APPENDIX N

Detection of Fraud, Waste, and Abuse Policy

State of Louisiana

Certification Checklist

Prepared by
Louisiana Office of Community Development/Disaster Recovery Unit

Detection of Fraud, Waste, and Abuse Policy

Version: 1.0
Dated: 8/16/2022

Summary: The purpose of this policy is to define the guidelines LOCD will follow to maintain a Policy to Detect Fraud, Waste, and Abuse of Funds for all disaster recovery and mitigation activities funding under federal grants.

Applicable Laws: The website will comply with 24 CFR 570.489(g) and 24 CFR 570.489(h) regarding conflicts of interest involving procurement procedures.

The following policy applies to both CDBG Disaster Recovery (CDBG-DR) and CDBG Mitigation (CDBG-MIT) grant funds.

The process of detecting any fraud, waste and abuse of CDBG-DR and CDBG-MIT funds is an ongoing process and constantly monitored. Each program will be responsible for incorporating Anti-Fraud Waste and Abuse (AFWA) into its operating procedures and policies. All incidents of fraud, waste and abuse are reported to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). LOCD will assist in investigating and taking action when fraud occurs within the state's CDBG-DR and CDBG-MIT activities, programs and grants.

The State uses numerous resources to ensure AFWA, including LOCD, the state Division of Administration's Internal Auditor, the Office of the Louisiana Legislative Auditor (LLA), the Office of Inspector General and the Office of Finance and Support Services.

Website Link

The State's website will prominently display a link for information regarding "Reporting Fraud, Waste and Abuse". This link will take visitors to the Louisiana Legislative Auditors (LLA) website in the "Report Fraud" section. Here visitors can complete an online form to report fraud, waste and abuse or obtain information to call, fax or mail their complaint. The LLA is responsible for independently following up on all such notifications.

Beneficiaries Awareness

In an effort to raise awareness regarding contractor fraud and other potential fraudulent activity that can occur in communities recovering from a disaster, The state will provide beneficiaries with information that raises awareness of possible fraudulent activity, how the fraud can be avoided and

which local and state agencies to contact in order to take action and protect state and beneficiary investment. For example, the Restore Louisiana Homeowner Assistance Program (HAP) has an established website that educates its applicants on the risks of contractors and other potentially fraudulent activity that can occur in communities recovering from a disaster including a document titled "Top 10 tips to Remember when Hiring a Contractor".

Also, program procedures will also address the steps it will take to assist a beneficiary if the beneficiary experiences contractor or other fraud including if the beneficiary is eligible for additional assistance as a result of fraudulent activity and the creation of remaining unmet need and what steps the state will follow to provide the additional assistance.

Verifying the Accuracy of the Information from Applicants
Verifying the accuracy of applicant and grantee information is a key function of preventing fraud, waste and abuse. LOCD uses a variety of methods to accomplish this task, including using program and finance staff to review all requests for payment and accompanying invoices to ensure costs are reasonable and within the scope of the activity funded prior to sending the request to OFSS for payment. LOCD has also developed a Grantee Administrative Manual for the CDBG-DR funds, which is provided to all grantees and subrecipients. An electronic copy can be found at Grantee Admin Manual . The purpose of the manual is to assure that all CDBG-DR funds are properly managed and accounted for, and to assure that grantees and subrecipients administer their projects and programs in accordance with all CDBG-DR and CDBG-MIT rules and regulations. Additionally, LOCD provides training to grantees and subrecipients on how to use the Grantee Administrative Manual.

For applicant data, all programs will provide policies and procedures with established procedures for verifying the accuracy of information provided by program applicants, vendors, and sub-recipients.

Conflicts of Interest
The Louisiana Ethics Administration Program governs all of the state's policies regarding Code of Conduct and Conflicts of Interest. See their website at https://ethics.la.gov/default.aspx. In addition, all CDBG-DR and CDBG-MIT funding is governed by Cooperative Endeavor Agreements (CEA), which include a Conflict of Interest section, containing the following language:

> Covenant Against Contingent Fees and Conflicts of Interest and Louisiana Code of Government Ethics
>
> Grantee shall warrant that no person or other organization has been employed or retained to solicit or secure this Agreement upon contract or understanding for a

commission, percentage, brokerage, or contingent fee. For breach or violation of this warranty, the OCD shall have the right to annul this Agreement without liability

or, in its discretion, to deduct from this Agreement or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee, or to seek such other remedies as legally may be available.

No member, officer, or employee of Grantee, or agents, consultant, member of the governing body of Grantee or the locality in which the Project is situated, or other public official who exercises or has exercised any functions or responsibilities with respect to this Agreement during his or her tenure, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the project, the Project or in any activity or benefit, which is part of this Agreement.

Grantee shall also comply with the current Louisiana Code of Governmental Ethics as applicable. Grantee acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to Grantee in the performance of services called for in this Agreement. Grantee agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this Agreement.

Internal Auditing
The DOA Internal Audit Section is responsible for the auditing, monitoring and the frequency of all DOA agencies including those agencies that administer CDBG-DR and CDBG-MIT funds. The grantee's Internal Auditor is part of the DOA's Internal Audit Section, which reports to the Commissioner of the Division of Administration. The auditor's role is described in the Internal Audit Charter which is updated as needed. See Appendix A for the 2019 Internal Audit Chapter.

To aid the Internal Auditor in assessing risk, an audit risk assessment is conducted to help determine the audit plan for the upcoming fiscal year. See Appendices B (Internal Audit Risk Assessment Questionnaire" and C (Internal Audit Plan for Fiscal Year 2021).

Monitoring
Finally, there is monitoring of all grantees and subrecipients. This involves both desktop and onsite monitoring. **Appendix K** contains LOCD's Compliance and Monitoring Plan, which outlines how grantees, subrecipients, and their respective contractors are monitored, and the methodology employed for the prioritization of reviews.

Each program will be responsible for developing procedures to assess the capacity of new or potential grantees including risk factors such as:

- Staffing levels and relevant institutional knowledge
- Subrecipient's prior experience with the same or similar sub-awards
- Ability to meet a national objective within the timeline provided

Responsible Party: The responsible party for maintaining a comprehensive website for both CDBG-DR and CDBG-MIT grants will be the Deputy Executive Director and may be contacted at 225-219-9600.

Appendix A

Division of Administration - Internal Audit Charter
As of September 25, 2019

State of Louisiana

Certification Checklist

Louisiana Division of Administration
Internal Audit Charter

Purpose and Mission

The purpose of the Division of Administration's (DOA's) Internal Audit Section is to provide independent, objective assurance and consulting services designed to add value and improve DOA's operations. The mission of internal audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The Internal Audit Section helps DOA accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Standards for the Professional Practice of Internal Auditing

DOA's Internal Audit Section will govern itself by adherence to the mandatory elements of the Institute of Internal Auditors' (IIA's) International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *International Standards for the Professional Practice of Internal Auditing*, and the Definition of Internal Auditing. The Internal Audit Administrator will report annually to senior management within DOA, including the Commissioner of Administration, regarding the Internal Audit Section's conformance to the Code of Ethics and the *Standards*.

Authority

The Internal Audit Administrator will report functionally to the Commissioner of Administration and administratively to the Assistant Commissioner of Policy/Personnel. To establish, maintain, and assure that DOA's Internal Audit Section has sufficient authority to fulfill its duties, the Commissioner of Administration and Deputy Commissioner will:
- Approve the internal audit charter.
- Approve the risk-based internal audit plan.
- Receive communications from the Internal Audit Administrator on the Internal Audit Section's performance relative to its plan and other matters.
- Approve decisions regarding the appointment and removal of the Internal Audit Administrator.
- Make appropriate inquiries of management and the Internal Audit Administrator to determine whether there is inappropriate scope or resource limitations.

The Internal Audit Administrator will have unrestricted access to, communicate with, and interact directly with the Commissioner of Administration, Deputy Commissioner, and the Assistant Commissioners within DOA senior management, including in private meetings without management present as necessary.

The Commissioner of Administration authorizes the Internal Audit Section to:
- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel within DOA as well as other specialized services from outside DOA in order to complete engagements.

All employees are requested to assist DOA's Internal Audit Section in fulfilling the internal audit function. Any information obtained during audits or engagements will be maintained with appropriate confidentiality.

Independence and Objectivity

The Internal Audit Administrator will ensure that the Internal Audit Section remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the Internal Audit Administrator determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to the appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:
- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for DOA or its affiliates.
- Initiating or approving transactions external to the Internal Audit Section.
- Directing the activities of any DOA employee not employed by the Internal Audit Section except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Where the Internal Audit Administrator has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

Internal auditors will:
- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The Internal Audit Administrator will disclose to the Commissioner of Administration, the Deputy Commissioner, and the Assistant Commissioners any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

The Internal Audit Administrator will confirm to the Commissioner of Administration, at least annually, the organizational independence of the internal audit activity within DOA.

Scope of Internal Audit Activities

The scope of DOA's internal audit activities encompasses but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Commissioner of Administration and other senior management within DOA on the adequacy and effectiveness of governance, risk management, and control processes for DOA. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of DOA's strategic objectives are appropriately identified and managed.
- Interaction with the various agencies and sections within DOA occurs as needed.
- The actions of DOA senior management, employees, and contractors are in compliance with DOA's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations or programs are consistent with established goals and objectives.
- Operations or programs are being carried out effectively and efficiently.
- Programs, plans, and objectives are achieved.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact DOA.
- Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Resources and assets are acquired economically, used efficiently, and protected adequately.
- Quality and continuous improvement are fostered in the DOA's control process.
- Significant legislative or regulatory issues impacting DOA are recognized and addressed properly.

The Internal Audit Administrator will report periodically to senior management and the Commissioner of Administration regarding:

- The Internal Audit Section's purpose, authority, and responsibility.
- The Internal Audit Section's plan and performance relative to its plan.
- The Internal Audit's conformance with the IIA's Code of Ethics and Standards, and action plans to address any significant conformance issues.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the Commissioner of Administration or other senior management within DOA.
- Results of audit engagements or other activities.
- Resource requirements.
- Any response to risk by management that may be unacceptable to DOA.

The Internal Audit Administrator also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and consulting service providers as needed. The Internal Audit Section may perform advisory and related client service activities, the nature and scope of which will be agreed with the agency or section, provided the Internal Audit Section does not assume management responsibility.

Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

Responsibility

The Internal Audit Administrator has the responsibility to:

- Develop an annual audit plan, IT audit plan, and audit work schedules using a risk-based approach, including any risks or control concerns identified by management, and submit that plan to the Commissioner of Administration and DOA senior management for review and comment. The final audit plans will be approved by the Commissioner and Deputy Commissioner.

- Communicate to senior management and the Commissioner of Administration the impact of resource limitations on the internal audit plan.

- Implement the annual audit plans, as approved, including, as appropriate, any special tasks or projects requested by management and approved by the Commissioner of Administration.

- Review and adjust the internal audit plans as necessary, in response to changes in DOA's business, risks, operations, programs, systems, and controls.

- Communicate to senior management and the Commissioner of Administration any significant interim changes to the internal audit plans and work schedules.

- Ensure each engagement of the internal audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work in narratives/programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties within DOA.

- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to DOA at a reasonable overall cost.

- Assist in the investigation of significant suspected fraudulent activities within DOA and notify management of the results.

- Follow-up on observations (findings) and corrective actions, and report periodically to senior management and the Commissioner of Administration any corrective actions not effectively implemented.

- Monitor the external audit activities of DOA and keep management informed of these activities.

- Ensure the principles of integrity, objectivity, confidentiality, and competency are applied and upheld.

- Ensure the Internal Audit Section collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter.

- Ensure trends and emerging issues that could impact DOA are considered and communicated to senior management and the Commissioner of Administration as appropriate.

- Ensure emerging trends and successful practices in internal auditing are considered.

- Establish and ensure adherence to policies and procedures designed to guide the Internal Audit Section.

- Ensure adherence to DOA's relevant policies and procedures, unless such policies and procedures conflict with the internal audit charter. Any such conflicts will be resolved or otherwise communicated to DOA senior management and the Commissioner of Administration.

- Ensure conformance of the Internal Audit Section activities with the IIA *Standards*.

Reporting

Internal audit reports resulting from internal audit activities will be issued and distributed to the Commissioner of Administration, Deputy Commissioner, and to management within the DOA in the form of a letter or formal written report at the conclusion of an audit or project.

Quality Assurance and Improvement Program

The Internal Audit Section will maintain a quality assurance and improvement program that covers all aspects of DOA's internal audit activity. The program will include an evaluation of the Internal Audit Section's conformance with the *Standards* and an evaluation of whether internal auditors apply the IIA's Code of Ethics. The quality assurance and improvement program will also assess the efficiency and effectiveness of internal audit activities and identify opportunities for improvement.

The Internal Audit Administrator will communicate annually to DOA senior management and the Commissioner of Administration on the internal audit activity's quality and assurance improvement program, including results of internal assessments (both ongoing and periodic) and external assessments conducted at least once every five years by a qualified, independent assessor or assessment team from outside of DOA.

Approvals
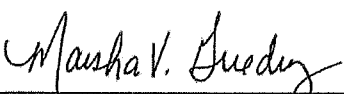
The DOA Internal Audit Charter has been presented to the Internal Audit Administrator and the Commissioner of Administration for approval.

Jay Dardenne	9/26/19	_Marsha V. Guedry_	9/25/19
Jay Dardenne	Date	Marsha V. Guedry	Date
Commissioner		Internal Audit Administrator	
Division of Administration		Division of Administration	

APPENDIX B

Division of Administration
Annual Risk Assessment
Questionnaire
Fiscal Year 2022

State of Louisiana

Certification Checklist

Prepared by
Louisiana Office of Community Development

Division of Administration
Annual Risk Assessment Questionnaire
Fiscal Year 2022

Directions: Please complete this questionnaire electronically for your section/office within DOA. We have included a space for comments so that you may include additional details when appropriate.

Section/Office: OCD-DRU

Date Completed: 03/31/2022

Completed by: Edwin Legnon

Title   Director of Finance and Reporting

I. TIMING AND RESULTS OF PRIOR AUDITS

1. Has your section had an audit or review within the last 2 years? (eg. LLA, IG, Federal Agency, DOA Internal Audit)

◉ Yes

○ No

If yes, please name the auditor and scope of the audit. You may also attach the resulting report in your e-mailed response to this questionnaire.

OCD-DRU provides both the DOA Internal Audit Section and the LLA with all audit reports.

2. How frequently is your section the subject of routine external state audits (e.g., LLA, IG, etc.):

◉ Annually

○ Every other year

○ Last audit was more than two years ago

○ Rarely or not at all

3. What is the frequency of routine non-state audits (e.g., regulatory agencies, insurance companies, outside CPA firms, Federal auditors) for your section:

◉ Annually

○ Every other year

○ Last audit was more than two years ago

○ Rarely or not at all

4. Any prior audit findings or internal control deficiencies (within last 2 years):

○ No findings or deficiencies noted

○ Non-reportable findings (discussion comments only)

◉ Reportable findings*

○ Not Applicable (had no audit or review within the last 2 years)

*Provide name of auditor, report name, finding titles, and date findings were reported:

DOA Internal Audit is in possession of all audits performed on OCD-DRU.

II.   OPERATIONAL CHANGES

1. Have changes been made to procedures, processes and systems (added, removed, or updated) in your section within the past 2 fiscal years?

○ No changes

○ Only minor changes

○ Some substantial changes have been made*

◉ Major changes have been made and/or new systems have been implemented*

*Please explain

As we receive new/additional grants, the procedures, processes and systems are constantly changing to meet the needs of the federal agencies. In addition, we have added a new grants management system, Intelligrants by Agate.

2. To what extent has your section been affected by reorganization, budget reductions, management turnover, or employee turnover within the past 2 fiscal years?

○ No changes

○ Minimal impact

○ Moderate impact*

◉ Major impact*

*Please specify changes and impact

Over the past two years, this agency has had to increase its staff as a result of new grants received and in anticipation of additional grants for hurricanes Laura, Delta and Zeta in 2020 and Hurricane IDA in 2021

3. Has your section increased or decreased in size due to changes mentioned above?*

○ No change
○ Minor increase or decrease
◉ Significant increase or decrease

*Please specify the impact these changes have had on processes and staffing efforts

Over the past two years (beginning 7/1/2020), OCD-DRU has lost approx 39 employees mostly due to COVID. Although we have already replaced 29 of these FTEs, we are still short 10 and the amount of time to train a new employee creates an impact to operations.

III. VOLUME OF FINANCIAL ACTIVITY

1. Volume of financial transactions: What is the annual **volume** of financial transactions processed by your section? Include the volume of transactions processed on behalf of other organizations. For example, accounts payable processed invoices for other sections.

○ Zero
○ Less than 100
○ 101 - 1,000
○ 1,001 - 10,000
◉ more than 10,000

2. Value of financial transactions: What is the annual **value** of financial transactions processed by your section? Include the value of transactions processed on behalf of other organizations. For example, accounts payable processed invoices for other sections.

○ Less than $25,000
○ $25,000 - $100,000
○ $100,001 - $500,000
○ $500,001 - $5 million
◉ Greater than $5 million

3. NON-PANDEMIC RELATED: Does your section receive any federal or state grants or awards that support any operational functions or monitor any federal or state grants or awards for other entities?

○ No
○ One grant
○ Two - five grants
◉ More than five grants

4. NON-PANDEMIC RELATED: What is the approximate value of federal or state grants or awards received or monitored by your section?

○ N/A
○ Less than $500,000
○ $501,000 - $5 million
◉ Greater than $5 million

IV. INTERNAL CONTROL ENVIRONMENT

1. Receipt of cash: Does your section collect cash or cash equivalents for any transactions?
*Please provide a copy of your section's cash receipts policy

○ No
○ Yes - Only credit/debit card transactions*
◉ Yes - Credit/debit card transactions and/or payments by check*
○ Yes - Cash, credit/debit card transactions and/or payments by check*

2. Disbursement of funds: Is your section involved with the disbursement of funds for certain activities?

○ No disbursements occur within the section
○ Only purchase cards are used as a means of payment in this section
○ Occasional disbursements are made in this section as acquisitions of goods or services occur
◉ Regular disbursements occur as an integral part of this section's operations and processes

3. How many employees in your section are assigned a LaCarte purchasing card?

○ None
◉ 1 - 5
○ 6 - 15
○ More than 15

4. How many employees in your section are assigned a travel card?

◉ None
○ 1 - 5
○ 6 - 15
○ More than 15

5. Please indicate which situation below appropriately describes your section's operations as it relates to separation of duties. Separation of duties means that responsibilities are assigned so that no one individual in your section controls all aspects of a process or transaction.

- ⦿ Separation of duties is adequate and prevents errors from occurring, collusion would be necessary for fraud to occur
- ◯ Some individuals have full control over certain transactions, however, there are sufficient mitigating controls that significantly reduce risk, such as subsequent review by another person
- ◯ Some individuals have full responsibility for transactions, however, there are some mitigating controls over the transactions
- ◯ Some individuals have full responsibility for transactions and there are little or no mitigating controls over the transactions

6. Are any of your section's processes decentralized?

- ◯ No
- ◯ Occasionally some of our activities are sent to another location for validation, processing, etc.
- ◯ Part of our processing necessitates forwarding and completion by another location, vendor, etc.
- ⦿ A large part of the section's regular processing requires forwarding information/ documentation to another location/outside vendor for completion

7. Does your section process sensitive or confidential data?

- ◯ No sensitive data or information is processed (if selected, skip to Question 10)
- ◯ Small amounts of sensitive data are processed by this section
- ⦿ A significant amount of highly sensitive information is processed or used to process work in this section

8. What is the potential for loss of sensitive data? Rate the potential for loss of sensitive or confidential data by your section:

- ◯ High
- ⦿ Medium
- ◯ Low

9. Pressure to meet deadlines, goals, or budget: Select the most appropriate description for your section.

- ◯ There are few or no pressures or deadlines that could impact performance or decisions
- ◯ There are occasional pressures or deadlines that could impact performance or decisions
- ⦿ There are considerable pressures or deadlines that could impact job performance or decisions
- ◯ There are considerable pressures or deadlines either real or perceived that could seriously impact performance or decisions*

*Please explain:

Due to the number and frequency of high dollar decisions/reimbursements made by this organization creates considerable pressure that could impact job performance or decisions.

10. Are there written policies and procedures, in place to guide the execution of activities within the section?

○ There are no written procedures within the section

○ Some of the section's processes have written policies and procedures

○ Most of our processes have written policies and procedures

◉ Each activity is documented through written policies and procedures

11. When your agency updates existing policies/procedures or develops new policies/ procedures, how are the revisions and new policies communicated to your employees? (Check all that apply)

☑ E-mailed to employees

☑ Hard copy provided to employees

☑ Meeting held to discuss policies with employees

☑ Employees required to sign assuring they have received the policy revisions or new policies

☑ Other (Please describe)

Additional Details:

Depending on which policy is being updated, different methods may be deployed which would also include hard copies provided to employees and requiring employees to acknowledge their receipt

12 Do you have procedures or processes in place within your section or agency to ensure DOA policies and procedures are followed?

○ No

◉ Yes

Please describe: (Include any annual certifications, internal reviews/audits, employee acknowledgments, etc. Also include the frequency of when those occur; annually, only upon issuance of new policy or policy revisions)

OCD ensures compliance with DOA policies and procedures by providing Quarterly Safe training and requiring all OCD employees to complete the annual Sexual Harassment and Ethics LEO

13. How often are written policies and procedures for your section reviewed and updated for accuracy?

○ Written policies and procedures are not periodically reviewed for accuracy and updated
○ Written policies and procedures were reviewed and updated more than 5 years ago
◉ Written policies and procedures were reviewed and updated 1 to 5 years ago
○ Written policies and procedures are reviewed and updated annually

14. What primary controls are used to monitor operational activities within your section? More than one item may be checked.

☑ Established checks and balances exist within each area of the section
☐ Peer review of activities
☑ Written policies and procedures
☑ Supervisory review and/or management approvals

15. Do you have a process in place to obtain feedback from user entities or vendors?

◉ Yes
○ No

Describe follow-up process for negative feedback:

> OCD management participates in regular management meeting with program managers to discuss subrecipient/grantee progress/issues as well as vendor meetings in which any negative feedback can be followed up on

16. Evaluate job responsibilities of employees with opportunities for unethical conduct and indicate the level of exposure below:

○ Not exposed
○ Occasionally exposed
○ Frequently exposed*
◉ Continuously exposed to opportunities for unethical conduct (e.g. contractor selection, procurement, confidential information)*

*Please explain:

> Many OCD employees as well as contractor employees have access to confidential information.

18. Are employees in your section aware of and monitored regarding requirements of DOA Personnel Policy 95, "Outside Employment?" (Check all that apply)

○ Not monitored

⦿ Upon hire of new employees

○ Upon hire and transfer of current employees

○ Monitored on a regular basis (at least annually)

V. EXPERIENCE AND TRAINING/COMPLEXITY

1. What level of staff training, in general, is involved in performing and maintaining the functions within this section? (More than one response may be selected)

○ No significant level of knowledge or expertise

○ Limited training and working knowledge required

○ Training or experienced working knowledge required, tasks are fairly complex and require personal judgment

⦿ Specialized expertise is required, tasks are complex and require involved thought processes and ongoing training to maintain an adequate skill level for the position

2. Types of training offered by management to keep employees adequately trained for their job duties: (Check all that apply)

○ Job specific training offered annually

○ Job specific training offered less than annually

⦿ In-house training offered

○ Computerized training offered

○ No training offered

3. Length of time the average employee of the section has been in place:

○ 10 + years

⦿ 5-10 years

○ 3 -5 years

○ 2 -3 years

○ < 2 years

4. Length of time the section head has been in place:

⦿ 10 + years

○ 5-10 years

○ 3 -5 years

○ 2 -3 years

○ < 2 years

5. What is the level of complexity of operations in this section?

○ Limited - simple
○ Minimal - fairly easy to understand
○ Moderate - somewhat difficult
◉ Significantly complex

6. Employees have direct contact with those who use this section's services

○ Rarely
○ Occasionally
○ Frequently
◉ Continuously

VI. INFORMATION TECHNOLOGY AND DATA PROCESSING SUBSYSTEMS

1. Are the main work processes in your section computerized?

◉ Yes
○ No

2. Are there procedures in place to review, monitor, and update user access to IT systems as employees are hired or separated from employment within your section or agency?

◉ Yes
○ No

3. Are necessary changes to user access to IT systems made in a timely manner?

◉ Yes
○ No

4. Are there customized data processing subsystem(s) unique to and used only by this section?

○ No (if this box is checked, skip to section VII)
○ Only one minor system that supports non-critical tasks
○ One system that is critical to our operations
◉ Two or more subsystems that support critical functions

5. Within the last year, has there been any downtime which caused a loss of productivity that was due to system error or malfunction of the subsystem noted in question No. 4?

◉ Yes - 1 or 2 times a year
○ Yes - Once a month
○ Yes - Once a week
○ Yes - Multiple times a week
○ No downtime

6. Has the subsystem in this section been evaluated through any formal review process for its functionality/utility within the operations of your section?

○ No

◉ Evaluated once when first installed

○ Is evaluated biannually for system problems/errors

○ Is evaluated on a regular basis (at least annually) for errors and/or downtime when the system is processing and action is taken to alleviate any problems with the system

7. Is access to your section's subsystems controlled through your section?

◉ No

○ Yes

8. Is subsystem monitoring done in your section? (Monitoring should be interpreted as: documenting change controls, internal or external reviews, exception reporting, etc.)

○ Yes

◉ No

9. Are there manual or automated checks and balances to periodically test the integrity of the data in your section's subsystems?

◉ Yes

○ No

VII. DISASTER RECOVERY AND BACKUP SYSTEMS

1. Is there a disaster recovery plan in place within this section?

○ A formalized and regularly updated disaster recovery plan has been created for the section

◉ A limited disaster recovery plan has been designed for most of our critical processes

○ No disaster recovery plan has been established for the section's critical processes (if this box is checked, go to Section VIII)

2. If there is a disaster recovery plan in place within the section, has the plan been audited by internal or external auditors or another DOA section?

◉ Never been audited

○ Audited within the last 10 years

○ Audited within the last 5 years

○ Audited within the last 2 years

○ No disaster recovery plan is in place within the section

3. If applicable, has a remote site been established for the routine back-up of data that is located a reasonable distance in miles from the main computing headquarters?

◉ Yes, within 100 miles

○ Yes, more than 100 miles away

○ No

Please provide additional details about the remote site:

For OTS-hosted systems, we have two data centers in the Baton Rouge area that provide

VIII. FRAUD RISK FACTORS

1.Has your section developed and implemented any antifraud controls and programs?

○ Antifraud controls and an antifraud program have not been developed (if this box is checked, skip to question 4)

○ Antifraud controls and an antifraud program have been developed, but have not been implemented

◉ Antifraud controls and an antifraud program have been developed and implemented

2. How often are fraud controls assessed and revised in the section?

○ Never, they are not a high priority

○ They are assessed and revised, as needed, every 5 years

◉ They are assessed and revised, as needed, biannually

○ They are assessed and revised, on an annual basis

3. If your section has antifraud prevention controls and programs, are employees aware of your section's antifraud prevention controls and programs?

○ Employees are not aware of the existence of antifraud prevention controls and programs within the section

◉ Employees are aware of the existence of antifraud prevention controls and programs within the section

4. Are the codes of conduct and ethics policies enforced throughout your section?

○ The Code of conduct and ethics policies are not enforced throughout the section

○ The Code of conduct and ethics policies are somewhat enforced throughout the section

◉ The Code of conduct and ethics policies are strictly enforced throughout the section

5. Has the potential for detecting and preventing fraud taken on a lesser priority because of budget reductions?

○ Yes, our priorities are more focused on getting the work out

◉ No, detecting and preventing fraud remains a priority in this section

6. Would most of the section's employees know the signs of fraud in the workplace?

⦿ Yes

○ No

7. Have employees in this section had some form of training in the area of recognizing signs of fraud?

⦿ Yes

○ No

8. What is the likelihood of employees in your section reporting suspected fraud?

○ Employees are likely to ignore suspected fraud

○ Employees are likely to report suspected fraud but will report it anonymously

⦿ Employees are likely to report suspected fraud

9. Was any fraud/theft identified in your section within the following time frames?

○ Five or more years ago

○ Two to five years ago

⦿ Within the last year

○ None ever identified

10. Approximately how often does your section perform some type of fraud risk assessment to consider ways that fraud and misconduct can occur?

○ A fraud risk assessment is not performed

○ A fraud risk assessment is performed annually

○ A fraud risk assessment is performed semi-annually

⦿ A fraud risk assessment is performed quarterly

IX. OUTSOURCING INTERNAL CONTROLS THROUGH CONTRACTS

1.   What percentage of the section's work processes is done through the use of contracts with outside vendors?

○ None, we do all of our work in the section. (If this answer is checked, please skip all remaining questions in this section.)

○ Less than 10%

⦿ Between 10 - 50%

○ Greater than 50%

2. What is the number of contractual agreements that your section has with outside vendors?

○ 1 to 3 contracts

○ 4 to 6 contracts

⦿ 7 or more contracts

3. What is the total value of the contracts identified in Question #2 above?

○ Less than $10,000

○ $10,000 to $100,000

○ $100,000 to $500,000

◉ Greater than $500,000

4. Do any employees within this section have any conflicts of interest, ownership in, or other relations with any contractors or vendors this section does business with as described by the Louisiana Code of Governmental Ethics (R.S. 42:1101)?

○ Yes, if selected please explain

◉ No

5. A key internal control is a control that, if it fails, there is at least a reasonable likelihood that a material error in the financial statements would not be prevented or detected timely. In addition, a key internal control may be related to information systems, security, or the administration of confidential information.
Would you consider any of the contractual agreements that your section has with outside vendors outsourcing of a "key internal control" of your section?

◉ Yes

○ No

6. When key internal controls are outsourced, a user entity can strengthen the internal controls of its overall operations by requiring the outsourced vendor to periodically provide assurance to the user agency that the outsourced activity is operating appropriately. One form of assurance is to require the vendor to undergo a Statement on Standards for Attestation Engagements (SSAE) 18 review of its operations. The result of a SSAE 18 review is the issuance of a Service Organization Control (SOC) report by the independent reviewer (CPA firm, etc.). If the outsourced control is related to financial reporting, a SOC 1 report might be appropriate. If the outsourced control is more operational in nature or relates to an information processing system, a SOC 2 or SOC 3 report will provide a more appropriate review of the security, availability, processing integrity, confidentiality, and privacy of the processing system of the contracted vendor.
Do the contracts your section has with outside vendors require a SOC 1, 2, or 3 report?

○ None of our contracts have a provision for obtaining a SOC report.

◉ Some of our contracts have a provision for obtaining a SOC report.

○ All of our contracts have a provision for obtaining a SOC report.

7. Do the contracts your section has with outside vendors require other forms of assurance from the outside vendors to determine controls and processes are operating effectively?

○ None of our contracts have a provision for obtaining additional assurances.

○ Some of our contracts have a provision for obtaining additional assurances.

◉ All of our contracts have a provision for obtaining additional assurances.

X. PANDEMIC FEDERAL AWARDS

1. PANDEMIC RELATED: Does your section receive any federal or state grants or awards that support any operational functions or monitor any federal or state grants or awards for other entities?

○ No
○ One grant
◉ Two - five grants
○ More than five grants

2. PANDEMIC RELATED: What is the approximate value of federal or state grants or awards received or monitored by your section?

○ N/A
○ Less than $500,000
○ $501,000 - $5 million
◉ Greater than $5 million

XI. OTHER RISK CONCERNS

Please explain any additional areas of concern or issues that may need to be considered as part of the DOA risk assessment:

APPENDIX C

Division of Administration
Internal Audit Plan
For Fiscal Year Ending 2021

State of Louisiana

Certification Checklist

Prepared by
Louisiana Office of Community Development

DIVISION OF ADMINISTRATION
INTERNAL AUDIT

Internal Audit Plan
Fiscal Year Ending 2021

March 31, 2021

Jay Dardenne
Commissioner

Erin M. Sindelar, CPA
Audit Administrator

Division of Administration
Internal Audit Section

1201 N. Third Street Suite 1-170

P.O. Box 94095

Baton Rouge, Louisiana 70804-9095

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Arielle R. Collins, CPA

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Benjamin "Keith" LeBlanc

⚜

Sadé C. Lee

⚜

Rosalynn R. Wilson

⚜

Caitlin G. Halphen

Division of Administration

Internal Audit Plan (NON-IT)

Fiscal Year 2021

Reviewed By:

Internal Audit Staff:

signature   3/31/21
Date

signature (Yvette L. Brumax)   3/22/2021
Date

signature (Anthony Harriet)   3/22/21
Date
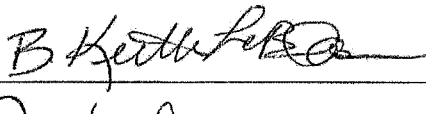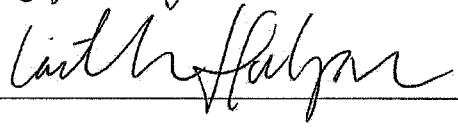
signature (Chakera Bell)   3/22/2021
Date

signature (Arielle R. Collins)   3/23/21
Date
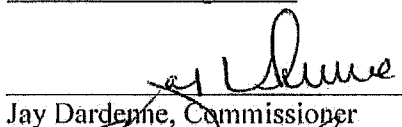
signature (R. Wilson)   3/24/21
Date

signature (B Keith)   3/24/21
Date

signature (Sade Lee)   3/25-21
Date
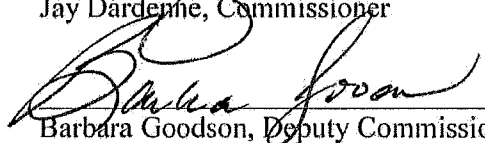
signature   3/29/21
Date

Executive Management:

signature   4/1/21
Jay Dardenne, Commissioner   Date

signature   4/1/21
Barbara Goodson, Deputy Commissioner   Date

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Division of Administration
Overall Internal Audit Plan
Fiscal Year 2021

Background Information

The Division of Administration (DOA) is the state's central management, administration, and support agency. It is headed by the Commissioner of Administration who is appointed by the Governor. For fiscal year 2021, DOA's Internal Audit Section is providing internal audit coverage for agencies and sections within DOA and certain agencies within the Office of the Governor. These agencies and sections administer over $3.2 billion in total budgeted funds. In addition, these agencies and sections maintain approximately 1,700 employees. Direct federal funds expended during fiscal year 2021 total approximately $428 million for these agencies and sections. The majority of these funds are from the U.S. Department of Housing and Urban Development (HUD) for the Office of Community Development's Disaster Recovery Unit (OCD/DRU). Additional federal funds totaling approximately $42 million were funds received indirectly from U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) through the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) and from HUD involving East Baton Rouge entitlement funds.

DOA's Internal Audit Section provides coverage to 21 individual sections and agencies under the oversight of DOA. Coverage is also provided to two other agencies within the Governor's Office, for a total of 23 individually operating agencies and sections. Some of these agencies and sections are further divided into smaller units.

The DOA Internal Audit Section is charged with establishing an overall audit strategy for determining the agencies, sections, and functions that are of higher risk and have a need for internal audit resources each fiscal year. The DOA Internal Audit Section applies professional standards and guidelines developed by the Institute of Internal Auditors (IIA) in developing the Internal Audit Plan. These standards and guidelines recognize that an audit plan and timeline benefit those agencies and sections covered by:

- Establishing what sections, programs, agencies, contracts, or other areas will be prioritized for audit on an annual basis.
- Permitting an efficient allocation of limited internal audit resources.
- Providing a flexible basis for managing audit personnel.
- Eliminating the potential for overlapping audits with other audit organizations.

Principles for Developing the Internal Audit Plan

An audit plan should provide practical guidance and an authoritative framework for determining where internal audit resources should be focused. The following basic principles were considered in developing the fiscal year 2021 Internal Audit Plan for agencies and sections covered:

- Consideration was given to the audit interests, responsibilities, and concerns of management in fulfilling their roles within DOA.

- Audit resources are limited and therefore prohibit auditing one hundred percent of all areas of risk each year.
- The audit plan will function as a flexible and dynamic tool which can be adjusted throughout the year to meet the changing risks and priorities of the DOA.
- The audit plan gives consideration of work accomplished by other auditors.
- The audit plan is created with the understanding that there are inherent risks and limitations with any method or system of prioritizing audits. As a result, the risk factors which comprise an audit plan will be periodically evaluated and modified when necessary, in order to improve the audit process.

Procedures for Developing the Internal Audit Plan:

1. We determined that DOA's Internal Audit Section will provide coverage to the following individual agencies or sections:
   - Office of Aircraft Services (OAS)
   - Office of Facility Planning and Control (FP&C)
   - Louisiana Federal Property Assistance Agency (LFPAA)
   - Louisiana Property Assistance Agency (LPAA)
   - Office of Community Development, Non Disaster Community Development Block Grant (OCD/CDBG)
   - Office of Community Development, Disaster Recovery Unit (OCD/DRU)
   - Office of Community Development, Louisiana Government Assistance Program, and Community Water Enrichment Fund (OCD/LGAP/CWEF)
   - Office of Elderly Affairs (OEA)
   - Louisiana Public Defender Board (LPDB)
   - Office of Finance and Support Services (OFSS)
   - Office of Group Benefits (OGB)
   - Office of General Counsel (OGC)
   - Office of Human Resources (OHR)
   - Office of Planning and Budget (OPB)
   - Office of Risk Management (ORM)
   - Office of State Buildings (OSB)
   - Office of State Lands (OSL)
   - Office of State Procurement (OSP)
   - Office of State Travel (OST)
   - Office of State Register (OSR)
   - Office of Statewide Reporting and Accounting Policy (OSRAP)
   - Office of State Uniform Payroll (OSUP)

In addition to these 22 agencies and sections, the Office of Technology Services (OTS) comprises DOA's Information Technology (IT) function. This agency is included in a separate audit plan specifically related to the IT function.

There are a total of 23 agencies and sections covered by DOA's Internal Audit Section.

2. Risk is the concern about the probable effects of an uncertain environment. A risk assessment is the identification, measurement, and prioritization of risks. Management uses controls to mitigate some risks, but risks cannot be eliminated entirely. A risk assessment was used to identify, measure, and prioritize risks so that audit efforts can be directed to the areas within the DOA showing the greatest concern.

3. As part of our risk assessment, we surveyed the executive management team to identify ongoing concerns and high risk functions within DOA. These responses are considered during our final risk assessment.

4. In an effort to evaluate risk and identify what agencies and sections would benefit from an audit by the Internal Audit Section, we asked each section or agency head to complete a risk assessment questionnaire. The results of the questionnaires were used to help determine where audit resources should be focused in fiscal year 2021. In addition, this risk assessment instrument identifies where internal controls may need to be strengthened and where operations may need to become more efficient.

5. The questionnaire was divided into nine distinct areas and included several questions under each area. Each area was assigned a particular weight factor. The weight factors are reviewed each year and are based on auditor judgment and consideration of the importance of each area as it relates to risk. The weight factors for fiscal year 2021 for the nine areas are as follows:

Risk Factor	Weight
Time and Results of Previous Audits	.08
Operational Changes	.13
Volume of Financial Activity	.18
Internal Control Environment	.19
Experience and Training/Complexity	.08
Information Technology and Data Processing Subsystems	.13
Disaster Recovery and Backup Systems	.05
Fraud Risk Factors	.08
Outsourcing Internal Controls	.08
Total	1.00

6. Within each area of the questionnaire, the responses to the questions were assigned a numeric rating of risk anywhere from 1 (lowest risk) to 5 (highest risk). The completed questionnaires were evaluated, and the response to each question determined the risk rating given to that question.

Fiscal Year 2021
DOA Internal Audit Work Schedule (Non-IT)
TBD=To Be Determined

Project/Audit Number & Objective	Section	Audit Type	Date Issued/Completed
Audits In Progress			
19-DOA-TRAVEL AUDIT-008 - Audit of DOA Travel	DOA	Control/Compliance	**March 4, 2020**
19-FOLWUP Unused Telecomm Lines-014 - Follow-up Audit for Telecommunication Lines -	OTS	Follow-up	**March 4, 2020**
19-INT SELF-ASSMT-016 - Internal Audit Self Assessment	Internal Audit	Special Project	**January 8, 2021**
19-Record Retention - Archives Project-018 - 2019 Project to review record retention schedule and archives files	Internal Audit	Special Project	**In Progress**
20-AUDIT PLAN-001 - FY 2020 Risk Assessment/Audit Plan (Non-IT)	DOA	Risk Assessment/Audit Plan	**December 9, 2019**
20-FOLWUP DOA PMTS-004 - Follow-up to DOA Payments Audit	DOA	Follow-up	**March 5, 2020**
20-FOLWUP-LPDB OPER-006 - Follow-up Audit LPDB	LPDB	Follow-up	**In Progress**
20-OCD/DRU Gen'l Oper Audit-007 - General Operational Audit - OCD/DRU	OCD/DRU	Control/Compliance	**In Progress**
20-DOA Time/Attend Audit-008 - Audit of Time/Attendance - DOA	DOA	Control/Compliance	**In Progress**
20-OSRAP VENDOR CHANGES-010 - Review of Process for making changes to Vendor info. - OSRAP	OSRAP	Control/Compliance	**August 31, 2020**
20-GEN OPER PGM UPDATE-011 - Update to the General Audit Program - Internal Audit	Internal Audit	Special Project	**February 5, 2020**
20-OCD/LGAP Gen'l Oper Audit-012 - Audit of various areas of OCD/LGAP	OCD/LGAP	Control/Compliance	**In Progress**
20-LPAA FLEET AUDIT-013 - Audit of Fleet Management within LPAA	LPAA	Control/Compliance	**In Progress**
20-OHR-HIRING-EXITING-017 - Audit of Hiring and Exiting Process within OHR	OHR	Control/Compliance	**In Progress**
20-FOLWUP-DOA TRAVEL AUDIT-018 - Follow-up to DOA Travel Audit	DOA	Control/Compliance	**October 5, 2020**
20-CNO Annual Procedures-019 - Annual Procedures for CNO Audits, etc. (2020)	Internal Audit	Special Project	**May 15, 2020**
20-FY '20 EVAL SUMM-021 - FY '20 Self-Assmt/Eval Summary - DOA Internal Audit	Internal Audit	Special Project	**July 28, 2020**
21-FOLWUP OGB CONTR MON-001 - Follow up to Contract Monitoring Audit - OGB	OGB	Follow-up	**In Progress**

This plan is monitored on a monthly basis and modified to reflect actual activities, dates, etc.

Fiscal Year 2021
DOA Internal Audit Work Schedule (Non-IT)
TBD=To Be Determined

Project/Audit Number & Objective	Section	Audit Type	Date Issued/Completed
21-Audit Plan-003 - FY 2021 Audit Plan/Risk Assessment (Non-IT)	Internal Audit	Risk Assessment/Audit Plan	In Progress
21-FY 20 Annual Rpt to Comm-005 - FY 2020 Annual Report to the Commissioner	Internal Audit	Annual Project	January 22, 2021
Audits Planned			
21-OGC-GEN OPER AUDIT-xx	OGC	Control/Compliance	TBD
21-OSB GEN OPER AUDIT-xx	OSB	Control/Compliance	TBD
21-OSL FOLWUP LLA-xx	OSL	Follow-up	TBD
21-OSP GEN OPER AUDIT-xx	OSP	Control/Compliance	TBD
21-OSRAP-OPER AUDIT-xx	OSRAP	Control/Compliance	TBD
21-DOA PCard Audit-xx	DOA	Control/Compliance	TBD
21-LPAA Auction Process-xx	LPAA	Control/Compliance	TBD
21-OSL GEN OPER AUDIT-xx	OSL	Control/Compliance	TBD
21-OFSS-CUST SVC SURV #2-xx	OFSS	Special Project	TBD
21-DOA-FRAUD RISK ASSMT-xx	DOA	Special Project	TBD
21-CONFL of INTEREST-xx	DOA	Special Project	TBD

This plan is monitored on a monthly basis and modified to reflect actual activities, dates, etc.

Division Of Administration
Overall Audit Plan
Risk Assessment Factors and Ratings
FYE 6/30/21

W/P Reference	DOA Non-IT Agencies/Sections	WEIGHT	F1 0.08	F2 0.13	F3 0.18	F4 0.19	F5 0.08	F6 0.13	F7 0.05	F8 0.08	F9 0.08	TOTAL 1.00	NAME
C-d-c-8	Office of Community Development - DRU		1.5000	4.0000	5.0000	3.1176	3.6667	2.6667	4.0000	1.5000	3.4286	3.3666	OCD-DRU
C-d-c-5	Office of Elderly Affairs		1.5000	4.6667	4.7500	3.2353	3.6667	2.1111	3.0000	1.5000	3.5714	3.3199	OEA
C-d-c-18	Office of Risk Management		2.7500	2.0000	4.5000	2.8824	2.8333	2.0000	3.0000	1.1000	3.8571	2.8709	ORM
C-d-c-13	Office of General Counsel		3.2500	2.0000	2.2500	3.0000	3.8333	2.6667	5.0000	2.2500	3.4286	2.8526	OGC
C-d-c-17	La Property Assistance Agency (806)		2.5000	3.0000	3.0000	2.8824	4.0000	1.5556	3.0000	1.5000	4.1429	2.8013	LPAA
C-d-c-11	Louisiana Public Defender Board		2.5000	3.3333	3.7500	2.6471	3.5000	1.7778	1.3333	1.1000	3.0000	2.7171	LPDB
C-d-c-10	Facility Planning and Control (115)		2.0000	2.6667	3.0000	2.8235	3.6667	1.6667	2.0000	2.2500	3.8571	2.6817	FP&C
C-d-c-6	Office of State Lands		1.5000	2.3333	2.7500	3.0667	3.8333	2.5556	3.0000	2.1250	2.2857	2.6427	OSL
C-d-c-1	Office of State Buildings		3.5000	2.0000	2.7500	2.6471	2.8333	1.6667	3.0000	2.6250	3.4286	2.6156	OSB
C-d-c-20	Office of Community Development - LGAP/CWEF		4.0000	2.3333	4.0000	2.8000	3.8333	1.5000	1.5000	1.0000	1.0000	2.6120	OCD-LGAP
C-d-c-12	Office of State Uniform Payroll		4.0000	2.3333	3.0000	3.3529	3.0000	1.7778	2.5000	1.6000	1.0000	2.6045	OSUP
C-d-c-22	Office of Finance and Support Services		1.7500	2.0000	4.0000	2.9412	3.6667	1.8889	3.0000	1.1000	1.0000	2.5357	OFSS
C-d-c-7	Office of State Reporting and Accounting Policy		2.5000	1.6667	2.7500	2.2353	4.0000	1.8889	4.0000	1.7000	2.8571	2.4665	OSRAP
C-d-c-3	Office of State Procurement		2.0000	3.3333	2.2500	2.4667	3.6667	2.1111	1.5000	1.6000	2.8571	2.4663	OSP
C-d-c-21	Office of Community Development - CDBG		1.5000	2.6667	4.0000	2.5294	4.0000	1.5556	1.5000	1.0000	1.0000	2.4245	OCD-CDBG
C-d-c-16	La Federal Property Assistance Agency (807)		2.0000	1.3333	2.5000	2.7647	4.0000	1.5556	3.0000	1.5000	3.7143	2.3980	LFPAA
C-d-c-14	Office of Human Resources		1.2500	1.6667	3.0000	3.1176	3.5000	2.4444	1.5000	1.8000	1.0000	2.3458	OHR
C-d-c-19	Office of Group Benefits		2.5000	2.3333	1.0000	2.9412	3.5000	1.6667	2.5000	2.0000	3.8571	2.3324	OGB
C-d-c-4	Office of State Register		4.0000	1.3333	2.2500	2.2000	3.1667	1.8889	1.5000	1.0000	3.0000	2.2852	OSR
C-d-c-9	Aircraft Services		1.0000	1.6667	2.5000	1.4000	4.5000	2.2222	1.5000	1.1000	3.4286	2.0988	OAS
C-d-c-2	Office of State Travel		2.0000	1.0000	1.0000	2.7647	2.6667	2.2222	3.0000	1.0000	3.1429	1.9789	OST
C-d-c-15	Office of Planning and Budget		2.0000	1.3333	1.0000	3.0000	3.8333	1.8889	2.0000	1.5000	1.0000	1.9356	OPB

DOA IT Section/Agency

W/P Reference	Agency		F1	F2	F3	F4	F5	F6	F7	F8	F9	TOTAL	NAME
C-2-c-23	Office of Technology Services (815)		1.5000	2.6667	2.7500	2.9412	3.1667	3.1111	3.6667	1.8000	3.7143	2.8027	OTS

Risk Factors
F1 -- Previous Audits
F2 -- Operational Changes
F3 -- Volume of Financial Activity
F4 -- Control Environment
F5 -- Experience and Training
F6 -- Information Technology Data Subsystems
F7 -- Disaster Recovery/ Backup System
F8 -- Fraud Risk Factors
F9 -- Outsourcing Key Internal Controls Through Contracts

Formulas and Instructions:

1. Alter the weights of the risk factors in Cells C4..J4 to suit your risk model.
   The weights should sum to 1.00 (shown in Cell L4).
2. Enter the auditable units of the audit universe in column B.
   The associated Work paper Numbers may be assigned and entered in column A.
3. Evaluate each auditable unit by assigning a score (1= low, 5= high) for each
   risk factor used in the model. The total risk score will be shown in column L.
   The score is based on the risk assessment questionnaire. There are 9 sections
   in the questionnaire, and the score for each section will be an average of the
   answered questions in that section.
4. The scores for each of the 9 sections are then multiplied by the weight for
   that particular risk factor. Then all 9 of the weighted scores are added for a total score.
5. The spreadsheet data may be sorted (recommended) to prioritize the auditable units.
6. This spreadsheet contains a tab for each agency represented in Column A.
   Responses from questionnaires for each agency is listed on their respective tab.
   Macros calculate the weighted score for each category and the numerical value is
   shown on this spreadsheet
7. Highlighted in red in the table above represent the sections that have a value of 3.5 or greater in each risk factor.
8. Red numbers in the total column represent the top five agencies with the highest overall risk ranking.

Exhibit C

Division Of Administration
Overall Audit Plan
Final Risk Assessment by Section or Agency
FYE 6/30/21

DOA Agency/Section (NON IT):	FY 2021 FINAL RISK ASSESSMENT	Agency or Section Acronym
1 Facility Planning and Control	High	FP&C
2 La Federal Property Assistance Agency	High	LFPAA
3 La Property Assistance Agency	High	LPAA
4 Office of Community Development - DRU	High	OCD/DRU
5 Office of Elderly Affairs	High	OEA
6 Office of Finance and Support Services	High	OFSS
7 Office of Group Benefits	High	OGB
8 Office of State Travel	High	OST
9 Office of State Reporting and Accounting Policy	Medium	OSRAP
10 Office of State Procurement	Medium	OSP
11 Office of State Lands	Medium	OSL
12 Office of State Buildings	Medium	OSB
13 Office of Risk Management	Medium	ORM
14 Office of Community Development - LGAP/CWEF	Medium	OCD/LGAP
15 Louisiana Public Defender Board	Medium	LPDB
16 Aircraft Services	Medium	OAS
17 Office of State Uniform Payroll	Low	OSUP
18 Office of State Register	Low	OSR
19 Office of Planning and Budget	Low	OPB
20 Office of State Human Resources	Low	OHR
21 Office of General Counsel	Low	OGC
22 Office of State Lands	Low	OCD/CDBG

NOTE: Audits of DOA Information Technology (IT) functions are included in a separate DOA IT Audit Plan.

The final risk assessment for DOA's IT Section (OTS) for FY 2021 is as follows:

23	Office of Technology Services (OTS)	High	OTS

Exhibit C - Final FY 2021 Risk Assmt   1