



Report Highlights

Southern University Law Center Southern University System

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Financial Audit Services • December 2014

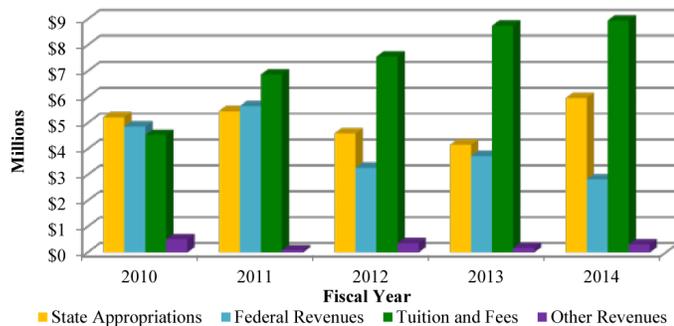
Why We Conducted This Audit

The Southern University Law Center (Law Center) is seeking accreditation as a separate unit, apart from the Southern University Baton Rouge campus, by the Southern Association of Colleges and Schools (SACS). Accordingly, SACS requires an independent audit of the Law Center, separate from the audit of the Southern University System, to accompany its application.

What We Found

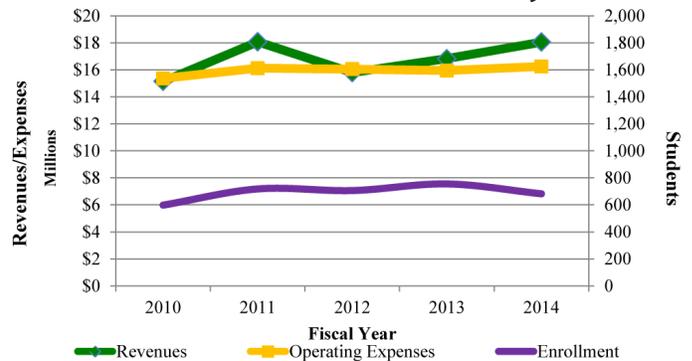
- For the third consecutive year, the Law Center failed to complete an accurate Annual Financial Report (AFR). The AFR, which was completed more than six weeks late, contained material errors that substantially increased the time and effort necessary for auditors to complete their work. Because we have not seen significant improvement in the Law Center’s financial reporting during the last three years, we have recommended that the Law Center hire or contract with additional accounting personnel to correct existing errors in its general ledger and federal grant documentation.
- The Law Center’s financial statements, as adjusted, are fairly stated for the year ended June 30, 2014.
- As shown in the five-year trend analysis below, the Law Center’s expenses have remained fairly stable, while revenues have fluctuated depending on state and federal funding. The Law Center has become increasingly dependent on tuition and fees to support its operations.

Five-Year Revenue Trend



Sources: Audited Financial Statements

Fall Enrollment Trend Analysis



Sources: Audited Financial Reports and Board of Regents website