



Report Highlights

Northwestern State University

University of Louisiana System

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Financial Audit Services • November 2015

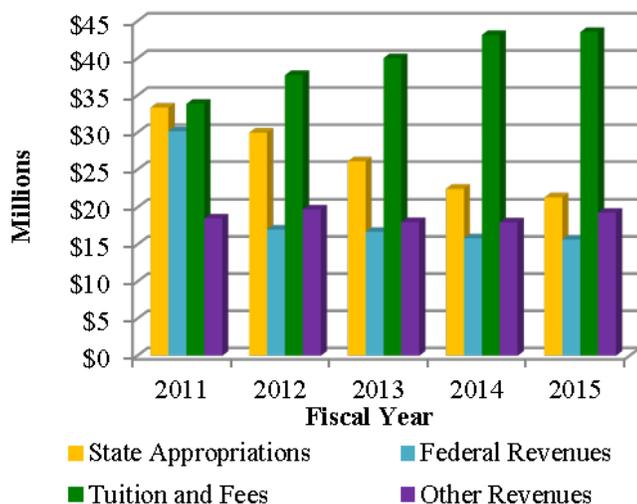
Why We Conducted This Audit

We performed certain procedures at Northwestern State University (University) as a part of the University of Louisiana System audit, the Single Audit of the State of Louisiana, and to evaluate the University's accountability over public funds for the period July 1, 2014, through June 30, 2015.

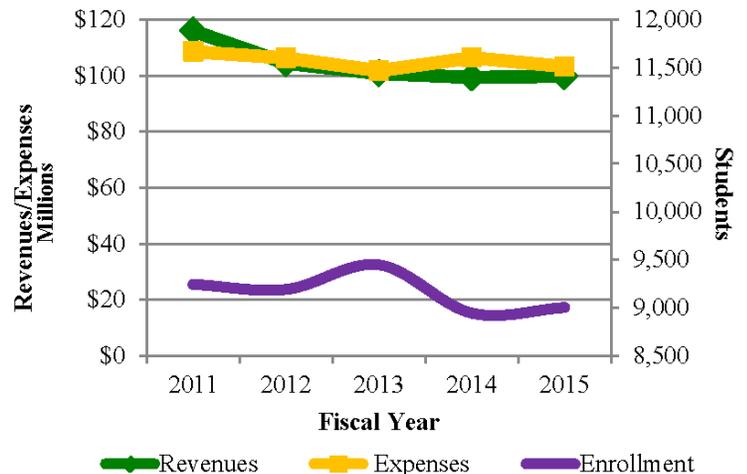
What We Found

- The University granted its employees inappropriate information system access to the Banner System Student Module, increasing the risk of errors or fraud in a system that processed \$59 million in revenues during fiscal year 2015; however, our procedures identified no such errors or fraud.
- Financial information relating to the following accounts was materially correct, as adjusted: cash and cash equivalents, due from State Treasury, capital assets, unearned revenues, net position, student tuition and fees, state appropriations, and education and general expenses. Internal control related to those accounts provides reasonable accountability for the period examined.
- Management has resolved the prior-year finding related to student enrollment status changes not reported.
- Based on a five-year analysis, the impact of the state funding reductions on the University's budgets has been significant. In fiscal year (FY) 2011, the University received \$33.4 million from state appropriations, and in FY 2015 received only \$21.4 million from state appropriations. While tuition revenues increased during this same period, this additional revenue was not enough to offset the reduction in state funding.

Five-Year Revenue Trend



Fiscal/Enrollment Trends



Source: FY 2011–2015 University Annual Fiscal Report, as adjusted, and Board of Regents website data/publication