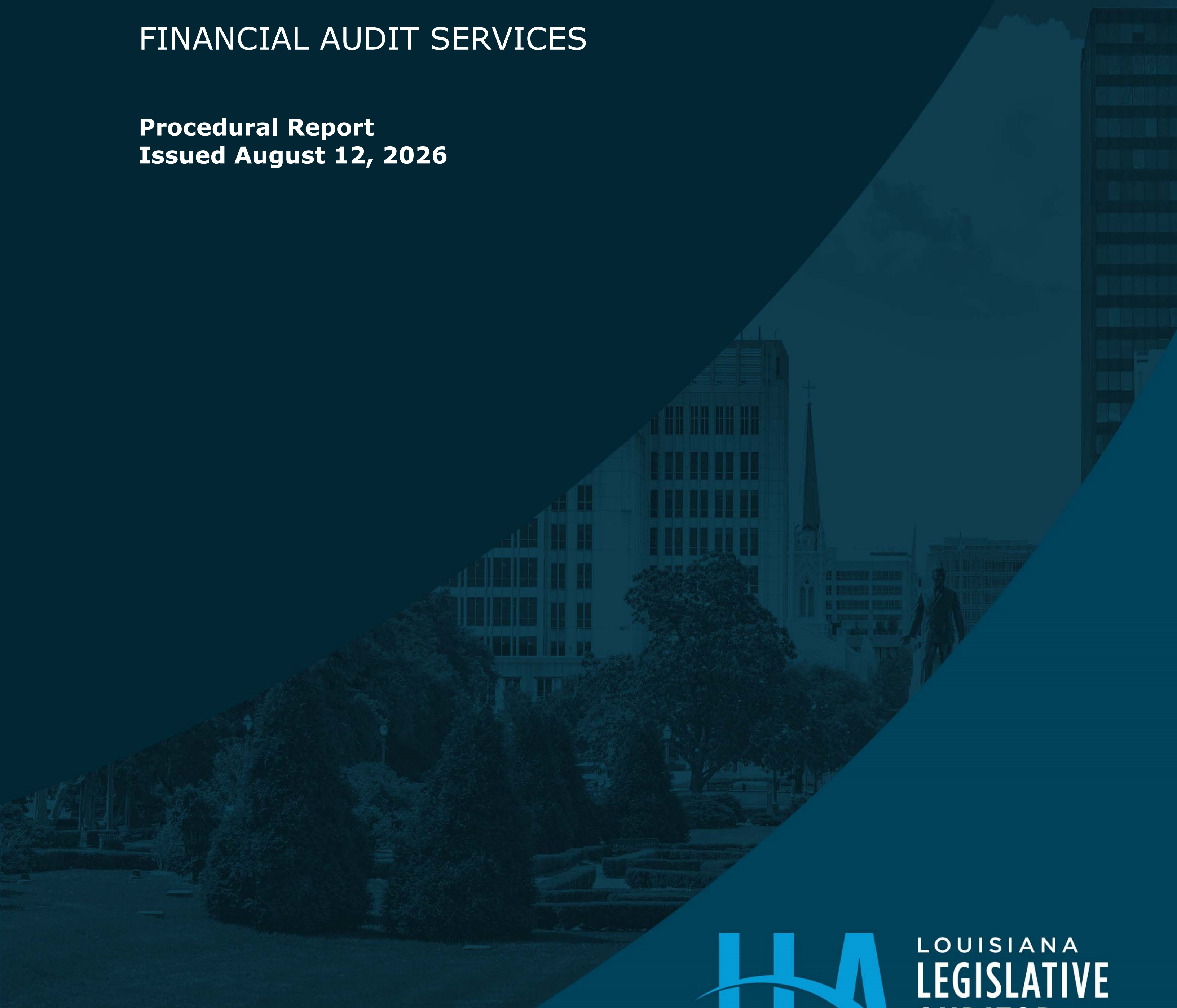
LOUISIANA STATE UNIVERSITY AT EUNICE

LOUISIANA STATE UNIVERSITY SYSTEM

FINANCIAL AUDIT SERVICES

Procedural Report
Issued August 12, 2026



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Louisiana Legislative Auditor

Michael J. "Mike" Waguespack, CPA

Louisiana State University at Eunice

August 2026

Audit Control # 80260039

Introduction

The primary purpose of our procedures at Louisiana State University at Eunice (LSU Eunice) was to evaluate certain controls LSU Eunice uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. In addition, we determined whether management has taken action to correct the findings reported in the prior report

Results of Our Procedures

We evaluated LSU Eunice's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of LSU Eunice's controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to bank reconciliations, student accounts receivable, student refunds, payroll and personnel expenses, and timekeeping records requirements.

Based on the results of these procedures, we reported findings related to Failure to Perform Bank Reconciliations and Failure to Submit Past-Due Student Accounts Receivable for Collection, as described in the Current-report Findings section of the report.

Follow-up on Prior-report Findings

We reviewed the status of the prior-report findings in LSU Eunice's procedural report dated April 9, 2025. We determined that management has resolved the prior-report findings related to Inadequate Controls Over Student Refunds, Noncompliance with Timekeeping Records Requirements, and Weaknesses in Controls Over Payroll. The prior-report finding related to Failure to Submit Past-Due Student Accounts Receivable for Collection has not been resolved and is addressed again in this report.

Current-report Findings

Failure to Perform Bank Reconciliations

LSU Eunice, as of May 19, 2026, has not completed bank reconciliations for the period of July 2025 through April 2026. Failure to complete and review bank reconciliations in a timely manner increases the risk that errors and/or fraud could occur and not be detected in a timely manner and increases the risk of inaccurate financial reporting and the potential misappropriation of funds not being detected.

Management represented that the bank reconciliations were not completed due to the transition of the student subsystem from the Jenzabar system to Workday. The transition caused confusion about how transactions were being recorded and coded in the Workday system. Management stated that they do monitor their cash and bank accounts but have not performed a formal bank reconciliation since July 2025. Additionally, LSU Eunice does not have written procedures or policies established for performing bank reconciliations.

Good internal controls require proper posting of transactions to the accounting records, and accurate and timely reconciliation of bank account balances to accounting records. Bank reconciliations provide management with a basis to ensure that all transactions that affect both the bank accounts and the accounting records agree. Reconciliations are also helpful in identifying misappropriations.

Management should establish policies, procedures, and other internal controls as necessary to ensure that bank reconciliations are completed, reviewed, and approved in a timely manner and that evidence supporting these actions is maintained. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 1-2).

Failure to Submit Past-Due Student Accounts Receivable for Collection

For the fourth consecutive engagement, LSU Eunice did not submit past-due student accounts receivable to the Louisiana Attorney General (AG) for collection in accordance with state law and its written procedures. Failure to submit these accounts for collection increases the risk that the accounts will become uncollectable.

Louisiana Revised Statute (R.S.) 47:1676 (A)(2) requires agencies to refer delinquent debts to the AG for collection when the debt has been delinquent for 60 days, or other time period as incorporated into agreements with the AG. Per LSU Eunice's agreement with the Louisiana Department of Justice/AG, placement of accounts shall be at the discretion of LSU Eunice. According to LSU Eunice's written procedures, past-due student accounts should have been turned over to the AG within 60 days from the date final past-due notices were sent. LSU Eunice submitted past-due student accounts receivable to the AG in June 2025, July 2025, October 2025, and February 2026 for debts related to the Fall 2024 semester and earlier; however, no outstanding accounts from the Spring 2025 semester to the Fall 2025 semester have been submitted as of April 2026.

LSU Eunice transitioned its student information system from Jenzabar to Workday effective for the Fall 2025 semester and management stated that the process of submitting past-due student accounts receivable to the AG was halted at that time. As part of the conversion, some older student accounts receivable balances were not transferred into Workday and are tracked separately. Due to this, we evaluated outstanding student accounts receivable debt across both systems. Based on outstanding receivable reports provided by management as of April 6, 2026, receivable balances totaling approximately $3.8 million have not been submitted to the AG.

Additionally, it is LSU Eunice's practice that when a student's account becomes past-due, a hold is placed on the student's account to prevent them from registering for a subsequent semester. Management represented that, upon conversion to Workday, registration holds associated with outstanding balances did not carry over from Jenzabar to Workday. As a result, students with past-due balances were able to register for the Fall 2025 semester and incur additional debt totaling approximately $155,833.

LSU Eunice management should update and follow its written procedures on submitting past-due accounts to the AG for collection to ensure compliance with state law. Management concurred with the finding and provided a corrective action plan (see Appendix A, pages 3-4).

Trend Analysis

We compared the most current and prior-year financial activity using LSU Eunice's Annual Fiscal Reports and/or system-generated reports and obtained explanations from LSU Eunice's management for any significant variances.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

BT:RE:JPT:BQD:aa

LSU EUNICE2026

APPENDIX A: MANAGEMENT’S RESPONSES

LSUE

EUNICE

Office of the Chancellor

June 29, 2026

Mr. Rhett Edwards
Louisiana Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804

Dear Mr. Edwards,

Below is the response by Louisiana State University Eunice to the audit finding that occurred during this year's review conducted by Billy Tran, CPA and team.

I. Failure to Perform Bank Reconciliations

Louisiana State University-Eunice concurs with the finding. During the implementation and transition to the Workday Student system, the University experienced challenges related to the reconciliation of student account activity. These challenges contributed to delays in completing bank reconciliations in a timely manner. Management recognizes the importance of timely reconciliations and has taken steps to strengthen related processes and oversight.

Corrective Action Plan: Audwin Donatto, Vice Chancellor of Business Affairs will be responsible for implementing corrective actions. The University will take the following steps:

1. Collaborate with Louisiana State University to establish and document a standardized bank reconciliation process for student account activity.
2. Implement formal review and approval procedures to ensure bank reconciliations are completed, reviewed, and approved in a timely manner.
3. Monitor reconciliation completion throughout the fiscal year and provide additional oversight to ensure compliance with established procedures and timelines.

Anticipated Complete Date: December 15, 2026

In conclusion, it is LSUE's desire to move forward in a positive and up-to-date environment that responds rapidly to the change that is required.

Please do not hesitate to contact me if further information is needed.

Sincerely,

Nancee Sorenson, Ed.D.
Chancellor

EUNICE

Office of the Chancellor

July 20, 2026

Mr. Mike Waguespack, CPA
Louisiana Legislative Auditor
1600 North Third Street
P. O. Box 94397
Baton Rouge, LA 70804

Dear Mr. Waguespack,

Below is the response by Louisiana State University Eunice to audit finding that occurred during this year's review conducted by Rhett Edwards, CPA and team.

I. **Failure to Submit Past Due Student Accounts Receivable for Collection**

Louisiana State University Eunice concurs with the finding. We recognize that State law requires that when the University has completed final internal collection efforts with student accounts and has determined the accounts to be sixty days past due, those accounts must be referred to the Attorney General's Office for collection. The University remains committed to complying with this requirement.

During the fiscal year, the University continued to experience staffing shortages while simultaneously completing the implementation and transition to the Workday Student information system. Although additional personnel were hired to address this finding, management determined that collection referrals should be temporarily limited during the system transition to ensure the accuracy of student account balances and to avoid potential confusion for students regarding payment responsibilities while accounts and business processes were being converted to the new system.

Despite these challenges, the University made significant progress in reviewing and preparing delinquent accounts for referrals. In addition, LSU Eunice consulted with the Attorney General's Office to streamline the referral process, allowing future account submissions to be completed more efficiently.

Corrective Action Plan: Audwin Donatto, Vice Chancellor of Business Affairs, and Business Affairs staff will continue reviewing all eligible delinquent student accounts and will refer qualifying accounts to the Attorney General's Office in accordance with State requirements.

The University has implemented a more efficient referral process in coordination with the Attorney General's Office and will continue dedicating available staff resources to complete the remaining backlog of student accounts.

Anticipated Completion Date: Management anticipates completing the review and referral of all eligible outstanding accounts by February 2027, after which referrals will occur on a routine and timely basis.

In conclusion, it is LSUE's desire to move forward in a positive and up-to-date environment that responds rapidly to the change that is required.

Please do not hesitate to contact me if further information is needed.

Sincerely,

Nancee Sorenson, Ed.D.
Chancellor

APPENDIX B: SCOPE AND METHODOLOGY

We performed certain procedures at Louisiana State University at Eunice (LSU Eunice) for the period from July 1, 2024, through June 30, 2026. Our objective was to evaluate certain controls LSU Eunice uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. The scope of our procedures, which is summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit or review LSU Eunice's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. LSU Eunice's accounts are part of the Louisiana State University System, which is an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated LSU Eunice's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to LSU Eunice.

- Based on the documentation of LSU Eunice's controls and our understanding of related laws and regulations, and results of our analytical procedures, we performed procedures relating to bank reconciliations, student accounts receivable, student refunds, payroll and personnel expenses, and timekeeping records requirements.

- We compared the most current and prior-year financial activity using LSU Eunice's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LSU Eunice's management for any significant variances that could potentially indicate areas of risk.

The purpose of this report is solely to describe the scope of our work at LSU Eunice and not to provide an opinion on the effectiveness of LSU Eunice's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.