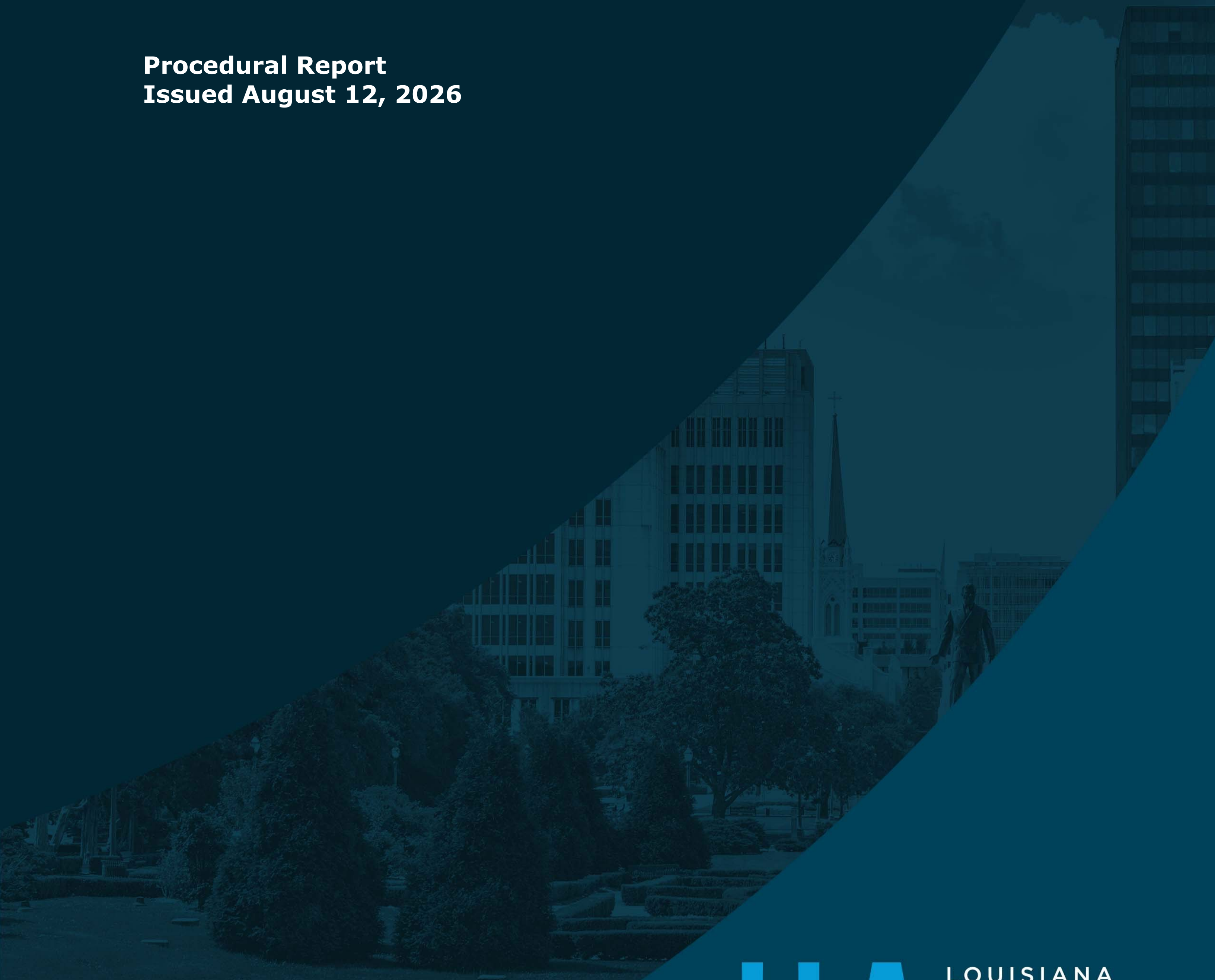
LOUISIANA STATE UNIVERSITY AT SHREVEPORT

LOUISIANA STATE UNIVERSITY SYSTEM

FINANCIAL AUDIT SERVICES

Procedural Report
Issued August 12, 2026



LOUISIANA LEGISLATIVE AUDITOR

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Louisiana State University at Shreveport

August 2026

Audit Control # 80260022

Introduction

The primary purpose of our procedures at Louisiana State University at Shreveport (LSUS) was to evaluate certain controls LSUS uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. In addition, we determined whether management has taken action to correct the findings reported in the prior report.

Results of Our Procedures

We evaluated LSUS's operations and system of internal control through inquiry, observation, and review of its policies and procedures, including a review of the applicable laws and regulations. Based on the documentation of LSUS's controls and our understanding of related laws and regulations, and the results of our analytical procedures, we performed procedures relating to bank reconciliations, payroll and personnel expenses, and student tuition and fees.

Based on the results of these procedures, we reported a finding related to Ineffective Bank Reconciliations, as described in the Current-report Finding section of the report.

Follow-up on Prior-report Findings

We reviewed the status of the prior-report findings in LSUS's procedural report dated December 11, 2024. We determined that management has resolved the prior-report findings related to Noncompliance with Timekeeping Records Requirements and Theft of Cash Received by the Athletics Department. The prior-report finding related to Ineffective Bank Reconciliations has not been resolved and is addressed again in this report.

Current-report Finding

Ineffective Bank Reconciliations

For the fourth consecutive engagement, LSUS did not ensure bank reconciliations were properly prepared. LSUS uses Workday as the accounting system of record; however, bank statements are reconciled to Integrow and not to Workday because of the level of detail maintained in the Integrow system, and there is no complete reconciliation between Integrow and Workday. Failure to properly prepare bank reconciliations increases the risk that errors and/or fraud could occur and not be detected in a timely manner and increases the risk of inaccurate financial reporting.

In the prior engagement, we noted that LSUS had an unexplained net difference of $167,800 between the bank balance and the Integrow cash balance. There were also a large number of reconciling items dated prior to January 2022. Management represented that it believed the majority of these transactions offset each other, but it did not have sufficient information to match them exactly and clear them from the reconciliation; management had exhausted all avenues to identify and clear these transactions; and planned to create an adjusting entry to clear them. In June of 2024, LSUS posted a $625,510 adjusting entry reducing cash to clear the long outstanding items and unexplained variance on the bank reconciliation. These reconciling items included both transactions that were recorded in Integrow but never cleared the bank and transactions that cleared the bank but were not recorded in Integrow. The total of these reconciling items netted to $457,710. In addition to these items, LSUS included the unknown variance of $167,800 in the adjusting entry to cash. This adjusting entry was posted in both Integrow and Workday; however, there was still no reconciliation between the bank balance and Workday, or between Integrow and Workday. Upon request, LSUS provided a cash reconciliation between Integrow and Workday, which indicates that LSUS's cash balance in Workday, the system of record, is understated by approximately $1.3 million.

Good internal control requires accurate reconciliations of bank account balances to accounting records. Bank reconciliations provide management with a basis to ensure that all transactions that affect both the bank accounts and the accounting records agree. Reconciliations are also helpful in identifying misappropriations. Management should ensure that the accounting system of record is used in preparing bank reconciliations and as the basis for adjusting entries to ensure accurate financial reporting. Management concurred with the finding and provided a corrective action plan (see Appendix A, Page 1).

Trend Analysis

We compared the most current and prior-year financial activity using LSUS's Annual Fiscal Reports and/or system-generated reports and obtained explanations from LSUS's management for any significant variances.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

BDM:RCE:JPT:BQD:ch

LSUS2026

APPENDIX A: MANAGEMENT'S RESPONSE

Office of the Chancellor
318.797.5200 (Fax) 318.797.5180

LSUS
SHREVEPORT

One University Place
Shreveport, LA 71115-2399

July 29, 2026

Mr. Michael J. "Mike" Waguespack, CPA
Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

Dear Mr. Waguespack,

Our Management Response is below for the audit finding presented to our campus via email from Rhett Edwards dated July 22, 2026, which covered the 2024-2026 fiscal years.

Finding: Ineffective Bank Reconciliations

Management Response: Management concurs with the finding and has been taking proactive steps to enhance reconciliation procedures and ensure complete alignment between the bank account and the system of record. LSUS has already established controls to verify the accurate transfer of transactions from Integrow to Workday and has identified the specific data underlying the $1.3 million variance. Corrective actions are underway to resolve these historical discrepancies. Although the variance is substantial, management is confident that current controls effectively mitigate the risk of misappropriation and that the difference stems from legacy data issues rather than ongoing operational weaknesses.

Responsible Personnel: Associate Vice Chancellor for Finance, Veronica Crabtree
Implementation Date: July 1, 2026

Shelby Keith
Vice Chancellor for Finance & Administration

7/29/2026
Date

Robert T. Smith
Chancellor

7/29/2026
Date

APPENDIX B: SCOPE AND METHODOLOGY

We performed certain procedures at Louisiana State University at Shreveport (LSUS) for the period from July 1, 2024, through June 30, 2026. Our objective was to evaluate certain controls LSUS uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds. The scope of our procedures, which is summarized below, was significantly less than an audit conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit or review LSUS's Annual Fiscal Reports, and accordingly, we do not express an opinion on those reports. LSUS's accounts are a part of the Louisiana State University System, which is an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

- We evaluated LSUS's operations and system of internal controls through inquiry, observation, and review of its policies and procedures, including a review of the laws and regulations applicable to LSUS.

- Based on the documentation of LSUS's controls and our understanding of related laws and regulations, and results of our analytical procedures, we performed procedures relating to bank reconciliations, payroll and personnel expenses, and student tuition and fees.

- We compared the most current and prior-year financial activity using LSUS's Annual Fiscal Reports and/or system-generated reports to identify trends and obtained explanations from LSUS's management for any significant variances that could potentially indicate areas of risk.

The purpose of this report is solely to describe the scope of our work at LSUS, and not to provide an opinion on the effectiveness of LSUS's internal control over financial reporting or on compliance. Accordingly, this report is not intended to be, and should not be, used for any other purpose.