



**INTERNAL AUDIT
OFFICE**

505 Travis St.
Suite 450
Shreveport, LA 71101
www.shreveportla.gov
Office: 318-673-7900
Fraud Hotline: 318-222-5698



Leanis L. Steward
City Internal Auditor

**REPORT TO THE CITY
COUNCIL
BY THE CITY INTERNAL
AUDITOR**

ANNUAL FOLLOW-UP
EXTERNAL AUDIT FINANCIAL
STATEMENT FINDINGS FOR THE YEAR
ENDED DECEMBER 31, 2012

INTERNAL AUDIT REPORT
(IAR) 270114-02

August 27, 2014

Report Highlights

Page(s)

- Information to complete annual audited financial statements was not submitted timely. 3



The Council
City of Shreveport

Leanis L. Steward, CPA, CIA
City Internal Auditor
P.O. Box 31109
Shreveport, LA 71130-1109

E-Mail Address:
Leanis.Steward@shreveportla.gov
Phone: 318.673.7900
Fax: 318.673.7911

August 27, 2014

Councilman Joe Shyne
Chairman, Shreveport City Council

Dear Councilman Joe Shyne:

Subject: IAR 270114-02- Annual Follow-Up External Audit Financial Statement Findings
for the Year Ended December 31, 2012

Attached please find the report mentioned above. Management comments are included
in the report.

Sincerely,

Leanis L. Steward, CPA, CIA
City Internal Auditor

nd

**ANNUAL FOLLOW-UP
EXTERNAL AUDIT FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012
INTERNAL AUDIT REPORT (IAR) 270114-02**

BACKGROUND

This report covers the results of our annual follow-up on the December 31, 2012, external audit management letter.

During their audit of the City of Shreveport's 2012 annual financial statements, the external auditors brought to management's attention an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards.

OBJECTIVES

We have completed the annual follow-up on the external audit. Follow-up procedures are substantially less in scope than an audit. The objective of a follow-up is to report on the status of corrective action regarding the audit report's findings and recommendations. Follow-up procedures rely on the department providing the current status and supporting documentation for addressing the recommendations.

SCOPE AND METHODOLOGY

The scope of the follow-up included obtaining a current statement from management explaining the status of each reported response. We limited the scope to actions taken to address the audit recommendations from the date of the final report, July 24, 2013 through June 25, 2014.

The methodology of the follow-up included interviewing and requiring appropriate city employees to complete and sign a questionnaire that defined the status as follows:

- **COMPLETE** - Management's response was implemented.
- **PARTIALLY COMPLETE** - Management's response was partially implemented.
- **NO PROGRESS** - No action was taken regarding management's response.

The current status of each response is listed in the following index and the supporting details follow in the report.



INDEX

<u>TOPIC</u>	<u>STATUS</u>	<u>PAGE</u>
BACKGROUND	N/A	1
OBJECTIVES	N/A	1
SCOPE AND METHODOLOGY	N/A	1
INDEX	N/A	2
FINDINGS		
<u>FINANCE</u>		
1. Annual Audited Financial Statements	Partially Complete	3



FINANCE

1. Annual Audited Financial Statements

Item: 12-1

Criteria or Specific Requirement: The annual audited financial statements of the City are required to be completed and submitted to the Louisiana Legislative Auditor within six months of the City's year-end or June 30, 2013.

Condition Found: The audited financial statements were not completed by June 30, 2013.

Effect: Noncompliance with state law regarding financial reporting.

Cause: Complete information was not available in a timely manner to allow the preparation and audit of the financial statements within the time period required.

Recommendation: We recommend the City take the appropriate steps to ensure all financial information is prepared timely to allow the City to meet the legal deadline for financial reporting.

Management's Response: Management concurs with the finding and recommendation. Management will request information needed from outside sources well in advance of year-end and provide them with target dates for completion.

2014 STATUS (Reported by the Director of Finance) – PARTIALLY COMPLETE. While information from Pension Actuary was received in a more timely manner this year for 2013 fiscal year, the actuary who completes our risk claim valuation took longer than usual to complete project. While we still have several weeks before deadline, the project should already be completed. At this point I do not know if we will reach our goal to complete before 6/30/14.

We have sent copies to auditor waiting for their final review and opinion 2013 report should be filed timely.

Prepared By:

A handwritten signature in cursive script that reads "Tamika Ford".

Tamika Ford
Staff Auditor



IAR 270114-02
July 25, 2014

Approved By:

Leanis L. Steward, CIA, CPA
City Internal Auditor

tf:nd

c: Mayor
CAO
City Attorney
City Council
Clerk of Council
External Auditor
Director of Finance