



Report Highlights

LSU Health Sciences Center in Shreveport

Louisiana State University System

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Audit Control # 80210082
Financial Audit Services • June 2022

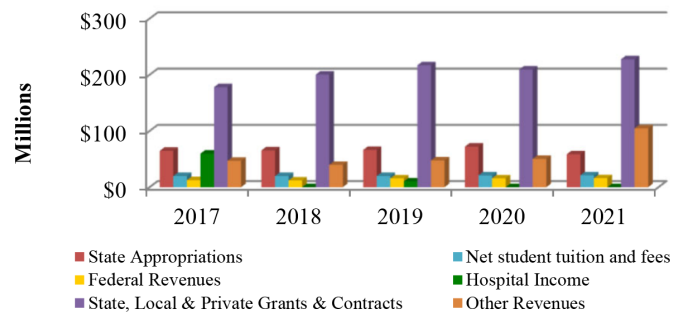
Why We Conducted This Audit

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, 2020, through June 30, 2021.

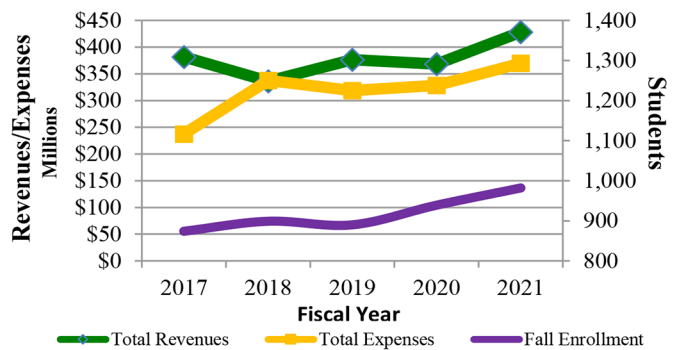
What We Found

- For the second consecutive year, LSUHSC-S did not receive net physician claims revenue for physician services provided at the Monroe facility in accordance with the joint venture agreements with the hospital partner nor were these amounts reported to LSUHSC-S. 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, 2021, were \$8,466,085.
- For the second consecutive year, LSUHSC-S did not adequately monitor the billing and collection services performed by the third-party servicer and the related subservice organization.
- For the second consecutive year, LSUHSC-S did not maintain adequate controls over payroll processing. Inadequate documentation of authorized supplemental compensation increases the risk of overpayments to employees. In addition, untimely certifications and approvals increase the risk of more retroactive adjustments causing inefficiencies in the payroll process and increases the risk that errors and/or fraud may not be detected in a timely manner.
- For the fourth consecutive year, LSUHSC-S does not have adequate controls over state and private grants and contracts to pursue collection of accounts receivable.
- For the third consecutive year, LSUHSC-S did not ensure internal control over documentation of personnel services were operating effectively, and in addition, did not ensure compliance with federal guidance regarding cost transfers applicable to the Research and Development Cluster.
- For the third consecutive year, LSUHSC-S did not have adequate controls in place to ensure compliance with Special Tests and Provisions requirements. The awards tested had 12 key personnel and two (17%) 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.
- For the second consecutive year, LSUHSC-S did not ensure that required audits were completed within nine months of the subrecipient's fiscal year-end, as required by federal regulations. In addition, HSCS did not fully implement controls to evaluate subrecipient's risk of noncompliance or make timely payments to subrecipient as required by federal regulations.

Five-Year Revenue Trend, by Fiscal Year



Fiscal/Enrollment Trends



Source: Fiscal Years 2017-2021 Financial Statements, as adjusted, and Board of Regents website