

LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER - NEW ORLEANS
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA



MANAGEMENT LETTER
ISSUED DECEMBER 11, 2013

**LOUISIANA LEGISLATIVE AUDITOR
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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 \$3.87. 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 website at www.la.la.gov. When contacting the office, you may refer to Agency ID No. 3418 or Report ID No. 80130081 for additional information.

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

December 6, 2013

LOUISIANA STATE UNIVERSITY
HEALTH SCIENCES CENTER - NEW ORLEANS
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
New Orleans, Louisiana

As required by Louisiana Revised Statute 24:513 and as a 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, 2013, we conducted certain procedures at the Louisiana State University Health Sciences Center - New Orleans (LSUHSC-NO) for the period from July 1, 2012, through June 30, 2013.

- Our auditors obtained and documented an understanding of LSUHSC-NO's operations and system of internal controls, including internal controls over major federal award programs administered by LSUHSC-NO, through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to LSUHSC-NO.
- Our auditors performed analytical procedures consisting of a comparison of the most current and prior year financial activity using LSUHSC-NO's financial information provided to the System and obtained explanations from management for any significant variances. We also performed an analysis of LSUHSC-NO's revenue sources, operating expenses, fall enrollment, and degrees/certificates awarded for fiscal years 2009 through 2013 for informational purposes.
- Our auditors reviewed the status of the finding identified in the prior management letter, dated December 10, 2012. The prior year finding relating to misuse of the LaCarte procurement card has been resolved by management.
- Our auditors considered internal control over financial reporting and examined evidence supporting the following: capital assets, net position, state and local grants and contracts revenues, and education and general expenses. We also tested LSUHSC-NO'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 financial statements for the fiscal year ended June 30, 2013, 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 Research and Development Cluster (CFDA various) and the Student Financial Assistance Cluster (CFDA various) for the fiscal year ended June 30, 2013, as part of the Single Audit of the State of Louisiana.

LSUHSC-NO's accounts are an integral part of the System's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

Based on the application of the procedures referred to previously, we found no significant issues relating to our analytical procedures or our other audit procedures, including our procedures on federal programs, that are required to be reported to management.

The purpose of this letter is solely to describe the scope of our work at LSUHSC-NO and not to provide an opinion on the effectiveness of LSUHSC-NO's internal control over financial reporting or on compliance. Accordingly, this letter is not intended to be and should not be used for any other purpose. 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

DSG:JPT:EFS:THC:ch

LSUHSC-NO 2013