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# Agenda Audit

Wednesday, June 18, 2025  
10:15 AM

Claiborne Building, 1st Floor ▪ Louisiana Purchase Room 1–100  
1201 N. Third St. ▪ Baton Rouge, LA 70802

- I. Call to Order
- II. Roll Call
- III. EisnerAmper Internal Audit Presentation
  - A. Internal Audit Status Update
    - i. Board of Regents Agency Human Resources
    - ii. Internal Audits Follow-Up
- IV. Louisiana Legislative Auditors Management Letter
- V. Other Business
- VI. Adjournment

Committee Members: Judy Williams-Brown, Chair; Christian C. Creed, Vice Chair; Blake R. David; Stephanie A. Finley; Dallas L. Hixson; Samer Shamieh  
Staff: Kim Hunter-Reed, Commissioner of Higher Education

## **AGENDA ITEM III.**

### **Executive Summary**

#### **III. EisnerAmper Internal Audit Presentation**

##### **A. Internal Audit Status Update**

##### **i. Board of Regents Agency Human Resources**

EisnerAmper (EA) conducted an internal audit of the Board of Regents Agency Human Resources to evaluate the office's processes and internal controls. The exit interview will be held Friday, June 13 in which any reportable findings will be discussed.

##### **ii. Internal Audits Follow-Up**

EisnerAmper will provide status updates regarding the following previously completed internal audits that required follow-up with Fiscal Year 2025:

- LOSFA and LUMCON Information Technology
- BOR, LOSFA, and LUMCON LaCarte Procurement and Travel Card Program
  - Note: This internal audit was completed prior to fiscal being transferred to the Board of Regents.

**No motion is required.**

## **AGENDA ITEM IV.**

### **Executive Summary**

#### **IV. Louisiana Legislative Auditor Management Letter dated May 14, 2025**

The Louisiana Legislative Auditor (LLA) completes an Annual Comprehensive Financial Report of the State of Louisiana, Single Audit of the State of Louisiana, for all state agencies to evaluate the accountability over public funds. The annual Legislative Auditor Management Letter was issued May 14, 2025, for the Board of Regents. During the annual single audit for FY2023-24, the LLA reported one finding titled Inadequate Controls over Travel Expenditures for the Louisiana Universities Marine Consortium (LUMCON) program, under the BOR agency. After reviewing 20 travel expenditure documents, the LLA found one international travel expenditure that was not fully allowable under state travel regulations nor appropriately approved.

When Fiscal transitioned to the Board of Regents, we had already put in place corrective actions to travel processes and procedures and therefore we concurred with the LLA finding. As noted in the attached Management Response Letter, the Board of Regents' corrective actions include the following:

- 1) All LUMCON employees who participate in international travel will be required to complete additional travel training. This training was held on Thursday, May 8 and hosted by the Office of

State Travel. Further, we recorded the webinar and will be sending out to all employees within the BOR agency.

- 2) All international travel expenditures will continue to require approval of the Commissioner for Higher Education. During the audit, the international travel expenditure that was reviewed did not have the Commissioner's signature as approval. To ensure compliance, we have worked with the LUMCON Budget and Finance Manager to put in place specific action steps; following the supervisor's approval for the travel, the travel must then move to the LUMCON Budget and Finance Manager for her approval, with final approval by the Commissioner. Until all three signatures are accounted for, no international travel may be booked.
- 3) Finally, it was determined that the LUMCON employee who traveled received an overpayment of \$2,437. This employee has worked out a payment plan with HR and the return of this overpayment is underway.

All corrective actions as noted will be completed by June 30, 2025.

**No motion is required.**

# LOUISIANA BOARD OF REGENTS

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Management Letter**  
**Issued May 14, 2025**

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

**LEGISLATIVE AUDITOR**  
MICHAEL J. "MIKE" WAGUESPACK, CPA

**FIRST ASSISTANT LEGISLATIVE AUDITOR**  
BETH Q. DAVIS, CPA

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 is available for public inspection at the Baton Rouge office of the Louisiana Legislative Auditor and online at [www.la.la.gov](http://www.la.la.gov). When contacting the office, you may refer to Agency ID No. 3306 or Report ID No. 80240094 for additional information.

This document is produced by the Louisiana Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. One copy of this public document was produced at an approximate cost of \$0.23. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31.

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 Jenifer Schaye, General Counsel, at 225-339-3800.

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# Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Louisiana Board of Regents



May 2025

Audit Control # 80240094

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## Introduction

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As a part of our audit of the State of Louisiana's Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana (Single Audit) for the fiscal year ended June 30, 2024, we performed procedures at the Louisiana Board of Regents (Regents) to provide assurances on financial information that is significant to the state's Annual Comprehensive Financial Report; evaluate the effectiveness of Regent's internal controls over financial reporting and compliance; and determine whether Regent's complied with applicable laws and regulations.

In addition to the procedures noted above, we also performed certain other procedures for the period July 1, 2023, through June 30, 2024.

We also determined whether management has taken actions to correct the finding reported in the prior year.

## Results of Our Procedures

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### Follow-up on Prior-year Finding

Our auditors reviewed the status of the prior-year finding reported in the Regents management letter dated June 12, 2024. We determined that management has resolved the prior-year finding related to Inadequate Controls over Monies Held Outside State Treasury.

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### Current-year Finding

#### Inadequate Controls over Travel Expenditures

Regents, which includes the Louisiana Office of Student Financial Assistance (LOSFA) and the Louisiana Universities Marine Consortium (LUMCON), lacks adequate controls over travel expenditures. Expenditures for an international trip failed to follow established state travel regulations, including obtaining appropriate approvals. Failure to establish adequate internal controls to ensure compliance with state travel regulations, increases the risk of fraudulent, wasteful, or unauthorized expenditures.

Based on our review of 20 travel expenditures totaling \$12,720 for the fiscal period ending June 30, 2024, we identified one international travel expenditure for \$7,571 was not fully allowable under state travel regulations, nor appropriately approved, resulting in an overpayment of \$2,437.

The State of Louisiana Policy and Procedures Memorandum No. 49 requires international travel to be reimbursed based on the U.S. Department of State per diem rates for meals and lodging and to be approved by the commissioner of higher education or his/her designee.

Regents should provide additional training and oversight of travel expenditures to ensure compliance with state travel regulations, including obtaining appropriate approvals. Management concurred with the finding and provided a corrective action plan (see Appendix A).

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### **Annual Comprehensive Financial Report – State of Louisiana**

As a part of our audit of the Annual Comprehensive Financial Report for the year ended June 30, 2024, we considered internal control over financial reporting and examined evidence supporting the Taylor Opportunity Program for Students expenditures.

Based on the results of these procedures, we did not report any findings. In addition, the account balances and classes of transactions tested are materially correct.

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### **Other Procedures**

In addition to the follow up to prior year finding and Annual Comprehensive Financial Report procedures noted above, we performed certain procedures that included obtaining, documenting, and reviewing internal control and compliance with related laws and regulations over payroll and travel expenditures for Regents, including the LOSFA and LUMCON programs of Regents.

Based on the results of these procedures, we reported a finding related to Inadequate Controls over Travel Expenditures, as described previously.

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### **Trend Analysis**

We compared the most current and prior-year financial activity using Regents' Annual Fiscal Reports and/or system-generated reports and obtained explanations from Regents' management for any significant variances.

The recommendation in this letter represents, in our judgment, that which will most likely bring about beneficial improvements to the operations of Regents. The nature of the recommendation, its implementation costs, and its potential impact on the operations of Regents should be considered in reaching decisions on courses of action.

Under Louisiana Revised Statute 24:513, this letter is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA  
Legislative Auditor

DPT:EBT:BH:BQD:aa

REGENTS2024



## **APPENDIX A: MANAGEMENT'S RESPONSE**

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May 7, 2025

Michael J. Waguespack, CPA  
Louisiana Legislative Auditor  
1600 North Third Street  
P.O. Box 94397  
Baton Rouge, LA 70804

Re: Inadequate Controls over Travel Expenditures

Dear Mr. Waguespack,

Below is the response by the Louisiana Board of Regents (BOR) to the one audit finding for fiscal year 2023-2024.

Finding: Inadequate Controls over Travel Expenditures

The Louisiana Board of Regents' response and corrective action plans are as follows:

- International Travel – Management concurs with this exception.
  - Corrective Action Plan: Amanda Cain, CPA, Associate Commissioner for Finance and Compliance, will be responsible for implementing the corrective action plan, which will include:
    - All LUMCON employees who participate in international travel will be required to complete additional travel training as provided by the Office of State Travel (Scheduled for May 8, 2025).
    - All international travel expenditures for the agency continue to require approval of the Commissioner of Higher Education or his/her designee. To ensure compliance, the BOR/LUMCON Budget and Finance Manager has been made the “Department Head Signature” for all LUMCON travel expenditures.
    - Reimbursement by the employee of the total overpayment of \$2,437 is underway.
  - Anticipated completion date: June 30, 2025

We appreciate the professionalism and diligence of your staff during this audit.

Sincerely,

Kim Hunter Reed, Ph.D.  
Commissioner of Higher Education

## APPENDIX B: SCOPE AND METHODOLOGY

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We performed certain procedures at the Louisiana Board of Regents for the period from July 1, 2023, through June 30, 2024, to provide assurances on financial information significant to the State of Louisiana's Annual Comprehensive Financial Report, and to evaluate relevant systems of internal control in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures, summarized below, are a part of the audit of the Annual Comprehensive Financial Report and our work related to the Single Audit of the State of Louisiana (Single Audit) for the year ended June 30, 2024.

- We evaluated Regents' operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to Regents.
- Based on the documentation of Regents' controls and our understanding of related laws and regulations, we performed procedures to provide assurances on certain account balances and classes of transactions to support our opinions on the Annual Comprehensive Financial Report.
- We compared the most current and prior-year financial activity using Regents' Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from Regents' management for significant variances.

In addition, we performed certain other procedures for the period from July 1, 2023, through June 30, 2024. Our objective was to evaluate certain controls Regents uses to ensure compliance with applicable laws and regulations and accountability over public funds. The scope of these procedures was significantly less than an audit conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

The purpose of this report is solely to describe the scope of our work at Regents, and not to provide an opinion on the effectiveness of Regents' internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purposes.

We did not audit or review Regents' Annual Fiscal Report, and accordingly, we do not express an opinion on that report. Regents' accounts are an integral part of the State of Louisiana's Annual Comprehensive Financial Report, upon which the Louisiana Legislative Auditor expresses opinions.