



Louisiana Legislative Auditor 2025 Excellence in Evaluation Award Submission

The Louisiana Legislative Auditor's office (LLA) is an independent, nonpartisan audit organization providing objective information to the Legislature, state agencies, and the public. Created in 1962, LLA serves the public and the Legislature by providing insight on topics facing Louisiana government and its citizens. Our mission is to foster accountability and transparency in Louisiana government by providing the Legislature and others with audit services, fiscal advice, and other useful information. Our slogan, "Better information, Better Louisiana," embodies our daily pursuit to improve our state. In 2022, the new Legislative Auditor, Mike Waguespack, launched a campaign that rebranded LLA as "Your Trusted Advisor," working to improve communities and build a better Louisiana.

BODY OF WORK, 2021 – 2024

LLA's Performance Audit Section produced 105 audits during January 2021 through December 2024, for an average of approximately 26 reports per year (see Attachment B for summary information about our audit reports). Our audits covered a vast array of government programs and topics, including audits on special education, election integrity, criminal justice reform, broadband expansion, state museums, orphaned oil wells, elder abuse, domestic violence, and multiple data projects on Medicaid and unemployment insurance. We issued 382 recommendations to agencies and 107 matters for legislative consideration in these audit reports. Our office has 29 staff as of May 2025 dedicated to performance audits, all of whom hold an advanced degree (see Attachment A for our organizational chart, staffing, and expenditures). In addition, over half of performance audit staff holds at least one professional certification, such as Certified Internal Auditor, Certified Government Auditing Professional, or Certified Fraud Examiner. During the evaluation period, 100% of audit work was conducted by LLA staff.

State Audit Law and Topic Selection

Louisiana has a strong audit law that allows LLA wide authority to access all state agency records for our audits. Our audits cover all executive branch agencies, some boards and commissions, and some local entities. LLA is unique in that we have the freedom to select our audit topics, and our legislative oversight body is not required to review or approve our audit plan. To identify meaningful audit topics that will add value to state agencies and increase transparency, we develop an annual audit plan based on high risk areas, topics of interest to the Legislature and/or the public, and issues identified through other audit work. However, during recent years, we have seen an increase in the number of requests we receive from legislators for performance audit work. During 2021 through 2024, approximately 55.2% of our audit reports were requested by a legislator, 36.2% were selected internally by LLA, and 8.6% were required by statute. In response to an increase in legislative requests and public interest on various topics, we focus on issuing a series of reports on an issue in order to communicate digestible information while also conducting comprehensive audits. For example,

- Our office issued three reports on special education, including audits focusing on seclusion, restraint, and abuse/mistreatment of children with disabilities; the complaint process for students receiving special education services; and risk-based monitoring of special education services. After the release of the reports, the Louisiana Board of Elementary and Secondary Education (BESE) posted a timeline of the response actions the Louisiana Department of Education (LDOE) completed or plans to complete based on our findings and recommendations. LDOE also outlined other steps it plans to take, including implementing better tracking of complaints and implementing an annual review of state processes. LDOE also cited our report when requesting additional positions from the Legislature to hire six more special education staff, which the Legislature granted. In addition, BESE members cited the seclusion and restraint report as a

“roadmap” and motioned to meet with stakeholders and its legislative committee to draft legislation needed. (See Attachment D for examples of impact from this report).

- We also issued several reports related to transportation issues, including an informational report on Louisiana’s public ports with a companion report profiling each port in Louisiana. Another performance audit issued was on the sufficiency of the Transportation Trust Fund to meet the state’s needs with a supplemental information report, requested by the Task Force on the Administration of State Transportation and Development Services and the Louisiana Electric Vehicle Task Force. Our results were cited by the U.S. Department of Energy and National Renewable Energy Laboratory and the Alternative Fuel Data Center. The Louisiana State Bond Commission also included our report in its official statement for the state’s motor fuels tax revenue bonds because of its significance for bond investors. Along with presenting our results in multiple Legislative committees, these reports were cited in multiple news articles.
- We received several requests from legislators and/or stakeholders to audit outcomes for safety net and workforce programs. As a result, we conducted audits on the Workforce Innovation and Opportunity Act, Supplemental Nutrition Assistance Program – Employment and Training, Temporary Assistance for Needy Families, the Justice Reinvestment Initiative, and a culminating report on the Coordination of Public Assistance and Workforce Development Programs. Our office was asked to serve as an advisory member on the Louisiana Workforce and Social Services Task Force, as well as present findings to the Task Force about our previous audits.

Communicating Audit Results

Our office strives to present our audit findings and recommendations in a clear and concise manner that is useful for multiple audiences. We include a highlights page with the majority of our reports that briefly summarize our audit conclusions, which is an effective tool for Legislators and the media to quickly digest key audit issues. Our audit reports use charts and graphs to clearly visualize important information, and we focus on communicating a strong report message and on overall clarity and readability. We also record podcasts to briefly summarize our report findings. In addition, we expanded our report types to more efficiently respond to legislative requests. For example, we created an Informational Brief report type to quickly provide concise and accurate information to legislators and the public. We also issue Informational Reports to provide more in-depth information in a timely matter. Auditors presented our report types at the 2024 NLPES Professional Development Seminar.

Legislators often request us to present our audit conclusions to the Legislature. During the evaluation period, performance auditors presented to the Legislative Audit Advisory Council 16 times and are often requested to present in other legislative committees or hearings. For example, LLA auditors presented the audit on the Justice Reinvestment Initiative to the Violent Crimes Task Force, the Medicaid dental benefit program managers report to the Joint Legislative Committee on the Budget, and the election integrity report to both the House and Government Affairs and Senate and Governmental Affairs committees. LLA auditors also presented the audit on the Transportation Trust Fund and supplemental report to the Task Force of Administration of State Transportation and Development Services and the Louisiana Electric Vehicle Task Force. We also presented to the Pennsylvania House State Government Committee regarding the LLA’s use of data analytics to audit the Medicaid and Unemployment Insurance programs.

Our audit results have also proven useful for stakeholder groups, and we have presented information to various stakeholder groups on issues important to our state. For example, our election integrity audit team presented audit results to the Registrar of Voters. We also were requested to be a member of the Government Accountability Office’s Unemployment Insurance Risks and Transformation Panel and presented findings from our Unemployment Insurance benefits audits.

We have attached three of our performance audit reports that we feel represent the type of work our office conducts: *Louisiana Department of State – Election Integrity*, *Challenges in Louisiana's Efforts to Address Domestic Violence*, and *Oversight of Medicaid Quality Care* (see Attachment C for copies of these reports). These audits show the various approaches our office takes in performance auditing, such as approaching a hot button issue with objectivity and accuracy, comprehensively evaluating a statewide issue affecting vulnerable populations, and determining whether Medicaid beneficiaries' care was being properly managed.

AUDIT IMPACT

One of our goals in performance audit is to provide information that is valuable to the audited entity, legislators, and the public. We work closely with agencies to develop recommendations that are feasible and would address deficiencies identified in our audits. We also make recommendations to the Legislature for issues that are outside of agencies' control. Our audits often address three key areas in order to make the most impact on the state:

- **Improving the integrity or oversight of agencies and programs.** The Legislature and the public rely on our audit work to improve the transparency of state agencies and how they monitor their programs. Our reports are often cited by the media and during legislative sessions. (See Attachment E for news coverage on our audits.) Our report on the regulation of massage therapy found that the Louisiana Board of Massage Therapy needed to improve its regulation of the massage therapy profession to ensure compliance with the Massage Therapy Practice Act and to better identify unlicensed and illicit establishments. We also found that changes to this Act would help the Board better protect the public. After the release of our audit, the Legislature passed Act 324 of the 2021 Regular Session which included 11 of our 13 recommendations, and the Board has worked with local government agencies to develop ordinances to address illicit activity in the massage industry.

Our report on the state supplemental pay program found that Municipal Police and Fire Supplemental Pay Boards did not consistently enforce state law which resulted in ineligible individuals receiving payments. For example, the audit identified 152 fire department personnel in jobs that are explicitly excluded in state law but received approximately \$1.1 million in supplemental pay. The audit also found some sheriffs' staff received supplemental pay but did not qualify, and that the Department of Public Safety's supplemental payment process resulted in \$574,942 in overpayments that had not been repaid. As a result of the audit, the Legislature formed a committee to study and make suggestions regarding the supplemental pay program. The Legislature is currently considering legislation requesting our office to conduct a more detailed performance audit on fire department personnel receiving supplemental pay that do not meet legislative requirements.

In addition, our reports on the state's efforts to address orphaned oil and gas wells and on the oversight of the Louisiana Oilfield Restoration Association (LORA) found the state lacked sufficient oversight of LORA, which is supposed to help small oil operators gain the required financial security for their wells. As a result of our findings, the state terminated its agreement with LORA in April 2025. The termination letter cited our findings.

- **Using data to identify potentially improper payments and waste.** Our data analytics audits identified approximately \$859.3 million potential improper payments and waste over the past four years. For example, our audit on the Unemployment Insurance program found approximately \$405.3 million in potentially improper payments made to recipients ineligible due to their income. This report made recommendation to the Louisiana Workforce Commission on how to better use their data to prevent and identify these instances. We also issued a report on Medicaid behavioral health

services and found approximately \$14.2 million in potential improper payments due to issues with the Louisiana Department of Health's controls over the program. As a result, providers were potentially paid improperly for services not documented or billed in compliance with state law and/or program rules.

Our audit on the oversight of Medicaid quality care found that the Louisiana Department of Health was paying for performance that was not necessarily improving. Approximately 10,500 beneficiaries went five years without receiving any services while the state paid the Managed Care Organizations approximately \$309.0 million in monthly premiums to "manage" their care. Further, we found that Medicaid beneficiaries were not receiving recommended preventative screenings, such as breast cancer screenings or colorectal cancer screenings. Not receiving services at all or recommended preventative services affects the health of the Medicaid population and worsens health outcomes.

- **Providing information to improve legislative- and agency-decision making.** Our audits provide necessary information for the Legislature and state agencies to make informed decisions affecting state government. Our office issued a report on challenges in Louisiana's efforts to address domestic violence, which found that, in addition to gaps in services across the state, state laws addressing domestic violence were not always implemented, including the issuance of protective orders, firearm relinquishment, domestic violence training for law enforcement, and dating violence education in schools. The Legislature passed five bills to address issues identified in our report, including Senate Resolution 5 of the 2023 Regular Legislative Session that created a Protective Order Procedure and Records Task Force, Act 309 of the 2023 Regular Legislative Session that required immediate entry of protective orders into the protective order registry, Act 75 of the 2022 Regular Legislative Session that enhanced penalties for violating protective orders while possessing a firearm, Act 484 of the 2022 Regular Legislative Session that required sheriff's offices to report aggregate firearm transfer data, and Act 180 of the 2022 Regular Legislative Session that required schools to annual reporting on dating violence instruction.

Our report on election integrity found that while the Department of State (DOS) has procedures and practices to ensure election integrity, there were additional ways DOS could strengthen these activities and ways that the Legislature could strengthen the state's Election Code. As a result of the audit, the Legislature passes several bills to address issues identified in the report, including Act 572 of the 2022 Regular Legislative Session to require signed certification of election machine testing be sent to the parish board of election supervisors, Act 639 of the 2022 Regular Legislative Session to require the secretary of state to create a standardized process for reviewing absentee by mail ballots, Act 741 of the 2022 Regular Legislative Session to require the secretary of state to adopt and implement uniform policies for post-election tabulation audits, House Concurrent Resolution 32 of the 2022 Regular Legislative Session to require DOS to produce an annual report of election-related complaints, and Act 2 of the 2024 Regular Legislative Session to provide for an expanded annual canvass of registered voters.

FURTHERING THE FIELD OF LEGISLATIVE EVALUATION

LLA's performance auditors participated in furthering the field of legislative evaluation in a variety of ways. LLA was heavily involved with the National Legislative Program Evaluation Society (NLPES), the National State Auditor's Association (NSAA), and the National Association of State Auditors, Comptrollers, and Treasurers (NASACT).

- **NLPES and NSAA Committees.** LLA Performance Audit Manager, Emily Dixon, is part of NLPES's Executive Committee and has continued to sit on the NSAA Performance Audit and Peer

Review Committees during 2021 through 2024. LLA Performance Audit Manager, Krista Baker-Hernandez, also served on the NSAA Peer Review and the Audit Standards and Reporting Committees in 2024.

- **NLPES Awards.** During the evaluation period, LLA received Certificate of Impact awards from NLPES; these reports addressed the regulation of the massage therapy profession (2022), the impact that teacher qualification and pay has on teacher retention and student performance (2023), and election integrity (2024). LLA also received the Excellence in Research Methods award in 2021 for our report on the Effect of COVID-19 on Local Government Revenues and in 2023 for our report on the sufficiency of the Transportation Trust Fund.
- **NCSL Awards.** LLA received the Legislative Research Librarians Staff Association Notable Documents Award in 2021 for our report on challenges with telework during COVID-19 and in 2022 for our report on the state's role in animal welfare and control activities.
- **NSAA Awards.** LLA received the Excellence in Accountability Award in 2021 for our report on the detection and prevention of worker misclassification and in 2023 for our report on election integrity. In addition, LLA received the Large Performance Audit Award in 2025 for our oversight of special education services projects which were conducted in 2023 and 2024.
- **NLPES Professional Development Seminars.** In 2024, LLA hosted the NLPES Professional Development Seminar in New Orleans. It was one of the highest attended conferences, with approximately 170 attendees, and it received an overall rating of 4.63/5. LLA performance audit staff moderated panels and served as panelists on 13 sessions ranging from Strategic Audit Planning and Evaluating our Work: Measuring Impact, to Designing Meaningful Surveys and Making Fieldwork Work. In addition, our performance auditors participated in the 2021, 2022, and 2023 NLPES conferences by serving on panels and presenting on topics such as delivering feedback to audit staff, audit topic selection, generational differences in the workplace, and data analytics.
- **Peer Review.** Our audit director, three of our performance audit managers, and one of our senior auditors serve as leads, concurring reviewers, and/or team members for NLPES and NSAA peer review teams. Collectively, our staff participated in 17 peer reviews for other states between 2021 and 2024.
- **Training and Informing Other Audit Shops.** LLA performance auditors presented in trainings and information sharing sessions. In September 2022, we participated in an NSAA Sharing Call to discuss the regulation of the massage therapy profession audit. In June 2023, we presented in an NCSL training session on the use of creative data analytics in auditing. Also, we presented in an NCSL Innovative Research Methods session on the impact of hybrid and electric vehicles on state transportation funding in Louisiana. In March 2025, we also presented the Transportation Trust Fund report results to the NSAA Performance Audit Info Sharing Group to explain our methodology.
- **Presentations to Other Professional Organizations.** Our performance auditors regularly present about performance auditing to other professional organizations to educate and engage with our national and local community. We attended the December 2023 Meant for More Summit in Washington, D.C., and participated in a panel about findings from past audits on safety net and workforce programs. (See Attachment F for a listing of presentations.)