

LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER IN SHREVEPORT
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA



MANAGEMENT LETTER
ISSUED DECEMBER 14, 2011

**LOUISIANA LEGISLATIVE AUDITOR
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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 has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

This document is produced by the 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 \$3.71. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 3419 or Report ID No. 80110030 for additional information.

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 1, 2011

**LOUISIANA STATE UNIVERSITY HEALTH
SCIENCES CENTER IN SHREVEPORT
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Shreveport, Louisiana**

As required by Louisiana Revised Statute 24:513 and as part of our audit of the Louisiana State University System's (System) financial statements and the Single Audit of the State of Louisiana for the fiscal year ended June 30, 2011, we conducted certain procedures at the Louisiana State University Health Sciences Center in Shreveport (center) for the period from July 1, 2010, through June 30, 2011.

- Our auditors obtained and documented an understanding of the center's operations and system of internal controls, including internal controls over major federal award programs administered by the center through inquiry, observation, and review of the center's policies and procedures, including a review of the related laws and regulations applicable to the center.
- Our auditors performed analytical procedures consisting of a comparison of the most current and prior year financial activity using the center's financial information provided to the System and obtained explanations from center management for any significant variances.
- Our auditors reviewed the status of the finding identified in the prior year engagement. The finding identified in our prior management letter dated December 15, 2010, relating to a performance-based energy efficiency contract has been resolved by management.
- Our auditors considered internal control over financial reporting and examined evidence supporting the center's cash and cash equivalents; investments; receivables; due to/from state treasury; capital assets; accounts payable and accrued liabilities; other postemployment benefits payable; net assets; sales and services of educational departments' revenues; hospital revenues; hospital expenses; and educational and general expenses. We also tested the center's compliance with laws and regulations that could have a direct and material effect on the System's financial statements as part of our audit of the System's Annual

Financial Report for the fiscal year ended June 30, 2011, in accordance with *Government Auditing Standards*.

- Our auditors performed internal control and compliance testing in accordance with *Government Auditing Standards* and Office of Management and Budget Circular A-133 on the Student Financial Aid Cluster and the State Fiscal Stabilization Fund Program for the fiscal year ended June 30, 2011, as part of the Single Audit of the State of Louisiana.

The financial report provided to the System by the center was not audited or reviewed by us, and, accordingly, we do not express an opinion on that financial report. The center's accounts are an integral part of the System's financial statements, upon which the Louisiana Legislative Auditor expresses an opinion.

Based on the application of the procedures referred to previously, we found no significant deficiencies, noncompliance, or errors relating to our analytical procedures or our other audit procedures, including our procedures on federal programs which should be communicated to management.

This letter is intended for the information and use of the center and its management, others within the center and the System, and the Louisiana Legislature and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this letter is a public document and it has been distributed to appropriate public officials.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

KWB:BAC:BDC:THC:dl

LSUHSCS 2011