

## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Audit Committee and Board of Directors  
Pennington Biomedical Research Foundation

We have performed the procedures enumerated below, which were agreed to by the Pennington Biomedical Research Foundation (the Foundation) and the Louisiana Legislative Auditor (the specified parties), solely to assist the Louisiana Legislative Auditor in its audit of the Louisiana State University System as of and for the year ended June 30, 2023. Management of the Foundation is responsible for its compliance with the Policies.

The Foundation has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Louisiana Legislative Auditor in its audit of the Louisiana State University System as of and for the year ended June 30, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are as follows:

- 1) Tested the Foundation's endowments for the Eminent Scholars Endowed Chairs Program and the Endowed Professorship Program to determine if they have been managed in compliance with the provisions set forth in the Board of Regents Statement of Investment Policy and Objectives.

*No exceptions were noted as a result of the above procedure.*

- 2) Confirmed that the annual financial reports for the Eminent Scholars Endowed Chairs Program and the Endowed Professorship Program submitted to the Board of Regents were mathematically accurate and agreed to the accounting records of the Foundation. A listing of all the Foundation's chairs and professorships is attached. (See Exhibit A)

*No exceptions were noted as a result of the above procedure.*

- 3) Confirmed, in the sample of 25 items selected for testing, that the proceeds of the endowed chairs were used in accordance with the provisions as set forth in the Board of Regents Endowed Chair Program Policy and that the proceeds of the endowed professorships were used in accordance with the provisions as set forth in the Board of Regents Endowed Professorship Program Policy.

*No exceptions were noted as a result of the above procedure.*

- 4) Confirmed that the Foundation complied with all provisions of the Funds Management Agreement with the University.

*No exceptions were noted as a result of the above procedure.*

- 5) Confirmed that the investment earnings generated from pooled assets involving endowed chair or professorship money were properly allocated to the chairs and professorships in accordance with the Louisiana Board of Regents Statement of Investment Policy and Objectives.

*No exceptions were noted as a result of the above procedure.*

- 6) Confirmed that the value of the state funds held by the Foundation as reported in its audited financial statements as of June 30, 2023, were equal to the amount recorded in the University's books.

*No exceptions were noted as a result of the above procedure.*

- 7) Provide the fair value (as indicated on the audited financial statements) at June 30, 2023 and June 30, 2022 (state funds only) of the University investments held by the Foundation.

*The audited fair value of the Louisiana State University investments held by the Foundation at June 30, 2023 and 2022 were \$6,076,410 and \$6,218,557, respectively.*

- 8) Provide a description of the types of investments held by the Foundation for the University (debt securities, equity securities, governmental securities, interest-earning investment contracts etc....).

*Based on an internal listing provided by the Foundation, and verified by confirming 100% of the Foundation's investments, the following is a description of the types of investments allocated to Louisiana State University funds held by the Foundation: equity securities, fixed income investments, and cash management accounts.*

- 9) Provide a description of the methods, assumptions, and/or sources used to determine fair market value for all individual types of investments held by the Foundation on behalf of the University.

*Sources used to determine fair market value of investments include monthly investment statements prepared by an external securities brokerage and clearing firm, quarterly review of fair market value information by external investment advisors, and periodic internal review and comparison of fair market value information against external published sources.*



- 10) Confirm that there was no regulatory oversight for the investment pool and that the fair value of the position in the pool was the same as the value of the pool shares.

*There is no regulatory oversight of investment pools. The fair value of the position of the pool is the same as the value of the pool shares.*

We were engaged by the Foundation to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objectives of which would be the expression of an opinion or conclusion, respectively, on the specified elements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Pennington Biomedical Research Foundation, the Louisiana State University System, the Louisiana Legislative Auditor, and the Board of Regents, and should not be used by anyone other than these specified parties.

*EisnerAmper LLP*

EISNERAMPER LLP  
Baton Rouge, Louisiana  
October 30, 2023



## EXHIBIT A

- 1) Mary Kay and Terrell Brown / Harris J. Chustz Chair
- 2) Claude B. Pennington Jr., Endowed Chair in Biomedical Research
- 3) Douglas A. Manship, Sr., Professorship in Diabetes
- 4) Hibernia National Bank / Edward G. Schlieder Endowed Chair in Nutrition
- 5) John Stauffer McIlhenny Professorship in Nutrition
- 6) George A. Bray Jr. Super Chair in Nutrition
- 7) George H. Bray Professorship
- 8) Douglas L. Gordon Chair in Diabetes and Metabolism
- 9) Louisiana Public Facilities Authority Postdoctoral Fellowship
- 10) Peggy M. Pennington Cole Endowed Chair in Maternal Biology and the Risk of Obesity
- 11) John S. McIlhenny Postdoctoral Fellowship
- 12) Marie Edana Corcoran Endowed Chair in Pediatric Obesity and Diabetes
- 13) John W. Barton, Sr. Endowed Chair in Genetics and Nutrition
- 14) Fairfax Foster Bailey Endowed Chair in Heart Disease Prevention
- 15) John S. McIlhenny Endowed Professorship in Nutritional Neuroscience - I
- 16) John S. McIlhenny Endowed Professorship in Nutritional Neuroscience - II
- 17) John Henry Hernandez Endowed Professorship in Health Promotion
- 18) Dudley and Beverly Coates Endowed Professorship