



# Report Highlights

## Louisiana State University

### Health Sciences Center – New Orleans

*Louisiana State University System*

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Financial Audit Services • May 2022

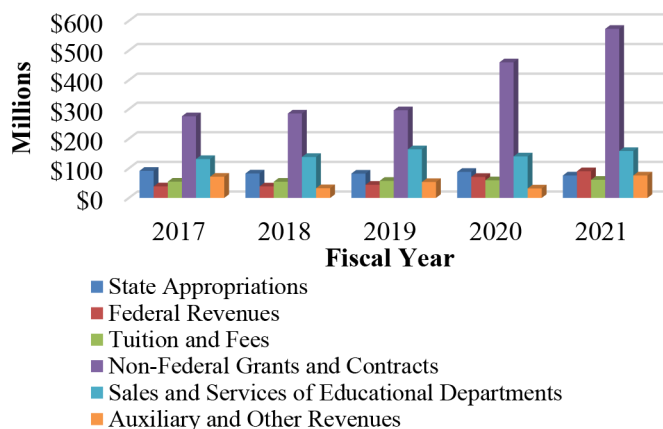
## Why We Conducted This Audit

We performed certain procedures at the Louisiana State University Health Sciences Center – New Orleans (LSUHSC-NO) as a part of the Louisiana State University System audit and the Single Audit of the State of Louisiana, and to evaluate LSUHSC-NO’s accountability over public funds for the period July 1, 2020, through June 30, 2021.

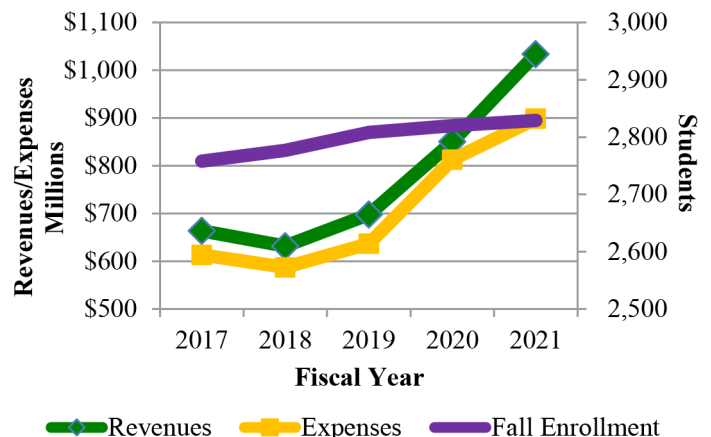
## What We Found

- LSUHSC-NO did not have adequate controls over project closeouts or accounting records for the Research and Development (R&D) Cluster federal program. In a test of all 26 R&D projects with end dates between July 1, 2020, and March 31, 2021, we identified eight projects (31%) with transactions posted between 92 and 524 days after the period of performance ended.
- LSUHSC-NO did not have adequate controls over subrecipient monitoring for the R&D Cluster federal program. In a sample of nine subrecipient contracts, we identified one subrecipient that did not have a desk audit until after the project was closed and the final report was sent to the federal grantor.
- In analyzing financial trends of LSUHSC-NO over the past five fiscal years, enrollment has been fairly stable, while total revenues increased by 56% and expenses have increased by 47%. The majority of the increase is related to increases in non-governmental contract revenue and related operating expense, which increased in fiscal year 2020 due to new Medicaid Managed Care Quality Incentive Program contracts and increased in fiscal year 2021 due to new Full Medicaid Pricing Program contracts. In addition, federal revenues increased in fiscal year 2020 and 2021, mainly due to funding received for construction projects related to the interim LSU hospital.

**Five-Year Revenue Trends**



**Fiscal/Enrollment Trends**



Source: Fiscal Years 2017-2021 LSU System Audit Reports and Louisiana Board of Regents website

View the full report, including management’s responses, at [www.lla.la.gov](http://www.lla.la.gov).