



Report Highlights

Grambling State University

University of Louisiana System

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Audit Control # 80190062
Financial Audit Services • December 2019

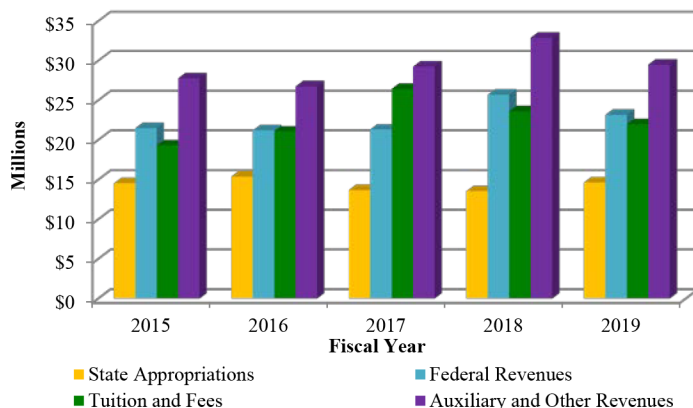
Why We Conducted This Audit

We performed certain procedures at Grambling State University (GSU) as a part of the University of Louisiana System audit, the Single Audit Report of the State of Louisiana, and to evaluate GSU's accountability over public funds for the period July 1, 2018, through June 30, 2019.

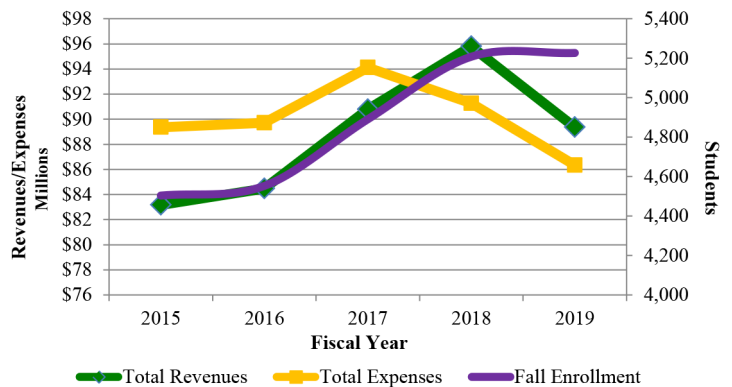
What We Found

- Financial information relating to the following accounts was materially correct: due from State Treasury, capital assets, bonds payable, net position, student tuition and fees net of scholarship allowances, auxiliary revenues net of scholarship allowances, state appropriations, federal nonoperating revenues, education and general expenses, and auxiliary enterprise expenses.
- Based on the results of these procedures, we did not report any findings.
- In analyzing financial trends of GSU over the past five fiscal years, expenses exceeded revenues until fiscal year (FY) 2018. In FY 2018, other revenues increased mainly due to a \$2.1 million donation from the Grambling University Foundation for capital improvements to the football stadium, and federal revenues increased by approximately \$4.3 million due in part to increases in Higher Education Institutional Aid and Pell Grant funds received by the university. Furthermore, in FY 2018, there was an approximately \$2.2 million savings in interest expenses and a \$1.2 million elimination of bond issuance costs after two outstanding bonds were defeased and refinanced in FY 2017. Enrollment has steadily increased; however, tuition and fees revenues decreased in FY 2018 and FY 2019 due to an increase in scholarship allowances, which is directly related to increases in Federal Direct student loans and refunds to students after payment of institutional charges. In FY 2019, there was an approximately \$6.4 million decrease in revenues as explained above and due in part to \$1.6 million less in Higher Education Institutional Aid carryover funds received in FY 2019 when certain state facilities renovation contracts were not approved during the year.

Five-Year Revenue Trend



Fiscal/Enrollment Trends



Source: Fiscal Year 2015-2019 Annual Fiscal Reports, as adjusted, and Board of Regents website

View the full report at www.la.gov.