

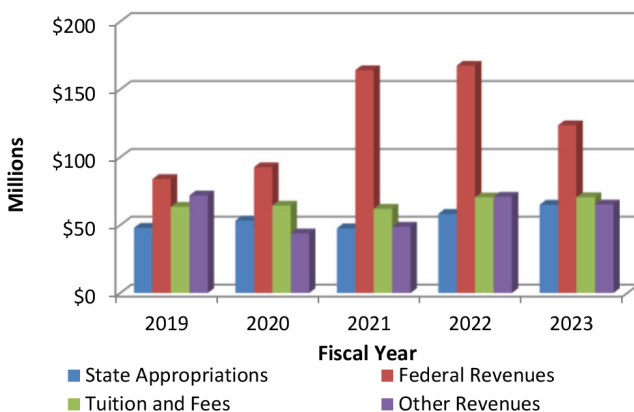
### Why We Conducted This Audit

We conducted a financial statement audit of the Southern University System (System) for the year ended June 30, 2023, as part of the Single Audit of the State of Louisiana, and to evaluate the System's accountability over public funds.

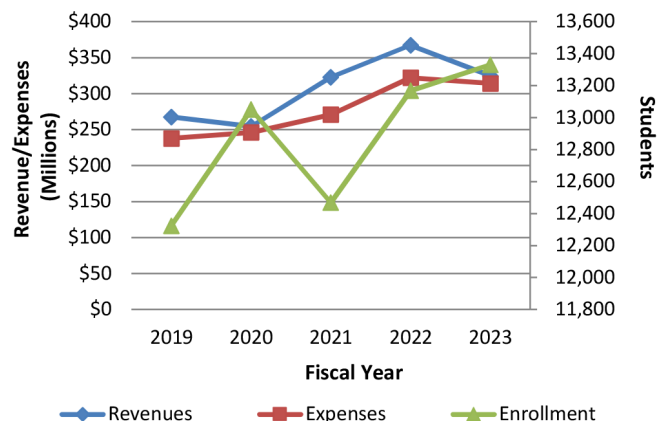
### What We Found

- The System did not maintain adequate controls over payroll processing. We noted 19 employees across the System campuses who submitted and approved their own timesheets. In addition, there were errors related to time entry, leave approval, and an unlocated employee action form.
- The System's financial statements, as adjusted, are fairly stated.
- As shown in the charts below, total revenues decreased by \$42.8 million (11.7%) and total expenses decreased by \$8.0 million (2.5%) for fiscal year 2023. The majority of the decrease in revenues is related to Federal revenues, which decreased by \$43.9 million (26.2%), mainly caused by a decrease in Higher Education Emergency Relief Funds. The majority of the decrease in expenses is due to a decrease in operating expenses of \$4.2 million (1.3%) and a net investment loss in the prior year of \$3.6 million while having net investment income in the current year. Also, Fall enrollment increased by 1.2% from the previous year.

**Revenue Trends, by Fiscal Year**



**Fiscal/Enrollment Trends**



**Source:** System financial statements and Board of Regents website