

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



MANAGEMENT LETTER
ISSUED FEBRUARY 15, 2012

**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 and New Orleans offices of the Louisiana Legislative Auditor.

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 \$3.71. 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. 3418 or Report ID No. 80110044 for additional information.

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

January 24, 2012

**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 part of our audit of the Louisiana State University System's (System) financial statements for the year ended June 30, 2011, we conducted certain procedures at Louisiana State University Health Sciences Center - New Orleans (LSUHSC-NO) for the period from July 1, 2010, through June 30, 2011.

- 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 documentation, including a review of the laws and regulations related 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 annual fiscal reports and/or system-generated reports and obtained explanations from LSUHSC-NO management for any significant variances.
- Our auditors reviewed the status of the finding identified in our prior report on LSUHSC-NO, dated January 27, 2011, relating to weaknesses over movable property assigned for off-site use. The finding has been resolved by management.
- Our auditors considered internal control over financial reporting and examined evidence supporting the following LSUHSC-NO account balances and classes of transactions material to the System's financial statements: due from state treasury, other postemployment benefits payable, net assets, state and local grant and contract revenues, sales and services of educational departments' revenue, state appropriations, and education and general expenses.

We tested LSUHSC-NO's compliance with laws and regulations that could have a direct and material effect on the System's financial statements. These procedures were performed in accordance with *Government Auditing Standards* as part of our audit of the System's financial statements for the fiscal year ended June 30, 2011.

- Our auditors performed internal control and compliance testing in accordance with Office of Management and Budget Circular A-133 on the following federal programs for the fiscal year ended June 30, 2011, as a part of the Single Audit for the State of Louisiana:
 - State Energy Program (CFDA 81.041)
 - State Fiscal Stabilization Fund - Education State Grants, Recovery Act (CFDA 84.394)
 - Student Financial Assistance Cluster

The Annual Fiscal Report of LSUHSC-NO was not audited or reviewed by us, and, accordingly, we do not express an opinion on that report. 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 control 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 LSUHSC-NO and its management, others within LSUHSC-NO, the System, the Louisiana State University Board of Supervisors, 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

DSG:NWM:EFS:THC:ch

LSUHSC-NO 2011