



Report Highlights

Louisiana State University and Related Campuses Louisiana State University System

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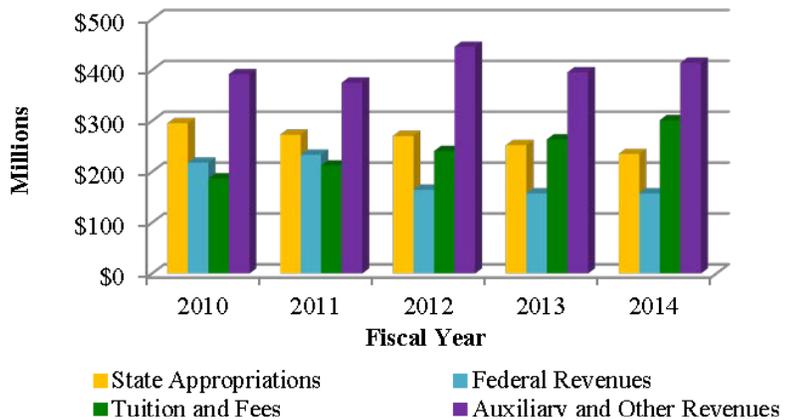
Why We Conducted This Audit

We performed procedures at LSU and Related Campuses (LSU) as part of the Louisiana State University System's audit and the Single Audit of the State of Louisiana, and to evaluate its accountability over public funds for the period July 1, 2013 through June 30, 2014.

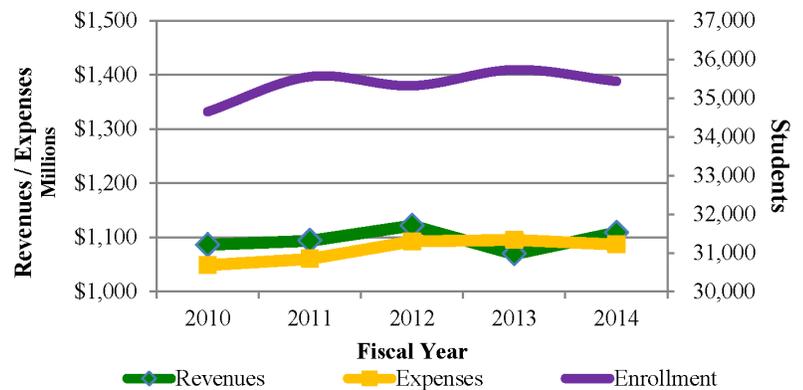
What We Found

- LSU notified us of 10 instances of falsified payroll records, with eight of those instances resulting in improper payments to employees. Payments to three of the employees totaling \$10,408 were charged to federal programs and have subsequently been returned to the applicable programs.
- Pennington Biomedical Research Center submitted Federal Funding Accountability and Transparency Act (FFATA) reports between five to seven months late that included inaccurate "subaward obligation/action dates" for four (80%) of the five reports reviewed. Inaccurate and untimely reporting contradicts the purpose of FFATA, which is to enhance transparency and build public trust in government, and may also negatively impact future grant agreements.
- Financial information relating to the following accounts was materially correct, as adjusted: cash and cash equivalents, investments, amounts due to/from State Treasury, bonds payable, other postemployment benefits payable, net position, student tuition and fees, federal grants and contracts revenues, auxiliary enterprise revenues, state appropriations, education and general expenses, and auxiliary enterprise expenses.
- In analyzing financial trends of LSU over the past five years, expenses increased during fiscal year 2012 and have been relatively consistent over the last two years. Since 2010, tuition and fees have increased by 61% mainly due to the increases in tuition permitted by the GRAD Act (Act 741 of the 2010 Regular Session of the Louisiana Legislature). Over that same period, state appropriations have decreased 20%. As state appropriations continue to become a smaller portion of total revenues, the university's operations are becoming more dependent on tuition and fees, auxiliary revenues, and other revenues collected by LSU and Related Campuses, which are directly related to enrollment. Total enrollment across LSU and Related Campuses has remained relatively consistent over the last five years. However, at LSU at Alexandria and LSU at Eunice, enrollments have decreased 16.7% and 19.8%, respectively, over that period.

Five-Year Revenue Trend



Fall Enrollment Trend Analysis



Source: Fiscal year 2010–2013 LSU System Audit Reports; Fiscal year 2014 LSU and Related Campuses Annual Fiscal Reports