

# DEPARTMENT OF CHILDREN AND FAMILY SERVICES

STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Management Letter**  
**Issued May 13, 2026**

**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. 9191 or Report ID No. 80250056 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 \$1.10. 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.

---

# Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Department of Children and Family Services



May 2026

Audit Control # 80250056

---

## Introduction

---

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, 2025, we performed procedures at the Department of Children and Family Services (DCFS) to provide assurances on financial information that is significant to the state's Annual Comprehensive Financial Report; evaluate the effectiveness of DCFS's internal controls over financial reporting and compliance; and determine whether DCFS complied with applicable laws and regulations.

In addition to the procedures noted above, we also performed certain other procedures for the period July 1, 2024, through June 30, 2025.

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

## Results of Our Procedures

---

---

### Follow-up on Prior-year Findings

Our auditors reviewed the status of the prior-year findings reported in the DCFS management letter dated March 26, 2025. We determined that management has resolved the prior-year finding related to Unauthorized Employee Fuel Transactions. The prior-year findings related to Control Weakness and Noncompliance Related to Cost Allocation Process, Control Weakness over Social Services Block Grant Expenditures, Noncompliance and Control Weakness Related to the Temporary Assistance for Needy Families (TANF) Work Verification Plan, Weakness in Controls over Payroll, and Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act have not been resolved and are addressed again in this letter.

---

**Current-year Findings****Inadequate Controls over Fuel Card Transactions and Noncompliance with Vehicle Usage Regulations**

DCFS did not have adequate controls in place to ensure that fuel card transactions are properly documented and comply with department policies. In addition, DCFS did not comply with state vehicle usage laws and regulations. Noncompliance with DCFS policy and state regulations increases risk of theft and waste.

In a test of 30 fuel card transactions between July 1, 2024, and June 30, 2025, we noted 10 (33%) transactions did not have the required vehicle logs to determine if the purchases were reasonable and approval was appropriate. Also, five of the 10 transactions did not have receipts supporting the purchase.

In addition, during our engagement we became aware that from August 2024 through June 2025 an employee used a state-rental vehicle, and then a state-owned vehicle, for travel that was not considered official state business per state regulations, including commuting to work. The total amount of potential benefit was approximately \$10,000.

Management has not effectively monitored fuel card transactions to ensure department policies were followed. Also, management has not followed state laws and regulations by allowing state vehicles to be used for other than official state business.

Good internal control includes ensuring that adequate records are maintained to safeguard assets. Per DCFS policy, supporting documentation for fuel card transactions, including vehicle logs, must be maintained. Per Louisiana Administrative Code Title 34, Part XI, Section 103 A.2.d.iii, no state vehicle owned or leased shall be used by a public or private individual for other than performing official state business. Per Revised Statute 39:362 B(2)(a), home storage of fleet vehicles is prohibited unless required or permitted and approved by the commissioner of administration.

Management should ensure all fuel card transactions are accurately logged and supported, and purchases are monitored for compliance with the established policy. Management should also ensure compliance with vehicle usage laws and regulations. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 1-2).

**Noncompliance with and Control Weaknesses over Foster Care Requirements**

DCFS did not have adequate controls in place to ensure the allowability of payments or the eligibility of recipients for the Foster Care Title IV-E (Foster Care) program.

In a statistical sample of 60 out of 36,291 Foster Care payments totaling \$19,228,858, we noted the following:

- 20 (33%) cases, some of which had multiple exceptions, did not have proper authorizations related to housing eligibility requirements. 12 of the 20 cases did not have documentation of the fingerprint-based criminal records check or the State Central Registry check. 14 of the 20 cases did not have documentation supporting that the foster home, childcare institution, or child placing agency was certified/licensed during the service period tested. For 2 of the 20 cases, support for placement in a qualified residential treatment program was not provided.
- 8 (13%) cases, some of which are noted above, had conflicting, unsupported, or inaccurate information on the eligibility determination forms.
- For 5 (8%) cases, some of which are noted above, payment authorization forms were not approved by a supervisor prior to the payment.
- For 1 (2%) case noted above, the support for financial need used to determine eligibility was not provided.
- For 1 (2%) case noted above, there was no support for the special rate paid to the recipient.
- For 1 (2%) case noted above, there was an overpayment of three days due to using an incorrect service start date.

To comply with 42 USC 671(a)(20), DCFS policy requires the completion of fingerprint based, national criminal background clearances on adoptive parent applicants and adult household members. DCFS policy also requires adoptive caregivers to have an affirmative child abuse/neglect clearance and not be listed as a perpetrator of abuse or neglect on the State Central Registry. Finally, DCFS policy requires foster family homes to be certified and facilities to be licensed. Federal regulations require recipients of federal awards to establish, document, and maintain effective internal control designed to reasonably ensure compliance with federal statutes, regulations, and the terms and conditions of the federal awards.

DCFS did not have a policy over retention of documentation associated with criminal records checks as well as State Central Registry checks. In addition, DCFS employees did not follow DCFS policy to ensure payments were allowable, recipients were eligible, and proper rates were paid for services.

Failure to implement proper controls over required documentation resulted in noncompliance with federal regulations and state policies. This noncompliance resulted in \$66,597 in questioned costs.

DCFS should strengthen internal controls to ensure Foster Care payments are allowable and recipients are eligible. In addition, rates paid to recipients should be supported and federal regulations and state policies should be followed. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 3-4).

### **Noncompliance and Control Weakness Related to Subrecipient Monitoring Requirements**

DCFS did not have adequate controls in place to ensure compliance with subrecipient monitoring requirements related to the TANF and Foster Care programs. Failure to properly monitor and manage subrecipients, including documenting risk assessments, results in noncompliance with federal regulations and increases the likelihood of improper payments which may have to be returned to the federal grantor.

In a statistical sample of 38 TANF subrecipient payments from a population of 482 TANF subrecipient payments totaling \$67,022,221, 29 (76%) payments made under 11 subrecipient agreements did not identify award information including federal award number, name of federal agency, and assistance listing title and number, as required by federal regulations. In addition, two of the 11 agreements did not state how DCFS would monitor the subrecipients, although reviews of financial and performance reports as well as site visits were performed.

In a statistical sample of 16 Foster Care subrecipient payments from a population of 171 Foster Care subrecipient payments totaling \$22,349,520, seven (44%) payments were made under four contracts that did not identify award information including federal award number and assistance listing title and number, as required by federal regulations.

In addition, for TANF and Foster Care subrecipients evaluated, DCFS could not provide formal documentation that the required risk analyses were performed to evaluate each subrecipients' fraud risk and risk of noncompliance with federal regulations and the terms of the subaward.

Federal regulations require recipients to ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information: (1) Federal Award Identification; (2) All requirements of the subaward, including requirements imposed by federal statutes, regulations, and the terms and conditions of the federal award; and (3) Any additional requirements that the pass-through entity imposes on the subrecipient for the recipient to meet its responsibilities under the federal award. Federal regulations require recipients to evaluate each subrecipient's fraud risk and risk of noncompliance with a subaward for purposes of determining the appropriate subrecipient monitoring. Federal regulations require recipients to monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with federal statutes, regulations, and the terms and conditions of the subaward. In monitoring a subrecipient, a recipient must review financial and performance reports.

In fiscal year 2025, DCFS made changes to certain subaward agreements. These changes removed certain language from the agreements, which caused them to be in noncompliance with federal requirements. In addition, DCFS failed to document required risk assessments. DCFS represented they performed evaluations over subrecipients through inquiry and observation, ensured good standing on the Louisiana Secretary of State's website, and monitored audit reports for compliance.

DCFS should strengthen controls to ensure that all required information is included in the subaward documents and that risk assessments are performed and documented on all subrecipients in accordance with federal regulations. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 5-6).

### **Noncompliance and Control Weakness over TANF Child Support Cooperation Requirements**

DCFS did not timely and appropriately sanction individuals receiving TANF cash assistance payments for child support due to non-cooperation related to establishing paternity, or related to establishing, modifying or enforcing a support order.

In a sample of 40 out of 577 cases referred to TANF caseworkers by the DCFS Child Support Enforcement (CSE) Division for non-cooperation, 9 (23%) cases were put on hold (sanctioned) between 6 and 72 days after the date required by DCFS policy. For six of the nine cases, the client's TANF cash assistance benefits were not denied, as required by federal regulations, for at least one month after the case was referred to a TANF caseworker. For these six cases, \$3,116 in benefits were issued, which we consider to be questioned costs.

DCFS policy requires analysts, within ten days of receiving documentation of failure to cooperate with CSE, to send cash assistance clients notice of noncooperation. This notice will inform the client that their case will be closed upon expiration of the 13-day notice period unless the client ends their failure to comply prior to that time. Per federal regulations, if CSE determines that an individual is not cooperating with child support enforcement requirements, and the individual does not qualify for a good cause or other exception, then CSE must notify the TANF caseworkers. The TANF caseworkers must then take appropriate action by deducting from the assistance an amount equal to not less than 25% of the amount of such assistance; or deny the family any assistance under the program. In addition, the federal grantor could impose a penalty on the state of not less than 1% and not more than 5% of the adjusted State Family Assistance Grant, which is a portion of TANF.

TANF caseworkers did not ensure that individuals who had been reported as noncompliant by CSE were sanctioned timely or denied TANF benefits, if appropriate. Noncompliance with CSE cooperation requirements could result in penalties assessed on the state by the federal grantor.

Management should strengthen internal controls to ensure compliance with CSE requirements, including timely sanctions and denial of assistance, as appropriate.

Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 7-8).

### **Noncompliance with and Control Weakness over Adoption Assistance Eligibility Requirements**

DCFS did not maintain certain eligibility documentation or obtain signatures timely on certain adoption forms, as required by federal regulation and state policy. In a statistical sample of 60 out of 104,052 Adoption Assistance payments totaling \$43,111,539, two (3%) cases tested did not have documentation of the fingerprint-based criminal records check or the State Central Registry check. In addition, two (3%) other cases tested did not have the adoption assistance agreement form signed on or before the day of the final decree of adoption.

To comply with 42 USC 671(a)(20), DCFS policy 1-1000, *Criminal Record Clearance*, requires DCFS personnel to complete the fingerprint-based, national criminal background clearances on adoptive parent applicants and adult household members. DCFS policy 9-400, *Qualifications of the Foster and Adoptive Caregivers*, requires adoptive caregivers to have an affirmative child abuse/neglect clearance and not be listed as a perpetrator of abuse or neglect on the State Central Registry. Also, per DCFS policy 8-740, *Special Adoption Subsidy Situations*, the adoption subsidy agreement must be completed and approved before the final decree (of adoption) is issued. Federal regulations require recipients of federal awards to establish, document, and maintain effective internal control designed to reasonably ensure compliance with federal statutes, regulations, and the terms and conditions of the federal awards.

DCFS did not have a policy over retention of documentation associated with criminal records checks as well as State Central Registry checks. In addition, DCFS employees did not follow DCFS policy to ensure adoption assistance agreements were signed within the required timeframe.

Failure to implement proper controls over adoption assistance eligibility documentation resulted in noncompliance with federal regulations and state policies. Noncompliance with the criminal records check and State Central Registry check resulted in \$921 in questioned costs.

DCFS should strengthen internal controls to ensure adoption assistance eligibility documentation is maintained. These internal controls should also ensure adoption assistance agreements are signed and in effect before the final decree of adoption. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 9-10).

**Control Weakness and Noncompliance Related to Cost Allocation Process**

DCFS did not have adequate controls in place to ensure the correct allocation of expenditures in accordance with the Cost Allocation Plan (CAP), which assigns costs to federal programs.

In a sample of 60 cost allocation forms out of a population of 1,019 forms, five (8%) forms either did not agree to supporting documentation, used the incorrect grant number, or used a federal program that was not included in the CAP, which resulted in the incorrect allocation of costs to various cost pools affecting multiple federal programs. These errors resulted in overbilling the TANF program by \$19 and the State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) by \$625. The amounts overbilled represent questioned costs. In addition, the following programs were underbilled: TANF by \$312, Child Support Services by \$937, and SNAP by \$19.

Federal regulations require entities receiving federal awards to establish, document, and maintain effective internal controls and accounting practices designed to reasonably ensure compliance with federal requirements and adequately support costs charged to federal programs.

These errors occurred because there was not an effective review process in place to identify amounts being charged incorrectly through the cost allocation process. Failure to adequately review cost allocation supporting documentation increases the risk that unallowable costs could be charged to federal programs. This is the third consecutive year we have reported to DCFS management exceptions with internal controls related to the cost allocation process.

Management should strengthen internal controls over the cost allocation review process. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 11-12).

**Noncompliance and Control Weakness Related to the TANF Work Verification Plan**

DCFS did not ensure that all work activity supporting documentation for cash assistance recipients was accurate and maintained for hours worked under the TANF program.

In a sample of 60 out of 41,893 work activity records in the job-tracking system for approximately 2,300 clients per month, seven (12%) work-eligible participant's hours either did not agree to supporting documentation or supporting documentation of work activities was not maintained as required by federal regulations.

Per Federal regulations, a state must support each individual's hours of participation through documentation in accordance with its Work Verification Plan. In addition, a parent or caretaker receiving assistance must engage in work activities when the state has determined that the individual is ready to engage in work.

DCFS employees did not adhere to requirements in the state's work verification plan pertaining to maintaining and verifying supporting documentation for the hours worked by participants.

This is the fourteenth consecutive year we have reported to DCFS management exceptions with internal controls and compliance related to this TANF requirement. Noncompliance could result in penalties assessed to the state by the federal grantor.

DCFS management should ensure DCFS employees comply with existing policies and procedures regarding the state's work verification plan. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 13-14).

### **Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act**

DCFS did not comply with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements during fiscal year 2025 for the following federal programs:

- For the Foster Care Title IV-E program, DCFS did not enter subaward information into the FFATA Subaward Reporting System (FSRS) or the System for Award Management (SAM), as applicable, for any of the 17 different subrecipients. DCFS disbursed approximately \$22.3 million in expenditures to those subrecipients during fiscal year 2025.
- For the TANF program, DCFS did not enter subaward information into FSRS or SAM, as applicable, for any of the 59 different subrecipients. DCFS disbursed approximately \$66.6 million in expenditures to those subrecipients during fiscal year 2025.

Federal regulations require the recipient to report certain information about each obligating action that equals or exceeds \$30,000 in federal funds for a subaward to an entity into FSRS or SAM, as applicable, no later than the end of the month following the month in which the obligation was made.

Management represented that the cause for this noncompliance is due to procedural changes that were being reviewed before the changes were implemented.

This is the fourth consecutive year we have reported to DCFS management exceptions with compliance related to FFATA reporting. Not reporting obligating actions to FSRS or SAM, as applicable, prevents the public from having access to accurate information on how DCFS is obligating federal funds.

DCFS should strengthen internal controls to ensure that appropriate personnel are timely and accurately entering the required award information for FFATA reporting in accordance with federal requirements. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 15-16).

### **Control Weakness over TANF Requirements**

DCFS did not ensure that accurate and complete information was entered into the Louisiana Integrated Eligibility Project (LITE) system, which is used to determine if the applicant for TANF cash assistance is financially needy and determine the amount of eligible benefit.

In a sample of 40 out of 59,674 TANF - Family Independence Temporary Assistance Program and TANF - Kinship Care Subsidy Program cash assistance payments totaling \$33,001,868, two (5%) recipient's income calculation either did not include amounts from check stubs or did not include the social security income of all members of the household.

Federal regulations state that one of the four purposes of the TANF program is to provide assistance to needy families and that an "eligible family" must be financially eligible according to the appropriate income and resource (when applicable) standards established by the state and contained in its TANF plan. Federal regulations also require non-federal entities receiving federal awards establish, document, and maintain effective internal control designed to reasonably ensure compliance with federal statutes, regulations, and the terms and conditions of the federal awards.

DCFS employees did not ensure all information needed to validate the applicant's eligibility and determine financial need was included in the LITE system prior to providing financial assistance. Although these exceptions did not result in incorrect payments, it increases the risk that applicants may receive benefits to which they are not entitled and could result in DCFS having to repay the funds to the federal grantor.

DCFS management should strengthen controls to ensure accurate and complete information is entered into LITE to support that financially needy families receive the TANF cash assistance as allowed by federal regulations. Management concurred with the finding and provided a corrective action plan (Appendix A, pages 17-18).

### **Inadequate Controls Related to Summer EBT Program for Children Reporting**

DCFS did not ensure that controls were in place requiring a documented review of Summer Electronic Benefit Transfer (EBT) Program for Children monthly FNS-46 and FNS-388 reports prior to submission to United States Department of Agriculture - Food and Nutrition Service (FNS). For each of the 12 monthly reports for both FNS-46 and FNS-388 for fiscal year 2025, there was no evidence of review prior to submission to FNS. Although no exceptions were noted in the reports reviewed, failure to establish controls that include a documented review over data submissions to FNS could result in inaccurate information being included in the Summer EBT Program for Children reports.

Federal regulations require recipients of federal awards to establish, document, and maintain effective internal control designed to reasonably ensure compliance with federal statutes, regulations, and the terms and conditions of the federal awards.

DCFS did not have a policy in place to document approval of Summer EBT Program for Children federal reports prior to submission. DCFS represented that a staff member, other than the person who submitted the report, performed a review for accuracy prior to the report being submitted. However, management was unable to provide evidence of the review.

DCFS should document and maintain internal controls requiring evidence that monthly FNS-46 and FNS-388 reports are reviewed prior to submitting the reports to the federal agency. Management concurred in part with the finding and provided a corrective action plan (see Appendix A, pages 19-20).

### **Control Weakness over Social Services Block Grant Expenditures**

DCFS did not have adequate controls in place to ensure that expenditures charged to the Social Services Block Grant (SSBG) federal program through its Tracking Information Payment System (TIPS) were supported and properly approved. This is the second consecutive year a control weakness over SSBG expenditures has been reported.

In a sample of 40 expenditures out of a population of 61,191 expenditure transactions totaling \$16,972,281, we noted the following deviations:

- For three (8%) transactions, DCFS was unable to provide the TIPS payment forms, which shows evidence of review and approval for the payment detail.
- For one (3%) transaction, the same person who certified the expenditures also approved them on the TIPS payment form.

Federal regulations require non-federal entities to establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

These deviations occurred because DCFS employees did not follow applicable policies and procedures as TIPS forms supporting approval for SSBG transactions were not maintained and one form lacked proper segregation of duties between the certifier and approver. Failure to maintain adequate controls increases the risk that errors and omissions may occur and remain undetected.

Management should strengthen internal controls to ensure that SSBG expenditures maintained in TIPS are supported and properly approved. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 21-22).

**Weakness in Controls over Payroll**

DCFS did not follow established payroll policies and procedures for the certification and approval of time statements, as well as for the approval of leave requests. This is the fourth consecutive year a weakness in controls over payroll has been reported.

In our review of 45 time statements for the period July 1, 2024, through June 30, 2025, we identified the following:

- Eleven (24%) time statements were approved by supervisors between one and 145 days after the date required by policy.
- Eight (18%) time statements were certified by employees between one and 90 days after the date required by policy.
- One (2%) time statement was not approved by the supervisor prior to payroll processing.

In addition, our review of payroll system reports identified 10,478 (6%) of 177,252 leave requests that were auto approved by the system. This occurs when leave has been requested, but the employee's supervisor did not take timely action to approve/reject the system leave request before the end of the pay period in which the leave was taken. All open leave requests in the system will be auto approved on the last day of the applicable pay period in order for the employee to receive payment.

The DCFS payroll policy requires employees to certify their time statements by the Tuesday following the close of the pay period in the Cross-Application Time Statements (CATS) system and supervisors to approve time statements in the CATS system by the Wednesday following the close of the pay period. Supervisors are also responsible for approving or rejecting all leave requests before the end of the applicable pay period.

DCFS employees did not adhere to the established policies and procedures over payroll to certify and approve time statements in a timely manner or properly approve leave requests. As a result, there is an increased risk that errors and/or fraud could occur and not be detected in a timely manner.

Management should ensure employees comply with existing policies and procedures, including certifying and approving time statements and leave requests in a timely manner. Management concurred with the finding and provided a corrective action plan (see Appendix A, page 23).

---

**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, 2025, we considered internal control over financial reporting and examined evidence supporting DCFS's Supplemental Nutrition Assistance Program benefit expenditures and the Escrow Fund – Title IV-D schedule of activities, as reported in the note disclosure and schedule in its annual fiscal report.

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.

---

**Federal Compliance - Single Audit of the State of  
Louisiana**

As a part of the Single Audit for the year ended June 30, 2025, we performed internal control and compliance testing as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) on DCFS's major federal programs, as follows:

- Summer Electronic Benefit Transfer Program for Children (Assistance Listing 10.646)
- Temporary Assistance for Needy Families (Assistance Listing 93.558)
- Foster Care Title IV-E (Assistance Listing 93.658)
- Adoption Assistance (Assistance Listing 93.659)

Those tests included evaluating the effectiveness of DCFS's internal controls designed to prevent or detect material noncompliance with program requirements and tests to determine whether DCFS complied with applicable program requirements. In addition, we performed certain procedures on information submitted by DCFS to the Division of Administration's Office of Statewide Reporting and Accounting Policy for the preparation of the state's Schedule of Expenditures of Federal Awards (SEFA) and on the status of the prior-year findings for the preparation of the state's Summary Schedule of Prior Audit Findings, as required by Uniform Guidance.

Based on the results of these Single Audit procedures, we reported findings related to Noncompliance with and Control Weaknesses over Foster Care Requirements, Noncompliance and Control Weakness Related to Subrecipient Monitoring Requirements, Noncompliance and Control Weakness over Temporary Assistance for Needy Families Child Support Cooperation Requirements, Noncompliance with Control Weakness over Adoption Assistance Eligibility Requirements, Control Weakness and Noncompliance Related to Cost Allocation Process, Noncompliance and Control Weakness Related to the TANF Work Verification Plan, Noncompliance with

Reporting Requirements for the Federal Funding Accountability and Transparency Act Control Weakness over TANF Requirements, Inadequate Controls Related to Summer EBT Program for Children Reporting, and Control Weakness over Social Services Block Grant Expenditures. These findings, except for the Control Weakness over Social Services Block Grant Expenditures were included in the Single Audit for the year ended June 30, 2025. In addition, DCFS's information submitted for the preparation of the state's SEFA and the state's Summary Schedule of Prior Audit Findings, as adjusted, is materially correct.

---

### **Other Procedures**

In addition to the Annual Comprehensive Financial Report and Single Audit procedures noted above, we performed certain procedures that included obtaining, documenting, and reviewing DCFS's internal control and compliance with related laws and regulations over the LaCarte, fuel card, travel, and payroll expenditures.

Based on the results of these procedures, we reported findings related to Inadequate Controls over Fuel Card Transactions and Noncompliance with Vehicle Usage Regulations, and Weakness in Controls over Payroll as described previously.

---

### **Trend Analysis**

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

---

### **Other Reports**

On June 4, 2025, an informational brief was issued by Louisiana Legislative Auditor's (LLA's) Performance Audit Services (PAS) titled *Child Welfare Staffing and Caseload* (Control No. 40250008). This informational brief provides the results of the analysis of DCFS's Child Welfare staffing levels, expenditures for personnel services, turnover rates, caseloads and case backlogs, and supplemental contract staff in the Baton Rouge and Orleans Regions.

On August 20, 2025, an informational report was issued by LLA's PAS titled *Child Welfare Payments* (Control No. 40240030). This report provides information on DCFS's controls over payments it made for child welfare services.

On September 3, 2025, an informational report was issued by LLA's PAS titled *Pregnancy and Baby Care Initiative* (Control No. 40250009). This report provides information on Louisiana's Pregnancy and Baby Care Initiative administered by DCFS's Division of Family Support, including the funding, services offered, and oversight of pregnancy centers.

On November 26, 2025, a report was issued by LLA's PAS titled *Child Support Enforcement* (Control No. 40240021). This report provides information on DCFS's Child Support Enforcement program. In addition, this report includes an evaluation of DCFS's child support case review process.

On April 8, 2026, an informational report was issued by LLA's PAS titled *Medicaid Services for Foster Children* (Control No. 40250029). This report provides information about payments made by the Medicaid program and DCFS for foster children receiving behavioral health services.

On April 21, 2026, the LLA Louisiana Child Ombudsman issued its *2025 Annual Report*. This report provides information on 2025 activities, issues reported regarding DCFS and other state agencies, children impacted, recommendations, outreach and collaboration, additional statutory duties, and 2026 goals and projects.

The reports noted in this section are available on the Louisiana Legislative Auditor's website.

The recommendations in this letter represent, in our judgment, those most likely to bring about beneficial improvements to the operations of DCFS. The nature of the recommendations, their implementation costs, and their potential impact on the operations of DCFS should be considered in reaching decisions on courses of action. The findings related to DCFS's compliance with applicable laws and regulations should be addressed immediately by management.

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

BL:AD:RR:BQD:ch

DCFS2025

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

---



Jeff Landry  
GOVERNOR



Rebecca Harris  
SECRETARY

# State of Louisiana

## Louisiana Department of Children and Family Services

April 28, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

### RE: Inadequate Controls over Fuel Card Transactions and Noncompliance with Vehicle Usage Regulations

Dear Mr. Waguespack,

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "*Inadequate Controls over Fuel Card Transactions and Noncompliance with Vehicle Usage Regulations*".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

**Finding:** The Department of Children and Family Services (DCFS) did not have adequate controls in place to ensure that fuel card transactions are properly documented and comply with department policies. In addition, DCFS did not comply with state vehicle usage laws and regulations.

**Recommendation:** DCFS should ensure all fuel card transactions are accurately logged and supported, and purchases are monitored for compliance with the established policy. DCFS should also ensure compliance with vehicle usage laws and regulations.

**Corrective Action Plan:** DCFS' Division of Management and Finance will implement the following measures to address the deficiencies noted.

- **Strengthening Fuel Card Controls:** DCFS will revise its internal policy related to the fuel card program to require employees to reimburse the department for any fuel or maintenance purchase for which they are unable to provide a receipt. Additionally, the Administrative, Training and Support Services Section (ATSS) will revise its procedures to include developing a report that will monitor and track, for compliance, the submission of all signed MV-3 logs and receipts. The report will be submitted to the ATSS Director monthly for review.
- **Mandatory Training:** DCFS will develop an annual training program, to be included in SuccessFactors, which will outline vehicle usage laws and regulations. This training will be mandatory for all employees and must be completed with a passing score.

The Department will continue to monitor the implementation and effectiveness of these measures and will take additional action as necessary to ensure sustained compliance. If additional information is needed, please contact Roger Arvie, Administrative Training Support Services Director, at (225) 342-0289 or [Roger.Arvie.DCFS@LA.Gov](mailto:Roger.Arvie.DCFS@LA.Gov).

Sincerely,

Rebecca Harris  
Secretary

Page 2

cc:	Christopher Bahm	Undersecretary
	Haley Williams	Deputy Secretary
	Connie Guillory	Assistant Secretary for Child Welfare
	Charles Watkins	Assistant Secretary for Family Support
	Babur Rehman	Internal Audit Director
	Roger Arvie	Administrative, Training and Support Services Dire

Jeff Landry  
GOVERNOR



Rebecca Harris  
SECRETARY

# State of Louisiana

## Louisiana Department of Children and Family Services

March 6, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

**RE: Noncompliance with and Control Weaknesses over Foster Care Requirements**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "**Noncompliance with and Control Weaknesses over Foster Care Requirements**".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

As part of our corrective action plan for this finding, DCFS is updating policy and practice to ensure that the retention of documentation associated with criminal records checks and the State Central Registry Clearances for foster/adoptive caregivers are clearly addressed in policy. Policy related to the retention of documentation related to these checks will be reviewed with all DCFS staff in the monthly policy meeting. DCFS will develop and implement training specifically for Home Development staff. This training will address the proper completion of required forms as well as the retention of criminal records checks and State Central Registry Clearances following closure of the foster/adoptive caregiver's home. The anticipated date of completion is June 30, 2026.

DCFS is strengthening internal controls by modernizing the authorization process to require digital approvals. This system upgrade will mandate that service authorizations are finalized before services begin, ensuring all Foster Care payments align with federal and state eligibility requirements. Furthermore, the digital platform will centralize documentation tracking, ensuring continuity of records and compliance even during staff transitions or vacancies. Training will be provided to all Child Welfare administrative and professional-level staff on the new process. The anticipated date of completion is June 30, 2026.

Should you require additional information, please contact Connie Guillory, Assistant Secretary of Child Welfare, at 337-793-0017 or [Connie.Guillory.DCFS@LA.GOV](mailto:Connie.Guillory.DCFS@LA.GOV).

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Harris".

Rebecca Harris  
Secretary

March 6, 2026

Page 2

cc:	Haley Williams	Deputy Secretary
	Connie Guillory	Assistant Secretary
	Christopher Bahm	Undersecretary
	Christy Tate	Deputy Assistant Secretary
	Leslie Lyons	Deputy Assistant Secretary
	Leslie Calloway	Deputy Assistant Secretary
	Melissa Kenyon	Deputy Assistant Secretary
	Sarah Tirrell	General Counsel
	Babur Rehman	Internal Audit Director

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Department of Children and Family Services

February 23, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

### **Re: Response Management Letter: Noncompliance and Control Weakness Related to Subrecipient Monitoring Requirements**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Noncompliance and Control Weakness Related to Subrecipient Monitoring Requirements."

DCFS continuously strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

DCFS concurs that instances were identified where adequate controls were not in place to ensure compliance with subrecipient monitoring requirements related to the Temporary Assistance for Needy Families (TANF) and Foster Care Title IV-E (Foster Care) programs. Management recognizes the importance of properly monitoring and managing subrecipients, including documenting risk assessments, in order to comply with federal regulations and decrease the likelihood of improper payments which may have to be returned to the federal grantor.

### **Corrective Action Plan**

DCFS is improving its internal processes for subrecipient monitoring and risk assessment to reduce the risk of future errors and improve compliance.

- **Corrective Action Planned:**
  - DCFS will ensure that every subaward is clearly identified to the subrecipient as a subaward and that each subrecipient contract includes the following information: (1) Federal Award Identification; (2) All requirements of the subaward, including requirements imposed by federal statutes, regulations, and the terms and conditions of the federal award; and (3) Any additional requirements that the pass-through entity imposes on the subrecipient for the recipient to meet its responsibilities under the federal award.
  - DCFS will implement forms and processes to evaluate each subrecipient's fraud risk and risk of noncompliance with a subaward for purposes of determining the appropriate subrecipient monitoring.

February 23, 2026

Page 2

- DCFS will use the implemented process to monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with federal statutes, regulations, and the terms and conditions of the subaward. In monitoring a subrecipient, DCFS will review financial and performance reports.
- Responsible Contact(s): Ali Bagbey, Procurement Director
- Anticipated Completion Date: June 30, 2026

DCFS believes these actions will address the deficiencies noted in the finding. Management will continue to monitor the effectiveness of these processes to ensure sustained compliance. Should you require additional information, please contact Ali Bagbey, Procurement Director at (225) 342-0277 or [Ali.Bagbey.DCFS@la.gov](mailto:Ali.Bagbey.DCFS@la.gov).

Sincerely,



Rebecca Harris  
Secretary

cc: Haley Williams, Deputy Secretary  
Christopher Bahm Undersecretary  
Sarah Tirrel General Counsel  
Ali Bagbey Procurement Director  
Babur Rehman Internal Audit Director

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Louisiana Department of Children and Family Services

January 30, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

**RE: Noncompliance and Control Weakness Related to the Temporary Assistance for Needy Families Child Support Cooperation Requirements**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Noncompliance and Control Weakness Related to the Temporary Assistance for Needy Families Child Support Cooperation Requirements".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

Although the exceptions noted occurred during the prior period under DCFS, the Louisiana Department of Health (LDH) began administration of the Family Independence Temporary Assistance Program (FITAP) and Kinship Care Subsidy Program (KCSP) programs effective October 1, 2025, and proposed the following continuous corrective actions that include annual specialized training, active monitoring, and accountability measures.

LDH Program Consultants will conduct specialized training annually to ensure staff are aware of their responsibilities. This training will emphasize that the compliance information contained within the daily LASES Case Updates report must be acted upon within the 10-day timeframe.

LDH Program Consultants will be tasked with monitoring non-compliant cases, ensuring that the analyst and their supervisor are in receipt of the report and act timely. The LDH Program Consultants will provide LDH leadership with ongoing awareness and oversight for staff who fail to act upon the notification by escalating the information on the 9<sup>th</sup> day to the Parish Manager and on the 10<sup>th</sup> day to the Area Director.

DCFS TANF Consultant will monitor LDH to ensure the corrective action plan is fully executed.

January 30, 2026

Page 2

Should you require additional information, please contact Charles Watkins, Assistant Secretary of Family Support at [Charles.Watkins.DCFS@LA.GOV](mailto:Charles.Watkins.DCFS@LA.GOV).

Sincerely,



Rebecca Harris  
Secretary

cc:	Haley Williams	Deputy Secretary
	Charles Watkins	Assistant Secretary
	Mona Chapman	Deputy Assistant Secretary
	Christopher Bahm	Undersecretary
	Julie Starns	TANF Director
	Sarah Tirrell	General Counsel
	Babur Rehman	Internal Audit Director

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Louisiana Department of Children and Family Services

February 19, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

### **RE: Noncompliance and Control Weakness over Adoption Assistance Eligibility Requirements**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Noncompliance with and Control Weakness over Adoption Assistance Eligibility Requirements".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

As part of our corrective action plan for this finding, DCFS is updating policy and practice to ensure that a copy of the completed home study is filed in the adoption subsidy case record. In addition, an adoption timeline checklist is being developed and will be incorporated into policy to support consistent documentation and timely completion of required adoption activities.

DCFS will develop and implement training specifically for adoption staff. This training will address the proper completion of required forms as well as the expected timeframes for completing each step in the adoption process.

Should you require additional information, please contact Brett Hanemann, Assistant Secretary of Child Welfare at (504)-439-1775 or [Bret.Hanemann.DCFS@LA.GOV](mailto:Bret.Hanemann.DCFS@LA.GOV).

Sincerely,

Rebecca Harris  
Secretary

February 19, 2026

Page 2

cc:	Haley Williams	Deputy Secretary
	Bret Hanemann	Assistant Secretary
	Christopher Bahm	Undersecretary
	Christy Tate	Deputy Assistant Secretary
	Connie Guillory	Deputy Assistant Secretary
	Leslie Calloway	Deputy Assistant Secretary
	Melissa Kenyon	Deputy Assistant Secretary
	Sarah Tirrell	General Counsel
	Shannon Catanzaro	Child Welfare Manager 2
	Babur Rehman	Internal Audit Director

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Department of Children and Family Services

January 17, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Legislative Auditor  
1600 North Third Street  
Baton Rouge, Louisiana 70802

Dear Mr. Waguespack:

### **Re: Control Weakness and Noncompliance Related to Cost Allocation Process**

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Control Weakness and Noncompliance Related to Cost Allocation Process."

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing and maintaining corrective actions to ensure compliance with federal and state regulations.

DCFS concurs that instances were identified where cost allocation forms did not align with supporting documentation, utilizing incorrect grant numbers, and/or referencing federal programs not included in the approved Cost Allocation Plan (CAP). While the identified costs were not material in terms of amount, management recognizes the importance of maintaining effective internal controls to ensure that costs are allocated in accordance with federal requirements and the CAP.

### **Corrective Action Plan**

DCFS is strengthening internal controls over the cost allocation review process to reduce the risk of future errors and improve compliance. Corrective actions include the following:

- **Corrective Action Planned:**  
DCFS will enhance its review procedures for cost allocation forms by implementing additional supervisory review before posting, reinforcing documentation requirements, and providing refresher guidance to staff responsible for preparing and reviewing cost allocation entries. Management will also perform periodic monitoring reviews to ensure allocations are consistent with the approved CAP and supported by appropriate documentation.
- **Responsible Contact(s):**  
Tonja Jones, Cost Allocation Manager, Office of Management and Finance  
Angela Hebert, Fiscal Director, Office of Management and Finance
- **Anticipated Completion Date:**  
June 30, 2026

January 17, 2026

Page 2

DCFS believes these actions will strengthen internal controls and address the deficiencies noted in the finding. Management will continue to monitor the effectiveness of these controls to ensure sustained compliance.

Sincerely,



Rebecca Harris  
Secretary

cc: Haley Williams      Deputy Secretary  
Christopher Bahm      Undersecretary  
Angela Hebert      Fiscal Director  
Babur Rehman      Internal Audit Director

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Department of Children and Family Services

January 30, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
1600 North Third Street  
Baton Rouge, LA 70802

**RE: Noncompliance and Control Weakness related to the Temporary Assistance for Needy Families Work Verification Plan**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Noncompliance and Control Weakness related to the Temporary Assistance for Needy Families Work Verification Plan".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

Although the exceptions noted occurred during the prior period under DCFS, Louisiana Works began administration of the Strategies to Empower People (STEP) program effective October 1, 2025, and proposed the following continuous corrective actions to standardize documentation and oversight.

Louisiana Works STEP Leadership will issue a memorandum on policy documentation and verification to reinforce a clear and standardized guide regarding acceptable work activity documentation and verification requirements. STEP Supervisors will conduct routine secondary reviews of work activity documentation to confirm accuracy, completeness, and alignment with reported hours. Additionally, targeted quality assurance reviews will be conducted to identify trends, gaps, and training needs.

STEP Leadership will also provide targeted training to STEP Coaches focused on the Work Verification Plan, documentation standards, and federal TANF requirements. Training will emphasize proper case maintenance, verification protocols, and documentation retention. Supervisory expectations related to compliance monitoring will be clearly communicated and outlined in a newly created Standard Operating Procedures manual. The anticipated date of completion and availability is 02/09/2026.

Ongoing compliance monitoring will be conducted by STEP Quality Assurance Consultants, Training Consultants, Managers, and Supervisors. A new requirement has been implemented requiring STEP Managers to review a minimum of two cases per month for each team they supervise.

January 30, 2026

Page 2

DCFS TANF Consultant will monitor Louisiana Works to ensure the corrective action plan is fully executed.

Should you require additional information, please contact Charles Watkins, Assistant Secretary of Family Support at [Charles.Watkins.DCFS@LA.GOV](mailto:Charles.Watkins.DCFS@LA.GOV).

Sincerely,



Rebecca Harris  
Secretary

cc:	Charles Watkins	Assistant Secretary
	Haley Williams	Deputy Secretary
	Mona Chapman	Deputy Assistant Secretary
	Christopher Bahm	Undersecretary
	Julie Starns	TANF Director
	Sarah Tirrell	General Counsel
	Babur Rehman	Internal Audit Director

Jeff Landry  
GOVERNOR



Rebecca Harris  
SECRETARY

# State of Louisiana

## Department of Children and Family Services

January 17, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Legislative Auditor  
1600 North Third Street  
Baton Rouge, Louisiana 70804

Dear Mr. Waguespack:

### **Re: Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act**

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act."

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing and maintaining corrective actions to ensure compliance with federal and state regulations.

DCFS concurs that required FFATA subaward information was not entered into the FFATA Subaward Reporting System (FSRS) or the System for Award Management (SAM), as applicable, for certain federal programs during fiscal year 2025, as required by Title 2 CFR Part 170. Management notes that the primary cause of this noncompliance during the current fiscal year was that corrective action data requests were received late in the fiscal year, which limited the Department's ability to complete data validation and upload required information into the applicable reporting systems within the required reporting timeframe.

### **Corrective Action Plan**

DCFS has strengthened and formalized internal controls to ensure the timely identification, collection, and submission of FFATA-required information and to prevent similar timing issues in future periods. Corrective actions include the following:

- **Corrective Action Planned:**  
DCFS has implemented revised FFATA reporting procedures that establish internal deadlines for identifying reportable subawards and collecting required data from program and procurement areas. These procedures include defined roles and responsibilities, coordination between Procurement and Fiscal Services, and supervisory review to ensure FFATA data is complete and entered into FSRS or SAM, as applicable, within federally required timeframes. Management will also perform periodic monitoring to verify ongoing compliance.
- **Responsible Contact(s):**  
Ali Bagbey, Program Manager, Office of Management and Finance - Procurement, Angela Hebert, Fiscal Director, Office of Management and Finance
- **Anticipated Completion Date:**  
December 31, 2026

January 17, 2026

Page 2

DCFS believes these actions address the timing issues that contributed to the fiscal year 2025 noncompliance and will strengthen FFATA reporting compliance going forward. Management will continue to monitor FFATA reporting processes to ensure sustained compliance with federal requirements.

Sincerely,



Rebecca Harris  
Secretary

cc:   Haley Williams     Deputy Secretary  
      Christopher Bahm   Undersecretary  
      Angela Hebert     Fiscal Director  
      Babur Rehman     Internal Audit Director



# State of Louisiana

## Louisiana Department of Children and Family Services

February 3, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

### **RE: Control Weakness over Temporary Assistance for Needy Families Requirements**

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Control Weakness over Temporary Assistance for Needy Families Requirements".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

Although the exceptions noted occurred during the prior period under DCFS, the Louisiana Department of Health (LDH) began administration of the Family Independence Temporary Assistance Program (FITAP) and Kinship Care Subsidy Program (KCSP) programs effective October 1, 2025, and proposed the following continuous corrective actions that include formal coaching and active monitoring through supervisory case reviews.

LDH will conduct formal coaching to ensure staff are aware of their responsibilities. This formal coaching will be mandated for eligibility staff identified as inaccurately budgeting income or entering incorrect disability coding, emphasizing the importance of precise and accurate income budgeting and data entry.

In addition to routine case reviews, LDH Supervisors will conduct three additional case reviews for three months as continuous monitoring and corrective measures.

DCFS TANF Consultant will monitor LDH to ensure the corrective action plan is fully executed.

Should you require additional information, please contact Charles Watkins, Assistant Secretary of Family Support at [Charles.Watkins.DCFS@LA.GOV](mailto:Charles.Watkins.DCFS@LA.GOV).

Sincerely,

A handwritten signature in blue ink, appearing to read "Rebecca Harris".

Rebecca Harris  
Secretary

February 3, 2026

Page 2

cc:	Haley Williams	Deputy Secretary
	Charles Watkins	Assistant Secretary
	Mona Chapman	Deputy Assistant Secretary
	Christopher Bahm	Undersecretary
	Julie Starns	TANF Director
	Sarah Tirrell	General Counsel
	Babur Rehman	Internal Audit Director



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**VIA E-MAIL ONLY**

February 24, 2026

Mr. Michael J. "Mike" Waguespack, CPA  
Legislative Auditor  
P. O. Box 94397  
Baton Rouge, Louisiana 70804-9397

**Re: Inadequate Controls Related to Summer EBT Program for Children Reporting**

Dear Mr. Waguespack:

In response to the identified deficiencies in the oversight for Summer EBT Program for Children, the agency submits the following formal response.

The agency acknowledges and concurs in part with the specific finding while clarifying the operational context of the Summer EBT Program for Children. As a newly established administrative initiative launched in 2024, the program operated under a transitional framework where formal data entry and reporting to the Food and Nutrition Service (FNS) were not mandated until January 2025. To facilitate these requirements, staff members had to secure access to the Food Programs Reporting System (FPRS), which necessitated a single user holding dual responsibilities for both data entry and certification. Due to the new implementation of the program and the specific time constraints imposed by the FPRS reporting cycle, the department was initially unaware of the stringent internal control requirements regarding the separation of duties.

Once aware, on August 13, 2025, the department began the process, submitted the required FNS User Access Request Form 674, to comply with the control access with the separation of duties. During this process, on October 1, 2025, the Agency integrated with the Louisiana Department of Health, which required the process to start over again, which caused a delay. The request for additional user certifications to FPRS remains pending. Nevertheless, the Program Manager maintained oversight by performing manual data validations prior to final submission to ensure accuracy.

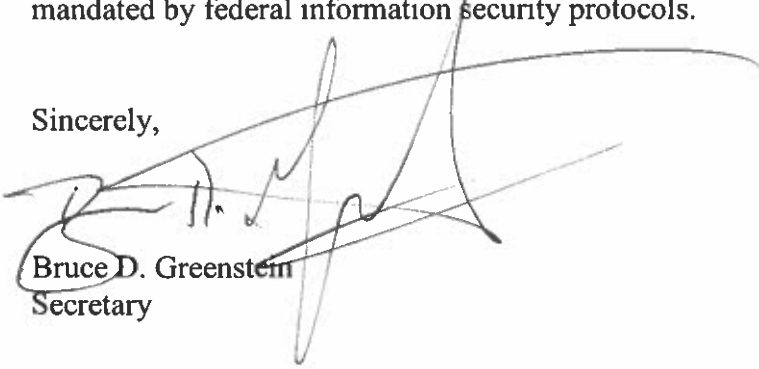
As of February 19, 2026, a formal corrective action plan is currently being executed to resolve the specific Louisiana Legislative Auditor finding related to internal controls. Under the direction of Economic Independence Manager, Yulonda Reed, the

Mr. Michael J. "Mike" Waguespack, CPA  
Inadequate Controls Related to Summer EBT Program for Children Reporting  
February 24, 2026  
Page 2

section has engaged in staff discussions to ensure a comprehensive understanding of the necessary procedural shifts. This adjustment will enforce a strict separation of duties, effectively isolating the functions of data entry from the final certification process to mitigate the risk of error.

The administrative timeline for finalizing this finding is dependent upon the Food and Nutrition Service (FNS) reviewing and granting authorization for the FNS-674 User Access Request Form. This procedural requirement ensures that all personnel involved in data collection or system analysis have the requisite security clearances and system permissions mandated by federal information security protocols.

Sincerely,



Bruce D. Greenstem  
Secretary

**Jeff Landry**  
GOVERNOR



**Rebecca Harris**  
SECRETARY

# State of Louisiana

## Louisiana Department of Children and Family Services

November 13, 2025

Mr. Michael J. "Mike" Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94397  
Baton Rouge, LA 70804

RE: Response Management Letter: Control Weakness over Social Services Block Grant Expenditures

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled, "Control Weakness over Social Services Block Grant Expenditures".

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing corrective actions to ensure compliance with federal and state regulations.

As part of our prior corrective action plan related to this finding, DCFS implemented an automation for specific TIPS forms (211, 212, and 213) using the DocuSign system. Since the implementation of this process, there have been noted improvements in locating these documents since DocuSign acts as a repository.

Due to the improvements in internal controls for expenditures following the integration of DocuSign, DCFS will incorporate the TIPS 106B form into DocuSign. To ensure proper segregation of duties between the certifier and the approver on TIPS documents, DCFS will reiterate the proper use of the DocuSign application. The expected completion date is December 31, 2025.

A short video course titled "TIPS Form 211, 212, 213" is available to child welfare staff through the Louisiana Child Welfare Training Academy (LCWTA) Learning Management System. This course provides instructions on how to fill out and submit TIPS forms for reimbursement using the DocuSign platform. The training will be updated and relaunched to include the processes for the addition of the 106B form. Participation in this training will be mandatory for all frontline staff. The anticipated date of completion is March 31, 2026.

The training "Refresher Course and Procedures Relating to Placement Authorizations" will become an annual mandatory requirement for all seasoned staff. This refresher video course reminds staff of how to enter placement authorizations and the required documentation for the case record. This will become mandatory staff training statewide through the LCWTA Learning Management System. This training will be due each year by the end of the State Fiscal Year. The anticipated date of completion is June 30, 2026.

Page 2

Should you require additional information, please contact Brett Hanemann, Assistant Secretary of Child Welfare at (504)-439-1775 or [Bret.Hanemann.DCFS@LA.GOV](mailto:Bret.Hanemann.DCFS@LA.GOV).

Sincerely,



Rebecca Harris  
Secretary

cc:	Haley Williams	Deputy Secretary
	Christopher Bahm	Undersecretary
	Bret Hanemann	Assistant Secretary
	Amy Richard Easley	Executive Counsel
	Babur Rehman	Internal Audit Director



# State of Louisiana

## Louisiana Department of Children and Family Services

October 24, 2025

Mr. Michael J. "Mike" Waguespack, CPA  
Legislative Auditor  
1600 North Third Street  
Baton Rouge, LA 70804

Dear Mr. Waguespack:

The Department of Children and Family Services (DCFS) acknowledges receipt and concurs with the audit finding titled "*Weakness in Controls over Payroll.*"

DCFS continually strives to enhance its internal processes and controls and remains committed to implementing and maintaining corrective actions to ensure compliance with federal and state regulations.

As part of our prior corrective action plan related to this finding, DCFS Human Resources began issuing monthly reminders to time administrators, emphasizing the importance of their responsibilities. These communications include instructions and reminders to review the e-Certification Report (ZP241) in LaGov HCM each pay period, identifying uncertified or unapproved time statements and ensuring appropriate follow-up with staff. While this has helped with having employees certify their time statements more regularly, we recognize there remains a gap between when policy requires the certification and when employees are certifying their time.

To address this gap, a comprehensive, agency-wide noncompliance report will be distributed each Payroll Tuesday to the DCFS Executive Management Team. This report will detail noncompliance by program area and aid the Undersecretary in identifying employees with repeated instances of noncompliance. Disciplinary action will be taken against repeat offenders of noncompliance when appropriate.

Additionally, DCFS will require that a performance goal addressing compliance with Time and Attendance policies be included in every employee's Performance Planning and Performance Evaluation through SuccessFactors.

Should you require additional information, please do not hesitate to contact Shelly Johnson, DCFS Human Resources Director, by telephone at 225-342-5970 or by email at [Shelly.Johnson.DCFS@la.gov](mailto:Shelly.Johnson.DCFS@la.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Rebecca Harris".

Rebecca Harris  
Secretary

CC: Haley Williams      Deputy Secretary  
Christopher Bahm      Undersecretary  
DeEdra Lamotte      Chief Operations Officer  
Shelly Johnson      Human Resources Director  
Babur Rehman      Internal Audit Director



## APPENDIX B: SCOPE AND METHODOLOGY

---

We performed certain procedures at the Department of Children and Family Services (DCFS) for the period from July 1, 2024, through June 30, 2025, 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, 2025.

- We evaluated DCFS's 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 DCFS.
- Based on the documentation of DCFS's 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 performed procedures on the Summer Electronic Benefit Transfer Program for Children (Assistance Listing 10.646), Temporary Assistance for Needy Families (Assistance Listing 93.558) program, Foster Care Title IV-E (Assistance Listing 93.658) program, and Adoption Assistance (Assistance Listing 93.659) program for the year ended June 30, 2025, as a part of the 2025 Single Audit.
- We performed certain procedures on information for the preparation of the state's Schedule of Expenditures of Federal Awards and on the status of prior-year findings for the preparation of the state's Summary Schedule of Prior Audit Findings for the year ended June 30, 2025, as a part of the 2025 Single Audit.
- We compared the most current and prior-year financial activity using DCFS's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from DCFS's management for significant variances.

In addition, we performed certain other procedures for the period from July 1, 2024, through June 30, 2025, that included obtaining, documenting, and reviewing DCFS's internal control and compliance with related laws and regulations over the LaCarte, fuel card, travel, and payroll expenditures. 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 DCFS, and not to provide an opinion on the effectiveness of DCFS's 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 DCFS's Annual Fiscal Report, and accordingly, we do not express an opinion on that report. DCFS's accounts are an integral part of the State of Louisiana's Annual Comprehensive Financial Report, upon which the Louisiana Legislative Auditor expresses opinions.