



Report Highlights

Louisiana State University Health Sciences Center - New Orleans

Louisiana State University System

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Why We Conducted This Audit

We conducted certain audit procedures at Louisiana State University Health Sciences Center – New Orleans (LSUHSC-NO) as part of the Louisiana State University System’s financial statement audit for the year ended June 30, 2012, and to evaluate accountability over public funds.

What We Found

We tested controls, compliance, and financial reporting for the following accounts in the LSUHSC-NO financial statements: capital assets, net assets, state and local grants and contracts revenues, revenues from sales and services of educational departments, and education and general expenses. Our procedures on those accounts disclosed the following:

- Financial information relating to those accounts was fairly presented.
- An LSUHSC-NO internal investigation determined that an employee used his state-issued LaCarte procurement card to purchase tools, equipment, machine parts, and other merchandise totaling over \$26,000 for resale and personal use. The employee resigned in September 2011 and LSUHSC-NO withheld annual leave in the amount of \$1,752. Management has developed a corrective action plan that includes recouping the remaining funds.
- State appropriations have been reduced at a faster rate than LSUHSC-NO can increase tuition and self-generate new revenues from contracts and grants.

