

**LOUISIANA CANCER RESEARCH CENTER OF
LSU HEALTH SCIENCES CENTER IN NEW ORLEANS/
TULANE HEALTH SCIENCES CENTER**

FINANCIAL STATEMENTS

JUNE 30, 2023

**LOUISIANA CANCER RESEARCH CENTER OF
LSU HEALTH SCIENCES CENTER IN NEW ORLEANS/
TULANE HEALTH SCIENCES CENTER**

Independent Auditors' Report	1-3
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8-19
Supplemental Information	
Statement of Revenues and Expenses by Program	20
Schedule of Compensation, Benefits and Other Payments to Agency Head	21
Report Required by Government Auditing Standards	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22-23
Schedule of Findings and Questioned Costs	24
Other Supplementary Information	
Division of Administration, Office of Statewide Reporting and Accounting Policy's Annual Fiscal Report	25-34



Daigrepoint & Brian
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors

Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Louisiana Cancer Research Center of LSU Health Sciences Center in New Orleans/Tulane Health Sciences Center (a nonprofit organization) (hereafter "the Center"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Center as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

 **dnbcpas.com**

 910 S Acadian Thwy

 225-927-3760

Baton Rouge, LA 70806  contact@dnbcpas.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental statement of revenues and expenses by program and the schedule of compensation, benefits, and other payments to the agency head; and the Division of Administration, Office of Statewide Reporting and Accounting Policy's Annual Fiscal Report is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2023, on our consideration of the Center’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center’s internal control over financial reporting and compliance.

Other Matters

We have previously audited the Center’s June 30, 2022 financial statements and we expressed an unmodified opinion on those audited financial statements in our report dated September 22, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Daigrepoint & Brian, APAC
Baton Rouge, LA

October 2, 2023

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Statement of Financial Position
June 30, 2023**

	<u>June 30, 2023</u>	<u>Summarized Comparative Amounts June 30, 2022</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 25,020,850	\$ 29,802,449
Investments	18,264,772	18,154,587
Receivables:		
Grants receivable	5,743,445	1,672,704
Other	33,432	100,112
Total receivables	<u>5,776,877</u>	<u>1,772,816</u>
Prepaid expenses	151,997	83,600
Total Current Assets	<u>49,214,496</u>	<u>49,813,452</u>
NON-CURRENT ASSETS		
Security deposits	52,400	52,400
Property and equipment, net	77,509,308	80,422,696
Right of use asset - operating	3,497,421	-
Total Non-current Assets	<u>81,059,129</u>	<u>80,475,096</u>
TOTAL ASSETS	<u>\$ 130,273,625</u>	<u>\$ 130,288,548</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 2,683,663	\$ 2,692,432
Accrued liabilities	87,608	61,819
Accrued compensated absences	69,610	53,400
Lease liability - operating	77,752	-
Total Current Liabilities	<u>2,918,633</u>	<u>2,807,651</u>
NON-CURRENT LIABILITIES		
Accrued compensated absences, long term	77,082	70,398
Lease liability - operating, long term	3,419,668	-
Total Liabilities	<u>6,415,383</u>	<u>2,878,049</u>
NET ASSETS		
Without donor restrictions	4,375,478	5,319,010
With donor restrictions	119,482,764	122,091,489
Total Net Assets	<u>123,858,242</u>	<u>127,410,499</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 130,273,625</u>	<u>\$ 130,288,548</u>

See accompanying notes and independent auditors' report.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Statement of Activities
Year Ended June 30, 2023**

	For the Year Ended June 30, 2023			Summarized
	Without Donor Restrictions	With Donor Restrictions	Total	Comparative Amounts June 30, 2022
REVENUE				
Operating support and grants	\$ -	\$ 12,810,400	\$ 12,810,400	\$ 14,412,796
Lease income	4,051,292	-	4,051,292	3,797,008
Fundraising and gifts	27,947	-	27,947	29,203
Investment income	4,843	208,573	213,416	(424,899)
Other income	135,277	-	135,277	144,211
Net assets released from restriction	15,627,698	(15,627,698)	-	-
Total Revenues	19,847,057	(2,608,725)	17,238,332	17,958,319
EXPENSES				
Program Services				
Research program	11,205,468	-	11,205,468	9,916,016
Cessation program	3,675,777	-	3,675,777	4,067,702
	14,881,245	-	14,881,245	13,983,718
Supporting Services				
Management and general	5,825,832	-	5,825,832	4,832,235
Fund-raising	83,512	-	83,512	35,220
	5,909,344	-	5,909,344	4,867,455
Total Expenses	20,790,589	-	20,790,589	18,851,173
	(943,532)	(2,608,725)	(3,552,257)	(892,854)
NET ASSETS, BEGINNING OF YEAR	5,319,010	122,091,489	127,410,499	128,303,353
NET ASSETS, END OF YEAR	\$ 4,375,478	\$ 119,482,764	\$ 123,858,242	\$ 127,410,499

See accompanying notes and independent auditors' report.

Louisiana Cancer Research Center of
 LSU Health Sciences Center in New Orleans/
 Tulane Health Sciences Center

Statement of Functional Expenses
 Year Ended June 30, 2023

	For the Year Ended June 30, 2023				Total Expenses	Summarized Comparative Amounts June 30, 2022
	Program Services		Supporting Services			
	Cancer Research Program	Cessation Program	Management and General	Fundraising		
EXPENSES						
Direct salaries	\$ -	\$ -	\$ 1,147,379	\$ 6,000	\$ 1,153,379	\$ 836,885
Direct taxes and benefits	-	-	246,350	459	246,809	215,506
Professional services	-	-	255,024	-	255,024	624,414
Operating services	-	-	3,992,656	-	3,992,656	3,097,854
Supplies	-	-	46,749	-	46,749	48,723
Travel and meeting expenses	-	-	4,043	73,793	77,836	16,203
Depreciation and amortization	3,366,484	-	113,637	-	3,480,121	3,361,352
Other expenses	-	-	19,994	3,260	23,254	17,240
Research program expense	7,838,984	-	-	-	7,838,984	6,565,195
Cessation program expense	-	3,675,777	-	-	3,675,777	4,067,702
Fundraising expenses	-	-	-	-	-	99
Total Expenses	<u>\$ 11,205,468</u>	<u>\$ 3,675,777</u>	<u>\$ 5,825,832</u>	<u>\$ 83,512</u>	<u>\$ 20,790,589</u>	<u>\$ 18,851,173</u>

See accompanying notes and independent auditors' report.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Statement of Cash Flows
Year Ended June 30, 2023**

	<u>June 30, 2023</u>	<u>Summarized Comparative Amounts June 30, 2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (3,552,257)	\$ (892,854)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	3,480,121	3,361,352
Unrealized (gain)/loss on investment	635,719	997,694
(Increase) decrease in:		
Investments	(721,904)	(564,194)
Receivables	(4,004,062)	(1,689,153)
Prepaid expenses	(68,397)	6,046
Increase (decrease) in:		
Accounts payable	(8,769)	(1,022,379)
Accrued liabilities	25,786	59,165
Accrued compensated absences	22,894	5,388
Net Cash Provided by (Used in) Operating Activities	<u>(4,190,869)</u>	<u>261,065</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(566,731)	(611,153)
Purchases of investments	(24,000)	(5,028,000)
Net Cash Used in Investing Activities	<u>(590,731)</u>	<u>(5,639,153)</u>
Net Decrease in Cash and Cash Equivalents	(4,781,600)	(5,378,088)
Cash and Cash Equivalents at Beginning of Year	<u>29,802,449</u>	<u>35,180,537</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 25,020,849</u></u>	<u><u>\$ 29,802,449</u></u>

See accompanying notes and independent auditors' report.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE A- SUMMARY OF ACCOUNTING POLICIES

1. Nature of Activities

Louisiana Cancer Research Center of LSU Health Sciences Center in New Orleans/Tulane Health Sciences Center (the "Center") was incorporated June 7, 2002 under the laws of the State of Louisiana.

The Center was organized for charitable, educational and scientific purposes. The primary purpose is to conduct and support research and promote education in the diagnosis, detection and treatment of cancer in the pursuit of obtaining the National Cancer Institute designation for its member institutions the Louisiana State University Health Sciences Center in New Orleans, the Tulane University Health Sciences Center, Xavier University of Louisiana and Ochsner Health System. The Center is controlled by a Board of Directors. Six of the members are representatives of the member institutions.

The Center is supported by various types of support, grants, and contributions from various sources. Its primary support comes from the State of Louisiana in the form of tobacco tax allocations to support tobacco research and cessation programs. The Center has also received state capital outlay grants from the State of Louisiana for facility construction and major equipment purchases. Other small Federal Grants are occasionally received for specific cancer related projects. The Center also supports its operations by charging lease income to some of its partner universities for utilizing facility space. Finally the Center holds fundraising activities during the year and receives charitable donations from corporations and citizens supporting its efforts.

2. Basis of Accounting

The Center's statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

The Center reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and are available for use at the Center's discretion.

Net assets with donor restrictions: Net assets that are subject to donor-imposed restrictions that may or will be met, either by actions of the organization and/or passage of time. Once restrictions are met they are reclassified to net assets without donor restrictions. At June 30, 2023 the Center had net assets with donor restrictions for the purposes of cancer research, cessation, and maintenance reserve.

3. Income Tax Status

The Center is a not-for profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue code, and qualifies as an organization that is not a private foundation.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

3. Income Tax Status - Continued

The Center follows the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes it has no material uncertain tax positions and, accordingly has not recognized a liability for any unrecognized tax benefits. The Center's open audit periods are fiscal years ending June 30, 2020 through 2022.

4. Contributions

Gifts of cash and other assets are recorded as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donation for a specific purpose.

5. Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Center's ongoing activities. Non-operating activities are limited other activities considered to be of a more unusual or nonrecurring nature.

6. Reporting Entity

Using the criteria outlined in GASB Codification Section 2100, *The Financial Reporting Entity*, as amended, the Center is included as a component unit of the State of Louisiana. The Center is considered a component unit of the State of Louisiana because it has been determined that exclusion of the Center from the State's financial reporting entity would render the State of Louisiana's financial statements to be misleading or incomplete, and because public service is rendered within the state's boundaries.

Annually, the State of Louisiana issues a comprehensive report, which includes the activity contained in the accompanying financial statements. The financial statements are issued by the Office of Statewide Reporting and Accounting Policy (OSRAP) and audited by the Louisiana Legislative Auditor. The accompanying financial statements present information only as to the transactions of the Center as authorized by Louisiana statutes and administrative regulations.

7. Revenue Recognition

Grant revenue is recognized as it is earned in accordance with approved grant allocations and agreements. Generally, revenues from grants are recognized in the period of the grant awarded.

Lease income is earned based on the sharing of total operating costs of the Center by the member users. Lease income is earned on an annual basis.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

8. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses that can be identified with a specific program are allocated directly to programs according to their natural expense classification. Other expenses are allocated based on management's best estimate of time, percentage, or square footage used, among other factors.

9. Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Center considers all investments with original maturities of three months or less to be cash equivalents.

10. Investments

The Center accounts for investments under Statement of Financial Accounting Standards ASC 958, *Accounting for Certain Investments Held by Not for-Profit Organizations*. Under ASC 958, investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities in accordance with donor restrictions as investment income. Investment income is presented net of investment fees, which amounted to \$31,665 for the year ended June 30, 2023.

11. Receivables

The Center considers receivables to be fully collectible, since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

12. Property and Equipment

Capital assets with a cost of \$5,000 or more are reported at cost, net of accumulated depreciation, on the Statement of Financial Position. Repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

<u>Description</u>	<u>Years</u>
Building and improvements	40
Research and building equipment	7
Office furniture and equipment	5-7

Estimated useful life is management's estimate of how long the asset is estimated to meet service demands.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE A - SUMMARY OF ACCOUNTING POLICIES - Continued

13. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

14. Subsequent Events

Subsequent events have been evaluated by management from June 30, 2023 through October 2, 2023, the date the financial statements were available to be issued, and has determined that no material events or transactions occurred subsequent to June 30, 2023.

15. Summarized Comparative Information

Summarized comparative information is presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

16. Recently Issued Accounting Standards

As of July 1, 2022, the Center adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)* and all subsequent amendments. The objective of this ASU is to increase transparency and comparability in financial reporting by requiring balance sheet recognition of leases and note disclosure of certain information about lease arrangements. For all leases with terms greater than 12 months, the new guidance requires lessees to recognize right-of-use assets and corresponding lease liabilities on the balance sheet and to disclose qualitative and quantitative information about lease transactions. The new standard maintains a distinction between finance leases and operating leases.

The Center adopted the requirements of ASU 2016-02 using the transition provisions at the date of adoption instead of at the earliest comparative period presented in the financial statements. The Center elected the group of practical expedients that allowed the Center to not reassess the following: whether any expired or existing contracts represent leases, the classification of any expired or existing leases, and the initial direct costs for any expired or existing leases.

NOTE B - CASH

At June 30, 2023, the Center's cash and cash equivalents totaled \$25,020,850. The bank balance of these deposits with financial institutions totaled \$26,745,435, and were covered by federal depository insurance, or collateralized by securities in the Center's name held by the Federal Reserve Bank.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE C - INVESTMENTS

At June 30, 2023 investments of \$18,264,772 consisted of money market sweep funds of \$55,050, ETFs of \$9,334,111, government bonds of \$5,012,408 and certificates of deposit of \$3,863,203.

	<u>Fair Market Value</u>	<u>Cost</u>
Investments:		
Research	\$ 2,151,490	\$ 2,305,219
Cessation	3,268,039	3,412,434
Maintenance Reserve Accounts	7,875,403	8,307,045
General Fund	<u>4,969,840</u>	<u>5,458,796</u>
	<u>\$ 18,264,772</u>	<u>\$ 19,483,494</u>

Investment income/interest for the year consists of the following:

Interest income	\$ 128,124
Investment income, net of broker fees	721,011
Unrealized losses	<u>(635,719)</u>
	<u>\$ 213,416</u>

NOTE D - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Center's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash and cash equivalents	\$ 25,020,850
Investments (excluding the MRA Account)	10,389,369
Grants receivable	5,743,445
Accounts receivable – other	<u>33,432</u>
	<u>\$ 41,187,096</u>

The Center's liquidity management policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Center's cash deposits in financial institutions are in interest bearing accounts.

NOTE E - GRANTS RECEIVABLE AND REVENUE

Grants receivable and revenue consisted of the following at June 30, 2023:

	<u>Receivable</u>	<u>Revenue</u>
Louisiana Department of the Treasury	\$ 5,410,111	\$ 12,227,067
Louisiana Division of Administration	333,334	333,333
Louisiana Board of Regents	-	<u>250,000</u>
	<u>\$ 5,743,445</u>	<u>\$ 12,810,400</u>

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Building	\$ 100,163,680
Building equipment	117,794
Research equipment	12,904,499
Office furniture and equipment	1,770,851
Land	<u>671,808</u>
Total property and equipment	115,628,632
Less: Accumulated depreciation	<u>(38,119,324)</u>
Total property and equipment, net	<u>\$ 77,509,308</u>

Depreciation expense for the year ended June 30, 2023 amounted to \$3,480,121.

A Maintenance Reserve Account (MRA) is required to fund major maintenance, repair and replacements and is funded by annual deposits into the MRA of one and a half percent (1.5%) of the original construction cost for the building. The fully funded MRA shall have at a minimum 10% of the original construction cost. Said amount may be adjusted with the consent of the Center, LSU and the Board of Regents. The Center shall be the custodian of the MRA and shall have the right to expend the funds therein for major maintenance, repairs and replacements. Following termination of the land lease (Ground Lease) for any reason, if title to the building and all other improvements transfers to LSU, one hundred percent (100%) of all maintenance reserves transfer to LSU. The fully funded balance in the MRA at June 30, 2023 was \$7,875,403.

NOTE G - COMPENSATED ABSENCES

Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. Annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused vacation leave at the employee's hourly rate of pay at the time of termination. At June 30, 2023, the Center had accrued compensated absences of \$146,692, of which \$77,082 is long term and \$69,610 is short term.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets at June 30, 2023, consists of the following:

Subject to expenditure for a specified purpose:	
Cancer research program	\$ 27,871,731
Cessation	6,226,322
Maintenance Reserve Account	<u>7,875,403</u>
	41,973,456
Not subject to appropriation or expenditure:	
Capital assets, including building and equipment, to be used by the center	<u>77,509,308</u>
 Total net assets with donor restrictions	 <u>\$ 119,482,764</u>

Releases from a donor restricted net assets for 2023 are as follows:

Releases from restrictions:	
Cancer research program	\$ 11,653,330
Cessation program	<u>3,974,368</u>
Total	<u>\$ 15,627,698</u>

NOTE I - RETIREMENT PLANS

All full-time Center employees are eligible to participate in a 403(b) retirement plan. The existing 403(b) plan is a tax-sheltered annuity (TSA) plan, currently administered by TIAA-CREF. Although eligible employees are not required to participate in the Plan, contributions are made by the Center as part of the established benefit package at a rate of 3%. The Plan also allows for additional employee contributions with an employer match of up to 6% of the employee's annual compensation. The Center's (i.e. employer) contributions to the Plan for the year ended June 30, 2023 amounted to \$105,389.

In addition to the 403(b) plan discussed above, the Center offers a 457(b) Eligible Deferred Compensation Plan (the "plan") for the benefit of its Executive created in accordance with Internal Revenue Code (IRC) Section 457(b). The plan permits the participating employee to defer a portion of their salary until further years and/or for the employer to provide deferrals on the employee's behalf. The deferred compensation is not available to the employee until termination, retirement, death, or an unforeseeable emergency. The Center's (i.e., employer) contribution to the plan for the year ended June 30, 2023 amounted to \$14,000.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE I - RETIREMENT PLANS - Continued

In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that the employer place all amounts deferred under IRC Section 457(b) into a trust for the exclusive benefit for participants and their beneficiaries. The Center complies with the requirements of the Act. Thus, the Center does not have "ownership" of the plan assets and they are not reported in the Center's financial statements. All assets are managed by the Plan's trustee (Cuna Mutual Group). The choice of the investment option(s) are made by the Plan participants.

NOTE J – LAND LEASE

The Center's building is on land leased from the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that apply to Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. The lease was executed on February 18, 2008, and has a lease term of fifty (50) years. At the end of the lease term or upon termination for any reason, to the extent allowed by applicable law, title to the building and all improvements, will transfer to LSU. The annual rental amount is \$129,174, payable in quarterly installments of \$32,293. The land lease expense for the year ended June 30, 2023 amounted to \$129,174.

The following is a schedule, by year, of future minimum lease payment required under the operating lease:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ 129,174
2025	129,174
2026	129,174
2027	129,174
2028	129,174
Thereafter	<u>3,835,144</u>
Total minimum lease payments	\$ 4,481,014
Present value discount	<u>(983,593)</u>
Net lease liabilities	<u>\$ 3,497,421</u>

As of June 30, 2023 the weighted average of the remaining lease term was 34.66 years and the weighted average discount rate was 1.49%.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE K- FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Accounting Standards Board's (FASB) Account Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value which provides a fair value hierarchy that prioritizes the sources of pricing information (inputs) to valuation techniques used to measure fair value. The highest priority is given to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 – Significant other observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 - Significant unobservable inputs that are not corroborated by market data.

The following tables set forth, by level within the fair value hierarchy, the Center's financial instruments at fair value as of June 30, 2023.

	<u>Fair value Measure of Reporting Date</u>		
	Level 1	Level 2	Total
Money Market	\$ 55,050	\$ -	\$ 55,050
Stocks and ETFs	9,334,111	-	9,334,111
Government and municipal bonds	5,012,408	-	5,012,408
Certificates of deposit	-	3,863,203	3,863,203
	<u>\$14,401,569</u>	<u>\$ 3,863,203</u>	<u>\$18,264,772</u>

Level 1 Fair Value Measurements – The fair value of money markets, stocks and ETFs, and government and municipal bonds are based on quoted market prices for the same investment.

Level 2 Fair Value Measurements – Certificates of deposit are not actively traded but do have other, significant market based inputs.

NOTE L - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member during the year ended June 30, 2023.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE M - ECONOMIC DEPENDENCY

Revenue and receivables from funds provided by the State of Louisiana during the year ended June 30, 2023 were 74% and 99%, respectively. The operations of the Center are primarily funded by statutorily dedicated tobacco tax proceeds. Any significant reduction in sales of tobacco products will adversely affect the operations of the Center.

NOTE N - RELATED PARTIES

There are four partner institutions that comprise the Center, which include LSU Health Sciences Center in New Orleans (LSUHSC), Tulane University Health Sciences Center (TUHSC), Xavier University of Louisiana (XULA), and Ochsner Health System (OHS).

Lease/Occupancy Agreements

In the year ended, June 30, 2012 the Center completed the construction of the Louisiana Cancer Research Center ("Cancer Center"). The Cancer Center was constructed to house cancer researchers from the member institutions in order to foster integration of the cancer research programs which supplement the Center's primary function of conducting research and promoting education in the diagnosis, detection and treatment of cancer, in its pursuit of obtaining National Cancer Institute (NCI) designation. As a provision of the Occupancy Agreements between the Center and its partner institutions, each institution ("User") will occupy certain space in the Cancer Center, whereas the User space will be allocated costs based on a sharing of the total operating costs ("User Share"). The Center provides such space to Users without the requirement that User's remit funds so long as the User occupies the space as permitted within the agreements and pursuant to Louisiana R.S. 17: 1921 et seq, however, under certain conditions, the User will make cash payments for all or a portion of its User share.

The Center replaced the occupancy agreement with TUHSC with a lease agreement effective July 1, 2019. The agreement was effective July 1, 2019 and continues for a term of eleven years. TUHSC has the option to renew for two additional ten year terms, unless TUHSC gives written notice to the Center 60 days prior to the end of any ten year term. Under no case shall the cumulative term and renewals exceed the term of the Ground Lease. For the year ended June 30, 2023, TUHSC was billed a total of \$1,600,488, which is included in lease income on the Statement of Activities. There are no amounts due on this lease at year end.

The Center replaced the occupancy agreement with LSUHSC with a lease agreement effective July 1, 2018. The agreement commenced on July 1, 2018 and continues for a term of twelve years. LSUHSC has the option to renew for two additional ten year terms, unless LSUHSC gives written notice to the Center 60 days prior to the end of any ten year term. Under no case shall the cumulative term and renewals exceed the term of the Ground Lease. For the year ended June 30, 2023, LSUHSC was billed a total of \$2,408,870, which is included in lease income on the Statement of Activities. There are no amounts due on this lease at year end.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE N - RELATED PARTIES - Continued

The Center replaced the occupancy agreement for XULA with a lease agreement effective July 1, 2019. The agreement commenced on July 1, 2019 and continues for a term of eleven years. XULA has the option to renew for two additional ten year terms, unless XULA gives written notice to the Center 60 days prior to the end of any ten year term. Under no case shall the cumulative term and renewals exceed the term of the Ground Lease. For the year ended June 30, 2023, XULA was billed a total of \$41,934, which is included in lease income on the Statement of Activities. There are no amounts due on this lease at year end.

Operating Costs of Shared Programs

The Center works in tandem with its partner institutions for the development and administration of cancer research and smoking cessation programs. Transfer of funds to these partners is governed by fully executed operating agreements and/or grant agreements approved the Center's Board each year. The following information outlines these relations and agreements.

LSU Health Sciences Center in New Orleans

As management, two members of the LSUHSC are on the governing board of the Center. The Interim Dean for LSUHSC served as the Center's Vice Chairman of the Board for the year ended June 30, 2023. The Chairman position rotates between the LSUHSC and TUHSC leaders as required by statute. The other LSUHSC position was held by the Department Head for the Department of Surgery for LSU School of Medicine.

As grantee, the LSUHSC is allocated Center funding support for program development (part of the mission of the Center). Transfer of funds to LSUHSC for the program is governed by a fully executed operating agreement and/or grant agreement which includes an annual budget submitted by LSUHSC and approved by the Center's Board. The total amount billed to the Center for services rendered during the fiscal year totaled \$3,872,375, and the amount due to LSUHSC at year-end was \$893,233, which is included in accounts payable.

LSUHSC through its auxiliary stores and contract services, conveniently and economically provides goods and services (including research equipment, office and computer supplies and information technology-related services) to the Center, which supports the mission of the Center. LSUHSC auxiliary stores also act as the Center's agent for the procurement of certain research equipment on behalf of the Center. The total amount billed by LSUHSC for goods and services provided to the Center totaled \$788,291 during the fiscal year and the amount due to LSUHSC for goods and services at year-end was \$33,287, which is included in accounts payable.

Tulane University Health Sciences Center

As management, two members of TUHSC are on the governing board of the Center. TUHSC's Senior Vice President and Dean for the School of Medicine served as the Center's Chairman of the Board for the fiscal year ended June 30, 2023. The other TUHSC position was held by the Medical Director and Assistant Dean for Oncology for the Tulane Cancer/Medical Center.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Notes to the Financial Statements
June 30, 2023**

NOTE N - RELATED PARTIES - Continued

As grantee, TUHSC is allocated Center funding support for program development (part of the mission of the Center). Transfer of funds to TUHSC for the program is governed by a fully executed operating agreement which includes an annual budget submitted by TUHSC and approved by the Center's Board. The total amount billed to the Center for services rendered during the fiscal year totaled \$2,838,057, and the amount due to TUHSC at year-end was \$487,779, which is included in accounts payable.

Xavier University of Louisiana

As management, one member of XULA is on the governing board of the Center. XULA's Special Assistant to the President served as Board member for the Center's Board for the fiscal year ended June 30, 2023.

As grantee, XULA is allocated Center funding support for program development (part of the mission of the Center). Transfer of funds to XULA for the program is governed by a fully executed operating agreement, which includes an annual budget submitted by XULA and approved by the Center's Board. The total amount billed to the Center for services rendered during the fiscal year was \$717,005 and the amount due to XULA at year-end was \$147,053, which is included in accounts payable.

Ochsner Health System

As management, one member of OHS is on the governing board of the Center. OHS's Executive Vice President and Chief Academic Officer served as members of the Center's Board for the fiscal year ended June 30, 2023. The total amount billed to the Center for services rendered during the fiscal year was \$249,990, there are no amounts included in accounts payable at year end.

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Statement of Revenues and Expenses by Program
Year Ended June 30, 2023**

	Cancer Research	Cessation	Fund Raising	Property and Equipment	Total
REVENUE					
Operating support and grants	\$ 8,954,756	\$ 3,855,644	\$ -	\$ -	\$ 12,810,400
Lease income	4,051,292	-	-	-	4,051,292
Fundraising and gifts	-	-	27,947	-	27,947
Investment income	163,363	45,210	4,843	-	213,416
Other income	135,277	-	-	-	135,277
Total Revenues	<u>13,304,688</u>	<u>3,900,854</u>	<u>32,790</u>	<u>-</u>	<u>17,238,332</u>
EXPENSES					
Direct salaries	897,246	250,133	6,000	-	1,153,379
Direct taxes and benefits	197,892	48,458	459	-	246,809
Professional services	255,024	-	-	-	255,024
Operating services	3,992,656	-	-	-	3,992,656
Supplies	46,749	-	-	-	46,749
Travel and meeting expenses	4,043	-	73,793	-	77,836
Depreciation and amortization	113,637	-	-	3,366,484	3,480,121
Other expenses	19,994	-	3,260	-	23,254
Research program expense	7,838,984	-	-	-	7,838,984
Cessation program expense	-	3,675,777	-	-	3,675,777
	<u>13,366,225</u>	<u>3,974,368</u>	<u>83,512</u>	<u>3,366,484</u>	<u>20,790,589</u>
INCREASE (DECREASE) IN NET ASSETS					
	(61,537)	(73,514)	(50,722)	(3,366,484)	(3,552,257)
NET ASSETS, BEGINNING OF YEAR					
	<u>40,234,979</u>	<u>6,299,838</u>	<u>1,053,609</u>	<u>79,822,073</u>	<u>127,410,499</u>
NET ASSETS, END OF YEAR					
	<u>\$ 40,173,442</u>	<u>\$ 6,226,324</u>	<u>\$ 1,002,887</u>	<u>\$ 76,455,589</u>	<u>\$ 123,858,242</u>

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Schedule of Compensation Benefits and
Other Payments to Agency Head
Year Ended June 30, 2023**

Agency Head

Joe W. Ramos, PhD

Salary	\$	595,833
Payroll taxes		29,636
Insurance benefits		15,420
Retirement benefits		55,839
Housing and relocation		33,000
Travel		13,885
Cellphone		560
Total	\$	<u>744,173</u>



Daigrepoint & Brian
Certified Public Accountants

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors

Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Louisiana Cancer Research Center of LSU Health Sciences Center in New Orleans/Tulane Health Sciences Center (a nonprofit organization) (hereafter “the Center”), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 2, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Center’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Center’s internal control. Accordingly, we do not express an opinion on the effectiveness of The Center’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

 **dnbcpas.com**

 910 S Acadian Thwy

 225-927-3760

Baton Rouge, LA 70806  contact@dnbcpas.com

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Daigrepoint & Brian, APAC
Baton Rouge, LA

October 2, 2023

**Louisiana Cancer Research Center of
LSU Health Sciences Center in New Orleans/
Tulane Health Sciences Center**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

Summary of Auditors' Results

- The auditors' report expressed an unmodified opinion on the financial statements.
- No significant deficiencies relating to the audit of the financial statements are reported in the *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements were noted.

Financial Statement Audit

- There were no findings for the current or prior year.

Management Letter

- No management letter was issued for the current or prior year.

**DIVISION OF ADMINISTRATION, OFFICE OF STATEWIDE REPORTING AND
ACCOUNTING POLICY'S ANNUAL FISCAL REPORT**

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

STATEMENT OF NET POSITION

ASSETS

CURRENT ASSETS:

CASH AND CASH EQUIVALENTS	25,020,850.00
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	18,264,772.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	366,766.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
AMOUNTS DUE FROM PRIMARY GOVERNMENT	5,410,111.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	151,997.00
NOTES RECEIVABLE	0.00
OTHER CURRENT ASSETS	0.00
TOTAL CURRENT ASSETS	\$49,214,496.00

NONCURRENT ASSETS:

RESTRICTED ASSETS:

CASH	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
OTHER	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
CAPITAL ASSETS (NET OF DEPRECIATION & AMORTIZATION)	
LAND	671,808.00
BUILDINGS AND IMPROVEMENTS	74,515,343.00
MACHINERY AND EQUIPMENT	2,322,157.00
INFRASTRUCTURE	0.00
OTHER INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	0.00
INTANGIBLE RIGHT-TO-USE ASSETS:	
LEASED LAND	3,497,421.00
LEASED BUILDING & OFFICE SPACE	0.00
LEASED MACHINERY & EQUIPMENT	0.00
SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)	0.00
PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENTS (P3) (Only relates to Operator)	0.00
OTHER NONCURRENT ASSETS	52,400.00
TOTAL NONCURRENT ASSETS	\$81,059,129.00
TOTAL ASSETS	\$130,273,625.00

DEFERRED OUTFLOWS OF RESOURCES

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
--	------

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
LEASE RELATED	0.00
P3-RELATED (Only relates to Operator)	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEREE)	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
ASSET RETIREMENT OBLIGATIONS	0.00
OPEB-RELATED	0.00
PENSION-RELATED	0.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$0.00

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES **\$130,273,625.00**

LIABILITIES

CURRENT LIABILITIES:

ACCOUNTS PAYABLE AND ACCRUALS	2,709,723.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
AMOUNTS DUE TO PRIMARY GOVERNMENT	0.00
DUE TO FEDERAL GOVERNMENT	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
UNEARNED REVENUES	0.00
OTHER CURRENT LIABILITIES	8,359.00

CURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	69,610.00
LEASE LIABILITY	77,752.00
SBITA LIABILITY	0.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
TOTAL CURRENT LIABILITIES	\$2,865,444.00

NONCURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	77,082.00
LEASE LIABILITY	3,419,668.00
SBITA LIABILITY	0.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	0.00
NET PENSION LIABILITY	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	53,189.00
UNEARNED REVENUE	0.00
TOTAL NONCURRENT LIABILITIES	\$3,549,939.00
TOTAL LIABILITIES	\$6,415,383.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

DEFERRED INFLOWS OF RESOURCES

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
LEASE RELATED	0.00
P3-RELATED (Only relates to Transferor)	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEROR)	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
SPLIT INTEREST AGREEMENTS	0.00
POINTS RECEIVED ON LOAN ORIGINATION	0.00
LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED	0.00
PENSION-RELATED	0.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$0.00

NET POSITION:

NET INVESTMENT IN CAPITAL ASSETS	77,509,308.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	41,973,456.00
UNRESTRICTED	\$4,375,478.00
TOTAL NET POSITION	\$123,858,242.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

STATEMENT OF ACTIVITIES

PROGRAM REVENUES

EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
20,790,588.00	4,186,568.00	611,280.00	0.00	\$(15,992,740.00)

GENERAL REVENUES

PAYMENTS FROM PRIMARY GOVERNMENT	12,227,067.00
OTHER	213,416.00
ADDITIONS TO PERMANENT ENDOWMENTS	0.00
CHANGE IN NET POSITION	\$(3,552,257.00)
NET POSITION - BEGINNING	\$127,410,499.00
NET POSITION - RESTATEMENT	0.00
NET POSITION - ENDING	\$123,858,242.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

DUES AND TRANSFERS

Account Type Amounts due from Primary Government	Intercompany (Fund)	Amount
	E32 - Tobacco Tax Health Care Fund	5,410,111.00
	Total	\$5,410,111.00

Account Type Amounts due to Primary Government	Intercompany (Fund)	Amount
	Total	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

SCHEDULE OF BONDS PAYABLE

Series Issue	Date of Issue	Original Issue Amount	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	Interest Outstanding CFY
		0.00	0.00	0.00	\$ 0.00	0.00
		Totals	\$0.00	\$0.00	\$0.00	\$0.00

Series - Unamortized Premiums:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

Series - Unamortized Discounts:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
2053	0.00	0.00
2054	0.00	0.00
2055	0.00	0.00
2056	0.00	0.00
2057	0.00	0.00
2058	0.00	0.00
Premiums and Discounts	\$0.00	
Total	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

Other Postemployment Benefits (OPEB)

If your agency has active or retired employees who are members of the Office of Group Benefits (OGB) Health Plan, please provide the following information: (Note: OGB has a 6/30/2022 measurement date for their OPEB valuation)

Benefit payments made subsequent to the measurement date of the **OGB** Actuarial Valuation Report until the employer's fiscal year end. (Benefit payments are defined as the employer payments for retirees' health and life insurance premiums). For agencies with a 6/30 year end this covers the current fiscal year being reported. For calendar year end agencies, it covers the period 7/1 to 12/31 for the current year being reported. 0.00

Covered Employee Payroll for the **PRIOR** fiscal year (not including related benefits) 0.00

For calendar year-end agencies only: Benefit payments or employer payments for retirees' health and life insurance premiums made for the next year's valuation reporting period (7/1/2022 - 6/30/2023). This information will be provided to the actuary for the valuation report early next year. 0.00

For agencies that have employees that participate in the **LSU Health Plan**, provide the following information: (Note: The LSU Health Plan has a measurement date of 6/30/2023 for their OPEB valuation report.)

Covered Employee Payroll for the **CURRENT** fiscal year (not including related benefits) 0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

FUND BALANCE/NET POSITION RESTATEMENT

Account Name/Description	Restatement Amount
Total	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-15A - LA Cancer Research Center of Louisiana State University Health Sciences Center in New Orleans/Tulane Health Sciences Center

PREPARED BY: Deborah Reeder

PHONE NUMBER: 504-210-1030

EMAIL ADDRESS: dreeder@lrcr.info

SUBMITTAL DATE: 09/29/2023 10:49 AM

SUBMISSION

Before submitting, ensure that all data (statements, notes, schedules) have been entered for the agency.

Once submitted no changes can be made to any of the agency data for the specified year.

By clicking 'Submit' below you certify that the financial statements herewith given present fairly the financial position and the results of operations for the year ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Reminder: You must send Louisiana Legislative Auditors an electronic copy of the AFR report in a pdf, tiff, or some other electronic format to the following e-mail address:
LLAFileroom@lla.la.gov.