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Report Highlights

Progress Toward Achieving National Cancer Institute Designation

Louisiana Cancer Research Center

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Photo Source: LCRC.

Why We Conducted This Audit

We conducted this audit to evaluate the Louisiana Cancer Research Center's (LCRC) progress towards achieving National Cancer Institute (NCI) designation. LCRC was created by Act 41 of the 2002 First Extraordinary Session with the primary function of conducting cancer research and education in the diagnosis, detection, and treatment of cancer in its pursuit of achieving NCI designation. LCRC is a nonprofit organization that brings together four consortium partners, including Louisiana State University Health Sciences Center in New Orleans, Tulane University Health Sciences Center, Xavier University of Louisiana, and Ochsner Health System.

What We Found

Since 2003, LCRC has received \$144.2 million from state tobacco tax proceeds for cancer research and \$92.4 million in State Capital Outlay funds to build and equip its facility.

While LCRC has made some scientific progress such as increasing its funding base and increasing the enrollment of patients into cancer trials, administrative structure changes are needed to advance LCRC toward achieving NCI designation. Specifically, we found:

- **LCRC's Board of Directors (Board) has not hired a center director to lead LCRC toward NCI designation.** Although LCRC's Board has frequently discussed hiring a center director, it spent money on research at the individual institutions instead.
- **Although required by law and needed for NCI designation, LCRC's Board has not adopted a strategic plan. In addition, LCRC has not developed a written agreement that outlines how each institution will contribute to achieving NCI designation.** NCI requires a cancer center applying for NCI designation to provide its mission, vision, and research goals for the next five years and describe how these have been integrated into the research program's specific goals.
- **The composition of LCRC's Board and the competing interests of the consortium's partners may have contributed to LCRC's slow progression toward NCI designation.** Currently, LSU Health Sciences Center and Tulane Health Sciences Center control LCRC's Board because they have more seats than the other two consortium partners.

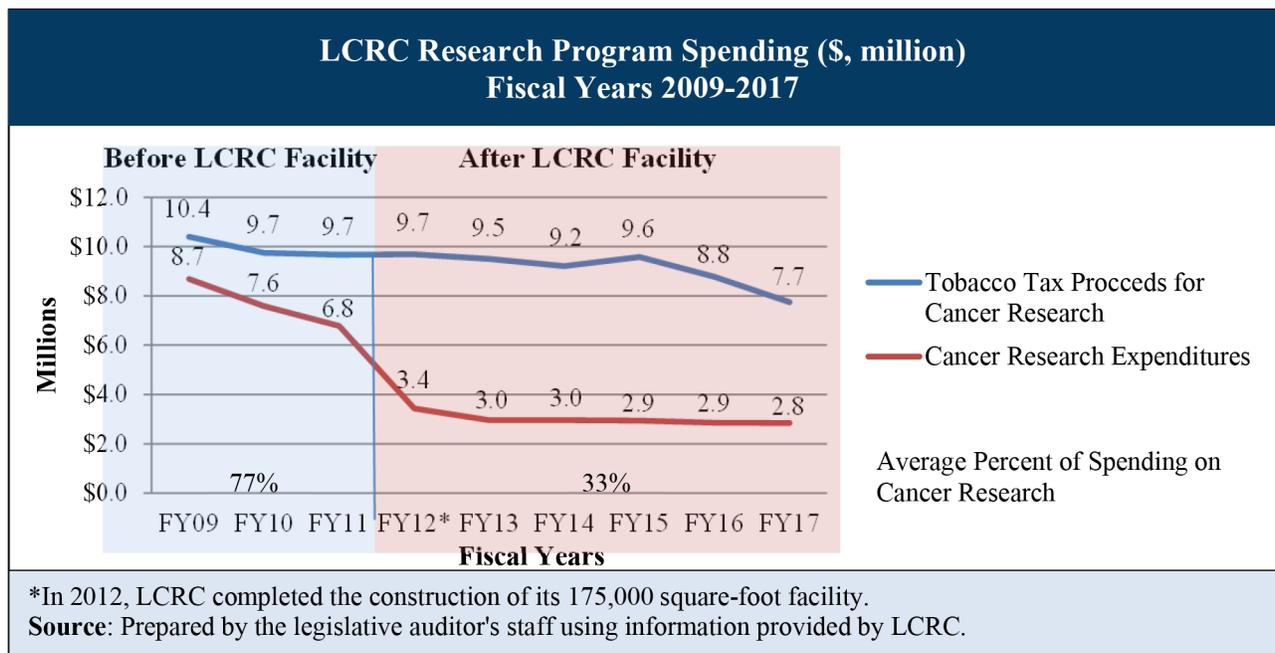
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What We Found (Cont.)

- **LCRC has not held meetings with its External Scientific Advisory Board since 2009 because it has not implemented many of the Board’s previous recommendations.** According to LCRC staff and scientific leadership, there is no reason to bring the Advisory Board back until LCRC has implemented the Board’s previous recommendations.
- **LCRC’s Board has relied on declining and unstable state funding and has not actively pursued other revenue sources, such as fundraising and revenue from clinical activities, which affects its ability to achieve NCI designation.** State funding has declined by 27% since fiscal year 2005, and LCRC anticipates an additional 6% reduction to tobacco tax revenue in fiscal year 2018.
- **LCRC has had to reallocate funds from its cancer research program to help cover the expenses of operating its newly-built facility.** When LCRC’s Board authorized the construction, it underestimated the future costs associated with operating the facility. As a result, LCRC has reallocated funding from cancer research to cover the facility’s operating expenses.



- **While LCRC has increased its combined funding base, none of the consortium partners exceed the minimum funding base requirement in order to compete with other cancer centers seeking NCI designation.** NCI uses the funding base requirement as a measurement of a center’s leadership and capacity to conduct competitive cancer research, and just meeting the minimum requirement is not enough because of the intense competition for federal funding from other cancer centers.