



Report Highlights

LSU Health Sciences Center in Shreveport

Louisiana State University System

Audit Control # 80200069

Financial Audit Services • May 2021

Why We Conducted This Audit

We performed certain procedures at the Louisiana State University Health Sciences Center in Shreveport (LSUHSC-S) as a part of the Louisiana State University System audit, the Single Audit of the State of Louisiana, and to evaluate LSUHSC-S's accountability over public funds for the period July 1, 2019, through June 30, 2020.

What We Found

- LSUHSC-S did not receive net physician's claims revenues for physician services provided at the Monroe facility in accordance with the Joint Venture agreements with the hospital partner. Based on reports provided by the subservice billing organization, net collections for physician services at the Monroe facility during the fiscal year ending June 30, 2020, were \$4,002,796, which was not submitted to LSUHSC-S.
- LSUHSC-S did not adequately monitor the billing and collection services performed by a third-party servicer and the related subservice organization. In addition, LSUHSC-S did not adequately review the calculation of net physician claims revenue that supports the payments received by LSUHSC-S for these services.
- LSUHSC-S did not maintain adequate controls over payroll processing, increasing the risk that errors and/or fraud may not be detected in a timely manner.
- For the third consecutive year, LSUHSC-S does not have adequate controls over state and nongovernmental grants and contracts to pursue collection of accounts receivable. LSUHSC-S did not actively pursue collections on those accounts, past the initial billing. In addition, LSUHSC-S did not comply with nongovernmental grants and contracts related to timely billing in accordance with contract terms.
- For the second consecutive year, LSUHSC-S did not ensure internal control over documentation of personnel services were operating effectively under the Research and Development (R&D) Cluster programs. Untimely certifications and the untimely discovery and correction of errors increases the risk of inaccurate reporting and may result in an inability to complete approved projects within the approved budget and/or period of performance.
- For the second consecutive year, LSUHSC-S did not have adequate controls in place to ensure compliance with Special Tests and Provisions requirements under the R&D Cluster programs. Three of the six awards tested had documentation of the key personnel's effort that did not agree to the effort reported to the federal grantor and there was no evidence of prior approval from the federal grantor for change in key personnel.
- LSUHSC-S did not adequately monitor subrecipients under the R&D Cluster programs. LSUHSC-S did not ensure that subrecipients' audits were completed as required by federal regulations.
- LSUHSC-S resolved the prior-year finding related to Inaccurate Classification of Net Position.

View the full report, including management's responses, at www.lla.la.gov.