



Report Highlights

Louisiana State University Health Sciences Center – New Orleans

Louisiana State University System

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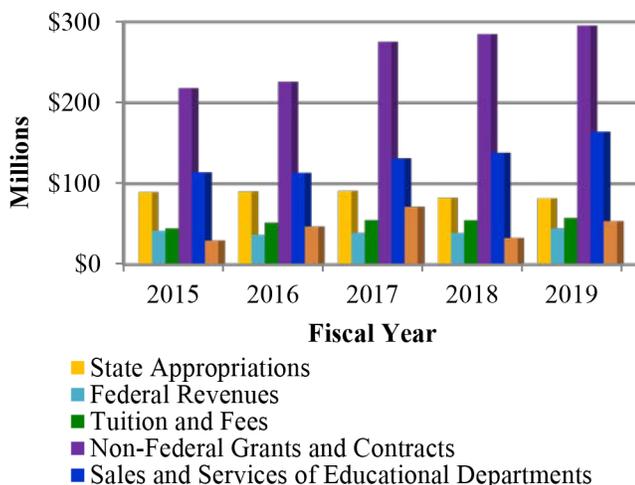
Why We Conducted This Audit

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, 2018, through June 30, 2019.

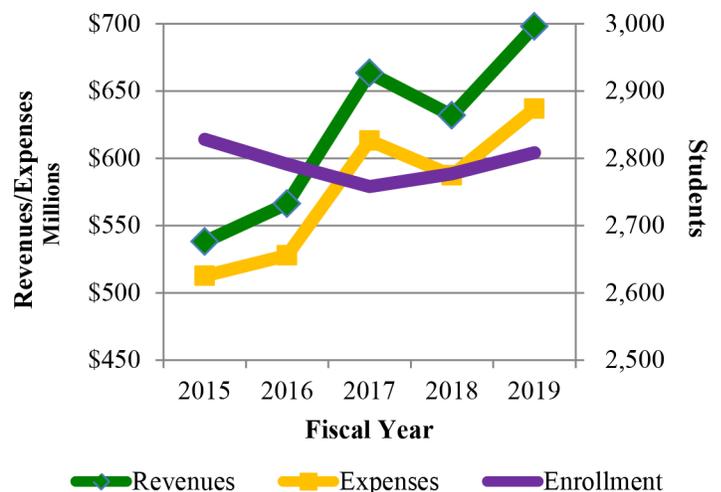
What We Found

- The prior-year finding “Inadequate Controls Resulting in Theft via Wire Transfers” was resolved.
- Financial information relating to the following accounts was materially correct: capital assets, receivables, net position, nongovernmental grants and contracts revenue, and educational and general expenses.
- In analyzing financial trends of LSUHSC-NO over the past five years, total revenues have increased 30%, and expenses have increased 24%. Tuition and fees have increased by 29% even though enrollment has remained relatively consistent. This is mainly due to the increases in tuition permitted by the GRAD Act (Act 741 of the 2010 Regular Session of the Louisiana Legislature), Act 377 of the 2015 Regular Session, and Act 293 of the 2017 Regular Session. Non-governmental grants and contracts have increased 39%, which is mainly due to renegotiations in clinical contract amounts with area hospitals to include fair market value for billings. Sales and services of educational departments have increased 44%, which is mainly due to Medicaid expansion that took effect July 1, 2016, and the Affordable Care Act. In addition, expenses have increased due to agreements with the Louisiana Department of Health to provide services to low-income, needy individuals within the state, and faculty costs related to the increased clinical contract amounts with area hospitals.

Five-Year Revenue Trend



Fiscal/Enrollment Trends



Source: Fiscal Years 2015–2019 LSU System Audit Reports and Louisiana Board of Regents website