-3).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F-10-ED-ATC-2 - Weakness Over Return of Federal Pell Grant Program Funds

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**None noted**
84.063 - Federal Pell Grant Program	

For the third consecutive audit, the Acadiana Technical College did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure funds are returned timely when a student withdraws. CFR Title 34, Chapter VI, Part 668.22(j) states that when a recipient of Title IV grant withdraws from the institution during a payment period or period of enrollment, the institution must return the amount of Title IV grant that the student had not earned as of the student's withdrawal date as soon as possible but no later that 45 days after the determination.

In a test of withdrawals, the following deficiency was noted:

- For two of 13 (15%) students tested, the college did not initiate the return of funds within 45 days of the determination date, defined by the regulations as the date the school determines the student withdraws, whether official or unofficial.

The college failed to perform the return of funds calculations timely and, as a result, the college did not timely return $435 to the U.S. Department of Education [via Louisiana Community and Technical College System (LCTCS)] as required by federal program regulations.

Management of the college should follow established procedures so the appropriate funds are returned within the time required by federal program regulations. Management concurred in part with the finding indicating that the college had returned funds within 45 days after the financial aid office became aware of the student's withdrawal as instructed by the LCTCS Director of Financial Assistance. However, management concurred that the determination should have been the date the school is notified that the student withdraws and has implemented a corrective action plan (B-4).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F-10-ED-ATC-3 - Weakness Over Verification of Federal Pell Grant Program

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**None noted**
84.063 - Federal Pell Grant Program	

For the second consecutive year, the Acadiana Technical College did not maintain sufficient controls over the Federal Pell Grant Program (CFDA 84.063) to ensure that verification compliance requirements were met. CFR Title 34, Chapter VI, Part 668.59 states that if the information on an application changes as a result of the verification process, the institution shall require the applicant to resubmit the application for all errors of nondollar items and dollar errors in excess of $400.

Test procedures performed at Acadiana Technical College disclosed the following exceptions:

- Two of 13 (15%) students tested had Institutional Student Information Records (ISIR) that contained information that was in conflict with the documents provided for verification. The student financial aid file contained sufficient documentation to verify this information, although the ISIR was not corrected. One exception was a nonmonetary error while the other exception was an error in the amount of $7,565.

The college did not adequately monitor verification requirements relating to Federal Pell Grant Program funds. Failure to adequately perform verification results in noncompliance with federal regulations and may cause Acadiana Technical College to return Pell Grant funds.

Management should ensure adherence to established procedures so Pell funds are accurately disbursed to eligible students and verification procedures are sufficiently performed according to program regulations. Management concurred with the finding and provided a corrective action plan (B-6).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

EDUCATION, DEPARTMENT OF

F-10-ED-EDUC-1 - Noncompliance With Federal and State Equipment Management Regulations

Award Year: 2006, 2007 and 2010
Award Number: S938A060002, S940C070001, H027A080033
Compliance Requirement: Equipment and real property management

	Questioned Costs
84.938 - Hurricane Education Recovery	**None noted**
84.940 - Hurricane Katrina Foreign Contributions	
Special Education Cluster (IDEA):	
84.027 - Special Education - Grants to States	

For the fourth consecutive year, the Department of Education (DOE) did not comply with federal and state equipment management regulations. DOE did not tag and report equipment as required, did not adequately safeguard its movable property, and did not maintain accurate information in the state's movable property system, Protégé.

Federal equipment means tangible nonexpendable property purchased with a federal award, having a useful life of more than one year, and an acquisition cost of $5,000 or more per unit. OMB Circular A-87 requires a state to use, manage, and dispose of equipment acquired under a federal grant in accordance with state laws and procedures.

The Louisiana Administrative Code (LAC) requires that all movable property having an original acquisition cost of $1,000 or more be tagged with a uniform state of Louisiana identification tag and all pertinent inventory information be forwarded to the Louisiana Property Assistance Agency (LPAA) within 60 calendar days after receipt of these items. The LAC also requires that the agency property manager conduct a complete physical inventory of the property owned by the agency each fiscal year and not more than 12 calendar months since the last physical inventory and report any unlocated property to LPAA. Efforts must be made to locate all movable property items for which there are no explanations available for their disappearance.

In a test of 46 items of equipment purchased with federal and state funds, the following exceptions were noted:

- Eleven (24%) items selected were not entered into Protégé within 60 days. The delays in entering the equipment ranged from four to 255 days.

- Ten (22%) items were not properly recorded in Protégé, including incorrect location, tag number, serial number, and acquisition cost.
- Two (4%) items could not be located.
- One (2%) item did not have the percentage of federal participation recorded in Protégé.

A review of the Protégé late additions reports disclosed the following information regarding property items that were not reported within 60 days of acquisition as required:

- For Property Certification Agency 26804, DOE Operational Support Services, 14 items totaling $42,842 were reported from nine to 661 days late.
- For Property Certification Agency 26812, DOE Special School District, eight items totaling $19,226 were reported from one to 467 days late.
- For Property Certification Agency 26816, Restart Non-Public, 524 items totaling $2,260,340 were reported from two to 974 days late. In addition, the agency's Annual Property Certification identified 203 items totaling $307,131 as unlocated.

DOE also reported 122 items of movable property purchased at a cost of $175,337 as stolen to the legislative auditor and district attorney in the current fiscal year. One-hundred twenty items were purchased with federal funds: 116 from the Hurricane Education Recovery - Immediate Aid to Restart School Operations program (CFDA 84.938A) and four from the Hurricane Katrina Foreign Contributions program (CFDA 84.940).

Although DOE has begun implementation of corrective action and we noted improvement in the number of exceptions as compared to the prior year, DOE continues to have exceptions in this area that require additional corrective action and improvement in controls. Failure to comply with federal and state equipment management regulations increases the risk that assets may be misreported, lost, or stolen.

Management should continue to implement corrective action and emphasize the importance of internal control to ensure that (1) equipment is tagged and reported accurately and timely in accordance with state and federal regulations; (2) records are corrected when equipment is relocated; and (3) assets are properly safeguarded to prevent theft. Management concurred with the finding and outlined a plan of corrective action (B-7).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION

F-10-ED-EXEC-DOA- 1 - Noncompliance With Level of Effort Requirements

Award Year: 2010
Award Number: S394A090019
Compliance Requirement: Matching, level of effort, earmarking

	Questioned Costs
State Fiscal Stabilization Fund Cluster:	**$289,388,821**
84.394 - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	

The Division of Administration did not comply with the level of effort requirements for the State Fiscal Stabilization Fund - Education State Grants, Recovery Act (CFDA 84.394). Section 14005(d)(1)(B) of the ARRA stipulates that states are required to maintain a level of support for public institutions of higher education (IHEs) at least at the level of such support in fiscal year 2006. Section 14012(a) of ARRA gives the Secretary of the U.S. Department of Education (USDOE) the authority to waive or modify these requirements in efforts to relieve fiscal burdens on states. Section 14012(c) provides that to be eligible for a waiver of these requirements, the state must provide a larger percentage of total revenues available to the state than the amount provided in the preceding fiscal year.

In fiscal year 2010, state funding for the IHEs was approximately $62 million less than the level provided in fiscal year 2006. Management monitored state support for IHEs, but the necessary funding needed to comply with the level of effort requirement was not available because of decreases in state revenues. On September 8, 2010, the state applied for a waiver of these requirements indicating that the level of support provided for elementary, secondary, and public higher education increased from 48% of total revenues available in fiscal year 2009 to 53% of available revenues in fiscal year 2010. The USDOE is currently considering the waiver.

Noncompliance with the level of effort requirement and failure to obtain approval of the requested waiver from the USDOE could result in an obligation of the state to repay all or a portion of funds received under the program. The state received $289 million from the Education Stabilization Fund program during the fiscal year ending June 30, 2010, and these funds are considered questioned costs pending waiver approval by the USDOE.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Management should continue to work with the USDOE to obtain a waiver of the level of effort requirement for fiscal year 2010 and communicate the maintenance of effort requirements to the Louisiana Legislature for future funding consideration. Management concurred with the finding and recommendations and provided a corrective action plan (B-9).

RECOVERY SCHOOL DISTRICT

F-10-ED-RSD-1 - Inadequate Controls Over Payroll

Award Year: 2009, 2010
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles

	Questioned Costs
84.938 - Hurricane Education Recovery	**$9,398**
Title I, Part A Cluster:	
84.010 - Title I Grants to Local Educational Agencies	**871**
State Funds	**7,937**
	$18,206

For the fourth consecutive year, the Recovery School District (RSD) identified overpayments made to employees, did not ensure that employee separation dates were accurate or timely, and did not have adequate documentation to support certain payroll charges. Although RSD has implemented procedures to refine the employee separation process, which have improved the prevention of late separations, overpayments, and monitoring overpayments and recoupments, the following issues were identified.

Payroll overpayment claims identified by RSD during fiscal year 2010 totaled $18,206. Of the $18,206 in overpayments identified during fiscal year 2010, $10,269 was funded by federal programs and represents questioned costs. The Immediate Aid to Restart School Operations program (CFDA 84.938A) and Title I Grants to Local Educational Agencies (CFDA 84.010) were charged $9,398 and $871, respectively. The remaining amount of $7,937 was funded by the Minimum Foundation Program.

From July, 1, 2009, to June 9, 2010, 856 employee separation dates were entered into the ISIS/HR payroll system. In our test of the accuracy of those employee separation dates, the following exceptions were noted:

- For 14 of 24 (58%) employees tested, RSD did not have supporting documentation available to confirm the employees' separation dates and without this documentation we could not determine if the separation dates entered into ISIS/HR were accurate.

- For 10 remaining employees, final separation dates were not entered into ISIS/HR before the close of the employees' last pay period. Days late ranged from 76 to 119 days and resulted in overpayments to five employees totaling $656.

In our test of employee time sheets from three pay periods, the following exceptions were noted:

- Two of 24 (8%) employees did not have a time sheet for the requested pay period.

- Two of 11 (18%) employees did not have approved leave slips on file.

- For 11 of 24 (46%) employees, RSD could not provide supporting documentation to confirm the employees' approved rates of pay.

OMB Circular A-87, Attachment A, Section C (1) (j) states that to be allowable under federal awards, costs must be adequately documented. RSD policy number 2.10 requires employees to sign in and out daily and initial the biweekly time and attendance records at the end of each pay period. Good internal controls require that employees be paid only for days worked within their employment period and that employee terminations should be entered accurately in the payroll system before the close of the employee's last pay period.

Documentation relating to payroll transactions including separation dates was not provided to RSD's Human Resource section in a timely manner. Lack of detailed policies and procedures relating to the notification of terminations and a lack of accountability at the RSD sites hamper the timely transfer of information. In addition, since RSD's personnel are decentralized, the large volume of documentation that is required to be transferred from the various RSD sites to the central office increases the risk of lost documentation. Failure to support payroll charges with adequate documentation increases the risk that employees will be paid improperly and may result in federal disallowed cost.

Management of RSD should continue its efforts to (1) improve control over payroll; (2) ensure payroll policies and practices clearly communicate and instruct RSD personnel to report termination immediately; (3) consider storing and transmitting supporting documentation electronically; (4) place emphasis on compliance with established and newly created payroll policies and practices through training and guidance; and (5) continue to track and recoup overpayments. Management's response noted that existing controls are ensuring a substantial reduction in the overpayment claims and provided corrective action relating to separation dates and payroll documentation (B-71).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

Additional Comment: OMB Circular A-133 requires the auditor to report a finding when known questioned costs are greater than $10,000.

F-10-ED-RSD-2 - Noncompliance With A-87 Payroll Certification Regulations

Award Year: Unknown
Award Number: Unknown
Compliance Requirement: Allowable costs/cost principles

	Questioned Costs
	None noted

84.367 - Improving Teacher Quality State Grants
Special Education Cluster (IDEA):
84.027 - Special Education - Grants to States
84.391 - Special Education - Grants to States, Recovery Act
84.392 - Special Education - Preschool Grants, Recovery Act

For the third consecutive year, RSD did not ensure that certifications for payroll expenditures charged to federal programs were completed as required by federal regulations. OMB Circular A-87 *Cost Principles for State and Local Governments* requires that when employees work on multiple activities or cost objectives, a distribution of their salaries must be supported by personnel activity reports or equivalent documentation reflecting an after-the-fact distribution of the actual activity. These personnel activity reports must be prepared at least monthly, signed by the employee, and based on the work performed and not on budget. If employees work solely on a single federal award or cost objective, the certifications must be prepared at least semiannually.

Audit procedures were performed on three monthly certifications and 27 semiannual certifications relating to payroll periods ending in March and May 2010. For the 30 certifications tested, the following exceptions were identified:

- For five certifications, the cost distribution report did not agree to the program and percentage charged per the certification, and no adjustments were completed to reflect the actual effort of the employee nor were additional time certifications completed to reflect the actual percentage time charged to the federal programs.

Lack of detailed policies and procedures over RSD's A-87 certification process along with insufficient communication between RSD personnel contributed to the exceptions noted above. Failure to prepare and maintain required payroll certifications increases the risk that expenditures are not fairly and accurately allocated to federal programs and results in noncompliance with OMB Circular A-87.

RSD has made improvements in the documentation and accuracy of payroll certifications during fiscal year 2010. To further improve its A-87 certification process, RSD has empowered its Human Resources department to reject any charge to a federal program that is not supported by an appropriate A-87 certification.

Management should formally document its policies and practices for A-87 certifications, provide employees with written notification on the completion and processing of A-87 certifications, and provide training on the A-87 certification process. In addition, management should continue to emphasize the necessity of an adequate review process to supervisory personnel. Management concurred with the finding and outlined a plan of corrective action (B-73).

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)

F-10-ED-DSS-4 - Inaccurate and Untimely Federal Financial Reports

Award Year: 2008, 2009 and 2010
Award Number: H126A080025, H126A090025, H126A100025
Compliance Requirement: Reporting

	Questioned Costs
Vocational Rehabilitation Cluster: **84.126 - Rehabilitation Services - Vocational Rehabilitation Grants to States**	**None noted**

DSS, Louisiana Rehabilitation Services (LRS) did not submit accurate and timely federal financial reports to the USDOE for the Vocational Rehabilitation Cluster (CFDA 84.126). DSS is required to submit quarterly financial status reports (SF-269 or SF-425) for each grant award and an annual cost report (RSA-2). A review of the four financial status reports for the 2009 grant and the annual cost report revealed that all five reports were submitted between 32 and 101 days past the federal deadlines. In addition, a test of the annual cost report and one of the quarterly financial status reports revealed the following errors:

- LRS understated the amount of total unliquidated obligations by $1,210,000 on the SF-269 for the quarter ending September 30, 2009.
- LRS reported inaccurate information in two of the three amounts tested, including an overstatement of $1,530,000 in indirect costs, on the RSA-2 report.

OMB Circular A-133 *Compliance Supplement*, Part 3, Section L states that reports for federal awards shall include all activity of the reporting period, be supported by applicable accounting records, and be fairly presented in accordance with program requirements. The USDOE's

instructions for the SF-269 and SF-425 require that quarterly financial reports be submitted within 30 days after the end of the quarter. The instructions for the RSA-2 state that the cost report is due by December 31. Inaccurate federal financial reporting increases the risk that the federal grantor and DSS management will not be able to effectively monitor funding levels and may result in a loss or delay in future funding.

DSS management did not adequately review these reports before submitting them to the federal grantor and did not ensure that the reports were submitted timely. Management should perform a more thorough review of federal financial reports and hold its personnel accountable for accurate and timely filing. Management concurred with the finding and outlined a plan of corrective action (B-81).

UNIVERSITY OF LOUISIANA AT LAFAYETTE

F-10-ED-ULL-1 - Untimely Federal Reporting

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Reporting

	Questioned Costs
Student Financial Assistance Cluster: **84.063 - Federal Pell Grant Program** **84.376 - National Science and Mathematics Assess to Retain Talent (SMART) Grants**	**None noted**

For the third consecutive year, the University of Louisiana at Lafayette (UL Lafayette) did not report federal disbursement data to the USDOE through the Common Origination and Disbursement System (COD) timely.

For three of 12 (25%) transactions reviewed, UL Lafayette did not report Federal Pell Grant Program (CFDA 84.063) and National Science and Mathematics Access to Retain Talent Grant programs (SMART, CFDA 84.376) data to COD within 30 days after making a Federal Pell and SMART Grant disbursement or becoming aware of the need to adjust a student's previously reported Federal Pell Grant disbursement as required by Federal Register Vol. 73 No. 111. One SMART transaction was reported 34 days late and one Pell transaction was reported 113 days late. Another Pell transaction was a disbursement that involved reductions due to the Return of Title IV Funds calculations and was reported 70 days late.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

UL Lafayette personnel did not ensure the federal disbursement data maintained in the university's Student Aid Management System was reported to the COD in a consistent manner to ensure timely reporting. Failure to report financial data to USDOE timely, including reductions due to Return of Title IV calculations, results in noncompliance with federal regulations.

Management should strengthen procedures to ensure that data is reported timely to USDOE to comply with federal regulations. Management concurred with the finding and provided a corrective action plan (B-107).

SUMMARY OF FINDINGS FROM OTHER EXTERNAL AUDITORS FOR THE YEAR ENDED JUNE 30, 2010

GRAMBLING STATE UNIVERSITY

Independent auditors performed an audit of the Grambling State University Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2010. The following findings were provided based upon that audit.

F-10-ED-GSU-4 - Return of Title IV Funds

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**Unable to Determine**
84.032 - Federal Family Education Loans	
84.063 - Federal Pell Grant Program	

For the second consecutive year, the university failed to comply with Title IV regulations and established procedures in processing certain refunds. Auditors noted the following condition in the Federal Family Education Loan Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063):

- Auditors identified 365 students that failed to earn a passing grade in any of their classes. Of that amount, auditors noted that eight of 19 students tested had return of Title IV funds calculations that were prepared using incorrect dates based on a review of supporting documentation. This resulted in calculations either not being prepared properly or not being prepared at all.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance (SFA), Section (N) (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame. The university failed to comply with Title IV regulations and established procedures in processing certain refunds. Because management failed to prepare the required calculation, the auditors were unable to determine the amount of questioned costs.

The auditors recommended that management immediately determine whether or not the students unofficially withdrew from the university, prepare the return of Title IV funds calculation, and return the funds to the U.S. Department of Education. Management concurred with the finding and provided a corrective action plan (B-38).

SOUTHERN UNIVERSITY AT NEW ORLEANS

Independent auditors performed an audit of the Southern University at New Orleans Schedule of Expenditures of Federal Awards and federal award programs for the year ended June 30, 2010. The following findings were provided based on their audit.

F-10-ED-SUNO-1 - Return of Title IV Funds

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	**None noted**
84.032 - Federal Family Education Loans	
84.063 - Federal Pell Grant Program	

For the second consecutive year, the university failed to comply with Title IV regulations and established procedures in processing certain refunds. Auditors noted the following conditions in the Federal Family Education Loan Program (CFDA 84.032) and the Federal Pell Grant Program (CFDA 84.063):

- For five out of 10 students tested, funds were not returned by the university within the prescribed 45 days.
- For five out of 10 students tested, calculations were prepared later than 30 days after the end of the period of enrollment or academic year, whichever is earlier.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133 *Compliance Supplement*, Part 5, Student Financial Assistance, Section (N) (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame. The university failed to adhere to established procedures in processing certain refunds, resulting in noncompliance with Title IV regulations. The auditors did not question any costs as a result of this finding.

The auditors recommended that management immediately return the funds to the USDOE and implement procedures to ensure compliance with the prescribed time frames. Management concurred with the finding and provided a corrective action plan (B-88).

F-10-ED-SUNO-2 - Verification

Award Year: 2010
Award Number: Unknown
Compliance Requirement: Special tests and provisions

	Questioned Costs
Student Financial Assistance Cluster:	
84.007 - Federal Supplemental Educational Opportunity Grants	**$400**
84.032 - Federal Family Education Loans	**None noted**
84.063 - Federal Pell Grant Program	**6,688**
	$7,088

For the third consecutive year, auditors noted that information for students conflicted with the verified documentation. Auditors noted information that conflicted with verification documentation for two students out of 25 students tested.

OMB Circular A-133 *Compliance Supplement*, Part 5, SFA Programs, Section III, Part N - Special Tests and Provisions stipulates that written policies and procedures are required to be established by the university for verifying applicant information. The policies and procedures should incorporate the provisions of 34 CFR sections 668.51 through 668.61. Information should be verified as specified in 34 CFR section 668.56 for each application selected by the central processor based on edits specified by the USDOE.

The university failed to properly ensure that all required verifiable information was correct in the Free Application for Federal Student Aid before awarding and disbursing financial aid. As a result, the university disbursed financial aid to students based on incorrect information. The auditors questioned costs totaling $7,088 (Federal Supplemental Educational Opportunity Grant,

84.007 - $400 and Federal Pell Grant Program, CFDA 84.063 - $6,688). In addition to students receiving federal aid, for which they did not qualify, the auditors also noted that a student qualified for $2,216 in federal aid not disbursed to the student from the Federal Family Education Loans Program (CFDA 84.032).

The auditors recommended that management of the university adhere to established procedures to ensure that all verification information is obtained, verified, and corrected before the disbursement of financial aid. Management concurred with the finding and provided a corrective action plan (B-87).

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH AND HOSPITALS, DEPARTMENT OF

F-10-HHS-DHH-1 - Improper Claims by Long Term Personal Care Services Providers

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	**$33,547**
93.778 - Medical Assistance Program (Including ARRA)	
State Funds	**13,504**
	$47,051

For the third consecutive year, the Department of Health and Hospitals (DHH) paid Medical Assistance Program (Medicaid, CFDA 93.778) claims for Long Term Personal Care Services (LT-PCS) that were not in accordance with established policies and procedures. DHH has established LT-PCS as an optional service under the Medicaid State Plan. DHH policies and procedures require that a plan of care for each recipient be developed, approved, and followed by the LT-PCS providers. The plan of care specified the units of service to be provided each week. Providers are to maintain time sheets and progress notes for all units of service provided.

Audit procedures performed on 1,869 claims totaling $157,304 that were paid to four LT-PCS providers during calendar year 2009 identified the following errors:

- For 662 claims (35%), the provider did not maintain adequate documentation of the

- For 64 claims (3%), the provider could not produce a plan of care. This error was noted for one recipient for one of the four providers tested.

- For 723 claims (39%), the provider did not document deviations from the plan of care. This error was noted for all four providers tested.

These conditions occurred because DHH paid LT-PCS claims even though the providers failed to follow established DHH policies and regulations for providing services according to the plan of care and did not adequately document those services. Known questioned costs are $47,051, which include $33,547 of federal funds and $13,504 of state matching funds.

DHH management should establish, implement, and enforce adequate controls to ensure that only appropriate claims for LT-PCS services are paid to providers. Management concurred in part with the finding and outlined a plan of corrective action. Management noted that deviations from the plan of care may be warranted, but a provider that deviates from the plan of care without good cause should document the cause. See management's response at B-39.

F-10-HHS-DHH-2 - Improper Payments to Non-Emergency Medical Transportation Service Providers

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	**$14,947**
93.778 - Medical Assistance Program (Including ARRA)	
State Funds	**6,014**
	$20,961

For the third consecutive year, DHH paid claims to providers of Non-Emergency Medical Transportation (NEMT) for services billed to the Medical Assistance Program (CFDA 93.778) that were not provided in accordance with established policies. NEMT is defined as transportation for Medicaid recipients to and/or from a provider of Medicaid covered services. The NEMT program's *Provider Manual* requires that providers maintain the following:

- Copies of all Recipient Verification of Medical Transportation Forms (Form MT-3) as documentation of all trips provided
- Copies of the Driver Identification Form (MT-8) for each driver and the form be completed when drivers are hired and annually thereafter for all current drivers
- Copies of Vehicle Inspection Form (MT-9) for each vehicle used and the form be completed on each vehicle before the vehicle can be used and annually thereafter
- A daily schedule of transports

A review of 145 claims totaling $25,987 paid to six providers during calendar year 2009 identified errors for all six providers. The errors include the following:

- For 77 of 145 (54%) claims tested, the providers did not maintain adequate documentation of the trips provided. In particular, providers could not provide completed copies of MT-3s to substantiate all trips approved under capitated (monthly) rates. Questioned costs total $20,961.
- Three of the six providers tested did not maintain an adequate daily schedule of transports in their records.
- All six providers tested did not maintain adequate documentation to support vehicle certifications (MT-9) in their records.
- All six providers tested did not maintain adequate documentation to support the driver's identification (MT-8) in their records.

These conditions occurred because NEMT providers failed to follow established DHH Bureau of Health Services Financing policies and regulations for providing services and adequately documenting those services, and the DHH controls were inadequate in detecting these exceptions. Questioned costs are $20,961, which include $14,947 of federal funds and $6,014 of state matching funds.

DHH management should establish, implement, and enforce adequate controls to ensure that only appropriate claims for NEMT are paid to providers. Management concurred with the finding and outlined a plan of corrective action (B-42).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

F-10-HHS-DHH-3 - Improper Payments to Waiver Services Providers

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
Medicaid Cluster:	**$17,756**
93.778 - Medical Assistance Program (Including ARRA)	
State Funds	**7,144**
	$24,900

For the fourth consecutive year, DHH paid Medical Assistance Program (CFDA 93.778) claims for waiver services that were not in accordance with established policies. Waiver services are provided to eligible Medicaid recipients under the New Opportunities Waiver (NOW) administered by the Office for Citizens with Developmental Disabilities and the Elderly and Disabled Adult Waiver (EDA) administered by Office of Aging and Adult Services. The NOW waiver services include individualized and family supports and the EDA waiver services include companion services. Regulations and requirements for the delivery of services and payment of claims for these waiver programs are established through administrative rules and policy manuals developed by DHH. These regulations include providing services consistent with the approved comprehensive plan of care and maintaining adequate documentation to support services billed.

In a test of 1,226 claims totaling $276,010 paid to five providers for 34 recipients during calendar year 2009, 645 errors (53%) were noted. Some claims included multiple errors. The errors noted included the following:

- For 339 claims (28%), appropriate units of service were not delivered according to the plan of care approved by DHH. The plan of care specifies the units of service to be provided daily. The recipient record did not contain documentation as to why the services were not provided according to the plan of care.

- For 500 claims (41%), the providers did not maintain adequate time sheets and/or progress notes to support the units of services billed.

These conditions occurred because DHH paid waiver services claims even though the waiver services providers failed to follow established DHH policies and federal regulations for providing services. Questioned costs are $24,900, which include $17,756 in federal funds and $7,144 in state matching funds.

DHH should establish, implement, and enforce adequate controls to ensure that only appropriate claims for waiver services are paid to providers in accordance with departmental policies and federal regulations. Management concurred with the portion of the finding relating to the EDA waivers and outlined a plan of corrective action. Management concurred in part with the portion of the finding relating to NOW waivers and outlined a plan of corrective action (B-44).

LOUISIANA WORKFORCE COMMISSION

F-10-HHS-LWC-7 - Failure to Subgrant American Recovery and Reinvestment Act Funds Timely

Award Year: 2009
Award Number: G0901LACOS2
Compliance Requirements: Special tests and provisions

	Questioned Costs
CSBG Cluster:	**None noted**
93.710 - ARRA - Community Services Block Grant	

LWC received ARRA - Community Services Block Grant (CSBG, CFDA 93.710) award letters in April 2009, but because of delays in the contracting process, the funds were not made available to the subgrantees until November 2009, thereby reducing the time available for subgrantees to obligate the funds. Title 42 of the United States Code, Section 9907(2) provides that funds awarded to subgrantees are available for obligation during that fiscal year and the succeeding fiscal year. OMB Circular A-133 *Compliance Supplement*, Part 4, Section N for the program stipulates that states must subgrant funds in a timely manner to allow subgrantees a sufficient opportunity to obligate the funds to accomplish program purposes.

As of June 30, 2010, subgrantees had expended $6.5 million (28%) of the $23 million allocated to them. The period of availability to obligate the ARRA grant ended September 30, 2010, and the period of availability to expend the funds ended December 31, 2010. As of December 31, 2010, the subgrantees have expended $21,825,209 (93.9%) of the grant funds available. LWC expects to return the unused amount of $1,413,434 to the federal government. LWC management represented that subgrantees reported the following reasons for not spending all program funds: lack of staff, the inability to manage multiple large ARRA grants, a lack of demand for the funds, and timeliness.

LWC management should reduce the delays in its contracting process to allow subgrantees a greater period of time to obligate program funds and to minimize the risk of returning federal funds. Management partially concurred with the finding and stated in the response that LWC is evaluating the contracting process “and will implement solutions to shorten the process where

possible." Although management concurs that funding to the subgrantees should have been made available sooner, LWC disagrees that this would have prevented the return of federal funds. See management's response at B-57.

Additional Comment: All five subgrantees we contacted expressed that the shortened time frame for spending program funds was a major factor in their inability to spend the total amount of the award.

F-10-HHS-LWC-8 - Inadequate Subrecipient Monitoring for the Community Services Block Grant

Award Year: 2008, 2009, 2010
Award Number: G-08B1LAOSR, G-09B1LACOSR, G-0901LACISZ, G-10B1LACOSR
Compliance Requirements: Subrecipient monitoring

	Questioned Costs
CSBG Cluster:	**None noted**
93.569 - Community Services Block Grant	
93.710 - ARRA - Community Services Block Grant	

LWC did not adequately monitor subrecipients of the CSBG Cluster (CFDA 93.569/93.710). The United States Code [42 USC 9914(a)] requires that states conduct a full onsite review of each eligible subrecipient once during each three-year period to determine conformity with performance goals, administrative standards, financial management requirements, and other requirements. Program expenditures totaled $23 million in 2010, which included funding from the American Recovery and Reinforcement Act of 2009 (ARRA). Approximately $22 million was provided to subrecipients, including $6.5 million in ARRA program funds.

Our review of the CSBG subrecipient monitoring records disclosed that 28 of 42 (67%) subrecipients did not receive onsite monitoring reviews during the past three years. This occurred because the LWC did not have adequate staffing to perform any monitoring reviews in fiscal years 2008 and 2009. Although LWC has added personnel and started performing monitoring reviews, it still has subrecipients that have not been monitored in the past three years.

Failure to adequately monitor CSBG subrecipients results in noncompliance with federal laws and regulations and increases the risk of misuse of federal funds and potential disallowed costs. LWC management should continue performing monitoring reviews and ensure that all CSBG program subrecipients are monitored once during each three-year period to comply with program requirements. Management concurred with the finding and recommendations and provided a corrective action plan (B-61).

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)

F-10-HHS-DSS-5 - Child Care Cluster: Noncompliance With Program Requirements

Award Year: 2010
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles, Eligibility, Reporting

	Questioned Costs
CCDF Cluster:	
93.575 - Child Care and Development Block Grant	**$6,965**
93.596 - Child Care Mandatory and Matching Funds of the Child Care and Development Fund	**None noted**
93.713 - AARA - Child Care and Development Block Grant	**None noted**
	$6,965

For the sixth consecutive year, the Department of Social Services (DSS) did not comply with certain federal and state requirements for administering the federal child care cluster. The child care cluster is comprised of the Child Care and Development Block Grant (CFDA 93.575), the Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CFDA 93.596) and ARRA - Child Care and Development Block Grant (CFDA 93.713) programs. OMB Circular A-133, Subpart C, Section 300(b) requires states to establish internal control over federally funded programs to provide reasonable assurance that the state is managing federal awards in compliance with grant provisions. Proper administration would include controls for ensuring expenditures are supported by adequate documentation and eligibility criteria are met.

The cluster included approximately 3,272 providers that received reimbursements totaling in excess of $109,677,122 during the fiscal year ended June 30, 2010. Audit procedures performed on the cluster disclosed the following:

- DSS did not compare provider reimbursement requests to supporting documentation such as provider attendance logs before making payments, thereby increasing the risk of errors, fraud, and/or abuse. For 33 of 33 (100%) child care provider invoices tested, the agency, by policy, did not obtain attendance logs to verify the number of days present and absent on the child care invoices. Questioned costs totaled $6,455.

- DSS did not consistently follow established controls over immunization, resulting in possible noncompliance with 45 CFR 98.41(a)(1)(i), Section 6.7 of the State Plan and department policy No. 08.B-710. For two of 30 (7%) child immunization case files tested, there was no documentation verifying the child was age-appropriately immunized. Questioned costs totaled $557, which is included in the questioned cost amount noted previously.

- DSS did not adequately follow up on results from Contract Accountability Review Team (CART) reviews and did not adequately review invoices to ensure correct rates were used. For two of 20 CART on-site reviews tested, DSS identified overpayments to providers where invoiced days did not agree with the attendance logs, but did not take sufficient action to recover these overpayments. In addition, even when the results of these two CART reviews indicated exception rates as high as 80% for the sampled children, no additional procedures were performed to determine if the results were indicative of a larger problem or fraud. DSS also used the incorrect reimbursement rate for three of 20 provider invoices tested. Questioned costs totaled $510.

DSS management should not make payments to child care providers without verifying supporting documentation such as attendance logs. In addition, DSS should collect provider overpayments and follow up on exceptions identified by CART reviews. Finally, DSS should verify immunizations in accordance with program requirements. Management concurred with the finding and provided a corrective action plan (B-76).

F-10-HHS-DSS-6 - Ineligible Payments in the Temporary Assistance for Needy Families Program

Award Year: 2010
Award Number: Various
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

	Questioned Costs
TANF Cluster:	**$6,274**
93.558 - Temporary Assistance for Needy Families State Programs	

DSS did not follow program regulations and existing departmental procedures in the administration of the Temporary Assistance for Needy Families program (TANF, CFDA 93.558). In five of 30 (17%) contract payments reviewed, we noted questioned costs totaling $6,274 for costs specifically disallowed in the contract, unreasonable charges from contractors, and mathematical errors on invoices.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133, Subpart C, Section 300(b) requires states to establish internal control over federally funded programs to provide reasonable assurance that the state is managing federal awards in compliance with grant provisions. Proper administration would include controls for ensuring that expenditures are supported by adequate documentation. In addition, OMB Circulars A-87 and A-122 provide that to be allowable under federal awards, costs must be adequately documented, necessary, and reasonable.

Management should implement a review process to ensure adherence to program regulations and established departmental procedures in administering the TANF program. Management should also recover the funds from the contractors and return them to the federal grantor, if required. Management concurred with the finding and outlined a plan of corrective action (B-83).

U.S. DEPARTMENT OF HOMELAND SECURITY

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF

F-10-DHS-GOHSEP-1 - Inaccurate Federal Financial Reports

Award Year: Various
Award Number: Various
Compliance Requirements: Reporting

	Questioned Costs
	None noted

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039 - Hazard Mitigation Grant

The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit accurate federal financial reports (SF-425) to the Federal Emergency Management Agency (FEMA) for the Public Assistance (CFDA 97.036) and Hazard Mitigation Grant (CFDA 97.039) programs. A review of quarterly reports revealed that GOHSEP used reimbursement information from the federal SmartLink system to compile expenditure amounts instead of using the expenditures in GOHSEP's accounting system, resulting in an understatement in federal expenditures on the reports. Also, GOHSEP did not accurately report federal authorized amounts for three reports issued for the quarter ending June 30, 2010, including a $25 million understatement of the federal authorized amount on the Public Assistance report for Hurricane Katrina.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OMB Circular A-133 *Compliance Supplement*, Part 3, Section L states that reports for federal awards shall include all activity of the reporting period, be supported by applicable accounting records, and be fairly presented in accordance with program requirements. Inaccurate federal financial reporting increases the risk that FEMA and GOHSEP management will not be able to effectively monitor GOHSEP's funding levels and may result in a loss or delays of future funding.

Management has not developed a formal process or adequately trained staff how to prepare these reports. GOHSEP management should develop written procedures to prepare the financial reports, review the prepared reports to identify and correct errors before submitting to FEMA, and provide training to its accounting staff on the SF-425 reporting requirements. Management concurred with the finding and outlined a plan of corrective action (B-49).

LOUISIANA STATE UNIVERSITY - BATON ROUGE

F-10-DHS-LSUBR-1 - Inadequate Controls Over Purchasing Within the School of Music

Award Year: Unknown
Award Number: Unknown
Compliance Requirements: Allowable costs/cost principles Procurement and suspension and debarment

	Questioned Costs
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	**$100,664**
State Funds	**10,944**
	$111,608

A Louisiana State University and A&M College (LSU) internal audit report, dated October 8, 2010, identified six findings during an audit of the LSU School of Music, including lack of controls over purchasing and outside employment, noncompliance with state purchasing regulations, and a possible misappropriation of federal and state funds. It is LSU's policy that purchases are made in accordance with the Louisiana Procurement Code; the Louisiana Administrative Code Title 34 for Government Contracts, Procurement, and Property Control; and the most recent Small Purchase Procedures Executive Order. An adequate system of internal control includes procedures that ensure proper approval, documentation and support, and monitoring of purchasing transactions.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

The scope of the internal audit included the examination of piano-related purchases within the School of Music during the period between July 2007 and January 2010, consideration of alleged changes to university property, and the investigation of non-LSU activities conducted for pay on university property. In their report, the LSU internal auditors noted the following findings:

- *Finding 1* - The School of Music's piano technician altered the original components and functionality of a university-owned grand piano causing the school to expend $11,500 to restore it to its intended functional condition.

- *Finding 2* - The piano technician completed non-LSU transactions/business on university property for personal payment and failed to properly disclose outside employment in accordance with university policy. The piano technician conducted freelance work on campus restoring pianos and also advertised for his freelance services on the Internet using his LSU Piano Technician title and LSU office address.

- *Findings 3 through 5* - Employees of the School of Music circumvented the normal procurement process when purchasing pianos for the school. Contract terms appear to have been negotiated and production of custom built pianos authorized prior to the required solicitation and bidding process. In addition, piano parts with an estimated cost of $25,732 were purchased with capital outlay funds after the state's Office of Facility Planning and Control had disapproved the use of the funds for that purpose. Furthermore, payment in full was made to the vendor even though the school never received piano parts included in the bid specifications. The piano technician also facilitated the trade of four pianos, two of which were not included in the original bid specifications. Inaccurate information was provided to LSU's Property Management Office resulting in incorrect inventory records.

- *Finding 6* - In unrelated transactions with a different vendor, it appears the piano technician used his position as an LSU employee to cause LSU funds to be paid to him. The piano technician enlisted an outside vendor to contract with LSU for work that the piano technician would perform through subcontractors. In return, the vendor received 7% of the funds contracted through the university. LSU paid the vendor a total of $105,074, of which the vendor paid approximately $85,295 to the piano technician and/or his company. Since the contracts were for repairs and replacement parts of pianos damaged by Hurricane Gustav, the contract expenditures were reimbursed to the university by funds from FEMA and the state Office of Risk Management (ORM).

The LSU internal audit report included numerous recommendations to management including, but not limited to, the following: (1) establish a clear job description for the piano technician position to clearly reflect management requirements and expectation; (2) reinforce that proper disclosure and approval of outside employment is required by university policy PM 11; (3) ensure that employees are informed of and follow all policies regarding purchasing; (4) consider implementing appropriate central measures to ensure that all expenditures involving capital outlay funds receive Division of Administration approval prior to contract award or obligation of funds; (5) determine if the university has an obligation to repay the claim reimbursements received from FEMA and the ORM; and (6) take necessary actions to recover funds related to the transactions described in the report. Management concurred with the internal audit findings and outlined a plan of corrective action for each finding. Additional information regarding this report can be obtained through the LSU System, Office of Internal Audit.

Additional procedures performed by LSU personnel noted that the total costs reimbursed by FEMA and ORM besides the $105,074 mentioned above also included supplies from other vendors of $606 and internal labor costs of $5,928 for a total of $111,608. Of this total, FEMA paid $100,664 and ORM paid $10,944. These amounts represent questioned costs. The piano technician voluntarily resigned from LSU on July 7, 2010.

The School of Music's piano technician disregarded various university policies and procedures and the supervision over this employee was not sufficient to prevent or detect the noncompliance. As a result, LSU may potentially have to repay the questioned costs with their state funds. In addition, these actions caused LSU to expend $11,500 to restore an item and $25,732 on items that were not received.

Management should follow the recommendations outlined in the LSU internal audit report to strengthen controls over purchasing and reduce the likelihood of noncompliance with state and federal laws and university policies. Management concurred with the finding and outlined a plan of corrective action (B-53).

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF

F-10-DHS-DOTD-6 - Inadequate Controls Over the Disaster Grants - Public Assistance Program (CFDA 97.036)

Award Year: Various
Award Number: Various
Compliance Requirements: Activities allowed or unallowed, Allowable costs/cost principles

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

	Questioned Costs
97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	**$3,163**

DOTD submitted $604,735 in ineligible costs to GOHSEP for reimbursement under the Disaster Grants - Public Assistance (PA) program (CFDA 97.036). In addition, DOTD incorrectly recorded $516,057 as FEMA interagency transfers (IAT) as these were not FEMA-related transfers. Title 44 of CFR Section 13.20(b)(5) provides that applicable OMB cost principles, agency program regulations, and the terms of the grant and subgrant agreements should be followed in determining the reasonableness, allowability, and allocability of costs. The *Public Assistance Applicant Handbook* (FEMA P-323) notes that the state cannot provide funds for costs that are outside the scope of work approved by FEMA. Project worksheets (PW) are used to document the location, damage description and dimensions, scope of work, and cost estimate for a project and is the basis for the grant. Title 44 CFR 13.20(b)(2) states, in part, grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially assisted activities. Good internal controls require that adequate procedures be developed and implemented to ensure that only allowable costs are included in requests for reimbursement and that revenues are recorded properly in the accounting system.

For three of 12 (25%) reimbursement requests tested, DOTD submitted ineligible costs totaling $604,735 that were subsequently disallowed by GOHSEP.

- DOTD submitted $3,515 of ineligible expenditures for reimbursement on PW2711. The ineligible costs were for expenditures incurred before the eligible work period defined by the PW. These costs were initially paid by GOHSEP, resulting in a $3,163 overpayment ($3,515 x 90% federal participation) to DOTD, which we consider questioned costs. These costs were subsequently disallowed by GOHSEP and a credit memo issued to reduce future payments on this PW; however, as of December 10, 2010, the funds have not been returned.

- DOTD submitted $26,460 of ineligible expenditures for reimbursement on PW195. The ineligible costs were for expenditures that were not included in the scope of the work according to the approved PW. Because these expenditures were disallowed by GOHSEP before reimbursement, no overpayment or questioned costs occurred because of DOTD's error.

- DOTD submitted $574,760 of ineligible expenditures for reimbursement on PW148. The ineligible costs were for $184,860 in expenditures that were not included in the scope of the work according to the approved PW and for a $389,900 cost item overrun, where there were no more available funds for a

particular cost line item. Because these expenditures were disallowed by GOHSEP before reimbursement, no overpayment or questioned costs occurred.

Revenues received from other state agencies are recorded as IAT; however, specific FEMA grant revenues received from GOHSEP are required to be recorded as IAT-FEMA to properly track the FEMA grant activity. During the current year, six non-FEMA transactions totaling $516,057 were incorrectly recorded as IAT-FEMA revenues.

Ineligible costs were submitted to GOHSEP for reimbursement in anticipation of these costs being allowed in the future through subsequent reversions of the PWs; however, adequate internal controls should ensure that reversions of the PWs are approved before submitting additional requests for reimbursement. In addition, DOTD did not have adequate internal controls in place to prevent or detect the incorrect coding of interagency transfers.

Failure to establish adequate internal controls that allow DOTD to identify ineligible costs before requesting reimbursement could result in overpayments by GOHSEP, noncompliance with applicable federal regulations, and future disallowed costs. In addition, failure to establish adequate internal controls that allow DOTD to adequately track revenue could result in misstatements in the department's financial statements and noncompliance with applicable federal regulations. DOTD should establish policies and procedures to ensure only eligible costs are submitted for reimbursement. When ineligible costs are incurred, the department should timely request reversions of PWs to facilitate future reimbursement of these costs. The department should also establish procedures to adequately identify and properly record transfers from state agencies. Management concurred in part with the finding and outlined a plan of corrective action. Although management agrees that ineligible expenditures on PW2711 and PW195 were submitted for reimbursement, it claims the issue as to whether the costs are eligible still remains and is still working with GOHSEP/FEMA to resolve. See management's response at B-102.

Additional Comments: The fact that GOHSEP may allow the costs in the future does not change the fact that reimbursement requests were submitted for costs incurred before the eligible work period and for work outside the scope of work outlined in the PW. DOTD should have obtained approval from GOHSEP before submitting these requests for reimbursement.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

FINANCIAL STATEMENT FINDINGS WITH AN IMPACT ON FEDERAL AWARDS

The following findings were reported as financial statement findings in Schedule B, but also have an impact on federal awards. They are listed below and referenced to where they are reported in detail in Schedule B.

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF STATEWIDE REPORTING
AND ACCOUNTING POLICY
FS-10-EXEC-DOA-OSRAP-1 - Inadequate Controls Over Compilation of the Schedule of Expenditures of Federal Awards (page 15)

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
GOVERNOR'S OFFICE OF
FS-10-GOHSEP-1 - Inadequate Preparation of the Annual Fiscal Report (page 20)

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
FS-10-DSS-1 - Inaccurate Schedule of Expenditures of Federal Awards (page 24)

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Continued)

OTHER REPORTS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CDBG - State-Administered Small Cities Program Cluster

Other reports were issued by the Louisiana Legislative Auditor Recovery Assistance Services that include findings and recommendations for the Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CFDA 14.228), which is a part of the CDBG - State-Administered Small Cities Program Cluster, a major federal program for the Single Audit of the State of Louisiana. The reports, including recommendations and management's full responses, can be accessed on the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/about/services/.

U.S. DEPARTMENT OF HOMELAND SECURITY

Disaster Grants - Public Assistance
(Presidentially Declared Disasters) (CFDA 97.036)

Hazard Mitigation Grant (CFDA 97.039)

Other reports were issued by the Louisiana Legislative Auditor Recovery Assistance Services and Compliance Audit Services that include findings and recommendations for the Disaster Grants - Public Assistance Program (Presidentially Declared Disasters) (CFDA 97.036). In addition, Recovery Assistance Services issued a report that includes findings and recommendations for the Hazard Mitigation Grant Program (CFDA 97.039). Both of these programs are major federal programs for the Single Audit of the State of Louisiana. The reports, including recommendations and management's full responses, can be accessed on the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/about/services/.

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Federal Award Findings and Questioned Costs (Concluded)

AMERICAN RECOVERY AND REINVESTMENT ACT

American Recovery and Reinvestment Act (CFDA ARRA-various)

A report was issued by Louisiana Legislative Auditor Performance Audit and Actuarial Services that include findings and recommendations for the American Recovery and Reinvestment Act of 2009 (ARRA). ARRA is part of the CDBG - State-Administered Small Cities Program Cluster, WIA Cluster, Title I Part A Cluster, Special Education Cluster (IDEA), Vocational Rehabilitation Cluster, State Fiscal Stabilization Fund Cluster, TANF Cluster, CSBG Cluster, and the CCDF Cluster. All of these clusters were major federal programs for the Single Audit of the State of Louisiana. The report, including recommendations and management's full response, can be accessed on the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/about/services/.

Schedule D

Schedule of Unresolved
Prior Audit Findings
For the Year Ended June 30, 2010

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Schedule of Unresolved Prior Audit Findings

Page No.

ACADIANA TECHNICAL COLLEGE
(formerly Louisiana Technical College, Region 4)
Weakness Over Return of Federal Pell Grant Program Funds 81
Weakness Over Verification of Federal Pell Grant Program..... 82

EDUCATION, DEPARTMENT OF
Noncompliance With Federal and State Equipment Management Regulations 83

GRAMBLING STATE UNIVERSITY
Inaccurate Annual Financial Report 18
Allowable Cost..... 47
Grant Management Procedures..... 48
Matching 49
Return of Title IV Funds..... 91

HEALTH AND HOSPITALS, DEPARTMENT OF
Improper Claims by Long Term Personal Care Services Providers 94
Improper Payments to Non-Emergency Medical Transportation Service Providers..... 95
Improper Payments to Waiver Services Providers 97

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS,
GOVERNOR'S OFFICE OF
Inadequate Preparation of the Annual Fiscal Report 20

LOUISIANA STATE UNIVERSITY SYSTEM
Energy Efficiency Contract Contrary to State Law 21

LOUISIANA WORKFORCE COMMISSION
Inadequate Monitoring of Subrecipient Findings and A-133 Audits..... 66
Noncompliance With Administrative Rules for Interstate
Unemployment Compensation Benefit Payments 67
Noncompliance With Record Retention Policy..... 68
Weaknesses in Controls Over Remittance Processing System..... 69

RECOVERY SCHOOL DISTRICT
Inadequate Controls Over Payroll..... 86
Noncompliance With A-87 Payroll Certification Regulations 88

RISK MANAGEMENT, OFFICE OF
Ineffective Internal Audit Function 23

STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Schedule of Unresolved Prior Audit Findings

Page No.

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
Child Care Cluster: Noncompliance With Program Requirements 100
Disaster Supplemental Nutrition Assistance Program: Intentional Program Violations and Ineligible Benefits 52

SOUTHERN UNIVERSITY SYSTEM
Inaccurate Annual Fiscal Report Preparation 25

SOUTHERN UNIVERSITY AT NEW ORLEANS
Return of Title IV Funds 92
Verification 93

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF
Inadequate Preparation of the Annual Fiscal Report 27
Inadequate Controls Over Subrecipient Monitoring 78

UNIVERSITY OF LOUISIANA AT LAFAYETTE
Untimely Federal Reporting 90

Appendix A

Schedule of Expenditures of Federal Awards and Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2010

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Prefix and Agency **Page No.**

07 - Executive Office of the President A-3

10 - U.S. Department of Agriculture A-3

11 - U.S. Department of Commerce A-16

12 - U.S. Department of Defense A-23

14 - U.S. Department of Housing and Urban Development A-34

15 - U.S. Department of the Interior A-36

16 - U.S. Department of Justice A-45

17 - U.S. Department of Labor A-51

19 - U.S. Department of State A-55

20 - U.S. Department of Transportation A-55

21 - U.S. Department of the Treasury A-59

22 - U.S. Postal Service A-59

30 - Equal Employment Opportunity Commission A-60

39 - General Services Administration A-60

42 - U.S. Library of Congress A-60

43 - National Aeronautics and Space Administration A-60

45 - National Endowment for the Arts A-64

45 - National Endowment for the Humanities A-64

45 - Institute of Museum and Library Services A-65

47 - National Science Foundation A-65

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Prefix and Agency **Page No.**

58 - Securities and Exchange Commission A-71

59 - Small Business Administration A-72

64 - U.S. Department of Veterans Affairs A-73

66 - U.S. Environmental Protection Agency A-73

77 - Nuclear Regulatory Commission A-78

81 - U.S. Department of Energy A-78

84 - U.S. Department of Education A-83

90 - Elections Assistance Commission A-101

93 - U.S. Department of Health and Human Services A-101

94 - Corporation for National and Community Service A-136

96 - Social Security Administration A-136

97 - U.S. Department of Homeland Security A-136

98 - U.S. Agency for International Development A-140

Loan Activity A-140

Notes to the Schedule of Expenditures of Federal Awards A-141

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
EXECUTIVE OFFICE OF THE PRESIDENT		
Office of National Drug Control Policy		
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services	07.G09GC0001A	$180,854
Department of Public Safety and Corrections - Public Safety Services	07.G10GC0001A	61,350
Department of Public Safety and Corrections - Public Safety Services	07.I6PGCP501Z	(14,723)
Department of Public Safety and Corrections - Public Safety Services	07.I8PGCP502	85,607
Department of Public Safety and Corrections - Public Safety Services	07.I8PGCP502Z	5,662
Department of Public Safety and Corrections - Public Safety Services	07.UNKNOWN	4,546
Total Office of National Drug Control Policy		323,296
Total Executive Office of the President		**$323,296**
U.S. DEPARTMENT OF AGRICULTURE		
Agricultural Research - Basic and Applied Research	10.001	
Direct Awards:		
Louisiana State University Agricultural Center		$1,365,818
Southern University and A&M College (Baton Rouge)		241,320
Total Agricultural Research - Basic and Applied Research		1,607,138
Plant and Animal Disease, Pest Control, and Animal Care	10.025	
Direct Awards:		
Department of Agriculture and Forestry		187,592
LSU A&M College (Baton Rouge)		65,456
Department of Wildlife and Fisheries		104,362
Total Plant and Animal Disease, Pest Control, and Animal Care		357,410
Wildlife Services	10.028	
Direct Awards:		
Department of Wildlife and Fisheries		65,706
Wetlands Reserve Program	10.072	
Direct Awards:		
Department of Wildlife and Fisheries		5,502
Aquaculture Grant Program	10.086	
Direct Awards:		
Louisiana Agricultural Finance Authority		1,118,051

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Federal-State Marketing Improvement Program	10.156	
Direct Awards:		
Department of Agriculture and Forestry		$7,014
Southern University and A&M College (Baton Rouge)		9,997
Total Federal-State Marketing Improvement Program		17,011
Inspection Grading and Standardization	10.162	
Direct Awards:		
Department of Agriculture and Forestry		3,101
Market Protection and Promotion	10.163	
Direct Awards:		
Department of Agriculture and Forestry		118,730
Grants for Agricultural Research, Special Research Grants	10.200	
Through: Mississippi State University-SRAC (#2006-38500-16977)		
Louisiana State University Agricultural Center		2,000
Through: University of Florida (#2009-34383-19836)		
Louisiana State University Agricultural Center		2,000
Through: Oceanic Institute (#2009 38808-19851)		
Nicholls State University		59,556
Total Grants for Agricultural Research, Special Research Grants		63,556
Grants for Agricultural Research - Competitive Research Grants	10.206	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		122,919
Through: University of Nebraska-Lincoln (#2007-55112-17856)		
Louisiana State University Agricultural Center		2,779
Total Grants for Agricultural Research - Competitive Research Grants		125,698
Sustainable Agriculture Research and Education	10.215	
Through: University of Georgia (#2009-38640-19632)		
Louisiana State University Agricultural Center		19,167
Through: University of Georgia (#2009-47001-05387)		
Louisiana State University Agricultural Center		6,110
Total Sustainable Agriculture Research and Education		25,277

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
1890 Institution Capacity Building Grants	10.216	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$227,161
Through: University of Maryland Eastern Shore (#206638820174)		
Southern University and A&M College (Baton Rouge)		6,382
Total 1890 Institution Capacity Building Grants		233,543
Higher Education Challenge Grants	10.217	
Through: University of Arkansas (#2008-38411-19047)		
LSU A&M College (Baton Rouge)		40,775
Through: Oklahoma State University (2008-38411-19040)		
LSU A&M College (Baton Rouge)		1,126
Total Higher Education Challenge Grants		41,901
Integrated Programs	10.303	
Through: Texas A&M University - Texas Cooperative Extension (#2004-51130-03114)		
Louisiana State University Agricultural Center		28,642
Through: Texas A&M University - Texas Cooperative Extension (#2008-51130-19537)		
Louisiana State University Agricultural Center		14,167
Total Integrated Programs		42,809
Homeland Security - Agricultural	10.304	
Direct Awards:		
LSU A&M College (Baton Rouge)		318,412
Through: Purdue University (#2005-37620-15609)		
Louisiana State University Agricultural Center		103,278
Through: Purdue University (#2009-3762-20106)		
Louisiana State University Agricultural Center		14,875
Through: University of Florida (#2007-37620-18196)		
Louisiana State University Agricultural Center		70,608
Total Homeland Security - Agricultural		507,173
Specialty Crop Research Initiative	10.309	
Direct Awards:		
Louisiana State University Agricultural Center		91,831

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Agriculture and Food Research Initiative (AFRI)	10.310	
Direct Awards:		
Louisiana State University Agricultural Center		$9,891
Rural Community Development Initiative	10.446	
Direct Awards:		
Northshore Technical College		2,265
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475	
Direct Awards:		
Department of Agriculture and Forestry		1,768,155
Cooperative Extension Service	10.500	
Direct Awards:		
Louisiana State University Agricultural Center		7,397,015
Southern University and A&M College (Baton Rouge)		95,854
Through: Auburn University (#2008-48540-04313)		
Louisiana State University Agricultural Center		3,794
Through: Kansas State University (#2006-48659-03721)		
Louisiana State University Agricultural Center		19,042
Through: Kansas State University (#2007-48661-03868)		
Louisiana State University Agricultural Center		155,644
Through: North Carolina State University (#2007-39552-18643)		
Louisiana State University Agricultural Center		86,723
Through: Texas A&M University - Texas Cooperative Extension (#S4079036101)		
Louisiana State University Agricultural Center		(2,482)
Through: University of Georgia (#2008-47001-04376)		
Louisiana State University Agricultural Center		6,860
Through: University of Nebraska-Lincoln (#4-98-2-23)		
Louisiana State University Agricultural Center		34,775
Through: University of Georgia (#RE6751493504)		
Southern University and A&M College (Baton Rouge)		10,794
Total Cooperative Extension Service		7,808,019
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	
Direct Awards:		
Office of Public Health		119,212,026
ARRA - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	
Direct Awards:		
Office of Public Health		363,426

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Child and Adult Care Food Program	10.558	
Direct Awards:		
Department of Education		$66,020,846
State Administrative Expenses for Child Nutrition	10.560	
Direct Awards:		
Department of Agriculture and Forestry		214,311
Department of Education		3,056,352
Total State Administrative Expenses for Child Nutrition		3,270,663
Commodity Supplemental Food Program	10.565	
Direct Awards:		
Office of Public Health		18,786,287
Southern University and A&M College (Baton Rouge)		44
Total Commodity Supplemental Food Program		18,786,331
WIC Farmers' Market Nutrition Program (FMNP)	10.572	
Direct Awards:		
Department of Agriculture and Forestry		4,414
Team Nutrition Grants	10.574	
Direct Awards:		145,298
Department of Education		
Senior Farmers Market Nutrition Program	10.576	
Direct Awards:		
Department of Agriculture and Forestry		241,867
ARRA - Child Nutrition Discretionary Grants Limited Availability	10.579	
Direct Awards:		
Department of Education		2,514,918
Fresh Fruit and Vegetable Program	10.582	
Direct Awards:		
Department of Education		733,504
Forestry Research	10.652	
Direct Awards:		
Louisiana State University Agricultural Center		10,000

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Cooperative Forestry Assistance	10.664	
Direct Awards:		
Department of Agriculture and Forestry		$3,677,858
Forest Products Lab: Technology Marketing Unit (TMU)	10.674	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		46,204
Urban and Community Forestry Program	10.675	
Direct Awards:		
Louisiana State University Agricultural Center		9,581
Southern University and A&M College (Baton Rouge)		23,132
Total Urban and Community Forestry Program		32,713
Rural Business Enterprise Grants	10.769	
Direct Awards:		
LSU A&M College (Baton Rouge)		139,642
University of Louisiana at Monroe		121,465
Total Rural Business Enterprise Grants		261,107
Soil and Water Conservation	10.902	
Direct Awards:		
Department of Agriculture and Forestry		347,891
Louisiana State University Agricultural Center		146,924
Total Soil and Water Conservation		494,815
Agricultural Statistics Reports	10.950	
Direct Awards:		
Department of Agriculture and Forestry		20,000
Southern University and A&M College (Baton Rouge)		5,035
Total Agricultural Statistics Reports		25,035
Technical Agricultural Assistance	10.960	
Direct Awards:		
Louisiana State University Agricultural Center		506,835

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Scientific Cooperation and Research	10.961	
Direct Awards:		
Louisiana State University Agricultural Center		$2,808
Cochran Fellowship Program-International Training-Foreign Participant	10.962	
Direct Awards:		
Louisiana State University Agricultural Center		45,762
Southern University and A&M College (Baton Rouge)		44,530
Total Cochran Fellowship Program-International Training-Foreign Participant		90,292
Office of Criminal Investigation	10.990	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		7,149
2009 Classical Swine Fever (CSF) Surveillance	10.35455	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,500
Serbia WTO Training	10.58-3148-7-112	
Direct Awards:		
Louisiana State University Agricultural Center		17,664
2009 AgOutlook Conference	10.69-7217-09-001	
Direct Awards:		
Louisiana State University Agricultural Center		(580)
Avian Influenza (AI) Testing	10.BPA # AG-6395-B-09-0015	
Direct Awards:		
LSU A&M College (Baton Rouge)		50,785
Suatch	10.unknown	
Through: University of South Carolina		
Southern University and A&M College (Baton Rouge)		12,292
Kisatchie National Forest (La Archaeology Week)	10-07-PA-11080600-004	
Direct Awards:		
Department of Culture, Recreation and Tourism		1,500
Cooperative Agreement with U.S. Forest Service	10-08-PA-11080600-008	
Through: Kisatchie National Forest		
Northwestern State University		21,718

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Child Nutrition Cluster:		
School Breakfast Program	10.553	
Direct Awards:		
Department of Education		$60,721,080
Through: New Beginnings Foundation		
University of New Orleans		248,153
National School Lunch Program	10.555	
Direct Awards:		
Department of Agriculture and Forestry		16,570,329
Department of Education		184,853,088
Through: New Beginnings Foundation		
University of New Orleans		95,993
Special Milk Program for Children	10.556	
Direct Awards:		
Department of Education		30,965
Summer Food Service Program for Children	10.559	
Direct Awards:		
Department of Education		8,247,821
Total Child Nutrition Cluster		270,767,429
Emergency Food Assistance Cluster:		
Emergency Food Assistance Program (Administrative Costs)	10.568	
Direct Awards:		
Department of Agriculture and Forestry		995,530
ARRA - Emergency Food Assistance Program (Administrative Costs)	10.568	
Direct Awards:		
Department of Agriculture and Forestry		386,665
Emergency Food Assistance Program (Food Commodities)	10.569	
Direct Awards:		
Department of Agriculture and Forestry		9,731,130
Total Emergency Food Assistance Cluster		11,113,325

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster:		
Agricultural Research - Basic and Applied Research	10.001	
Direct Awards:		
LSU A&M College (Baton Rouge)		$189,163
Louisiana State University Agricultural Center		330,957
LSU Pennington Biomedical Research Center		691,833
Southern University and A&M College (Baton Rouge)		14,155
University of New Orleans		20,110
Through: University of Alaska Fairbanks (#58-5341-4-591)		
Louisiana State University Agricultural Center		7,045
Federal-State Marketing Improvement Program	10.156	
Direct Awards:		
Louisiana State University Agricultural Center		19,211
Grants for Agricultural Research, Special Research Grants	10.200	
Direct Awards:		
Louisiana State University Agricultural Center		1,127,406
Louisiana Tech University		13,070
LSU Pennington Biomedical Research Center		369,770
Through: The Regents of the University of California (#2008-34608-19111)		
LSU A&M College (Baton Rouge)		38,929
Through: University of Alaska Fairbanks (#2006-34385-17606)		
Louisiana State University Agricultural Center		10,057
Through: Mississippi State University - Southern Regional Aquaculture Center (#2006-38500-16977)		
Louisiana State University Agricultural Center		11,005
Through: Purdue University (#2006-34569-17000)		
Louisiana State University Agricultural Center		(133)
Through: Texas A&M University - Texas Agrilife Research (#2008-38824-19155)		
Louisiana State University Agricultural Center		63,410
Through: Texas A&M University - Texas Agrilife Research (#2009-38824-19896)		
Louisiana State University Agricultural Center		72,036
Through: University of Florida (#2009-34383-19836)		
Louisiana State University Agricultural Center		19,500
Through: University of California-Davis (#06000245-01)		
University of Louisiana at Lafayette		5,428
Cooperative Forestry Research	10.202	
Direct Awards:		
Louisiana Tech University		232,765
Southern University and A&M College (Baton Rouge)		14,025

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203	
Direct Awards:		
Louisiana State University Agricultural Center		$3,891,052
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		114,085
Grants for Agricultural Research - Competitive Research Grants	10.206	
Direct Awards:		
LSU A&M College (Baton Rouge)		486,588
Louisiana State University Agricultural Center		412,506
LSUHSC - Shreveport		68,500
Southern University and A&M College (Baton Rouge)		16,147
University of Louisiana at Lafayette		21,292
Through: Texas A&M Research Foundation (#2006-35401-17432)		
LSU A&M College (Baton Rouge)		28,291
Through: University of Arkansas (#2004-35317-14867)		
Louisiana State University Agricultural Center		779
Through: Virginia Polytechnic Institute & State University (#2009-35900-05968)		
Louisiana State University Agricultural Center		4,020
Animal Health and Disease Research	10.207	
Direct Awards:		
LSU A&M College (Baton Rouge)		9,647
Sustainable Agriculture Research and Education	10.215	
Through: University of Georgia (#2007-38640-17925)		
LSU A&M College (Baton Rouge)		7,359
Through: University of Georgia (#2008-38640-19017)		
LSU A&M College (Baton Rouge)		6,451
Through: University of Georgia (#2008-38640-19017)		
Louisiana State University Agricultural Center		3,711
Through: University of Georgia (#2009-38640-19632)		
Louisiana State University Agricultural Center		9,757
1890 Institution Capacity Building Grants	10.216	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		565,691
Through: Fort Valley State University (#2007-38814-18518)		
LSU A&M College (Baton Rouge)		29,095

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Higher Education Challenge Grants	10.217	
Direct Awards:		
LSU A&M College (Baton Rouge)		$26,044
Louisiana Tech University		19,500
Agricultural and Rural Economic Research	10.250	
Direct Awards:		
Louisiana State University Agricultural Center		14,123
Through: Mississippi State University (#59-5000-7-0043)		
LSU A&M College (Baton Rouge)		22,579
Integrated Programs	10.303	
Direct Awards:		
Louisiana State University Agricultural Center		128,336
Through: North Carolina State University (#2007-51120-03919)		
Louisiana State University Agricultural Center		33,833
Through: Texas A&M University - Texas Agrilife Research (#2007-51101-18407)		
Louisiana State University Agricultural Center		14,211
Through: Texas A&M University - Texas Agrilife Research (#2007-512-03919)		
Louisiana State University Agricultural Center		8,000
Through: University of Illinois		
LSUHSC - New Orleans		7,788
Specialty Crop Research Initiative	10.309	
Direct Awards:		
Louisiana State University Agricultural Center		134,033
Agriculture and Food Research Initiative (AFRI)	10.310	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,966
Louisiana State University Agricultural Center		117,552
Southern University and A&M College (Baton Rouge)		1,347
Biomass Research and Development Initiative Competitive Grants Program (BRDI)	10.312	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,846
Louisiana State University Agricultural Center		92,660

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$122,834
Partnership Agreements to Develop Non-Insurance Risk Management Tools for Producers	10.456	
Through: University of Kentucky Research Foundation (#05IE08310215)		
Louisiana State University Agricultural Center		1,698
Cooperative Extension Service	10.500	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		(38,067)
Through: University of Georgia (#2004-49200-03126/TCE)		
Louisiana State University Agricultural Center		(3)
Forestry Research	10.652	
Direct Awards:		
Louisiana State University Agricultural Center		124,892
Louisiana State University at Alexandria		7,691
Southern University and A&M College (Baton Rouge)		3,288
Rural Development, Forestry, and Communities	10.672	
Through: Purdue University (#06-DG-11244225-242)		
Louisiana State University Agricultural Center		10,869
Through: Purdue University (#S09-DG-11420004-024)		
Louisiana State University Agricultural Center		57,278
Forest Health Protection	10.680	
Direct Awards:		
LSU A&M College (Baton Rouge)		9,636
Louisiana State University Agricultural Center		28,417
University of Louisiana at Lafayette		25,727
Rural Business Enterprise Grants	10.769	
Direct Awards:		
University of Louisiana at Lafayette		126,822
1890 Land Grant Institutions Rural Entrepreneurial Outreach Program	10.856	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		49,327

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Research and Development Cluster: (Cont.)		
Soil and Water Conservation	10.902	
Direct Awards:		
McNeese State University		$7,179
Soil Survey	10.903	
Direct Awards:		
Louisiana State University Agricultural Center		21,057
Moisture Performance of Insulated Raised Floor Systems in Southern Louisiana	10.RD.07-JV-11111136-128	
Direct Awards:		
Louisiana State University Agricultural Center		3,026
Completing Identification of Insect Specimens Collected from and near Coars	10.RD.10-CA-11330129-027	
Direct Awards:		
Louisiana State University Agricultural Center		2,439
Genetic Engineering Cotton for Enhanced Resistance to Aspergillus Flavus	10.RD.58-6435-8-3000	
Direct Awards:		
University of Louisiana at Lafayette		12,937
Planting Management Impact on Sweet Sorghum as a Biofuel Crop	10.RD.R0011-10	
Through: The United Sorghum Checkoff Program Board		
Louisiana State University Agricultural Center		3,549
Development of Chemical Attractants and Improved Trap Design to Facilitate	10.RD.S-000378	
Through: University of California-Riverside (#09-8100-1422-CA)		
Louisiana State University Agricultural Center		19,802
Development of Agroforest Systems for Bioenergy Crop Production	10.RD.UA AES 81266-01	
Through: University of Arkansas (#2009-38640-19632)		
Louisiana State University Agricultural Center		1,771
Operation of UVB Monitoring Site		
Through: Colorado State University	10.RD.unknown	
Louisiana State University Agricultural Center		5,000
The Effect of Blueberry Powder Supplementation on Cardiovascular Risk Factors	10.RD.unknown	
Through: U.S. Highbush Blueberry Council		
LSU Pennington Biomedical Research Center		123,503
Total Research and Development Cluster		10,284,203

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF AGRICULTURE (CONT.)		
Schools and Roads Cluster:		
Schools and Roads - Grants to States	10.665	
Direct Awards:		
Department of Treasury		$2,806,037
SNAP Cluster:		
Supplemental Nutrition Assistance Program	10.551	
Direct Awards:		
Department of Social Services		1,248,331,998
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	
Direct Awards:		
Department of Social Services		64,446,597
ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	
Direct Awards:		
Department of Social Services		2,667,130
Total SNAP Cluster		1,315,445,725
Total U.S. Department of Agriculture		**$1,840,982,474**
U.S. DEPARTMENT OF COMMERCE		
Economic Development - Technical Assistance	11.303	
Direct Awards:		
University of New Orleans		$120,554
Fishery Products Inspection and Certification	11.413	
Direct Awards:		
Department of Agriculture and Forestry		75,021
Sea Grant Support	11.417	
Direct Awards:		
LSU A&M College (Baton Rouge)		51,875
Coastal Zone Management Administration Awards	11.419	
Direct Awards:		
Department of Natural Resources		2,990,098

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Cooperative Fishery Statistics	11.434	
Through: Gulf States Marine Fisheries Commission		
Department of Wildlife and Fisheries		$1,614,535
Regional Fishery Management Councils	11.441	
Direct Awards:		
Department of Wildlife and Fisheries		44,559
Unallied Industry Projects	11.452	
Direct Awards:		
Department of Wildlife and Fisheries		25,755,910
Unallied Management Projects	11.454	
Through: Gulf States Marine Fisheries Commission		
Department of Wildlife and Fisheries		23,844,991
Habitat Conservation	11.463	
Direct Awards:		
Department of Natural Resources		15,880,310
Through: Gulf of Mexico Foundation (#NA07NMF - 4630154))		
Nicholls State University		24,416
Total Habitat Conservation		15,904,726
Meteorologic and Hydrologic Modernization Development	11.467	
Through: The University Corporation for Atmospheric Research		
University of Louisiana at Monroe		3,535
Congressionally Identified Awards and Projects	11.469	
Direct Awards:		
LSU A&M College (Baton Rouge)		71,852
Coastal Services Center	11.473	
Through: Texas A&M Research Foundation (#NA07NOS4730199)		
LSU A&M College (Baton Rouge)		76,762
Through: Gulf States Marine Fisheries Commission		
Department of Wildlife and Fisheries		16,584
Total Coastal Services Center		93,346

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	
Through: Texas A&M Research Foundation (#NA06NOS4780198)		
LSU A&M College (Baton Rouge)		$37,339
Through: Texas A&M University (#NA09NOS4780208)		
LSU A&M College (Baton Rouge)		3,927
Through: University of Texas at Austin (#NA06NOS47080131)		
LSU A&M College (Baton Rouge)		122,085
Through: University of Texas at Austin (#NA09NOS4780179)		
LSU A&M College (Baton Rouge)		7,165
Total Center for Sponsored Coastal Ocean Research - Coastal Ocean Program		170,516
Public Telecommunications Facilities Planning and Construction	11.550	
Direct Awards:		
University of Louisiana at Monroe		11,001
Public Safety Interoperable Communications Grant Program	11.555	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		4,072,480
ARRA - Broadband Technology Opportunities Program (BTOP)	11.557	
Direct Awards:		
Department of Culture, Recreation and Tourism		502,771
ARRA - State Broadband Data and Development Grant Program	11.558	
Direct Awards:		
Executive Department		509,685
Measurement and Engineering Research and Standards	11.609	
Direct Awards:		
LSU A&M College (Baton Rouge)		6,800
Regional Climate Services Support in the Southern Region	11.EA133E07CN0084	
Direct Awards:		
LSU A&M College (Baton Rouge)		707,743
Support for NOAA's Northern Gulf Institute Ecosystem Data Assembly Center	11.RD.191001-361664-02	
Through: Mississippi State University (#NNS08AA83B)		
LSU A&M College (Baton Rouge)		39,973

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Tightly Coupled Dynamic End-to-End Marine Ecosystem Models - Fisheries Mode	11.RD.AB133F-09-SE-3781	
Direct Awards:		
LSU A&M College (Baton Rouge)		$25,965
National Marine Fisheries Service - Joint Enforcement Agreement	11.unknown	
Direct Awards:		
Department of Wildlife and Fisheries		1,475,000
Decision Support to Local Governments in Budget Planning Under Coastal Risk	11.USM-GR03091-R/MG/CSP-03	
Through: University of Southern Mississippi (#NA07OAR4170510)		
Louisiana State University Agricultural Center		1,217
IPA Assignment Agreement	11.USPTO IAA 2008-296-016	
Direct Awards:		
LSU A&M College (Baton Rouge)		(6,489)
Public Works and Economic Development Cluster:		
Economic Adjustment Assistance	11.307	
Direct Awards:		
Department of Economic Development		1,570,131
Research and Development Cluster:		
Census Special Tabulations and Services	11.005	
Direct Awards:		
Louisiana Tech University		2,512
Economic Development - Technical Assistance	11.303	
Direct Awards:		
Louisiana Tech University		97,370
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	11.400	
Direct Awards:		
LSU A&M College (Baton Rouge)		584,762
Interjurisdictional Fisheries Act of 1986	11.407	
Direct Awards:		
Department of Wildlife and Fisheries		146,749

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Sea Grant Support	11.417	
Direct Awards:		
LSU A&M College (Baton Rouge)		$2,106,831
Louisiana State University Agricultural Center		93,408
Through: University of Southern Mississippi (#NA07OAR4170510)		
LSU A&M College (Baton Rouge)		80,283
Through: Colorado State University (#NA07OAR4170428)		
Louisiana State University Agricultural Center		35,975
Through: Mississippi State University (#NA06OAR4320264)		
Louisiana State University Agricultural Center		518
Through: University of Alaska Fairbanks (#NA06OAR4170013)		
Louisiana State University Agricultural Center		61,442
Through: University of Southern Mississippi (USM-GR03091-R/MG/CSP-08)		
University of New Orleans		68,946
Coastal Zone Management Administration Awards	11.419	
Through: University of New Hampshire (#NA06NOS4190167)		
LSU A&M College (Baton Rouge)		104,299
Climate and Atmospheric Research	11.431	
Through: University Corporation for Atmospheric Research (UCAR) (#NA06OAR4310119)		
LSU A&M College (Baton Rouge)		4,397
Through: University of Oklahoma (#NA08OAR4320886)		
LSU A&M College (Baton Rouge)		290,141
Through: RAND Corporation (Sub 9920100057)		
University of New Orleans		216
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	
Through: Mississippi State University (#NA06OAR4320264)		
LSU A&M College (Baton Rouge)		700,449
Marine Fisheries Initiative	11.433	
Direct Awards:		
LSU A&M College (Baton Rouge)		261,105
Through: University of West Florida (#NA05NMF4331072)		
LSU A&M College (Baton Rouge)		39,602

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Cooperative Fishery Statistics	11.434	
Direct Awards:		
Department of Wildlife and Fisheries		$99,732
Southeast Area Monitoring and Assessment Program	11.435	
Direct Awards:		
Department of Wildlife and Fisheries		639,904
Special Oceanic and Atmospheric Projects	11.460	
Direct Awards:		
University of Louisiana at Lafayette		318,073
Habitat Conservation	11.463	
Direct Awards:		
Louisiana Universities Marine Consortium		733,535
University of New Orleans		493,003
McNeese State University		182,953
Through: The Nature Conservancy (#2009-0043-000)		
Louisiana State University Agricultural Center		1,627
Through: Mississippi State University (Sub 01900-320528-04)		
University of New Orleans		40,365
Through: Lake Pontchartrain Basin Foundation (#0648-0472)		
University of New Orleans		4,950
ARRA - Habitat Conservation	11.463	
Through: The Nature Conservancy (#NA09NMF4630303)		
Louisiana State University Agricultural Center		41,392
Unallied Science Program	11.472	
Direct Awards:		
Department of Wildlife and Fisheries		62,142
Through: Rutgers, The State University of New Jersey (#NA09NMF4720183)		
LSU A&M College (Baton Rouge)		4,160
Through: North Pacific Research Board (NPRB) (#902)		
Louisiana Universities Marine Consortium		6,596
Through: University of Rhode Island (#1224)		
University of Louisiana at Lafayette		62,193

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Coastal Services Center	11.473	
Direct Awards:		
University of New Orleans		$62,351
Through: Texas A&M Research Foundation (#S080022)		
Louisiana Universities Marine Consortium		58,784
Through: Dauphin Island Sea Lab (#GOMA - 2303JD - LUMCON - 01)		
Louisiana Universities Marine Consortium		9,284
Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	
Direct Awards:		
LSU A&M College (Baton Rouge)		389,515
Louisiana Universities Marine Consortium		796,572
Public Telecommunications Facilities Planning and Construction	11.550	
Direct Awards:		
University of Louisiana at Lafayette		2,388
Manufacturing Extension Partnership	11.611	
Direct Awards:		
University of Louisiana at Lafayette		768,361
Technology Innovation Program (TIP)	11.616	
Through: ELXSI		
Louisiana Tech University		228,367
Molecular DNA Analysis of Coral Specimens	11.HC133F07SE4786	
Direct Awards:		
University of Louisiana at Lafayette		6,008
Dolphin DNA Analysis	11.NFFN7600-8-43948	
Direct Awards:		
University of Louisiana at Lafayette		3,500
IPA for Daniel Laurent	11.RD.34930	
Direct Awards:		
LSU A&M College (Baton Rouge)		89,780
Assessment of Chemical Hazards Associated With Oil and Hazardous Material	11.RD.50ABNC200041	
Direct Awards:		
LSU A&M College (Baton Rouge)		(6,059)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF COMMERCE (CONT.)		
Research and Development Cluster: (Cont.)		
Assessment of Chemical Hazards Associated With Oil and Hazardous Material	11.RD.50ABNC200041/TO #1	
Direct Awards:		
LSU A&M College (Baton Rouge)		($25)
Technical Support Services for Assessment of Chemical Hazards Associated with Oil and Hazardous Materials Releases	11.RD.AB133C-08-CQ-0028/TO #1	
Direct Awards:		
LSU A&M College (Baton Rouge)		132,015
Mississippi Canyon 252 Response and Support	11.RD.AB133C-08-CQ-0028/TO #5	
Direct Awards:		
LSU A&M College (Baton Rouge)		75,824
Development of Economical Methods to Purify Salmon Oil for Human Consumption	11.RD.unknown	
Through: Alaska Fisheries Development Foundation		
Louisiana State University Agricultural Center		54,042
Decision Support to Local Governments in Budget Planning Under Coastal Risk	11.RD.USM-GR03091-R/MG/CSP-03	
Through: University of Southern Mississippi (#NA07OAR4170510)		
Louisiana State University Agricultural Center		10,887
Total Research and Development Cluster		10,051,224
Total U.S. Department of Commerce		**$89,709,019**
U.S. DEPARTMENT OF DEFENSE		
Flood Plain Management Service	12.104	
Through: Shaw Environmental and Infrastructure, Inc.		
Southern University and A&M College (Baton Rouge)		$1,408
Planning Assistance to States	12.110	
Direct Awards:		
Executive Department		2,701
Payments to States in Lieu of Real Estate Taxes	12.112	
Direct Awards:		
Department of Treasury		86,004

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113	
Direct Awards:		
Department of Environmental Quality		$77,981
Basic and Applied Scientific Research	12.300	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		12,293
Through: Earth Tech, Inc. (#09S-12542-HI,1036773TASK5)		
Southern University and A&M College (Baton Rouge)		425,821
Through: Tetra Tech, Inc. (#1020877,1036773)		
Southern University and A&M College (Baton Rouge)		416,388
Total Basic and Applied Scientific Research		854,502
ROTC Language and Culture Training Grants	12.357	
Through: Institute for International Education		
Southern University and A&M College (Baton Rouge)		71,191
Military Construction, National Guard	12.400	
Direct Awards:		
Department of Military Affairs		56,567,148
National Guard Military Operations and Maintenance (O&M) Projects	12.401	
Direct Awards:		
Department of Military Affairs		14,698,963
National Guard ChalleNGe Program	12.404	
Direct Awards:		
Department of Military Affairs		10,229,751
Military Medical Research and Development	12.420	
Direct Awards:		
Southern University at New Orleans		400,622

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Basic Scientific Research	12.431	
Through: North Carolina A&T University		
Southern University and A&M College (Baton Rouge)		$10,095
Basic, Applied, and Advanced Research in Science and Engineering	12.630	
Through: CH2MHill, Inc. (#PO 909752/PO923644)		
Southern University and A&M College (Baton Rouge)		71,667
Air Force Defense Research Sciences Program	12.800	
Through: Clarkson Aerospace Corporation		
Southern University and A&M College (Baton Rouge)		154,447
Mathematical Sciences Grants Program	12.901	
Through: Shaw Environmental and Infrastructure, Inc. (#PO 291616, PO29744OP, and 416632)		
Southern University and A&M College (Baton Rouge)		14,707
Schools and Roads/Sale of Timber	12.10 USC.2665	
Direct Awards:		
Department of Treasury		206,682
Louisiana Junior Science and Humanities Symposium 2009-2010	12.35602	
Through: Academy of Applied Science (#W911NF-04-1-0001)		
LSU A&M College (Baton Rouge)		17,301
Navy Junior Reserve Officers Training Corps (NJROTC)	12.DODFMR 1205.13	
Through: Naval Services Training Command		
Department of Education		519,607
Scalable Proactive Fault Tolerances	12.H98230-08-C-0262	
Direct Awards:		
Louisiana Tech University		36,948
Joint Readiness Training Center	12.MIPR0ADATTG003	
Direct Awards:		
Department of Military Affairs		193,039
ROTC Chinese and Arabic Language Culture Project for the National Security Education Program	12.U634003-LSU	
Through: Institute of International Education (#W9137B-07-0064)		
LSU A&M College (Baton Rouge)		152,545

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
FC/MR&T, Mississippi River Levee Vidalia to Moreville, LA	12.Unknown	
Direct Awards:		
Department of Transportation and Development		$2,101,682
SHAW LAAP	12.unknown	
Through: Shaw Environmental and Infrastructure, Inc.		
Southern University and A&M College (Baton Rouge)		84,298
Blinded Veterans and Warriors	12.W911QY-09-C-0116	
Direct Awards:		
Louisiana Tech University		59,899
Entrainment of Fish Species by Water Diversions in the Lower Mississippi River	12.W912HZ-09-C-0074	
Direct Awards:		
Nicholls State University		66,282
Real-Time Kinematic Global Positioning Service for LA	12.W912P8-09-T0143	
Direct Awards:		
Department of Transportation and Development		79,961
Research and Development Cluster:		
Procurement Technical Assistance for Business Firms	12.002	
Direct Awards:		
University of Louisiana at Lafayette		359,872
Emergency Operations Flood Response and Post Flood Response	12.103	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		1,791
Flood Plain Management Service	12.104	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		85,770
Planning Assistance to States	12.110	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		227,203

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Collaborative Research and Development	12.114	
Direct Awards:		
LSU A&M College (Baton Rouge)		($7,199)
Louisiana Universities Marine Consortium		176,884
Southern University and A&M College (Baton Rouge)		60,766
Through: EYAK Technology (#W912HZ - 05-D-0015)		
Louisiana Universities Marine Consortium		10,075
Basic and Applied Scientific Research	12.300	
Direct Awards:		
LSU A&M College (Baton Rouge)		471,400
Louisiana Universities Marine Consortium		170,000
Southeastern Louisiana University		48,126
Southern University and A&M College (Baton Rouge)		287,908
University of Louisiana at Lafayette		3,120
University of New Orleans		898,263
Through: Mississippi State University (#N00173-09-2-C901)		
LSU A&M College (Baton Rouge)		40,083
Through: Woods Hole Oceanographic Institution (#N00014-08-1-0090)		
LSU A&M College (Baton Rouge)		15,512
Through: CFD Research Corporation		
Louisiana Tech University		10,004
Through: eVenture Technologies, LLC (#N69250-07-D-0300)		
University of New Orleans		145,993
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,771
Through: University of Nebraska-Lincoln (#HDTRA1-07-1-0008)		
LSU A&M College (Baton Rouge)		9,969

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Research on Chemical and Biological Defense	12.360	
Direct Awards:		
Louisiana State University Agricultural Center		$349,899
Military Medical Research and Development	12.420	
Direct Awards:		
LSU A&M College (Baton Rouge)		60,981
Louisiana State University Agricultural Center		(1,899)
LSUHSC New Orleans		102,898
LSU Pennington Biomedical Research Center		1,319,990
LSUHSC - Shreveport		460,246
University of Louisiana at Monroe		66,077
Through: University of Rochester, NY		
LSUHSC - Shreveport		37
Through: H M Jackson Fdn Advanc. Military Med		
LSUHSC - Shreveport		10,549
Through: Mary Bird Perkins Cancer Center (#W81XWH-10-1-0005)		
LSU A&M College (Baton Rouge)		5,792
Through: University of North Carolina		
LSUHSC New Orleans		478,030
Basic Scientific Research	12.431	
Direct Awards:		
LSU A&M College (Baton Rouge)		30,124
Southern University and A&M College (Baton Rouge)		205,718
University of New Orleans		71,377
Through: SRI International (#W911NF-06-1-0316)		
LSU A&M College (Baton Rouge)		715
Through: Tulane University		
LSUHSC New Orleans		281,083
Through: Tennessee Technological University (#P0003983)		
Louisiana Tech University		21,015
Through: Tulane University (Sub TUL-596-09/10)		
University of New Orleans		15,368
Through: University of Illinois at Urbana-Champaign (#W911NF-05-1-0397)		
LSU A&M College (Baton Rouge)		100,476

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	
Direct Awards:		
LSU A&M College (Baton Rouge)		$181,386
Louisiana Tech University		105,637
Southern University and A&M College (Baton Rouge)		19,000
University of New Orleans		15,861
Through: ASEE		
Louisiana Tech University		5,756
Science, Technology, Engineering and Mathematics (STEM) Educational Program: Science, Mathematics and Research for Transformation (SMART)	12.631	
Through: ASEE		
Louisiana Tech University		5,377
Air Force Defense Research Sciences Program	12.800	
Direct Awards:		
LSU A&M College (Baton Rouge)		489,068
Louisiana Tech University		622,788
Southern University and A&M College (Baton Rouge)		91,590
University of Louisiana at Lafayette		203,588
Through: Clarkson Aerospace-Air Force (#FA8650-05-D-1912)		
Grambling State University		167,131
Through: Georgia Institute of Technology (#FA8650-07-C-774)		
LSU A&M College (Baton Rouge)		23,000
Through: Radiance Technologies (#07S-0782)		
Louisiana Tech University		300,522
Through: Radiance Technologies (#07S-0783)		
Louisiana Tech University		15,216
Through: Clarkson Aerospace Corporation (#08-S567-0010-02-C1)		
Louisiana Tech University		73,524
Through: Clarkson Aerospace Corporation (#08-S567-0011-02-C1)		
Louisiana Tech University		34,734
Through: Clarkson Aerospace Corporation (#09-S567-0010-02-C2)		
Louisiana Tech University		52,766
Through: Clarkson Aerospace Corporation (#10-S567-0013-02-C2)		
Louisiana Tech University		78,431
Through: Clarkson Aerospace Corporation (#SI08-S567-0011-02-C2)		
Louisiana Tech University		10,780

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Mathematical Sciences Grants Program	12.901	
Direct Awards:		
LSU A&M College (Baton Rouge)		$79,910
Information Security Grant Program	12.902	
Direct Awards:		
Louisiana Tech University		254,669
University of New Orleans		72,714
Research and Technology Development	12.910	
Direct Awards:		
LSU A&M College (Baton Rouge)		13,069
Louisiana Tech University		99,617
University of New Orleans		3,400,829
Very Low Capacitative Fabric	12.09S-0892	
Through: Radiance Technologies		
Louisiana Tech University		28,842
Volume Protection Phase II	12.09S-1381	
Through: Radiance Technologies (#09S-1381)		
Louisiana Tech University		134,948
Multiscale Modeling of Thermal Transports in Nanocomposites	12.09-S587-070-01-C1	
Through: Universal Technology Corporation (#09-S587-070-01-C1)		
Louisiana Tech University		23,509
Simulation of CO2 Capture Ionic	12.119125	
Through: Pacific Northwest National Lab (#119125)		
Louisiana Tech University		4,280
Loxahatchee Refuge	12.401819P594	
Direct Awards:		
University of Louisiana at Lafayette		18,467
NanoStructured Ammo	12.GeorgiaNanoFab	
Through: Georgia NanoFab		
Louisiana Tech University		(848)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Remote Suspect ID	12.LTU-09-C-0191-01	
Through: Assured Information Systems		
Louisiana Tech University		$396,423
DARPA - Identification and Development of a New, Broad Spectrum Antibiotic for Pathogens	12.MDA 9729710008	
Through: Stanford University		
LSUHSC - Shreveport		2,404
Guidelines and Rules Instrument for Displays in 3D-Phase II	12.N66604-08-C0831	
Through: Aptima, Inc. (#0468-1403)		
University of Louisiana at Lafayette		68,035
App of Urban ISR	12.N68335-10-C0221	
Through: Aechelon Technologies, Inc.		
University of Louisiana at Lafayette		12,818
Assisted Migration as a Management Tool in Coastal Ecosystems Threatened	12.RD.09-24	
Through: Southern Illinois University (#W912HQ-09-C-0028)		
LSU A&M College (Baton Rouge)		14,154
A Robust Hybrid I/O Storage Hierarch for Future High-End Computer Systems	12.RD.21897	
Through: University of Delaware (#H98230-08-C-0374)		
LSU A&M College (Baton Rouge)		35,856
Military Health Behaviors	12.RD.DAMD17-03-2-0030	
Direct Awards:		
LSU Pennington Biomedical Research Center		75,345
Hypervelocity Impact Gauge Mitigation and Wear Prediction	12.RD.FA8601-08-P-0260	
Direct Awards:		
LSU A&M College (Baton Rouge)		10,000
An Integrated Constellation Sensor Simulation for Airborne ISR	12.RD.FA8650-09-M-1552	
Through: DCM Research Resources, LLC. (Sub #004-1)		
University of New Orleans		30,000

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Electrical Modeling of Nano-Fets for Designing of Emerging Integrated	12.RD.FA9401-08-P-0129	
Direct Awards:		
LSU A&M College (Baton Rouge)		$25,000
Dynamic Adaptive Execution Model for High Productivity Computing	12.RD.H98230-08-C-0269/R3-07-0202	
Direct Awards:		
LSU A&M College (Baton Rouge)		580,180
Titanium Friction Stir Welding: Phase 1 Feasibility Study	12.RD.N00014-07-D0049	
Through: Textron Marine and Land Systems (PO #64511)		
University of New Orleans		23,851
A Wave Energy Harvesting Concept: System Modeling, Developing, Testing, and Evaluation	12.RD.N00024-04-C-6200	
Through: Planning Systems, Inc. (PO #PRS1-00430)		
University of New Orleans		89,891
Design, Analysis, and Testing of Kalman Filter for Underwater	12.RD.N62306-09-3501	
Direct Awards:		
University of New Orleans		99,998
SPAWAR NOLA - Various Program Names Relating to Various Task Orders	12.RD.N69250-08-D-0302	
Direct Awards:		
University of New Orleans		2,785,420
Landscape Fire Models for the Avon Park Air Force Range	12.RD.W81XWH-04-2-0034	
Direct Awards:		
LSU A&M College (Baton Rouge)		24,828
Military Nutrition Research: Four Tasks to Address Personnel Readiness and Warfighter Performance	12.RD.W81XWH-05-2-0081	
Direct Awards:		
LSU Pennington Biomedical Research Center		1,870,452
Compact Night Vision Focal Plane Array Cooling Using FlexTEC High-Ztape: Nanomaterials Synthesis and Measurement	12.RD.W909MY-09-C-0004	
Through: Nanohmics, Inc. (Nan0888-FlexTEC)		
University of New Orleans		77,236

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Hurricane Storm Damage and Risk Reduction System	12.RD.W912P8-07-D-0071	
Through: Post, Buckley, Shuh and Jennigan, Inc. (Sub #100010986)		
University of New Orleans		$59,824
Through: Wetland Resources, LLC. (Sub #10003)		
University of New Orleans		76,919
Through: Coastal Planning and Engineering, Inc.		
University of New Orleans		34,558
ARRA - Ecological Services	12.unknown	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		203,354
COE - Internet Tool Development	12.unknown	
Direct Awards:		
University of Louisiana at Lafayette		26,500
COE - Wetlands Internet Tool	12.unknown	
Direct Awards:		
University of Louisiana at Lafayette		50,000
Luminescent Tracers	12.W15QKN-07-R-0206	
Direct Awards:		
University of Louisiana at Lafayette		909
Luminescent Ammunition	12.W15QKN-10-9-0001	
Direct Awards:		
University of Louisiana at Lafayette		365,527
3rd Generation Omni-Directional Treadmill	12.W911NF-07-2-0025	
Direct Awards:		
University of Louisiana at Lafayette		643,348
Genetic Approaches for Assisting in Management of Species	12.W912HZ-07-C-0043	
Direct Awards:		
University of Louisiana at Lafayette		12,003

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF DEFENSE (CONT.)		
Research and Development Cluster: (Cont.)		
Toxicity in Rats	12.W912HZ-08-C-0017	
Direct Awards:		
University of Louisiana at Monroe		$6,738
Topological Features and Dynamics of Gene Flow Newworks	12.W912HZ-09-2-0003	
Direct Awards:		
University of Louisiana at Lafayette		30,906
Wetland Plants	12.W912HZ-10-2-0005	
Direct Awards:		
University of Louisiana at Lafayette		2,230
Sediment Transport	12.W912HZ-10-P-0089	
Direct Awards:		
University of Louisiana at Lafayette		364
Total Research and Development Cluster		20,958,019
Total U.S. Department of Defense		**$107,717,450**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Emergency Shelter Grants Program	14.231	
Direct Awards:		
Department of Social Services		$1,407,923
Supportive Housing Program	14.235	
Direct Awards:		
Mental Health Area A (DHH)		367,593
Southeastern Louisiana University		133,870
Total Supportive Housing Program		501,463
Shelter Plus Care	14.238	
Direct Awards:		
Executive Department		3,408,537
Metropolitan Human Services District (DHH)		1,031,899
Total Shelter Plus Care		4,440,436

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
Housing Opportunities for Persons with AIDS	14.241	
Direct Awards:		
Office of Public Health		$997,932
ARRA - Neighborhood Stabilization Program (Recovery Act Funded)	14.256	
Direct Awards:		
Executive Department		1,831,623
ARRA - Homelessness Prevention and Rapid Re-Housing Program Technical Assistance	14.262	
Direct Awards:		
Department of Social Services		474,772
Fair Housing Assistance Program - State and Local		
Direct Awards:	14.401	
Department of Justice		225,642
Historically Black Colleges and Universities Program	14.520	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		195,548
Southern University at New Orleans		13,326
Southern University at Shreveport-Bossier City		220,529
Total Historically Black Colleges and Universities Program		429,403
Section 8 Housing Choice Vouchers	14.871	
Direct Awards:		
Executive Department		6,840,980
CPEX: Visions of Zachery, Louisiana	14.35756	
Through: Center for Planning Excellence (C-PEX) (#B-08-NI-LA-0019)		
LSU A&M College (Baton Rouge)		9,980
National Manufactured Home Construction and Safety Standard Act		
Direct Awards:	14.86X-8119	
Department of Public Safety and Corrections - Public Safety Services		90,519
Recovery Workforce Training Program	14.PL 109-148/CFR 570.201 (o)	
Direct Awards:		
Northshore Technical College		222,618

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (CONT.)		
CDBG - State-Administered Small Cities Programs Cluster:		
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	
Direct Awards:		
Executive Department		$1,213,257,797
ARRA - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - (Recovery Act Funded)	14.255	
Direct Awards:		
Executive Department		1,300,449
Total CDBG - State-Administered Small Cities Programs Cluster		1,214,558,246
Total U.S. Department of Housing and Urban Development		**$1,232,031,537**
U.S. DEPARTMENT OF THE INTERIOR		
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250	
Direct Awards:		
Department of Natural Resources		$129,347
Abandoned Mine Land Reclamation (AMLR) Program	15.252	
Direct Awards:		
Department of Natural Resources		132,883
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423	
Direct Awards:		
University of New Orleans		36,293
Marine Minerals Activities	15.424	
Direct Awards:		
Department of Natural Resources		124,613

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Coastal Impact Assistance Program (CIAP)	15.426	
Direct Awards:		
Department of Natural Resources		$54,160,390
Coastal Wetlands Planning, Protection and Restoration Act	15.614	
Direct Awards:		
Department of Wildlife and Fisheries		91,059
Clean Vessel Act	15.616	
Direct Awards:		
Department of Wildlife and Fisheries		4,746
Conservation Grants Private Stewardship for Imperiled Species	15.632	
Direct Awards:		
Department of Wildlife and Fisheries		71,620
U.S. Geological Survey - Research and Data Collection	15.808	
Direct Awards:		
LSU A&M College (Baton Rouge)		16,013
Through: Tulane University (#G09AC00329)		
Nicholls State University		12,520
Total U.S. Geological Survey - Research and Data Collection		28,533
Historic Preservation Fund Grants-In-Aid	15.904	
Direct Awards:		
Department of Culture, Recreation and Tourism		3,139,313
Outdoor Recreation - Acquisition, Development and Planning	15.916	
Direct Awards:		
Department of Culture, Recreation and Tourism		661,617
American Battlefield Protection	15.926	
Direct Awards:		
Department of Culture, Recreation and Tourism		649
Cooperative Agreements with the National Park Service	15.2005-02	
Direct Awards:		
Northwestern State University		83,247

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
U.S. Fish and Wildlife Service - Frog Research	15.701816M258	
Direct Awards:		
McNeese State University		$489
Atchafalaya National Heritage Area	15.CAH5041-08-0010	
Direct Awards:		
Department of Culture, Recreation and Tourism		86,733
USGS NSDI Partnership Program Structures Stewardship Agreement	15.G09PX02464	
Direct Awards:		
LSU A&M College (Baton Rouge)		8,333
Cooperative Agreements with the National Park Service	15.G5720080002	
Direct Awards:		
Northwestern State University		8,979
Cooperative Agreements with the National Park Service	15.H2210050410	
Direct Awards:		
Northwestern State University		480,591
Fish and Wildlife Cluster:		
Sport Fish Restoration Program	15.605	
Direct Awards:		
Department of Wildlife and Fisheries		5,420,055
Wildlife Restoration	15.611	
Direct Awards:		
Department of Wildlife and Fisheries		124,500
Total Fish and Wildlife Cluster		5,544,555
Research and Development Cluster:		
Cultural Resource Management	15.224	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		17,152

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Louisiana State University Coastal Marine Institute	15.422	
Direct Awards:		
LSU A&M College (Baton Rouge)		$1,008,295
Louisiana State University Agricultural Center		163,529
Louisiana Universities Marine Consortium		79,458
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423	
Direct Awards:		
LSU A&M College (Baton Rouge)		156,140
Fish and Wildlife Management Assistance	15.608	
Direct Awards:		
University of Louisiana at Lafayette		60,904
University of New Orleans		38,478
Wildlife Restoration	15.611	
Direct Awards:		
Department of Wildlife and Fisheries		4,703,708
Cooperative Endangered Species Conservation Fund	15.615	
Direct Awards:		
LSU A&M College (Baton Rouge)		22
Department of Wildlife and Fisheries		160,261
Wildlife Conservation and Restoration	15.625	
Direct Awards:		
Department of Wildlife and Fisheries		14,365
Hunter Education and Safety Program	15.626	
Direct Awards:		
Department of Wildlife and Fisheries		1,469,308
Coastal Program	15.630	
Direct Awards:		
University of Louisiana at Lafayette		5,764

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Partners for Fish and Wildlife	15.631	
Direct Awards:		
Department of Wildlife and Fisheries		$480
Conservation Grants Private Stewardship for Imperiled Species	15.632	
Direct Awards:		
Department of Wildlife and Fisheries		72,874
University of New Orleans		3,295
Landowner Incentive Program	15.633	
Direct Awards:		
Department of Wildlife and Fisheries		35,057
State Wildlife Grants	15.634	
Direct Awards:		
Department of Wildlife and Fisheries		982,818
Through: Wildlife Management Institute		
Department of Wildlife and Fisheries		23,147
Migratory Bird Joint Ventures	15.637	
Through: Ducks Unlimited Inc. (#201814J870)		
Louisiana State University Agricultural Center		35,132
Marine Turtle Conservation Fund	15.645	
Direct Awards:		
Southeastern Louisiana University		48,832
Service Training and Technical Assistance (Generic Training)	15.649	
Direct Awards:		
University of Louisiana at Lafayette		8,014
Research Grants (Generic)	15.650	
Direct Awards:		
University of Louisiana at Lafayette		785

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Assistance to State Water Resources Research Institutes	15.805	
Direct Awards:		
LSU A&M College (Baton Rouge)		$94,812
Through: LSU Coastal Studies Institute (#C175820)		
Louisiana Universities Marine Consortium		29,229
U.S. Geological Survey - Research and Data Collection	15.808	
Direct Awards:		
LSU A&M College (Baton Rouge)		15,286
Louisiana State University Agricultural Center		41,013
University of Louisiana at Lafayette		282,911
University of New Orleans		336,756
Through: University of Louisiana at Lafayette (#08-0331)		
Louisiana Universities Marine Consortium		19,377
Through: Tulane University (#LUMCON-LEAG)		
Louisiana Universities Marine Consortium		5,038
National Cooperative Geologic Mapping Program	15.810	
Direct Awards:		
LSU A&M College (Baton Rouge)		91,787
Cooperative Research Units Program	15.812	
Direct Awards:		
LSU A&M College (Baton Rouge)		10,419
Louisiana State University Agricultural Center		68,137
National Geological and Geophysical Data Preservation Program	15.814	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,800
U.S. Geological Survey	15.07CRCN0027	
Direct Awards:		
University of Louisiana at Lafayette		21,990
U.S. Geological Survey	15.08HQGR0157	
Through: Montana State University (#AV08-LA01)		
University of Louisiana at Lafayette		31,392

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
CORPS WVA	15.1000109896	
Through: Wetland Resource, LLC (#10003)		
University of Louisiana at Lafayette		$253
Hydrodynamic and Water Quality Modeling Study	15.401814M204	
Direct Awards:		
University of Louisiana at Lafayette		32,671
Molicy Unit Tree Research	15.42651A0111	
Direct Awards:		
University of Louisiana at Monroe		1,071
U.S. Geological Survey - National Wetlands Research Center Interns	15.99CRBA0001	
Direct Awards:		
University of Louisiana at Lafayette		114,987
National Park Service - Interns	15.9H500070440	
Direct Awards:		
University of Louisiana at Lafayette		16,637
National Park Service - Jean Lafitte	15.H7530080035	
Direct Awards:		
University of Louisiana at Lafayette		11,264
Evaluating and Collecting Acid Precipitation	15.RD.06HQSA0031	
Direct Awards:		
Louisiana State University Agricultural Center		3,100
Delta Regional Ecosystem Restoration Implementation Plan (DRERIP)	15.RD.08WRSA0151	
Direct Awards:		
University of New Orleans		26,148
New Wave Current Information System (WAVCIS)	15.RD.32806/#39273	
Ocean Observing Station on Ship Shoal		
Direct Awards:		
LSU A&M College (Baton Rouge)		2,771
Advancing Techniques for Rapid Documentation of Heritage Resources	15.RD.H2210070290/J2210090396/TO#2	
Direct Awards:		
LSU A&M College (Baton Rouge)		7,152

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Backlog Cataloging Natural History	15.RD.H5000070410/J7531080031	
Direct Awards:		
LSU A&M College (Baton Rouge)		$16,655
Inventory of Vascular Plants on Gulf Islands National	15.RD.J2115040014/H5000030400	
Direct Awards:		
LSU A&M College (Baton Rouge)		72,399
Factors Affecting Petroleum Exploration and Development and Their Impacts on the Attractiveness and Prospectively of the Gulf of Mexico Deepwater	15.RD.M05AC12277	
Direct Awards:		
LSU A&M College (Baton Rouge)		52
Spatial Restructuring and Fiscal Impacts in the Wake of Disaster: The Case of the Oil and Gas Industry Following Hurricanes Katrina and Rita	15.RD.M05AC12279	
Direct Awards:		
LSU A&M College (Baton Rouge)		3,183
Marginal Production in the Gulf of Mexico and Lost Production from Early Decommissioning	15.RD.M08AC12864	
Direct Awards:		
LSU A&M College (Baton Rouge)		82,156
Deep-Water Coral Distribution and Abundance on Active Offshore Oil and Gas Platforms	15.RD.M08AC12865	
Direct Awards:		
LSU A&M College (Baton Rouge)		59,449
Platform Recruited Reef Fish, Phase II	15.RD.M08AX12679	
Direct Awards:		
LSU A&M College (Baton Rouge)		207,551

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF THE INTERIOR (CONT.)		
Research and Development Cluster: (Cont.)		
Gulf Coast Subsidence and Wetland Loss: A Synthesis of Recent Research	15.RD.M08AX12683	
Direct Awards:		
LSU A&M College (Baton Rouge)		$23
A Study of Long-Term Trends in Environmental Parameters Along the Louisiana/Mississippi Outer Continental Shelf	15.RD.M08AX12685	
Direct Awards:		
LSU A&M College (Baton Rouge)		59,780
Analysis of the Real-Time MMS ADCPS From Oil Platforms and the Effects of Loop Current and Loop Current Eddies	15.RD.M08AX12686	
Direct Awards:		
LSU A&M College (Baton Rouge)		54,863
Diversifying Energy Industry Risk in the Gulf of Mexico	15.RD.M08AX12687	
Direct Awards:		
LSU A&M College (Baton Rouge)		24,791
Characteristics, Behavior, and Response Effectiveness of Spilled Dielectric Fluids	15.RD.M09PC00002	
Direct Awards:		
LSU A&M College (Baton Rouge)		64,096
Occurrence Data for the 2417 Species of Coleoptera in Great Smoky Mountains	15.RD.unknown	
Direct Awards:		
Louisiana State University Agricultural Center		500
Total Research and Development Cluster		11,003,317
Total U.S. Department of the Interior		**$75,797,307**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE		
Asset Forfeiture	16.000	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$338,433
Sexual Assault Services Formula Program	16.017	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		32
Comprehensive Approaches to Sex Offender Management Discretionary Grant	16.203	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		25,272
Services for Trafficking Victims	16.320	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		1,460,827
Through: City of New Orleans		
LSUHSC New Orleans		35,786
Total Services for Trafficking Victims		1,496,613
Juvenile Accountability Block Grants	16.523	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		661,720
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	
Direct Awards:		
University of Louisiana at Monroe		67,304
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		862,392
Missing Children's Assistance	16.543	
Direct Awards:		
Department of Justice		306,147
Title V-Delinquency Prevention Program	16.548	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		81,727
State Justice Statistics Program for Statistical Analysis Centers	16.550	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		50,365

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
National Criminal History Improvement Program (NCHIP)	16.554	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		$187,527
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	
Direct Awards:		
Department of Justice		151,227
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		204,409
Total National Institute of Justice Research, Evaluation, and Development Project Grants		355,636
Crime Victim Assistance	16.575	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		3,612,685
Crime Victim Compensation	16.576	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		966,479
Edward Byrne Memorial Formula Grant Program	16.579	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		41,802
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	
Direct Awards:		
Grambling State University		18,078
Violence Against Women Formula Grants	16.588	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		1,614,651
ARRA - Violence Against Women Formula Grants	16.588	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		503,773
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		320,723

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
The Community-Defined Solutions to Violence Against Women Grant Program	16.590	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		$940,844
Residential Substance Abuse Treatment for State Prisoners	16.593	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		359,970
Corrections - Training and Staff Development	16.601	
Direct Awards:		
Central Louisiana Technical College		43,226
State Criminal Alien Assistance Program	16.606	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		149,707
Project Safe Neighborhoods	16.609	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		60,306
Public Safety Partnership and Community Policing Grants	16.710	
Direct Awards:		
Northwestern State University		48,631
Juvenile Mentoring Program	16.726	
Through: Institute for Educational Leadership		
LSUHSC New Orleans		40,218
Enforcing Underage Drinking Laws Program	16.727	
Direct Awards:		
Department of Revenue		493,872
Protecting Inmates and Safeguarding Communities Discretionary Grant Program	16.735	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		361,589
Edward Byrne Memorial Justice Assistance Grant Program	16.738	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		7,328,787

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
Statewide Automated Victim Information Notification (SAVIN) Program	16.740	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		$207,199
Forensic DNA Backlog Reduction Program	16.741	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		2,426,028
Anti-Gang Initiative	16.744	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		78,159
Capital Case Litigation	16.746	
Direct Awards:		
Louisiana Public Defender Board		4,536
ARRA - Recovery Act - Internet Crimes Against Children Task Force Program (ICAC)	16.800	
Direct Awards:		
Department of Justice		104,655
ARRA - Recovery Act - State Victim Assistance Formula Grant Program	16.801	
Direct Awards:		
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		593,914
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.803	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		102,496
Louisiana Commission on Law Enforcement and the Administration of Criminal Justice		10,134,489
Total ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories		10,236,985
Second Chance Act Prisoner Reentry Initiative	16.812	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		598,373
Hurricane Katrina Fraud Task Force (HKFTF)	16.20087	
Direct Awards:		
LSU A&M College (Baton Rouge)		333,813

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
ARRA - Hurricane Katrina Fraud Task Force (HKFTF)	16.20087	
Direct Awards:		
LSU A&M College (Baton Rouge)		$234,702
Statewide Drug Court Enhancement Grant	16.2004-DC-BX-0062	
Direct Awards:		
Supreme Court of Louisiana		92,508
Law Enforcement Online (LEO) VICAP	16.34671	
Direct Awards:		
LSU A&M College (Baton Rouge)		622,054
Office of the Federal Detention Trustee (OFDT)	16.35079	
Direct Awards:		
LSU A&M College (Baton Rouge)		64,096
Federal Bureau of Investigation	16.62F-NO-A71664	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		1,049
Law Enforcement Online (LEO) Infragard IX	16.6869/33583	
Direct Awards:		
LSU A&M College (Baton Rouge)		871,669
LEO - Operations and Maintenance FY 2007-Phase XIII	16.6968/32169	
Direct Awards:		
LSU A&M College (Baton Rouge)		110,753
Law Enforcement Online (LEO) VICAP	16.6968/32254	
Direct Awards:		
LSU A&M College (Baton Rouge)		(1,395)
LEO - Operations and Maintenance FY 2008-Phase XIV	16.6968/33351	
Direct Awards:		
LSU A&M College (Baton Rouge)		8,133,866
Infragard Phase X	16.6968/34841	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,019,101

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
LEO Operations and Maintenance Phase XV	16.6968/34883	
Direct Awards:		
LSU A&M College (Baton Rouge)		$4,934,019
Law Enforcement Online (LEO) FBI.Gov Content Management	16.6968/34936	
Direct Awards:		
LSU A&M College (Baton Rouge)		190,767
Federal Bureau of Investigation	16.88A-NO-C72868	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		17,684
Federal Bureau of Investigation	16.I66E-NO-54661	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		12,657
Drug Enforcement Administration	16.SE-LAE-247H	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		10,566
Drug Enforcement Administration	16.SE-LAE-269	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		1
Drug Enforcement Administration	16.SE-LAM-041H	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		3
Drug Enforcement Administration	16.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		2,031,101
Criminal CGRT	16.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		11,666
Federal Bureau of Investigation	16.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		24,513

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF JUSTICE (CONT.)		
U.S. Marshall's Service	16.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$29,886
Research and Development Cluster:		
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	
Direct Awards:		
LSU A&M College (Baton Rouge)		323,964
US v IMC Phosphates Company (DJ File #90-7-1-08388) - Phase 1	16.RD.DJJ-10W-ENR01-0233	
Direct Awards:		
LSU A&M College (Baton Rouge)		55
Total Research and Development Cluster		324,019
Total U.S. Department of Justice		**$54,657,456**
U.S. DEPARTMENT OF LABOR		
Labor Force Statistics	17.002	
Direct Awards:		
Louisiana Workforce Commission		$1,348,895
Compensation and Working Conditions	17.005	
Direct Awards:		
Louisiana Workforce Commission		107,516
Unemployment Insurance	17.225	
Direct Awards:		
Louisiana Workforce Commission		703,714,375
ARRA - Unemployment Insurance	17.225	
Direct Awards:		
Louisiana Workforce Commission		317,203,392
Senior Community Service Employment Program	17.235	
Direct Awards:		
Governor's Office of Elderly Affairs		1,709,838
Through: The National Council on the Aging, Inc.		
University of Louisiana at Monroe		905,554
Total Senior Community Service Employment Program		2,615,392

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
ARRA - Senior Community Service Employment Program	17.235	
Direct Awards:		
Governor's Office of Elderly Affairs		$234,556
Through: The National Council on the Aging, Inc.		
University of Louisiana at Monroe		130,574
Total ARRA - Senior Community Service Employment Program		365,130
Trade Adjustment Assistance	17.245	
Direct Awards:		
Louisiana Workforce Commission		2,422,220
WIA Pilots, Demonstrations, and Research Projects	17.261	
Direct Awards:		
L.E. Fletcher Technical Community College		506,313
Louisiana Delta Community College		205,909
Southern University at Shreveport-Bossier City		110,450
Through: Mississippi State University (#AF-13921-04-60)		
Louisiana State University Agricultural Center		9,977
Total WIA Pilots, Demonstrations, and Research Projects		832,649
Work Incentive Grants	17.266	
Direct Awards:		
Louisiana Workforce Commission		275,117
H-1B Job Training Grants	17.268	
Direct Awards:		
Acadiana Technical College		165,716
Work Opportunity Tax Credit Program (WOTC)	17.271	
Direct Awards:		
Louisiana Workforce Commission		410,470
Temporary Labor Certification for Foreign Workers	17.273	
Direct Awards:		
Louisiana Workforce Commission		114,779
Youthbuild		
Direct Awards:	17.274	
Northeast Louisiana Technical College		413,005
Northshore Technical College		379,998
Total Youthbuild		793,003

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	
Direct Awards:		
Acadiana Technical College		$62,680
Louisiana Workforce Commission		48,695
Southern University at Shreveport-Bossier City		129,078
Total Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors		240,453
Consultation Agreements	17.504	
Direct Awards:		
Louisiana Workforce Commission		911,687
Mine Health and Safety Education and Training	17.602	
Direct Awards:		
Northshore Technical College		91,603
WIA Dislocated Worker National Reserve - Technical Assistance and Training	17.999	
Direct Awards:		
Louisiana Workforce Commission		27,947
Employment Service Cluster:		
Employment Service/Wagner-Peyser Funded Activities	17.207	
Direct Awards:		
Louisiana Workforce Commission		8,237,514
ARRA - Employment Service/Wagner-Peyser Funded Activities	17.207	
Direct Awards:		
Louisiana Workforce Commission		941,354
Disabled Veterans' Outreach Program (DVOP)	17.801	
Direct Awards:		
Louisiana Workforce Commission		896,592
Local Veterans' Employment Representative Program	17.804	
Direct Awards:		
Louisiana Workforce Commission		942,790
Total Employment Service Cluster		11,018,250

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF LABOR (CONT.)		
Research and Development Cluster:		
WIA Pilots, Demonstrations, and Research Projects	17.261	
Direct Awards:		
Southeastern Louisiana University		$10,615
WIA Cluster:		
WIA Adult Program	17.258	
Direct Awards:		
Louisiana Workforce Commission		15,599,338
ARRA - WIA Adult Program	17.258	
Direct Awards:		
Louisiana Workforce Commission		5,987,884
WIA Youth Activities	17.259	
Direct Awards:		
Louisiana Workforce Commission		14,535,246
Through: The Coordinating and Development Center		
Bossier Parish Community College		74,665
Through: EBR Parish, BR Workforce Investment Board		
LSU A&M College (Baton Rouge)		91,983
Through: Tangipahoa Parish School System		
LSU A&M College (Baton Rouge)		163,356
ARRA - WIA Youth Activities	17.259	
Direct Awards:		
Louisiana Workforce Commission		13,504,703
WIA Dislocated Workers	17.260	
Direct Awards:		
Louisiana Workforce Commission		18,868,230
ARRA - WIA Dislocated Workers	17.260	
Direct Awards:		
Louisiana Workforce Commission		5,274,699
Total WIA Cluster		74,100,104
Total U.S. Department of Labor		**$1,116,769,313**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF STATE		
One-Time International Exchange Grant Program	19.014	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$97,681
Professional and Cultural Exchange Programs - Citizen Exchanges	19.415	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		217,598
Edmund S. Muskie Fellowship		
Through: IREX	19.IREX	
Louisiana Tech University		3,878
Total U.S. Department of State		**$319,157**
U.S. DEPARTMENT OF TRANSPORTATION		
National Motor Carrier Safety	20.218	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		$3,723,830
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223	
Direct Awards:		
Louisiana Transportation Authority		66,000,000
Commercial Driver's License Program Improvement Grant	20.232	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		54,778
Supreme Court of Louisiana		269,293
Total Commercial Driver's License Program Improvement Grant		324,071
Commercial Vehicle Information Systems and Networks (CVISN)	20.237	
Direct Awards:		
Department of Transportation and Development		618,875
Metropolitan Planning Program	20.505	
Direct Awards:		
Department of Transportation and Development		901,897
Formula Grants for Other Than Urbanized Areas	20.509	
Direct Awards:		
Department of Transportation and Development		9,662,025

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
ARRA - Formula Grants for Other Than Urbanized Areas	20.509	
Direct Awards:		
Department of Transportation and Development		$1,072,256
Alcohol Open Container Requirements	20.607	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		5,737,005
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		5,737,005
Pipeline Safety Program Base Grants	20.700	
Direct Awards:		
Department of Natural Resources		822,927
Interagency Hazardous Material: Sector and Planning Grants	20.703	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		396,120
Commercial Vehicle Accident Reporting System	20.21115TND	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		5,299
Tier II University Transportation Center	20.DTRT06-G-0031	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,000
Federal Transit Cluster:		
Federal Transit - Capital Investment Grants	20.500	
Direct Awards:		
Department of Transportation and Development		121,294
Southeastern Louisiana University		745,144
Federal Transit Formula Grants	20.507	
Direct Awards:		
Department of Transportation and Development		869,131
Total Federal Transit Cluster		1,735,569

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Highway Planning and Construction Cluster:		
Highway Planning and Construction Program	20.205	
Direct Awards:		
Department of Transportation and Development		$730,231,462
ARRA - Highway Planning and Construction Program	20.205	
Direct Awards:		
Department of Transportation and Development		83,813,077
Recreational Trails Program	20.219	
Direct Awards:		
Department of Transportation and Development		1,268,740
Total Highway Planning and Construction Cluster		815,313,279
Highway Safety Cluster:		
State and Community Highway Safety	20.600	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		2,764,964
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		4,568,318
Occupant Protection	20.602	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		368,845
Safety Belt Performance Grants	20.609	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		900,090
State Traffic Safety Information System Improvement Grants	20.610	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		385,518
Incentive Grant Program to Increase Motorcyclist Safety	20.612	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		57,476
Total Highway Safety Cluster		9,045,211

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Research and Development Cluster:		
Highway Research and Development Program	20.200	
Through: National Academy of Sciences (#HR-14-19)		
Louisiana Tech University		$87,467
Public Transportation Research	20.514	
Direct Awards:		
University of New Orleans		93,743
National Highway Transportation Safety Administration	20.614	
Discretionary Safety Grants		
Direct Awards:		
Department of Transportation and Development		35,448
University Transportation Centers Program	20.701	
Through: San Jose University Research Foundation (Sub #2904)		
University of New Orleans		24,508
Biobased Transportation Research	20.761	
Through: Oklahoma State University (#DTOS59-07-G-00053)		
Louisiana State University Agricultural Center		37,385
Through: Texas A&M University - Texas Agrilife Research (#DTOS59-07-G-00053)		
Louisiana State University Agricultural Center		37,022
Research Grants	20.762	
Through: National Academy of Sciences (#SHFP R-01)		
Louisiana Tech University		45,241
Application of Transims for the Multimodal Microscale Simulation of the New	20.RD.DTFH61-06-C-00044	
Direct Awards:		
LSU A&M College (Baton Rouge)		(3,763)
An Integrated Approach to Modeling Evacuation Behavior	20.RD.DTRT06-G-0031	
Direct Awards:		
LSU A&M College (Baton Rouge)		18,009

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF TRANSPORTATION (CONT.)		
Research and Development Cluster: (Cont.)		
Resilient Transportation: An Integrated Corridor Management Approach	20.RD.DTRT06-G-0031	
Direct Awards:		
LSU A&M College (Baton Rouge)		$14,552
Tier II University Transportation Center	20.RD.DTRT06-G-0031	
Direct Awards:		
LSU A&M College (Baton Rouge)		404,626
Total Research and Development Cluster		794,238
Transit Service Program Cluster:		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	
Direct Awards:		
Department of Transportation and Development		2,063,099
Job Access Reverse Commute	20.516	
Direct Awards:		
Department of Transportation and Development		651,550
Total Transit Service Program Cluster		2,714,649
Total U.S. Department of Transportation		**$924,606,256**
U.S. DEPARTMENT OF THE TREASURY		
Low Income Taxpayer Clinics	21.008	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$70,000
Total U.S. Department of the Treasury		**$70,000**
U.S. POSTAL SERVICE		
U.S. Postal Service - Fixed Price Contract	22.216565-89-P-0444	
Direct Awards:		
Nicholls State University		$6,000
Total U.S. Postal Service		**$6,000**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION		
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	
Direct Awards:		
Executive Department		$46,550
Total Equal Employment Opportunity Commission		**$46,550**
GENERAL SERVICES ADMINISTRATION		
Donation of Federal Surplus Personal Property	39.003	
Direct Awards:		
Executive Department		$1,401,443
Total General Services Administration		**$1,401,443**
U.S. LIBRARY OF CONGRESS		
Teaching with Primary Sources	42.GA08C0022	
Direct Awards:		
Southeastern Louisiana University		$146,723
Total U.S. Library of Congress		**$146,723**
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		
Aeronautics	43.002	
Through: Jacobs Technology		
Southern University and A&M College (Baton Rouge)		$405,450
Through: United Negro College Fund (#HRD-0202178)		
Southern University and A&M College (Baton Rouge)		33,679
Total Aeronautics		439,129
Louisiana Space Grant Consortium	43.NNG05GH22H	
Direct Awards:		
LSU A&M College (Baton Rouge)		122,398
Molecular Mechanisms for the Persistence, Protection, and Repair of DNA	43.NNG05GN49G	
Direct Awards:		
LSU A&M College (Baton Rouge)		11,745
The Swift Redshift Catalog and Rapid Redshift Notification Service (Limin Xiao)	43.NNX07AT08H	
Direct Awards:		
LSU A&M College (Baton Rouge)		27,601

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
A Multi-Wavelength Study of Dust Production in Type II Supernovae	43.NNX08AV36H	
Direct Awards:		
LSU A&M College (Baton Rouge)		$21,000
Research and Development Cluster:		
Science	43.001	
Direct Awards:		
Board of Regents for Higher Education		563,384
Southern University and A&M College (Baton Rouge)		12,859
Aeronautics	43.002	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		62,850
Aerospace Education Services Program	43.NNS05AA95C	
Direct Awards:		
Board of Regents for Higher Education		266,984
NASA Curriculum Improvement	43.NNX09AU97G	
Direct Awards:		
Grambling State University		50,986
Spatial and Temporal Variability in Chlorophyll, Primary Production and Carbon Export in the Bering Sea Linked to Climate Change	43.RD.2008-6	
Through: Bigelow Laboratory for Ocean Sciences (#NNX07AR15G)		
LSU A&M College (Baton Rouge)		125,905
From Stars to Genes: An Integrated Study of the Prospects of Life in the	43.RD.2090GGB117/4-443869-EY-23204	
Through: University of California, Los Angeles		
LSU A&M College (Baton Rouge)		6,503
SEEDS: The Search for Evolution of Emissions from Dust in Supernovae with HST	43.RD.HST-GO-11229.03-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		186
A Comprehensive Study of Dust Formation in Type II Supernovae With HST	43.RD.HST-GO-11603.03-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		39,561
Polarimetric WFPC2 Imaging of the Dust Torus Around the Born-Again Star V60	43.RD.HST-GO-11985.01-A	
Through: Space Telescope Science Institute (#NAS5-26555)		
LSU A&M College (Baton Rouge)		9,355

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
A Gulf-Coast Monitoring and Hazards Decision Support Tool	43.RD.NNA07CN12A	
Direct Awards:		
LSU A&M College (Baton Rouge)		$160,404
Louisiana Space Grant Consortium	43.RD.NNG05GH22H	
Direct Awards:		
LSU A&M College (Baton Rouge)		849,881
Molecular Mechanisms for the Persistence, Protection, and Repair of DNA and Proteins Under Extreme Radiation, UV Light, and Desiccating Conditions	43.RD.NNG05GN49G	
Direct Awards:		
LSU A&M College (Baton Rouge)		8,490
National Center for Advanced Manufacturing	43.RD.NNM07AA14A	
Through: University of New Orleans Research and Technology Fd.(Sub #58732-S1)		
University of New Orleans		210,896
Littoral Acoustic Demonstration Center: Acoustics to Detect Beached Whales	43.RD.NNS07AA65T	
Through: University of Southern Mississippi (USM-GR02884-01)		
University of New Orleans		52,659
Echo - Tomography of Cygnus X-2	43.RD.NNX06AG87G	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,375
Research Opportunities in Space and Earth Sciences - 2006	43.RD.NNX07AC65G	
Direct Awards:		
LSU A&M College (Baton Rouge)		111,589
Numerical Simulations of Interacting Binaries	43.RD.NNX07AG84G	
Direct Awards:		
LSU A&M College (Baton Rouge)		96,846
A Large Scale Multi-Color Photometric Survey of Trans-Neptunian Objects	43.RD.NNX07AK67G	
Direct Awards:		
LSU A&M College (Baton Rouge)		14,726
The Swift Redshift Catalog and Rapid Redshift Notification Service (Limin Xiao)	43.RD.NNX07AT08H	
Direct Awards:		
LSU A&M College (Baton Rouge)		(592)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (CONT.)		
Research and Development Cluster: (Cont.)		
Development of Advanced Fluid Structures Interaction (FSI) Methods	43.RD.NNX08AI95A	
Direct Awards:		
LSU A&M College (Baton Rouge)		$46,228
A Multi-Wavelength Study of Dust Production in Type II Supernovae	43.RD.NNX08AV36H	
Direct Awards:		
LSU A&M College (Baton Rouge)		12,143
Earth Occultation Observations of the Hard X-Ray/Soft Gamm Ray Sky	43.RD.NNX09AH60A	
Direct Awards:		
LSU A&M College (Baton Rouge)		14
Development of Sensor Assisted Water Quality Nowcasting and Forecasting	43.RD.NNX09AR62G	
Direct Awards:		
LSU A&M College (Baton Rouge)		143,992
Comfortable Thermoelectric Device for Waste Heat Scavenging in Space Applications	43.RD.NNX09CF73P	
Through: Nanohmics, Inc. (Nan0902 - Thermoelectric)		
University of New Orleans		37,000
Multi-Physics, Multi-Code Simulations of White Dwarf Mergers and the Origin	43.RD.NNX10AC72G	
Direct Awards:		
LSU A&M College (Baton Rouge)		21,418
NASA, Stennis Space Center Intergovernmental Personnel Act Agreement for Craig Peterson	43.RD.unknown	
Direct Awards:		
University of New Orleans		185,478
Total Research and Development Cluster		3,091,120
Total National Aeronautics and Space Administration		**$3,712,993**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL ENDOWMENT FOR THE ARTS		
Promotion of the Arts - Grants to Organizations and Individuals	45.024	
Direct Awards:		
LSU A&M College (Baton Rouge)		$7,194
Nicholls State University		10,000
University of New Orleans		114,446
Total Promotion of the Arts - Grants to Organizations and Individuals		131,640
Promotion of the Arts - Partnership Agreements	45.025	
Direct Awards:		
Department of Culture, Recreation and Tourism		653,620
ARRA - Promotion of the Arts - Partnership Agreements	45.025	
Direct Awards:		
Department of Culture, Recreation and Tourism		233,100
The Beat Generation	45.09-910-114	
Through: Louisiana Endowment for the Humanities (#09-910-114)		
Louisiana State University at Eunice		13,500
Total National Endowment for the Arts		**$1,031,860**
NATIONAL ENDOWMENT FOR THE HUMANITIES		
Promotion of the Humanities - Federal/State Partnership	45.129	
Through: Louisiana Endowment for the Humanities		
LSU A&M College (Baton Rouge)		$868
Through: Louisiana Endowment for the Humanities (#09-910-112)		
Louisiana State University at Shreveport		46,079
Total Promotion of the Humanities - Federal/State Partnership		46,947
Promotion of the Humanities - Division of Preservation and Access	45.149	
Direct Awards:		
Grambling State University		18,799
LSU A&M College (Baton Rouge)		100,903
Louisiana State University at Alexandria		3,042
Total Promotion of Humanities - Division of Preservation and Access		122,744
Total National Endowment for the Humanities		**$169,691**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
INSTITUTE OF MUSEUM AND LIBRARY SERVICES		
Grants to States	45.310	
Direct Awards:		
Department of Culture, Recreation and Tourism		$2,505,788
Laura Bush 21st Century Librarian Program	45.313	
Direct Awards:		
Department of Culture, Recreation and Tourism		15,294
LSU A&M College (Baton Rouge)		209,992
Total Laura Bush 21st Century Librarian Program		225,286
Total Institute of Museum and Library Services		**$2,731,074**
NATIONAL SCIENCE FOUNDATION		
Engineering Grants	47.041	
Through: National Academy of Sciences (#NAE594407006)		
Southern University and A&M College (Baton Rouge)		$3,584
Mathematical and Physical Sciences	47.049	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,942,460
Southern University and A&M College (Baton Rouge)		365,984
Through: California Institute of Technology (#CHE-0802907)		
Southern University and A&M College (Baton Rouge)		145,720
Through: Material Methods LLC		
Southern University and A&M College (Baton Rouge)		7,691
Total Mathematical and Physical Sciences		2,461,855
Geosciences	47.050	
Direct Awards:		
LSU A&M College (Baton Rouge)		57,324
Through: The University Corporation for Atmospheric Research		
University of Louisiana at Monroe		13,986
Total Geosciences		71,310
Biological Sciences	47.074	
Direct Awards:		
LSU A&M College (Baton Rouge)		11,250
LSUHSC New Orleans		158,892
Total Biological Sciences		170,142

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Education and Human Resources	47.076	
Direct Awards:		
Baton Rouge Community College		$5,292
LSU A&M College (Baton Rouge)		1,445,964
McNeese State University		269,669
Northeast Louisiana Technical College		77,388
Northwestern State University		43,744
Southern University and A&M College (Baton Rouge)		1,406,018
Southern University at New Orleans		440,119
Southern University at Shreveport-Bossier City		291,478
Department of Transportation & Development		19,901
Through: The University of Oklahoma		
Bossier Parish Community College		70,605
Through: Michigan Technological University (#02109Z)		
Southern University and A&M College (Baton Rouge)		132,070
Through: Research Foundation of CYNY-Hunters College (#HRD-0833392)		
Southern University and A&M College (Baton Rouge)		190,933
Through: Tulane University (#TUL1460203)		
Southern University and A&M College (Baton Rouge)		57,971
Through: University of Central Florida (#PO 90250)		
Southern University and A&M College (Baton Rouge)		5,954
Through: Tulane University (#HRD-02027625)		
Southern University at New Orleans		7,644
Total Education and Human Resources		4,464,750
Polar Programs	47.078	
Through: University of Wisconsin Madison (#G067933)		
Southern University and A&M College (Baton Rouge)		30,996
Office of Cyberinfrastructure	47.080	
Direct Awards:		
LSU A&M College (Baton Rouge)		85,986
ARRA-TRANS-NSF Recovery Act Research Support	47.082	
Direct Awards:		
LSU A&M College (Baton Rouge)		(9,005)
Louisiana State University at Shreveport		26,338
Total ARRA-TRANS-NSF Recovery Act Research Support		17,333

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
IPA for Dr. Luigi Marzilli at the Division of Chemistry, Directorate for Mathematical and Physical Sciences	47.CHE-0737195	
Direct Awards:		
LSU A&M College (Baton Rouge)		$5,331
Begin at the Beginning: A Strategy to Promote the Retention of Electrical	47.NAE-P291342	
Through: National Academy of Sciences (#HRD-0533520)		
LSU A&M College (Baton Rouge)		500
Intergovernmental Personnel Act (IPA) Agreement - Edward Seidel	47.OCI-0849266	
Direct Awards:		
LSU A&M College (Baton Rouge)		341,767
CAT National Dissemination: Assessing and Improving Learning	47.P0002831	
Through: Tennessee Technological University (#0717654)		
LSU A&M College (Baton Rouge)		2,500
Research and Development Cluster:		
Engineering Grants	47.041	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,190,051
Louisiana Tech University		420,512
Southern University and A&M College (Baton Rouge)		43,494
University of Louisiana at Lafayette		289,359
University of New Orleans		57,458
Through: Women in Engineering Programs (#WEPAN)		
Louisiana Tech University		25,636
Through: National Academy of Sciences (#NAE-P291039)		
Louisiana Tech University		2,500
Through: Kansas State University (#S09007)		
Louisiana Tech University		8,198
Mathematical and Physical Sciences	47.049	
Direct Awards:		
LSU A&M College (Baton Rouge)		5,022,860
Louisiana Tech University		96,294
Southeastern Louisiana University		45,097
Southern University and A&M College (Baton Rouge)		633,344
University of Louisiana at Lafayette		129,908
University of New Orleans		888,534
Through: University of Alabama - Birmingham (#ESI-0353440)		
Grambling State University		232,512
Through: University of Tennessee - Knoxville (#DMR-0451163)		
LSU A&M College (Baton Rouge)		9,200

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Geosciences	47.050	
Direct Awards:		
LSU A&M College (Baton Rouge)		$541,398
Louisiana Universities Marine Consortium		513,383
Southeastern Louisiana University		14,574
University of Louisiana at Lafayette		194,662
University of Louisiana at Monroe		23,555
University of New Orleans		31,821
Through: IRIS (#80-TA-03)		
University of Louisiana at Lafayette		22,095
Through: Consortium for Ocean Leadership (#JSA-64.410)		
University of Louisiana at Lafayette		2,936
Through: Montana State University (#EAR-0525567)		
LSU A&M College (Baton Rouge)		1,387
Through: Oregon State University (#OCE-0624092)		
LSU A&M College (Baton Rouge)		9,167
Through: University of Arizona (#ATM-0611320)		
LSU A&M College (Baton Rouge)		72,609
Through: University of Minnesota (#EAR-0120914)		
LSU A&M College (Baton Rouge)		138,727
Computer and Information Science and Engineering	47.070	
Direct Awards:		
LSU A&M College (Baton Rouge)		616,129
Louisiana Tech University		69,125
Southeastern Louisiana University		16,022
University of Louisiana at Lafayette		321,507
University of New Orleans		269,325
Through: Iowa State University (#420-25-19-A)		
University of Louisiana at Lafayette		81,217
Through: University of North Carolina at Charlotte (PO #2975-0580-UNO)		
University of New Orleans		26,705
Through: Purdue University (#CCF-0621457)		
LSU A&M College (Baton Rouge)		108,344
Through: University of Kentucky Research Foundation (#SCI-0438312)		
LSU A&M College (Baton Rouge)		12,686

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Biological Sciences	47.074	
Direct Awards:		
LSU A&M College (Baton Rouge)		$2,677,174
Louisiana State University Agricultural Center		157,198
LSU Pennington Biomedical Research Center		33,203
LSUHSC - Shreveport		241,483
Southeastern Louisiana University		83,970
University of Louisiana at Lafayette		374,834
University of Louisiana at Monroe		108,414
University of New Orleans		214,007
Through: Virginia Tech University (#DBI-0922747)		
Louisiana State University Agricultural Center		45,150
Through: Harvey Mudd College		
University of Louisiana at Lafayette		7,472
Through: University of Alabama (#09-073)		
University of Louisiana at Lafayette		3,089
Through: University of Central Florida (#24036040)		
University of Louisiana at Lafayette		12,048
Through: Florida International University (#DBI-0620409)		
LSU A&M College (Baton Rouge)		49,911
Social, Behavioral, and Economic Sciences	47.075	
Direct Awards:		
LSU A&M College (Baton Rouge)		349,665
Louisiana State University Agricultural Center		2,745
Louisiana Tech University		10,204
McNeese State University		171,679
University of Louisiana at Lafayette		40,817
University of New Orleans		37,200
Through: Northern Illinois University (#BCS-0623108)		
LSU A&M College (Baton Rouge)		6,635

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Education and Human Resources	47.076	
Direct Awards:		
Board of Regents for Higher Education		$1,433,019
Grambling State University		391,396
LSU A&M College (Baton Rouge)		502,178
Louisiana Tech University		1,125,414
Nicholls State University		27,959
Southern University and A&M College (Baton Rouge)		590,482
University of Louisiana at Lafayette		146,570
University of New Orleans		126,431
Through: Iowa State University (#420-21-11)		
University of Louisiana at Lafayette		47,905
Through: Texas A&M (#S070028)		
University of Louisiana at Lafayette		137,810
Through: Old Dominion University Research Foundation (#09-121-384721)		
University of Louisiana at Lafayette		7,571
Polar Programs	47.078	
Direct Awards:		
LSU A&M College (Baton Rouge)		146,646
Through: Northern Illinois University (#ANT-0342484)		
LSU A&M College (Baton Rouge)		12,906
Through: University of Nebraska-Lincoln (#ANT-0342484)		
LSU A&M College (Baton Rouge)		71,423
International Science and Engineering	47.079	
Direct Awards:		
LSU A&M College (Baton Rouge)		694,564
Louisiana Tech University		145,664
Southern University and A&M College (Baton Rouge)		40,799
University of Louisiana at Lafayette		8,070
University of Louisiana at Monroe		33,690
Through: U.S. Civilian Research and Development Foundation		
LSU A&M College (Baton Rouge)		8,049

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
NATIONAL SCIENCE FOUNDATION (CONT.)		
Research and Development Cluster: (Cont.)		
Office of Cyberinfrastructure	47.080	
Direct Awards:		
Board of Regents for Higher Education		$866,168
LSU A&M College (Baton Rouge)		443,000
Through: University of Illinois (#CSA OCI-0725070)		
LSU A&M College (Baton Rouge)		36,615
Office of Experimental Program to Stimulate Competitive Research	47.081	
Direct Awards:		
Board of Regents for Higher Education		3,012,452
ARRA-TRANS-NSF Recovery Act Research Support	47.082	
Direct Awards:		
LSU A&M College (Baton Rouge)		1,166,933
Louisiana Tech University		162,254
Southeastern Louisiana University		2,500
Southern University and A&M College (Baton Rouge)		128,431
University of Louisiana at Lafayette		81,390
University of Louisiana at Monroe		93
University of New Orleans		123,288
Collaborative Research: Quantum Vacuum Energy	47.RD.PHY-0968448	
Direct Awards:		
LSU A&M College (Baton Rouge)		4,639
Total Research and Development Cluster		28,535,538
Total National Science Foundation		**$36,191,592**
SECURITIES AND EXCHANGE COMMISSION		
Securities - Investigation of Complaints and SEC Information	58.001	
Direct Awards:		
LSU A&M College (Baton Rouge)		$289,020
Total Securities and Exchange Commission		**$289,020**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
SMALL BUSINESS ADMINISTRATION		
Small Business Administration	59.000	
Direct Awards:		
University of Louisiana at Monroe		$99,986
Small Business Development Centers	59.037	
Direct Awards:		
University of Louisiana at Monroe		1,721,109
Through: Louisiana Small Business Development Center (#5-27105/27108)		
Southern University at New Orleans		35,641
Total Small Business Development Centers		1,756,750
Hispanic Business and Leadership Institute	59.SBA HQ-08-I-0127	
Direct Awards:		
Southeastern Louisiana University		39,629
Bienville Corridor Stipend Program	59.SBAHZ-05-1-0044	
Direct Awards:		
Southern University at New Orleans		10,000
Small Business Earmark Grant	59.unknown	
Direct Awards:		
Southern University at Shreveport-Bossier City		45,408
Research and Development Cluster:		
Congressional Earmark	59.unknown	
Direct Awards:		
Grambling State University		53,213
Total Small Business Administration		**$2,004,986**
U.S. DEPARTMENT OF VETERANS AFFAIRS		
Veterans Prescription Service	64.012	
Direct Awards:		
Department of Veterans Affairs		$599,465
Veterans State Nursing Home Care	64.015	
Direct Awards:		
Department of Veterans Affairs		20,550,511
Burial Expenses Allowance for Veterans	64.101	
Direct Awards:		
Department of Veterans Affairs		33,000

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF VETERANS AFFAIRS (CONT.)		
VA: Orthopedic Services - Drs. Olmedo and Annissia	64.unknown	
Direct Awards:		
LSUHSC - Shreveport		$170,942
VA: Disbursement Agreement - House Staff Stipends	64.unknown	
Direct Awards:		
LSUHSC - Shreveport		2,167,988
VA: Disbursement Agreement - House Fellow Stipends	64.unknown	
Direct Awards:		
LSUHSC - Shreveport		926,157
VA: Neurosurgery IPA	64.V667P-1615	
Direct Awards:		
LSUHSC - Shreveport		130,618
Research and Development Cluster:		
Inflammation and Oxidative Stress in Parkins	64.673-07038	
Direct Awards:		
LSUHSC - Shreveport		2,913
Total U.S. Department of Veterans Affairs		**$24,581,594**
U.S. ENVIRONMENTAL PROTECTION AGENCY		
Air Pollution Control Program Support	66.001	
Direct Awards:		
Department of Environmental Quality		$18,200
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	
Direct Awards:		
Department of Education		29,170
Department of Environmental Quality		760,359
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		789,529
ARRA - State Clean Diesel Grant Program	66.040	
Direct Awards:		
Department of Environmental Quality		114,509

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Water Pollution Control State, Interstate, and Tribal Program Support	66.419	
Direct Awards:		
Department of Environmental Quality		$485,920
State Public Water System Supervision	66.432	
Direct Awards:		
Office of Public Health		1,411,000
State Underground Water Source Protection	66.433	
Direct Awards:		
Department of Natural Resources		361,930
Surveys, Studies, Investigations, Demonstrations, and Training	66.436	
Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act		
Direct Awards:		
Department of Natural Resources		48,310,485
Water Quality Management Planning	66.454	
Direct Awards:		
Department of Environmental Quality		100,000
ARRA - Water Quality Management Planning	66.454	
Direct Awards:		
Department of Environmental Quality		40,382
Capitalization Grants for Clean Water State Revolving Funds	66.458	
Direct Awards:		
Department of Environmental Quality		13,071,881
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458	
Direct Awards:		
Department of Environmental Quality		17,495,326
Nonpoint Source Implementation Grants	66.460	
Direct Awards:		
Department of Agriculture and Forestry		857,888
Department of Environmental Quality		3,235,646
Total Nonpoint Source Implementation Grants		4,093,534
Capitalization Grants for Drinking Water State Revolving Funds	66.468	
Direct Awards:		
Office of Public Health		16,970,065

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
ARRA - Capitalization Grants for Drinking Water State Revolving Funds	66.468	
Direct Awards:		
Office of Public Health		$5,087,394
State Grants to Reimburse Operators of Small Water Systems for Training and Certification Costs	66.471	
Direct Awards:		
Office of Public Health		372,143
Beach Monitoring and Notification Program Implementation Grants	66.472	
Direct Awards:		
Office of Public Health		290,527
Water Protection Grants to the States	66.474	
Direct Awards:		
Office of Public Health		42,825
Performance Partnership Grants	66.605	
Direct Awards:		
Department of Environmental Quality		10,316,938
Consolidated Pesticide Enforcement Cooperative Agreements	66.700	
Direct Awards:		
Department of Agriculture and Forestry		169,143
Toxic Substances Compliance Monitoring Cooperative Agreements	66.701	
Direct Awards:		
Department of Environmental Quality		150,000
Multi-Media Capacity Building Grants for States and Tribes	66.709	
Direct Awards:		
Department of Environmental Quality		13,475
Superfund State, Political Subdivision, and Indian Tribe Site - Specific Cooperative Agreements	66.802	
Direct Awards:		
Department of Environmental Quality		120,103
Underground Storage Tank Prevention, Detection and Compliance Program	66.804	
Direct Awards:		
Department of Environmental Quality		1,557,754

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805	
Direct Awards:		
Department of Environmental Quality		$399,588
ARRA - Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805	
Direct Awards:		
Department of Environmental Quality		168,228
Brownsfield Job Training Cooperative Agreements	66.815	
Direct Awards:		
Southern University at Shreveport-Bossier City		68,408
State and Tribal Response Program Grants	66.817	
Direct Awards:		
Department of Environmental Quality		437,245
Environmental Policy and State Innovation Grants	66.940	
Direct Awards:		
Department of Environmental Quality		207,791
Biodiesel Fueling Station Project	66.09-0901-BSC-009	
Through: Central States Air Resources Agencies Association (CENSARA)		
LSU A&M College (Baton Rouge)		7,500
Research and Development Cluster:		
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	
Through: Alaska Energy Authority (#XA-960429-01)		
Louisiana State University Agricultural Center		20,569
Congressionally Mandated Projects	66.202	
Direct Awards:		
Louisiana State University at Shreveport		307,930
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act	66.436	
Through: Lake Pontchartrain Basin Foundation		
Southeastern Louisiana University		67,816
Targeted Watersheds Grants	66.439	
Through: Lake Pontchartrain Basin Foundation (06-788)		
University of New Orleans		5,053

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Research and Development Cluster: (Cont.)		
National Estuary Program	66.456	
Direct Awards:		
Louisiana Universities Marine Consortium		$434,806
Gulf of Mexico Program	66.475	
Direct Awards:		
LSU A&M College (Baton Rouge)		184,204
Louisiana Universities Marine Consortium		422,267
Science to Achieve Results (STAR) Research Program	66.509	
Direct Awards:		
University of Louisiana at Lafayette		216,995
Office of Research and Development Consolidated Research/Training/Fellowships	66.511	
Direct Awards:		
Louisiana Tech University		99,126
Department of Environmental Quality		92,728
Surveys, Studies, Investigations and Special Purpose Grants	66.606	
Direct Awards:		
Southeastern Louisiana University		121,881
Environmental Policy and Innovation Grants	66.611	
Through: Water Environmental Research Found.		
Louisiana Tech University		14,396
Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	66.716	
Direct Awards:		
Louisiana State University Agricultural Center		72
Environmental Education Grants	66.951	
Direct Awards:		
University of New Orleans		11,138
Rehab of Wastewater	66.Battelle	
Through: Battelle Memorial Institute		
Louisiana Tech University		226,594

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. ENVIRONMENTAL PROTECTION AGENCY (CONT.)		
Research and Development Cluster: (Cont.)		
Fisheries Monitoring of the Mollicy Farms	66.RD.09-112/LA-2009-08	
Tract in the Upper Ouachita River		
Through: Nature Conservancy (#C9-996102-11)		
Louisiana State University Agricultural Center		$80,733
Mass Spectrometry for Characterization of Perfluorinated Acids	66.RD.EPA084000109	
Direct Awards:		
University of New Orleans		7,582
Intergovernmental Personnel Act Agreement for Bing Guan	66.RD.HQ5540809N	
Direct Awards:		
University of New Orleans		87,819
Total Research and Development Cluster		2,401,709
Total U.S. Environmental Protection Agency		**$125,073,532**
NUCLEAR REGULATORY COMMISSION		
U.S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	
Direct Awards:		
LSU A&M College (Baton Rouge)		$179,907
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008	
Direct Awards:		
LSU A&M College (Baton Rouge)		6,067
Total Nuclear Regulatory Commission		**$185,974**
U.S. DEPARTMENT OF ENERGY		
State Energy Program	81.041	
Direct Awards:		
Department of Natural Resources		$370,851
ARRA - State Energy Program	81.041	
Direct Awards:		
Department of Natural Resources		1,069,246
Office of Science Financial Assistance Program	81.049	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		228,598

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
National Industrial Competitiveness through	81.105	
Energy, Environment, and Economics		
Direct Awards:		
Department of Natural Resources		$22,306
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant:	81.106	
States and Tribal Concerns, Proposed Solutions		
Through: Southern States Energy Board (#DE-FC04-93AL82966)		
Department of Environmental Quality		100,789
Through: Southern States Energy Board		
Governor's Office of Homeland Security and Emergency Preparedness		58,126
Total Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions		158,915
Energy Efficiency and Renewable Energy Information Dissemination,	81.117	
Outreach, Training and Technical Analysis/Assistance		
Through: Midwest Research Institute (#ACQ43362301)		
Southern University and A&M College (Baton Rouge)		71,914
Through: Community Renewal International, Inc. (#DE-FG-08NT01987)		
Louisiana State University at Shreveport		6,667
Total Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance		78,581
State Energy Program Special Projects	81.119	
Direct Awards:		
Department of Natural Resources		179,843
Nuclear Energy Research, Development, and Demonstration	81.121	
Through: Battelle Memorial Institute (#932010)		
Southern University and A&M College (Baton Rouge)		6,400
ARRA - Electricity Delivery and Energy Reliability,	81.122	
Research, Development and Analysis		
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		3,892
ARRA - State Energy Efficient Applicance Rebate Program (SEEARP)	81.127	
Direct Awards:		
Department of Natural Resources		26,820
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	
Direct Awards:		
Department of Natural Resources		157,008

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
X-Flow Filtration Optimizations	81.DE-AC09-08SR22470	
Through: Savannah River Nuclear Solutions (#AC-700100 0)		
Nicholls State University		$3,936
Petroleum Violation Escrow Funds: Exxon	81.E2029	
Direct Awards:		
Department of Natural Resources		1,418,078
Home Energy Extensions: New Construction and Hot-Humid Climate Best Practice	81.HE-3	
Through: Extension Foundation (#DE-AC05-00OR22725)		
Louisiana State University Agricultural Center		9,469
Petroleum Violation Escrow Funds: OHA	81.OHA2030	
Direct Awards:		
Department of Natural Resources		468,719
Petroleum Violation Escrow Funds: Stripper Well	81.SW2027	
Direct Awards:		
Department of Natural Resources		52,568
Petroleum Violation Escrow Funds: Warner	81.W2031	
Direct Awards:		
Department of Natural Resources		178,509
Research and Development Cluster:		
Office of Science Financial Assistance Program	81.049	
Direct Awards:		
Board of Regents for Higher Education		264,411
LSU A&M College (Baton Rouge)		2,574,789
Louisiana Tech University		1,686,213
Through: Pennsylvania State University (#DE-FC02-06ER64298)		
LSU A&M College (Baton Rouge)		6,756
Through: The Research Foundation of State University of New York (#DE-FG02-06ER41416)		
LSU A&M College (Baton Rouge)		28,768
Through: Pacific Northwest National Lab		
Louisiana Tech University		1
Through: The Pennsylvania State University (DE-FG02-07-ER46414)		
Southeastern Louisiana University		35,892
ARRA - Office of Science Financial Assistance Program	81.049	
Direct Awards:		
LSU A&M College (Baton Rouge)		202,500

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster: (Cont.)		
Regional Biomass Energy Programs	81.079	
Direct Awards:		
Louisiana State University Agricultural Center		801,822
Through: Oklahoma State University (#DE-FC36-05GO85041)		
Louisiana State University Agricultural Center		8,630
Through: South Dakota State University (#DE-FC36-05GO85041)		
Louisiana State University Agricultural Center		22,170
Conservation Research and Development	81.086	
Direct Awards:		
Nicholls State University		851,565
Fossil Energy Research and Development	81.089	
Direct Awards:		
Grambling State University		71,127
LSU A&M College (Baton Rouge)		480,001
Southern University and A&M College (Baton Rouge)		91,132
Through: West Virginia University (#00-538-ULL)		
University of Louisiana at Lafayette		18,776
Energy Efficiency and Renewable Energy Information Dissemination, Outreach,Training and Technical Analysis/Assistance	81.117	
Direct Awards:		
University of Louisiana at Lafayette		4,484

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster: (Cont.)		
Solar Home	81.DE-AC36-99GO10337	
Through: National Renewable Energy Lab (#ADC-8-77041-07)		
University of Louisiana at Lafayette		$32,956
P-Rad Imaging Design	81.DE-AC52-06NA25396	
Through: Los Alamos National Security (#68354-001-08)		
University of Louisiana at Lafayette		27,044
Industrial Assessment Center	81.DE-FC36-06GO16074	
Direct Awards:		
University of Louisiana at Lafayette		72,760
Small Business Technology Transfer	81.DE-FG02-03ER86172	
Through: MECOM, Inc. (DE-FG02-03-ER86172)		
Southeastern Louisiana University		616
Gulf Petro Initiative	81.DE-NT0004651	
Direct Awards:		
University of Louisiana at Lafayette		332,196
Petroleum Technology Transfer Council	81.RD.33830	
Through: Petroleum Technology Transfer Council (#DE-FG26-03NT15394)		
LSU A&M College (Baton Rouge)		16,650
Community Resilience to Natural Disasters:	81.RD.4000064703	
New Orleans and Southeast Louisiana		
Through: UT-Battelle (#DE-AC05-00OR22725)		
LSU A&M College (Baton Rouge)		30,000
Building Support Cancer Research and Prevention	81.RD.DE-FG02-02CH11117	
Direct Awards:		
LSUHSC New Orleans		17,669
Inhomogeneous Disordered Dirac Fermions:	81.RD.DE-FG02-08ER46492	
From Heavy Fermion Superconductors to Graphene		
Direct Awards:		
LSU A&M College (Baton Rouge)		165,283
Next Generation Multi-Scale Quantum Simulation Software	81.RD.DE-SC0005274	
for Strongly Correlated		
Direct Awards:		
LSU A&M College (Baton Rouge)		81

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF ENERGY (CONT.)		
Research and Development Cluster: (Cont.)		
Jefferson Lab Assistantship	81.RD.JSA-06-P0013	
Through: Jefferson Science Associates (#DE-AC05-84ER40150)		
LSU A&M College (Baton Rouge)		($3,255)
ORNL Energy Assessment	81.unknown	
Through: UT-Battelle (#4000085402)		
University of Louisiana at Lafayette		6,165
Total Research and Development Cluster		7,847,202
Total U.S. Department of Energy		**$12,280,941**
U.S. DEPARTMENT OF EDUCATION		
Adult Education - Basic Grants to States	84.002	
Direct Awards:		
Department of Education		$10,387,689
Migrant Education - State Grant Program	84.011	
Direct Awards:		
Department of Education		2,477,365
Title 1 Program for Neglected and Delinquent Children	84.013	
Direct Awards:		
Department of Education		1,452,090
Higher Education - Institutional Aid	84.031	
Direct Awards:		
Baton Rouge Community College		183,429
Bossier Parish Community College		88,212
Delgado Community College		288,908
Louisiana State University at Alexandria		493,598
Northwestern State University		355,043
Southern University and A&M College (Baton Rouge)		11,615,597
Southern University at New Orleans		2,619,335
Southern University at Shreveport-Bossier City		4,176,271
Grambling State University		4,594,898
Total Higher Education - Institutional Aid		24,415,291

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Federal Family Education Loans	84.032	
Direct Awards:		
Office of Student Financial Assistance		$47,678,983
Career and Technical Education - Basic Grants to States	84.048	
Direct Awards:		
Louisiana Community and Technical College System Board of Supervisors		20,835,930
Leveraging Educational Assistance Partnership	84.069	
Direct Awards:		
Office of Student Financial Assistance		926,859
Funds for the Improvement of Postsecondary Education	84.116	
Direct Awards:		
McNeese State University		15,053
Northwestern State University		376,556
LSU A&M College (Baton Rouge)		1,335
University of New Orleans		19,084
Total Funds for the Improvement of Postsecondary Education		412,028
Minority Science and Engineering Improvement	84.120	
Direct Awards:		
Southern University at New Orleans		32,286
Rehabilitation Long-Term Training	84.129	
Direct Awards:		
LSUHSC New Orleans		139,844
Southern University and A&M College (Baton Rouge)		441,727
Total Rehabilitation Long-Term Training		581,571
National Institute on Disability and Rehabilitation Research	84.133	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		233,295
Migrant Education - Coordination Program	84.144	
Direct Awards:		
Department of Education		60,734

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Business and International Education Projects	84.153	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		$8,602
LSU A&M College (Baton Rouge)		38,763
Total Business and International Education Projects		47,365
Byrd Honors Scholarships	84.185	
Direct Awards:		
Department of Education		520,902
Safe and Drug-Free Schools and Communities - State Grants	84.186	
Direct Awards:		
Department of Education		5,359,240
Executive Department		1,144,609
Total Safe and Drug-Free Schools and Communities - State Grants		6,503,849
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187	
Direct Awards:		
Department of Social Services		368,129
Bilingual Education - Professional Development	84.195	
Direct Awards:		
Southeastern Louisiana University		7,611
Graduate Assistance in Areas of National Need	84.200	
Direct Awards:		
LSU A&M College (Baton Rouge)		160,455
Even Start - State Educational Agencies	84.213	
Direct Awards:		
Department of Education		1,502,228
Fund for the Improvement of Education	84.215	
Direct Awards:		
Louisiana State University at Shreveport		30,911
University of New Orleans		82,648
Total Fund for the Improvement of Education		113,559

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Fund for the Improvement of Education	84.215	
Through: Tulane University (TUL-565-08/09)		
University of New Orleans		$657,423
Assistive Technology		
Direct Awards:	84.224	
Department of Health and Hospitals		441,683
Tech-Prep Education	84.243	
Direct Awards:		
Louisiana Community and Technical College System Board of Supervisors		1,995,815
Rehabilitation Training - State Vocational Rehabilitation Unit In-Service Training	84.265	
Direct Awards:		
Department of Social Services		17,867
Charter Schools	84.282	
Direct Awards:		
Department of Education		14,296,470
Twenty-First Century Community Learning Centers	84.287	
Direct Awards:		
Department of Education		32,639,599
State Grants for Innovative Programs	84.298	
Direct Awards:		
Department of Education		258,213
Capacity Building for Traditionally Underserved Populations	84.315	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		270,715
Special Education - State Personnel Development	84.323	
Direct Awards:		
Department of Education		932,076
Special Education - Personnel Development to Improve Services and Results for Children	84.325	
Direct Awards:		
University of New Orleans		553,990

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	
Direct Awards:		
Department of Education		$209,839
Through: University of Tennessee (#H326D060003-07)		
LSU A&M College (Baton Rouge)		19,498
Total Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities		229,337
Special Education - Technology and Media Services for Individuals with Disabilities	84.327	
Direct Awards:		
Department of Education		51,410
Southeastern Louisiana University		202,216
Total Special Education - Technology and Media Services for Individuals with Disabilities		253,626
Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants)	84.330	
Direct Awards:		
Department of Education		201,876
Grants to States for Workplace and Community Transition Training for Incarcerated Individuals	84.331	
Direct Awards:		
Department of Public Safety and Corrections - Corrections Services		723,461
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	
Direct Awards:		
Southeastern Louisiana University		661
LSU A&M College (Baton Rouge)		948,645
Total Gaining Early Awareness and Readiness for Undergraduate Programs		949,306
Child Care Access Means Parents in School		
Direct Awards:	84.335	
Delgado Community College		39,940

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Transition to Teaching	84.350	
Direct Awards:		
LSU A&M College (Baton Rouge)		$392,676
University of Louisiana at Monroe		1,083,401
University of New Orleans		182,807
Department of Veterans Affairs		194,808
Total Transition to Teaching		1,853,692
Reading First State Grants	84.357	
Direct Awards:		
Department of Education		10,390,252
Rural Education	84.358	
Direct Awards:		
Department of Education		4,650,916
Louisiana School for Math, Science and the Arts		22,029
Total Rural Education		4,672,945
Early Reading First	84.359	
Direct Awards:		
LSU A&M College (Baton Rouge)		993,439
School Leadership	84.363	
Direct Awards:		
LSU A&M College (Baton Rouge)		60,390
Through: Advance Innovative Education (#U36A080031)		
LSU A&M College (Baton Rouge)		120,066
Total School Leadership		180,456
English Language Acquisition Grants	84.365	
Direct Awards:		
Department of Education		2,905,796
Mathematics and Science Partnerships	84.366	
Direct Awards:		
Department of Education		4,536,254
Through: Concordia Parish School Board		
University of Louisiana at Monroe		33,217
Through: Franklin Parish School Board		
University of Louisiana at Monroe		31,175

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Mathematics and Science Partnerships (Cont.)	84.366	
Through: Monroe City School Board		
University of Louisiana at Monroe		$23,344
Through: Morehouse Parish School Board		
University of Louisiana at Monroe		68,820
Through: Central Community Schools (#S366B070019)		
LSU A&M College (Baton Rouge)		80,792
Through: East Baton Rouge Parish School System (#S366B070019)		
LSU A&M College (Baton Rouge)		27,322
Through: East Baton Rouge Parish School System (#S366B080019)		
LSU A&M College (Baton Rouge)		226,688
Through: East Baton Rouge Parish School System (#S366B090019)		
LSU A&M College (Baton Rouge)		1,004
Through: Iberville Parish School Board (#S366B060019)		
LSU A&M College (Baton Rouge)		60,299
Total Mathematics and Science Partnerships		5,088,915
Improving Teacher Quality State Grants	84.367	
Direct Awards:		
Department of Education		75,929,194
Through: UNO New Beginnings Foundation		
University of New Orleans		91,192
Total Improving Teacher Quality State Grants		76,020,386
Grants for State Assessments and Related Activities	84.369	
Direct Awards:		
Department of Education		6,776,782
Striving Readers	84.371	
Direct Awards:		
Department of Education		520,639
Special Education - Technical Assistance on State Data Collection	84.373	
Through: Westat, Inc.		
LSUHSC New Orleans		1,091,638
Strengthening Minority-Serving Institutions	84.382	
Direct Awards:		
Grambling State University		150,664

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
National Writing Project	84.928	
Through: National Writing Project Corporation (#94-3130846)		
Northwestern State University		$94,963
Through: National Writing Project Corporation (92-LA-05)		
Southeastern Louisiana University		54,138
Through: National Writing Project Corporation, University of California at Berkeley		
University of New Orleans		60,049
Total National Writing Project		209,150
Hurricane Education Recovery	84.938	
Direct Awards:		
Delgado Community College		6,124
Department of Education		20,566,307
LSU A&M College (Baton Rouge)		8,897
Louisiana State University at Alexandria		45,991
Nunez Community College		10,991
River Parishes Community College		25,000
University of Louisiana at Monroe		380,578
Total Hurricane Education Recovery		21,043,888
Katrina Foreign Contributions	84.940	
Direct Awards:		
Department of Education		3,953,208
Nunez Community College		6,500
University of New Orleans		128,527
Total Katrina Foreign Contributions		4,088,235
National Writing Project Models and Programs	84.92-LA02	
Through: National Writing Project Corporation		
LSU A&M College (Baton Rouge)		63,693
Early Intervention Services (IDEA) Cluster:		
Special Education - Grants for Infants and Families	84.181	
Direct Awards:		
Department of Health and Hospitals		5,837,338
ARRA - Special Education - Grants for Infants and Families, Recovery Act	84.393	
Direct Awards:		
Department of Health and Hospitals		199,375
Total Early Intervention Services (IDEA) Cluster		6,036,713

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Education of Homeless Children and Youth Cluster:		
Education of Homeless Children and Youth	84.196	
Direct Awards:		
Department of Education		$1,422,846
ARRA - Education of Homeless Children and Youth, Recovery Act	84.387	
Direct Awards:		
Department of Education		747,341
Total Education of Homeless Children and Youth Cluster		2,170,187
Educational Technology State Grants Cluster:		
Education Technology State Grants	84.318	
Direct Awards:		
Department of Education		5,864,932
ARRA - Education Technology State Grants, Recovery Act	84.386	
Direct Awards:		
Department of Education		7,094,345
Total Educational Technology State Grants Cluster		12,959,277
Independent Living Cluster:		
Independent Living - State Grants	84.169	
Direct Awards:		
Department of Social Services		421,564
ARRA - Independent Living State Grants, Recovery Act	84.398	
Direct Awards:		
Department of Social Services		115,686
Total Independent Living Cluster		537,250

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Independent Living Services for Older Individuals Who Are Blind Cluster:		
Rehabilitation Services - Independent Living Services for Older Individuals Who are Blind	84.177	
Direct Awards:		
Department of Social Services		$462,946
ARRA - Independent Living Services for Older Individuals Who are Blind, Recovery Act	84.399	
Direct Awards:		
Department of Social Services		241,777
Total Independent Living Services for Older Individuals Who Are Blind Cluster		704,723
Research and Development Cluster:		
Rehabilitation Long-Term Training	84.129	
Direct Awards:		
Louisiana Tech University		24,229
National Institute on Disability and Rehabilitation Research	84.133	
Direct Awards:		
LSU A&M College (Baton Rouge)		280,716
Safe and Drug-Free Schools and Communities - National Programs	84.184	
Direct Awards:		
University of Louisiana at Lafayette		35,627
Fund for the Improvement of Education	84.215	
Direct Awards:		
Louisiana Tech University		461,275
Research in Special Education	84.324	
Direct Awards:		
LSU A&M College (Baton Rouge)		446,430
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children With Disabilities	84.326	
Through: University of Kansas		
Louisiana Tech University		659
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	
Direct Awards:		
Board of Regents for Higher Education		2,824,983

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Research and Development Cluster: (Cont.)		
Mathematics and Science Partnerships	84.366	
Through: Ouachita Parish School System		
Louisiana Tech University		$41,563
Improving Teacher Quality State Grants	84.367	
Direct Awards:		
Board of Regents for Higher Education		1,926,316
College Access Challenge Grant Program	84.378	
Direct Awards:		
Board of Regents for Higher Education		537,121
National Writing Project	84.928	
Through: University of California - Berkley (#92-LA04)		
University of Louisiana at Lafayette		38,542
Annual Interest Grant	84.RD.R-7-00375	
Direct Awards:		
Louisiana Tech University		113,349
Total Research and Development Cluster		6,730,810
School Improvement Grants Cluster:		
School Improvement Grants	84.377	
Direct Awards:		
Department of Education		7,220,226
Special Education Cluster (IDEA):		
Special Education - Grants to States	84.027	
Direct Awards:		
Department of Education		210,148,056
Through: UNO New Beginnings Foundation		
University of New Orleans		195,503
Special Education - Preschool Grants	84.173	
Direct Awards:		
Department of Education		6,502,376
ARRA - Special Education - Grants to States, Recovery Act	84.391	
Direct Awards:		
Department of Education		62,590,766
Through: UNO New Beginnings Foundation		
University of New Orleans		129,513

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Special Education Cluster (IDEA): (Cont.)		
ARRA - Special Education - Preschool Grants, Recovery Act	84.392	
Direct Awards:		
Department of Education		$1,295,932
Total Special Education Cluster (IDEA)		280,862,146
State Fiscal Stabilization Fund Cluster:		
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	
Direct Awards:		
Executive Department		289,388,821
ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	84.397	
Direct Awards:		
Executive Department		53,938,191
Total State Fiscal Stabilization Fund Cluster		343,327,012
Statewide Data Systems Cluster		
Statewide Data Systems	84.372	
Direct Awards:		
Department of Education		850,270
Student Financial Assistance Cluster:		
Federal Supplemental Educational Opportunity Grants	84.007	
Direct Awards:		
Baton Rouge Community College		240,643
Bossier Parish Community College		114,250
Delgado Community College		398,350
Grambling State University		576,675
LSU A&M College (Baton Rouge)		520,553
Louisiana State University at Alexandria		176,247
Louisiana State University at Eunice		77,157
Louisiana State University at Shreveport		91,548
Louisiana Tech University		131,477
LSUHSC - Shreveport		15,800
LSUHSC New Orleans		48,449
McNeese State University		207,831
Nicholls State University		132,312
Northwestern State University		398,125
Nunez Community College		111,155

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
Federal Supplemental Educational Opportunity Grants (Cont.)	84.007	
Direct Awards: (Cont.)		
Southeastern Louisiana University		$394,253
Southern University and A&M College (Baton Rouge)		764,389
Southern University at New Orleans		100,376
Southern University at Shreveport-Bossier City		8,634,219
University of Louisiana at Lafayette		328,982
University of Louisiana at Monroe		191,826
University of New Orleans		552,157
Federal Work-Study Program	84.033	
Direct Awards:		
Baton Rouge Community College		279,685
Bossier Parish Community College		133,819
Delgado Community College		595,475
Grambling State University		849,065
L.E. Fletcher Technical Community College		40,794
LSU A&M College (Baton Rouge)		1,227,410
Louisiana State University at Alexandria		190,979
Louisiana State University at Eunice		119,530
Louisiana State University at Shreveport		135,709
Louisiana Tech University		408,081
McNeese State University		394,092
Nicholls State University		247,573
Northwestern State University		253,441
Nunez Community College		106,555
Southeastern Louisiana University		487,458
Southern University and A&M College (Baton Rouge)		609,618
Southern University at New Orleans		220,332
Southern University at Shreveport-Bossier City		256,810
Sowela Technical Community College		66,315
University of Louisiana at Monroe		894,854
University of New Orleans		578,321
ARRA Federal Work-Study Program	84.033	
Direct Awards:		
Southeastern Louisiana University		100,738
Southern University and A&M College (Baton Rouge)		143,562
University of Louisiana at Lafayette		843,419

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
Federal Perkins Loan (FPL) - Federal Capital Contributions	84.038	
Direct Awards:		
LSU A&M College (Baton Rouge)		$7,717
Northwestern State University		23,341
Southeastern Louisiana University		12,727
University of New Orleans		60,868
Federal Pell Grant Program	84.063	
Direct Awards:		
Baton Rouge Community College		11,162,475
Bossier Parish Community College		9,404,786
Capital Area Technical College		4,530,781
Central Louisiana Technical College		5,069,636
Delgado Community College		35,966,670
Grambling State University		14,912,384
L.E. Fletcher Technical Community College		2,560,903
Louisiana Delta Community College		2,999,073
LSU A&M College (Baton Rouge)		18,068,501
Louisiana State University at Alexandria		4,323,415
Louisiana State University at Eunice		5,376,835
Louisiana State University at Shreveport		6,304,967
Louisiana Tech University		8,086,546
Louisiana Technical College Region 1		1,401,459
LSUHSC - Shreveport		49,777
LSUHSC New Orleans		875,424
McNeese State University		11,128,192
Nicholls State University		9,758,549
Northeast Louisiana Technical College		4,925,978
Northshore Technical College		4,744,541
Northwest Louisiana Technical College		7,003,701
Northwestern State University		12,834,648
Nunez Community College		3,367,106
River Parishes Community College		2,216,323
South Central Louisiana Technical College		2,428,157
South Louisiana Community College		2,823,639
Southeastern Louisiana University		19,624,048
Southern University and A&M College (Baton Rouge)		20,475,928
Southern University at New Orleans		10,976,104
Southern University at Shreveport-Bossier City		(17,714)
Sowela Technical Community College		4,397,882

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
Federal Pell Grant Program (Cont.)	84.063	
Direct Awards: (Cont.)		
University of Louisiana at Lafayette		$18,659,495
University of Louisiana at Monroe		13,100,339
University of New Orleans		11,970,474
Federal Direct Student Loans	84.268	
Direct Awards:		
Baton Rouge Community College		5,227,801
Academic Competitiveness Grants	84.375	
Direct Awards:		
Baton Rouge Community College		93,732
Bossier Parish Community College		139,727
Central Louisiana Technical College		29,933
Delgado Community College		130,228
Grambling State University		123,283
L.E. Fletcher Technical Community College		33,181
Louisiana Delta Community College		44,288
LSU A&M College (Baton Rouge)		980,059
Louisiana State University at Alexandria		92,951
Louisiana State University at Eunice		143,386
Louisiana State University at Shreveport		116,730
Louisiana Tech University		332,057
McNeese State University		284,721
Nicholls State University		314,756
Northeast Louisiana Technical College		13,077
Northwest Louisiana Technical College		47,601
Northwestern State University		468,760
Nunez Community College		41,850
River Parishes Community College		36,285
South Central Louisiana Technical College		10,888
South Louisiana Community College		17,450
Southeastern Louisiana University		751,829
Southern University and A&M College (Baton Rouge)		392,677
Southern University at New Orleans		18,201
Southern University at Shreveport-Bossier City		45,750
Sowela Technical Community College		87,140
University of Louisiana at Lafayette		644,555
University of Louisiana at Monroe		458,981
University of New Orleans		138,326

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Student Financial Assistance Cluster: (Cont.)		
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	
Direct Awards:		
Grambling State University		$84,468
LSU A&M College (Baton Rouge)		722,507
Louisiana State University at Shreveport		84,359
Louisiana Tech University		259,638
McNeese State University		81,383
Nicholls State University		23,213
Northwestern State University		163,772
Southeastern Louisiana University		154,562
Southern University and A&M College (Baton Rouge)		110,653
Southern University at New Orleans		1,125
University of Louisiana at Lafayette		239,776
University of Louisiana at Monroe		167,831
University of New Orleans		188,950
Teacher Education Assistance for College and Higher Education Grants (Teach Grants)	84.379	
Direct Awards:		
LSU A&M College (Baton Rouge)		89,214
Louisiana State University at Shreveport		6,000
Nicholls State University		104,032
Northwestern State University		60,713
Southeastern Louisiana University		52,750
Southern University and A&M College (Baton Rouge)		5,490
University of New Orleans		107,000
Total Student Financial Assistance Cluster		328,973,723
Teacher Quality Partnership Grants Cluster:		
Teacher Quality Partnership Grants	84.336	
Direct Awards:		
LSU A&M College (Baton Rouge)		271,989

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
Title I, Part A Cluster:		
Title 1 Grants to Local Educational Agencies	84.010	
Direct Awards:		
Department of Education		$319,386,590
Through: UNO New Beginnings Foundation		
University of New Orleans		1,394,064
ARRA - Title 1 Grants to Local Educational Agencies, Recovery Act	84.389	
Direct Awards:		
Department of Education		73,081,643
Total Title I, Part A Cluster		393,862,297
TRIO Cluster:		
TRIO - Student Support Services	84.042	
Direct Awards:		
Grambling State University		401,713
LSU A&M College (Baton Rouge)		342,402
Louisiana State University at Eunice		424,587
Northwestern State University		452,062
Southeastern Louisiana University		350,566
Southern University at New Orleans		636,543
Southern University at Shreveport-Bossier City		384,824
University of Louisiana at Lafayette		661,862
University of New Orleans		266,210
TRIO - Talent Search	84.044	
Direct Awards:		
Southeastern Louisiana University		590,271
Southern University and A&M College (Baton Rouge)		638,828
Southern University at New Orleans		333,583
Southern University at Shreveport-Bossier City		427,482
University of Louisiana at Lafayette		678,937
University of Louisiana at Monroe		351,096
University of New Orleans		869,749

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF EDUCATION (CONT.)		
TRIO Cluster: (Cont.)		
TRIO - Upward Bound		
Direct Awards:	84.047	
Baton Rouge Community College		$243,890
Delgado Community College		241,374
Grambling State University		(40)
Louisiana State University at Eunice		385,961
McNeese State University		310,821
Nicholls State University		305,618
Southeastern Louisiana University		1,831,726
Southern University and A&M College (Baton Rouge)		821,479
Southern University at New Orleans		429,873
Southern University at Shreveport-Bossier City		1,038,612
University of Louisiana at Lafayette		1,377,642
University of Louisiana at Monroe		260,250
University of New Orleans		745,223
TRIO - Educational Opportunity Centers	84.066	
Direct Awards:		
Southeastern Louisiana University		409,846
Southern University at Shreveport-Bossier City		212,733
TRIO - McNair Post-Baccalaureate Achievement	84.217	
Direct Awards:		
LSU A&M College (Baton Rouge)		298,979
Southern University and A&M College (Baton Rouge)		230,248
University of Louisiana at Lafayette		265,804
Total TRIO Cluster		17,220,754
Vocational Rehabilitation Cluster:		
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	
Direct Awards:		
Department of Social Services		40,145,229
ARRA - Rehabilitation Services - Vocational Rehabilitation Grants to States, Recovery Act	84.390	
Direct Awards:		
Department of Social Services		4,998,180
Total Vocational Rehabilitation Cluster		45,143,409
Total U.S. Department of Education		**$1,756,100,972**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
ELECTIONS ASSISTANCE COMMISSION		
Help America Vote Act Requirements Payments	90.401	
Direct Awards:		
Department of State		$2,681,238
Total Elections Assistance Commission		**$2,681,238**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Public Health and Social Services Emergency Fund	93.003	
Through: Center for Public Service Communications		
Southern University and A&M College (Baton Rouge)		$5,742
Through: Louisiana Hospital Association		
LSUHSC - Shreveport		35,387
Total Public Health and Social Services Emergency Fund		41,129
Cooperative Agreements to Improve the Health Status of Minority Populations	93.004	
Through: University of Miami		
LSUHSC New Orleans		16,793
HIV Prevention Programs for Women	93.015	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		78,259
Through: Advocate for Youth		
Southern University and A&M College (Baton Rouge)		12,508
Through: International Resource Group Limited		
Grambling State University		11,615
Total HIV Prevention Programs for Women		102,382
Special Programs for the Aging-Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	
Direct Awards:		
Governor's Office of Elderly Affairs		57,946
Special Programs for the Aging-Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	
Direct Awards:		
Governor's Office of Elderly Affairs		275,354

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Special Programs for the Aging-Title III, Part D - Disease Prevention and Health Promotion Services	93.043	
Direct Awards:		
Governor's Office of Elderly Affairs		$297,742
Special Programs for the Aging-Title IV and Title II-Discretionary Projects	93.048	
Direct Awards:		
Governor's Office of Elderly Affairs		296,786
Alzheimer's Disease Demonstration Grants to States	93.051	
Direct Awards:		
Governor's Office of Elderly Affairs		61,736
National Family Caregiver Support, Title III, Part E	93.052	
Direct Awards:		
Governor's Office of Elderly Affairs		2,048,747
Public Health Emergency Preparedness	93.069	
Direct Awards:		
Office of Public Health		19,487,730
Environmental Public Health and Emergency Response	93.070	
Direct Awards:		
Department of Health and Hospitals		158,585
Medicare Enrollment Assistance Program	93.071	
Direct Awards:		
Governor's Office of Elderly Affairs		273,039
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	
Direct Awards:		
Southern University and A&M College (Baton Rouge)		225,522
Emergency System for Advance Registration of Volunteer Health Professionals	93.089	
Direct Awards:		
Office of Public Health		6,414
Food and Drug Administration - Research	93.103	
Direct Awards:		
Department of Agriculture and Forestry		1,240

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	
Direct Awards:		
Department of Health and Hospitals		$715,549
Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.107	
Direct Awards:		
LSUHSC New Orleans		169,388
LSUHSC - Shreveport		220,347
Total Area Health Education Centers Point of Service Maintenance and Enhancement Awards		389,735
Maternal and Child Health Federal Consolidated Programs	93.110	
Direct Awards:		
Office of Public Health		113,592
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	
Direct Awards:		
Office of Public Health		1,864,344
Emergency Medical Services for Children	93.127	
Direct Awards:		
Office of Public Health		106,267
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	
Direct Awards:		
Department of Health and Hospitals		160,107
Injury Prevention and Control Research and State and Community-Based Programs	93.136	
Direct Awards:		
Office of Public Health		985,994
Community Programs to Improve Minority Health Grant Program	93.137	
Direct Awards:		
LSUHSC - Shreveport		98,748
Through: University of Mississippi Medical Center		
LSUHSC New Orleans		26,368
Total Community Programs to Improve Minority Health Grant Program		125,116

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
NIEHS Hazardous Waste Worker Health and Safety Training	93.142	
Through: Dillard University		
Southern University and A&M College (Baton Rouge)		$139,373
AIDS Education and Training Centers	93.145	
Through: Health HIV (#U69HA07626-01-00)		
LSUHSC - University Medical Center		20,000
Projects for Assistance in Transition from Homelessness (PATH)	93.150	
Direct Awards:		
Department of Health and Hospitals		761,227
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	
Direct Awards		
LSUHSC - W.O. Moss Regional Medical Center		311,668
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	
Through: Children's Hospital		
LSUHSC New Orleans		92,636
Through: Children's Hospital		
LSUHSC - E.A. Conway Medical Center		17,624
Total Coordinated Services and Access to Research for Women, Infants, Children, and Youth		110,260
Grants to States for Loan Repayment Program	93.165	
Direct Awards:		
Department of Health and Hospitals		375,874
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	
Direct Awards:		
Office of Public Health		420,593
Surveillance of Hazardous Substance Emergency Events	93.204	
Direct Awards:		
Office of Public Health		44,863
Family Planning - Services	93.217	
Direct Awards:		
Office of Public Health		4,833,010

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Abstinence Education Program	93.235	
Direct Awards:		
Executive Department		$79,090
Grants for Dental Public Health Residency Training	93.236	
Direct Awards:		
Office of Public Health		52,333
State Capacity Building	93.240	
Direct Awards:		
Office of Public Health		260,551
State Rural Hospital Flexibility Program	93.241	
Direct Awards:		
Department of Health and Hospitals		1,153,278
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	
Direct Awards:		
Department of Health and Hospitals		2,315,592
University of Louisiana at Monroe		42,190
Through: McFarland and Associates, Inc.		
Southern University and A&M College (Baton Rouge)		72,365
Through: Morehouse School of Medicine		
Grambling State University		4,048
Through: Meharry Medical School		
Grambling State University		3,473
Total Substance Abuse and Mental Health Services - Projects of Regional and National Significance		2,437,668
Universal Newborn Hearing Screening	93.251	
Direct Awards:		
Office of Public Health		191,129
Poison Center Support and Enhancement Grant Program	93.253	
Direct Awards:		
LSUHSC - Shreveport		365,394
Rural Access to Emergency Devices Grant	93.259	
Direct Awards:		
Office of Public Health		28,003

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Occupational Safety and Health Program	93.262	
Through: University of Texas Health Science Center at Tyler (#5U50OH0075)		
Southeastern Louisiana University		$11,014
Through: Univeristy of Massachusetts Lowell (#R01 OH 008254-01A2)		
Southeastern Louisiana University		7,726
Total Occupational Safety and Health Program		18,740
Immunization Grants	93.268	
Direct Awards:		
Office of Public Health		1,736,091
Substance Abuse and Mental Health Services - Access to Recovery	93.275	
Direct Awards:		
Department of Health and Hospitals		8,182,931
Mental Health National Research Service Awards for Research Training	93.282	
Direct Awards:		
Grambling State University		4,070
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	
Direct Awards:		
Department of Health and Hospitals		1,776,380
Office of Public Health		1,838,779
Through: Louisiana Public Health Institute (LPHI)		
LSU A&M College (Baton Rouge)		19,985
Through: Louisiana Alzheimer's Association Chapter		
LSU A&M College (Baton Rouge)		19,985
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance		3,655,129
Small Rural Hospital Improvement Grant Program	93.301	
Direct Awards:		
Department of Health and Hospitals		237,814
Minority Health and Health Disparities Research	93.307	
Direct Awards:		
Northwestern State University		20,678

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Advanced Nursing Education Traineeships	93.358	
Direct Awards:		
McNeese State University		$44,234
Southeastern Louisiana University		26,392
Southern University and A&M College (Baton Rouge)		41,014
Total Advanced Nursing Education Traineeships		111,640
National Center for Research Resources	93.389	
Direct Awards:		
LSU A&M College (Baton Rouge)		178,655
ARRA - Scholarships for Disadvantaged Students	93.407	
Direct Awards:		
Northwestern State University		24,043
Southern University and A&M College (Baton Rouge)		98,588
Total ARRA - Scholarships for Disadvantaged Students		122,631
ARRA - State Primary Care Offices	93.414	
Direct Awards:		
Department of Health and Hospitals		16,280
Promoting Safe and Stable Families	93.556	
Direct Awards:		
Department of Social Services		11,106,392
Promoting Safe and Stable Families	93.556	
Through: Volunteers of America of Greater New Orleans Inc.		
Louisiana State University Agricultural Center		47,858
Child Support Enforcement	93.563	
Direct Awards:		
Department of Social Services		36,575,108
ARRA - Child Support Enforcement	93.563	
Direct Awards:		
Department of Social Services		15,722,497
Child Support Enforcement Research	93.564	
Direct Awards:		
Department of Social Services		189,463

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Refugee and Entrant Assistance - State Administered Programs	93.566	
Direct Awards:		
Department of Health and Hospitals		$126,805
State Court Improvement Program	93.586	
Through: Region VI Administration for Children and Families		
Supreme Court of Louisiana		561,366
Community-Based Child Abuse Prevention Grants	93.590	
Direct Awards:		
Department of Social Services		477,598
Grants to States for Access and Visitation Programs	93.597	
Direct Awards:		
Department of Social Services		163,814
Chafee Education and Training Vouchers Program (ETV)	93.599	
Direct Awards:		
Department of Social Services		437,175
Adoption Incentive Payments	93.603	
Direct Awards:		
Department of Social Services		794,954
Voting Access for Individuals with Disabilities - Grants to States	93.617	
Direct Awards:		
Department of State		32,780
Developmental Disabilities Basic Support and Advocacy Grants	93.630	
Direct Awards:		
Department of Health and Hospitals		1,397,077
Children's Justice Grants to States	93.643	
Direct Awards:		
Department of Social Services		408,424
Child Welfare Services - State Grants	93.645	
Direct Awards:		
Department of Social Services		4,698,149
Child Welfare Research Training or Demonstration	93.648	
Direct Awards:		
LSU A&M College (Baton Rouge)		468,983

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Foster Care - Title IV-E	93.658	
Direct Awards:		
Department of Social Services		$55,080,500
ARRA - Foster Care - Title IV-E	93.658	
Direct Awards:		
Department of Social Services		2,243,517
Adoption Assistance	93.659	
Direct Awards:		
Department of Social Services		16,113,076
ARRA - Adoption Assistance	93.659	
Direct Awards:		
Department of Social Services		1,937,751
Social Services Block Grant	93.667	
Direct Awards:		
Department of Social Services		155,193,213
Child Abuse and Neglect State Grants	93.669	
Direct Awards:		
Department of Social Services		701,202
Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes	93.671	
Direct Awards:		
Department of Social Services		2,568,276
Chafee Foster Care Independence Program	93.674	
Direct Awards:		
Department of Social Services		1,266,761

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
ARRA - Preventing Healthcare-Associated Infections	93.717	
Direct Awards:		
Office of Public Health		$14,851
ARRA - Survey and Certification Ambulatory Surgical Center Healthcare-Associated Infection (ASC-HAI) Prevention Initiative	93.720	
Direct Awards:		
Department of Health and Hospitals		35,548
ARRA - Prevention and Wellness-State, Territories and Pacific Islands	93.723	
Direct Awards:		
Department of Health and Hospitals		1,238
Children's Health Insurance Program	93.767	
Direct Awards:		
Department of Health and Hospitals		183,359,894
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities	93.768	
Direct Awards:		
Department of Health and Hospitals		482,029
ARRA - Medicare Hospital Insurance	93.773	
Direct Awards:		
Department of Veterans Affairs		3,990,486
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	
Direct Awards:		
Department of Health and Hospitals		35,750,689
Department of Insurance		587,316
Through: Louisiana Public Health Institute		
LSUHSC New Orleans		753,585
Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		37,091,590
Alternate Non-Emergency Service Providers or Networks	93.790	
Direct Awards:		
Department of Health and Hospitals		953,168

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Cardiovascular Diseases Research	93.837	
Through: Yale University		
LSUHSC - Leonard J. Chabert Medical Center		$821
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	
Through: Columbia University		
LSUHSC - Leonard J. Chabert Medical Center		1,292
Biomedical Research and Research Training	93.859	
Direct Awards:		
Grambling State University		472,844
Grants for Training in Primary Care Medicine and Dentistry	93.884	
Direct Awards:		
LSUHSC - Shreveport		(15,884)
Health Care and Other Facilities	93.887	
Direct Awards:		
LSUHSC - Health Care Services Division Administration (HCSDA)		244,530
LSUHSC - Shreveport		2,422
University of Louisiana at Monroe		666,141
Total Health Care and Other Facilities		913,093
National Bioterrorism Hospital Preparedness Program	93.889	
Direct Awards:		
Department of Health and Hospitals		5,703,862
Through: Louisiana Hospital Association		
LSUHSC - E.A. Conway Medical Center		47,897
Through: Louisiana Hospital Association		
LSUHSC - Huey P. Long Medical Center		52,640
Through: Louisiana Hospital Association		
LSUHSC - Shreveport		20,826
Total National Bioterrorism Hospital Preparedness Program		5,825,225
Grants to States for Operation of Offices of Rural Health	93.913	
Direct Awards:		
Department of Health and Hospitals		83,868

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
HIV Emergency Relief Project Grants	93.914	
Through: City of New Orleans (#PC210-00000030417)		
LSUHSC - Medical Center of Louisiana at New Orleans (Charity Hospital)		$1,127,899
HIV Care Formula Grants	93.917	
Direct Awards:		
Office of Public Health		26,254,982
Through: HIV/AIDS Alliance Region II, Inc.		
LSUHSC New Orleans		8,985
Total HIV Care Formula Grants		26,263,967
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	
Direct Awards:		
LSUHSC - Medical Center of Louisiana at New Orleans (Charity Hospital)		942,775
LSUHSC New Orleans		964,715
LSUHSC - Shreveport		329,681
Through: Greater Ouachita Coalition (GO CARE) (#72-113-663-9)		
LSUHSC - E.A. Conway Medical Center		331,464
Through: City of Baton Rouge		
LSUHSC - Earl K. Long Medical Center		482,594
Total Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease		3,051,229
Ryan White HIV/AIDS Dental Reimbursements Community-Based Dental Partnership	93.924	
Direct Awards:		
LSUHSC New Orleans		458,929
Special Projects of National Significance	93.928	
Direct Awards:		
LSUHSC New Orleans		764,816
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	
Direct Awards:		
Department of Education		132,348

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
HIV Prevention Activities - Health Department Based	93.940	
Direct Awards:		
Office of Public Health		$7,318,566
HIV Demonstration, Research, Public and Professional Education Projects	93.941	
Direct Awards:		
Office of Public Health		85,200
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups	93.943	
Through: Tulane University		
LSUHSC New Orleans		(1,361)
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	
Direct Awards:		
Office of Public Health		1,577,885
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	
Direct Awards:		
Office of Public Health		116,772
Block Grants for Community Mental Health Services	93.958	
Direct Awards:		
Department of Health and Hospitals		5,005,000
Block Grants for Prevention and Treatment of Substance Abuse	93.959	
Direct Awards:		
Department of Health and Hospitals		29,837,617
Preventive Health Services - Sexually Transmitted Diseases Control Grants Programs and Evaluation of Surveillance Systems	93.977	
Direct Awards:		
Office of Public Health		2,147,815
Mental Health Disaster Assistance and Emergency Mental Health	93.982	
Direct Awards:		
Department of Health and Hospitals		9,144,332
Preventive Health and Health Services Block Grant	93.991	
Direct Awards:		
Office of Public Health		2,065,957

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Maternal and Child Health Services Block Grant to the States	93.994	
Direct Awards:		
Office of Public Health		$14,969,433
Vital Stat Coop	93.200-2007-M-19933	
Direct Awards:		
Office of Public Health		661,007
Adult Blood Lead Surveillance	93.211-2008-M-25406	
Direct Awards:		
Office of Public Health		15,365
Family Domestic Violence Prevention Services	93.90EV0339/03	
Direct Awards:		
Southern University at New Orleans		27,773
Food Inspection	93.F223200840121C/940016C	
Direct Awards:		
Office of Public Health		52,043
Seafood Inspection	93.F223200840121C/940016C	
Direct Awards:		
Office of Public Health		65,767
Providing Quality Consumer Health Information to Dental	93.M01-LM-6-3505	
Through: Houston Academy of Medicine		
LSUHSC New Orleans		3,296
Resource Library Outreach	93.N01-LM-6-3505	
Through: NM/LM SCR, Houston Academy of Medicine		
LSUHSC - Shreveport		31,316
NN/LM Resource Library Outreach	93.OTHN01LM63505	
Through: Houston Academy of Medicine		
LSUHSC New Orleans		15,352
Hansen's Disease National Ambulatory Care Program	93.unknown	
Direct Awards:		
Department of Military Affairs		245,747
Gulf Coast Addiction Technology Transfer Center	93.UTA03-223	
Through: University of Texas at Austin		
Northwestern State University		55,537

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Aging Cluster:		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	
Direct Awards:		
Governor's Office of Elderly Affairs		$5,418,782
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	
Direct Awards:		
Governor's Office of Elderly Affairs		7,554,785
Nutrition Services Incentive Program	93.053	
Direct Awards:		
Governor's Office of Elderly Affairs		3,849,027
ARRA - Aging Home-Delivered Nutrition Services for States	93.705	
Direct Awards:		
Governor's Office of Elderly Affairs		277,210
ARRA - Aging Congregate Nutrition Services for States	93.707	
Direct Awards:		
Governor's Office of Elderly Affairs		554,203
Total Aging Cluster		17,654,007
CCDF Cluster:		
Child Care and Development Block Grant	93.575	
Direct Awards:		
Department of Social Services		95,720,346
ARRA - Child Care and Development Block Grant	93.713	
Direct Awards:		
Department of Social Services		19,238,885
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	
Direct Awards:		
Department of Social Services		25,943,364
Total CCDF Cluster		140,902,595

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
CSBG Cluster:		
Community Services Block Grant	93.569	
Direct Awards:		
Louisiana Workforce Commission		$16,434,547
ARRA - Community Services Block Grant	93.710	
Direct Awards:		
Louisiana Workforce Commission		6,562,581
Through: St. Landry Parish Community Action Agency (#PY 2009-08)		
Louisiana State University at Eunice		50,000
Total CSBG Cluster		23,047,128
Head Start Cluster:		
Head Start	93.600	
Direct Awards:		
Department of Social Services		134,305
Southern University and A&M College (Baton Rouge)		102,745
Through: Regina Coeli Child Development Center		
Southeastern Louisiana University		1,145
Total Head Start Cluster		238,195
Medicaid Cluster:		
State Medicaid Fraud Control Units	93.775	
Direct Awards:		
Department of Justice		3,202,007
State Survey and Certification of Health Care Providers and Suppliers	93.777	
Direct Awards:		
Department of Health and Hospitals		7,099,923
Medical Assistance Program	93.778	
Direct Awards:		
Department of Health and Hospitals		4,630,085,089
ARRA - Medical Assistance Program	93.778	
Direct Awards:		
Department of Health and Hospitals		699,273,199
Total Medicaid Cluster		5,339,660,218

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster:		
Ambassadors for Change Program	93.013	
Through: Sensor Development Corp. (#1R43FD003466-01A1)		
University of New Orleans		$7,056
Innovations in Applied Public Health Research	93.061	
Direct Awards:		
LSUHSC New Orleans		136,941
Centers for Genomics and Public Health	93.063	
Direct Awards:		
LSUHSC New Orleans		86,052
Maternal and Child Health Federal Consolidated Programs	93.110	
Direct Awards:		
Office of Public Health		72,554
Environmental Health	93.113	
Direct Awards:		
LSU A&M College (Baton Rouge)		356,678
LSUHSC New Orleans		664,865
Through: University of Alabama at Birmingham (#5 P01 ES011617-06)		
LSU A&M College (Baton Rouge)		12,584
Oral Diseases and Disorders Research	93.121	
Direct Awards:		
LSU A&M College (Baton Rouge)		437,893
LSUHSC New Orleans		983,257
LSUHSC - Shreveport		579,820
Through: Case Western Reserve University		
LSUHSC New Orleans		65,296
Through: Children's Hospital, Boston		
LSUHSC New Orleans		33,656
Through: F. Hutchinson Cancer Research Center		
LSUHSC New Orleans		35,938
Through: Ohio State University		
LSUHSC New Orleans		5,262
Through: Tulane University		
LSUHSC New Orleans		(1,285)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Nurse Anesthetist Traineeships	93.124	
Direct Awards:		
LSUHSC New Orleans		$30,612
Through: Tulane University		
LSUHSC New Orleans		(497)
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	
Through: Harvard School of Public Health (Consortium #5U48DP000064-04)		
University of New Orleans		6,413
NIEHS Superfund Hazardous Substances - Basic Research and Education	93.143	
Direct Awards:		
LSU A&M College (Baton Rouge)		117,425
AIDS Education and Training Centers	93.145	
Direct Awards:		
LSUHSC New Orleans		1,602,507
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	
Direct Awards:		
LSUHSC New Orleans		185,510
Research Related to Deafness and Communication Disorders	93.173	
Direct Awards:		
LSU A&M College (Baton Rouge)		286,364
LSUHSC New Orleans		52,454
LSUHSC - Shreveport		272,304
Immunization Research, Demonstration, Public Information and Education - Training and Clinical Skills Improvement Projects	93.185	
Through: Association of Teachers Prev Medicine		
LSUHSC New Orleans		(724)
Research and Training in Complementary and Alternative Medicine	93.213	
Direct Awards:		
Louisiana State University Agricultural Center		104,839
LSUHSC New Orleans		104,718
LSU Pennington Biomedical Research Center		1,434,057

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Research and Training in Complementary and Alternative Medicine (Cont.)	93.213	
Through: Rutgers, The State University of New Jersey (#P50AT002776)		
Louisiana State University Agricultural Center		$25,629
Through: University of Texas M.D. Anderson Cancer Center (#5 R21 AT004514 02)		
Louisiana State University Agricultural Center		81,893
Through: University of Southern California		
LSUHSC - Shreveport		8,958
Research on Healthcare Costs, Quality and Outcomes	93.226	
Direct Awards:		
LSUHSC New Orleans		(1,352)
Research on Healthcare Costs, Quality and Outcomes	93.226	
Through: Northwestern University Chicago		
LSUHSC - Shreveport		7,206
Mental Health Research Grants	93.242	
Direct Awards:		
LSUHSC New Orleans		1,034,037
LSUHSC - Shreveport		(3,748)
University of New Orleans		534,507
Through: University of Kentucky		
LSUHSC New Orleans		17,614
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	
Direct Awards:		
LSUHSC New Orleans		408,867
Through: University of California, Los Angeles		
LSUHSC New Orleans		58,426
Through: University of California, San Francisco		
LSUHSC New Orleans		44,165
Advanced Education Nursing Grant Program	93.247	
Direct Awards:		
LSUHSC New Orleans		671,543

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Public Health Training Centers Grant Program	93.249	
Through: Tulane University		
LSUHSC New Orleans		$46
Family Planning - Personnel Training	93.260	
Through: Center for Health Training		
LSUHSC New Orleans		2,915
Occupational Safety and Health Program	93.262	
Direct Awards:		
Office of Public Health		122,021
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271	
Direct Awards:		
LSUHSC New Orleans		177,391
Alcohol National Research Service Awards for Research Training	93.272	
Direct Awards:		
LSUHSC New Orleans		291,160
Alcohol Research Programs	93.273	
Direct Awards:		
LSU A&M College (Baton Rouge)		428,756
LSUHSC New Orleans		1,194,688
LSUHSC - Shreveport		25,786
Drug-Free Communities Support Program Grants	93.276	
Direct Awards:		
Louisiana Tech University		90,106
Drug Abuse and Addiction Research Programs	93.279	
Direct Awards:		
LSUHSC New Orleans		1,205,750
LSUHSC - Shreveport		264,244
University of New Orleans		552,658
Through: Tulane University		
LSUHSC New Orleans		(25)
Through: Virginia Commonwealth University (#7P01DA019398-03)		
LSU Pennington Biomedical Research Center		117,676
Through: University of Miami (Sub #66604P)		
University of New Orleans		12,880

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Centers for Disease Control and Prevention -	93.283	
Investigations and Technical Assistance		
Direct Awards:		
LSUHSC New Orleans		$2,522,771
Office of Public Health		103,146
Through: Tulane University		
LSUHSC New Orleans		9,094
Through: University of California, Los Angeles		
LSUHSC New Orleans		14,513
Discovery and Applied Research for Technological	93.286	
Innovations to Improve Human Health		
Direct Awards:		1,098,663
LSU A&M College (Baton Rouge)		
Through: Portland State University (#2R01EB002044-06A1)		
LSU A&M College (Baton Rouge)		152
Through: Ohio State Univ Research Foundation (#60012506)		
Louisiana Tech University		29,887
Comparative Medicine	93.306	
Direct Awards:		
LSU A&M College (Baton Rouge)		6,209
Minority Health and Health Disparities Research	93.307	
Direct Awards:		
Southern University at Shreveport-Bossier City		206,310
Through: Dillard University		
LSUHSC New Orleans		11,421
Advanced Nursing Education Traineeships	93.358	
Direct Awards:		
University of Louisiana at Lafayette		40,782
LSUHSC New Orleans		71,691
Nursing Research	93.361	
Direct Awards:		
LSUHSC New Orleans		9,077

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
National Center for Research Resources	93.389	
Direct Awards:		
LSU A&M College (Baton Rouge)		$5,213,117
Louisiana State University Agricultural Center		637,107
LSUHSC New Orleans		7,182,650
LSU Pennington Biomedical Research Center		1,929,590
LSUHSC - Shreveport		1,969,769
University of Louisiana at Lafayette		984,554
Through: Texas State University - San Marcos (#1R24RR024790-1)		
Louisiana State University Agricultural Center		80,653
Through: Tulane University		
LSUHSC New Orleans		172,024
Through: Illinois State University		
University of New Orleans		8,540
Through: University of Washington (#PO#524917)		
University of Louisiana at Lafayette		1,046,682
Cancer Construction	93.392	
Direct Awards:		
LSUHSC New Orleans		241,812
Cancer Cause and Prevention Research	93.393	
Direct Awards:		
LSU A&M College (Baton Rouge)		118,014
LSUHSC New Orleans		1,263,720
LSU Pennington Biomedical Research Center		238,868
LSUHSC - Shreveport		1,270,317
Through: H. Lee Moffit Cancer Center		
LSUHSC New Orleans		(2,457)
Through: Tulane University		
LSUHSC New Orleans		6,400
Through: University of Cincinnati		
LSUHSC New Orleans		3,094
Cancer Detection and Diagnosis Research	93.394	
Direct Awards:		
LSU A&M College (Baton Rouge)		277,097

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Cancer Treatment Research		
Direct Awards:	93.395	
LSU A&M College (Baton Rouge)		$1,264,228
LSUHSC New Orleans		774,096
LSUHSC - Shreveport		138,087
Through: Wayne State University (#5 RO1 CA023378-28)		
LSU A&M College (Baton Rouge)		(22,707)
Through: Dartmouth University		
LSUHSC New Orleans		16,993
Through: National Childhood Cancer Foundation		
LSUHSC New Orleans		25,382
Through: Northeastern University (#500147)		
Louisiana Tech University		9,556
Through: Southwest Oncology Group		
LSUHSC - Shreveport		3,021
Through: University of Maryland-Baltimore		
LSUHSC - Shreveport		25,617
Through: VectorLogics, Inc.		
LSUHSC - Shreveport		79,116
Cancer Biology Research	93.396	
Direct Awards:		
LSUHSC New Orleans		631,312
LSUHSC - Shreveport		227,353
University of Louisiana at Monroe		11,280
ARRA - Cancer Biology Research	93.396	
Direct Awards:		
University of Louisiana at Monroe		118,915
Cancer Research Manpower	93.398	
Direct Awards:		
LSU A&M College (Baton Rouge)		167,020
LSUHSC New Orleans		(12,196)
LSUHSC - Shreveport		(4)
Through: University of South Alabama		
LSUHSC New Orleans		(40,495)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Cancer Control	93.399	
Direct Awards:		
LSUHSC New Orleans		$2,224
LSUHSC - Shreveport		390,501
Through: University of Texas (#5 R01 CA109919 05)		
LSU Pennington Biomedical Research Center		178
Through: Sloan-Kettering Institute for Cancer Research		
LSUHSC - Shreveport		112,892
Assets for Independence Demonstration Program	93.602	
Direct Awards:		
Southern University at Shreveport-Bossier City		7,513
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	
Direct Awards:		
LSUHSC New Orleans		472,586
Trans-NIH Recovery Act Research Support	93.701	
Direct Awards:		
LSUHSC - Shreveport		956,057
ARRA-TRANS-NIH Recovery Act Research Support	93.701	
Direct Awards:		
LSU A&M College (Baton Rouge)		2,521,608
Louisiana State University Agricultural Center		108,020
LSUHSC New Orleans		3,337,633
LSU Pennington Biomedical Research Center		799,259
Southern University and A&M College (Baton Rouge)		107,902
University of Louisiana at Monroe		17,205
University of New Orleans		89,493
Through: University of Delaware (#R01EB004761Z)		
LSU A&M College (Baton Rouge)		18,920
Through: University of Alabama at Birmingham (#1R01HL094518-01A1)		
LSU A&M College (Baton Rouge)		23,934

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
ARRA-TRANS-NIH Recovery Act Research Support (Cont.)	93.701	
Through: University of Cincinnati		
LSUHSC New Orleans		$36,378
Through: University of Florida		
LSUHSC New Orleans		5,916
Through: Kaiser Foundation Research Institute (#1RC1HL099437-01)		
LSU Pennington Biomedical Research Center		32,595
Through: Northern Arizona University (#1R01DK082568-01A1)		
LSU Pennington Biomedical Research Center		84,110
Through: University of Florida (#U01AG022376)		
LSU Pennington Biomedical Research Center		707,259
Through: University of Florida (#U01AG022376-05A251)		
LSU Pennington Biomedical Research Center		60,055
Health Careers Opportunity Program	93.822	
Direct Awards:		
LSUHSC New Orleans		513,381
Cardiovascular Diseases Research	93.837	
Direct Awards:		
LSU A&M College (Baton Rouge)		370,187
LSU Pennington Biomedical Research Center		633,898
LSUHSC - Shreveport		1,599,016
LSUHSC New Orleans		995,532
Southeastern Louisiana University		64,031
Through: University of Texas Houston, HSC		
LSUHSC New Orleans		(676)
Through: University of South Alabama		
LSUHSC New Orleans		27,012
Through: Wake Forest University HSC		
LSUHSC New Orleans		122,160
Through: Kaiser Foundation Research Institute (#R01 HL078972)		
LSU Pennington Biomedical Research Center		68,416

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Lung Diseases Research	93.838	
Direct Awards:		
LSU A&M College (Baton Rouge)		$461,113
LSUHSC New Orleans		2,256,819
Through: Tulane University		
LSUHSC New Orleans		520,747
Through: University of Pittsburgh		
LSUHSC New Orleans		78,483
Through: University of Missouri Columbia (#1R01HL085108-01A2)		
LSU Pennington Biomedical Research Center		90,298
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	
Direct Awards:		
LSU A&M College (Baton Rouge)		97,112
Through: Georgetown University		
LSUHSC New Orleans		109,581
Through: University of South Florida		
LSUHSC New Orleans		(3,572)
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	
Direct Awards:		
LSU A&M College (Baton Rouge)		200,662
LSU Pennington Biomedical Research Center		4,442,105
LSUHSC - Shreveport		2,553,070
LSUHSC New Orleans		673,700
Digestive Diseases and Nutrition Research	93.848	
Direct Awards:		
LSU Pennington Biomedical Research Center		2,637,115
Through: Massachusetts General Hospital (#R01DK046270-14A1)		
LSU A&M College (Baton Rouge)		129,264
Kidney Diseases, Urology and Hematology Research	93.849	
Direct Awards:		
LSUHSC New Orleans		94,512

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	
Direct Awards:		
LSU Pennington Biomedical Research Center		$1,394,845
LSUHSC - Shreveport		452,081
LSUHSC New Orleans		2,290,834
Through: Keesler Medical Rehab Research Center		
LSUHSC New Orleans		7,555
Through: University of Medicine and Dentistry New Jersey		
LSUHSC - Shreveport		48,187
Through: Cornell Weill Medical College		
LSUHSC - Shreveport		2,361
Through: Yale University		
LSUHSC - Shreveport		16,205
Allergy, Immunology and Transplantation Research	93.855	
Direct Awards:		
LSU A&M College (Baton Rouge)		807,699
LSUHSC New Orleans		1,511,602
LSUHSC - Shreveport		999,251
Southeastern Louisiana University		1,348
Through: Battele Memorial Institute		
LSUHSC New Orleans		21,539
Through: Children's Hospital New Orleans		
LSUHSC New Orleans		297,470
Through: Geo Vax, Inc.		
LSUHSC New Orleans		68,539
Through: Harvard University		
LSUHSC New Orleans		25,201
Through: Mount Sinai School of Medicine		
LSUHSC New Orleans		13,718
Through: Social and Scientific Systems, Inc.		
LSUHSC New Orleans		12,643
Through: Tulane University		
LSUHSC New Orleans		19,999
Through: Vanderbilt University		
LSUHSC New Orleans		63,698

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Allergy, Immunology and Transplantation Research (Cont.)	93.855	
Through: Drexel University		
LSUHSC - Shreveport		($767)
Through: University of Texas Medical Branch		
LSUHSC - Shreveport		77,312
Through: Children's Hospital: The Research Institute for Children (2020.01/2748.25)		
University of New Orleans		130,909
Microbiology and Infectious Diseases Research	93.856	
Direct Awards:		
LSUHSC New Orleans		730,127
LSUHSC - Shreveport		103,506
Through: University of Florida		
LSUHSC New Orleans		50,991
Through: University of Indiana		
LSUHSC New Orleans		55
Through: Tulane University		
LSUHSC New Orleans		(704)
Through: University of Texas Medical Branch		
LSUHSC New Orleans		(5,875)
Biomedical Research and Research Training	93.859	
Direct Awards:		
LSU A&M College (Baton Rouge)		362,669
LSUHSC New Orleans		945,958
LSUHSC - Shreveport		294,339
Southeastern Louisiana University		2,197
Southern University and A&M College (Baton Rouge)		165,935
University of New Orleans		312,918
Through: University of Utah (#R01 GM059290)		
LSU A&M College (Baton Rouge)		163,937
Through: University of Utah (#2R01GM059290)		
LSU A&M College (Baton Rouge)		18,420
Through: University of Wisconsin-Madison (#1 R01 GM067085-01)		
LSU A&M College (Baton Rouge)		102,780
Through: Medical University of South Carolina (#5 R01 GM074247-04)		
LSU Pennington Biomedical Research Center		35,026

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Genetics and Developmental Biology Research and Research Training	93.862	
Direct Awards:		
Louisiana Tech University		$240,187
Child Health and Human Development Extramural Research	93.865	
Direct Awards:		
LSU Pennington Biomedical Research Center		978,293
LSUHSC - Shreveport		107,473
LSUHSC New Orleans		1,039,104
University of Louisiana at Monroe		51,464
Through: Ponce School of Medicine		
LSUHSC New Orleans		14,985
Through: Tulane University		
LSUHSC - Shreveport		8,527
Aging Research	93.866	
Direct Awards:		
LSUHSC New Orleans		254,401
LSU Pennington Biomedical Research Center		2,320,136
Through: University of South Carolina (#U01 AG022376)		
LSU Pennington Biomedical Research Center		38
Through: Tulane University		
LSUHSC New Orleans		142,381
Through: University of Kentucky Research Foundation (#2P01 AG005119-20A1)		
LSU Pennington Biomedical Research Center		164,914
Vision Research	93.867	
Direct Awards:		
LSU A&M College (Baton Rouge)		309,424
LSUHSC New Orleans		1,699,670
LSUHSC - Shreveport		328,361
Through: Johns Hopkins University		
LSUHSC New Orleans		274,416
Through: Keramed Company		
LSUHSC New Orleans		(33,756)

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Medical Library Assistance	93.879	
Direct Awards:		
LSU A&M College (Baton Rouge)		$23,053
Through: Children's Hospital: The Research Institute for Children (#1 K22 LM008794-01 (LOG #3092) GM073617)		
University of New Orleans		20,481
Alcohol Research Center Grants	93.891	
Direct Awards:		
LSUHSC New Orleans		1,703,097
Rural Health Care Services Outreach and Rural Network Development Program	93.912	
Direct Awards:		
Louisiana Tech University		167,027
Preventive Health Services - Sexually Transmitted Diseases Research, Demonstrations, and Public Information and Education Grants	93.978	
Direct Awards:		
LSUHSC New Orleans		(1,308)
IT Tech Assistance	93.270-05-0134	
Through: RTI International (#47-312-0209818)		
University of Louisiana at Lafayette		283,008
Precancerous Lesions Among Cancer Registries in Mlhpv	93.CDC-200-2008-27956	
Through: Battele Memorial Institute		
LSUHSC New Orleans		46,340
Rural Health Care Services Outreach and Rural Health Network	93.D01-RH-00136/932	
Through: Southeastern La. Ahec Foundation		
LSUHSC New Orleans		(7,005)
Valganciclovir Therapy (CASG 112)	93.N01-AI-030025	
Through: University of Alabama at Birmingham		
LSUHSC - Shreveport		38
Tamiflu Treatment Confirmed Influenza	93.N01-AI-30023	
Through: University of Alabama at Birmingham		
LSUHSC - Shreveport		19,709

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Effects of Antipsychotic Medication Schizophrenia	93.N01-MH90001	
Through: University of North Carolina at Chapel Hill		
LSUHSC - Shreveport		$71,229
Dendritic Cell Mediated Induction of Anti-HCV Immunity	93.R01A1061684	
Through: Nationwide Children's Hospital (#341906)		
University of Louisiana at Lafayette		65,830
HCV-Specific T Cell Responses in Chimpanzees	93.R37-A147367	
Through: Nationwide Children's Hospital (#220807)		
University of Louisiana at Lafayette		65,068
Genetics of Infection and Its Relationship with CVD Risk	93.RD.127112A	
Through: University of Texas Health Science Center at San Antonio (#R01 HL080149)		
LSU Pennington Biomedical Research Center		19,843
Epigenomics of Human Insulin Resistance	93.RD.1R01DK087092-01	
Through: Beth Israel Deaconess Medical Center Inc (#1R01DK087092-01)		
LSU Pennington Biomedical Research Center		37,650
Hexahydropyurrolo 3, Indole-Based Compounds	93.RD.263-MA-602288	
Direct Awards:		
LSUHSC - Shreveport		84
Identifying New Biomarkers for Breast Cancer	93.RD.BCTR0601144	
Using Antibody Microarray Staining		
Through: Susan G. Komen Breast Cancer Foundation		
LSU A&M College (Baton Rouge)		(3)
Data Collection and Analysis for the Delta Vitamin Study	93.RD.HHSF222200860398P	
Direct Awards:		
LSU Pennington Biomedical Research Center		(1)
Delta Obesity Prevention Summer Day Camp Program in 2010	93.RD.HHSF223201010498P	
Direct Awards:		
LSU Pennington Biomedical Research Center		1,535

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
Leprosy Research Support and Maintenance of an Armadillo Colony		
Direct Awards:		
LSU A&M College (Baton Rouge)	93.RD.HHSH258200870001I/TO #1	$69,260
LSU A&M College (Baton Rouge)	93.RD.HHSH258200870001I/TO #2	62,464
LSU A&M College (Baton Rouge)	93.RD.HHSH258200870001I/TO #3	62,812
LSU A&M College (Baton Rouge)	93.RD.HHSH258200870001I/TO #4	44,935
Development of an Assay for the Early Diagnosis of Preclinical Leprosy	93.RD.HHSH258200870001I/TO #5	
Direct Awards:		
LSU A&M College (Baton Rouge)		69,651
NHDP Project Director Management and Oversight - Task Order #6	93.RD.HHSH258200870001I/TO #6	
Direct Awards:		
LSU A&M College (Baton Rouge)		16,407
Leprosy Research Support and Maintenance of an Armadillo Colony - Task #7	93.RD.HHSH258200870001I/TO #7	
Direct Awards:		
LSU A&M College (Baton Rouge)		11,874
National Hispanic Science Network on Drug Abuse	93.RD.HHSN271200900002SC	
Through: University of Miami		
LSUHSC New Orleans		26,538
Maintenance and Support of a Specific Pathogen Free Indian - Origin Rhesus	93.RD.HHSN272200700039C	
Direct Awards:		
University of Louisiana at Lafayette		1,471,292
Maintenance and Support of a Specific Pathogen Free Indian - Origin Rhesus	93.RD.HHSN272200800017C	
Direct Awards:		
University of Louisiana at Lafayette		1,415,835
International and Domestic Pediatric and Maternal HIV	93.RD.HSN267200800001C	
Through: Tulane University		
LSUHSC New Orleans		6,704
Sexually Transmitted Infections Clinical	93.RD.N01AI40073	
Through: University of Alabama		
LSUHSC New Orleans		104,050

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Research and Development Cluster: (Cont.)		
HIV Vaccine Design and Development Teams	93.RD.N01AI60018	
Through: Berna Biotech AG		
LSUHSC New Orleans		$74,472
Leasing of Chimpanzees for the Conduct of Research	93.RD.N01-AO-22754	
Direct Awards:		
University of Louisiana at Lafayette		760,000
Prevention of Cardiovascular Disease in Diabetes Mellit	93.RD.N01HC95182	
Through: Tulane University		
LSUHSC New Orleans		(14,238)
Determine Genetic Susceptibility to Lung Cancer	93.RD.N01-HG-65404	
Direct Awards:		
LSUHSC New Orleans		187,732
SEER Expansion Program	93.RD.N01PC54402	
Direct Awards:		
LSUHSC New Orleans		1,746,700
Cancer Information Services	93.RD.N02-CO-51106	
Through: University of Kentucky		
LSUHSC New Orleans		23,178
SEER Expansion Program	93.RD.N02NP15106	
Direct Awards:		
LSUHSC New Orleans		(748)
Animal Holding and Care of Animals Exposed to Slow, Latent and Temperate Virus Infections	93.RD.N02-NS-4-2358	
Direct Awards:		
University of Louisiana at Lafayette		117,319
Clinical Research Network for Treatment	93.RD.N268200536172C	
Direct Awards:		
LSUHSC New Orleans		283,093
The Development of a Recombinant Vaccine Against Human Onchocerciasis	93.RD.NIH000123	
Through: New York Blood Center Inc (#1R01AI078314-01A2)		
LSU A&M College (Baton Rouge)		70,453
Total Research and Development Cluster		102,424,375

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONT.)		
Student Financial Assistance Cluster:		
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925	
Direct Awards:		
Northwestern State University		$54,194
Southern University and A&M College (Baton Rouge)		221,579
Total Student Financial Assistance Cluster		275,773
TANF Cluster:		
Temporary Assistance for Needy Families	93.558	
Direct Awards:		
Department of Social Services		149,693,746
Total U.S. Department of Health and Human Services		**$6,474,339,268**
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		
Retired and Senior Volunteer Program	94.002	
Direct Awards:		
University of Louisiana at Monroe		$82,171
State Commissions	94.003	
Direct Awards:		
Office of the Lieutenant Governor		211,421
Learn and Serve America - School and Community-Based Programs	94.004	
Direct Awards:		
Department of Education		432,421
Office of the Lieutenant Governor		80,857
Total Learn and Serve America - School and Community-Based Programs		513,278

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CONT.)		
Learn and Serve America - Higher Education	94.005	
Direct Awards:		
University of Louisiana System		$342,893
Through: Louisiana Campus Compact		
LSU A&M College (Baton Rouge)		41,904
Through: Maricopa County Community College		
Delgado Community College		22,000
Through: Morehouse School of Medicine		
Grambling State University		10,838
Through: Northern Kentucky University Research Foundation		
University of Louisiana at Monroe		2,020
Southeastern Louisiana University		6,184
LSU A&M College (Baton Rouge)		2,995
Total Learn and Serve America - Higher Education		428,834
AmeriCorps	94.006	
Direct Awards:		
Office of the Lieutenant Governor		4,831,345
Through: America's Wetland Foundation		
Louisiana State University Agricultural Center		14,077
Through: Jumpstart for Young Children, Inc. (#170200)		
Southeastern Louisiana University		7,390
Through: Jumpstart for Youth Children, Inc. (JS-SITE #66 #660100)		
University of New Orleans		11,861
Total AmeriCorps		4,864,673
ARRA - Americorps	94.006	
Direct Awards:		
Office of the Lieutenant Governor		1,199,712
Program Development and Innovation Grants	94.007	
Direct Awards:		
Office of the Lieutenant Governor		48,540
Training and Technical Assistance	94.009	
Direct Awards:		
Office of the Lieutenant Governor		104,766
Volunteers in Service to America	94.013	
Direct Awards:		
Executive Department		65,266

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CONT.)		
Foster Grandparent/Senior Companion Cluster:		
Foster Grandparent Program	94.011	
Direct Awards:		
Department of Health and Hospitals		$297,160
Total Corporation for National and Community Service		**$7,815,821**
SOCIAL SECURITY ADMINISTRATION		
Social Security - Work Incentives Planning and Assistance Program	96.008	
Direct Awards:		
LSUHSC New Orleans		$193,859
Disability Insurance/SSI Cluster:		
Social Security - Disability Insurance (DI)	96.001	
Direct Awards:		
Department of Public Safety and Corrections - Youth Services		92,323
Department of Social Services		37,361,927
Supplemental Security Income (SSI)		
Direct Awards:	96.006	
Department of Public Safety and Corrections - Youth Services		394,459
Total Disability Insurance/SSI Cluster		37,848,709
Total Social Security Administration		**$38,042,568**
U.S. DEPARTMENT OF HOMELAND SECURITY		
State and Local Homeland Security National Training Program	97.005	
Direct Awards:		
LSU A&M College (Baton Rouge)		$25,686,971
Boating Safety Financial Assistance	97.012	
Direct Awards:		
Department of Wildlife and Fisheries		2,361,873
Pre-Disaster Mitigation (PDM) Competitiveness Grants	97.017	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		1,459
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	
Direct Awards:		
Department of Transportation and Development		177,940

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Flood Mitigation Assistance	97.029	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		$1,094,584
Disaster Unemployment Assistance	97.034	
Direct Awards:		
Louisiana Workforce Commission		2,092,434
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		1,233,919,260
Through: Arkansas Division of Emergency Management (EMAC #5670-0)		
Governor's Office of Homeland Security and Emergency Preparedness		12,781
Through: Maryland Division of Emergency Management (EMAC #0109-001)		
Governor's Office of Homeland Security and Emergency Preparedness		5,923
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)		1,233,937,964
Hazard Mitigation Grant Program	97.039	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		133,985,192
National Dam Safety Program	97.041	
Direct Awards:		
Department of Transportation and Development		460
Emergency Management Performance Grants	97.042	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		4,525,108
State Fire Training Systems Grants	97.043	
Direct Awards:		
LSU A&M College (Baton Rouge)		26,156
Interoperable Emergency Communications	97.055	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		126,387
Centers for Homeland Security	97.061	
Through: Jackson State University (#2008-ST-061-ND0002)		
LSU A&M College (Baton Rouge)		85,602

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Competitive Training Grant	97.068	
Direct Awards:		
Northwestern State University		$540,090
Map Modernization Management Support (MMMS)	97.070	
Direct Awards:		
Department of Transportation and Development		13,169
Rail and Transit Security Grant Program	97.075	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		132,179
Buffer Zone Protection Program (BZPP)	97.078	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		976,069
Alternative Housing Pilot Program	97.087	
Direct Awards:		
Executive Department		36,134,159
Disaster Assistance Projects	97.088	
Direct Awards:		
Department of Health and Hospitals		(20,332)
Disaster Housing Assistance Grant	97.109	
Direct Awards:		
Executive Department		9,340,155
Severe Loss Repetitive Program	97.110	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		7,117,761
United States Coast Guard - Deepwater Horizon	97.FPN N10036	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		5,168,912
Immigration and Customs Enforcement	97.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		25,219
United States Secret Service	97.UNKNOWN	
Direct Awards:		
Department of Public Safety and Corrections - Public Safety Services		10,709

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. DEPARTMENT OF HOMELAND SECURITY (CONT.)		
Homeland Security Cluster:		
Homeland Security Grant Program	97.067	
Direct Awards:		
Governor's Office of Homeland Security and Emergency Preparedness		$33,423,242
Research and Development Cluster:		
Pilot Demonstration or Earmarked Projects	97.001	
Direct Awards:		
University of New Orleans		213,391
Centers for Homeland Security	97.061	
Through: University of North Carolina at Chapel Hill (#2008-ST-061-ND0001)		
LSU A&M College (Baton Rouge)		657,918
Through: University of Minnesota (#2007-ST-061-000003)		
Louisiana State University Agricultural Center		97,123
Homeland Security Advanced Research Projects Agency	97.065	
Through: Iowa State University (#2008-ST-065-LR0002)		
Louisiana State University Agricultural Center		15,000
Homeland Security, Research, Testing, Evaluation, and Demonstration of Technologies	97.108	
Direct Awards:		
University of New Orleans		151,540
Repetitive Flood Loss Reduction Project for the State of Texas	97.HSFE06-09-P-0095	
Direct Awards:		
University of New Orleans		144,193
Field Investigations to Assess Surge and Wave Reduction by Vegetation	97.RD.09-01-046	
Through: University of Mississippi		
LSU A&M College (Baton Rouge)		206,989
Total Research and Development Cluster		1,486,154
Total U.S. Department of Homeland Security		**$1,498,449,616**

(Continued)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

	CFDA OR OTHER NUMBER	ACTIVITY
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT		
USAID Foreign Assistance for Programs Overseas	98.001	
Direct Awards:		
Louisiana State University Agricultural Center		$302,556
USAID Development Partnerships for University Cooperation and Development	98.012	
Through: ACE-American Council on Education/HED Higher Education for Development		
Southern University and A&M College (Baton Rouge)		50,000
Research and Development Cluster:		
USAID Foreign Assistance for Programs Overseas	98.001	
Through: Research Corporation of the University of Hawaii (#EPP-A-00-06-00012-00)		
LSU A&M College (Baton Rouge)		30,364
Higher Education for Development	98.AEG-A-00-05-00007-00	
Through: American Council on Education		
University of Louisiana at Lafayette		67,124
Total Research and Development Cluster		97,488
Total U.S. Agency for International Development		**$450,044**
TOTAL EXPENDITURES OF FEDERAL AWARDS EXCLUDING LOANS		**$15,430,716,765**
LOAN ACTIVITY		
Federal Family Education Loans	84.032	$2,086,458,485
Perkins Loan Cancellations	84.037	1,131,300
Student Financial Assistance Cluster:		
Federal Family Education Loans	84.032	594,585,327
Federal Perkins Loan Program - Federal Capital Contributions	84.038	46,433,790
Federal Direct Student Loans	84.268	12,357,965
Health Professions Student Loans, Including Primary Care Loans/ Loans for Disadvantaged Students	93.342	2,753,907
Nursing Student Loans	93.364	203,795
Total Student Financial Assistance Cluster		656,334,784
Total Loan Activity		**$2,743,924,569**
TOTAL EXPENDITURES OF FEDERAL AWARDS INCLUDING LOANS		**$18,174,641,334**

(Concluded)

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

A. PURPOSE OF THE SCHEDULE

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the State of Louisiana to prepare a schedule of expenditures of federal awards for the period covered by the state's financial statements. The schedule is required to include total federal awards expended for each federal program, the program name, and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number for each program when the CFDA number is not available. To comply with this requirement, the Office of Statewide Reporting and Accounting Policy within the Division of Administration requires each state agency, hospital, and university to prepare a schedule of expenditures of federal awards. These individual schedules are combined and reported in the accompanying Schedule of Expenditures of Federal Awards (SEFA) for the State of Louisiana.

B. REPORTING ENTITY

The SEFA includes all federal financial assistance received from federal agencies or pass-through entities that was expended or issued by the State of Louisiana during the year ended June 30, 2010. Pass-through entities include other states, local governments, or nonprofit organizations that provided federal financial assistance to the state.

C. BASIS OF ACCOUNTING

The Integrated Statewide Information Systems of the State of Louisiana currently do not have the capacity to provide expenditures of awards for each federal program in accordance with accounting principles generally accepted in the United States of America. Therefore, except as explained in the following paragraphs, expenditures of federal awards presented in the SEFA represent cash disbursements of the individual programs. Consequently, certain expenditures (activity) are recognized when paid rather than when obligations are incurred. Accordingly, the information presented in the SEFA is not intended to present federal program expenditures in conformity with accounting principles generally accepted in the United States of America.

Indirect Costs - Certain costs, such as those associated with budgeting, accounting, personnel administration, et cetera, benefit more than one program but are not readily assignable to the programs receiving the benefits. Some agencies, hospitals, and universities apply a federally approved indirect cost rate to direct program costs to recover a portion of these indirect costs from federal grants or contracts. Indirect costs charged to federal grants and contracts by means of approved indirect cost rates are recognized as disbursements or expenditures in the SEFA.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Public Institutions of Higher Education - Except as explained in the following paragraph, the expenditures of federal awards for the public institutions of higher education are presented on the full accrual basis of accounting. Consequently, expenditures are recognized when the related liability is incurred.

Fixed Price Contracts - These contracts provide that a specified amount of funds will be paid upon delivery of a product, generally, a report on the results of a research study. As a result, the amount of federal awards that may be expended under fixed price contracts is limited to the amount of funds received from the contracts, regardless of the amount of costs incurred to perform the contracts or the period in which those costs were incurred. Therefore, the information presented in the SEFA for fixed price contracts represents federal funds received on the cash basis of accounting. Consequently, expenditures (activity) are recognized in the amount of the federal funds received rather than in the amount of the obligation.

Donations - Activity of the Donation of Federal Surplus Personal Property Program (CFDA 39.003) is reported in the SEFA at fair market value, which has been defined as 23.3% of the acquisition cost provided by the federal government when the property is received by the State of Louisiana.

Supplemental Nutrition Assistance Program (known as the Food Stamp Program) - Expenditures of the Supplemental Nutrition Assistance Program (CFDA 10.551) are reported in the SEFA at the amount of food stamp benefits expended for food purchases by recipients that obtain their benefits through electronic benefit transfer.

Issues of the commodities programs (CFDA 10.555, 10.565, 10.569) are reported in the SEFA at the federally assigned value of the commodities when they are issued to state agencies, hospitals, and universities.

D. TRANSFERS OF FEDERAL FUNDS AMONG STATE AGENCIES, HOSPITALS, AND UNIVERSITIES

The SEFA presents expenditures (activity) of federal awards for the state agencies, including hospitals and universities that initially received the federal assistance. In some instances, assistance received by one agency is transferred to a subrecipient state agency, hospital, or university to be expended for the original program or when allowed by other federal programs. In those instances, the expenditures (activity) of federal awards are reflected for the agency that initially received the assistance from a federal, local, or other state government.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

E. LOANS, LOAN GUARANTEES OUTSTANDING, AND NON-CASH ASSISTANCE

The SEFA and related notes include certain loans, loan guarantees outstanding, and non-cash assistance as presented in the following schedule.

CFDA Number	Loans, Cancellations and Loan Guarantees	Loans Disbursed/ Cancelled During the Year Ended June 30, 2010	Loans and Loan Guarantees Outstanding June 30, 2010
84.032	Federal Family Education Loans (note F)	$594,585,327	$2,018,568,129 (a)
84.037	Perkins Loan Cancellations (note L)	1,131,300	
84.038	Federal Perkins Loan Program - Federal Capital Contributions (note K)	6,399,002	54,449,396
84.268	Federal Direct Student Loans (note G)	12,357,965	
93.342	Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (note J)	435,000	2,524,004
93.364	Nursing Student Loans (note J)	13,093	199,029
	Total Loan Activity	$614,921,687	$2,075,740,558
	Other Non-Cash Assistance		
10.551	Supplemental Nutrition Assistance Program	$1,248,331,998	
10.555	National School Lunch Program	16,570,329	
10.565	Commodity Supplemental Food Program	14,519,668	
10.569	Emergency Food Assistance Program (Food Commodities)	9,731,130	
39.003	Donation of Federal Surplus Personal Property	1,401,444	
	Total Other Non-Cash Assistance	$1,290,554,569	

(a) As of June 30, 2010, the original principal on outstanding loan guarantees under the Federal Family Education Loans Program, which is guaranteed by the Office of Student Financial Assistance, amounted to $2,018,568,129 (note F).

F. FEDERAL FAMILY EDUCATION LOANS

Public institutions of higher education administer loans under the Federal Family Education Loans (FFEL) Program (CFDA 84.032). The objective of this program is to encourage lenders such as banks, credit unions, savings and loan associations, pension funds, insurance companies, and schools to make loans to vocational, undergraduate, and graduate students enrolled at eligible postsecondary institutions to help pay for educational expenses. The loans are insured by a state or private nonprofit guaranty agency and reinsured by the federal government. OMB considers this loan program a part of the Student Financial Assistance (SFA) cluster of programs when it is administered by public institutions of higher education as presented in Part 5 of the

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

OMB Circular A-133, *Compliance Supplement*. The *Compliance Supplement* states, however, that the FFEL Program at the guaranty agencies is not considered a part of the SFA cluster and should be reported separately.

The Office of Student Financial Assistance (OSFA) is a guaranty agency that is a component unit of the State of Louisiana. OSFA guarantees 100% of the loans it makes to students under the FFEL Program. The federal government reimburses OSFA a percentage of the defaulted claims payments to lenders on certain defaulted loans, and when defaulted loans are collected, OSFA returns a percentage of the amount collected to the federal government.

During the year ended June 30, 2010, OSFA paid lending institutions for defaulted student loans in the amount of $71,236,340.

The average federal participation in these default payments was 93.785%.

New loans and consolidations of existing loans to students during the year ended June 30, 2010, which are guaranteed by OSFA, amounted to $298,923,008.

Only new loans made by universities are included as part of the SFA cluster. As of June 30, 2010, the original principal on outstanding loan guarantees under the FFEL Program, which are guaranteed by OSFA, amounted to $2,018,568,129.

The amounts of loans disbursed by public institutions of higher education during the year under the FFEL Program are presented in the following schedule. These loans are insured by the state or private nonprofit guaranty agencies and are reinsured by the federal government. These loans are considered activity of the SFA cluster of programs.

Hospital/University	Loans Disbursed During the Year Ended June 30, 2010
Bossier Parish Community College	$11,780,309
Delgado Community College	42,526,606
Grambling State University	40,357,752
LSU A&M College (Baton Rouge)	92,428,685
LSU at Alexandria	6,840,273
LSU at Eunice	5,816,680
LSU in Shreveport	15,125,417
LSU Health Sciences Center (New Orleans)	46,380,971
LSU Health Sciences Center (Shreveport)	16,297,097
Louisiana Tech University	24,806,011

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Hospital/University	Loans Disbursed During the Year Ended June 30, 2010
McNeese State University	$26,582,940
Nicholls State University	1,454,419
Northwestern State University	32,355,180
Southeastern Louisiana University	44,066,165
Southern University and A&M College (Baton Rouge)	60,913,739
Southern University at New Orleans	20,449,681
Southern University at Shreveport-Bossier City	6,678,639
University of Louisiana at Lafayette	32,432,796
University of Louisiana at Monroe	31,405,644
University of New Orleans	35,886,323
Total	$594,585,327

Students enrolled in colleges and universities have participated in the FFEL Program for many years. On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 (HCERA, Public Law 111-152) became law. The HCERA mandates that if a student's first federal loan disbursement is before July 1, 2010, then that disbursement and all subsequent disbursements may be made under the FFEL Program. However, if a student's first federal loan disbursement occurs on or after July 1, 2010, the loan must be originated and disbursed under the Federal Direct Student Loan (FDSL) Program (CFDA 84.268). Information regarding the FDSL Program is presented in note G. The impact of this legislation is that FFEL Program loans will decrease and FDSL Program will increase in subsequent years.

G. FEDERAL DIRECT STUDENT LOANS

The federal government provides loan capital directly to vocational, undergraduate, and graduate students and their parents under the FDSL Program (CFDA 84.268).

Students enrolled in colleges and universities have participated in the FFEL Program (CFDA 84.032) for many years. Information regarding the FFEL Program is presented in note F. On March 30, 2010, the HCERA of 2010 (HCERA, Public Law 111-152) became law. The HCERA mandates that if a student's first federal loan disbursement is before July 1, 2010, then that disbursement and all subsequent disbursements may be made under the FFEL Program. However, if a student's first federal loan disbursement occurs on or after July 1, 2010, the loan must be originated and disbursed under the FDSL Program. The impact of this legislation is that FFEL Program loans will decrease and FDSL Program loans will increase in subsequent years.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

During the year ended June 30, 2010, the following loans were made to students:

	Amount of Loan to Students
Louisiana State University - Alexandria	$597,104
Louisiana State University - Baton Rouge	6,734,818
Louisiana State University - Eunice	16,784
McNeese State University	638,576
Southeastern Louisiana University	171,057
University of Louisiana at Monroe	735,974
Nunez Community College	515,427
River Parishes Community College	2,948,225
Total Federal Direct Student Loans	$12,357,965

H. UNEMPLOYMENT INSURANCE PROGRAM

The Unemployment Insurance Program (CFDA 17.225) is administered through a unique federal-state partnership that was founded upon federal law but implemented through state law. For the purposes of presenting the expenditures of this program in the SEFA, both state and federal funds have been considered federal awards expended. The breakdown of the state and federal portions of the total program expenditures for fiscal year ended June 30, 2010, is presented in the following schedule.

State Portion (Benefits Paid)	$593,749,079
Federal Portion (Benefits Paid)	68,703,714
Federal Portion - ARRA (Benefits Paid)	317,144,635
Federal Portion (Administrative Costs)	41,261,582
Federal Portion - ARRA (Administrative Costs)	58,757
Total	$1,020,917,767

I. PETROLEUM VIOLATION ESCROW FUNDS

Petroleum Violation Escrow Funds are monies that were provided to the state by the U.S. Department of Energy (DOE). These distributions were the result of legislative, administrative, and judicial actions involving violations of DOE's price and allocation controls in effect from August 1973 through January 1981. These controls applied to the allocation and pricing of crude oil and refined petroleum products. The funds include Warner Amendment funds, Office of Hearings and Appeals (OHA) funds, Exxon funds, and Multi-District Litigation (M.D.L.)

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Number 378 "Stripper Well" funds and are sometimes referred to as Federal Energy Settlement funds. Court orders and consent decrees relative to the lawsuits that resulted in these distributions imposed restrictions on the way the state can administer and use these monies.

J. NURSING STUDENT LOANS AND HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE LOANS/LOANS FOR DISADVANTAGED STUDENTS

Public institutions of higher education receive federal capital contributions under the Nursing Student Loans Program (CFDA 93.364) and the Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students Program (CFDA 93.342) to make low-interest loans to eligible students to assist them in meeting their educational needs. The amount of new loans made during the year and the outstanding balances of loans made under these programs as of June 30, 2010, are presented in the following schedule.

	Nursing Student Loans		Health Professions Student Loans	
Hospital/University	Loans Made During the Year Ended June 30, 2010	Outstanding Balance June 30, 2010	Loans Made During the Year Ended June 30, 2010	Outstanding Balance June 30, 2010
Grambling State University		$672		
LSU at Eunice		5,352		
LSU Health Sciences Center (New Orleans)	$13,093	79,151	$147,500	$960,389
LSU Health Sciences Center (Shreveport)				11,056
McNeese State University		4,471		
Southeastern Louisiana University		17,500		
University of Louisiana at Lafayette		68,813		
University of Louisiana at Monroe		23,070	287,500	1,552,559
Total	$13,093	$199,029	$435,000	$2,524,004

K. FEDERAL PERKINS LOAN PROGRAM - FEDERAL CAPITAL CONTRIBUTIONS

Public institutions of higher education receive federal capital contributions under the Federal Perkins Loan Program - Federal Capital Contributions (CFDA 84.038) to make low-interest loans to eligible students to assist them in meeting their educational needs. The amount of new loans made during the year and the outstanding balances of loans made under this program as of June 30, 2010, are presented in the following schedule.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

	Perkins Loans	
Hospital/University	Loans Made During the Year Ended June 30, 2010	Outstanding Balance June 30, 2010
Delgado Community College		$6,575
LSU A&M College (Baton Rouge)	$2,295,144	15,339,582
LSU at Eunice	72,254	632,925
LSU Health Sciences Center (New Orleans)	349,521	2,232,491
LSU Health Sciences Center (Shreveport)	88,500	1,302,725
Louisiana Tech University	714,403	7,196,842
McNeese State University	203,302	2,873,344
Nicholls State University		9,575
Northwestern State University	466,814	2,045,305
Southeastern Louisiana University	245,875	2,915,149
University of Louisiana at Lafayette	978,362	10,023,098
University of Louisiana at Monroe	599,000	4,660,506
University of New Orleans	385,827	5,211,279
Total	$6,399,002	$54,449,396

L. PERKINS LOAN CANCELLATIONS

Students who received National Defense or Perkins Loans may have a portion or all of their loan balance canceled if they meet certain military or teacher service requirements. Under the Perkins Loan Cancellations Program (CFDA 84.037), the federal government restores the total amount of canceled principal and interest to the universities' loan funds. The amounts canceled under this program during the year ended June 30, 2010, are presented in the following schedule.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Hospital/University	Principal and Interest Canceled
LSU A&M College (Baton Rouge)	$172,277
LSU at Eunice	10,797
LSU Health Sciences Center (New Orleans)	110,365
LSU Health Sciences Center (Shreveport)	20,725
McNeese State University	177,474
Nicholls State University	907
Northwestern State University	57,298
Southeastern Louisiana University	34,196
University of Louisiana at Lafayette	431,870
University of Louisiana at Monroe	112,733
University of New Orleans	2,658
Total	$1,131,300

M. DEPARTMENT OF EDUCATION - HOUSING ACT OF 1950 "TITLE IV" LOAN

The University of Louisiana System Board of Supervisors has a loan agreement, on behalf of Grambling State University, with the U.S. Secretary of Education for $3,500,000. These funds are to be used for financing the construction of four new dormitories pursuant to Title IV of the Housing Act of 1950. The loan shall bear interest at the rate of 3% per annum on the unpaid balance. The principal and interest shall be payable in semiannual installments of $88,877 over a term of 30 years. The payments are to commence at the point any of the new dormitories become revenue-producing. As of June 30, 2010, the outstanding loan balance was $1,961,303. Principal and interest payments totaling $177,754 were made during the year.

N. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC PROGRAM)

During the fiscal year ended June 30, 2010, the Louisiana Office of Public Health received cash rebates from infant formula manufacturers in the amount of $35,413,504 from sales of formula to participants in the WIC Program (CFDA 10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Dividing the rebates received by the net average food package cost per participant results in 724,351 more participants served as a result of the rebate collections. In the absence of a rebate contract, the

average food package cost would increase and available federal funding would support 521,400 less participants than were actually served during the fiscal year.

O. MAJOR FEDERAL AWARD PROGRAMS

The State of Louisiana's major federal award programs for the year ended June 30, 2010, were determined by the Louisiana Legislative Auditor using the criteria established by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. OMB Circular A-133 requires major programs to be determined using a risk-based approach. The amount of federal awards expended was determined using actual federal program activity as described in note C and the outstanding loan balances for certain loan programs as of and for the year ended June 30, 2009. The state's Type A federal award programs for the year ended June 30, 2010, were all federally assisted programs for which program activity and the federal government's risk in the outstanding loan balances as of June 30, 2009, was equal to or greater than $30,000,000.

The major programs cumulatively account for approximately 95% of the state's expenditures/ issues/loans of federal award programs for the year ended June 30, 2010. The major programs and total federal awards expended per program as presented in the accompanying SEFA and notes are as follows:

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children		$119,575,452	$2,647,566
10.558	Child and Adult Care Food Program		66,020,846	64,670,631
12.400	Military Construction, National Guard		56,567,148	
15.426	Coastal Impact Assistance Program (CIAP)		54,160,390	
17.225	Unemployment Insurance		1,020,917,767	
20.223	Transportation Infrastructure Finance and Innovation Act (TIFIA) Program		66,000,000	
66.436	Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements		48,310,485	
66.458	Capitalization Grants for Clean Water State Revolving Funds		30,567,207	30,220,991
84.032	Federal Family Education Loans (Guaranty Agency):			
	Administrative Expenses		47,678,983	
	Loan Activity		2,086,458,485	
84.287	Twenty-First Century Community Learning Centers		32,639,599	30,909,370
84.367	Improving Teacher Quality State Grants		76,020,386	73,010,670
93.563	Child Support Enforcement		52,297,605	13,240,196
93.658	Foster Care - Title IV-E		57,324,017	707,272
93.667	Social Services Block Grant		155,193,213	2,810,612
93.767	Children's Health Insurance Program		183,359,894	

STATE OF LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations		$37,091,590	$133,132
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)		1,233,937,964	904,693,644
97.039	Hazard Mitigation Grant		133,985,192	61,881,110
97.087	Alternative Housing Pilot Program		36,134,159	13,367,646*
	SNAP Cluster			
10.551	Supplemental Nutrition Assistance Program	$1,248,331,998		
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	67,113,727	1,315,445,725	1,413,343
	Child Nutrition Cluster			
10.553	School Breakfast Program	60,969,233		58,161,115
10.555	National School Lunch Program	201,519,410		195,049,485
10.556	Special Milk Program for Children	30,965		28,565
10.559	Summer Food Service Program for Children	8,247,821	270,767,429	7,454,694
	CDBG - State-Administered Small Cities Program Cluster			
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	1,213,257,797		125,726,486
14.255	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - (Recovery Act Funded)	1,300,449	1,214,558,246	
	WIA Cluster			
17.258	WIA Adult Program	21,587,222		13,837,584
17.259	WIA Youth Activities	28,369,953		13,320,525
17.260	WIA Dislocated Workers	24,142,929	74,100,104	15,428,566
	Highway Planning and Construction Cluster			
20.205	Highway Planning and Construction	814,044,539		7,804,767
20.219	Recreational Trails Program	1,268,740	815,313,279	1,097,394
	Title I, Part A Cluster			
84.010	Title I Grants to Local Educational Agencies	320,780,654		299,532,729
84.389	Title I Grants to Local Educational Agencies, Recovery Act	73,081,643	393,862,297	72,846,494
	Special Education Cluster (IDEA)			
84.027	Special Education - Grants to States	210,343,559		188,596,734
84.173	Special Education - Preschool Grants	6,502,376		5,298,819
84.391	Special Education - Grants to States, Recovery Act	62,720,279		60,145,317
84.392	Special Education - Preschool Grants, Recovery Act	1,295,932	280,862,146	1,257,973
	Vocational Rehabilitation Cluster			
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	40,145,229		
84.390	Rehabilitation Services - Vocational Rehabilitation Grants to States, Recovery Act	4,998,180	45,143,409	

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
	State Fiscal Stabilization Fund Cluster			
84.394	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	$289,388,821		
84.397	State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	53,938,191	$343,327,012	
	TANF Cluster			
93.558	Temporary Assistance for Needy Families	149,693,746	149,693,746	$16,550,421
	CSBG Cluster			
93.569	Community Services Block Grants	16,434,547		15,495,196
93.710	ARRA - Community Services Block Grants	6,612,581	23,047,128	6,551,648
	CCDF Cluster			
93.575	Child Care and Development Block Grant	95,720,346		3,804,389
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	25,943,364		
93.713	ARRA - Child Care and Development Block Grant	19,238,885	140,902,595	
	Medicaid Cluster			
93.775	State Medicaid Fraud Control Units	3,202,007		
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	7,099,923		
93.778	Medical Assistance Program	5,329,358,288	5,339,660,218	
	Homeland Security Cluster			
97.067	Homeland Security Grant Program	33,423,242	33,423,242	26,491,704
	Student Financial Assistance Cluster			
84.007	Federal Supplemental Educational Opportunity Grants	14,206,774		
84.032	Federal Family Education Loans	594,585,327		
84.033	Federal Work-Study Program	9,183,635		
84.038	Federal Perkins Loan Program - Federal Capital Contributions:			
	Administrative Expenditures	104,653		
	Loan Activity	46,433,790		
84.063	Federal Pell Grant Program	291,511,022		
84.268	Federal Direct Student Loans:			
	Administrative Expenditures	5,227,801		
	Loan Activity	12,357,965		
84.375	Academic Competitiveness Grants	6,032,402		
84.376	National Science and Mathematics Access to Retain Talent (SMART) Grants	2,282,237		
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	425,199		
93.342	Health Professionals Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students:			
	Loan Activity	2,753,907		
93.364	Nursing Student Loans:			
	Loan Activity	203,795		
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds	275,773	985,584,280	

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

CFDA Number	Program Name	Programs Included in Cluster	Total Activity	Amounts Provided to Subrecipients
	Research and Development Cluster			
	Environmental Protection Agency	$2,401,709		$475,810
	National Aeronautics and Space Administration	3,091,120		74,690
	National Science Foundation	28,535,538		693,439
	Small Business Administration	53,213		
	U.S. Department of Veterans Affairs	2,913		
	U.S. Agency for International Development	97,488		
	U.S Department of Agriculture	10,284,203		265,059
	U.S Department of Commerce	10,051,224		572,530
	U.S. Department of Defense	20,958,019		4,078,559
	U.S. Department of Education	6,730,810		1,037,342
	U.S. Department of Energy	7,847,202		979,603
	U.S. Department of Health and Human Services	102,424,375		7,721,998
	U.S. Department of Homeland Security	1,486,154		335,837
	U.S. Department of Labor	10,615		
	U.S. Department of Justice	324,019		102,986
	U.S. Department of Interior	11,003,317		90,211
	U.S. Department of Transportation	794,238	$206,096,157	16,434
	Total Expenditures (Activity) of Major Programs	$11,631,787,013	$17,226,027,395	$2,350,631,286

*The Alternative Housing Pilot Program (CFDA 97.087) is a grant to develop housing that can be produced, transported, and installed quickly after a disaster. Louisiana awarded a contract to a vendor to build the pilot homes and partnered with subrecipients (nonprofit organizations) who owned or procured the land on which the homes were built. Once built, ownership transfers to the subrecipients. In addition to the $1,561,253 paid for costs associated with program activities, 92 homes were built at a cost of $11,806,393 and transferred to nonprofit organizations in the fiscal year ended June 30, 2010.

P. ENTITIES AUDITED BY EXTERNAL AUDITORS OTHER THAN THE LEGISLATIVE AUDITOR

External auditors other than the Louisiana Legislative Auditor audited certain entities included in the State of Louisiana's *Comprehensive Annual Financial Report* for the year ended June 30, 2010. To obtain the latest audit report of a particular entity, you may search the Louisiana Legislative Auditor's Web site at http://www.lla.la.gov/. At the top of the Home page, click "Reports & Data"; then select "Audit Reports." At the top right corner, click the "Search" box. In the "Agency Name Contains" box, enter some words from the agency name, and then click "Search." Select the audit report with the appropriate fiscal year ending date. The fiscal year may end October 31, 2009; December 31, 2009; or June 30, 2010.

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Amite River Basin Drainage and Water Conservation District

Atchafalaya Basin Levee District

Bayou D'Arbonne Lake Watershed District

Bossier Levee District*

Caddo Levee District

Fifth Louisiana Levee District*

Foundation for Excellence in Louisiana Public Broadcasting

Greater Baton Rouge Port Commission

Greater New Orleans Expressway Commission

Jefferson Parish Human Services Authority*****

Lafitte Area Independent Levee District

Lafourche Basin Levee District

Legislative Budgetary Control Council

Legislative Fiscal Office

Louisiana Beef Industry Council

Louisiana Board of Examiners of Nursing Facility Administrators

Louisiana Board of Massage Therapy

Louisiana Board of Pharmacy

Louisiana Cancer Research Center

Louisiana Citizens Property Insurance Corporation

Louisiana Economic Development Corporation

Louisiana Educational Television Authority

Louisiana House of Representatives

Louisiana Housing Authority*

Louisiana Housing Finance Agency*****

Louisiana Motor Vehicle Commission

Louisiana Naval War Memorial Commission

Louisiana Professional Engineering and Land Surveying Board

Louisiana Public Employees Deferred Compensation Plan

Louisiana Public Facilities Authority

Louisiana Real Estate Appraisers Board

Louisiana Real Estate Commission

Louisiana Relay Administration Board

Louisiana Retirement Systems Building Management Partnership

Louisiana Rice Promotion Board

Louisiana Rice Research Board

Louisiana School Employees' Retirement System

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Continued)

Louisiana Senate

Louisiana Soybean and Grain Research and Promotion Board

Louisiana State Board of Architectural Examiners

Louisiana State Board of Barber Examiners

Louisiana State Board of Dentistry

Louisiana State Board of Embalmers and Funeral Directors

Louisiana State Board of Medical Examiners

Louisiana State Board of Nursing

Louisiana State Board of Practical Nurse Examiners

Louisiana State Board of Private Security Examiners

Louisiana State Board of Social Work Examiners

Louisiana State Employees' Retirement System

Louisiana State Law Institute

Louisiana State Police Retirement System

Louisiana Tax Free Shopping Commission

Louisiana Used Motor Vehicle Commission

Natchitoches Levee and Drainage District

North Lafourche Conservation, Levee and Drainage District

Office of Legislative Auditor

Pontchartrain Levee District

Red River, Atchafalaya and Bayou Boeuf Levee District

Sabine River Authority

South Lafourche Levee District

Southeast Louisiana Flood Protection Authority - East*****

Southeast Louisiana Flood Protection Authority - West

State Plumbing Board of Louisiana

Teachers' Retirement System of Louisiana

Tensas Basin Levee District

***** Single Audit

STATE OF LOUISIANA
Notes to the Schedule of Expenditures of Federal Awards
(Concluded)

Q. SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ARRA PRESENTATION

The reported expenditures for benefits under the Supplemental Nutrition Assistance Program (SNAP) (CFDA 10.551) are supported by both regularly appropriated funds and incremental funding made available under section 101 of the American Recovery and Reinvestment Act of 2009. The portion of total expenditures for SNAP benefits that is supported by Recovery Act funds varies according to fluctuations in the cost of the Thrifty Food Plan and to changes in participating household incomes, deductions, and assets. This condition prevents USDA from obtaining the regular and Recovery Act components of SNAP benefits expenditures through normal program reporting processes. As an alternative, USDA has computed a weighted-average percentage to be applied to the national aggregate SNAP benefits provided to households to allocate an appropriate portion thereof to Recovery Act funds. This methodology generates valid results at the national aggregate level but not at the individual state level. Therefore, we cannot validly disaggregate the regular and Recovery Act components of our reported expenditures for SNAP benefits. At the national aggregate level, however, Recovery Act funds account for approximately 16.38% of USDA's total expenditures for SNAP benefits in the federal fiscal year ended September 30, 2010.

Appendix B

Management's Corrective Action Plans and Responses to the Findings and Recommendations

STATE OF LOUISIANA
Management's Corrective Action Plans and
Responses to the Findings and Recommendations

Page No.

Acadiana Technical College
(formerly Louisiana Technical College, Region 4) B-3

Education, Department of B-7

Executive Department - Division of Administration B-9

Executive Department - Division of Administration -
Office of Community Development B-11

Executive Department - Division of Administration -
Office of State Purchasing and Travel B-28

Executive Department - Division of Administration -
Office of Statewide Reporting and Accounting Policy B-30

Executive Department - Louisiana Patient's Compensation Fund B-32

Grambling State University B-34

Health and Hospitals, Department of B-39

Homeland Security and Emergency Preparedness,
Governor's Office of B-49

Louisiana State University - Baton Rouge B-53

Louisiana State University System B-55

Louisiana Workforce Commission B-57

Natural Resources, Department of B-65

Public Health, Office of B-66

Public Safety and Corrections, Public Safety Services,
Department of B-69

STATE OF LOUISIANA
Management's Corrective Action Plans and
Responses to the Findings and Recommendations

Page No.

Recovery School District B-71

Risk Management, Office of B-75

Social Services, Department of B-76
(now Department of Children and Family Services)

Southern University System B-86

Transportation and Development, Department of B-89

University of Louisiana at Lafayette B-107

University of Louisiana at Monroe B-108

Wildlife and Fisheries, Department of B-110

Louisiana Technical College ♦ Region 4 ♦ *"World Class Technology in Your Own Backyard"*

LAFAYETTE CAMPUS ♦ 1101 BERTRAND DRIVE, LAFAYETTE, LA 70506 ♦ PHONE: (337) 262-5962 ♦ FAX: (337) 262-5122

www.greateracadianaregion.net

Phyllis A. Dupuis
Regional Director

July 23, 2010

Mr. Daryl G. Purpera, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: ATC Official Response "Weakness over Federal Academic Competitiveness Grant"

Dear Mr. Purpera:

Management of Acadiana Technical College concurs with the finding related to weakness over Federal Academic Competitiveness Grant.

We recognize our responsibility to manage financial aid funds in accordance with the applicable Federal laws and guidelines. Our college has reviewed the finding and spoken to the campus personnel directly involved with the weakness to determine what actions should be taken to overcome this deficiency.

Audit Detail: Acadiana Technical College did not maintain sufficient controls over the Academic Competitiveness Grant to determine eligibility and disburse grant funds in a timely manner.

To make certain that ACG funds are managed and disbursed timely, the following action will be implemented:

> Financial Aid Officers within the seven campuses of Acadiana Technical College will work together to ensure that Academic Competitiveness Grant funds are disbursed to all eligible students prior to the end of the payment period. This will involve setting a deadline for our college to disburse ACG funds and assigning extra assistance to the campuses with larger populations. Kelly Caruso, Chief Financial Aid Officer, will be responsible for implementing this plan with supervision from the Associate Dean of Academic & Student Affairs, Christina Dooley.

Corrective actions should be in place for the students enrolling in the Fall 2010 semester. Should you need additional information, do not hesitate to contact me.

Sincerely,

Debbie Burkheiser
Acting Regional Director

Louisiana Technical College ♦ Region 4 ♦ *"World Class Technology in Your Own Backyard"*
LAFAYETTE CAMPUS ♦ 1101 BERTRAND DRIVE, LAFAYETTE, LA 70506 ♦ PHONE: (337) 262-5962 ♦ FAX: (337) 262-5122
www.greateracadianaregion.net

Phyllis A. Dupuis
Regional Director

July 23, 2010

Mr. Daryl G. Purpera, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: ATC Official Response "Weakness over Return of Federal Pell Grant Program Funds"

Dear Mr. Purpera:

Management of Acadiana Technical College concurs in part with the finding related to weakness over Federal Pell Grant Program Funds.

We recognize our responsibility to manage financial aid funds in accordance with the applicable Federal laws and guidelines. Our college has reviewed the finding and spoken to the campus personnel directly involved with the weakness to determine what actions should be taken to overcome this deficiency.

Audit Detail: Acadiana Technical College did not initiate the return of funds within 45 days of the determination date, defined by the regulations as the date the school determines the student withdraws, whether official or unofficial.

ATC Campuses have returned the unearned portion of the student's award within 45 days after the determination. However, we have been instructed by the LCTCS Director of Financial Assistance to use the date that the *financial aid office* became aware of the student's withdrawal as the date of determination. Recently, the auditor directed us that the date of determination should be the date that the *school* determines the student's withdrawal.

To make certain that unearned Pell funds are managed and returned to the U.S. Department of Education timely, the following actions will be implemented:

1. Financial Aid Officers will receive additional in-service on the regulations concerning Return of Title IV Funds with a focus on the requirement to return funds to the US DOE within 45 days of the **school's** determination that the student withdrew.

Louisiana Technical College ♦ Region 4 ♦ *"World Class Technology in Your Own Backyard"*

LAFAYETTE CAMPUS ♦ 1101 BERTRAND DRIVE, LAFAYETTE, LA 70506 ♦ PHONE: (337) 262-5962 ♦ FAX: (337) 262-5122

www.greateracadianaregion.net

Phyllis A. Dupuis
Regional Director

2. Faculty and staff will be informed of the revised procedure and the importance of submitting student withdrawal forms to the Student Affairs Office in a timely manner.
3. Kelly Caruso, Chief Financial Aid Officer, will be responsible for implementing these actions with supervision from the Associate Dean of Academic & Student Affairs, Christina Dooley.

Corrective actions should be in place for the students enrolling in the Fall 2010 semester. Should you need additional information, do not hesitate to contact me.

Sincerely,

Debbie Burkeheiser
Acting Regional Director

Louisiana Technical College ♦ Region 4 ♦ *"World Class Technology in Your Own Backyard"*

LAFAYETTE CAMPUS ♦ 1101 BERTRAND DRIVE, LAFAYETTE, LA 70506 ♦ PHONE: (337) 262-5962 ♦ FAX: (337) 262-5122

www.greateracadianaregion.net

Phyllis A. Dupuis
Regional Director

July 23, 2010

Mr. Daryl G. Purpera, CFE
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: ATC Official Response "Weakness over Verification of Federal Pell Grant Program"

Dear Mr. Purpera:

Management of Acadiana Technical College concurs with the finding related to weakness over verification of Federal Pell Grant Program.

We recognize our responsibility to manage financial aid funds in accordance with the applicable Federal laws and guidelines. Our college has reviewed the finding and spoken to the campus personnel directly involved with the weakness to determine what actions should be taken to overcome this deficiency.

Audit Detail: Acadiana Technical College did not maintain sufficient controls over the Federal Pell Grant Program to ensure that verification compliance requirements were met.

To make certain that ATC personnel are accurately performing verification procedures according to Federal program regulations, the following action will be implemented:

> In-service activities will be conducted with financial aid staff members on verification regulations, processes, and specific forms to be utilized for documentation requirements. Kelly Caruso, Chief Financial Aid Officer, will be responsible for conducting this activity with supervision from the Associate Dean of Academic & Student Affairs, Christina Dooley .

Corrective actions should be in place for the students enrolling in the Fall 2010 semester. Should you need additional information, do not hesitate to contact me.

Sincerely,

Debbie Burkeheiser
Acting Regional Director

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
POST OFFICE BOX 94064, BATON ROUGE, LOUISIANA 70804-9064
Toll Free #: 1-877-453-2721
http://www.louisianaschools.net

December 2, 2010

Mr. Daryl G. Purpera
Legislative Auditor
1600 North Third Street
P. O. Box 97347
Baton Rouge, LA 70804-9397

RE: Noncompliance with Federal and State Equipment Regulations

Dear Mr. Purpera:

The Louisiana Department of Education (LDOE) sincerely appreciates the opportunity to respond to the audit findings related to the Noncompliance with Federal and State Equipment Regulations. LDOE does concur with the finding and will continue to implement corrective action and emphasize the importance of internal control to ensure that equipment is tagged and reported accurately and in a timely manner.

In September 2009, LDOE, along with the Louisiana Property Assistance Agency (LPAA), conducted a property control procedures training for the Non-public Schools, the Special School District and LDOE staff. As a result of this training, all participants conducted a thorough search of all assets purchased. This aggressive response to the Corrective Action Plan resulted in numerous late additions, as outlined in the audit finding. LDOE considers this a successful outcome to our Corrective Action Plan.

Two more aspects of our Corrective Action Plan have been implemented. One is to require those Non-public Schools with a higher than 20% incidence of lost or stolen items to perform quarterly inventories. This aggressive action on the part of LDOE has spurred the Non-public Schools to look more closely at assets, thereby correcting Protégé location, tag numbers, serial numbers and acquisition costs, as well as locating many items that were previously reported as unlocated items.

The last aspect of the Corrective Action Plan is that the LDOE Property Manager has begun on-site visits of all Non-public Schools. This last action has prompted the extra training for Non-public Schools, in addition to replacing worn tags on equipment.

LDOE will continue to strengthen its internal controls concerning entry of items into Protégé correctly and in a timely fashion. To achieve this, LDOE will require both the Receiving Unit and the Accounting Unit to report receipt and invoicing of assets to the Property Manager. Also, LDOE accounting staff will promptly inform the Property Manager in the event of coding changes to assets, so that the federal percentage is properly recorded in Protégé.

The contact person responsible for this finding for the Louisiana Department of Education is Leslie Jewell, Director of Appropriation Control. She may be contacted at (225) 342-3830 or via email at leslie.jewell@la.gov.

The Department takes very seriously its obligation to properly account for all items procured with public funds and is continuing to work diligently to accomplish this objective. We appreciate the assistance your staff provides on a daily basis to assist us in the process of continual improvement of our operations.

Sincerely,

Paul G. Pastorek
State Superintendent of Education

PGP/sb

C: Ollie S. Tyler, Deputy Superintendent of Education
Beth Scioneaux, Deputy Superintendent of Finance
Patrick Weaver
Leslie Jewell
Alanna P. Davis, CPA
Carmen R. Victorian, CPA

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of the Commissioner

December 22, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Level of Effort Requirements

Dear Mr. Purpera,

This letter is in response to a letter dated December 10, 2010 regarding a reportable audit finding of noncompliance with the level of effort requirements of the ARRA - State Fiscal Stabilization Fund (SFSF) Program for Fiscal Year 2009-2010.

I concur with your finding that Louisiana did not meet the maintenance of effort (MOE) requirements of the SFSF Program for fiscal year 2009-2010. Louisiana has requested a waiver as allowed by the SFSF regulations issued by the U.S. Department of Education (USDOE), and is currently waiting on official approval from the USDOE. The USDOE will act upon our waiver request according to their time schedule, but the state has requested the waiver as required.

I concur with your recommendation that management continue to work with the USDOE to obtain an official approval for the waiver from the MOE requirements and to communicate the MOE requirements to the legislature for Fiscal Year 2010-2011. All required documents for the waiver request have been submitted timely. Mr. Barry Dussé, State Budget Director, has been and will continue to be in communication with USDOE until such time as the USDOE makes a determination on the waiver request. Mr. Dussé has appeared in front of various legislative committees to update the legislature on the status of the MOE and the waiver, and he will continue to do so in the future. We will continue to work with the legislature to obtain the funding needed to meet the MOE for the current fiscal year.

Post Office Box 94095 • Baton Rouge, Louisiana 70804-9095 • (225) 342-7000 • Fax (225) 342-1057
An Equal Opportunity Employer

Sincerely,

Paul W. Rainwater, Commissioner
Division of Administration

CC: Barry Dussé
Ray Stockstill
Mark Brady
Steven Procopio
Afranie Adomako
Marsha Guedry

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

February 17, 2011

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Duplication of Benefits under the Homeowner Assistance Program
and Small Rental Property Program

Dear Mr. Purpera:

As per the Louisiana Legislative Auditor's letter dated January 28, 2011, the Division of Administration, Office of Community Development, Disaster Recovery Unit (OCD-DRU) is submitting its response to the audit finding titled "Duplication of Benefits under the Homeowner Assistance Program and Small Rental Property Program". OCD-DRU concurs that a duplication of benefits occurred in the five properties resulting in overpayments totaling $263,260.11.

OCD-DRU submits that internal controls relative to the identification and prevention of duplicative efforts between the Homeowner Assistance Program (HAP) and Small Rental Property Program (SRPP) have been in place since the implementation of both programs. OCD-DRU recognizes the possibility that some files may have been funded through both programs as a result of administrative processing errors along with the static timing of an analytic data run.

During the ICF administration of these programs, KPMG performed the HAP-SRPP match analytic bi-weekly to identify applications for the same property address in both programs until their departure in August 2008. From August 2008 through transition in April 2009, ICF ran the analytic. Post transition, the new homeowner program contractor, HGI, has run the analytic twice. Since the application process has been closed for both programs for a significant period of time and the Homeowner program has accomplished 98% of all initial closings the data analytic is run quarterly going forward. In addition, administrators of the SRPP brought in a new round of applicants with Round 2. These are applicants that had previously submitted

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

applications for the HAP and were denied. Prior to OCD-DRU accepting SRPP applications from this group, administrators of the SRPP ran analytics against its own system (HDS) to ensure there were no duplicates in properties, paid or active. CGI, an IT consultant, also ran analytics against the HAP system (eGrants) to ensure there were no paid or active statuses. Administrators of the HAP and SRPP have attempted to mitigate any true duplication of benefits between programs. There are multiple explanations as to why these particular duplicative efforts occurred, as described below, for the five properties.

Administrators of the SRPP relied heavily on title updates to verify ownership and to identify other mortgages/covenants/judgments/liens on subject property. In the case of Property #1 (Eagle Street), the HAP covenant was not recorded on the title pulled just prior to the SRPP closing. Therefore, the administrators of the SRPP were not aware that the property owner was funded for the same property under the HAP.

On Property #2 (Dorsett Drive), the property owner received elevation funds after the SRPP closing. Because the disbursement of elevation funds does not require any additional title work, administrators of the HAP were not aware of the SRPP closing.

For Property #3 (N. Villere), the HAP covenant was discovered just prior to the SRPP closing. In this case, the SRPP closing is a direct result of an administrative error.

In the case of Property #4 (Frenchmen Street), the administrators of the SRPP reduced the property owner's HAP award from the SRPP closing. A minor administrative miscalculation, however, resulted in $338.78 of unrecovered funding.

In regards to Property #5 (Royal Street), administrators of the SRPP never closed or disbursed on the owner occupied unit, and the rental units remain in process. Prior to any closing and disbursement of SRPP funds, OCD-DRU was aware that administrators of the HAP had already closed and disbursed on this property. OCD-DRU opted not to seek reimbursement for the HAP award, allowing the property owner to keep the HAP award in lieu of receiving the eligible SRPP Owner Occupant award. OCD-DRU has directed the SRPP contractor how to proceed with disbursing program funds. This directive should prevent any duplication of benefits from occurring on the owner occupied unit.

Property #'s 1-3 as described above have been flagged for recapture of the entire HAP award in the amount of $218,024.36 [$150,000 + $30,000 + $38,024.36]. Property #4 will be flagged for recovery in the amount of $338.78. Property #5 is also flagged for recapture under HAP in the amount of $44,896.97. This amount represents the difference between the HAP award and the Owner Occupant Award [$150,000 - $105,103.03]. The total recapture amount for the 5 properties is $263,260.11. The identified cases represent .09% (.0009) of all SRPP funds disbursed to date. Out of the total Current SRPP Obligations, this combined error equates to .04%, or 4/100ths of 1%.

Administrators of both programs will implement the following corrective measures to improve internal controls relative to duplicative efforts between the HAP and SRPP:

OCD's IT contractor will continue to perform data analytics on all active properties participating in the HAP and SRPP in an effort to identify any other duplicate benefits paid from both programs. In addition, administrators of both the HAP and SRPP will coordinate their efforts to improve communication so that the potential for human error and timing differences between data analytic runs might be reduced. The administrators of each program will review their procedures for identifying duplicate benefits paid on properties and make any necessary procedural changes. The corrective action is estimated to be complete in 60 days.

The contact person responsible for the corrective actions is Bradley Sweazy, State Project Manager of the SRPP.

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Thomas Brennan
Deputy Executive Director, Chief of Operations
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Mr. Pat Forbes
Ms. Lara Robertson
Mr. Richard Gray
Mr. Jeff Haley
Mr. Bradley Sweazy
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

February 22, 2011

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Inadequate Recovery of Homeowner Assistance Program Awards

Dear Mr. Purpera:

As per the Louisiana Legislative Auditor's letter dated February 11, 2011, the Division of Administration, Office of Community Development, Disaster Recovery Unit (OCD-DRU) is submitting its response to the audit finding titled "Inadequate Recovery of Homeowner Assistance Program Awards". OCD/DRU does not concur with the finding that it did not fully implement procedures to recover Homeowner Assistance Program (HAP) awards for the fiscal year ended June 30, 2010.

OCD/DRU is very aware of its responsibility to identify homeowners who have not met their grant agreement or covenant requirements. OCD/DRU began compliance and monitoring efforts in March 2008, prior to the expiration of homeowner covenants beginning in September 2009. To date, letters have been sent to 100 percent of all homeowners who have reached their compliance period. Of the 87,722 letters that have been sent, OCD/DRU has received 44,172 responses. Prior to implementation of initial compliance and monitoring efforts, the State developed and followed a monitoring plan that involved a sample population of homeowners who were nearing or had reached their covenant compliance date. The results of initial monitoring efforts confirmed the need for OCD/DRU to reevaluate its monitoring plan. In addition, HUD issued guidance related to unmet needs and ability to provide additional assistance to homeowners who continue to lack sufficient resources to complete their recovery. Thus, in the later part of 2010 OCD/DRU focused on a monitoring strategy that included 100 percent review of applicant files in order to better determine a homeowner's compliance progress and type of resources that would be necessary to address an applicant's unmet recovery needs.

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

In concert with these changes to the overall monitoring plan, OCD DRU developed additional strategies to assist homeowners with their recovery efforts. These supplemental efforts are described below.

- As unmet needs are identified as a result of monitoring efforts, OCD/DRU continues to develop policies and methods of assistance that provide homeowners with additional resources for their recovery in accordance with guidance from the Department of Housing and Development (HUD).
- Supplemental to current monitoring efforts, OCD/DRU has recognized the need to provide counseling services to homeowners who may be unaware of their covenant compliance responsibilities and other options or resources available to them. For this reason, OCD/DRU has executed a contract with Beacon of Hope to initiate a pilot program to provide counseling services to homeowners through neighborhood organizations. Beacon of Hope will assist OCD/DRU in attempting to locate nonresponsive homeowners that may have additional recovery needs. They will offer options provided by OCD/DRU, such as, covenant extensions, option changes, as well provide homeowners a list of other available recovery resources.
- As a result of modifying the monitoring plan, OCD/DRU developed a new IT solution. This software application allows for more efficient and effective tracking and reporting of homeowner covenant compliance and participation in other programs. In addition, this solution ensures that grant repayments are reconciled within the current system and makes available repayment options to homeowners who may not have the ability to return the full amount of grant funds to the program at one time.
- OCD/DRU has initiated grant recovery efforts with Attorney General's Office attorneys. For the last several years, the AG's attorneys have worked with grant recovery staff and panel attorneys to develop policies and procedures for the repayment of grant funds. The attorneys are actively working with homeowners to recover or develop repayment plans for homeowners not in compliance with their grant agreement or covenant obligations.
- OCD/DRU has also made available several options whereby homeowners can become compliant by providing homeowners with: covenant extensions, option changes and construction advisory services.
- In addition, OCD/DRU launched a web based service to provide applicants a venue to report covenant compliance.

OCD/DRU has assisted homeowners in complying with covenants throughout the program by:

- Developing the Non-profit Pilot Rebuilding Program which offers additional funding for homeowners who don't have adequate resources.
- Applying for and administering a Hazard Mitigation Grant Program (HMPG) which provides up to $100,000 additional funding to Option 1 homeowners for additional

assistance in rebuilding their homes. It is estimated that 10,000 to 15,000 homeowners will receive an additional $650 million in recovery assistance through this program.

- Implementing the Additional – Additional Compensation Grant (A-ACG). The provision of this grant has provided over $460 million to over 13,000 low to moderate income homeowners to reduce the gap between the assistance they have already received and their estimated cost of damage. This grant is also tied to covenant compliance and involves outreach to homeowners to determine their recovery progress.
- Implementing the Individual Mitigation Measures (IMM) Grant. This grant provides mitigation funds to homeowners that have demonstrated compliance with their covenants. As a result of this effort more homeowners are returning their compliance documentation. To date, OCD/DRU has reached out to over 28,000 homeowners to collect compliance documentation and distribute an additional $195 million in funds for these mitigation activities.

In conclusion, OCR/DRU will continue to follow current policies and procedures to determine homeowner compliancy with the Road Home covenants and grant recovery for homeowners where necessary.

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Thomas Brennan
Deputy Executive Director, Chief of Operations
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Mr. Pat Forbes
Ms. Lara Robertson
Mr. Richard Gray
Mr. Jeff Haley
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

February 11, 2011

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with A-87 Allowable Cost Principles

Dear Mr. Purpera:

As per the Louisiana Legislative Auditor's letter dated January 21, 2011, the Division of Administration, Office of Community Development (OCD) is providing its response to the audit finding titled, "Noncompliance with A-87 Allowable Cost Principles."

OCD concurs that it has paid its Road Home contractors amounts that were cited by the Louisiana Legislative Auditor Recovery Assistance Services (RAS) report as "unresolved exceptions for payment". For the period September 1, 2008 to June 30, 2010, contractors billed OCD $85,439,623 of which RAS identified $1,840,977 to be unresolved exceptions. These unresolved exceptions were reported following an agreed upon procedures engagement between OCD and RAS. In response to the RAS report, OCD requested additional documentation or justification from the contractors. OCD reviewed the additional documentation and justifications and determined $1,540,492 has been adequately supported, is in accordance with the contract and is a reasonable program expense. The remaining $300,485 was disallowed and credit memos have been issued or current invoices have been short paid.

Ms. Susan Pappan, OCD Financial Manager, is the contact person responsible for this corrective action. OCD will review all contractor invoices charged to the Road Home Program to ensure they are supported by adequate documentation, are made in accordance with rates established in the vendor's contract, and are reasonable considering program requirements. This corrective action has been implemented.

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Thomas Brennan
Deputy Executive Director, Chief of Operations
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Ms. Lara Robertson
Mr. Richard Gray
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

December 28, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Federal Reporting Requirements

Dear Mr. Purpera:

As per the Louisiana Legislative Auditor's letter dated December 10, 2010, the Division of Administration, Office of Community Development, Disaster Recovery Unit (OCD/DRU) is providing its response to the Office of Management and Budget (OMB) Circular A-133 audit finding titled, "Noncompliance with Federal Reporting Requirements."

OCD concurs that it did not submit its Quarterly Performance Reports (QPR) to the U.S. Department of Housing and Urban Development's (HUD) online Disaster Recovery Grant Reporting (DRGR) System within 30 days following each calendar quarter as required. However, while OCD/DRU concurs with this finding, there are multiple explainable reasons which were beyond OCD/DRU's control, such as, transitioning from one HUD financial reporting system (eLOCCS) to another (DRGR), system design as well as frequent system error issues, and HUD changing its reporting requirements which required retroactive adjustments to previously submitted QPR's. These issues as well as others attributed to delays in the submission of the QPRs for Katrina/Rita recovery grants B-06-DG-22-0001, B-06-DG-22-0002, and B-08-DG-22-0003. HUD is very aware of these issues and has allowed for leniency in the State's QPR reporting process. Presented below, for explanatory purposes, are some of the reasons OCD/DRU has not been able to complete the QPRs, as required, specific to Disaster Recovery Grant B-06-DG-22-0001 (Katrina/Rita First Appropriation).

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

HUD transitioned from one reporting system to another. Prior to January of 2009, the System HUD required OCD/DRU to use to draw funds, eLOCCS, was no longer available to the State for CDBG disaster recovery payments. Instead the DRGR System was modified to be used for this purpose. During this transition, users of the DRGR System experienced frequently occurring system errors, in fact, these system errors were the cause of OCD/DRU's late submission of its QPR for the 3rd quarter of 2009.

In November 2009, during an onsite visit, HUD's DRGR System expert noticed that the infrastructure activities in the System were only grouped at the state level and asked that DRGR records be changed to reflect which units of local government were receiving different funds for their infrastructure, even though HUD had been approving the QPRs on this Grant with the current four activities since 2006. This required that the State breakout the four activities into fifty-seven. This also resulted in the Office of Financial Support Services (OFSS) having to revise all requests for payment made in the System up to that point. It took several months to break out these activities by eligible activity type, national objective, and responsible organization. By the time it was complete and the requests for payment had been edited by OFSS, there were seventy-eight activities.

Then in early 2010, HUD upgraded the DRGR System again by adding the ability to assign a geographic area to each activity. At this time, HUD determined that the current breakout of seventy-eight infrastructure long term community recovery activities would not suffice as some of the activities contained multiple projects residing in different census block groups. HUD then required the State to breakout the seventy-eight long term community recovery activities into two hundred and fifty, the two infrastructure education activities into one hundred, the two fisheries activities into twenty-five, and the three local government activities into twenty-two. These were only the Infrastructure Program breakouts. Further delineation was required on the Economic Development and the Housing Programs.

To date, all of the Infrastructure Program breakouts have been completed. OCD/DRU is now in the process of reassigning the hundreds of requests for payment which have already been processed. OCD/DRU expects that OFSS will complete their part in this process sometime in 2011. The OCD/DRU will then edit all QPRs and resubmit to HUD.

OCD/DRU would like it noted that all four QPRs for Hurricanes Gustav and Ike were submitted within 30 days following each calendar quarter as required.

Ms. Laurie Brown, Disaster Recovery Data Manager, is the contact person responsible for corrective action. OCD/DRU has assigned an additional full time staff person to assist with the DRGR System reporting requirements. Provided there are no additional changes in the HUD reporting requirements, system issues or any unforeseen obstacles OCD/DRU should be able to provide the required QPRs timely by the end of calendar year 2011.

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Thomas Brennan
Deputy Executive Director, Chief of Operations
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Ms. Lara Robertson
Mr. Richard Gray
Ms. Bonita Brown
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

December 22, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement

Dear Mr. Purpera:

As per the Louisiana Legislative Auditor's letter dated December 10, 2010, the Division of Administration, Office of Community Development (OCD) is providing its response to the Office of Management and Budget (OMB) Circular A-133 audit finding titled, "Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement."

OCD concurs that it did not consistently verify that all contractors were checked against the Excluded Parties List System (EPLS) to ensure that the contracted entity was not suspended or debarred. The auditor reviewed 17 active contracts exceeding $25,000 which disclosed that OCD did not maintain documentation for 14 contracts to ensure that the contracted entities were not suspended or debarred. OCD has verified through the EPLS that none of the 14 contracted entities are suspended or debarred.

Ms. Bonita Brown, OCD Contracts Specialist, is the contact person responsible for corrective action, since all contracts must be processed through this one central position. The Contracts Specialist has updated the "contract checklist" to include the requirement that verification through the EPLS is obtained and maintained in the contract file to support that the contractor is not suspended, debarred, or otherwise excluded from doing business with the federal government. This verification will be performed prior to OCD sending the contract to the Division of Administration, Office of Contractual Review for approval. This corrective action has been implemented.

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please let me know.

Sincerely,

Thomas Brennan
Deputy Executive Director, Chief of Operations
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Ms. Lara Robertson
Mr. Richard Gray
Ms. Bonita Brown
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Community Development
Disaster Recovery Unit

February 11, 2011

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Louisiana Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Subrecipient Monitoring Compliance Requirements

Dear Mr. Purpera:

As per your letter dated January 12, 2011, the Division of Administration, Office of Community Development, Disaster Recovery Unit (OCD/DRU) is providing the Louisiana Legislative Auditor (LLA) with a response to the audit finding titled, "Noncompliance with Subrecipient Monitoring Compliance Requirements." OCD/DRU concurs in part with this finding.

Required Single Audits from Subrecipients

The audit finding states that OCD/DRU did not obtain any of the required single audits from its subrecipients of the Long Term Community Recovery Infrastructure Program (LTCRIP) under the Community Development Block Grants Program/State's Program and Non-Entitlement Grants in Hawaii (CDBG, CFDA 14.228) during fiscal year ended June 30, 2010.

OCD/DRU implemented a grantee/subrecipient audit tracking system during December 2009. OCD/DRU determined that the most effective and efficient way to monitor the audits of subrecipients was to obtain audit reports on the subrecipients' most recently completed fiscal year. At the time the audit tracking system was implemented, the most recently completed fiscal year for most subrecipients was fiscal year 2009; thus, OCD/DRU began obtaining and reviewing single audit reports of its subrecipients for fiscal year 2009. Because single audit reports also include the status of unresolved prior audit findings, repeat findings reported in single audits of subrecipients from prior fiscal years are also reviewed as part of OCD/DRU's monitoring procedures. By reviewing the most recent years audit for all subrecipients, OCD/DRU's goal was to capture both current year findings as well as any repeat findings from

150 North 3rd Street, Suite 700 • Baton Rouge, Louisiana 70801 • (225) 219-9600 • 1-866-272-3587 • Fax (225) 219-9605
An Equal Opportunity Employer

prior years. This provides OCD/DRU reasonable assurance that any unresolved findings from prior years would be identified.

Single audit reports that are obtained from subrecipients are maintained within OCD/DRU's tracking system beginning with fiscal year 2009 to the present. Information related to each report maintained within the tracking system includes the receipt of the audit report, the review and disposition of audit findings, as well as any corrective action plans for any findings reported on the LTCRIP funds. A sample of audits included in the tracking system was requested by and provided to representatives of the Legislative Auditor on January 13, 2011. OCD/DRU agrees that audits prior to fiscal year 2009 were not initially reviewed and not available when requested by the Legislative Auditor staff.

OCD/DRU's audit staff has since gone back and performed a monitoring review of the single audit reports of all thirteen subrecipients for the LTCRIP for fiscal years prior to 2009. The review of these reports indicated that no federal findings or questioned costs associated with CDBG Program had been reported on the subrecipients. These results lend credence to the design methodology of reviewing the most recent year's audit. Without the presence of findings, OCD/DRU was not required to issue a management decision; nor was OCD/DRU required to ensure the subrecipients take timely and appropriate corrective action of audit findings.

OCD/DRU maintains a list of all subrecipients receiving CDBG funds for each individual program, and has documented the subrecipient single audit monitoring process that has been implemented. OCD/DRU's monitoring process captures subrecipient information by fiscal year, disaster, and program area. Information on subrecipients and the audit tracking process was provided to representatives of Legislative Auditor on September 22, 2010.

Stephen Upton, Audit Manager, and Stephen Nance, CDBG Compliance Specialist, are responsible for corrective action. The subrecipient audit report tracking and reporting system implemented by OCD/DRU is adequate to correct this finding.

Management of Monitoring Consultants

The audit finding states that OCD/DRU did not adequately manage consultants contracted to perform monitoring reviews of the thirteen subrecipients of the LTCRIP during fiscal year 2010 and recommends that procedures be implemented to ensure consultants contracted are adequately monitoring subrecipient compliance with the program requirements.

OCD/DRU management does not concur with this part of the finding. The consultants are responsible for assisting with the implementation of the LTCRIP by working with subrecipients to ensure that subrecipients are in compliance with program requirements through ongoing technical assistance and guidance that the consultants and OCD/DRU staff provide to the subrecipients on a regular basis.

The consultants for the LTCRIP program were hired as an extension of the OCD/DRU infrastructure staff. They provide technical assistance to local governments that receive LTCRIP

funding and provide assistance in project application development, grant management, local grant administration, compliance, and the close-out process. Technical assistance provided by the consultants includes assisting with the establishment of a record-keeping system that requires all program documentation to be maintained to ensure that all of the work and expenditures of the funds comply with all required CDBG rules and regulations. The documentation maintained by the subrecipients is uploaded to a monitoring website enabling OCD/DRU staff to remotely access compliance files and conduct ongoing desktop monitoring. This type of monitoring process was implemented so that OCD/DRU would have more assurance of compliance by the grantees.

OCD/DRU manages its consultants through a task order system. OCD/DRU issues task orders for specific work to the consultants, and pays them according to completion of those tasks. OCD/DRU management monitors completion of the consultants' work through reports that the consultants submit with each invoice, as well as monitoring the completion status of the tasks that are maintained on the monitoring website that was discussed in the previous paragraph.

OCD/DRU management has determined that the monitoring approach described in the preceding paragraphs is most effective on the L-CDBG disaster programs. The L-CDBG disaster programs should be monitored differently from the regular L-CDBG program because disaster programs differ from the regular L-CDBG program. Some of the differences include:

- The amount of disaster L-CDBG funds distributed to subrecipients that must be monitored is roughly ten times the amount distributed from the regular L-CDBG program;
- There are many more grantees of the disaster L-CDBG funds, and many of them have very little familiarity with handling CDBG funds, especially on this scale;
- Each grantee may have numerous projects to manage;
- Because the project types allowed by the disaster program are very different in nature from those used in the regular L-CDBG program and numerous waivers exist associated with the disaster funds, specialized knowledge is required to administer and monitor the disaster programs.

OCD/DRU determined that state-hired consultants would provide more effective ongoing subrecipient monitoring through technical assistance and project oversight. In addition, the development of the on-line documentation system allows monitoring staff to monitor compliance from their desktops, reducing travel time. The system allows for broader monitoring efforts in the same amount of time. The monitoring procedures in place within OCD/DRU do not require monitoring staff to complete checklists or reports or to go onsite to monitor project files maintained by the subrecipients. The procedures in place allow for continual dialogue with the subrecipients, the consultants, and OCD/DRU monitoring staff to ensure that projects are being implemented and that compliance with program requirements is properly documented by subrecipients.

For the reasons, discussed in the previous paragraphs, OCD/DRU does not agree that it did not adequately manage consultants contracted by OCD/DRU to perform monitoring reviews; therefore, no corrective action is required.

We appreciate the cooperation and diligence of your staff in conducting this audit. If you have questions or require additional information, please feel free to contact me.

Sincerely,

Thomas Brennan, Deputy Executive Director
Office of Community Development/DRU

C: Mr. Paul Rainwater
Mr. Mark Brady
Mr. Steven Procopio
Ms. Marsha Guedry
Mr. Pat Forbes
Mr. Rowdy Gaudet
Ms. Lara Robertson
Mr. Richard Gray
Mr. Jeff Haley
Mr. Robbie Viator

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of State Purchasing

December 9, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

Re: Finding: Noncompliance with Procurement, Suspension and Debarment Compliance Requirement and State Purchasing Regulations

Dear Mr. Purpera,

Thank you for this opportunity to respond to your draft audit finding regarding the Office of State Purchasing and Travel. I have reviewed your draft and the accompanying recommendations and find that I am in general, but not full, concurrence with your findings.

Your findings stated: "The Division of Administration, Office of State Purchasing and Travel (OSP) did not have controls in place to comply with federal requirements prohibiting the state from contracting with debarred or suspended vendors and did not consistently ensure that individuals contracting with the state on behalf of an agency, corporation, or partnership had the proper authority to do so."

I do concur with the first finding. Our office did not have the proper controls in place to insure that vendors were not debarred or suspended by the federal government. Our office did not timely recognize the change in federal regulations that lowered the debarment/suspension threshold from $100,000 to $25,000 until your office made us aware of the change.

Your recommendation is that our policies be timely updated for changes in regulations and that contracts include appropriate vendor certification clauses. This recommendation has been implemented. Our office policy now requires the vendor certification to be included in all contracts having the potential to be above $25,000. Additionally, our office will now perform a review of the annual update to the compliance requirements of the OMB Circular A-133 Compliance Supplement for any changes to the debarment/suspension threshold.

1201 N. Third Street • Suite 2-160 • Post Office Box 94095 • Baton Rouge, Louisiana 70804-9095 • (225) 342-8010 • Fax (225) 342-8688
An Equal Opportunity Employer

I am not, however, in complete agreement with your second finding. Louisiana Revised Statute 39:1594(C)(4)(b)allows a bid to be properly accepted if it is signed by an authorized representative of the bidding entity and the bid is accompanied by "other documents indicating authority which are acceptable to the public entity." It is our practice to rely on different forms of records to verify proper signature authority. Examples of records we rely on are vendor enrollment records, prior bids successfully awarded and performed, written communications from vendors, and on the bid itself as self-certifying of signature authority. We consider our signature verification procedure to fully comply with the spirit as well as the meaning of the statute.

The process for verifying signature authority will change when the new electronic vendor enrollment process that is a part of the state's Enterprise Resource Planning (ERP) system is implemented. A requirement of enrollment will be the designation of parties authorized to sign bids on behalf of the vendor. Office staff will confirm authority against the vendor database. No bidder will be allowed to receive a contract award without completing the enrollment process. A bid not signed by a listed person can still be awarded if the vendor submits documentation as specified in the statute.

I will be the contact person responsible for the corrective action and you can contact me at (225) 342-8062 or by email denise.lea@la.gov.

Sincerely,

Denise Lea
Assistant Commissioner

c Paul Rainwater
Marsha Guedry

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of Statewide Reporting and Accounting Policy

February 23, 2011

Daryl G. Purpera, CPA, CFE
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, La 70804

Dear Mr. Purpera:

RE: **Inadequate Controls over Compilation of Schedule of Expenditures of Federal Awards (SEFA-2010)**

The following is my response to the above finding identified by the Legislative Audit of the Schedule of Expenditures for Federal Awards (SEFA) for the Fiscal Year Ending June 30, 2010:

OSRAP concurs in part with the finding "Inadequate Controls over Compilation of the SEFA." OSRAP acknowledges drafts of the SEFA and related notes contained errors and agrees certain compilation procedures can be improved. However, OSRAP does have adequate internal controls over financial reporting for the compilation of the SEFA and related note disclosures, has adequately trained its staff in OMB reporting requirements, and has developed an adequate review process to ensure that the SEFA and related note disclosures are accurately presented.

OSRAP reviews the annual OMB Circular A-133 Compliance Supplement, other OMB correspondence (memorandums), and monitors legislation affecting federal funding of programs in general. OSRAP incorporates this information into the Schedule 8 (SEFA) instructions distributed to State agencies, colleges, universities, and other State entities.

OSRAP procedures for compiling the SEFA and related notes from data in the Schedule 8s' include:

- Preparing instructions that include examples and references to OMB guidance as well as identifying changes from the previous year's instructions.
- Indexing and reviewing the entity's Schedule 8s submitted electronically to OSRAP and forwarded by OSRAP to the Legislative Auditor's Office.
- Corresponding with the entities to ask and answer questions in an effort to ensure the information in the Schedule 8s' is complete and accurate.

Post Office Box 94095 • Baton Rouge, Louisiana 70804-9095 • (225) 342-0708 • 1-800-354-9548 • Fax (225) 342-1053
WWW.DOA.LA.GOV/OSRAP/INDEX.HTM
An Equal Opportunity Employer

Despite this due diligence, ultimately OSRAP depends on the entities to prepare complete and accurate Schedules and to make us aware of changes (in the federal programs they administer) that may affect its reporting in the SEFA and related note disclosures. Entities often submit amended Schedule 8s and OSRAP often accepts audit adjustments agreed upon by entity personnel. The timing of OSRAP's receipt and posting of these edits and adjustments directly contributed to certain drafts of the SEFA and related notes, specifically Note O, being incomplete and/or incorrect.

The compilation of the SEFA and its related notes for Fiscal Year Ended June 30, 2010 was the first year the process was completely automated. All of the Schedule 8s were submitted to OSRAP electronically. While this increased the efficiency of compiling and reviewing the SEFA and related notes, it also created certain logistical challenges that had not been encountered in previous years when the compilation relied heavily on manual data entry.

For example, in an effort to expedite the completion of the compilation and the audit and in the spirit of collaboration, OSRAP shared drafts of the SEFA and related notes with the auditors. As noted above, the timing of OSRAP's receipt and posting of edits and adjustments and OSRAP's editing the drafts electronically vs. manually, contributed to certain drafts of the SEFA reporting expenditures of federal awards and loans totaling $18.175 billion having incorrect classification of 4 programs totaling $42 million, and being understated by $971 thousand.

In conclusion, OSRAP will improve its procedures for tracking and reviewing edits and audit adjustments posted to the electronic files so that the latest information submitted by agencies, or accepted audit adjustments are included in the draft SEFA and related note disclosures provided to the auditors. Also, in an effort to gain a more thorough understanding of the federal programs, OSRAP will specifically instruct agencies to briefly describe significant changes that affect federal program administration and/or funding. Examples, such as the changes made to Notes F, G, and O, will be included for guidance. The responsibility for these corrective actions will be mine as well as for Devery Pierce, Assistant Director and Donnie Ladatto, Manager over the SEFA.

You may contact me at (225) 342-0708 or Donnie Ladatto at (225) 342-1095 regarding this response.

Sincerely,

Afranie Adomako, CPA
Director

Cc: Donnie Ladatto, CPA
Devery Pierce, CPA
Marsha Guedry, CPA

BOBBY JINDAL
GOVERNOR

DIVISION OF ADMINISTRATION
P.O. BOX 3718
BATON ROUGE, LA 70821
(225) 362-5400
(866) 469-9555
pcf@la.gov

State of Louisiana
PATIENT'S COMPENSATION FUND

December 14, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Inaccurate Annual Fiscal Report

Dear Mr. Purpera:

The Patient's Compensation Fund (PCF) concurs with the findings concerning the annual fiscal report completed by the agency.

The PCF did in fact submit an AFR to OSRAP prior to their initial due date of August 31, 2010. It was the AFR format the PCF has submitted for the past 20 plus years as an ISIS agency. There has been no indication that report contained any material errors.

So that there is a better understanding of what took place concerning the PCF's AFR report, some timeline of what transpired prior to the report in questions is warranted. On September 15, 2010, the PCF was informed by OSRAP that it had been determined by the Legislative Auditor that the PCF's annual report should be done as an enterprise fund because of the agency's business-type activities. There had been discussions between the Legislative Auditor's office and OSRAP concerning the necessity of the PCF moving to this type of report as early as April of 2010. However, the PCF was not included in these discussions and had no knowledge of such until August 6, 2010 after a meeting with OSRAP on another matter. The PCF was informed that further discussions were taking place with the Legislative Auditor's office and no final decision had been made. The PCF was did not take part in those discussions. It was not until September 15, 2010 that the PCF was informed by OSRAP that the more extensive AFR report would be required.

There was a lengthy meeting between OSRAP and PCF in which the basics of the AFR report the agency was now required to compile were studied. Discussions included what information would be needed, where it could be obtained and how to complete the report. The agency was initially given two weeks to prepare the report, but once the extent of the information

was realized, such as the need for a beginning balance, OSRAP gave the agency three weeks to complete the report. Shortly after the meeting, it was determined the agency would require the services of a CPA. Several CPA firms approved by the Legislative Auditor were contacted, but declined to assist with the report due to the limited time allowed and the unfamiliarity with the agency. The agency was finally able to secure the services of a CPA willing to compile the information and prepare the report. The agency had to rely on other agencies for some of the information. This caused delays and OSRAP approved an extension of the due date by another week. The report was completed on October 15, 2010 and submitted to OSRAP and the Legislative Auditor. Due to time constraints, the report was not first shared with OSRAP for review prior to a copy being sent to the Legislative Auditor. Thus, it is true that OSRAP did not have an opportunity to adequately review the report with the PCF prior to the auditor's review. Ideally, it would have been better to have supplied a copy to the Legislative Auditor's office after OSRAP and the PCF had an opportunity to review the report together for completeness. Unfortunately, time did not really allow for this.

The finding involved material errors that necessitated a correction by audit adjustment to change deferred revenue from the current and prior fiscal years in the second report submitted by the PCF. The agency, the CPA retained by the agency and OSRAP worked very closely gathering information and preparing the report. Discussions included reporting of revenues. The agency and the CPA completed the report with guidance from OSRAP on this topic. The agency is now aware of the preferred method of reporting the revenues and deferred revenues and will ensure these are properly calculated and reported in future reports so that revenues are assigned to the appropriate fiscal year.

The agency now has an accounting program in place to ensure the correct information will be reported in future AFR reports. Also, the CPA will have adequate time and more knowledge of the agency's operations when compiling future reports. The agency also has more knowledge of the requirements for the reports. Therefore, corrective action has been taken and is considered complete.

Any questions regarding this response and the corrective action should be addressed to the undersigned.

Sincerely,

Lorraine LeBlanc
Executive Director

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

February 15, 2011

Sean M. Bruno, CPAs
4949 Bullard Avenue, Suite 100
New Orleans, LA 70128

Dear Mr. Bruno:

Re: 2010-04 – Allowable Cost – Management Response

Management concurs that the University must comply with federal, state, or local laws, sponsored agreements or other governing regulations applicable to cost principles requirements. The corrective actions being administered are as follows:

- The Assistant Controller/Director of Grants Administration will make certain that the Grants Administration personnel are knowledgeable of the federal government's cost principles as outlined in the Office of Management and Budget (OBM) Circular A-21 Cost Principles. This circular provides administrative guidelines for treatment of allowable cost (direct and indirect) categories.

- Internal controls have been strengthen to include monthly review by the Grants Administration staff, and automation of some accounting processes, such as indirect cost calculations, general ledger postings, timely and accurate billings, and recording of necessary corrections immediately.

- The Assistant Controller/Director of Grants Administration will review and approve all invoices for accuracy before submission to sponsored agencies. Invoices are prepared and reconciled to the general ledger and other supporting documentation by the Grant Accountants.

- Continuous professional development and training will be provided to the Grants Administration staff.

- One additional Grant Accountant has been identified and will be hired to help with the workload.

Our anticipated completion date is April 30, 2011.

If you have further questions, please call my primary contact, Mr. Leon Sanders, Interim Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Frank G. Pogue, Ph.D.
President

P.O. Drawer 607 • 403 Main • Grambling, LA 71245 • Office: (318) 274-6117 • Fax: (318) 274-6172 • www.gram.edu

A Constituent Member of the University of Louisiana System • Accredited by the Southern Association of Colleges and Schools
An Equal Opportunity Employer and Educator • Facilities Accessible To The Disabled

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

February 15, 2011

Sean M. Bruno, CPAs
4949 Bullard Avenue, Suite 100
New Orleans, LA 70128

Dear Mr. Bruno:

Re: 2010-01 – Grant Management Procedures – Management Response

Management concurs that effective control and accountability must be maintained for all grants. We further agree that management must provide adequate oversight of day-to-day operations of its grant and sub-grant supported activities through timely monitoring and cash management, accurate financial accounting and reporting, general ledger reconciliation, and accurate records that contain complete support documentation. The corrective actions being administered are as follows:

- In an effort to strengthen the fiscal management and accounting procedures in the Grants Administration Office, the University hired an Assistant Controller/Director of Grants Administration on September 1, 2010. This person will oversee the Grants Administration operations and ensure that the University complies with all federal and state regulations as well as the University's policies.

- One additional Grant Accountant has been identified and will be hired to help with the workload.

- Continuous professional development and training will be identified by the Assistant Controller/Director of Grants Administration and will be provided to the Grants Administration staff.

Our anticipated completion date is March 31, 2011.

If you have further questions, please call my primary contact, Mr. Leon Sanders, Interim Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Frank G. Pogue, Ph.D.
President

FGP:jj

P.O. Drawer 607 • 403 Main • Grambling, LA 71245 • Office: (318) 274-6117 • Fax: (318) 274-6172 • www.gram.edu

A Constituent Member of the University of Louisiana System • Accredited by the Southern Association of Colleges and Schools
An Equal Opportunity Employer and Educator • Facilities Accessible To The Disabled

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

February 10, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

RE: Inaccurate Annual Financial Report

Grambling State University concurs that there were significant errors in the June 30, 2010 Annual Financial Report (AFR) and has established the following procedures to correct this matter:

- Subsequent to the close of each month, beginning with January 2011, the Banner GASB Report will be generated and selected accounts analyzed to ensure accuracy. Any detected errors in these accounts will be corrected. This process will continue monthly to ensure that all accounts will be analyzed and reconciled to supporting documentation prior to the preparation and issuance of the June 30, 2011 AFR.

- Organizational structure and staffing within the Controller's area of responsibility has been analyzed by middle and upper management, resulting in changes that have been approved by the President. Staff within the General Accounting section will be assigned the responsibility of analyzing and reconciling the accounts as described above. Additionally, Banner training will be provided to appropriate staff to enhance their abilities to perform their assigned responsibilities and minimize the possibility of errors reaching the account balances. This will take place over the remaining months of this fiscal year and continue into fiscal year 2012, due to budgeting constraints.

- If determined necessary for the timely completion of the monthly reporting processes identified above, an external contractor may be engaged. This would occur during the remaining months of fiscal year 2011, and this work would be directed and overseen by the Controller.

Mr. Raymond Abraham, Controller, will be responsible for implementation of the corrective action plan noted above.

If you have any questions, please call me or my primary point of contact, Mr. Leon Sanders, Interim Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Frank G. Pogue, Ph.D.
President

P.O. Drawer 607 • 403 Main • Grambling, LA 71245 • Office: (318) 274-6117 • Fax: (318) 274-6172 • www.gram.edu

A Constituent Member of the University of Louisiana System • Accredited by the Southern Association of Colleges and Schools
An Equal Opportunity Employer and Educator • Facilities Accessible To The Disabled

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

February 15, 2011

Sean M. Bruno, CPAs
4949 Bullard Avenue, Suite 100
New Orleans, LA 70128

Dear Mr. Bruno:

Re: 2010-03 – Matching – Management Response

Management concurs that the University must comply with federal requirements on providing committed match of grant fund expenditures. The Office of Grants Administration will review matching or cost share documents for accuracy and timeliness. The corrective actions being administered are as follows:

- Faculty time and effort reports were corrected for the two sponsored grants (Foster Care Title IV-E and the Workforce Investment Act-Youth Activities).
- The Office of Grants Administration will require faculty to submit their time and effort reports at the end of each semester, and will ensure that they are signed and certified by employee, and approved by their supervisor, and if appropriate, Dean or Provost (Designee).
- Financial reports and invoices will include matching or cost share contribution and proper supporting documentation.
- One additional Grant Accountant has been identified and will be hired to help with the workload.

Our anticipated completion date is March 31, 2011.

If you have further questions, please call my primary contact, Mr. Leon Sanders, Interim Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Frank G. Pogue, Ph.D.
President

FGP:jj

P.O. Drawer 607 • 403 Main • Grambling, LA 71245 • Office: (318) 274-6117 • Fax: (318) 274-6172 • www.gram.edu

A Constituent Member of the University of Louisiana System • Accredited by the Southern Association of Colleges and Schools
An Equal Opportunity Employer and Educator • Facilities Accessible To The Disabled

GRAMBLING
STATE UNIVERSITY
GRAMBLING, LOUISIANA

Office of the President

February 15, 2011

Sean M. Bruno, CPAs
4949 Bullard Avenue, Suite 100
New Orleans, LA 70128

Dear Mr. Bruno:

Re: 2010-02 – Return of Title IV Funds – Management Response

Management concurs that the University must have internal controls in place to determine the accurate amount of Title IV aid earned by a student as of their withdrawal date, and must return the unearned aid to the Title IV program within the prescribed time frame. The corrective actions being administered are as follows:

- In January 2011, the Interim Provost and Vice President for Academic Affairs, Interim Vice President for Finance and Administration, Registrar, Controller, and representatives from the Office of Student Financial Aid met to discuss the issue of faculty taking class attendance.
- The Registrar agreed to seek ways to identify a different grade code for earned and unearned grades of "F".
- A preliminary unofficial withdrawal report will be generated and reviewed by the Provost or her designee to ensure accurate information is provided.
- The final unofficial withdrawal report will be printed and used by Student Accounts Receivable to calculate the Return of Title IV Funds.
- The calculated amounts will be submitted to the Office of Student Financial Aid and the funds will be returned to the Title IV programs within the prescribed time frame by the Financial Aid Office.

Our anticipated completion date is April 30, 2011.

If you have further questions, please call my primary contact, Mr. Leon Sanders, Interim Vice President for Finance and Administration, at 318-274-6406.

Sincerely,

Frank G. Pogue, Ph.D.
President

FGP:jj

P.O. Drawer 607 • 403 Main • Grambling, LA 71245 • Office: (318) 274-6117 • Fax: (318) 274-6172 • www.gram.edu

A Constituent Member of the University of Louisiana System • Accredited by the Southern Association of Colleges and Schools
An Equal Opportunity Employer and Educator • Facilities Accessible To The Disabled

Bobby Jindal
GOVERNOR

Bruce D. Greenstein
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

November 18, 2010

Mr. Daryl G. Purpera, C.P.A.
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

Re: Finding—Improper Claims by Long Term Personal Care Service Providers

Please accept this as the Louisiana Department of Health and Hospitals' (DHH) response to the November 5, 2010 Louisiana Legislative Auditor finding regarding Improper Claims by Long Term Personal Care Service Providers. It is our understanding that the Legislative Auditor's position is that this finding occurred because providers of Long Term Personal Care Service (LT-PCS) submitted claims that were not in accordance with established policies and procedures.

DHH's official response is attached as requested. Rick Henley of the Office of Aging and Adult Services (OAAS) is the contact person responsible for corrective action. Mr. Henley can be reached by telephone at 225-219-0209 and by e-mail at Rick.Henley@LA.GOV.

Sincerely,

Don Gregory
Medicaid Director

DG/HE:rh

Attachment

cc: Jerry Phillips
Lou Ann Owen
Randy Davidson
Hugh Eley
Jeff Reynolds

Bienville Building • 628 North 4th Street • P.O. Box 91030 • Baton Rouge, Louisiana 70821-9030
Phone #: 225/342-3891 or #225/342-4072 • Fax #: 225/342-9508 • *WWW.DHH.LA.GOV*
"An Equal Opportunity Employer"

Improper Claims by Long Term Personal Care Service Providers

Background:
Before March 1, 2009, units of service for Long Term Personal Care Services were authorized using a very restrictive resource allocation guide, which allowed for very little flexibility of scheduling task performance. Providers complained about the rigid documentation process. Numerous legislative audit findings were noted, many times based on the providers' service logs or lack thereof.

To better address this, OAAS implemented a resource allocation method called Service Hour Allocation of Resources (SHARe) on March 1, 2009. SHARe allows recipients freedom for flexibility of service delivery within each week, which allows for individual differences or preferences. The time allowed for each task is no longer restrictive, and can be adjusted from day to day within the prior authorized week to reflect changes in the recipients' needs. Assessors of LT-PCS have benefitted from these changes in the care planning process. They no longer have 15 minute increments of time to assign for specific tasks, and instead are able to take a more person-centered approach to care planning. Providers also have less complicated documentation requirements allowing them to respond to recipients' changes in needs throughout the week without the fear of violating rules or procedures.

Shortly after SHARe was implemented, OAAS conducted statewide training with providers. The training advised providers of the SHARe initiative and instructed them on use of the new mandatory service log issued for use effective July 1, 2009. The new service log allows providers to document the provision of both LT-PCS and Companion services offered under the Elderly and Disabled Adult Waiver on a single form, though units between the two services are still divided. During this training, providers were also reminded about the need for service logs as well as other general documentation requirements. Additionally, DHH issued documentation memoranda and training materials to direct service providers and posted same on its website.

Additionally, DHH has instituted a number of quality control measures in an attempt to reduce the amount of erroneous/fraudulent claims, including, but not limited to, simplifying documentation requirements, mandating line-item billing, and mandating submission of all claims in the Louisiana Service Tracking System (LAST).

Error Noted: Failing to maintain adequate documentation of the units of service provided.
Corrective Action: DHH concurs with this finding. DHH will continue to reinforce provider compliance with proper documentation and correct billing practices through training and technical assistance. As stated above, training was conducted during the spring of 2009 and memoranda issued by OAAS that, among other things, reiterated documentation requirements. Additionally, DHH reiterated documentation requirements through policy memoranda issued June 15, 2010. This information currently can be readily accessed by providers through accessing the OAAS website at http://www.oaas.dhh.louisiana.gov

Error Noted: Failure to produce a plan of care
Corrective Action: DHH concurs with this finding. DHH will ensure that all providers are aware of the policy that a copy of the most current plan of care must be maintained at the home office.

Error Noted: Failure to document deviations from the plan of care.
Corrective Action: DHH partially concurs with this finding. It is anticipated that there may be some deviation from the plan of care. This can occur due to a number of factors, such as worker not showing up, recipient refusing services, etc. However, while some deviation is expected, it is not acceptable for a provider to deviate from the plan of care without good cause. And when cause is present, it should be documented. As stated above, SHARe allows for freedom for flexibility of service delivery within each week, which allows for individual differences or preferences. The time of day and amount of time allowed for each task are no longer restrictive, and can be adjusted from day to day to reflect changes in the recipients' needs. Given the current move by DHH to a more person-centered and outcome based approach, failure to note deviations from the plan of care should not be viewed as an auditable finding that necessarily warrants recoupment. Rather, as long as the deviation is consistent with the recipient's needs and preferences, deviation is, and can be warranted. It is noted that the findings are for dates of claims that were after SHARe implementation on March 1, 2009. As such, delivery of services in accordance with plans of care set after implementation and with the use of the SHARe methodology should not be subject to the more rigid adherence to approved times of day and/or amount of time assigned for each task as with plans of care developed pre-SHARe.

Bobby Jindal
GOVERNOR

Bruce D. Greenstein
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

November 22, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Purpera:

RE: Finding – Improper Payments to Non-Emergency Medical Transportation Service Providers

Below is the response from the Department of Health and Hospitals, Bureau of Health Services Financing related to the finding dated November 5, 2010 regarding Improper Claims by Non-Emergency Transportation Service Providers:

- DHH concurs with the findings. We agree that the provider claims reviewed were not in accordance with Medicaid policies and procedures. Providers must maintain all MT-3's, MT-8's and MT-9's for all trips reimbursed by Louisiana Medicaid. All providers have been educated and counseled on maintaining adequate documents under the NEMT Program. Failure to do so will result in appropriate action to be taken.

- Corrective Action:

  - Program Integrity is taking action for recoupment of the inappropriately paid claims. Kimberly Sullivan (225-342-4150) is the contact for Program Integrity.

    - A letter will be sent in November, 2010 to the appropriate providers regarding the action to be taken.

    - This action is subject to due process which could delay the completion of this action.

  - The Waiver Assistance & Compliance Section has implemented procedural and systematic changes to the capitated trip methodology to prevent payment until after all scheduled services are to have been provided.

Bienville Building • 628 North 4th Street • P.O. Box 91030 • Baton Rouge, Louisiana 70821-9030
Phone #: 225/342-3891 or #225/342-4072 • Fax #: 225/342-9508 • *WWW.DHH.LA.GOV*
"An Equal Opportunity Employer"

- First Transit, the contractor that prior authorizes and schedules all NEMT trips, has been authorized to set the date of service for all capitated trips as the last day of the month, instead of the current methodology of using the first day of the month. This will ensure that no payment is made until the month in which all trips are scheduled to take place is completed.

DHH has controls in place to ensure that only appropriate claims are paid. All NEMT trips must be prior authorized and are issued a prior authorization number. Without this prior authorization number, the MMIS system will not pay the claim. DHH recognizes that prior authorization does not guarantee the service was provided, therefore systematic post pay review are conducted to ensure services billed were actually provided. Mechanisms are in place to recoup money paid to providers for inappropriately paid claims.

You may contact Randy Davidson at 342-4818 regarding the action to be taken related to this finding.

Sincerely,

Don Gregory
Medicaid Director

DG/RD

CC: Jerry Phillips
Lou Ann Owen
Randy Davidson
Jeff Reynolds
Kim Sullivan
Darryl Curtis

Bobby Jindal
GOVERNOR

Bruce D. Greenstein
SECRETARY

State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

November 22, 2010

Mr. Daryl G. Purpera, C.P.A.
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

Re: Finding—Improper Claims by New Opportunities Waiver (NOW) Service Providers

Please accept this as the Louisiana Department of Health and Hospitals' (DHH) response to the November 5, 2010 Louisiana Legislative Auditor finding regarding Improper Claims by NOW Service Providers. It is our understanding that the Legislative Auditor's position is that this finding occurred because providers of NOW services submitted claims that were not in accordance with established policies and procedures.

DHH's official response is attached as requested. Jean Melanson of the Office for Citizens with Developmental Disabilities (OCDD) is the contact person responsible for corrective action. Ms. Melanson can be reached by telephone at 225-342-0095 and by e-mail at Jean.Melanson@LA.GOV.

Sincerely,

Don Gregory
Medicaid Director

DG/CR

Attachment

cc: Jerry Phillips
Lou Ann Owen
Randy Davidson
Julia Kenny
Jeff Reynolds

Bienville Building • 628 North 4th Street • P.O. Box 91030 • Baton Rouge, Louisiana 70821-9030
Phone #: 225/342-3891 or #225/342-4072 • Fax #: 225/342-9508 • *WWW.DHH.LA.GOV*
"An Equal Opportunity Employer"

FINDING: **Improper Payments to Waiver Services Providers**

Error Noted: Weekly hours of service were not delivered according to the plan of care approved by DHH.

DHH Response: DHH concurs in part with this finding.

Waiver participants must have flexibility built into the waiver service delivery process. Current policy allows flexibility through the development of an alternate schedule included in the CPOC. The prior authorization is issued by DHH for these services on a quarterly basis to allow for this flexibility and post authorization is issued based on the date and time the services are actually provided. It is expected that there are circumstances that exist which make delivery of the weekly service hours based strictly on the typical weekly schedule impractical or impossible; however, OCDD agrees that if the flexibility is not in the alternate schedule, that appropriate documentation should exist in the recipient record explaining the deviation in the schedule.

A memorandum was issued on February 6, 2008 advising all direct service providers of the requirement to clearly document and maintain this documentation supporting reasons for services not being delivered in accordance with the approved plan of care. This documentation should be maintained as part of the recipient records. OCDD reissued this policy statement to all waiver service providers on March 11, 2009 and on January 13, 2010. The requirements are also posted on the OCDD Waiver Supports and Services Publications website.

Direct Service Provider Documentation training was provided beginning in January 2010 as a result of previous findings. All Waiver Regional Offices conducted an initial training in conjunction with their provider quarterly meetings. Additionally, this training is continuously offered to providers for their direct care workers when requested and is provided by the OCDD Central Office Provider Relations Section Staff. Fifteen provider agencies have been trained upon request resulting in 1,000 direct care staff receiving training.

OCDD has confirmed that the on-line Medicaid Provider Enrollment Packets for New Opportunities Waiver Service Providers contain a provider alert to the web locations containing the documentation requirements. This is to assure the information is available prior to providing direct services.

OCDD notes that although this is the fourth consecutive year for this particular finding, there is only one provider who has a repeat finding in this area.

Corrective action plan:
OCDD/DHH will continue to reinforce provider compliance with documentation requirements through electronic notifications, training and technical assistance.

OCDD will:

1. Review all policies to determine if revisions are needed.
2. Re-issue the policy statement to all providers reiterating our policy and expectations on the documentation of schedule deviation.
3. Require that all OCDD Regional Waiver Offices include documentation training in each quarterly meeting held with providers and maintain documentation of participation.
4. Providers with no prior findings:
    a. Issue letters requiring plans of correction.
    b. Require the providers to attend training provided by the Program Office(s).

5. Provider with the repeat deficiency:
   a. Notify of failure to comply with their Plan of Correction from previous finding.
   b. Require submission of new Plan of Correction.
   c. Require staff to attend documentation training provided at the OCDD Central Office.
   d. Advise that they may be audited in this area within 6 months.
   e. Advise that if additional findings are noted, that they may be removed from the Service Provider Freedom of Choice form and referred to the licensing entity for appropriate licensing review.
6. For all Providers: referral will be made to the Bureau of Health Services Financing (BHSF)/Medicaid for recoupment and/or notification to the appropriate entity for further administrative action.

Anticipated completion date is March 15, 2011.
Contacts: NOW Provider Letters and Policy Activities: Jean Melanson
NOW Provider Training: Delphine Jackson
Recoupment/Administrative Action: Appropriate Bureau of Health Services Financing Staff

Error Noted: Providers did not maintain time sheets to support the units of service billed.

DHH Response: DHH concurs with this finding.

A memorandum was issued August 31, 2007 to all direct waiver service providers advising and reminding them of the minimum requirements for case record documentation as previously advised through memorandum issued April 3, 2001; a memorandum issued August 27, 2007 advised all providers of mandatory training to be conducted by the Medicaid Fiscal Intermediary September 11, 2007 through October 4, 2007, training included detailed information relative to documentation requirements; the September/October 2007 Medicaid Provider Update, Vol. 24, Issue 5, Page 6, advised all waiver service providers of general information concerning documentation requirements; a memorandum issued July 30, 2004 to all direct service provider agencies clarified documentation procedures. Policy statements were reissued to all NOW waiver service providers March 11, 2009 and January 13, 2010. The requirements are also posted on the OCDD Waiver Supports and Services Publications website.

OCDD has confirmed that the on-line Medicaid Provider Enrollment Packets for New Opportunities Waiver Service Providers contain a provider alert to the web locations containing the documentation requirements. This is to assure the information is available prior to providing direct services.

OCDD/DHH readily provides technical assistance and providers are encouraged to call OCDD/DHH or its contractors if any questions concerning documentation requirements or billing issues arise. Direct Service Provider Documentation training was provided beginning in January 2010 as a result of previous findings. All Waiver Regional Offices conducted an initial training in conjunction with their provider quarterly meetings. Additionally, this training is continuously offered to providers for their direct care workers when requested and is provided by the OCDD Central Office Provider Relations Section Staff. Fifteen provider agencies have been trained upon request resulting in 1,000 direct care staff receiving training.

OCDD notes that although this is the fourth consecutive year for this particular finding, there is only one provider who has a repeat finding in this area.

Corrective action plan:
OCDD/DHH will continue to reinforce provider compliance with documentation requirements through electronic notifications, training and technical assistance.

OCDD will:

1. Review all policies to determine if revisions are needed.
2. Re-issue the policy statement to all providers reiterating our policy and expectations for maintaining documentation.
3. Require that all OCDD Regional Waiver Offices include documentation training in each quarterly meeting held with providers and maintain documentation of participation.
4. Providers with no prior findings:
   a. Issue letters requiring plans of correction.
   b. Require the providers to attend training provided by the Program Office(s).
5. Provider with the repeat deficiency:
   a. Notify of failure to comply with their Plan of Correction from previous finding.
   b. Require submission of new Plan of Correction.
   c. Require staff to attend documentation training provided at the OCDD Central Office.
   d. Advise that they may be audited in this area within 6 months.
   e. Advise that if additional findings are noted, that they may be removed from the Service Provider Freedom of Choice form and referred to the licensing entity for appropriate licensing review.
6. For all Providers: referral will be made to the Bureau of Health Services Financing (BHSF)/Medicaid for recoupment and/or notification to the appropriate entity for further administrative action.

Anticipated completion date is March 15, 2011.
Contacts: NOW Provider Letters and Policy Activities: Jean Melanson
NOW Provider Training: Delphine Jackson
Recoupment/Administrative Action: Appropriate Bureau of Health Services Financing Staff

Error Noted: Providers did not maintain progress notes to support the units of service billed.

DHH Response: DHH concurs with this finding.

A memorandum was issued August 31, 2007 to all direct waiver service providers advising and reminding them of the minimum requirements for case record documentation as previously advised through memorandum issued April 3, 2001; a memorandum issued August 27, 2007 advised all providers of mandatory training to be conducted by the Medicaid Fiscal Intermediary September 11, 2007 through October 4, 2007, training included detailed information relative to documentation requirements; the September/October 2007 Medicaid Provider Update, Vol. 24, Issue 5, Page 6, advised all waiver service providers of general information concerning documentation requirements; a memorandum issued July 30, 2004 to all direct service provider agencies clarified documentation procedures. Policy statements were reissued to all NOW waiver service providers March 11, 2009 and January 13, 2010. The requirements are also posted on the OCDD Waiver Supports and Services Publications website.

OCDD has confirmed that the on-line Medicaid Provider Enrollment Packets for New Opportunities Waiver Service Providers contain a provider alert to the web locations containing the documentation requirements. This is to assure the information is available prior to providing direct services.

OCDD/DHH readily provides technical assistance and providers are encouraged to call OCDD/DHH or its contractors if any questions concerning documentation requirements or billing issues arise. Direct Service Provider Documentation training was provided beginning in January 2010 as a result of previous findings. All Waiver Regional Offices conducted an initial training in conjunction with their provider quarterly meetings. Additionally, this training is continuously offered to providers for their direct care workers when requested and is provided by the OCDD Central Office Provider Relations Section Staff. Fifteen provider agencies have been trained upon request resulting in 1,000 direct care staff receiving training.

OCDD notes that although this is the fourth consecutive year for this particular finding, there is only one provider who has a repeat finding in this area.

Corrective action plan:
OCDD/DHH will continue to reinforce provider compliance with documentation requirements through electronic notifications, training and technical assistance.

OCDD will:

1. Review all policies to determine if revisions are needed.
2. Re-issue the policy statement to all providers reiterating our policy and expectations for maintaining documentation.
3. Require that all OCDD Regional Waiver Offices include documentation training in each quarterly meeting held with providers and maintain documentation of participation.
4. Providers with no prior findings:
   a. Issue letters requiring plans of correction.
   b. Require the providers to attend training provided by the Program Office(s).
5. Provider with the repeat deficiency:
   a. Notify of failure to comply with their Plan of Correction from previous finding.
   b. Require submission of new Plan of Correction.
   c. Require staff to attend documentation training provided at the OCDD Central Office.
   d. Advise that they may be audited in this area within 6 months.
   e. Advise that if additional findings are noted, that they may be removed from the Service Provider Freedom of Choice form and referred to the licensing entity for appropriate licensing review.
6. For all Providers: referral will be made to the Bureau of Health Services Financing (BHSF)/Medicaid for recoupment and/or notification to the appropriate entity for further administrative action.

Anticipated completion date is March 15, 2011.
Contacts: NOW Provider Letters and Policy Activities: Jean Melanson
NOW Provider Training: Delphine Jackson
Recoupment/Administrative Action: Appropriate Bureau of Health Services Financing Staff

BOBBY JINDAL
GOVERNOR

State of Louisiana

Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

February 15, 2011

Mr. Daryl G. Purpera, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated January 31, 2011
Inaccurate Federal Financial Reports

Dear Mr. Purpera:

I have reviewed the finding in the letter dated January 31, 2011 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2010.

In accordance with your guidance, we are providing separate letters for each of the findings.

Inaccurate Federal Financial Reports

Finding: The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit accurate federal financial reports (SF-425) to the Federal Emergency Management Agency (FEMA) for the Public Assistance (CFDA 97.036) and Hazard Mitigation Grant (CFDA 97.039) programs.

Response: GOHSEP management concurs with this finding. The methodology used to report expenditures on the quarterly SF-425 reports was not accurate. Although, the methodology was consistent with that used in prior years, the process was lacking with respect to the expenditure portion of the reports. In addition, for the quarter ending June 30, 2010, the authorized award amount was reported incorrectly on 3 grants. Due to the nature of the disaster funding, the authorized award amount is subject to frequent and significant fluctuations and the Federal awarding agency has access to this information.

Corrective Action: The process used to complete the quarterly SF-425 reporting will be changed to ensure that reports are completed accurately. Written procedures will be developed that describe the process for compiling the data needed to complete the reports and staff will be trained on the procedures. The reporting methodology has already been changed in response to this finding for the most recent SF-425 submission.

7667 Independence Boulevard • Baton Rouge, Louisiana 70806 • (225) 925-7500 • Fax (225) 925-7501

I thank you for providing this information on GOHSEP's preparation of federal financial reports.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,

Mark A. Cooper

MAC:CT:cld

BOBBY JINDAL
GOVERNOR

State of Louisiana

Governor's Office of Homeland Security and Emergency Preparedness

MARK A. COOPER
DIRECTOR

December 22, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Letter dated November 22, 2010
Inadequate Preparation of the Annual Fiscal Report

Dear Mr. Purpera:

I have reviewed the finding in the letter dated November 22, 2010 from your office, which covers activities of the Governor's Office of Homeland Security and Emergency Preparedness for Fiscal Year 2010.

In accordance with your guidance, we are providing separate letters for each of the findings.

Inadequate Preparation of the Annual Fiscal Report

Finding: For the fourth consecutive year, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) did not submit an accurate Annual Fiscal Report (AFR) and Schedule of Expenditures of Federal Awards (SEFA) to the Division of Administration, Office of Statewide Reporting and Accounting Policy (OSRAP).

Response: GOHSEP management concurs with this finding. Accurate and timely completion of the Annual Financial Report and the Schedule of Expenditures of Federal Awards are critical for the State's Comprehensive Annual Financial Report and the proper accounting of funds expended for Federal programs. Staff transition and process changes contributed to data integrity issues and errors in the execution of the forms. Due to the time constraints of the process and the complexity of the data, the process for completing and reviewing the submission did not function effectively.

Corrective Action: Additional staff has been hired and additional training is planned to ensure that multiple layers of review are implemented. Additional emphasis will be placed on planning and ongoing data integrity efforts to reduce the quantity of man ual adjustments required. Due to the complexity of the process and the short period of time to complete and review the calculations, an

7667 Independence Boulevard • Baton Rouge, Louisiana 70806 • (225) 925-7500 • Fax (225) 925-7501

extension of the deadline for submission is anticipated. GOHSEP will work with OSRAP in advance, to determine the appropriate length of the extension. Staff will complete a run through of the process including data compilation and execution of the appropriate forms prior to year-end to identify issues and validate formulas in advance.

I thank you for providing this information on GOHSEP's preparation of the annual fiscal report.

If you have any questions or need further assistance, please contact me at (225) 925-7345 or our Internal Auditor, Bruce J. Janet at (225) 922-1479.

Sincerely,

Mark A. Cooper

MAC:ct:krs

LOUISIANA STATE UNIVERSITY

Finance & Administrative Services

Mr. Daryl G. Purpera, CPA
Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

December 6, 2010

Dear Mr. Purpera:

In conjunction with the legislative audit of LSU, we wish to respond to the audit findings concerning inadequate controls over purchasing within the LSU School of Music. We concur with the findings addressed in the letter dated November 29, 2010. As requested in the letter, the following responses are issued for each finding:

Finding 1:
The School of Music's Piano Technician altered the original components and functionality of a University-owned grand piano causing the school to expend $11,500 to restore it to its intended functional condition.

Response to Finding 1: **Anticipated Completion Date: 02/28/2011**

- Policies have been put into place within the School of Music requiring written approval to proceed with a major repair or maintenance of equipment when the cost will equal or exceed $500.
- The job description for the Piano Technician position will be updated to reflect the position's scope of authority for repairs to equipment consistent with the School of Music policy.

Contact Person(s): Kristin Sosnowski, Associate Dean, College of Music & Dramatic Arts
Michael Bassford, Business Manager, College of Music & Dramatic Arts

Finding 2:
The piano technician completed non-LSU transactions/business on University property for personal payment and failed to properly disclose outside employment in accordance with University policy.

Response to Finding 2: **Anticipated Completion Date: 10/01/2010**

- The College of Music and Dramatic Arts will communicate annually the requirements of PM-11 to all faculty and staff in the College.

Contact Person(s): Laurence Kaptain, Dean, College of Music & Dramatic Arts

Finding 3:
Employees of the School of Music circumvented the normal procurement process when purchasing pianos for the School.

330 Thomas Boyd Hall • Baton Rouge, LA • 70803 • 225-578-3386 • Fax 225-578-5403 • www.fas.lsu.edu

Finding 4:
Payment in full was made to the vendor even though the School never received the piano parts included in the bid specifications.

Finding 5:
The Piano Technician facilitated the trade of four pianos, two of which were not included in the original bid specifications. Inaccurate information was provided to the University's Property Management Office resulting in incorrect inventory records.

Response to Findings 3, 4 and 5: **Anticipated Completion Date: 05/01/2011**

- The College of Music and Dramatic Arts will seek a cash refund for the 30 sets of action parts specified in the ITB and agreed to be the vendor.
- The College of Music and Dramatic Arts will work with Finance and Administrative Services to determine a training program for administrative functions, to be certain that the new Business Manager is fully trained as to the University's policies and procedures.
- Accounting Services will inform Facility Planning and Control of the purchase of the 30 sets of action parts and take the necessary corrective action.
- LSU Purchasing will work closely with the College of Music and Dramatic Arts personnel to review bid specifications for irregularities on an ongoing basis.
- Accounting Services will administer expenditures involving capital outlay funds.

Contact Person(s): Willis Delony, Interim Director, School of Music
Michael Bassford, Business Manager, College of Music & Dramatic Arts
Donna Torres, Associate Vice Chancellor for Accounting & Financial Services

Finding 6:
In unrelated transactions with a different vendor, it appears that the Piano Technician used his position as an LSU employee to cause LSU funds to be paid to him.

Response to Finding 6: **Anticipated Completion Date: 06/30/2011**

- In accordance with R.S. 24:523, the Legislative Auditor and the District Attorney have been advised of these transactions.
- The claim reimbursements received from FEMA and the State Office of Risk Management will be refunded.
- Advice of legal counsel is being sought to determine the necessary actions to recover funds related to these transactions.

Contact Person(s): Donna Torres, Associate Vice Chancellor for Accounting & Financial Services

If you have any questions or need any additional information, please feel free to contact me.

Eric Monday
Vice Chancellor for Finance & Administrative Services and CFO

Louisiana State University System
3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Chief Financial Officer

225 / 578-6935
225 / 578-5524 fax

October 19, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Re: Audit Finding - Energy Efficiency Contract Contrary to State Law

Dear Mr. Purpera:

I am writing in response to your letter dated October 6, 2010 to Chancellor Martin regarding fiscal year 2010 Audit findings associated with a performance-based energy efficiency contract between Johnson Controls, Inc. (JCI) and LSU and also in response to your letter dated October 12, 2010 to President Lombardi with virtually identical audit findings for each of the other four LSU System institutions that are also currently party to a performance-based energy efficiency contract with JCI, specifically, the University of New Orleans, Louisiana State University Health Science Center in Shreveport, University Medical Center, and Lallie Kemp Hospital. This letter is meant to serve as the LSU System's response to any similar findings regarding each of these contracts for the 2010 fiscal year.

As noted in your findings, and in previous correspondence to your office from the LSU System (see attached), LSU System's counsel has conducted detailed investigations of each of these agreements and has retained an industry expert to assist in the review of the complex technical materials and calculations. After working with the expert and the five facilities to determine the status and history of these contracts and after attempts to obtain relevant information from JCI's out-of-state counsel, notice of default was sent to JCI on February 3, 2010. The LSU System's counsel indicated the LSU System's position with regard to each of these contracts and informed JCI that these issues must be resolved. On February 5, 2010, LSU's counsel was contacted by new, local counsel for JCI who indicated that JCI was willing to actively work to resolve the issues related to each of these contracts. Since this time, numerous meetings and correspondence have taken place between LSU System counsel, JCI local counsel and the five LSU System institutions regarding the status of each of the five contracts, the unique issues associated with performance under each contract, issues associated with savings under each contract, termination options for each contract and the most appropriate method of addressing any other issues under each contract. During the past month, JCI and the LSU System have exchanged terms associated with a proposed termination of the Louisiana State University Health Sciences Center, Shreveport contract. Currently LSU is awaiting a response from JCI on its proposed terms and hopes to move forward with similar negotiations related to

each of the four other contracts in an effort to avoid costly litigation. Should negotiations be unsuccessful, LSU is prepared to institute litigation to resolve the issues associated with these contracts by nullifying the agreements, forcing amendments to the agreements or recovering for breach of the agreements.

Sincerely,

Wendy C. Simoneaux

Wendy C. Simoneaux
Chief Financial Officer

Enclosure

Cc: General Counsel P. Raymond Lamonica

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

February 8, 2011

Daryl Purpera
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Failure to Subgrant ARRA Funds Timely

Dear Mr. Purpera:

The Louisiana Workforce Commission (LWC) partially concurs with the finding regarding the failure to subgrant ARRA funds timely. Although the LWC concurs that funding to the subgrantees should have been made available sooner than November 2009, LWC disagrees that this would have prevented the return of federal funds.

The LWC is currently evaluating the internal contract process used to make the funds available to subgrantees and will implement solutions to shorten the process where possible. Subgrantees were notified of the funding in April 2009. LWC staff worked with the subgrantees to help create spending plans while coordinating the contract process to make the funds available. After the funds were made available, LWC staff continued to monitor spending and provide technical assistance. As stated in the Legislative Auditor's report only 28% of funds had been expended by the subgrantees as of June 30, 2010, seven months after receipt of funds. Over the next three months, LWC staff provided technical assistance through weekly conference calls, on-site visits and additional expenditure guidance to help the subgrantees spend an additional 66% of funds so that by December 31, 2010, 95% of grant funds had been expended.

Subgrantees reported to LWC staff that there were multiple reasons they were unable to spend the remaining funds. These reasons included a lack of staff, the inability to manage multiple large ARRA grants, a lack of demand for the funds, as well as the timeliness of the contracts.

If additional information or explanation is required, please contact Jonie Smith (jsmith3@lwc.la.gov or 225.342.4337) or Melissa Grimmett (mgrimmett@lwc.la.gov or 225.342.8988).

Sincerely,

Curt Eysink
Executive Director

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

December 3, 2010

Mr. Daryl Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Improper Charging of Administrative Expenditures to Federal Awards

Dear Mr. Purpera:

The Louisiana Workforce Commission concurs in part with the finding regarding the improper charging of administrative expenditures to federal awards.

LWC concurs that the allocation percentages in the cost allocation plan had not been recently updated. However, LWC disagrees with the dollar amount questioned.

LWC is revising the cost allocations to determine the accurate allocation and will make necessary adjustments to ensure accurate allocation of costs.

In addition, the commission has established a committee consisting of LWC state and local staff to address the cost allocation plan process. This committee will ensure that allocation percentages to the cost allocation plan are properly updated to accurately allocate expenditures to federal programs and update current cost allocation plans and supporting documentation.

Also, the Office of Workforce Development will timely notify the fiscal division within the Office of Management and Finance of any changes in lease arrangements and other financial commitments to the cost allocation plan to ensure that costs charged to federal programs are in accordance with the cost principles outlined in OMB Circular A-87.

The contact person for implementation of this corrective action is the OWD Director, Johnny Riley, who can be reached at (225) 342-2679 or jriley1@lwc.la.gov.

Sincerely,

Curt Eysink
Executive Director

Cc: Renee Ellender Roberie
Johnny Riley

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

January 7, 2011

Mr. Daryl Purpera
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Inaccurate Federal Reporting

Dear Mr. Purpera:

The Department concurs in part with the finding regarding the submission of an inaccurate federal report.

The Department agrees that the American Recovery and Reinvestment Act (ARRA) 1512 report for quarter ending March 31, 2010 regarding subrecipient disbursements was underreported. However, the report for total expenditures at the prime recipient level (which includes the subrecipients) was accurate. In addition, section 1512 reports are based on cumulative expenditures since inception of the ARRA Act of 2009. Thus, the reports are self correcting as confirmed with report submitted for report period ending June 30, 2010.

The Department does not agree that insufficient emphasis on the review process was the cause of the inaccurate reporting. There are adequate review processes for the 1512 reports at both the federal and state levels. LWC staff has determined that the discrepancy between the data actually reported to FederalReporting.gov and the data compiled in the final report used for uploading was the result of a technical error. The error was partly due to a change in the functionality of the federal reporting website.

LWC believes that the current review process by both the state and the federal governments along with the cumulative nature of the report and the minimal risk of this type of error occurring in the future negate the need for additional procedures or increased controls in the review process.

Sincerely,

Curt Eysink
Executive Director

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

January 7, 2011

Mr. Daryl Purpera
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Audit Finding Regarding Inadequate Monitoring Subrecipient Findings and A-133 Audits

Dear Mr. Purpera:

The Department concurs with the finding regarding inadequate monitoring of subrecipient findings and A-133 findings.

As a means of ensuring past and present monitoring of subrecipient findings and resolving subrecipient A-133 findings, a Special Projects Team is being established within the Office of Workforce Development (OWD). A designated staff member will be assigned the responsibilities for oversight and implementation of these corrective actions. The staff member assigned these duties will possess both financial and program experience in order to perform these functions with the appropriate scrutiny.

There has been a delay in implementation of the Special Projects Team due to resource challenges and the finalization of a job study. The Office of Workforce Development has experienced several key management changes and the retirement of our program finance subject matter expert. In addition, the Deepwater Horizon oil spill required a reprioritization of resources from late April 2010 through July 2010. However, we intend to have these Special Projects Team members in place by March 31, 2011.

In the interim, the compliance unit within OWD is monitoring the A-133 audits and requiring corrective action plans when necessary. This interim action has allowed us to partially address the audit finding.

Louisiana Workforce Commission will establish an audit resolution policy to address subrecipient findings and a single audit policy to address A-133 findings.

Sincerely,

C. Eysink

Curt Eysink
Executive Director

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

December 3, 2010

Mr. Daryl Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Legislative Audit Finding - Inadequate Subrecipient Monitoring of the Community Services Block Grant (CSBG)

Dear Mr. Purpera:

Management of the Louisiana Workforce Commission (LWC) concurs with the findings as presented.

The Commission established the Compliance Division within the Office of Workforce Development (OWD) in October of 2008 and it became fully functional in December of 2008, with its primary responsibility to perform sub-recipient monitoring for all federal programs administered by the LWC.

LWC has reexamined our monitoring/audit processes and developed a more efficient CSBG monitoring tool. This tool provides for more efficient reviews thus enabling us to conduct all monitoring reviews in a timely manner. Moving forward each of the 42 sub-recipients will be monitored in accordance with United States Code [42 USC 9914(a)], once every 3 years.

Accordingly, 28 of the 42 CSBG sub-recipients monitoring reviews have been completed, 2 are in progress and the remaining 13 are to be completed by June 30, 2011, to ensure compliance with United States Code [42 USC 9914(a)] that all sub-recipients will have been reviewed in the last three years since July 1, 2008.

The contact person for implementation of this corrective action is the Compliance Director Michael L. Harris, J.D., who can be reached at (225) 342-3566 or mharris1@lwc.la.gov.

Sincerely,

Curt Eysink
Executive Director

Cc: Johnny Riley, Director OWD

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

December 3, 2010

Mr. Daryl Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Non-compliance with Administrative Rules for Interstate Unemployment Compensation Benefit Payments

Dear Mr. Purpera,

The Louisiana Workforce Commission concurs with the finding regarding non-compliance with administrative rules for Interstate Unemployment Compensation, but has since resolved this issue.

LWC had submitted a corrective action plan to USDOL that outlined the resolution process. LWC has successfully implemented that action plan in the USDOL accepted timeline. In October 2010, LWC began quarterly billing all employers for charges from other states for claims that were filed after March 21, 2010 in order to recoup the costs of Interstate Unemployment Insurance Benefits.

If any additional documentation or explanation is needed, please do not hesitate to contact Cynthia Smith (csmith@lwc.la.gov or 225.342.2992) or Lettie Fletcher (lfletcher@lwc.la.gov or 225.326.6994).

Sincerely,

Curt Eysink
Executive Director

Cc: Susan Sonnier

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

December 3, 2010

Mr. Daryl Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Noncompliance with Record Retention Policy

Dear Mr. Purpera:

The Louisiana Workforce Commission partially concurs with the finding regarding noncompliance with record retention policy.

Wage records are submitted in a variety of media: on paper copy, electronically via the Web, or on disks/magnetic media. By January 31, 2014, all employers will be required to file their taxes electronically.

LWC has been in compliance with the records retention policy for wage records submitted on paper and via the Web.

We concur with the finding with regard to wage records submitted on magnetic media. Now, all magnetic media are forwarded to the IT Department and downloaded into the system. Depending on the size of the file, a copy of the source wage data from the magnetic media is printed and returned to the Central Processing Unit. The source document is then scanned into our imaging system and is readily available for retrieval. LWC is continuing to increase automation of this process. By the first quarter of 2011, electronic source files will be saved to a secure location instead of scanning the hard copy print to UI Connect.

If any additional documentation or explanation is needed, please do not hesitate to contact Ashley Ford (aford@lwc.la.gov or 225.326.6970) or Velmon Nichols (vnichols@lwc.la.gov or 225-219-4482).

Sincerely,

Curt Eysink
Executive Director

Cc: Susan Sonnier

LOUISIANA WORKFORCE COMMISSION

1001 North 23rd Street
Post Office Box 94094
Baton Rouge, LA 70804-9094

(O) 225-342-3001
(F) 225-342-3778
www.laworks.net

Bobby Jindal, Governor
Curt Eysink, Executive Director

Office of the Executive Director

December 10, 2010

Mr. Daryl Purpera, CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Weaknesses in Controls Over Remittance Processing System

Dear Mr. Purpera:

The Louisiana Workforce Commission concurs with the finding regarding weaknesses in controls over the remittance processing system and is in the process of implementing a corrective action plan.

LWC has taken steps to comply with federal guidelines that use three days as a minimum performance level for deposit promptness. The audit finding cites state policies that define the standard for employer tax payments as "within 24 hours of receipt." The LWC will seek an exemption to that policy from the Cash Management Review Board while continuing to implement the corrective measures described below to comply with the federal performance level of three days.

After processing the second quarter 2009 employer tax payments through the new remittance system, LWC recognized that additional staff were needed during each quarterly rush to meet the three day deposit performance level. These additional staff have been added, allowing LWC to deposit 97.2% of all cash receipts to the bank within three business days of receipt (in accordance with federal guidelines). In addition, additional staff will be used during the rush period to index payment documentation to update employer accounts on the LWC mainframe. LWC is also working on a number of automation projects which will assist in the timely depositing and reconciliation of accounts, including the purchase of an additional scanner to improve timeliness. LWC continues to gain efficiencies through additional training of staff, improved automation and revised workflow processes and procedures in order to eliminate this finding.

All employer accounts (excluding those for which incomplete information is received, such as those lacking the Employer Account Number) are updated with payment received amounts within 15 business days after the quarterly due date (i.e., January 31, 2010 for Quarter 4 2009). Systematic reconciliation procedures have been implemented to allow management to reconcile all monetary batches to the indexing (iEditor) software application, which informs management of any batches that may not have been deposited or may be in error for any reason. This reconciliation ensures that all money is accounted for from the point of scanning to the point of indexing. An additional reconciliation is performed once the monies are posted to the employer accounts to the remittance processing daily deposit report or the bank statement. This reconciliation ensures completeness of all deposits being posted to the mainframe employer account, as well as validity of all payment amounts posted.

If any additional documentation or explanation is needed, please do not hesitate to contact Ashley Ford (aford@lwc.la.gov or 225.326.6970) or Velmon Nichols (vnichols@lwc.la.gov or 225-219-4482).

Sincerely,

Curt Eysink
Executive Director

BOBBY JINDAL
GOVERNOR

SCOTT A. ANGELLE
SECRETARY

State of Louisiana

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MANAGEMENT AND FINANCE

January 19, 2011

Mr. Daryl G. Purpera
Legislative Auditor
Louisiana Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RE: Untimely Federal Financial Reporting

Dear Mr. Purpera:

The Department of Natural Resources concurs with this finding. DNR understands the importance of ensuring that federal regulations governing federal awards are understood and followed. The Fiscal Section has revised and implemented control procedures to ensure that annual financial reports are prepared and submitted timely. Adequate personnel have been assigned to perform necessary reporting and the supervising Accountant Manager will be responsible for the fiscal monitoring and compliance of the requirements for each federal award. Gwendolyn Thomas, Fiscal Officer, is responsible for this corrective action.

DNR management remains committed to accurately and appropriately adhering to all federal regulations and will continue to ensure that all federal income is properly managed.

If additional information is needed, please do not hesitate to call me at 342-4534.

Sincerely,

Robert D. Harper
Undersecretary

RDH/mm

Post Office Box 94396 • Baton Rouge, Louisiana 70804-9396 • 617 North Third Street • 12th Floor • Baton Rouge, Louisiana 70802
Phone 225-342-4534 • Fax 225-342-4313 • http://www.dnr.state.la.us
An Equal Opportunity Employer

Bobby Jindal
GOVERNOR

Bruce D. Greenstein
SECRETARY

State of Louisiana

Department of Health and Hospitals
Center for Preventive Health

October 21, 2010

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
1600 North Third Street
P.O. Box 94397
Baton Rouge, LA

Dear Mr. Purpera,

This letter is in response to the findings in the audit conducted in Office of Public Health, Nutrition Services June through August, 2010. Nutrition Services administers two USDA funded programs; The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and the Commodity Supplemental Food Program (CSFP)

Finding: Noncompliance to WIC Program Requirements

Response: Nutrition Services concurs with the identified deficiencies. The full explanation follows.

Deficiency: OPH should establish procedures relating to reconciliation of Food Instruments (FIs) and Cash Value Vouchers (CVVs) on a one to one basis.

Explanation: Nutrition Services concurs that one to one reconciliation of FIs and CVVs is not being achieved through the web based application (PHAME) used to certify WIC Participants and print FIs/CVVs. However, there is a report available to identify FIs/CVVs that were redeemed and those that are rejected. A separate report identifies FIs/CVVs that have been voided and indicates the reason. (see the attached examples of the reports WICFIN 1010 and WICINT 1001) There is no report currently available in this system that provides the summary detail needed to conduct one to one reconciliation of food instruments.
In an effort to resolve this finding from the Louisiana Legislative Auditor, Nutrition Services has done the following:

1. Submitted a request to the contracted software developer to work with Louisiana WIC and DHH-IT in developing the needed report in PHAME. The developer has indicated they will be able to begin working on the needed changes on November 1, 2010.
2. After a year and half of vacancy, a staff position that is crucial to conducting one to one reconciliation is being filled. It is anticipated that this individual will be hired by early November.
3. Allowing for adequate training for this new staff, we estimate that the one to one reconciliation process will be in place by February 1, 2011.

Cheryll Sheard, Nutrition Services Financial Manager and Joetta Ferrell, Nutrition Services Analyst will be the contacts for implementing the corrective action. Ms. Sheard can be reached at 504-361-6890

Nutrition Services • Bienville Building • 628 North 4th Street * P.O. Box 3214 • Baton Rouge, Louisiana 70821-3214
Phone #: 225/342-7893 • Fax #: 225/342-8312 • WWW.DHH.LA.GOV
"An Equal Opportunity Employer"

Deficiency: OPH did not conduct any fiscal year 2010 quarterly statewide cost neutrality assessments.

Explanation: Nutrition Services concurs with the deficiency relating to quarterly analysis of the prices submitted by the above-50-percent vendors to ensure cost neutrality is maintained.

The cost neutrality assessments are programmed in SAS (Statistical Analysis System) format by a DHH IT employee. After set up of the SAS report, an employee in Nutrition Services runs the report on a monthly basis. This report was run from October 2007 through January 2009. Once the February 2009 report was to be generated, the SAS server had been switched and as a result, the WIC employee could not access the SAS system. Not having been told of the switch to a new server, the WIC employee contacted the DHH IT staff and was able to resolve the issue and gain access to SAS again. In September 2009, the WIC program was mandated to add several new food items to its package thereby requiring more changes to the SAS report which time took to develop and test to ensure accuracy of data. Although the employee in DHH-IT has always been willing to assist the WIC Program with requests for and/or changes to "ad hoc" reports, the WIC Program is not his first priority. Since the WIC Program does not have anyone on staff with skills for SAS programming, if any changes need to occur with this specific report, the WIC Program's only option is to request assistance from DHH IT staff. As a result of the identified deficiency the following steps have been taken:

1. On October 13 and October 27, 2010, we successfully generated the revised report and sent correspondence to Vendors in question to recoup monies overpaid to above-50-percent Vendors.

Nutrition Services concurs that statewide quarterly cost neutrality assessments were not conducted in fiscal year 2010 due to issues with the Statistical Analysis System. In order to address this, the following has been implemented to ensure full compliance with the federal regulation:

1. DHH IT will set it up this project to run automatically on the last day of each quarter. A request will be submitted through the DHH-IT Service desk for immediate implementation.

The following steps will be followed in order to be in full compliance with this federal regulation:

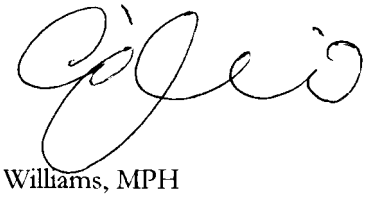
1. WIC staff will access SAS and print the results quarterly.
2. The results will then need to be added to the spreadsheet that is supplied by USDA and then be submitted to USDA.

Nutrition Services agrees with the Legislative Auditor in stating, "OPH management noted that the lack of resources has affected their ability to perform these duties".

Tricia Guidroz, WIC Vendor Manager can be reached at 504-361-6718 if further explanation is needed.

If there are further questions, please contact Denise Harris, Chief Nutrition Services at 225-342-7891.

Sincerely,



Clayton Williams, MPH
Assistant Secretary

Nutrition Services • Bienville Building • 628 North 4th Street • P.O. Box 3214 • Baton Rouge, Louisiana 70821-3214
Phone #: 225/342-7893 • Fax #: 225/342-8312 • WWW.DHH.LA.GOV
"An Equal Opportunity Employer"

BOBBY JINDAL
GOVERNOR

JILL P. BOUDREAUX
UNDERSECRETARY

State of Louisiana

Department of Public Safety and Corrections
Public Safety Services

July 30, 2010
DPS-02-1331

Daryl G. Purpera CPA
Legislative Auditor
Post Office Box 94397
Baton Rouge, LA 70804-9397

RE: Misappropriation by Office of Motor Vehicles Employee

We concur with the finding. The Office of Motor Vehicles first realized the possibility of fraud by Ronald Marson, Motor Vehicle Manager 2, upon Mr. Marson's submission of his monthly expenditure reimbursement request against a Commercial Drivers License federal grant in August of 2009. The backup documentation that the federal government required to be submitted with the reimbursement was in order and accepted by the federal government grant administrator.

Mr. Marson had been employed with the agency for 15+ years and was a highly respected member of the Headquarters management team in particular in the area of Commercial Driver License Third Party Testers. In 2008, Mr. Marson and his staff were instrumental in uncovering a Third Party Tester issuing fraudulent certificates for CDL drivers to obtain licensing. The tester was arrested and subsequently pled guilty in the US District Court to felony charges. The agency, especially Mr. Marson was held in high regards by the Federal Motor Carrier Safety Administration for being so diligent in performing covert surveillance of these third party vendors. The agency received significant grant money to perform these covert operations.

Mr. Marson had recently been moved under the direct supervision of Ms. Staci Hoyt, Headquarters Administrator. Ms. Hoyt did not want to accuse Mr. Marson without proof in the event the claims were unsubstantiated. Due to the fact that Ms. Hoyt, did not have proof of fraud, only suspicion, she consulted with Kay Hodges, Commissioner of Motor Vehicles. Ms. Hodges advised Ms. Hoyt to begin investigating the situation and gather all documentation Mr. Marson had related to the federal grant.

In October 2009, after Mr. Marson submitted several more reimbursement claims that seemed inflated, Ms. Hoyt then decided to contact LSP Internal Affairs (IA)for guidance on how to proceed with an investigation. She was advised to continue gathering documentation and report any factual evidence to LSP IA. In December 2009, LSP IA opened an internal investigation. After several days of performing covert surveillance of Mr. Marson, it was determined that several entries he submitted for mileage and overtime were fraudulent due to the fact he never left his home. After obtaining video surveillance and still pictures to substantiate the evidence, Mr. Marson was called to LSP IA for an official internal interview by IA detectives.

Mr. Marson, initially denied the claim but subsequently admitted to investigators that the majority of his claims were in fact fraudulent. He was immediately placed on administrative leave pending the outcome of the investigation.

The internal audit procedures have been modified to prevent this situation for recurring. Previously, since Mr. Marson was the administrator of the grant, he approved utilization of the grant money. Kimberly Watson, Motor Vehicle Manager 2, has assumed the duties previously performed by Mr. Marson and is responsible for the implementation of the corrective action plan. The corrective action plan was implemented in April, 2010.

The Headquarters administrator must approve utilization prior to any reimbursement request. In addition, the backup documentation required by FMCSA will still be submitted with the information they require for reimbursement. However, additional supporting documentation must be submitted to the Headquarters Administrator immediately upon completion of any covert surveillance. This documentation will be maintained with federal grant reimbursement requests.

The agency has met with FMCSA officials and they were very satisfied with the agency's ability to uncover the fraud and recoup the grant money. Please contact my office if you have any questions regarding this response.

Sincerely,

Jill P. Boudreaux
Undersecretary

Cc: Colonel Michael D. Edmonson, Deputy Secretary
Kay Hodges, Commissioner, Office of Motor Vehicles

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
1641 POLAND AVE., NEW ORLEANS, LA 70117
(504) 373-6200 • www.rsdla.net

RSD LOUISIANA

Mr. Daryl Purpera
Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

December 20, 2010

Dear Sir:

The Recovery School District sincerely appreciates the opportunity to respond to the audit findings relating to the Recovery School District failing to ensure that employee separation dates were accurate or timely, employees were paid correctly, and payroll charges were supported by adequate documentation.

OVERPAYMENTS TO EMPLOYEES
What seems to get lost in your recant of history is that the Recovery School District has an effective internal control system over payroll. The numbers quoted in your finding are the result of the Recovery School District's identification and recovery of overpayments in past years, not new overpayments. As your finding states, for the fiscal year 2010, the Recovery School District identified $18,206 in overpayment claims of which $17,550 related to years prior to FY 2010 and $656 in over payments related to FY 2010 within a payroll processing system of $103.7 million annually.

SEPARATION DATES
As you pointed out we had 856 separations in FY 2010. This is a result of :

- Conversion of schools to charters which resulted in the termination from the RSD of the staff at these schools and the reduction of staff at the central office, plus
- Turn over amongst our school and central office staff as individuals obtained job opportunities elsewhere.

For each separation you noted in your observations we provided an explanation. The RSD has procedures and processes in place to handle separations. The listing of the 24 tested for the above attributes shows the challenges we encounter with separating individuals in the ISIS system versus the dates when we ceased paying them. We do not separate an individual officially until we receive documentation from either the individual themselves or their supervisor. In certain instances this is further complicated by the summer "spreads" we pay teachers and other partial year employees versus their TRSL retirement dates and the use of interns (5 in your list) where no resignation letter is expected as these are part time employees who we separated in large groups as their services were no longer needed.

We will continue to follow our procedures and emphasize training of the principals and time administrators to inform Human Resources Department when:

- Job abandonment occurs.
- Verbal resignations of individuals
- Retirements of individuals.

- Individuals who are employed but refuse reassignment.
- Any other form of separation or termination.

TIME SHEETS

You observed that the RSD did not have adequate documentation on file to determine an individual's starting salary which is then compounded over the years with annual step increases (small 1% increases in pay per year of experience). The years of experience were developed largely from the step level data the RSD received from OPSB in 2006 for the 14 people you observed as having insufficient documentation in their file. They were all hired in FY 2006. Human Resources will document in each file the current salary and step level for each employee as they are at this year (FY 2010) but utilizing the Master Data sheet generated by ISIS and updating subsequent records accordingly.

RSD recognizes that appropriate timesheet documentation is required; however, our previous process required all timesheets and all relevant data be sent to the Central Office. Because items are sometimes lost during the transfer of information from school site to the Central office, time administrators were asked in August 2010 to keep all time data at the school site due to possible loss of documents. HR has been conducting on school site audits since September 2010 to ensure accuracy.

Your audit indicated that we were missing two of timesheets amongst the 24 time sheets you tested. Of those employees who took leave during the time periods tested two leave slips could not be found. This is not acceptable.

We have determined that maintaining all the documentation in paper form and the transformation of the schools to charters is not the best solution to the storage issues resulting from our time keeping paper requirements. A representative from HR will pick up the timesheet documentation once a month for archiving at the Central Office. This will be implemented by January 22, 2011. We believe this will enable us to maintain the time sheets and leave slips in a secure and permanent data depot.

Sincerely,

Paul Vallas
Superintendent
Recovery School District

STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
RECOVERY SCHOOL DISTRICT
1641 POLAND AVE., NEW ORLEANS, LA 70117
(504) 373-6200 • www.rsdla.net

RSD LOUISIANA

Mr. Daryl Purpera
Legislative Auditor
1600 North Third Street
PO Box 97347
Baton Rouge, LA 70804-9397

December 2, 2010

Dear Sir:

The Recovery School District sincerely appreciates the opportunity to respond to the audit findings relating to the Recovery School District failing to prepare A-87 certifications for employees accurately for 5 of 30 individuals tested. As your finding points out, these can be prepared after the fact. Your finding also states that the Recovery School District did make progress from prior years in ensuring accurate A-87 certifications for its employees.

Your testing found 5 individuals who were found to be coded to federal grants and did not have accurate A-87 certifications on file.

The Recovery School District integrated it's A-87 Certifications into its time sheet so that on a biweekly basis the employee would both sign the time sheet signifying their time worked and also signify their A-87 certification as each time sheet reflects the individual's source of funding. The correct coding of the time sheets occurred in December 2009 and were distributed to all employees. During the year modifications were made to our personnel roster as individuals were separated, were reassigned job duties and were moved amongst the schools. Also at year end major reconciliation efforts were performed on all of the grants particularly the IDEA ARRA grant which was used to fund additional paraprofessional support for special education. We should point out that our special education population grows throughout the year as learning and physical disabilities are found amongst our population of students and new students are enrolled. The demand for special education teachers and paraprofessional increases throughout the year.

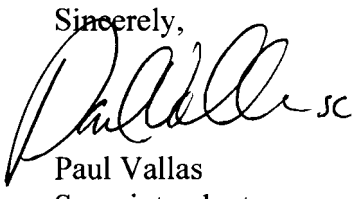
Your statistics demonstrate that all 5 individuals source of funding were changed during the year. Of the 5 found in error, 4 were IDEA related. Three of these people were changed in September, 2010, as the major reconciliations were performed. The other 2 were changed earlier in the year.

RSD should have required that each of these 5 employees prepare an alternate A-87 to document the change. However, our procedure failed to take this requirement into account. Consequently, we concur in your finding.

"Rebuilding New Orleans Through Education"

To avoid this issue, we will endeavor to reconcile our grants sooner in the year and when an individual's funding source is changed a new time sheet is issued demonstrating the change and the individual will be required to issue a A-87 to document the time period they were funded by the Federal grant. We have also empowered Human Resources Department to reject any changes to a federal program that is not supported by an appropriate A-87 certification. We will also follow your recommendation that the Recovery School District formally document its policies and practices for A-87 certifications, provide employees with written notification on the completion and processing of A-87 certifications, and provide annual training on the A-87 certification process.

Sincerely,



Paul Vallas
Superintendent
Recovery School District

BOBBY JINDAL
GOVERNOR

PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of Risk Management

October 15, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
Office of the Legislative Auditor
State of Louisiana
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: Office of Risk Management Audit Findings

Dear Mr. Purpera:

Finding: Ineffective Internal Audit Function

The Office of Risk Management (ORM) concurs with the finding.

ORM does not have the T.O. to fill an Internal Audit position and relies on the Internal Audit Section of the Division of Administration (DOA) to provide this function. For fiscal year 2010-2011, the DOA is on track to provide an effective internal audit of ORM, fulfilling the internal audit requirements. An internal audit is currently underway with this objective.

The contact person for this finding is J. S. "Bud" Thompson, Jr.

Sincerely,

J. S. "Bud" Thompson, Jr.
State Risk Director

Post Office Box 91106 • Baton Rouge, Louisiana 70821-9106 • (225) 342-8500 • 1-800-354-9548 • Fax (225) 342-4470
An Equal Opportunity Employer

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

December 15, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Child Care Cluster: Noncompliance with Program Requirements

Dear Mr. Purpera:

The following is submitted in response to your request dated November 17, 2010, further revised on December 15, 2010; in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), did not comply with certain federal and state requirements for administering the federal child care cluster program. The audit cited 100% non-compliance; due to lack of attendance logs with the child care invoices. Federal regulations, state legislation, and DCFS policy does not require child care providers to send in their attendance logs monthly with their invoices. Policy does require that attendance logs be maintained onsite. As such, the following steps have been and/or will be taken to achieve this goal:

- Effective August 2010, DCFS implemented the Tracking of Time Services (TOTS), automated child care time and attendance system for CCAP providers. With implementation of TOTS, DCFS has improved its review and monitoring procedures to ensure CCAP provider payments are accurate and supported. TOTS is an electronic system that provides accurate and timely capturing, tracking, and reporting of time and attendance data. This system will promote payment accuracy and reduce fraud and abuse. This system utilizes finger imaging and IVR (Interactive Voice Response) as a mechanism for capturing this data. Finger imaging is a measurement of physical characteristics of a finger for use in personal identification.

- With utilization of TOTS, DCFS has also identified reports, to be implemented in the near future, which will help DCFS identify potential problems & help prevent fraudulent activity. These reports include:

    - Care Provided Outside the Hours of Operation: this report will capture check-ins and check-outs that occur outside the provider's hours of operation as reported on TIPS and the TOTS activity file.

    - Time & Attendance Data Exceeds License Capacity – Class-A Providers: This report will capture Class-A provider's which exceed CCAP capacity allowances.

    - Household Designee in Multiple Cases: This report will capture Household Designee's for three or more cases, in addition to capturing check-ins and check-outs for the respective cases.

    - Class-U Provider for Multiple Cases: This report will provide a listing of Class-U Providers which care for children in multiple households.

- Procedures were put in place to ensure that noted findings are addressed timely by parish office staff. Compliance Services (CS), formerly Contract Account Review Team (CART), Policy (Chapter 13) was revised to require Child Care Provider's submittal of Corrective Action Plans within 30 days from the date of the CS/CART Review findings and/or notification of TOTS reporting of potential noncompliance. Failure to respond may result in withholding of invoice payments.

- The Department will continue to have supervisors and specialists verify immunizations documentation, while conducting case file reviews. The Department will also continue to promote the use of the Louisiana Immunization Network for Kids Statewide (LINKS) to very immunization. Further, a bulletin on immunization will be sent to staff advising of the need to determine and verify age-appropriate immunizations.

Sincerely,

Richard "Dickie" Howze
Undersecretary

RJ/DDS/GB/dja

c: Ruth Johnson, Secretary
Brent Villemarette, Deputy Secretary – Programs
Sammy Guillory, Deputy Assistant Secretary – Programs
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
David Sigue, Director Program Integrity & Improvement, Programs Division Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

February 16, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Disaster Supplemental Nutrition Assistance Program: Intentional Program Violations & Ineligible Benefits

Dear Mr. Purpera:

The following is submitted in response to your request dated January 31, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), through its internal investigations identified and reviewed 1,746 DCFS employee applications taken during the Department's operation of a Disaster Supplemental Nutrition Assistance Program (DSNAP) for Hurricanes Katrina and Rita in 2005, and Hurricanes Gustav and Ike in 2008. These reviews were initiated by DCFS, and during the process DCFS contacted and confirmed with United States Department of Agriculture (USDA), that a 100% review of employee DSNAP cases was required as a matter of USDA SNAP Disaster Procedures. As such, the following steps have been and/or will be taken:

Two years prior to Hurricane Katrina, DCFS put into place an automated system check to cross reference human resource records with DSNAP records, in order to identify employees applying for DSNAP benefits.

As of 02/08/11, the DCFS Fraud Unit has completed 1,756 employee reviews/investigations and has collected $538,628.60. We will continue to seek full restitution of ineligible DSNAP benefits received by employees in accordance with Federal Regulations (7FUSC 273.18).

For future DFSP programs, the agency has developed strategies, improved policy/procedures, developed specific guidance and procedures for processing of employee DFSP applications to prevent fraud and to ensure program integrity:

- Effective January 1, 2010 revisions to Chapter 4, Section O-380 included processing criterion for DCFS employees and DSNAP workers who experience a loss due to a disaster. These applicants must complete a DSNAP application form and be interviewed consistent with all DSNAP applicants. Parish Managers or designees must sign and approve any DSNAP applications for households containing a DCFS employee or DSNAP worker, and must enter case information in the LAMI Disaster Subsystem for these households prior to issuance of benefits. The designee must be a DCFS Parish Manager or Social Services Analyst Supervisor. Issuance of Electronic Benefit Transfer (EBT) cards and entry of EBT card data for these households are to be handled in accordance with established procedures. In no circumstance shall a DCFS employee or DSNAP worker enter case information in the LAMI Disaster Subsystem or issue EBT cards for their own case, a case of their own family members or a case in which the employee is named as authorized representative.

- Disaster data system was upgraded to include identifying information on all household members.

- Fraud and Recovery, and/or Quality Control Staff, with the Program Integrity and Improvement Section will be located at every DSNAP site and will be conducting ongoing monitoring of operations.

- Fraud and Recovery, and/or Quality Control Staff will review all DCFS employee and DSNAP worker applications subsequent to approval and benefit issuance, as defined in the aforementioned revised policy to ensure program compliance.

- Application forms and all other case information for a household containing a DCFS employee or DSNAP worker must be kept in confidential files separate and apart from other cases. These files must be kept in the appropriate Regional Office. The Regional Administrator or designee must assure that these files are not accessible to other staff members.

- Mandatory DSNAP Training is conducted yearly. Most recent training statewide took place on May 26, 2010 through May 29, 2010.

- Training statewide took place on May 26 through May 29, 2010

- Lastly, in response to the questioned cost of $1000, the employee in question was investigated, terminated and referred for prosecution. Restitution of $1000 has been made by the ex-employee to the SNAP program.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard Howze

Richard "Dickie" Howze
Undersecretary

RDH/DDS/dja

c: Ruth Johnson, Secretary
Brent Villemarette, Deputy Secretary – Programs
Sammy Guillory, Assistant Deputy Secretary – Programs
David Sigue, Executive Director, Program Integrity & Improvement
Jesse Wright, Director, Fraud & Recovery
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

December 14, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Improper Employee Activity in Federal Programs

Dear Mr. Purpera:

The following is submitted in response to your request dated November 19, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), Fraud and Recovery Section, identified fraudulent activity by its employees in two federal programs.

All cases identified were previously investigated by the DCFS Fraud and Recovery Unit and pursued criminally resulting in convictions in each case. Investigative findings have been submitted to DCFS Management for possible disciplinary action. As such, the following steps have been and/or will be taken:

- Each employee of DCFS as a new hire and then annually beginning January 1 with a deadline of January 31 of each year must sign and date form DCFS CS 04 (Acknowledgement of Agreement to Comply with DCFS Policy Regarding Prohibited Activities and Employees Working on Cases of Relatives, Friends and/or Acquaintances). The form states in-part, "By signing below I acknowledge that I have read and understand DCFS Policy regarding Prohibited Activities and Employees Working on Cases of Relatives, Friends, and/or Acquaintances. Specifically, I understand that I am prohibited from taking any action on my own personal public assistance case, a case involving an immediate family member, friend, or social acquaintance of myself."

- Presently, the Fraud and Recovery Unit has collected $11,038.08 of the $18,205 questioned cost and will continue to pursue recovery of the remaining $7,166.92.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard "Dickie" Howze
Undersecretary

RJ/DDS/GB/dja

c: Ruth Johnson, Secretary
Brent Villemarette, Deputy Secretary – Programs
Sammy Guillory, Deputy Assistant Secretary – Programs
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
David Sigue, Director Program Integrity & Improvement, Programs Division Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

February 16, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Inaccurate and Untimely Federal Financial Reports

Dear Mr. Purpera:

The following is submitted in response to your request dated January 31, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), did not submit accurate and timely federal financial reports to the United States Department of Education for the Vocational Rehabilitation Cluster (CFDA 84.126). As such, the following steps have been and/or will be taken:

- The DCFS Fiscal Services Section will perform quarterly and annual reviews of reporting instructions to ensure compliance with current federal guidelines and reporting deadlines when completing the Quarterly Financial Status Report SF-269 and the Annual Cost Report RSA-2.

- Additionally, DCFS Fiscal Services Section will perform a dual review process when completing the Quarterly Financial Status Report SF-269 and the Annual Cost Report RSA-2. The dual review process will consist of final reviews conducted by the Assistant Director of Fiscal Services and the Director of Fiscal Services.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard Howze

Richard "Dickie" Howze
Undersecretary

RDH/DD/dja

c: Ruth Johnson, Secretary
Martina Stribling, Deputy Undersecretary
Duane Dufrene, Director, Fiscal Services
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

December 20, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Inaccurate Schedule of Expenditures of Federal Awards (SEFA)

Dear Mr. Purpera:

The following is submitted in response to your request dated December 6, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), included a classification error on its SEFA. As such, the following steps have been and/or will be taken:

- The DCFS, Fiscal Services Section will perform an annual review of the OMB Circular A-133 Compliance Supplement to ensure compliance with current federal reporting guidelines when completing the Schedule of Expenditures of Federal Awards.

- The DCFS, Fiscal Services Section will perform a dual review process when completing the Schedule of Expenditures of Federal Awards. The dual review process will consist of final reviews conducted by the Assistant Director of Fiscal Services and the Director of Fiscal Services.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard "Dickie" Howze
Undersecretary

RJ/MS/DD/dja

c: Ruth Johnson, Secretary
Martina Stribling, Director, Fiscal Services
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

February 16, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Ineligible Payments in the TANF Program

Dear Mr. Purpera:

The following is submitted in response to your request dated February 9, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), did not follow program regulations and existing departmental procedures in the administration of the Temporary Assistance for Needy Families Program (CFDA 93.558). As such, the following steps have been and/or will be taken:

- DCFS – Division of Programs, Contract Unit will establish procedural enhancements to the current DCFS policy governing internal controls for ensuring expenditures for TANF Programs are support by adequate documentation, necessary, and reasonable in accordance with OMB Circular A-133, Subpart C, Section 300(b), A-87 and A-122. Specifically, these revisions will include a reconciliation and dual review by programmatic staff; prior to submission to DCFS Fiscal Services for payment issuance. Additionally, DCFS Fiscal Services will establish policy and procedural enhancements to include review and verification that payments are not issued in violation of contractual terms, agreements, deliverables, and budgetary funding guidelines.

- Further, specific invoice, supporting documentation, reconciliation, and review training will be established and implemented to all DCFS – Division of Programs, Contract Unit staff. Acknowledgement of the procedural enhancements, and program regulations for administering TANF Programs, will be documented for compliance.

- Lastly, disallowance will be recovered from the Contractor and returned, by means of recoupment invoicing or demand request; as required by the federal grantor.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard "Dickie" Howze
Undersecretary

RDH/MB/dja

c: Ruth Johnson, Secretary
Brent Villemarette, Deputy Secretary – Programs
Martina Stribling, Deputy Undersecretary
Sammy Guillory, Asst. Deputy Secretary – Programs
Duane Dufrene, Director, Fiscal Services
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

Department of Children & Family Services
Building a Stronger Louisiana

Undersecretary
Division of Management & Finance
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.0805
(F) 225.342.8636
www.dcfs.la.gov

Bobby Jindal, Governor
Ruth Johnson, Secretary

February 16, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
Office of the Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

Attn: Dawn Guedry, CPA
Audit Manager

RE: Noncompliance with Suspension and Debarment Requirements

Dear Mr. Purpera:

The following is submitted in response to your request dated January 31, 2010 in reference to the aforementioned Audit Finding. We concur that The Louisiana Department of Children and Family Services (DCFS) formerly Louisiana Department of Social Services (DSS), did not comply with the suspension and debarment requirements for the Temporary Assistance for Needy Families (CFDA 93.558), State Administrative Matching Grants for Supplemental Nutrition Assistance Program (CFDA 10.561), Child Care and Development Fund Cluster (CFDA 95.575, 93.596 & 93.713), Child Support Enforcement (CFDA 93.563), and Social Services Block Grant (CFDA 93.667) programs. As such, the following steps have been and/or will be taken:

- A revision to DCFS' standard contract form, the CF-1, to include language which incorporates certification statements into the contract as recommended under 2 CFR 180.300. It should be noted that any changes to DCFS CF-1 is subject to review and approval by the Louisiana Division of Administration, Office of Contractual Review (OCR). Proposed changes will be submitted to OCR for approval immediately. It is proposed that the CF-1 be revised as follows

  Certification Regarding Debarment, Suspension, and Other Responsibility Matters
  Primary Covered Transactions

  1. The primary contractor certifies to the best of its knowledge and belief, that it and its principals:

     (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

     (b) Have not within a three-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

     (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

     (d) Have not within a three-year period preceding this contract had one or more public transactions (Federal, State or Local) terminated for cause of default.

2. Where the primary contractor is unable to certify to any of the statements in this certification, such participant shall attach an explanation to this proposal.

- DCFS Policy 1-06 governing contracts will be revised to include a policy statement regarding the federal suspension and debarment requirements as defined in 2 CFR 180.300 and further approved by the Louisiana Division of Administration, Office of Contractual Review. It is proposed that Section X.A.6. (page 26) be revised as follows (proposed change is italicized):

> Contracts funded fully or in part by Federal funds shall meet all applicable Federal standards and shall contain all necessary clauses required by Federal statutes, rules, or regulations. *This shall include, but is not limited to, Certification Regarding Debarment, Suspension, and Other Responsibility Matters for both contractors and sub-contractors.* The burden of assuring compliance with Federal regulations shall rest with the contracting Office of the Department. This requirement shall be in addition to meeting all contract content guidelines in R.S. 39:1481-1526 and LAC 34:V.109.

- Additionally, DCFS Administrative Services, Contract Management Unit will establish policy and procedural enhancements to include verification that the contracting entity is not suspended, debarred, or otherwise excluded from participation in federal or state programs by checking the Excluded Parties List System.

Please advise in the event that additional clarification and/or information are required.

Sincerely,

Richard "Dickie" Howze
Undersecretary

RDH/MS/DP/LA/dja

c: Ruth Johnson, Secretary
Martina Stribling, Deputy Undersecretary
Diane Pfeifer, Director, Administrative Services
Amy Colby, Executive Counsel
Lane Ardoin, Deputy General Counsel
Del Augustus, Director Bureau of Audit & Compliance Services, DCFS Audit Liaison
Stacy Cefalu, CPA, LLA Auditor-In-Charge

SOUTHERN UNIVERSITY AND A&M COLLEGE SYSTEM
J.S. CLARK ADMINISTRATION BUILDING
BATON ROUGE, LOUISIANA 70813

Office of the President
(225) 771-4680

Fax Number:
(225) 771-5522

February 18, 2011

Mr. Daryl G. Purpera, CPA, CFE
Louisiana legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Response to 6/30/10 Audit Finding –AFR Preparation

Dear Mr. Purpera:

We concur with this finding and have or will institute the following measures to resolve the issues:

- Management will enhance procedures to ensure timeliness, accuracy and completeness in the development and submission of the Annual Financial Report (AFR), and related disclosures. Such enhancements will include written procedures and instructions, timetables for compiling financial information, along with campus-level and system-level supervisory reviews.

- Management will review adjustments from previous years to ensure that errors do not reoccur in subsequent years.

The Vice Chancellors for Finance and Administration and Chancellors will have primary responsibility for these efforts on their respective campuses, while the Vice President for Finance and Business Affairs will have responsibility for coordination and oversight on the system level.

Thank you for your assistance and support.

Respectfully,

Dr. Ronald Mason, Jr.
President

SOUTHERN UNIVERSITY AND A&M COLLEGE SYSTEM
J.S. CLARK ADMINISTRATION BUILDING
BATON ROUGE, LOUISIANA 70813

Office of the President
(225) 771-4680

Fax Number:
(225) 771-5522

March 24, 2011

Mrs. Becky Hammond
Silva Gurtner & Abney, LLC
4330 Dumaine Street
New Orleans, Louisiana 70119

RE: Southern University System
Responses to the Findings of the Single Audit for FYE June 30, 2010

Dear Mrs. Hammond:

We concur with the findings and will institute the measures to resolve the issues indicated as stated in the Management's corrective action plans below.

Baton Rouge Campus

Audit Finding Reference Number	Questioned Cost
2010-1 - Late submission of ARRA reports under section 1512	None noted

Condition: Two (2) reports out of twelve (12) tested were submitted after ten calendar days after each calendar quarter as required by section 1512. In addition, one (1) report out of twelve (12) tested could not be located.

Recommendation: Management should assign secondary personnel responsible to submit the reports while the principal investigator was unavailable.

Management's corrective action plan: Management will institute procedures to ensure that the required reports are submitted in a timely manner.

New Orleans Campus

Audit Finding Reference Number	Questioned Cost
2010-2 - Verification	$ 4,872

Condition: Two (2) students out of twenty five (25) tested had verification information that conflicted with the verified documentation.

Recommendation: Management should adhere to established procedures to ensure that all verification information is obtained, verified, and corrected prior to the disbursement of financial aid.

Management's corrective action plan: Management will adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

Audit Finding Reference Number	Questioned Cost
2010-3 - Return of Title IV Funds	None noted

Condition:

a. Five (5) students out of ten (10) tested whose funds were required to be returned by the University were not returned within the prescribed forty-five (45) days.

b. Five (5) students out of ten (10) tested refund calculations were prepared after 30 days after the end of the earlier of the period of enrollment or academic year.

Recommendation: Management should immediately take the necessary steps to return the funds to the Department of Education and implement procedures to ensure compliance within the prescribed time frames.

Management's corrective action plan: Management will take the necessary steps to return the funds to the Department of Education and implement procedures to ensure compliance within the prescribed time frames.

The Vice Chancellors for Finance and Administration and Chancellors will have primary responsibility for these efforts on their respective campuses, while the Vice President for Finance and Business Affairs will have responsibility for coordination and oversight on the system level.

Thank you for your assistance and support.

Respectfully,

Ronald Mason, Jr., Ph.D.
System President

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 18, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Single Audit Finding
Inadequate Controls over ARRA Reporting
Inadequate Controls over Sub Recipient Monitoring
Legislative Auditor Letter dated 1-12-11

Dear Mr. Purpera:

The Department is in receipt of your single audit findings titled "Inadequate Controls ARRA Reporting and Inadequate Controls over Sub Recipient Monitoring". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

Inadequate Controls Over ARRA Reporting Requirements

The finding identifies the following deficiencies:

1. Expenditures reported on FederalReporting.gov did not include incidental and indirect costs.
2. Two projects contained duplicated expenditures for sub-awards.
3. Expenditures reported on FederalReporting.gov were based on construction and engineering estimates rather than actual disbursements.

The Department of Transportation and Development (DOTD) response to each deficiency is provided below.

1. DOTD concurs in part with the finding that expenditures reported on FederalReporting.gov do not include incidental & indirect costs. It appears that OMB reports submitted by DOTD are in compliance with guidance provided by the Federal Highway Administration (FHWA) which is the reviewing agency for DOTD. However, the guidance provided by FHWA appears to conflict with the Office of Management and Budget (OMB) Data Definitions.

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

Projects funded through the ARRA program are required to submit monthly reports online in the Recovery Act Database System (RADS). This database consists of multiple tables containing information specific to ARRA projects and/or contracts. In order to improve accuracy and consistency in OMB 1512 Quarterly reporting, data can be extracted from RADS in the appropriate format to upload directly to federalreporting.gov. This extract was provided by FHWA and is built into the RADS program.

In March and April of 2010, FHWA presented several instructional webinars concerning OMB reporting, and how information required in OMB reports relates to information reported in RADS. In these webinars, expenditures on the OMB report were shown to be equal to the sum of the Payments Disbursed and Vendor Payments data fields. These values are obtained from the RADS Payments Table and Sub-Payments Table. The previously mentioned values concern payments made to vendors, and do not include Incidental Costs or Indirect Costs which DOTD may have incurred on the project.

In order to perform quality control of OMB reports, FHWA created a 1512 data verification table. The verification table reinforces the expenditure calculations by requiring expenditures to be within $1,000.00 of payments. Since Incidental and IDC costs are not included on either the RADS Payments or Sub-Payments tables, the information is not included in the RADS OMB Extract. It is possible to manually override the expenditure information on the OMB reports, however doing so would create an error on the FHWA verification table. If this error was created, FHWA would be required to mark our reports as incorrect. Since FHWA is the reviewing agency for DOTD, compliance with their guidance was deemed appropriate.

On December 8, 2010 FHWA released RADS version 3.0 and issued new RADS Guidance. This new guidance provides a field on the Quarterly Status table titled "Non-Awarded Payments". This field will allow DOTD to report incidental and indirect costs on the quarterly 1512 report and be in compliance with both FHWA and OMB guidance.

The person in charge of corrective action on this item is:

Brian Kendrick
ARRA Program Manager
Email: Brian.Kendrick@la.gov
Phone: (225) 379–1197

Mr. Kendrick will ensure the Incidental Expenditures and Indirect Costs discussed above are reported quarterly on the RADS Quarterly Status Table, and ensure that the data is properly extracted from the RADS table for the OMB report.

Corrective action has already been taken for the 2010 fourth quarter OMB report. Incidental and Indirect Expenditures through September 30, 2010 were included in this report. However, due to complications with the recent conversion to the ERP software system, Incidental and Indirect Expenditures from October 1, 2010 through December 31, 2010 have not been included at this time. If this data can be obtained before the OMB reports are finalized on January 28, 2011, the data will be updated. If the data is not obtained before January 28, 2011, we anticipate the data to be accurately reported for the first quarter of the 2011 OMB report.

2. DOTD concurs in part with the legislative auditor's finding that some projects contain duplicated expenditures for sub-awards. The expenditures are duplicated; however this was due to errors in the OMB Data extract provided by FHWA to extract data from the Recovery Act Database System (RADS). The explanation for this error is shown below.

   FHWA provides a data extract from RADS to facilitate OMB reporting. This extract pulls payment information that has been uploaded to RADS and is supposed to format the data for the OMB report. FHWA has indicated via OMB reporting webinars that payments on Sub-Award contracts can be reported using either of the following methods:

   a. Payments to contractors on Sub-Award projects are reported on both the Payments Table and the Sub-Payments Table.
   b. Payments to contractors on Sub-Award projects are not reported on Payments Table, but are reported on the Sub-Payments Table.

   An error in the RADS extract occurs on Sub-Award projects when vendor payments are recorded according to scenario A. The expenditure amount calculated by the RADS extract provided by FHWA indicates the ARRA Expenditures are twice what the actual vendor payments are. This triggers an error on the FHWA review matrix and on FederalReporting.gov indicating that expenditures are not equal to payments.

   An error in the RADS extract also occurs on Sub-Award projects when vendor payments are recorded according to scenario B. The ARRA expenditures show the amount equal to the payment amount, but the vendor payment field appears as zero. This also triggers an error on the FHWA review matrix and FederalReporting.gov indicating that expenditures are not equal to payments.

   On October 28, 2010 corrective action was taken by sending an email to FHWA notifying them of the error. No response was provided by FHWA instructing DOTD on how to handle the error. It was decided by DOTD to report all Sub-Award projects according to scenario B, to ensure that reporting on Sub-Award projects is consistent. Until a response is provided by FHWA, sub-award expenditures will continue to be reported

according to scenario B. Should FHWA provide new guidance on this issue, DOTD would comply with the new guidance accordingly.

3. This section is in response to the legislative auditor's statement that expenditures reported on FederalReporting.gov should be obtained from DAJR rather than Site Manager and ECTS. The DOTD does not concur with this finding. The basis for determining the amount of federal awards expended as shown in OMB Circular A-133 Section 205 is provided below:

   Determining Federal awards expended: The determination of when an award is expended should be based on when the activity related to the award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with laws, regulations, and the provisions of contracts or grant agreements, such as: expenditure/expense transactions associated with grants, cost-reimbursement contracts, cooperative agreements, and direct appropriations; the disbursement of funds passed through to sub recipients; the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or consumption of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and, the period when insurance is in force.

   The Louisiana Revised Statues section 251.5 states:

   Payments Under Contract

   a. The department shall promptly pay all obligations arising under public contracts within thirty days of the date the obligations become due and payable under the contract. All progressive stage payments and final payments shall be paid when they, respectively, become due and payable under the contract.

   For a construction contract the due and payable clause is Specification 109.5 of the 2006 Contract Specifications, which states:

   > The engineer will make the first progress estimate within 2 months from the date indicated to begin work in the Notice to Proceed. The Department will determine the progress estimate date. Each successive progress estimate will be made on this same date of each month thereafter until completion of the contract.

   Consequently, once the estimate date is established for each month on the contract, the estimate is issued in site manager with items of work that were completed that month (quantity, amount and dollar payment). It is from that date under the contract the liability comes due. Each day in site manager the PE (coded by the inspector) enters the

work and the daily diaries. The estimate is automatically issued on the estimate date. Consequently there is no lag time for approval or review for a construction contract.

A consultant contract operates in a different manner. The due and payable clause in the Payment Provision of Consultant Contracts states:

> Payments to the Consultant for services rendered shall be made monthly based on a certified invoice directly proportional to the percentage of completed work as shown. The monthly invoice, reflecting the amount and value of work accomplished to the date of such submission less five percent for retainage, shall be submitted directly to the Project Manager. The original and five copies of the invoice shall be submitted to the Project Manager. The invoice must be signed, and dated, as covered under the "Contract Identification" section of this Contract, by a principal member of the Consultant's firm. Upon receipt and approval of each invoice, DOTD shall pay the amount shown to be due and payable within 30 days.

Under this payment clause the consultant will submit monthly invoices for progress payments during the contract. The project manager has to approve those invoices. The due date is the date the Project Manager approves the invoices. It should be noted that the Project Manager should not unreasonably withhold approval when the invoices are issued, but DOTD has more leeway with the due date on consultant contracts compared to construction contracts.

The Statutes and Contract Provisions stated above indicate that the Department becomes contractually obligated to pay the contractor within thirty days of the estimate being posted to Site Manager. The Department also becomes contractually obligated to pay consultants within 30 days of invoice approval. Consultant invoices are not entered into ECTS until the Project Manager approves the invoice. The determination of when an award is expended should be based on when the activity related to the award occurs. The activity pertains to events that require the non-Federal entity to comply with laws, regulations, and the provisions of contracts. The expenditure information reported in both Site Manager and ECTS meets these expenditure requirements. Therefore, DOTD believes the expenditure information reported on FederalReporting.gov is in compliance. No corrective action will be taken by DOTD unless directed otherwise.

Inadequate Controls over Sub recipient Monitoring

The Department agrees with this finding. The data collection is only as complete as what is submitted by the various districts/sections. To that end the Department, implemented for the compilation of the FY10 AFR, a comprehensive district mini-AFR to replace the various and numerous memorandum that previously collected this data. District/Section training was also

delivered to facilitate the development of complete and accurate reporting.

Corrective Action Plan

Responsible Party – Beverly Hodges, Financial Services Administrator

Correction Action - As we move forward, updates for the AFR portal and supplemental training for sections and districts will be delivered. In addition, Financial Services staff will provide guidance and instruction on the required information that should be included on award documents to the awarding section/district. Additionally, Financial Services' staff are in the process of meeting with the program managers for our sub recipient programs. The Department's Quality and Continuous Improvement Program Section is facilitating the discussions. We are working with the Auditor's Office to clarify program requirements and the Program Managers are working to incorporate the necessary verbiage into existing and new contracts. Program Managers who have not had portal training are being identified and will be provided training prior to FY2011 AFR data collection.

Thank you for the opportunity to respond to this single audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:

Mr. Ricky Rodriguez, CPA, LLA
Mr. Brian Kendrick, P.E. DOTD Project Manager
Ms. Beverly Hodges, DOTD Financial Services Administrator
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 19, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Single Audit Finding
Inadequate Controls over Contract Time Extensions
Legislative Auditor Letter dated 12-16-10

Dear Mr. Purpera:

The Department is in receipt of your single audit finding titled "Inadequate Controls over Contract Time Extensions". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

The Department agrees with the finding.

The Department uses a comprehensive client/server based construction management tool called AASHTOWare Trns·port SiteManager. This software tool provides for data entry, tracking, reporting, and analysis of contract data from contract award through finalization. The functions it provides are: contract administration including monitoring of the contract; recording of various project data; daily work reports; contract payments; change orders, material management; and laboratory inventory management.

The mistake that was made for the projects cited was a result of the DOTD Project Engineer incorrectly setting up the approval work flow in Site Manager. For all construction projects that have FHWA oversight, the local FHWA Area Engineer should be included in the approval work flow in Site Manager. Please note that the FHWA Area Engineer was familiar with the project and change orders as the DOTD Project Engineer and FHWA Area Engineer had discussed the change orders in monthly meetings. Subsequent to the Legislative audit, these cited change orders were approved by FHWA. Documentation can be provided upon request.

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

The DOTD Construction Section has already implemented a process of back checking projects loaded into Site Manager to ensure the fields are correctly marked. The change orders noted in the finding were entered before this process of back checking began.

The HQ Construction Section in recent meetings (November/December 2010) with the DOTD Project Engineers and DOTD Area Engineers has reinforced that FHWA approval is required on Category 1 and 2 Change Orders with FHWA oversight. The Construction Section will issue a Construction Memo this month that modifies the Change Order Category Worksheet to indicate FHWA approval on all Category 1 and 2 change orders with FHWA oversight. This extra check should catch those projects in which the Project Engineer accidentally left off the FHWA Area Engineer.

Thank you for the opportunity to respond to this single audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:

Mr. Ricky Rodriguez, CPA, LLA
Mr. Brian Buckel, P.E., DOTD Construction Section Head
Mr. Richard Savoie, P.E., DOTD Chief Engineer
Mr. Rhett Desselle, P.E., DOTD Asst Secretary for Operations
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 19, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Single Audit Finding
Inadequate Controls over Davis-Bacon Act (including ARRA)
Legislative Auditor Letter dated 12-15-10

Dear Mr. Purpera:

The Department is in receipt of your single audit finding titled "Inadequate Controls over Davis-Bacon Act (Including ARRA)". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

We partially agree with the portion of the finding regarding the monthly interviews.

A comprehensive evaluation of the EEO Monthly Interview Process was recently performed in all DOTD Districts by the Office of Operations. It indicated that the majority of the required interviews are being conducted. The evaluation did reveal some inconsistencies in the final storage location of the monthly interview documentation which may have affected the auditors sampling and results. The following storage locations of the interview documentation were noted:

- Some Project Engineers are submitting their interview documents with the Project Final Estimate.
- Some Project Engineers are not submitting their interview documents in with the Project Final Estimate and are retaining them in the project files at their office.
- Some Project Engineers are scanning and storing their interview documentation on the Department's Content Manager System.

The Department has taken and will take the following corrective actions:

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

1) During the recent Shade Tree Meetings held in each District with DOTD Engineers, Contractors and Consultants, Mr. Brian Buckel, Chief Construction Division Engineer, covered the requirements for the labor compliance interviews and the requirement to complete two interviews per month.
2) Mr. Brian Buckel, Chief Construction Division Engineer, will be revising EDSM No. III.1.1.9, Labor Compliance Reviews, to update and standardize the process of performing and documenting the monthly labor compliance interviews.
3) To reinforce the information provided by Brian Buckel at the Shade Tree Meetings an email was sent to each DOTD Construction Gang on December 20, 2010.
4) To reinforce the information provided by Brian Buckel at the Shade Tree Meetings an email was sent to each DOTD Construction Gang on December 20, 2010.

The Department disagrees with the portion of the finding dealing with FHWA overriding clause in the ARRA projects.

We have reviewed DOTD's compliance with Sections IV and V of Form FHWA-1273, provisions of the Davis-Bacon Act, and the reporting requirements of Public Law 111-5. We do not concur with the LLA's opinion that we failed to provide adequate controls over Davis Bacon Act provisions and offer the following in response:

Prior to issuing any DOTD ARRA funded contract, DOTD established that provisions of the Davis-Bacon Act would be completely adhered to without any exemptions and we included minimum wage rate tables by category in Section I of all DOTD ARRA contracts. Projects that were considered local or rural collectors were not exempt and minimum wage rate tables were provided.

On December 11, 2009, Carl Highsmith from FHWA requested DOTD to add a Davis-Bacon Act provision to our ARRA contracts. This provision was added to all subsequent ARRA contracts and Mr. Highsmith stated that this was a requirement per Section VI.F of the ARRA Implementing Guidance document. This provision was added verbatim even though it was considered redundant by our legal team. Prior contracts were not supplemented with the provision.

It is our opinion that no provision of the Davis-Bacon Act as required by Public Law 111-5 has been violated and that all DOTD ARRA contracts meet the Davis-Bacon Act minimum wage requirements and the reporting requirements of PL 111-5, no matter the ownership, size, or type of project. In addition, it is our opinion that Section VI.F of the ARRA Implementing Guidance document was negated once DOTD provided minimum wage rate tables in the contract documents. However, DOTD included the language which was provided and approved by the federal government in ARRA contracts subsequent to December, 2009 at the request of our federal sponsor.

Thank you for the opportunity to respond to this single audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:

Mr. Ricky Rodriguez, CPA, LLA
Mr. Brian Buckel, P.E., DOTD Construction Section Head
Mr. Richard Savoie, P.E., DOTD Chief Engineer
Mr. Rhett Desselle, P.E., DOTD Asst Secretary for Operations
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 19, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Audit Finding
Inadequate Controls over Incidental and Indirect Cost Billings
Legislative Auditor Letter dated 1-10-11

Dear Mr. Purpera:

The Department is in receipt of your audit findings titled "Inadequate Controls over Incidental and Indirect Cost Billings". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

The Department agrees with the finding. Due to the manual nature of billing process in the legacy systems in use at the time of both overbillings, it was susceptible to human error and sufficient controls did not exist to prevent such overbillings noted in the finding. On November 15, 2010, DOTD's old legacy billing system was completely replaced with the new LaGov financial system which has inherent controls built-in. The payroll additive rate no longer exists and therefore, the incidental billing will not be susceptible to manual modification or update by end users. Likewise, the VDF tables in the legacy system have been replaced and it is no longer necessary to manually "exclude" appropriations from the indirect cost billing.

Corrective Action Plan

Responsible Party – Beverly Hodges, Financial Services Administrator

Corrective Action – Through the implementation of the LaGov ERP system, the former legacy systems have been replaced and manual billing processes eliminated. Most of the overbilling occurred on projects that are closed. There is no means to return funds against a closed project. The department will seek guidance from FHWA to facilitate the return of overdraw funds against the closed projects.

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

Thank you for the opportunity to respond to this single audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:

Mr. Ricky Rodriguez, CPA, LLA
Ms. Beverly Hodges, DOTD Financial Services Administrator
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 19, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Single Audit Finding
Inadequate Controls over Disaster Grants – Public Assistance Programs (CFDA 97.036)
Legislative Auditor Letter dated 12-20-10

Dear Mr. Purpera:
The Department is in receipt of your single audit finding titled "Inadequate Controls over Disaster Grants – Public Assistance Programs (CFDA 97.036)". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

We partially agree with the portion of the finding regarding the submission of $3,515 of ineligible expenditures for reimbursement on PW2711 ineligible costs that were subsequently disallowed by GOSEP.

This statement is accurate. However, the issue as to whether the costs in question are eligible still remains. These costs will be addressed and requested at the final inspection of this PW with GOHSEP.

We partially agree with the portion of the finding regarding the submission of $26,460 of ineligible expenditures for reimbursement on PW195.

This statement is accurate. However, the issue as to whether the costs in question are eligible still remains. DOTD is currently working with GOHSEP/FEMA to resolve this issue.

We agree with the portion of the finding regarding the submission of $574,760 of ineligible expenditures for reimbursement on PW 148.

This statement is accurate. April 5, 2010 DOTD submitted a request for a PW version to make these costs eligible for reimbursement.

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

We agree with the finding regarding the non-FEMA IAT revenues were misclassified during FY10.

The former legacy accounting system general ledger account was misnamed. In comparison to the State system of record (ISIS) a broader classification would have been sufficient. The classification should have simply reflected "Interagency Transfer" which would have provided the proper accounting and classification of various IAT revenues. Detail for reporting purposes would have been derived through easytrieve reports and account analysis. On November 15, 2010, the LaGOV ERP financial system went live and includes the appropriate general ledger accounts coupled with an accounts receivable module to allow for sufficient detail in the classification of all revenue by agency.

Corrective Action Plan – Revenue Classification

Responsible Party – Beverly Hodges, Financial Services Administrator

Corrective Action – The LaGOV ERP system chart of accounts contains sufficient detail with the inherent module integration to allow the proper classification of all revenue. In addition, supplemental staff training on the proper classification and reporting of revenue has been delivered. The LaGOV financial system requires all input to be approved thus providing a documented review process for all revenue classification which occurs at an Accountant Manager level.

Thank you for the opportunity to respond to this single audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:
Mr. Ricky Rodriguez, CPA, LLA
Ms. Beverly Hodges, DOTD Financial Services Administrator
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.la.gov
(225) 379-1200

BOBBY JINDAL
GOVERNOR

SHERRI H. LEBAS, P.E.
SECRETARY

January 19, 2011

Mr. Daryl G. Purpera, CPA, CFE
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804

RE: Department of Transportation and Development
Audit Finding
Inadequate Preparation of Annual Fiscal Report
Legislative Auditor Letter dated 12-8-10

Dear Mr. Purpera:

The Department is in receipt of your single audit finding titled "Inadequate Preparation of Annual Fiscal Report". I appreciate the opportunity to respond to the finding and also to have my response letter included as an attachment in the final report.

We partially agree with the portion of the finding regarding the overstatement of the net Infrastructure balance.

The overstatement of $2,979,680 is .02% of the $13,255,480,844 balance of net Infrastructure reported at 6/30/10. The transferred and abandoned roads were reported consistently with prior years. As there has been no comprehensive system to record and maintain a comprehensive listing of total infrastructure assets, the compiliation process is totally manual. The state's new LaGov financial system was implemented on November 15, 2010. Manual processes will be automated and the errors noted will be reduced.

We agree with the portion of the finding regarding the understatements of Operating/Capital Grants & Contributions.

These errors occurred due to the omission of the PY Cash Carry Forward. The Operating portion was significant when compared to expenditures for the period. AFR compilation procedures have been modified to mitigate this type of error for future periods.

We disagree with the portion of the finding regarding the total modified and full accrual TTF

AN EQUAL OPPORTUNITY EMPLOYER
A DRUG-FREE WORKPLACE
02 53 2010

revenue per Schedule 14.

The total modified and full accrual TTF revenue per Schedule 14 was accurately reported at $601,311,494. Due to timing differences between the DOTD legacy financial systems and ISIS, a receivable was recorded. The net effect is "0" and should be considered insignificant to the bottom-line. In future periods, attention to the timing will be considered to eliminate future reclassification adjustments.

We disagree with the portion of the finding regarding the assessment that staff has not been adequately trained and that there is not an adequate system of review for the department's AFR.

Compilation procedures are designed to compile and report on materially accurate financial statements, and while it is our goal to achieve perfection in reporting, an audit is performed to attest to fairly presented and materially accurate statements. It is our assertion that we have reasonable internal controls that are designed to faciliate an accurate preparation and that our controls are established at a reasonable level.

Personnel have and continue to receive continuing education. The department recognizes the need to have professional accountants and strives to afford them with the opportunity to stay abreast of the requirements of governmental accounting. In the past year, eight new employees have been hired in the Financial Services Section of which all are degreed Accountants and four are CPAs.

For the past three years, DOTD Financial Services has engaged the assistance of contract CPAs to assist staff with the preparation and review of the AFRs. Additionally, the development and implementation of a "mini" AFR was used in the preparation of the FY10 AFR which was used to gather input from districts and sections electronically, instead of manually as in the past. This process and the augmentation of staff with contract CPAs has proved beneficial and we have achieved improvements in the compilation and review of the department's AFRs.

Corrective Action Plan

Responsible Party – Beverly Hodges, Financial Services Administrator

Corrective Action – The refinement of the district mini-AFR will facilitate the compilation of district data necessary to accurately complete the Department's AFR. The newly implementated state LaGov financial system will further enhance the timely and accurate compilation for FY 11.

Thank you for the opportunity to respond to this audit finding and to have this Management Response letter included in the final audit report. Please feel free to contact me or Michael Bridges, Undersecretary, should you have any questions.

Sincerely,

Sherri H. LeBas, P.E.
Secretary

cc:

Mr. Ricky Rodriguez, CPA, LLA
Ms. Beverly Hodges, DOTD Financial Services Administrator
Mr. Michael Bridges, P.E., DOTD Undersecretary
Mr. John Lyon, DOTD External Audit Director

UNIVERSITY OF LOUISIANA
Lafayette

Vice President for Enrollment Management

P.O. Box 42651
Lafayette, LA 70504-2651
Office: (337) 482-5912
Fax: (337) 482-6195

Université des Acadiens

January 20, 2011

Daryl G. Purpera, CPA, CFS
Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

Please find below our management response to the FY 2009-2010 audit finding of "Untimely Federal Reporting".

The University concurs with the finding.

The Corrective Action Plan created by the University is as follows:

> Cindy Perez, Financial Aid Director is responsible for the development, implementation and monitoring of the Corrective Action Plan.
>
> We are currently working with the Office of Information Systems to develop additional programming that will flag all adjustments to Federal Pell and SMART Grants. Student registration and assessment data is stored in the Integrated Student Information System (ISIS) and financial aid application, packaging and payment data is stored in the Student Aid Management System (SAM). The critical reporting information is stored in two separate databases requiring a "bridge" software program to identify and reconcile discrepancies in Federal Pell Grant and SMART Grant disbursements. This has been a manual process to date. The Office of Information Systems is currently developing the needed "bridge" software program with an anticipated completion date of March 1, 2011. This program will be run monthly allowing timely adjustments to both databases (SAM and ISIS) and accurate and timely reporting to COD.

Sincerely,

DeWayne Bowie
Vice President for Enrollment Management

UNIVERSITY OF LOUISIANA
MONROE

November 30, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
1600 Third Street
Baton Rouge, LA 70804-9397

RE: Audit Finding – Inaccurate Annual Fiscal Report

The University concurs with this finding, but notes that most of these adjustments were reclassifications and one elimination that affected both revenues and expenses and had no effect on Net Assets. The adjustments which did affect the net assets were less than 1/10 of 1% of the total Net Assets.

There were many extenuating circumstances during the two years covered by this audit. We were implementing new application software for all major university applications (Finance, Human Resources, Payroll, Student and Financial Aid). This caused double work in maintaining the old system while training, setting up and testing the new system. We spent an extreme amount of overtime to accomplish this major effort. More time was necessary to analyze accounts because data was being used from two different systems. There were also employee turnover issues, multiple budget cuts and additional reporting requirements. ULM management did analyze and adjust accounts prior to closing and even afterwards. However, due to the expedited audit timeline, there was little opportunity for additional management review. We did follow established reporting guidelines and requirements. For example, we were specifically advised by the University of Louisiana System staff to place the PELL receipts on the Federal Non-operating receipts line of the Cash Flow statement. We feel the readers of these financial statements would not have been misled in any way as the financial statements were corrected before being published and presented to the public.

Corrective Action: The Controller's Office employees will continue the process of thoroughly analyzing accounts each quarter as to allow necessary time to make corrections. We also are in the process of making changes to the application set up which will help us to develop more useful reports and will ensure a smoother close for year end. This will allow more time to prepare the statements and adequate time for management review.

Responsible Person: Diane Singletary, Controller
Anticipated Completion Date: Prior to June 30, 2011

Sincerely,

Nick J. Bruno, Ph.D.
President

Office of the President • 700 University Ave. • Monroe, LA 71209-3000
Phone: (318) 342-1010 • Fax: (318) 342-1019
A Member of the University of Louisiana System • AA/EOE

UNIVERSITY OF LOUISIANA
MONROE

November 29, 2010

Mr. Daryl G. Purpera, CPA
Legislative Auditor
1600 Third Street
Baton Rouge, LA 70804-9397

RE: Audit Finding – Reimbursement in Excess of Actual Expenses Incurred

University management concurs with this finding that we did not follow the written requirements as specified in the grant contact agreement. In May 2007, ULM entered into a cooperative endeavor agreement with Louisiana Economic Development (LED) for $625,000 to provide counseling and training services. This grant was later increased by $575,000 (to a total of $1.2 million). The original proposal submitted by ULM contained a cost reimbursable budget; however, we were contacted by LED and asked to send a second proposed budget that was fee based. Both budgets are included in the Cooperative Endeavor Agreement (CEA) with LED. LED required that all information to create an invoice be entered into their database (SBITS) and then that database created the fee-based invoice. LED was aware that the billing amount was fee-based and the invoices were never rejected nor returned for more information. ULM complied with verbal instructions from LED and these instructions were reinforced by the process used to submit the invoice and the fee based budget. Even though there was language indicating this was a cost reimbursable contract and a cost reimbursable budget was included in the CEA along with a second budget that was fee-based; again, no invoice was rejected nor unpaid by LED.

ULM had at the time, and currently has processes and controls in place to ensure that actual expenses are submitted for cost-reimbursement contracts. Due to verbal instructions relating to the project and the billing process itself, as well as the fact that two budgets were part of the CEA, led to mixed interpretation of the billing.

Corrective Action: LED will be contacted to determine the total amount, if any, to repay and the procedure for returning any excess payments to the State. In the future, all contracts and grants will be followed according to the written requirements; and verbal and/or written instructions to the contrary will have to be made a part of a contract by amendment.

Responsible Person: Mary Lynn Wilkerson, LSBDC Director
Anticipated Completion Date: Prior to April 1, 2011

Sincerely,

Nick J. Bruno, Ph.D.
President

Office of the President • 700 University Ave. • Monroe, LA 71209-3000
Phone: (318) 342-1010 • Fax: (318) 342-1019
A Member of the University of Louisiana System • AA/EOE

BOBBY JINDAL
GOVERNOR

State of Louisiana

DEPARTMENT OF WILDLIFE AND FISHERIES
OFFICE OF MANAGEMENT AND FINANCE

ROBERT J. BARHAM
SECRETARY

LOIS AZZARELLO
UNDERSECRETARY

June 25, 2010

Daryl G. Purpera, CPA, CFE
Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804

RE: Audit Finding – Noncompliance with Procurement, Suspension, and Debarment Compliance Requirement

Mr. Purpera,

The Department concurs with the above stated finding and recommendations. We offer the following response and proposed corrective action plan.

The Department goes beyond the requirements of OMB Circular A-133 in that it searches the Excluded Party List System for each contract entered into using Federal dollars rather than only those exceeding $25,000. However, we have not kept documentation that these searches have been performed.

Corrective Action Plan

The Department will take action to ensure that adequate documentation is kept for all suspension and debarment searches. These steps will include:

- Effective immediately, documentation of all suspension and debarment searches will be kept in contract files.
- Written procedures will be updated no later than July 1, 2010 to reflect the requirement that documentation of suspension and debarment searches will be kept in contract files.

Persons Responsible for Corrective Action

Tammy Calix, Accountant Manager 3
Susan Newsom, Contracts and Grant Reviewer 4

We value the experience of this audit and view it as an opportunity to improve our business processes. If you should have any questions or need additional answers, please contact me at 765-2860.

Sincerely,

Lois Azzarello
Undersecretary

c: Robert Barham, Secretary
Wynnette Kees, Accountant Administrator 4

Appendix C

Findings and Recommendations
Index by State Agency

STATE OF LOUISIANA
Findings and Recommendations
Index by State Agency

Page No.

ACADIANA TECHNICAL COLLEGE
(formerly Louisiana Technical College, Region 4)
Weakness Over Federal Academic Competitiveness Grant 80
Weakness Over Return of Federal Pell Grant Program Funds 81
Weakness Over Verification of Federal Pell Grant Program..... 82

EDUCATION, DEPARTMENT OF
Noncompliance With Federal and State Equipment Management Regulations..... 83

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION
Noncompliance With Level of Effort Requirements 85

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF COMMUNITY DEVELOPMENT
Duplication of Benefits Under the Homeowner Assistance
Program and the Small Rental Property Program..... 55
Inadequate Recovery of Homeowner Assistance Program Awards 56
Noncompliance With A-87 Allowable Cost Principles
for the Road Home Program 58
Noncompliance With Federal Reporting Requirements 59
Noncompliance With Procurement, Suspension,
and Debarment Compliance Requirement 60
Noncompliance With Subrecipient Monitoring Compliance Requirements 61

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF STATE PURCHASING AND TRAVEL
Noncompliance with Procurement, Suspension, and Debarment
Compliance Requirement and State Purchasing Regulations..... 39

EXECUTIVE DEPARTMENT -
DIVISION OF ADMINISTRATION -
OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY
Inadequate Controls Over Compilation of the
Schedule of Expenditures of Federal Awards..... 15

EXECUTIVE DEPARTMENT -
LOUISIANA PATIENT'S COMPENSATION FUND
Inaccurate Annual Fiscal Report..... 17

STATE OF LOUISIANA
Findings and Recommendations
Index by State Agency (Continued)

Page No.

GRAMBLING STATE UNIVERSITY
Allowable Cost 47
Grant Management Procedures 48
Inaccurate Annual Financial Report 18
Matching 49
Return of Title IV Funds 91

HEALTH AND HOSPITALS, DEPARTMENT OF
Improper Claims by Long Term Personal Care Services Providers 94
Improper Payments to Non-Emergency Medical
Transportation Service Providers 95
Improper Payments to Waiver Services Providers 97

HOMELAND SECURITY AND EMERGENCY PREPAREDNESS, GOVERNOR'S OFFICE OF
Inaccurate Federal Financial Reports 102
Inadequate Preparation of the Annual Fiscal Report 20

LOUISIANA STATE UNIVERSITY - BATON ROUGE
Inadequate Controls Over Purchasing Within the School of Music 103

LOUISIANA STATE UNIVERSITY SYSTEM
Energy Efficiency Contract Contrary to State Law 21

LOUISIANA WORKFORCE COMMISSION
Failure to Subgrant American Recovery and Reinvestment Act Funds Timely 98
Improper Charging of Administrative Expenditures to Federal Awards 41
Inaccurate Federal Reporting 65
Inadequate Monitoring of Subrecipient Findings and A-133 Audits 66
Inadequate Subrecipient Monitoring for the Community Services Block Grant 99
Noncompliance With Administrative Rules for Interstate
Unemployment Compensation Benefit Payments 67
Noncompliance With Record Retention Policy 68
Weaknesses in Controls Over Remittance Processing System 69

NATURAL RESOURCES, DEPARTMENT OF
Untimely Federal Financial Reporting 43

PUBLIC HEALTH, OFFICE OF
Noncompliance With WIC Program Requirements 51

STATE OF LOUISIANA
Findings and Recommendations
Index by State Agency (Continued)

Page No.

PUBLIC SAFETY AND CORRECTIONS,
PUBLIC SAFETY SERVICES, DEPARTMENT OF
Misappropriation by Office of Motor Vehicles Employee 71

RECOVERY SCHOOL DISTRICT
Inadequate Controls Over Payroll 86
Noncompliance With A-87 Payroll Certification Regulations 88

RISK MANAGEMENT, OFFICE OF
Ineffective Internal Audit Function 23

SOCIAL SERVICES, DEPARTMENT OF
(now Department of Children and Family Services)
Child Care Cluster: Noncompliance With Program Requirements 100
Disaster Supplemental Nutrition Assistance Program:
Intentional Program Violations and Ineligible Benefits 52
Improper Employee Activity in Federal Programs 44
Inaccurate and Untimely Federal Financial Reports 89
Inaccurate Schedule of Expenditures of Federal Awards 24
Ineligible Payments in the Temporary Assistance
for Needy Families Program 101
Noncompliance With Suspension and Debarment Requirements 46

SOUTHERN UNIVERSITY SYSTEM
Inaccurate Annual Fiscal Report Preparation 25

SOUTHERN UNIVERSITY AND A&M COLLEGE (BATON ROUGE)
Late Submission of American Recovery and Reinvestment
Act Reports Under Section 1512 50

SOUTHERN UNIVERSITY AT NEW ORLEANS
Return of Title IV Funds 92
Verification 93

STATE OF LOUISIANA
Findings and Recommendations
Index by State Agency (Concluded)

Page No.

TRANSPORTATION AND DEVELOPMENT, DEPARTMENT OF
Inadequate Controls Over American Recovery and Reinvestment Act Reporting Requirements 72
Inadequate Controls Over Contract Time Extensions 74
Inadequate Controls Over Davis-Bacon Act (Including ARRA) 75
Inadequate Controls Over Incidental and Indirect Cost Billings 77
Inadequate Controls Over Subrecipient Monitoring 78
Inadequate Controls Over the Disaster Grants - Public Assistance Program (CFDA 97.036) 105
Inadequate Preparation of the Annual Fiscal Report 27

UNIVERSITY OF LOUISIANA AT LAFAYETTE
Untimely Federal Reporting 90

UNIVERSITY OF LOUISIANA AT MONROE
Inaccurate Annual Fiscal Report 29
Reimbursement in Excess of Actual Expenses Incurred 63

WILDLIFE AND FISHERIES, DEPARTMENT OF
Noncompliance With Procurement, Suspension, and Debarment Compliance Requirement 64

Appendix D

Summary Schedule of Prior Federal Audit Findings

This page is intentionally blank.

STATE OF LOUISIANA

Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
Findings Covering More Than One Federal Agency				
Education, Department of:				
2009	2006	79	F-09-CC-EDUC-1	Inadequate Fiscal Monitoring
Executive Department:				
2009	2009	80	F-09-CC-EXEC-OCD-1	Noncompliance With A-87 Allowable Cost Principles
Grambling State University:				
2009	2008	87	F-09-CC-GSU-1	Allowable Cost
2008	2008	56	F-08-CC-GSU-1	Allowable Cost
2009	2009	88	F-09-CC-GSU-2	Equipment and Real Property Management
2009	2009	89	F-09-CC-GSU-3	Federal Schedules of Expenditures
2009	2009	91	F-09-CC-GSU-4	Grant Management Procedures
2009	2007	92	F-09-CC-GSU-5	Matching
2009	2009	93	F-09-CC-GSU-6	Procurement and Suspension and Debarment
Louisiana Workforce Commission:				
2009	2009	81	F-09-CC-LWC-1	Improper Charging of Administrative Expenditures to Federal Awards
Recovery School District:				
2009	2007	82	F-09-CC-RSD-1	Inadequate Controls Over Coding of Federal Expenditures
2008	2007	51	F-08-CC-EDUC-1	Inadequate Control Over Coding of Federal Expenditures
2009	2008	83	F-09-CC-RSD-2	Noncompliance With A-87 Payroll Certification Regulations
2009	2007	85	F-09-CC-RSD-3	Noncompliance With Federal and State Equipment Management Regulations
2007	2007	52	F-07-CC-EDUC-2	Inadequate Controls Over Payroll - Recovery School District
Social Services, Department of: (now Department of Children and Family Services)				
2008	2007	55	F-08-CC-DSS-1	Improper Employee Activity in Federal Programs
2007	2007	58	F-07-CC-DSS-2	Improper Employee Activity in Federal Programs

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.010/027/173/367/93.558	Education	n/a	Partially corrected	D-17
14.228/97.039	Executive	$77,904	Fully corrected; QC unresolved	D-18
12.800/93.658	Grambling	$6,647	Partially corrected; QC unresolved; Repeat in 2010, p. 47	D-19
12.800/81.089/93.658	Grambling	$6,900	Fully corrected; QC resolved	D-20
17.259/84.031/93.859	Grambling	n/a	Fully corrected	D-21
12.800/17.259/84.007/031/ 032/033/038/063/375/376/ 93.558/658/859	Grambling	n/a	Fully corrected	D-22
12.800/17.259/84.007/032/ 033/038/063/375/376/ 93.558/658/859	Grambling	n/a	Not corrected; Repeat in 2010, p. 48	D-23
17.259/93.658	Grambling	n/a	Not corrected; Repeat in 2010, p. 49	D-24
84.031/93.859	Grambling	n/a	Fully corrected	D-25
17.225/97.034	Workforce Commission	$536,304	Fully corrected; QC resolved	D-26
84.010/938/93.558/97.036	Recovery School District	$187,868	Partially corrected; QC unresolved	D-27
84.938/97.036	Recovery School District	$111,020	Partially corrected; QC unresolved	D-28
10.559/84.027/938/93.558	Recovery School District	n/a	Partially corrected; Repeat in 2010, p. 88	D-29
84.010/938/97.036	Recovery School District	n/a	Partially corrected	D-30
84.010/027/938/93.558	Recovery School District	$427,695	Partially corrected; QC unresolved	D-31
10.551/561/93.558	Social Services	$18,607	Partially corrected; QC unresolved	D-32
10.551/561/93.558/575/596	Social Services	$44,667	Partially corrected; QC unresolved	D-33

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Agriculture				
Public Health, Office of:				
2009	2009	94	F-09-USDA-OPH-1	Improper Rate Charged
Social Services, Department of: (now Department of Children and Family Services)				
2009	2007	95	F-09-USDA-DSS-1	Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
2008	2007	59	F-08-USDA-DSS-2	Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
2007	2007	62	F-07-USDA-DSS-3	Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
2006	2006	35	F-06-USDA-DSS-2	Deficiencies in the Operation of the Disaster Food Stamp Program
2006	2006	37	F-06-USDA-DSS-3	Food Stamp Cluster: Destroyed Records and Ineligible Benefits
U.S. Department of Housing & Urban Development/ Community Planning & Development				
Executive Department:				
2009	2007	97	F-09-HUD-EXEC-OCD-2	Inadequate Controls Over the Road Home Homeowner Assistance Program
2008	2007	61	F-08-HUD-EXEC-OCD-1	Inadequate Controls Over the Road Home Homeowner Assistance Program
2009	2009	101	F-09-HUD-EXEC-OCD-3	Inadequate Subrecipient Monitoring of the CDBG Disaster Recovery Programs
Public Safety and Corrections - Public Safety Services, Department of:				
2007	2007	69	F-07-HUD-DPS-1	Failure to Document Payroll Costs
U.S. Department of Labor				
Louisiana Workforce Commission:				
2009	2009	102	F-09-USDOL-LWC-2	Inadequate Monitoring of Subrecipient Findings and A-133 Audits
2009	2008	103	F-09-USDOL-LWC-3	Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments
2008	2008	68	F-08-USDOL-LABR-3	Noncompliance With Administrative Rules for Interstate Unemployment Compensation Benefit Payments
2009	2007	105	F-09-USDOL-LWC-4	Noncompliance With Record Retention Policy
2008	2007	69	F-08-USDOL-LABR-4	Noncompliance With Record Retention Policy
2007	2007	71	F-07-USDOL-LABR-2	Noncompliance With Record Retention Policy
2009	2009	106	F-09-USDOL-LWC-5	Weakness in Controls Over Remittance Processing System
2008	2004	67	F-08-USDOL-LABR-2	Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
10.557	Public Health	$63,512	Fully corrected; QC resolved	D-34
10.551/561	Social Services	$74,970	Partially corrected; QC unresolved; Repeat in 2010, p. 52	D-35
10.551/561	Social Services	$283,394	Partially corrected; QC unresolved	D-36
10.551/561	Social Services	$248,825	Partially corrected; QC unresolved	D-37
10.551/561	Social Services	$122,110	Partially corrected; QC unresolved	D-38
10.551/561	Social Services	$2,796	Partially corrected; QC unresolved	D-39
14.228	Executive	$985,958	Partially corrected; QC unresolved	D-40
14.228	Executive	Unable to determine	Partially corrected; QC unresolved	D-43
14.228	Executive	n/a	Partially corrected	D-46
14.228	Public Safety and Corrections	$12,551	Fully corrected; QC no further action needed	D-47
17.258/259/260	Workforce Commission	n/a	Partially corrected; Repeat in 2010, p. 66	D-48
17.225	Workforce Commission	$21,075,286	Partially corrected; QC resolved; Repeat in 2010, p. 67	D-49
17.225	Workforce Commission	$21,211,069	Partially corrected; QC resolved	D-50
17.225	Workforce Commission	n/a	Partially corrected; Repeat in 2010, p. 68	D-51
17.225	Workforce Commission	$4,103	Fully corrected; QC resolved	D-52
17.225	Workforce Commission	$17,928	Fully corrected; QC no further action needed	D-53
17.225	Workforce Commission	n/a	Partially corrected; Repeat in 2010, p. 69	D-54
17.258/259/260	Workforce Commission	n/a	Fully corrected	D-55

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Transportation				
Transportation and Development, Department of:				
2009	2009	107	F-09-USDOT-DOTD-1	Inadequate Controls Over Reporting Subrecipient Activity
2006	2006	50	F-06-USDOT-DOTD-2	Noncompliance With the Cash Management Improvement Act
U.S. Department of Education				
Acadiana Technical College (formerly LTC Region 4):				
2009	2009	114	F-09-ED-LTC-REG4-1	Weakness Over Eligibility and Verification of Federal Pell Grant Program
2009	2008	116	F-09-ED-LTC-REG4-2	Weakness Over Return of Pell Grant Program Funds
Baton Rouge Community College:				
2009	2009	108	F-09-ED-BRCC-1	Weakness Over Return of Pell Grant Program Funds
2006	2005	51	F-06-ED-BRCC-2	Inadequate Control Over Pell Grant
Education, Department of:				
2009	2007	109	F-09-ED-EDUC-2	Noncompliance With Federal and State Equipment Management Regulations
2008	2008	72	F-08-ED-EDUC-4	Failure to Maintain Public Control Over Restart Program Funds
Grambling State University:				
2009	2009	126	F-09-ED-GSU-7	Common Origination and Disbursement (COD) Reporting
2009	2009	127	F-09-ED-GSU-8	Entrance Counseling
2009	2009	128	F-09-ED-GSU-9	Exit Counseling
2009	2008	129	F-09-ED-GSU-10	Federal Financial Reports/Cash Management
2009	2009	130	F-09-ED-GSU-11	Return of Title IV Funds
2009	2009	131	F-09-ED-GSU-12	Special Tests and Provisions
2009	2009	131	F-09-ED-GSU-13	Student Eligibility
2009	2008	132	F-09-ED-GSU-14	Verification
2008	2008	92	F-08-ED-GSU-7	Verification
2008	2007	89	F-08-ED-GSU-5	Federal Work-Study
Louisiana School for the Deaf:				
2009	2009	111	F-09-ED-LSD-1	Noncompliance With A-87 Payroll Certification Requirements
Louisiana State University at Alexandria:				
2009	2007	112	F-09-ED-LSUALEX-1	Weaknesses in the Administration of Student Financial Aid

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
20.205	DOTD	n/a	Partially corrected; Repeat in 2010, p. 78	D-56
20.205	DOTD	n/a	Partially corrected	D-57
84.063	Acadiana	$7,687	Partially corrected; QC resolved; Repeat in 2010, p. 82	D-58
84.063	Acadiana	$1,664	Partially corrected; QC resolved; Repeat in 2010, p. 81	D-59
84.063	BRCC	n/a	Partially corrected	D-60
84.063	BRCC	$4,499	Fully corrected; QC resolved	D-61
84.027/367/938/940	Education	n/a	Partially corrected; Repeat in 2010, p. 83	D-62
84.938	Education	Unable to determine	No further action needed; QC no further action needed	D-63
84.063	Grambling	n/a	Fully corrected	D-64
84.032	Grambling	$14,860	Fully corrected; QC unresolved	D-65
84.032	Grambling	n/a	Fully corrected	D-66
84.007/031/033	Grambling	n/a	Fully corrected	D-67
84.032/063	Grambling	Unable to determine	Partially corrected; QC unresolved; Repeat in 2010, p. 91	D-68
84.033/063	Grambling	n/a	Fully corrected	D-69
84.032/063	Grambling	$13,891	Fully corrected; QC unresolved	D-70
84.007/032/033/063	Grambling	$44,608	Fully corrected; QC unresolved	D-71
84.032/063	Grambling	$24,860	Fully corrected; QC unresolved	D-72
84.033	Grambling	$3,068	Fully corrected; QC unresolved	D-73
84.027/173	Louisiana School for the Deaf	n/a	Fully corrected	D-74
84.007/033/063	LSU at Alexandria	n/a	Fully corrected	D-75

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Education (Cont.)				
Louisiana Technical College:				
2009	2002	113	F-09-ED-LTC-1	Inadequate Control Over Pell Grant
Northwest Louisiana Technical College (formerly LTC Region 7)				
2009	2009	118	F-09-ED-LTC-REG7-1	Inadequate Control Over Pell Grant
Recovery School District:				
2009	2007	119	F-09-ED-RSD-4	Inadequate Controls Over Payroll
2008	2007	74	F-08-ED-EDUC-5	Inadequate Controls Over Payroll - Recovery School District
2009	2008	121	F-09-ED-RSD-5	Inadequate Internal Control Over Relocation and Retention Incentive Payments
2008	2008	78	F-08-ED-EDUC-7	Inadequate Internal Control Over Relocation and Retention Incentive Payments - Recovery School District
2008	2007	82	F-08-ED-EDUC-9	Theft of Computers - Recovery School District
2007	2007	77	F-07-ED-EDUC-5	Inadequate Controls Over Movable Property - Recovery School District
Southern University and A&M College (Baton Rouge):				
2009	2009	133	F-09-ED-SUBR-1	Return of Title IV Funds
2009	2009	134	F-09-ED-SUBR-2	Student Credit Balance
Southern University at New Orleans:				
2009	2009	135	F-09-ED-SUNO-1	Ineligible Pell Recipient
2009	2009	136	F-09-ED-SUNO-2	Procurement, Suspension, and Debarment
2009	2009	136	F-09-ED-SUNO-3	Return of Title IV Funds
2009	2009	137	F-09-ED-SUNO-4	Satisfactory Academic Progress
2009	2008	138	F-09-ED-SUNO-5	Verification
2008	2008	99	F-08-ED-SUNO-5	Verification
2008	2008	95	F-08-ED-SUNO-1	Entrance Counseling
2008	2008	96	F-08-ED-SUNO-2	Federal Work-Study
2008	2007	98	F-08-ED-SUNO-4	Student Status Confirmation Report

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.063	LTC	n/a	Fully corrected	D-76
84.063	Northwest LTC	n/a	Fully corrected	D-77
84.938	Recovery School District	$2,867	Partially corrected; QC resolved; Repeat in 2010, p. 86	D-78
84.938	Recovery School District	$15,037	Partially corrected; QC unresolved	D-79
84.938	Recovery School District	$74,536	Fully corrected; QC resolved	D-80
84.938	Recovery School District	$127,000	Fully corrected; QC resolved	D-81
84.938	Recovery School District	n/a	Partially corrected	D-82
84.938	Recovery School District	n/a	Partially corrected	D-83
84.032/063	Southern - BR	Unable to determine	Partially corrected; QC resolved	D-84
84.032/063	Southern - BR	n/a	Partially corrected	D-85
84.032/063	Southern - UNO	$14,202	Fully corrected; QC resolved	D-86
84.031	Southern - UNO	n/a	Change of corrective action	D-87
84.063	Southern - UNO	n/a	Partially corrected; Repeat in 2010, p. 92	D-88
84.007/032/063	Southern - UNO	$15,825	Fully corrected; QC resolved	D-89
84.007/032/063	Southern - UNO	$67,188	Partially corrected; QC unresolved	D-90
84.032/063	Southern - UNO	$11,370	Partially corrected; QC unresolved; Repeat in 2010, p. 93	D-91
84.032	Southern - UNO	n/a	Fully corrected	D-92
84.033	Southern - UNO	n/a	Fully corrected	D-93
84.032	Southern - UNO	n/a	Fully corrected	D-94

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Education (Cont.)				
Southern University at Shreveport-Bossier City:				
2009	2009	139	F-09-ED-SUSH-1	Davis-Bacon Act
2009	2009	140	F-09-ED-SUSH-2	Entrance Counseling
2009	2009	141	F-09-ED-SUSH-3	Exit Counseling
2008	2008	100	F-08-ED-SUSH-1	Federal Work-Study
2008	2005	101	F-08-ED-SUSH-2	Return of Title IV Funds
2007	2005	94	F-07-ED-SUSH-2	Return of Title IV Funds
2007	2005	95	F-07-ED-SUSH-3	Satisfactory Academic Progress
2007	2006	96	F-07-ED-SUSH-4	Verification
2006	2006	64	F-06-ED-SUSH-4	Verification
University of Louisiana at Lafayette:				
2009	2008	123	F-09-ED-ULL-1	Untimely Federal Reporting
2009	2009	124	F-09-ED-ULL-2	Weakness in Calculation of Return of Title IV Funds
2009	2008	125	F-09-ED-ULL-3	Weakness in Collection Procedures Over Defaulted Loans
U.S. Department of Health and Human Services				
Executive Department (OSRAP):				
2002	1998	122	F-02-HHS-CAFR-1	Inappropriate Billing of Insurance Premiums
Grambling State University:				
2009	2009	153	F-09-HHS-GSU-15	Reporting
2009	2008	154	F-09-HHS-GSU-16	Subrecipient Monitoring
Health and Hospitals, Department of:				
2009	2008	142	F-09-HHS-DHH-1	Improper Claims by Long Term Personal Care Services Providers
2008	2008	104	F-08-HHS-DHH-1	Improper Claims by Long Term Personal Care Services Providers
2006	2006	68	F-06-HHS-DHH-3	Improper Claims by Long Term Personal Care Services Providers
2009	2008	143	F-09-HHS-DHH-2	Improper Payments to Non-Emergency Medical Transportation Service Providers
2008	2008	105	F-08-HHS-DHH-2	Improper Payments to Non-Emergency Medical Transportation Service Providers
2009	2008	144	F-09-HHS-DHH-3	Improper Payments to Waiver Services Providers
2009	2008	146	F-09-HHS-DHH-4	Inappropriate Access to the Medicaid Eligibility Data System
2009	2009	147	F-09-HHS-DHH-5	Ineligible Medicaid Payments for State Transportation Services
2008	2008	108	F-08-HHS-DHH-4	Inadequate Internal Control Over Cooperative Endeavor Agreements
2008	2006	110	F-08-HHS-DHH-6	Ineffective Medicaid Eligibility Quality Control System

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
84.031	Southern - Shreveport	n/a	Fully corrected	D-95
84.032	Southern - Shreveport	$9,800	Fully corrected; QC unresolved	D-96
84.032	Southern - Shreveport	n/a	Fully corrected	D-97
84.033	Southern - Shreveport	$2,905	Partially corrected; QC unresolved	D-98
84.007/032/063	Southern - Shreveport	n/a	Partially corrected	D-99
84.007/032	Southern - Shreveport	$464,175	Partially corrected; QC unresolved	D-100
84.007/032/033/063	Southern - Shreveport	$89,100	Fully corrected; QC unresolved	D-101
84.007/032/033/063	Southern - Shreveport	$52,743	Partially corrected; QC unresolved	D-102
84.007/032/063/268	Southern - Shreveport	$26,405	Partially corrected; QC resolved	D-103
84.063	ULL	n/a	Partially corrected; Repeat in 2010, p. 90	D-104
84.007/032/038/ 063/375/376	ULL	n/a	Fully corrected	D-105
84.038	ULL	n/a	Fully corrected	D-106
93.778	Executive Department (OSRAP)	Unable to determine	Partially corrected; QC resolved	D-107
93.859	Grambling State University	n/a	Fully corrected	D-109
93.859	Grambling State University	n/a	Fully corrected	D-110
93.778	Health and Hospitals	$18,973	Partially corrected; QC resolved; Repeat in 2010, p. 94	D-111
93.778	Health and Hospitals	$8,082	Partially corrected; QC resolved	D-112
93.778	Health and Hospitals	$49,608	Fully corrected; QC resolved	D-113
93.778	Health and Hospitals	$26,169	Partially corrected; QC resolved; Repeat in 2010, p. 95	D-114
93.778	Health and Hospitals	$10,968	Partially corrected; QC resolved	D-115
93.778	Health and Hospitals	$33,764	Partially corrected; QC resolved; Repeat in 2010, p. 97	D-116
93.778	Health and Hospitals	n/a	Partially corrected	D-117
93.778	Health and Hospitals	$50,837	Fully corrected; QC resolved	D-118
93.779	Health and Hospitals	$335,000	Partially corrected; QC unresolved	D-119
93.778	Health and Hospitals	n/a	Fully corrected	D-120

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Health and Human Services (Cont.)				
Health and Hospitals, Department of: (Cont.)				
2007	2005	99	F-07-HHS-DHH-1	Improper Claims by Waiver Services Providers
2006	2005	70	F-06-HHS-DHH-5	Improper Claims by Waiver Services Providers
2005	2005	53	F-05-HHS-DHH-1	Improper Claims by Waiver Services Providers
2006	2006	69	F-06-HHS-DHH-4	Improper Claims by Non-Emergency Transportation Service Providers
2004	2004	53	F-04-HHS-DHH-1	Improper Claims Paid to a Social Work Provider
2002	2002	127	F-02-HHS-DHH-3	Improper Disproportionate Share Payments
Louisiana Workforce Commission:				
2008	2005	112	F-08-HHS-LABR-5	Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program
Northwestern State University:				
2009	2009	148	F-09-HHS-NSU-1	Request for Reimbursements Not Submitted Timely
Social Services, Department of: (now Department of Children and Family Services)				
2009	2005	149	F-09-HHS-DSS-2	Child Care Cluster: Noncompliance With Program Requirements
2008	2005	113	F-08-HHS-DSS-3	Child Care Cluster: Noncompliance With Program Requirements
2007	2005	102	F-07-HHS-DSS-5	Child Care Cluster: Noncompliance With Program Requirements
2009	2005	150	F-09-HHS-DSS-3	Foster Care - Title IV-E: Noncompliance With Program Requirements
2008	2005	115	F-08-HHS-DSS-4	Foster Care - Title IV-E: Noncompliance With Program Requirements
2009	2008	151	F-09-HHS-DSS-4	Fraudulent Billings by Providers
2008	2008	117	F-08-HHS-DSS-5	Fraudulent Billings by Providers
2008	2005	119	F-08-HHS-DSS-6	Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements
2007	2005	108	F-07-HHS-DSS-9	Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements
2007	2006	105	F-07-HHS-DSS-7	Control Weaknesses Over the LaCarte Purchasing Card Program
Southern University at New Orleans:				
2009	2009	155	F-09-HHS-SUNO-6	Matching, Level of Effort, Earmarking

(Continued)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
93.778	Health and Hospitals	$2,619	Partially corrected; QC resolved	D-121
93.778	Health and Hospitals	$46,272	Partially corrected; QC resolved	D-122
93.778	Health and Hospitals	$64,175	Partially corrected; QC resolved	D-123
93.778	Health and Hospitals	$22,488	Partially corrected; QC resolved	D-124
93.778	Health and Hospitals	$816	Fully corrected; QC resolved	D-125
93.778	Health and Hospitals	$185,605,936	Partially corrected; QC unresolved	D-126
93.558	Workforce Commission	n/a	Fully corrected	D-127
93.575/596	Northwestern State University	n/a	Fully corrected	D-128
93.575/596	Social Services	$9,539	Partially corrected; QC unresolved; Repeat in 2010, p. 100	D-129
93.575/596	Social Services	$54,598	Partially corrected; QC unresolved	D-130
93.575/596	Social Services	$84,781	Partially corrected; QC unresolved	D-131
93.658	Social Services	$4,305	Fully corrected; QC unresolved	D-132
93.658	Social Services	$33,716	Fully corrected; QC unresolved	D-133
93.575/596	Social Services	$518,945	Partially corrected; QC unresolved	D-134
93.558/575/596	Social Services	$972,598	Partially corrected; QC unresolved	D-135
93.558	Social Services	$303,491	Fully corrected; QC unresolved	D-136
93.558	Social Services	$259,540	Fully corrected; QC unresolved	D-137
93.667/669	Social Services	$9,300	Fully corrected; QC unresolved	D-138
93.658	Southern - UNO	n/a	Fully corrected	D-139

STATE OF LOUISIANA
Summary Schedule of Prior Federal Audit Findings

Fiscal Year	Initial Year of Finding	Single Audit Page Number	Finding Number	Finding Title
U.S. Department of Homeland Security				
Executive Department:				
2009	2009	156	F-09-DHS-EXEC-OCD-4	Inadequate Controls Over the Hazard Mitigation Program
2007	2007	109	F-07-DHS-EXEC-FPC-1	Inadequate Controls Over Capital Outlay Transactions
Homeland Security and Emergency Preparedness, Governor's Office of:				
2009	2009	157	F-09-DHS-GOHSEP-1	Homeland Security Subgrants Not Obligated Timely
2009	2009	158	F-09-DHS-GOHSEP-2	Inadequate LAPA Program Change Management
2009	2008	160	F-09-DHS-GOHSEP-3	Inadequate Reconciliation Between Project Database and Financial Records
2009	2009	161	F-09-DHS-GOHSEP-4	Lack of Controls to Ensure Completeness of Quarterly Progress Reports
2009	2009	162	F-09-DHS-GOHSEP-5	Lack of Information Technology Audits
2009	2009	163	F-09-DHS-GOHSEP-6	Lack of Proper LAPA Access and Segregation of Duties
2009	2007	164	F-09-DHS-GOHSEP-7	Noncompliance With Subrecipient Monitoring Requirements
2008	2008	121	F-08-DHS-GOHSEP-2	Inadequate Controls Over Cash Management and Noncompliance With CMIA Agreement
2006	2006	87	F-06-DHS-MIL/GOHSEP-1	Noncompliance With Procurement and Suspension and Debarment Requirements
Louisiana Agricultural Finance Authority:				
2008	2008	130	F-08-DHS-LAFA-1	Overdraw of Federal Funds
Louisiana State University Health Sciences Center - Health Care Services Division:				
2009	2009	166	F-09-DHS-LSUHSC-HCSD-1	Untimely Remittance of Public Assistance Funds
Louisiana Workforce Commission:				
2006	2006	86	F-06-DHS-LABR-8	Disaster Unemployment Assistance Payments
Public Health, Office of:				
2006	2006	90	F-06-DHS-OPH-1	Insufficient Documentation of Program Expenditures
2006	2006	91	F-06-DHS-OPH-2	Lack of Internal Controls Over Movable Property

(Concluded)

CFDA Number	State Agency	Questioned Costs	Current Status Per Auditee	Page No.
97.039	Executive	Unable to determine	Partially corrected; QC unresolved	D-140
97.036	Executive	Unable to determine	No further action needed; QC no further action needed	D-142
97.004/067	GOHSEP	n/a	Fully corrected	D-143
97.036	GOHSEP	n/a	Fully corrected	D-144
97.004/067	GOHSEP	n/a	Fully corrected	D-145
97.039	GOHSEP	n/a	Fully corrected	D-146
97.036/039/067	GOHSEP	n/a	Fully corrected	D-147
97.036	GOHSEP	n/a	Fully corrected	D-148
97.004/036/039/067	GOHSEP	n/a	Partially corrected	D-149
97.036/039	GOHSEP	n/a	Partially corrected	D-150
97.036	GOHSEP	$264,912	Fully corrected; QC unresolved	D-151
97.067	LAFA	$59,430	Fully corrected; QC resolved	D-152
97.036	LSUHSC - HCSD	n/a	Fully corrected	D-153
97.034	Workforce Commission	$1,294,650	Fully corrected; QC no further action needed	D-154
97.036	Public Health	$38,533	Fully corrected; QC unresolved	D-155
97.036	Public Health	n/a	Fully corrected	D-156

This page is intentionally blank.

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Inadequate Fiscal Monitoring

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-CC-EDUC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 79

Program Name(s): Improving Teacher Quality State Grants, Title 1 Grants to LEAs; IDEA, Special Ed - Grants to States; Special Ed-Preschool Grants; TANF

Federal Grantor Agency: US Department of Education & US Department of Health & Human Services

CFDA Number(s): 84.367; 84.010; 84.027; 84.173; 93.558

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
LDOE received a letter from the USDOE on 7/15/2010 requesting comments on the audit findings, corrective actions planned or taken and other information which may have a bearing on the resolution. A determination has not been made at this time.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action plan implemented and remains in progress. We have instituted a monitoring plan that includes both field and desk audits. We are developing an annual self-assessment tool that will focus on internal controls. We are continuing to explore how to best utilize the electronic Grants Management System's capability to upload documents to support expenditures and we are investigating an expanded review process at the point of reimbusement.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Leslie L. Jewell Phone Number: 225-342-3830

Preparer's E-mail Address: Leslie.Jewell@la.gov

Schedule 8-3 Form

Entity's Name: DIVISION OF ADMINISTRATION

Finding Title: Noncompliance With A-87 Allowable Cost Principles

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-CC-EXEC-OCD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 77,904

Page Number (from Single Audit Report): 80

Program Name(s): Community Development Block Grant & Hazard Mitigation Grant

Federal Grantor Agency: U.S. Dept. of Housing and Urban Development & U.S. Dept. of Homeland Security

CFDA Number(s): 14.228 & 97.039

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: ___**X**____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
We do not concur that the amounts paid in overtime are questioned costs since the overtime costs were incurred by employees that worked on these federal programs, and the costs were appropriately charged. This is an issue concerning the timing of overtime payments; OCD paid overtime on a bi-weekly basis whereas DOA paid overtime on a bi-annual basis.

Status of Finding (check one):

Fully Corrected	**X**	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

OCD's policy of paying overtime compensation to its employees on a bi-weekly basis was changed March 16, 2010 to conform to the policy for all DOA employees.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stephen Upton Phone Number: 225-219-9531

Preparer's E-mail Address: Stephen.Upton@LA.GOV

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Allowable Costs
"Pass-Through Entity Name," if applicable: Clarkson Aerospace Corporation

Reference Number(s): F-09-CC-GSU-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 6,647

Page Number (from Single Audit Report): 87

Program Name(s): Air Force Defense Research Science Program, Foster Care Title IV E

Federal Grantor Agency: U.S. Dept. of Defense, U.S.Dept. of Health and Human Services

CFDA Number(s): 12.800 93.658

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting Final Determination. The University is proposing to reduce future drawdowns by questioned costs.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management is working to strengthen internal controls to ensure that indirect costs are reconciled on a regular basis and drawn down timely. The expected completion date for the new procedures to be implemented is March 31, 2011.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Allowable Costs
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-CC-GSU-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 6,900

Page Number (from Single Audit Report): 56

Program Name(s): Air Force Defense Research Sciences Program,Fossil Research and Development, and Foster Care Title IV E

Federal Grantor Agency: U.S.Department of Defense, U.S.Department of Energy ,and U.S. Department of Health and Human Services

CFDA Number(s): 12.800, 81.089, and 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds were refunded to the federal government.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Equipment and Real Property Management
"Pass-Through Entity Name," if applicable: Coordinating Development Corporation

Reference Number(s): F-09-CC-GSU-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 88

Program Name(s): Higher Education Institutional Aid Title III, Biomedical Research and Research Training, Workforce Investment Act - Youth Activities

Federal Grantor Agency: U.S. Department of Education, U.S.Dept. of Health and Human Services, U.S. Dept. of Labor

CFDA Number(s): 84.031, 93.859, 17.259

Status of Questioned Costs (check one):

Resolved: **N/A** Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Federal Schedule of Expenditures
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-CC-GSU-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 89

Program Name(s): Higher Education Institutional Aid, Foster Care Title IVE, Biomedical Research and Research Training, Air Force Defense Research Sciences Program, Federal Supplemental Educational Opportunity Program, Federal Family Education Loans, Federal Work Study, Federal Pell Grant Program, Academic Competitiveness Grants National Science and Mathematics Access to Retain Talent (SMART) Grants Temporary Assistance For Needy Families, WIA Youth Activities Federal Perkins Loan Program

Federal Grantor Agency: U.S. Dept. of Education, U.S. Dept. of Health and Human Services, U.S. Dept of Defense, U.S. Dept. of Labor

CFDA Number(s): 84.031, 93.658, 93.859, 12.800, 84.007, 84.032, 84.033, 84.063, 84.375, 84.376, 93.558, 17.259 84.038

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Grant Management Procedures
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-CC-GSU-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 91

Program Name(s): Foster Care Title IVE, Biomedical Research and Research Training
Air Force Defense Research Sciences Program, Federal Supplemental
Educational Opportunity Program, Federal Family Education Loans, Federal Work Study,
Federal Pell Grant Program, Academic Competitiveness Grants
National Science and Mathematics Access to Retain Talent (SMART) Grants
Temporary Assistance For Needy Families, WIA Youth Activities
Federal Perkins Loan Program

Federal Grantor Agency: U.S. Dept. of Education, U.S. Dept. of Health and Human Services, U.S. Dept of Defense, U.S. Dept. of Labor

CFDA Number(s): 93.658, 93.859, 12.800, 84.007, 84.032, 84.033, 84.063, 84.375, 84.376, 93.558, 17.259 84.038

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	X
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University hired an Assistant Controller and Director of Grants Administration on September 1, 2010, to strengthen the fiscal management and accounting procedures in the Office of Grants Administration. The Assistant Controller/Director of Grants Administration will ensure that the University complies with federal, state, local laws, sponsored agreements, other governing regulations as well as the University's policies and procedures. Monitoring restricted budgeted to actual expenditures and revenues, cash management, indirect cost, timely and accurate invoices to sponsored agencies, maintain proper supporting documentation and matching requirements activities will be performed monthly. A 100% file review will be completed to ensure all applicable collections of reimbursements due to the University. Efforts to automate some processes will be enhanced. Additional training and continuous professional development will be provided to office staff. To be completed by March 31, 2011.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Matching
"Pass-Through Entity Name," if applicable: Louisiana Dept.of Social Services, Coordinating and Dervelopment Corporation

Reference Number(s): F-09-CC-GSU-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 92

Program Name(s): Workforce Investment Act - Youth Activities, Foster Care Title IV E

Federal Grantor Agency: U.S.Dept. of Labor, U.S. Dept. of Health and Human Services

CFDA Number(s): 17.259, 93.658

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	X
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University hired an Assistant Controller and Director of Grants Administration on September 1, 2010, to strengthen the fiscal management and accounting procedures in the Grants Administration Office . The Assistant Controller/Director of Grants Administration will ensure that the University complies with federal, state, local laws, sponsored agreements or other governing regulations. Committed matching (time and effort) or cost share will be documented and reported as outlined in sponsored agreements. Time and effort reports will be signed by faculty or staff and certified by appropriate individuals. Supporting documentation will maintained in sponsored projects files. Additional training and professional development will be provided to office staff. To be completed by March 31, 2011.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Procurement and Suspenison and Debarement
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-CC-GSU-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 93

Program Name(s): Higher Education Institutional Aid Title III, Biomedical Research and Research Training

Federal Grantor Agency: U.S. Dept.of Education, U.S. Dept. of Health and Human Sevices

CFDA Number(s): 84.031, 93.859

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Improper Charging of Administrative Expenditures to Federal Awards

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-09-CC-LWC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicab $ 536,304

Page Number (from Single Audit Report): 81

Program Name(s): Unemployment Insurance; ARRA - Unemployment Insurance; Disaster Unemployment Assistance

Federal Grantor Agency: US Department of Labor; Department of Homeland Security

CFDA Number(s): 17.225; 97.034

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Questioned cost has been repaid to Department of Labor; portion allowable under Disaster Unemployment Insurance will be charged to that program.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Agency is monitoring invoices for allowable cost.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Controls Over Coding of Federal Expenditures

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-CC-RSD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 187,868

Page Number (from Single Audit Report): 82

Program Name(s): Hurricane Education Recovery; Disaster Grants - Public Assistance; Title I Grants to Local Educational Agencies; Temporary Assistance for Needy Families

Federal Grantor Agency: US Department of Health & Human Services; US Department of Homeland Security; US Department of Education

CFDA Number(s): 84.938; 97.036; 84.010; 93.558

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

No further contact to date.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action plan implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Control Over Coding of Federal Expenditures

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-EDUC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 111,020

Page Number (from Single Audit Report): 51

Program Name(s): Hurricane Education Recovery; Disaster Grants - Public Assistance

Federal Grantor Agency: US Department of Education ; US Department of Homeland Security

CFDA Number(s): 84.938; 97.036

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Response to finding submitted to USDOE 7/13/2009. No further contact to date.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action plan implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Noncompliance With A-87 Payroll Certification Regulations

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-CC-RSD-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 83

Program Name(s): Hurricane Education Recovery; Child Nutrition Cluster; Special Education Cluster (IDEA)
Temporary Assistance for Needy Families

Federal Grantor Agency: US Department of Education; US Department of Agriculture; US Department of Health & Human Services

CFDA Number(s): 84.938; 10.559; 84.027; 93.558

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action taken.

The A87 has been integrated into the time sheets. This approach was approved by the US Dept of Education. In this manner we ensure correct execution of the A-87 provided individual is correctly coded to the federal program.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Noncompliance with Federal and State Equipment Management Regulations

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-CC-RSD-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ none

Page Number (from Single Audit Report): 85

Program Name(s): Hurricane Education Recovery; Disaster Grants - Public Assistance; Title I Grants to Local Educations Agencies

Federal Grantor Agency: US Department of Education; US Department of Homeland Security

CFDA Number(s): 84.938; 97.036; 84.010

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

1) We reorganized the property control function to make it more responsible for tagging and recording property into Protégé.
2) We have made the principals at the schoool accountable for recording the movement of assets recorded in the schools.
3) Theft of property at the schools continues to be an issue.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: (504) 373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Controls Over Payroll - Recovery School District

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-CC-EDUC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ $427,695

Page Number (from Single Audit Report): 52

Program Name(s): Title 1 Grants to Local Educational Agencies; Hurricane Education Recovery; Temporary Assistance for Needy Families; Special Education - Grants to States

Federal Grantor Agency: US Department of Education ; US Department of Homeland Security

CFDA Number(s): 84.010; 84.938; 93.558; 84.027

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: __X_____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
LDOE received a letter from the USDOE on 8/10/2009 requesting evidence of corrective action in 60 days. No determination made at this time.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action plan implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Improper Employee Activity in Federal Programs
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-CC-DSS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 18,607

Page Number (from Single Audit Report): 55

Program Name(s): Temporary Assistance for Needy Families; Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Health and Human Services; U. S. Department of Agriculture

CFDA Number(s): 93.558; 10.551;10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
In addition to control procedures already implemented, the agency is working to develop an identity pattern (signature of fraud) that will send automatic alerts when potential fraudulent activity exists.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Improper Employee Activity in Federal Programs
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-CC-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 44,667

Page Number (from Single Audit Report): 58

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster); Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund; Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Agriculture; U. S. Department of Health and Human Services

CFDA Number(s): 10.551; 10.561; 93.558; 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Internal control procedures have been implemented in local offices to monitor and document activities of staff who have benefit authorization and EBT card issuance capabilities. Daily reports will be used to track where every card is mailed. For future DFSP, the agency has developed strategies, improved policies and procedures and issued specific guidance on processing employee DFSP applications to prevent fraud and to ensure program integrity.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: DHH-Office of Public Health

Finding Title: Improper Rate Charged

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-USDA-OPH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 63,512

Page Number (from Single Audit Report): 94

Program Name(s): Women, Infants and Children

Federal Grantor Agency: USDA

CFDA Number(s): 10.557

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
LSU Health Sciences Center - Shreveport refunded the overpayment of $63,512 to Office of Public Health with their check # 259096 dated 10/15/2009. The check was deposited by OPH as a reduction of expenditures to the WIC program.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
LSU Health Sciences Center - Shreveport refunded the overpayment of $63,512 to Office of Public Health with their check # 259096 dated 10/15/2009. The check was deposited by OPH as a reduction of expenditures to the WIC program.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Larry Bader Phone Number: (504) 568-5935

Preparer's E-mail Address: larry.bader@LA.GOV

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-USDA-DSS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 74,970

Page Number (from Single Audit Report): 95

Program Name(s): Food Stamps and State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The agency continues to collect benefits paid to ineligible clients. Monies collected are returned to the federal agency.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The agency has developed strategies, improved policy/procedures and developed specific procedures for processing employee DFSP applications. This is in addition to control procedures previously implemented to prevent fraud and ensure program integrity.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-USDA-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 283,394

Page Number (from Single Audit Report): 59

Program Name(s): Food Stamps and State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The agency continues to collect benefits paid to ineligible clients. Monies collected are returned to the federal agency.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The agency has developed strategies, improved policy/procedures and developed specific procedures for processing employee DFSP applications. This is in addition to control procedures previously implemented to prevent fraud and ensure program integrity.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services

Finding Title: Disaster Food Stamp Program: Intentional Program Violations and Ineligible Benefits

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-USDA-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 248,825

Page Number (from Single Audit Report): 62

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The agency continues to collect benefits paid to ineligible clients. Monies collected are returned to the federal agency.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status:. (include corrective action planned and anticipated completion date, if applicable):
Specific guidance for the operation of a DFSP has been developed. All staff received training and training will take place each year prior to hurricane season. In addition, the Division of Quality Assurance will monitor each disaster site during the entire DFSP time frame.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Deficiencies in the Operation of the Disaster Food Stamp Program
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-06-USDA-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 122,110

Page Number (from Single Audit Report): 35

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Subsequent to the issuance of the finding, the ineligible benefits increased and the agency continues collection efforts.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The agency enforces mandatory training prior to the start of each hurricane season, created a disaster Food Stamp manual and created a monitoring oversight team to be stationed at each Disaster Food Stamp site.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Food Stamp Cluster: Destroyed Records and Ineligible Benefits
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-06-USDA-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 2,796

Page Number (from Single Audit Report): 37

Program Name(s): Food Stamps; State Administrative Matching Grants for Food Stamp Program (For FY 09 the cluster name changed to Supplemental Nutrition Assistance Program Cluster)

Federal Grantor Agency: U. S. Department of Agriculture

CFDA Number(s): 10.551; 10.561

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The agency is pursuing recovery of the overpayments.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The agency is scanning case records in Lake Charles. The agency is planning to implement electronic case records statewide.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: DIVISION OF ADMINISTRATION

Finding Title: Inadequate Controls Over the Road Home Homeowner Assistance Program

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-HUD-EXEC-OCD-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 985,958

Page Number (from Single Audit Report): 97

Program Name(s): Community Development Block Grant

Federal Grantor Agency: U.S. Department of Housing and Urban Development

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
OCD does not concur that the amounts paid are questioned costs. In regard to the $220,000 paid to a CPA firm to obtain a SAS 70 Type II audit, a final report was delivered and a decision was made by OCD to leave the final report in draft form because it was to be used internally not externally. In regard to the $765,958 reported as questionable; OCD has reviewed documentation and justification submitted by the contractor and after careful review determined that $727,000 is adequately supported and reasonable. OCD disallowed the remaining $39,000.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

*See Addendum 09-HUD-EXEC-OCD-2

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stephen Upton Phone Number: 225-219-9531

Preparer's E-mail Address: Stephen.Upton@LA.GOV

Due to the magnitude of the disaster and the push to rapidly disburse funds to applicants designed front end controls were relaxed necessitating the need to develop stronger compensating controls at the back end of the process. Part of the compensating controls includes a "Final File Review" whereby each grant is reviewed for accuracy. Those that are not correct and include an overpayment of grant funds are identified and are being processed through the Grant Recovery and Recapture Process. The Recovery and Recapture Procedures and Process have been developed and recovery of grants containing overpayments is being pursued through this process.

Tax data was reloaded by the prior Road Home contractor and files were there was no longer a tax match were identified and flagged in eGrants, the Road Home Program's system of record. OCD issued some policy changes which allowed other forms of documentation to be used to support applicant occupancy. The prior contractor asserted that it obtained the additional documentation to support occupancy for most applicants that were initially matched but with the reloading of the tax data no longer matched. The prior contractor provided a spreadsheet identifying those files with documentation supporting occupancy and those whose occupancy was still in question. The prior contractor identified files where occupancy was in question and flagged these files in eGrants by turning off the owner/occupancy flag. This prevented any additional payments from being processed until all associated issues were resolved. The Program continues to work to validate the accuracy of information supporting occupancy and to obtain documentation from applicants to support occupancy.

The Road Home Program has had difficulty since its inception obtaining third party verification of insurance payments. Insurance companies have been slow and nonresponsive to requests to verify payments. HUD has confirmed that OCD and the prior contractor acted with due diligence in attempts to obtain third party insurance verification.

In addition, the following corrective actions have been taken by OCD:

- Employed an Information Technology Director.
- Continue working with program management and contractors to determine methods and processes to ensure that all data from outside sources are accurate, complete and up-to-date.
- Continuing to reassess applicant eligibility where questionable data may have been relied upon.
- Requiring the new contractor to implement a due diligence process.
- Requiring the new contractor re-verify all applicant information prior to processing an initial or additional disbursement (i.e. if there are ownership/occupancy/income documents missing, the new contractor will not process the file until documentation has been provided.
- Requiring OCD/DRU to review 100 percent of all initial files being transmitted to the title company to ensure that all documentation is complete.
- Requiring the new contractor to implement a formal Change Control process. No changes can be made to eGrants or JIRA unless approved by the OCD/DRU IT Director and program staff.

- Requesting the IT contractor to activate security logging of the data warehouse that is limited to the database team and establish a process of reviewing the logs by a separate team. Activating the security logging of the data warehouse will require additional system and staff resources.
- Implementing a remote access policy.
- Requesting the IT contractor to once again review the procedures for accessing the data warehouse with the program areas and review compliance on a quarterly basis.

Schedule 8-3 Form

Entity's Name: DIVISION OF ADMINISTRATION

Finding Title: Indequate Controls Over the Road Home Homeowner Assistance Program

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-HUD-EXEC-OCD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ Unable to determine

Page Number (from Single Audit Report): 61

Program Name(s): Community Development Block Grant

Federal Grantor Agency: U.S. Department of Housing and Urban Development

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

*See Addendum 08-HUD-EXEC-OCD-1

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stephen Upton Phone Number: 225-219-9531

Preparer's E-mail Address: Stephen.Upton@LA.GOV

Due to the magnitude of the disaster and the push to rapidly disburse funds to applicants designed front end controls were relaxed necessitating the need to develop stronger compensating controls at the back end of the process. Part of the compensating controls includes a "Final File Review" whereby each grant is reviewed for accuracy. Those that are not correct and include an overpayment of grant funds are identified and are being processed through the Grant Recovery and Recapture Process. The Recovery and Recapture Procedures and Process have been developed and recovery of grants containing overpayments is being pursued through this process.

Tax data was reloaded by the prior Road Home contractor and files were there was no longer a tax match were identified and flagged in eGrants, the Road Home Program's system of record. OCD issued some policy changes which allowed other forms of documentation to be used to support applicant occupancy. The prior contractor asserted that it obtained the additional documentation to support occupancy for most applicants that were initially matched but with the reloading of the tax data no longer matched. The prior contractor provided a spreadsheet identifying those files with documentation supporting occupancy and those whose occupancy was still in question. The prior contractor identified files where occupancy was in question and flagged these files in eGrants by turning off the owner/occupancy flag. This prevented any additional payments from being processed until all associated issues were resolved. The Program continues to work to validate the accuracy of information supporting occupancy and to obtain documentation from applicants to support occupancy.

The Road Home Program has had difficulty since its inception obtaining third party verification of insurance payments. Insurance companies have been slow and nonresponsive to requests to verify payments. HUD has confirmed that OCD and the prior contractor acted with due diligence in attempts to obtain third party insurance verification.

In addition, the following corrective actions have been taken by OCD:

- Employed an Information Technology Director.
- Continue working with program management and contractors to determine methods and processes to ensure that all data from outside sources are accurate, complete and up-to-date.
- Continuing to reassess applicant eligibility where questionable data may have been relied upon.
- Requiring the new contractor to implement a due diligence process.
- Requiring the new contractor re-verify all applicant information prior to processing an initial or additional disbursement (i.e. if there are ownership/occupancy/income documents missing, the new contractor will not process the file until documentation has been provided.
- Requiring OCD/DRU to review 100 percent of all initial files being transmitted to the title company to ensure that all documentation is complete.
- Requiring the new contractor to implement a formal Change Control process. No changes can be made to eGrants or JIRA unless approved by the OCD/DRU IT Director and program staff.

- Requesting the IT contractor to activate security logging of the data warehouse that is limited to the database team and establish a process of reviewing the logs by a separate team. Activating the security logging of the data warehouse will require additional system and staff resources.
- Implementing a remote access policy.
- Requesting the IT contractor to once again review the procedures for accessing the data warehouse with the program areas and review compliance on a quarterly basis.

Schedule 8-3 Form

Entity's Name: DIVISION OF ADMINISTRATION

Finding Title: Inadequate Subrecipient Monitoring of the CDBG Disaster Recovery Programs

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-HUD-EXEC-OCD-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 101

Program Name(s): Community Development Block Grant

Federal Grantor Agency: U.S. Department of Housing and Urban Development

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

No questioned costs were reported in this finding.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The Office of Community Development (OCD) has developed procedures and measures to adequately document the review process for all single audits of all subrecipients of CDBG program funds. OCD is also in the process of developing a tracking system to ensure that all A-133 audits are received on a timely basis and findings are captured and tracked to completion and any required management decisions are rendered according to OMB Circular A-133. The development of this software is ongoing and will take several months to enact and will need ongoing testing to ensure that all data is captured and tracked according to key timelines set forth by OMB Circular A-133. As it relates to the A-133 reviews for the Business Recovery Grant and Loan Program and the Primary & Secondary Education Infrastructure Program, all initial reviews for each of these programs and their subrecipients have been completed. Once the tracking system is functional, all audit reviews will be uploaded and dispositioned within the system. The review of all other subrecipient A-133 audits is an ongoing engagement being completed by OCD Audit Department staff at this time.

OCD has also documented within each program, a listing of all subrecipients receiving CDBG funds for each program. These listings are currently held within the Audit Department and will be completely centralized within the tracking system upon its completion. Additionally, the A-133 audit tracking system will provide all subrecipient findings to the program managers and to the Compliance Monitoring Department for ongoing programmatic monitoring efforts.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stephen Upton Phone Number: 225-219-9531

Preparer's E-mail Address: Stephen.Upton@LA.GOV

Schedule 8-3 Form

Entity's Name: Department of Public Safety and Corrections, Office of Management & Finance

Finding Title: Failure to Document Payroll Costs

*Pass-Through Entity Name," Division of Administration

Reference Number(s): F-07-HUD-DPS-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 12,551

Page Number (from Single Audit Report): 69

Program Name(s): Community Development Block Grants/State's Program

Federal Grantor Agency: Dept. of Housing & Urban Development/ Community Planning & Development

CFDA Number(s): 14.228

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

More than two years have passed since the audit report in which the finding occurred was submitted to the Federal clearinghouse.
At this time the Dept. of Public Safety has not received any contact from HUD regarding questioned costs.
A management decision was not issued.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The hours devoted to UCCE are being properly recorded on timesheets and in Payroll system.

Preparer's Name: Tameka Benton Phone Number: (225) 925-6081

Preparer's E-mail Address: tameka.benton@dps.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Inadequate Monitoring of Subrecipient Findings and A-133 Audits

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-09-USDOL-LWC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicab $ N/A

Page Number (from Single Audit Report): 102

Program Name(s): WIA Adult Program; WIA Youth Activities; WIA Dislocated Worker Program; ARRA - WIA Adult Program; ARRA - WIA Youth Activities; ARRA - WIA Dislocated Workers

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.258; 17.259; 17.260

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

A special projects team is being established with the oversight and responsibility of follow-up and resolution of Subrecipient monitoring findings and A-133 Audits.

In the interim the Compliance Division within the Office of Workforce Development is monitoring A-133 audits and requiring corrective action plans when necessary.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Noncompliance with Administrative Rules for Interstate Unemployment Compensation Benefit Payments

"Pass-Through Entity Name," if applicab

Reference Number(s): F-09-USDOL-LWC-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicab $ 21,075,286

Page Number (from Single Audit Report): 103

Program Name(s): Unemployment Insurance; ARRA - Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiatio

Final determination received. Questioned cost not subject to federal debt collection.

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	X	No Further Action Needed	____
Change of Corrective Action	____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Programming has been completed and we have begun sending employers notice of combined wage claims.

Employers will be charged for combined wage claims beginning with the third quarter of 2010.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Noncompliance with Administrative Rules for Interstate Unemployment Compensation Benefit Payments

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-08-USDOL-LABR-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicab $ 21,211,069

Page Number (from Single Audit Report): 68

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Final determination received. Questioned cost not subject to federal debt collection.

Status of Finding (check one):

Fully Corrected	____	Not Corrected	____
Partially Corrected	X	No Further Action Needed	____
Change of Corrective Action	____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable)
Programming has been completed and we have begun sending employers notice of combined wage claims.
Employers will be charged for combined wage claims beginning with the third quarter of 2010.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Noncompliance with Record Retention Policy

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-09-USDOL-LWC-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicab $ NA

Page Number (from Single Audit Report): 105

Program Name(s): Unemployment Insurance; ARRA - Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

NA

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Paper reports are being printed and scanned into the imaging system for retention purposes.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Noncompliance With Record Retention Policy

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-08-USDOL-LABR-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicab $ 4,103

Page Number (from Single Audit Report): 69

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Final determination has been received. Questioned cost have been allowed.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	____
Partially Corrected	____	No Further Action Needed	____
Change of Corrective Action	____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Agency established imaging system to catalogue and store records effective July 7, 2009.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Noncompliance With Record Retention Policy

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-07-USDOL-LABR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicab $ 17,928

Page Number (from Single Audit Report): 71

Program Name(s): Unemployment Insurance

Federal Grantor Agency: U. S. Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: ____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiatior
Initial Determination Letter has not been received.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable)
Agency established imaging system to catalogue and store records effective July 7, 2009.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Weakness in Controls Over Remittance Processing System

"Pass-Through Entity Name," if applicable

Reference Number(s): F-09-USDOL-LWC-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable) $ NA

Page Number (from Single Audit Report): 106

Program Name(s): Unemployment Insurance

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.225

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

NA

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Agency has increased number of staff during rush periods. Management is in process of acquiring an additional scanner to keep up with quarterly workload. Training and cross-training sessions are conducted quarterly for staff.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Inadequate Subrecipient Monitoring for Workforce Investment Act Cluster

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-USDOL-LABR-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 67

Program Name(s): WIA Adult Program; WIA Youth Program; WIA Dislocated Worker Program

Federal Grantor Agency: US Department of Labor

CFDA Number(s): 17.258; 17.259; 17.260

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Compliance Division within the Office of Workforce Development has completed all comprehensive federal monitoring reviews (financial and programmatic) of the 18 Local Workforce Investment Areas (LWIA).

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Department of Transportation & Development**

Finding Title: Inadequate Controls Over Reporting Subrecipient Activity

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-USDOT-DOTD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 107

Program Name(s): Highway Planning and Construction / Highway Planning and Construction Cluster

Federal Grantor Agency: Department of Transportation

CFDA Number(s): 20.205

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The errors noted in the finding are a result of manual processes. The omission of the subrecipients was the result of a section failure to report the subrecipients to the Financial Services Section. The manual processes will be automated and the errors noted will be reduced with the implementation of ERP. In addition, more staff members have been assigned to effectively review the compilation process to correct and detect any preparation errors prior to submission. A comprehensive electronic District mini-AFR has been implemented to replace various and numerous memorandum that previously collected this data. District training was held to facilitate complete and accurate reporting.

Preparer's Name: Terry Meliet Phone Number: 225-379-1681

Preparer's E-mail Address: Terry.Meliet@La.gov

Schedule 8-3 Form

Entity's Name: **Louisiana Department of Transportation & Development**

Finding Title: Noncompliance With the Cash Management Improvement Act

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-06-USDOT-DOTD-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 50

Program Name(s): Highway Planning and Construction / Highway Planning and Construction Cluster

Federal Grantor Agency: Department of Transportation

CFDA Number(s): 20.205

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective actions for reporting refunds were implemented immediately and remain in progress. In regard to the finding, "failure to draw funds on the scheduled receipt date", the Department has adequate controls in place over program draws and follows procedures to the letter regarding the calculation of the scheduled draw and receipt dates to CMIA requirements. The same procedures are still in place at this time and legacy system enhancements are being made to gain efficiencies to complete billings more timely, thereby, making most receipt deadlines. In addition, Department of Transportation and Development is reviewing current billing schedules with Division of Administration and Louisiana Legislative Auditors to ensure the most effective means to ensure compliance.

Preparer's Name: Terry Meliet Phone Number: 225-379-1681

Preparer's E-mail Address: Terry.Meliet@La.gov

Schedule 8-3 Form

Entity's Name: Acadiana Technical College

Finding Title: Weakness Over Elegibility and Verification of Federal Pell Grant Program

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-LTC-REG4-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 7,687

Page Number (from Single Audit Report): 114

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United State Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: ___X___ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs were returned to the Federal Government

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Acadiana Technical College had 2 training sessions and has been having regular meetings with the financial aid officers to go over any questions and areas of concern. ATC has 2 Financial Aid leads that will be assisting Financial Aid Officers in training for proper verification procedures.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Arlene Hoag Phone Number: 337-262-5962 X119

Preparer's E-mail Address: ahoag@ltc.edu

Schedule 8-3 Form

Entity's Name: Acadiana Technical College

Finding Title: Weakness Over Return of Federal Pell Grant Program Funds

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-LTC-REG4-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 1664

Page Number (from Single Audit Report): 116

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United State Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: ___X___ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs were returned to the Federal Government

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Acadiana Technical College has been having regular meetings with the financial aid officers to inform them of the Pell return rules and to go over any questions. The questioned costs from 2009 were addressed and corrected however, an interpretation of "date of determination" was interpreted incorrectly and has resulted in a repeat finding for "Return of Federal Pell Grant Program Funds".

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Arlene Hoag Phone Number: 337-262-5962 X119

Preparer's E-mail Address: ahoag@ltc.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College

Finding Title: Weakness over Return of Pell Grant Program Funds

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-ED-BRCC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ -

Page Number (from Single Audit Report): 108

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
No Questioned Cost.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	x	No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Awaiting review response from United States Department of Education

Preparer's Name: Tishunda Matthews Phone Number: (225)216-8059

Preparer's E-mail Address: matthewst@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Baton Rouge Community College
Finding Title: Inadequate Control Over Pell Grant
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-06-ED-BRCC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 4,499.00

Page Number (from Single Audit Report): 51

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: ___x___ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
As per U.S. Department of Education, $4,088.60 was returned on 11/23/2009 via Check to U.S. Department of Education

Status of Finding (check one):

Fully Corrected	x	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The college has established procedures to identify all unofficial and official withdrawals.
Those procedures include requiring faculty to take attendance and input data in a computerized grade system.
Once students withdraw, these students are identified, the amount refundable to the grant agency is calculated and refunded within the required timeframe by the college. The funds questioned in 2006 were returned to DOE on 11/23/2009 in the amount of $4,088.60.

Preparer's Name: Tishunda Matthews Phone Number: (225)216-8059

Preparer's E-mail Address: matthewst@mybrcc.edu

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education

Finding Title: Noncompliance With Federal and State Equipment Management Regulations

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-ED-EDUC-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 109

Program Name(s): Improving Teacher Quality State Grants; Hurrican Education Recovery; Katrina Foreign Contributions; Special Education - Grants to States

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.367; 84.938; 84.940; 84.027

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
LDOE has worked closely with the Non-publics to strengthen reporting requirements and inventory tracking requirements.
LDOE conducted additional training for property liasons and LDOE staff involved in payment of assets.
LDOE increased the reporting requirements for those non-publics that have an excessive amount of lost or stolen property.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Leslie L. Jewell Phone Number: 225-342-3830

Preparer's E-mail Address: Leslie.Jewell@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education
Finding Title: Failure to Maintain Public Control Over Restart Program Funds
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-EDUC-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ Unable to Determine

Page Number (from Single Audit Report): 72

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ _____ No Further Action Needed: ___X____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
USDOE management did not concur with the finding.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected		No Further Action Needed	X
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
USDOE management did not concur with finding.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Leslie L. Jewell Phone Number: 225-342-3830

Preparer's E-mail Address: Leslie.Jewell@la.gov

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Common Origination and Disbursement (COD) Reporting
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-GSU-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 126

Program Name(s): Federal PELL Grant

Federal Grantor Agency: U.S. Dept. of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

_____

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: 318-274-6190

Preparer's E-mail Address: Terenda@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Entrancing Counseling
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 14,860

Page Number (from Single Audit Report): 127

Program Name(s): Federal Family Education Loans

Federal Grantor Agency: U.S. Dept. of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Still in negotiation with the department of education

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: 318-274-6190

Preparer's E-mail Address: Tezeno@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Exit Counseling
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 128

Program Name(s): Federal Family Education Loans

Federal Grantor Agency: U.S. Dept. of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: 318-274-6190

Preparer's E-mail Address: Tezenoa@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Federal Financial Reports / Cash Management
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU10
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 129

Program Name(s): Federal Work Study, Federal SEOG, Higher Education Institutional Aid Title III

Federal Grantor Agency: U.S.Dept. of Education

CFDA Number(s): 84.033, 84.007, 84.031

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: [signature] Phone Number: 318-274-6193

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Return of Title IV Funds
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-ED-GSU-11
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ Unable to Determine

Page Number (from Single Audit Report): 130

Program Name(s): Federal PELL Grant, Federal Family Education Loan

Federal Grantor Agency: U.s Dept. of Education

CFDA Number(s): 84.063, 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting final determination from the Dept. of Education.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We are in the process of developing and implementing procedures to ensure that Return of Title IV Funds calculations for both official and unofficial withdrawals are processed timely and in accordancewith federal regulations.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: [signature] Phone Number: 318-274-6190

Preparer's E-mail Address: Tezenoa@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Special Tests and Provisions
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU-12
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 131

Program Name(s): Federal Work Study, Federal PELL Program

Federal Grantor Agency: U.S.Dept.of Education

CFDA Number(s): 84.033, 84.063

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Student Eligibility
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU-13
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 13,891

Page Number (from Single Audit Report): 131

Program Name(s): Federal PELL Grant, Federal Family Education Loans

Federal Grantor Agency: U.S.Department of Education

CFDA Number(s): 84.063, 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting final determination letter from the Dept.of Education.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: [illegible] Phone Number: 318-274-6190

Preparer's E-mail Address: Tezenoa@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Verification
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-GSU-14
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 44,608

Page Number (from Single Audit Report): 132

Program Name(s): Federal PELL Grant, Federal Supplemental Education Opportunity Grant, Federal Work Study Grant, and Federal Family Education Loans

Federal Grantor Agency: U.S. Dept.of Education

CFDA Number(s): 84.063, 84.007, 84.033, 84.032

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting final determination letter from the Dept.of Education.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: [illegible] Phone Number: 318-274-6190

Preparer's E-mail Address: Tezenda@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Verification
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-GSU-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 24,860

Page Number (from Single Audit Report): 92

Program Name(s): Federal PELL Grant, and Federal Family Education Loan Program

Federal Grantor Agency: U.S. Dept.of Education

CFDA Number(s): 84.063, 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting final determination letter from the Dept.of Education.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: 318-274-6190

Preparer's E-mail Address: Tezenoa@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Federal Work Study
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-GSU-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 3,068

Page Number (from Single Audit Report): 89

Program Name(s): Federal Workstudy

Federal Grantor Agency: U.S. Dept. of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):
Resolved: _____ Unresolvec X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Awaiting resolution from Department of Education

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: 318 274 6190

Preparer's E-mail Address: Tezenoa@gram.edu

Schedule 8-3 Form

Entity's Name: Louisiana School for the Deaf

Finding Title: Noncompliance with A-87 Payroll Certification Requirements

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-LSD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 111

Program Name(s): Special Education - Grants to States; Special Education - Preschool Grants

Federal Grantor Agency: State Department of Education

CFDA Number(s): CFDA 84.027 84.173

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
No funds were refunded. The school has established and continues to enforce policies and procedures for completing payroll certifications to ensure with federal regulations.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Dottie Collins Phone Number: (225) 757-3218

Preparer's E-mail Address: dcollins@la.gov

Schedule 8-3 Form
For the Year Ended June 30, 2010

Entity's Name: Louisiana State University at Alexandria

Finding Title: Weaknesses in the Administration of Student Financial Aid

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-LSUALEX-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 112

Program Name(s): Federal Supplemental Educational Opportunity Grants, Federal Work-Study Program, Federal Pell Grant Program

Federal Grantor Agency: U S Department of Education

CFDA Number(s): 84.007, 84.033, 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	x	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Policies and proceedures have been implemented and are working. Staff roles and permissions are fully in place.
Integration between PowerCampus and PowerFaids is working. Rules and selection sets are preventing overawards. Error checks are run to ensure student's aid will not disburse until all identified criteria are met. Pell is reconciled weekly.
Policies now require FISAP reporting to be verified through Institutional Research prior to being submitted.
We are confident the measures taken will result in accurate and timely reporting of FISAP and other reporting requriements.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: David Wesse

Phone Number: (318) 473-6409

Preparer's E-mail Address: dwesse@lsua.edu

Schedule 8-3 Form

Entity's Name: Louisiana Technical College

Finding Title: Inadequate Control over Pell Grant

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-LTC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2002

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 113

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: United States Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

_____

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The LTC implemented procedures to improve Pell Grant controls with tremendous improvement. Further actions were taken to improve Pell grant control since the LTC reorganized into 7 individual colleges within the Louisiana Community and Technical College System. Pell processing is now handled through one lead financial aid officer from each college as a primary control mechanism. Each lead financial aid officer attends periodic workshops and trainings and is responsible for training the financial aid officers at each of their respective college locations.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stacy L. Christophe Phone Number: 225-922-2407

Preparer's E-mail Address: schristophe@lctcs.edu

Schedule 8-3 Form

Entity's Name: **Northwest Lousiana Technical College**

Finding Title: Inadequate Control Over Pell Grant

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-LTC-REG7-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 118

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

_____

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

_____

_____

_____

_____

_____

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Patti Lann Phone Number: 318-676-7811 x113

Preparer's E-mail Address: plann@ltc.edu

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Controls Over Payroll

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-ED-RSD-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 2,867

Page Number (from Single Audit Report): 119

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
costs were reversed and charged to MFP and costs were recouped from employee

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

1) All employees are on negative pay entry.
2) Overpayments are being tracked and repayments from certain employees are being received.
3) Any employees overpaid with no collection being received have been turned over to the Attorney General for collection.
4) Additional controls and timesheet training for timekeepers has been implemented to lower the number of overpayments made.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: (504) 373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Controls Over Payroll - Recovery School District

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-EDUC-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ 15,037

Page Number (from Single Audit Report): 74

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Response to finding submitted to USDOE 7/13/2009. Waiting for further instructions.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action plan implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Internal Control Over Relocation and Retention Incentive Payments

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-ED-RSD-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 74,536

Page Number (from Single Audit Report): 121

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The questioned costs were reversed and charged to MFP.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrected. This entire grant was reconciled from the year of inception. The RSD finance department in agreement with the Ed Finance group in Baton Rouge found that the best way to handle the analysis would be to isolate all unallowable payments (those identified in the CAROI as well as those determined to be unallowable during the analysis) and reverse those charges from the HEAP general ledger. These unallowable charges were charged to MFP. Through the analysis it was discovered that additional eligible payments were not properly charged to the HEAP grant. Entries were made to properly code those payments to HEAP. No actual payment to the HEAP grant was made as there were eligible claims that could be made in excess of the $1,255,462. These and subsequent claims were made to exhaust the balance of the grant within the FY 10 fiscal year. A PDF file of all three-year commitment letters was included with the claims and originals remain filed with the RSD HR department. All reconciliation documents have been forwarded to the auditors.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: (504) 373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Internal Control Over Relocation and Retention Incentive Payments -

"Pass-Through Entity Name," if applicable: Recovery School District

Reference Number(s): F-08-ED-EDUC-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 127,000

Page Number (from Single Audit Report): 78

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Corrective action submitted to USDOE 3/4/2009. Questioned costs were reversed and charged to MFP

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrected. This entire grant was reconciled from the year of inception. The RSD finance department in agreement with the Ed Finance group in Baton Rouge found that the best way to handle the analysis would be to isolate all unallowable payments (those identified in the CAROI as well as those determined to be unallowable during the analysis) and reverse those charges from the HEAP general ledger. These unallowable charges were charged to MFP. Through the analysis it was discovered that additional eligible payments were not properly charged to the HEAP grant. Entries were made to properly code those payments to HEAP. No actual payment to the HEAP grant was made as there were eligible claims that could be made in excess of the $1,255,462. These and subsequent claims were made to exhaust the balance of the grant within the FY 10 fiscal year. A PDF file of all three-year commitment letters was included with the claims and originals remain filed with the RSD HR department. All reconciliation documents have been forwarded to the auditors.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Theft of Computers - Recovery School District

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-ED-EDUC-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 82

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action plan implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Louisiana Department of Education - Recovery School District

Finding Title: Inadequate Controls Over Movable Property - Recovery School District

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-07-ED-EDUC-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 77

Program Name(s): Hurricane Education Recovery

Federal Grantor Agency: US Department of Education

CFDA Number(s): 84.938

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The corrective action plan was implemented and remains in progress.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Elizabeth Smith Phone Number: 504-373-6200 X20075

Preparer's E-mail Address: elizabeth.smith@rsdla.net

Schedule 8-3 Form

Entity's Name: Southern University

Finding Title: Return of Title IV Funds

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-SUBR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ Unable to Determine

Page Number (from Single Audit Report): 133 - 134

Program Name(s): Federal Family Education Loan and Federal Pell Grant Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): CFDA 84.032 and CFDA 84.063

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has subsequently made appropriate calculations in the amount of $22,535.26 for the seventeen students noted and funds have been returned to the appropriate agencies.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Demetria George Phone Number: 225-771-2811

Preparer's E-mail Address: demetria_george@subr.edu

Schedule 8-3 Form

Entity's Name: Southern University

Finding Title: Student Credit Balance

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-SUBR-02 Student Credit Balance
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 134

Program Name(s): Federal Family Education Loan and Federal Pell Grant Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): CFDA 84.032 and CFDA 84.063

Status of Questioned Costs (check one):

Resolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has updated its procedures and processing times for calculation of the Title IV Return of Funds due when students withdraw from the University. The updated procedures have been implemented to ensure the calculations and return of Title IV funds are in compliance with federal regulations.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Demetria George DMGeorge Phone Number: 225-771-2811

Preparer's E-mail Address: demetria_george@subr.edu

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans

Finding Title: Ineligible Pell Recipient

"Pass-Through Entity Name," if applicable: None

Reference Number(s): F-09-ED-SUNO-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 14202

Page Number (from Single Audit Report): 135

Program Name(s): Federal Pell Grant Program and Federal Family Education Loans(FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063 & 84.032

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The students in question were not initially in defaut at the time the aid was processed and the student was eligible to receive Title IV aid.
Therefore, no funds were returned.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
These students were initially not in defaut at the time the aid was processed and the students were eligible to receive Title IV aid.
Management will adhere to established procedures to ensure Title IV aid is disbursed to recipients who have met the requirements for disbursement.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

3-3-11

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans
Finding Title: Procurement, Suspension, and Debarment
"Pass-Through Entity Name," if applicable: None

Reference Number(s): F-09-ED-SUNO-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 136

Program Name(s): Higher Education Institutional Aid

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.031

Status of Questioned Costs (check one):
Resolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action	X	(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University agrees to revise the current purchasing prodedure to include a process that verifies all vendors, who seek to enter into contractual agreement for federally funded services, are not suspended, debarred, or otherwise excluded from doing business with the federal government. Vendors are currently being reviewed from on-line website to determine eligibility for participation in federal contracts. In addition all future vendors will be required complete a certification eligiblity form.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

wDututo 3-3-11

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans
Finding Title: Return of Title IV Funds
"Pass-Through Entity Name," if applicable: None

Reference Number(s): F-09-ED-SUNO-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ -

Page Number (from Single Audit Report): 136

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management will adhere to established procedures in the post-withdrawal process. The total amount of $1,099 includes $1,087 for both post-withdrawal disbursements and $12 under returned to the Department of Education. In the case of the $12 , the student's account was recalculated and the monies have been returned. In the case of the $1,087, the finding was in reference to the funds being issued to the student but in actuality we were only responsible for calculating the post-withdrawal disbursement and offering it to the student. Ultimately, it was up to the student whether or not they wanted to have the funds issued to them.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

3-3-11

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans
Finding Title: Satisfactory Academic Progress
"Pass-Through Entity Name," if applicable: None

Reference Number(s): F-09-ED-SUNO-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 15825

Page Number (from Single Audit Report): 137

Program Name(s): Federal Pell Grant, Federal Supplemental Education Opportunity Grant, and FFEL

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.007 and 84.032

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Although these students were not making SAP, an approved financial aid appeal was not available at the time of submission. (i.e. the students' appeal documents were in review at the time of submission. The students were approved through Financial Aid appeal process to receive aid for the term in question).

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management will ensure that all documents are procured in the students's file.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

2nD Wtd 3-3-11

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans
Finding Title: Verification
"Pass-Through Entity Name," if applicable: None

Reference Number(s): F-09-ED-SUNO-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 67188

Page Number (from Single Audit Report): 138

Program Name(s): Federal Pell Grant, Federal Supplemental Education Opportunity Grant, and FFEL

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.007 and 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: ___X___ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
There were duplicate folders on these students and all verifiable documentation was not available at the time. The University has been instructed to complete a 100% file review to determine actual liability. Negotiations are still in progress.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management will ensure that all required verifiable documentation is housed in one file and that awarding and disbursing of aid is properly performed.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

3-3-11

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus

Finding Title: Verification

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-SUNO-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned $ $11,370

Page Number (from Single Audit Report): 99

Program Name(s): Federal PELL Grant Program and Federal Family Education Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.063 and 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned Costs are still in negotiations pending the results of the file review by the Dept. of Education.

Status of Finding (check one):

Fully Corrected	Not Corrected	_____
Partially Corrected X	No Further Action Needed	_____
Change of Corrective Action	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
To avoid reoccurrences, management has implemented in the Counseling unit a self-audit on the various fsa programs. Status of finding pending the results of file review by the Dept. of Education.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy Woods Phone Number: (504) 286-5263

Preparer's E-mail Address: kwoods@suno.edu

3/2/11

Schedule 8-3 Form

Entity's Name: Southern University System - New Orleans Campus
Finding Title: Entrance Counseling
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-SUNO-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 95

Program Name(s): Federal Family Education Loans (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Management has implement tracking on screen 306 in Plus to ensure that loan funds are not disbursed until the Entrance Counseling has been complete and the notification is received in our office.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy Woods Phone Number: (504) 286-5263

Preparer's E-mail Address: kwoods@suno.edu

3/2/11

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Federal Work-Study
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-SUNO-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs ir $ N/A

Page Number (from Single Audit Report): 96

Program Name(s): Federal Work-Study Program

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: ____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		(See OMB A-133, Section 315(b)(4))	

Management ensures that all Work-Study Supervisors are issued and are aware of the Federal Work-Study Porgram established policies and procedures along with the additional auditing of the time sheets and schedules when submitted for processing.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparers Name: Kathy Woods Phone Number: (504)286-5263

Preparer's E-mail Address: kwoods@suno.edu

WD Williams 3/2/11

Schedule 8-3 Form

Entity's Name: Southern University System-New Orleans Campus
Finding Title: Student Status Confirmation Report
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-ED-SUNO-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2007

Amount of Questioned $ N/A

Page Number (from Single Audit Report): 98

Program Name(s): Federal Family Education Loan (FFEL)

Federal Grantor Agency: U.S. Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Upon receipt of the Student Status Confirmation Report (SSCR) from the National Student Loan Data System (NSLDS) Management submits to the Techonology Center the roster file that contains enrollment status to run against SIS Plus to update the Roster File which creates the Roster Submittal File to transmit back to NLSDS within 30 days. Once processed we receive an Error File that we then submit to the Records Department for verification.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Kathy G. Woods Phone Number: (504)286-5263

Preparer's E-mail Address: kwoods@suno.edu

KGWoods 3/2/11

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Davis-Bacon Act
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ None noted

Page Number (from Single Audit Report): 139

Program Name(s): Higher Education Institutional Aid

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.031

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected X	Not Corrected _____
Partially Corrected _____	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University concurs with this finding. The University has implemented procedures that require grant personnel and The Purchasing Department to adhere to the provisions of the Davis-Bacon Act when construction or renovation Projects are funded with Federal funds.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Bert Pugh Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Entrance Counseling
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 9,800

Page Number (from Single Audit Report): 140

Program Name(s): Federal Family Education Loans

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The University has not been billed by the Department of Education (D.O.E.).

Status of Finding (check one):

Fully Corrected X	Not Corrected _____
Partially Corrected _____	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University concurs with this finding. The University has hired a loan coordinator with the specific responsibility of ensuring compliance with Title IV regulations regarding entrance counseling. Additionally, the University is developing a Loan Management Default Team tasked with reviewing and strengthening our overall internal controls as it relates to loan management.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Bu Pugh Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Exit Counseling
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-ED-SUSH-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ None noted

Page Number (from Single Audit Report): 141

Program Name(s): Federal Family Education Loans

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.032

Status of Questioned Costs (check one):
Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

Status of Finding (check one):

Fully Corrected X	Not Corrected _____
Partially Corrected _____	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University concurs with this finding. The University has hired a loan coordinator with the specific responsibility of ensuring compliance with Title IV regulations regarding exit counseling. Additionally, the University is developing a **Loan Management Default Team** tasked with reviewing and strengthening our overall internal controls as it relates to loan management.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Ben Pugh IBJ Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Federal Work Study
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUSH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ $2,905

Page Number (from Single Audit Report): 100

Program Name(s): Federal Work Study Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.033

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The University has been requested to complete a 100% file review to determine actual liabilities. Negotiations are still in progress.

Status of Finding (check one):
Fully Corrected _____ Not Corrected _____
Partially Corrected X No Further Action Needed _____
Change of Corrective Action _____ {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has revised its internal procedures to ensure compliance with applicable Federal Work Study Program (FWSP) guidelines. Additionally, training has been provided to faculty and staff.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B. Pugh Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-08-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ --

Page Number (from Single Audit Report): 101

Program Name(s): Federal Pell Grant Program; Federal Supplemental Educational Opportunity Grant (FSEOG); Federal Family Education Loans

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032; 84.007; 84.063

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

Status of Finding (check one):

Fully Corrected _____	Not Corrected _____
Partially Corrected X	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University's Management, in recognition of the seriousness of this finding, has appointed a committee to provide recommendation and an action plan to bring final resolution to this issue; the University has begun the process of determining whether students unofficially withdrew from the University or not. Faculty members have been requested to assist management in this determination; additionally, Return of Title IV Fund calculations will be prepared for all required students; the University will endeavor to return appropriate funds due to the Department of Education in an expedited manner.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Bu Pugh Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Return of Title IV Fund
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 464,175

Page Number (from Single Audit Report): 94

Program Name(s): Supplemental Educational Opportunity Grant;
Federal Family Education Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.007; 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
A determination of actual questioned cost is still being negotiated.

Status of Finding (check one):

Fully Corrected _____	Not Corrected _____
Partially Corrected X	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University's Management, in recognition of the seriousness of this finding, has appointed a committee to provide recommendation and an action plan to bring final resolution to this issue; the University has begun the process of determining whether students unofficially withdrew from the University or not. Faculty members have been requested to assist management in this determination; additionally, Return of Title IV Fund calculations will be prepared for all required students; the University will endeavor to return appropriate funds due to the Department of Education in an expedited manner.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Ben Pugh IBJ Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Satisfactory Academic Progress
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ $89,100

Page Number (from Single Audit Report): 95

Program Name(s): Federal Pell Grant; Federal Family Education Loan (FFEL); Federal Supplemental Educational Opportunity Grant; Federal Work Study Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063, 84.032; 84.007; 84.033

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The University is negotiating a repayment plan with the Department of Education (D.O.E.). A determination of actual questioned cost is still being negotiated.

Status of Finding (check one):
Fully Corrected X
Partially Corrected _____
Change of Corrective Action _____
Not Corrected _____
No Further Action Needed _____
{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has hired a new Financial Aid Director and additional staff. We will adhere to current policies and procedures as documented in the revised "Satisfactory Academic Progress Policy" to ensure compliance with appropriate regulations and to monitor the academic standing of all students prior to awarding financial aid. All members of the University's Appeals Committee will be required to attend a mandatory workshop to ensure Compliance with the University's "Satisfactory Academic Progress" policy.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: B Pugh Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-07-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 52,743

Page Number (from Single Audit Report): 96

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; Federal Work Study; Federal Family Education Loan (FFEL)

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.033; 84.032

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The University has undergone a program review and is negotiating questioned cost for FY 06-07. A final amount due has still not been determined.

Status of Finding (check one):

Fully Corrected _____	Not Corrected _____
Partially Corrected X	No Further Action Needed _____
Change of Corrective Action _____	{See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory charges.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Ben Pugh/BJ Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: Southern University at Shreveport

Finding Title: Verification
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-06-ED-SUSH-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 26,405

Page Number (from Single Audit Report): 64

Program Name(s): Federal Pell Grant; Federal Supplemental Educational Opportunity Grant; ; Federal Family Education Loan Federal Direct Student Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063; 84.007; 84.268; 84.032

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
A payment plan has been negotiated with the Department of Education (D.O.E.).
The University has begun repayment in FY 2010 –**repayment amount is $238,000.**

Status of Finding (check one):
Fully Corrected _____ Not Corrected _____
Partially Corrected X No Further Action Needed _____
Change of Corrective Action _____ {See OMB A-133, Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The University has hired a new Financial Aid Director and additional staff. Written policies and procedures have been established that incorporate the provisions of 34CFR sections 668.51 through 668.61 for verifying applicant information. In an effort to ensure future compliance with this requirement, all Financial Aid staff will be required to review these procedures and will receive continuous training to ensure that the staff is well versed on all regulatory charges.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Ben Pugh / BJ Phone Number: 318.670.9481

Preparer's E-mail Address: bpugh@susla.edu

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Untimely Federal Reporting

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-ULL-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 123

Program Name(s): Federal Pell Grant Program

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: XX

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

_____

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	XX	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We have more safeguards in place to be sure that Federal Pell Grant disbursements and adjustments are reporting accurately and within the required 30 day time frame.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Cindy Perez Phone Number: 337-482-6497

Preparer's E-mail Address: cperez@louisiana.edu

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Weakness in Calculation of Return of Title IV Funds

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-ULL-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 124

Program Name(s): Student Financial Assistance Cluster

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.063 84.007 84.032 84.038 84.375 84.376

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: XX

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

We have instituted more safeguards in the calculation of the Title IV days considered in a semester.

Status of Finding (check one):

Fully Corrected	XX	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We have instituted more safeguards in the calculation of the Title IV days considered in a semester.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Cindy Perez Phone Number: 337-482-6497

Preparer's E-mail Address: cperez@louisiana.edu

Schedule 8-3 Form

Entity's Name: University of Louisiana at Lafayette

Finding Title: Weakness in Collection Procedures Over Defaulted Loans

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-ED-ULL-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 0

Page Number (from Single Audit Report): 125

Program Name(s): Federal Perkins Student Loan

Federal Grantor Agency: Department of Education

CFDA Number(s): 84.038

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: XX

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	XX	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

We have reviewed all defaulted loans and have either approved payment arrangements which are monitored or have turned the accounts over to the appropriate collection agency.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Cindy Perez Phone Number: 337-482-6497

Preparer's E-mail Address: cperez@louisiana.edu

Schedule 8-3 Form

Entity's Name: OFFICE OF RISK MANAGEMENT

Finding Title: INAPPROPRIATE BILLING OF INSURANCE PREMIUIMS

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-02-HHS-CAFR-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2002

Initial Year of Finding: 1998

Amount of Questioned Costs in Finding (if applicable): $ Cannot be determined

Page Number (from Single Audit Report): 122

Program Name(s): Medicaid Cluster-Medical Assistant Program

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.778

Status of Questioned Costs (check one):

Resolved _ X Unresolved_____ No Further Action Needed_____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Settled - See Attached

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	x	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

See Attached

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: _____ Phone Number: (225) 342-7000

Preparer's E-mail Address: mark.brady@la.gov

Following a series of stays by the Departmental Appeals Board, the last being December 10, 2009, the State resumed negotiations and arrived at a settlement to pay a settlement amount to the Federal government as follows:

The State agrees to pay the settlement amount plus interest in 10 equal annual installments of $19,764,835.80

The first installment payment is due on or before July 1, 2013, and the remaining 9 payments will be due on or before July 1st, of each subsequent year.

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Reporting
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-HHS-GSU-15
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 153

Program Name(s): Biomedical Research and Research Training

Federal Grantor Agency: U.S. Dept. of Health and Human Services

CFDA Number(s): 93.859

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

GRAMBLING STATE UNIVERSITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010
Schedule 8-3 Form

Entity's Name: Grambling State University
Finding Title: Sub-recipient Monitoring
"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-09-HHS-GSU-16
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ N/A

Page Number (from Single Audit Report): 154

Program Name(s): Biomedical Research and Research Training

Federal Grantor Agency: U.S. Dept. of Health and Human Services

CFDA Number(s): 93.859

Status of Questioned Costs (check one):

Resolved: N/A Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Moroline Washington Phone Number: 318-274-6409

Preparer's E-mail Address: washingtonm@gram.edu

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Long Term Personal Care Services Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-09-HHS-DHH-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2009**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **18,973**

Page Number (from Single Audit Report): **Page 142**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Effective April 2, 2007 the four providers identified were placed on prepayment review. An estimated $74,083.50 has been denied for various policy violations. All cases are ongoing. DHH has mandated that all type 24 (Long - Term Person Care Service) providers attend a training course that will take place in the fall of 2007. Provider will be instructed on proper delivery documentation. Furthermore DHH has re-written the LT-PSC Provider Manual in an attempt to make more clear service documentation requirements.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Long Term Personal Care Services Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-08-HHS-DHH-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2008**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **8,082**

Page Number (from Single Audit Report): **Page 104**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Cases identified by the Legislative Auditor have been referred to Program Integrity and remain open.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**

Finding Title: **Improper Claims by Long Term Personal Care Services Providers**

"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-06-HHS-DHH-3**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2006**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **49,608**

Page Number (from Single Audit Report): **Page 68**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Effective April 2, 2007 the four providers identified were placed on prepayment review. An estimated $74,083.50 has been denied for various policy violations. All cases are ongoing. DHH has mandated that all type 24 (Long - Term Person Care Service) providers attend a training course that will take place in the fall of 2007. Provider will be instructed on proper delivery documentation. Furthermore DHH has re-written the LT-PSC Provider Manual in an attempt to make more clear service documentation requirements.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Payments to Non-Emergency Medical Trasportation Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-09-HHS-DHH-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2009**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **26,169**

Page Number (from Single Audit Report): **Page 143**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Review by DHH/Medicaid staff determined that the findings from the Legislative auditor did not require recoupment of payments made but instead resulted in educational correspondence being sent to NEMT providers.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Payments to Non-Emergency Medical Trasportation Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-08-HHS-DHH-2**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2008**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **10,968**

Page Number (from Single Audit Report): **Page 105**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Review by DHH/Medicaid staff determined that the findings from the Legislative auditor did not require recoupment of payments made but instead resulted in educational correspondence being sent to NEMT providers.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Payments to Waiver Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-09-HHS-DHH-3**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2009**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **33,764**

Page Number (from Single Audit Report): **Page 144**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: ____ No Further Action Needed: ____.

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
DHH will continue to reinforce provider compliance with documentation requirements through training and technical assistance.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Inappropriate Access to the Medicaid Eligibility Data System**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-09-HHS-DHH-4**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2009**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **0 N/A**

Page Number (from Single Audit Report): **Page 146**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: ____ No Further Action Needed: **X**

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
As of June 2010, RACF ALTER access to MEDS has been removed for all but twenty-seven (27) users. These useres are employed by either the Louisiana Division of Administration, Department of Children and Family Services (formerly Department of Social Services) or Department of Health and Hospitals, Information Technology Division. Contract staff for the Medicaid Eligibility Data System (MEDS) has "READ only" access to the MEDS production database.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Ineligible Medicaid Payments for State Transportation Services**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-09-HHS-DHH-5**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2009**

Initial Year of Finding: **2009**

Amount of Questioned Costs in Finding (if applicable): $ **50,837**

Page Number (from Single Audit Report): **Page 147**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Office of The Secretary**
Finding Title: **Inadequate Internal Control Over Cooperative Endeavor Agreements**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-08-HHS-DHH-4**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2008**

Initial Year of Finding: **2008**

Amount of Questioned Costs in Finding (if applicable): $ **335,000**

Page Number (from Single Audit Report): **Page 108**

Program Name(s): **Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations Evaluations.**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.779**

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Cases are still ongoing.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
There were ten contracts totaling $335,000 in question. Of these ten contracts two of the contractors totaling $125,000 are currently in breach. Staff is working towards remedying this problem. One contractor totaling $15,000 was never paid. Of the orther seven contractors in question, one has completed his contractual obligations as of 7/13/09, five will complete their obligations as of 8/13/09, and one will complete her obligation 9/30/09. All of these seven contractors are currently in compliance with their obligation to the Greater New Orleans Health Services Corps pending final audits at the conclusion of their contractual obligations.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Ineffective Medicaid Eligibility Quality Control System**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-08-HHS-DHH-6**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2008**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **0 N/A**

Page Number (from Single Audit Report): **Page 110**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: ____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
N/A

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
MEQC staff meetings are held to intoduce new pilots, procedures and forms, train staff, and discuss issues/findings. Manager and staff gave an "open door" policy for ongoing communication. All MEQC work is completed using technology to the extent possible. All review forms are completed electronically and filed in the Electronic Cas Record. A group email account is used for contact with the eligibility offices. A shared network dirve is used to store forms, completed reviews, assignment sheets, instructions, etc. These measures have increased the efficiency of the unit, so that more cases can be reviewed and reiewers have information at their disposal to feel confident in their decisions. Negative reviews are included as part of every pilot. PERM negative reviews are no longer being used. Pilots regularly change. No longer do pilots continue for lengthy periods. When a pilot has run its course, a new pilot begins. when pilot ends, summary reports containing corrective actions are completed and submitted to eligibility staff and CMS. Before a pilot begins, a group discussion is held with MEQC staff to review the expectations of the pilot and decide the number of cases that could be effectively reviewed per month. The Manager checks that cases are assigned and completed timely. The Manager checks each case record to determine all paperwork has been filed timely and a case log entry has been made indicating that a review was completed. If at any time, the MEQC reviewer believes that he will be unable to complete a review, he must notify the Manager by the 30th review day. Staff has 45 days to complete reviews. For any case that is incorrect, the Manager completes a 2nd review to make certain the case finding is correct. Reviewers communicate with parish eligibility staff supervisors for any cases that are found to be incorrect. Manager attends the (Natinoal Association for Program Information and Performance Measurement) conference for quality control.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Waiver Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-07-HHS-DHH-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2007**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): $ **2,619**

Page Number (from Single Audit Report): **Page 99**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: ____ No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
DHH will continue to reinforce provider compliance with documentation requirements through training and technical assistance.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Waiver Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-06-HHS-DHH-5**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2006**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): $ **46,272**

Page Number (from Single Audit Report): **Page 70**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
DHH has mandated that all Type 82 (Personal Care Services - Waiver) providers attend a provider training that will take place in the fall 2007. Providers will be instructed on proper service delivery documentation.
All direct care provider types, are now mandating the end of span-date billing. This means providers will have to put actual date of service and actual number of units provided on a particular day on the CMS 1500 claim form rather than submitting a date range of services and total amounts of units.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Waiver Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-05-HHS-DHH-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2005**

Initial Year of Finding: **2005**

Amount of Questioned Costs in Finding (if applicable): $ **64,175**

Page Number (from Single Audit Report): **Page 53**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
DHH has mandated that all Type 82 (Personal Care Services - Waiver) providers attend a provider training that will take place in the fall 2007. Providers will be instructed on proper service delivery documentation. All cases have been referred to Program Integrity an remain open.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims by Non-Emergency Transportation Service Providers**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-06-HHS-DHH-4**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2006**

Initial Year of Finding: **2006**

Amount of Questioned Costs in Finding (if applicable): $ **22,488**

Page Number (from Single Audit Report): **Page 69**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Effective July 1, 2007 providers are not allowed to bill until all trips have been provided. Providers must wait until the month of service is over before payment will be made. Providers at random will be asked to provide copies of MT-3s and daily log forms. This will be done on a monthly basis. Dispatchers will report any suspicious finding to DHH for further investigation. Two of the four providers identified in the audit have had there fines reduced because DHH has agreed that payment should be affected but instead more education required.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Claims Paid to a Social Work Provider**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-04-HHS-DHH-1**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2004**

Initial Year of Finding: **2004**

Amount of Questioned Costs in Finding (if applicable): $ **816**

Page Number (from Single Audit Report): **Page 53**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Funds have been refunded to the Federals.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Because the Medicaid payments were for Medicare Co-insurance, Medicaid Program Integrity is still awaiting an OIG determination on the primary payment.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form
Department of Health and Hospitals
For the Year Ended June 30, 2010

Entity's Name: **Medical Vendor Payments**
Finding Title: **Improper Disproportionate Share Payments**
"Pass-Through Entity Name," if applicable: **Not Applicable**

Reference Number(s): **F-02-HHS-DHH-3**
(from attached schedule of findings, may include more than one)

Single Audit Report Year: **2002**

Initial Year of Finding: **2002**

Amount of Questioned Costs in Finding (if applicable): $ **185,605,936**

Page Number (from Single Audit Report): **Page 127**

Program Name(s): **Medical Assistance Program**

Federal Grantor Agency: **Health and Human Services**

CFDA Number(s): **93.778**

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Negotiations with the Department of Health and Human Services are still pending.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Negotiations are still pending with the Department of Health and Human Services and Centers for Medicare and Medicaid to resolve the matter.

Preparer's Name: Thomas Schulze Phone Number: (225) 342 - 4208

Preparer's E-mail Address: Thomas.Schulze@LA.GOV

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Inadequate Subrecipient Monitoring for the Temporary Assistance for Needy Families Program

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-08-HHS-LABR-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicab $ N/A

Page Number (from Single Audit Report): 112

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: US Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

N/A

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The Compliance Division within the Office of Workforce Development has completed all comprehensive federal monitoring reviews (financial and programmatic) of the 18 Local Workforce Investment Areas, which included monitoring of the Temporary Assistance for Needy Families Program (TANF).

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Entity's Name: Northwestern State University

Finding Title: Request for Reimbursements not submitted Timely

"Pass-Through Entity Name (if applicable) Louisiana Department of Social Services

Reference Number(s): F-09-HHS-NSU-1

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $0

Page Number (from Single Audit Report): 148

Program Name(s): Child Care and Development block Grant; Child Care Mandatory and Matching Funds fo the Child Care and Development Fund

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.575 & 93.596

Status of Questioned Costs (check one): None Noted

Resolved: Unresolved: _____ No Future Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

No costs questioned.

Status of Funding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	X
Change of Corrective Action			

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Corrective action implemented to ensure timely submission of invoices.

Preparer's Name: Cathy Trichel Phone Number: 318.357.5385

Preparer's E-mail Address: cathyt@nsula.edu

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Care Cluster: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-HHS-DSS-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 9,539

Page Number (from Single Audit Report): 149

Program Name(s): Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The agency has developed specific policies and procedures for processing DSS employee and DFSP worker applications to promote program integrity and prevent fraud. The department is actively seeking restitution on all cases that are identifed as intentional program violations. Staff received mandatory training on DSS DFSP policy and procedures. The Disaster Data System was upgraded to include identifying information on all household members.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Care Cluster: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 54,598

Page Number (from Single Audit Report): 113

Program Name(s): Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
In addition to control procedures already implemented, mandatory training was conducted for all CCAP providers on proper maintenance of attendance logs and supporting documentation. Effective 11/01/08, Executive Bulletin 2376 - Provider Disqualification was issued. Providers will be subject to disqualification periods when certain acts or violations are committed. The agency has selected a contractor to implement an electronic time and attendance system. Statewide implementation is anticipated to be April 2010.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Child Care Cluster: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 84,781

Page Number (from Single Audit Report): 102

Program Name(s): Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Control procedures have been implemented to achieve compliance with record keeping guidelines by providers. Rulemaking has been initiated to implement disqualification periods for providers who don't abide by the terms of their provider agreement. The agency has selected a contractor to implement an electronic time and attendance system. The program is anticipated to be piloted in January or February 2010 with statewide implementation in April 2010. Additional controls are also in place to ensure proper immunization documentation is obtained.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Foster Care - Title IV-E: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-HHS-DSS-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 4,305

Page Number (from Single Audit Report): 150

Program Name(s): Foster Care - Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Adjustments will be made accordingly and funds will be returned to the federal agency.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Various policies have been updated to reflect multiple methods that are considered acceptable forms of authorization. Additionally, the department is piloting an automated FAST III project in Covington, LA.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Foster Care - Title IV-E: Noncompliance with Program Requirements
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 33,716

Page Number (from Single Audit Report): 115

Program Name(s): Foster Care - Title IV-E

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Adjustments were made to the March 2009 quarter Title IV-E -1 returning a portion of the questioned costs to the federal agency.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The Financial Assessment Manual, which outlines procedures for fiscal adjustments to Eligibility Workers, has been rewritten and placed on-line for the workers. The agency has completed training and roll-out of Fast III process for re-determination. This will notify Eligibility Workers more timely of changes in a child's case which could affect eligibility.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Fraudulent Billings by Providers
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-HHS-DSS-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 518,945

Page Number (from Single Audit Report): 151

Program Name(s): Child Care and Development Block Grant;
Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The Fraud and Recovery Section incorporated Child Care provider information and invoices into TINA-GIS to research billings and develop possible signatures of fraud. An automated child care time and attendance process for CCAP providers was implemented to ensure accurate payments to providers. A random sample review of CCAP provider invoices and attendance logs are performed. Providers must provide corrective action plans within 30 days of the date of reviewing findings.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Fraudulent Billings by Providers
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 972,598

Page Number (from Single Audit Report): 117

Program Name(s): Temporary Assistance for Needy Families; Child Care and Development Block Grant; Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558; 93.575; 93.596

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
The agency has implemented control procedures to detect and deter fraudulent billings, which includes developing tracking of child care provider information and invoices to determine a signature of fraud. The agency has also selected a contractor to implement an electronic time and attendance system, and statewide implementation is anticipated to be April 2010.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services

Finding Title: Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-08-HHS-DSS-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 303,491

Page Number (from Single Audit Report): 119

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
In addition to control procedures already implemented, invoices will not be paid until validated by the parish office. Contract Services staff have also been instructed not to pay invoices without receipt and review of the signed participation log of services from the provider.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services

Finding Title: Temporary Assistance for Needy Families Program: Internal Control Weaknesses Over Program Requirements

"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-HHS-DSS-9
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2005

Amount of Questioned Costs in Finding (if applicable): $ 259,540

Page Number (from Single Audit Report): 108

Program Name(s): Temporary Assistance for Needy Families

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.558

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending resolution.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Controls have been implemented to ensure that contractors provide required documentation. Contractors must sign a list of "Contract of Assurances" which specifies contract regulations and procedures that must be adhered to.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Department of Social Services
Finding Title: Control Weaknesses Over the LaCarte Purchasing Card Program
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-07-HHS-DSS-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 9,300

Page Number (from Single Audit Report): 105

Program Name(s): Social Services Block Grant; Child Abuse and Neglect State Grants

Federal Grantor Agency: U. S. Department of Health and Human Services

CFDA Number(s): 93.667; 93.669

Status of Questioned Costs (check one):
Resolved: ____ Unresolved: X No Further Action Needed: ____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Questioned costs are pending. The federal share of questioned cost is $6,548 and $2,752 are state funds.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Additional training has been instituted; technology will be used to ensure client signatures are obtained and to restrict purchases of more than $1,000; disciplinary action and cancellation of cards is also being implemented for repeat violations of policy.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Martina Stribling Phone Number: (225) 219-0536

Preparer's E-mail Address: martina.stribling@la.gov

Schedule 8-3 Form

Entity's Name: Southern University at New Orleans
Finding Title: Matching, Level of Effort, Earmarking
"Pass-Through Entity Name," if applicable: Louisiana Department of Social Services

Reference Number(s): F-09-HHS-SUNO-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ None Noted

Page Number (from Single Audit Report): 155

Program Name(s): Foster Care Title IV-E

Federal Grantor Agency: Department of Health and Human Services

CFDA Number(s): 93.658

Status of Questioned Costs (check one):
Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
None

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		(See OMB A-133, Section 315(b)(4))	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

The University agrees to establish a procedure where the responsibility of appropriately documenting, in our financial records, the cost share provided by the university rest with the Post Award Administrator and Budget Manager. The newly established procedure will also include the Grants and Contract Accountant to incorporate the cost match in the financial reports.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Alonda Gibson Phone Number: (504) 286-5021

Preparer's E-mail Address: agibson@suno.edu

3-3-11

Schedule 8-3 Form

Entity's Name: DIVISION OF ADMINISTRATION

Finding Title: Inadequate Controls Over the Hazard Mitigation Program

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-EXEC-OCD-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ Unable to determine

Page Number (from Single Audit Report): 156

Program Name(s): Hazard Mitigation Grant

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): 97.039

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

* See Addendum 09-DHS-EXEC-OCD-4

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Stephen Upton Phone Number: 225-219-9531

Preparer's E-mail Address: Stephen.Upton@LA.GOV

Tax data was reloaded by the prior Road Home contractor and files were there was no longer a tax match were identified and flagged in eGrants, the Road Home Program's system of record. OCD issued some policy changes which allowed other forms of documentation to be used to support applicant occupancy. The prior contractor asserted that it obtained the additional documentation to support occupancy for most applicants that were initially matched but with the reloading of the tax data no longer matched. The prior contractor provided a spreadsheet identifying those files with documentation supporting occupancy and those whose occupancy was still in question. The prior contractor identified files where occupancy was in question. The Program continues to work to validate the accuracy of information supporting occupancy and to obtain documentation from applicants to support occupancy.

The Road Home Program has had difficulty since its inception obtaining third party verification of insurance payments. Insurance companies have been slow and nonresponsive to requests to verify payments. HUD has confirmed that OCD and the prior contractor acted with due diligence in attempts to obtain third party verification of insurance.

In addition, the following corrective actions specific to the HMGP have been taken:

- Using a separate software solution as a system of record for the HMGP. eGrants information is only used to obtain administrative data (Road Home identification numbers, grant amounts, etc.) and only serves as an initial starting point for building an applicant's file.
- Not processing HMGP applicants that have Road Home grant eligibility or award amount variances until they have been reviewed and cleared for processing.
- Requiring that any file that is undergoing HGI's (one of the replacement contractors) due diligence process cannot be processed until all documentation is in the file and a disbursement can be made under the Road Home Program.
- Continue working with program management and contractors to determine methods and processes to ensure that all data from outside sources are accurate, complete and up-to-date. The program receives duplication of benefits (DOB) data directly from the U.S. Small Business Administration and flood insurance data from the National Flood Insurance Program. Homeowners also certify the accuracy of the information included in their grant calculation by signing a grant agreement form and the Hazard Mitigation Covenant. It is the responsibility of the homeowner to provide accurate information to the program. Persons who misrepresent program eligibility or under report DOB information will be pursued as part of the grant recovery process.

Schedule 8-3 Form

Entity's Name: Facillity Planning and Control

Finding Title: Inadequate Controls Over Capital Outlay Transactions

"Pass-Through Entity Name," if applicable: Governor's Office of Homeland Security and Emergency Preparedness

Reference Number(s): F-07-DHS-EXEC-FPC-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2007

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ Unable to Determine

Page Number (from Single Audit Report): 109

Program Name(s): Disaster Grants-Public Assistance (Presidentially Declared Disasters)

Federal Grantor Agency: US Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected		No Further Action Needed	X
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Three years have passed since the findings were reported. In addition, the federal agency/grantor is not following up on this finding and a management decision was not issued.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Marty Milner Phone Number: 342-0834

Preparer's E-mail Address: Marty.Milner@LA.Gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness

Finding Title: Homeland Security Subgrants Not Obligated Timely

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 157

Program Name(s): Homeland Security Cluster: State Domestic Preparedness Equipment Support Program; Homeland Security Grant Program

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.004; 97.067

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Inadequate LAPA Program Change Management
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 158

Program Name(s): Disaster Grants -Public Assistance

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Inadequate Reconciliation Between Project Database and Financial Records
"Pass-Through Entity Name," if applicable:

Reference Number(s): F-09-DHS-GOHSEP-3
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $

Page Number (from Single Audit Report): 160

Program Name(s): Homeland Security Cluster: State Domestic Preparedness Equipment Support Program; Homeland Security Grant Program

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CDFA 97.004; CDFA 97.067

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness

Finding Title: Lack of Controls to Ensure Completeness of Quarterly Progress Reports

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-4
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 161

Program Name(s): Hazard Mitigation Grants

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.039

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

_____

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

_____

_____

_____

_____

_____

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Lack of Information Technology Audits
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-5
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 162

Program Name(s): Disaster Grants - Public Assistance, Hazard Mitigation Grant; Homeland Security Cluster: Homeland Security Grant Program,

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036; CFDA 97.039; CFDA 97.067

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Lack of Proper LAPA Access and Segregation of Duties
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-6
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 163

Program Name(s): Disaster Grants -Public Assistance

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

_____

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Noncompliance with Subrecipient Monitoring Requirements
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-09-DHS-GOHSEP-7
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2007

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 164

Program Name(s): Disaster Grants -Public Assistance; Hazard Mitigation Grants; Homeland Security Cluster: State Domestic Preparedness Equipment Support Program; Homeland Security Grant Program

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036; CFDA 97.039; CFDA 97.004; and CFDA 97.067

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected		Not Corrected	
Partially Corrected	X	No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Procedures were put into place towards the end of the fiscal year to correct the finding and now have been fully implemented as of August 30, 2010.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness

Finding Title: Inadequate Controls Over Cash Management and Noncompliance with CMIA Agreement

"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-08-DHS-GOHSEP-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 121

Program Name(s): Disaster Grants - Public Assistance; Hazard Mitigation Grants

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036 and CFDA 97.039

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

_____

_____

Status of Finding (check one):

Fully Corrected	_____	Not Corrected	_____
Partially Corrected	X	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

Of the six deficiencies noted in this finding, all but one has been resolved. The remaining deficiency involves monthly reporting. Significant improvement was made in this area as well but a few exceptions were noted. Corrective actions have already been implemented to address these issues. Drawdown's will be separated by Federal program in order to avoid reporting draws for programs not under CMIA guidelines. In addition, a checklist has been added to the CMIA report preparation process to avoid the duplicating or omitting draws from the monthly report.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Governor's Office of Homeland Security and Emergency Preparedness
Finding Title: Noncompliance with Procurements and Suspension and Debarment Requirements
"Pass-Through Entity Name," if applicable: _____

Reference Number(s): F-06-DHS-MIL/GOHSEP-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 264,912

Page Number (from Single Audit Report): 87

Program Name(s): Disaster Grants -Public Assistance

Federal Grantor Agency: U.S. Department of Homeland Security

CFDA Number(s): CFDA 97.036

Status of Questioned Costs (check one):
Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Still in negotiation.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Myrtle Green Phone Number: (225) 358-5342

Preparer's E-mail Address: myrtle.green@la.gov

Schedule 8-3 Form

Entity's Name: Louisiana Agricultural Finance Authority

Finding Title: Overdraw of Federal Funds

"Pass-Through Entity Name," if applicable: Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) via Department of Agriculture & Forestry

Reference Number(s): Finding number - F-08-DHS-LAFA-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2008

Initial Year of Finding: 2008

Amount of Questioned Costs in Finding (if applicable): $ 59,430

Page Number (from Single Audit Report): 130

Program Name(s): Homeland Security Grant Program

Federal Grantor Agency: Office of Homeland Security

CFDA Number(s): 97.067

Status of Questioned Costs (check one):

Resolved: X Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Overdraw of federal funds

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

LAFA repaid the overdraw on 10/30/09.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Corinne Brousseau Phone Number: 225-952-8180

Preparer's E-mail Address: cbrousseau@ldaf.state.la.us

Schedule 8-3 Form

Entity's Name: LSU Health Sciences Center - Health Care Services Division

Finding Title: Untimely Remittance of Public Assistance Funds

"Pass-Through Entity Name," if applicable: Governors' Office of Homeland Security and Emergency Preparedness

Reference Number(s): F-09-DHS-LSUHSC-HCSD-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2009

Initial Year of Finding: 2009

Amount of Questioned Costs in Finding (if applicable): $ none

Page Number (from Single Audit Report): 166

Program Name(s): Disaster Grants-Public Assistance (Presidentially Declared Disasters)

Federal Grantor Agency: US Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: _____ No Further Action Needed: ___X____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
n/a

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
RESOLVED

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Linn D. McNary, Fiscal Analyst Phone Number: 225 922-3241

Preparer's E-mail Address: lmcna1@lsuhsc.edu

Schedule 8-3 Form

Entity's Name: **Louisiana Workforce Commission**

Finding Title: Disaster Unemployment Assistance Payments

"Pass-Through Entity Name," if applicabl

Reference Number(s): F-06-DHS-LABR-8
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicab $ 1,294,650

Page Number (from Single Audit Report): 86

Program Name(s): Disaster Unemployment Assistance

Federal Grantor Agency: U. S. Department of Homeland Security

CFDA Number(s): 97.034

Status of Questioned Costs (check one):

Resolved: ____ Unresolved: ____ No Further Action Needed: X

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
Initial Determination Letter has not been received.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable)
The agency has corrected and will continue to correct any determination made in error. We are currently charging funding sources correctly.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Wayne J. Knight Phone Number: 225 342-3103

Preparer's E-mail Address: wknight@lwc.la.gov

Schedule 8-3 Form

Entity's Name: DHH-Office of Public Health

Finding Title: Insufficient Documentation of Program Expenditures

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-06-DHS-OPH-1
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ 38,533

Page Number (from Single Audit Report): 90

Program Name(s): Disaster Grants - Public Assistance

Federal Grantor Agency: Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one):

Resolved: _____ Unresolved: X No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?
The status is unresolved pending final closeout of the claim. This credit will be applied to the claim when settled.

Status of Finding (check one):

Fully Corrected	X	Not Corrected	
Partially Corrected		No Further Action Needed	
Change of Corrective Action		{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):
Corrective action was entered into ISIS-HR to recoup the overpayments

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Larry Bader Phone Number: (504) 568-5935

Preparer's E-mail Address: larry.bader@LA.GOV

Schedule 8-3 Form

Entity's Name: DHH-Office of Public Health

Finding Title: Lack of Internal Controls Over Movable Property

"Pass-Through Entity Name," if applicable: N/A

Reference Number(s): F-06-DHS-OPH-2
(from attached schedule of findings, may include more than one)

Single Audit Report Year: 2006

Initial Year of Finding: 2006

Amount of Questioned Costs in Finding (if applicable): $ _____

Page Number (from Single Audit Report): 91

Program Name(s): Disaster Grants - Public Assistance

Federal Grantor Agency: Department of Homeland Security

CFDA Number(s): 97.036

Status of Questioned Costs (check one): NONE

Resolved: _____ Unresolved: _____ No Further Action Needed: _____

Briefly describe the status of the Questioned Costs. Were they refunded to federal government? Are they still in negotiation?

Status of Finding (check one):

Fully Corrected	X	Not Corrected	_____
Partially Corrected	_____	No Further Action Needed	_____
Change of Corrective Action	_____	{See OMB A-133, Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

2010 Response – This audit has been fully corrected.OSS has conducted a quarterly inventory for each location which started immediately after last year's Annual Inventory. As of June 30, 2010, OPH has recovered $428,472.59 of unallocated property. OSS asked each location to provide a room to room inventory (listing) of all assets that are located within their building. This listing was turned in during this year's (2010) Annual Property Inventory. OSS is verifying this information and making necessary changes in Protégé. These lists shall aide in the recovery of unallocated property as well as provide knowledge of what property is located within each facility. This will also, allow each location the opportunity to maintain listed assets. The Office of Public Health (OSS) will continue to keep Center Directors, Regional Administrators, and Regional Administrative Managers abreast of all property laws/regulations by sending quarterly newsletters informing them on the proper procedures for tagging and surplusing property. Also, on July 9, 2010, I sent out and requested signatures from each acknowledging the receipt of Policy 802- OPH/ Property Control and all forms associated with property for review and guidance.

NOTE: Use this form to present the status of any findings that are listed for your agency on the attached schedule. You should only present 1 finding per form. If you have 2 findings to present, then you should use 2 forms (1 for each finding). If there are no federal findings to present in this schedule, write NONE above.

Preparer's Name: Larry Bader Phone Number (504) 568-5935

Preparer's E-mail Address: larry.bader@LA.GOV