

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana State University System
State of Louisiana
Baton Rouge, Louisiana

December 27, 2000



Financial and Compliance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

LEGISLATIVE AUDIT ADVISORY COUNCIL

MEMBERS

Representative Edwin R. Murray, Chairman
Senator J. "Tom" Schedler, Vice Chairman

Senator Robert J. Barham
Senator Foster L. Campbell, Jr.
Senator Lynn B. Dean
Senator Willie L. Mount
Representative Rick Farrar
Representative Victor T. Stelly
Representative T. Taylor Townsend
Representative Warren J. Triche, Jr.

LEGISLATIVE AUDITOR

Daniel G. Kyle, Ph.D., CPA, CFE

DIRECTOR OF FINANCIAL AND COMPLIANCE AUDIT

Albert J. Robinson, Jr., CPA

This document is produced by the Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Seventy-eight copies of this public document were produced at an approximate cost of \$510. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.state.la.us.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Wayne "Skip" Irwin, Director of Administration, at 225/339-3800.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge, New Orleans, and Shreveport offices of the Legislative Auditor.

December 27, 2000

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA**

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules

CONTENTS

	Statement	Page No.
Independent Auditor's Report on the Financial Statements		5
General Purpose Financial Statements:		
Combined Balance Sheet - All Funds	A	7
Combined Statement of Changes in Fund Balances	B	9
Combined Statement of Revenues, Expenditures, and Other Changes - Current Funds	C	13
Notes to the Financial Statements		14
	Schedule	Page No.
Supplemental Information Schedules:		
LSU Board of Supervisors:		
Balance Sheet - All Funds	1	48
Schedule of Changes in Fund Balances	2	49
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	3	50
Pennington Biomedical Research Center:		
Balance Sheet - All Funds	4	51
Schedule of Changes in Fund Balances	5	53
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	6	55

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Contents, June 30, 2000

CONTENTS (CONT.)

	Schedule	Page No.
Supplemental Information Schedules: (Cont.)		
LSU and A&M College:		
Balance Sheet - All Funds	7	56
Schedule of Changes in Fund Balances	8	58
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	9	60
LSU at Alexandria:		
Balance Sheet - All Funds	10	61
Schedule of Changes in Fund Balances	11	63
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	12	65
LSU at Eunice:		
Balance Sheet - All Funds	13	66
Schedule of Changes in Fund Balances	14	68
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	15	70
Paul M. Hebert Law Center:		
Balance Sheet - All Funds	16	71
Schedule of Changes in Fund Balances	17	73
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	18	75

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Contents, June 30, 2000

CONTENTS (CONT.)

	Schedule	Page No.
Supplemental Information Schedules: (Cont.)		
LSU Agricultural Center:		
Balance Sheet - All Funds	19	76
Schedule of Changes in Fund Balances	20	78
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	21	80
University of New Orleans:		
Balance Sheet - All Funds	22	81
Schedule of Changes in Fund Balances	23	83
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	24	85
LSU in Shreveport:		
Balance Sheet - All Funds	25	86
Schedule of Changes in Fund Balances	26	88
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	27	90
LSU Health Sciences Center:		
Balance Sheet - All Funds	28	91
Schedule of Changes in Fund Balances	29	93
Schedule of Revenues, Expenditures, and Other Changes - Current Funds	30	95

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Contents, June 30, 2000

CONTENTS (CONT.)

Exhibit

Other Reports Required by *Government Auditing Standards* -
Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the General
Purpose Financial Statements

A



DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET
POST OFFICE BOX 94397
TELEPHONE: (225) 339-3800
FACSIMILE: (225) 339-3870

December 8, 2000

Independent Auditor's Report
on the Financial Statements

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the accompanying general purpose financial statements of the Louisiana State University System, a component unit of the State of Louisiana, as of and for the year ended June 30, 2000, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Louisiana State University System. Our responsibility is to express an opinion on these financial statements based on our audit.

We did not audit the financial statements of the Louisiana State University School of Medicine in New Orleans Faculty Group Practice (doing business as LSU Healthcare Network), included within the general purpose financial statements of the Louisiana State University System. As discussed in note 25, the LSU Healthcare Network is a non-profit corporation included as a part of the Louisiana State University System, Louisiana State University Health Sciences Center, and represents the following amounts and percentages of total assets, revenues, and expenditures:

	Restricted Fund		Investment in Plant Fund	
	Amount	Percentage of Total	Amount	Percentage of Total
Statement A -				
Assets	\$20,121,624	7.3%	\$1,744,493	Less than 1%
Statement B:				
Revenues	73,128,636	10%	785,611	Less than 1%
Expenditures	73,803,547	9.8%	297,342	Less than 1%

The financial statements of the LSU Healthcare Network were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the previously mentioned funds, is based solely upon the report of the other auditor.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Audit Report, June 30, 2000

includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinion.

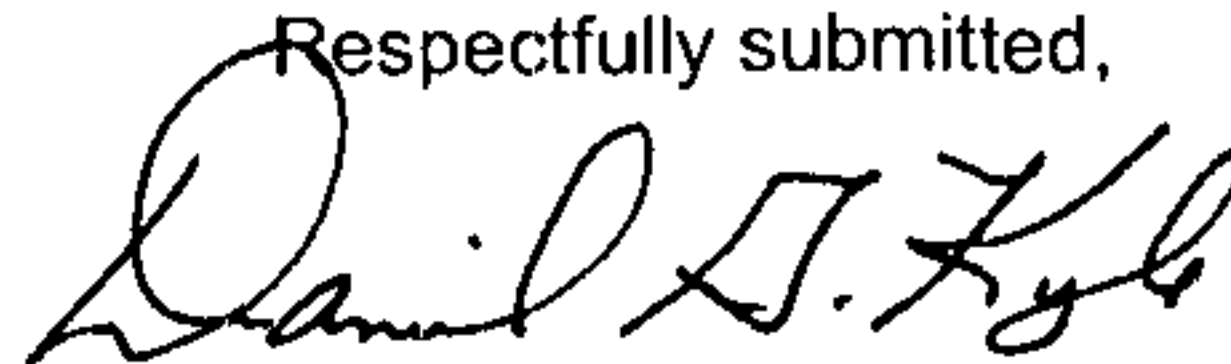
In our opinion, based on our audit and the report of the other auditor, the accompanying general purpose financial statements referred to previously present fairly, in all material respects, the financial position of the Louisiana State University System at June 30, 2000; the changes in fund balances; and the current funds revenues, expenditures, and other changes for the year then ended, in conformity with generally accepted accounting principles.

As discussed in the notes to the financial statements, during the fiscal year ended June 30, 2000, the university began accounting for accumulated and vested annual, sick, and compensatory leave earned but not taken by university employees (notes 9 and 15) and began reporting patients' bad debts of the LSU Healthcare Network as expenditures (note 25), as required by generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2000, on our consideration of the Louisiana State University System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Louisiana State University System. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, based on our audit and the report of the other auditor, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

WDD:EFS:RCL:dl

[LSU00]

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS**

Combined Balance Sheet, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
ASSETS					
Cash and cash equivalents (note 2)	\$63,479,598	\$22,846,915	\$53,750,441	\$2,022,149	\$7,321,195
Investments (note 3)	73,467,700	315,285	15,135,958	28,901	76,211,134
Accrued interest	32,769	38,149	295,575	483	239,704
Accounts receivable (note 4)	68,252,683	9,474,274	118,360,432	11,167	
Due from state General Fund	5,356,620				
Due from private foundations			432,964		
Notes receivable				30,742,974	
Due from other funds (note 5)	8,960	6,168,845	86,984,764	1,187,367	
Deferred charges and prepaid expenses	3,837,934	2,129,981	2,492,886		
Inventories	33,086,645	8,125,586	22,348		
Institutional plant (note 17)					
Other assets					1,432,358
TOTAL ASSETS	\$247,522,909	\$49,099,035	\$277,475,368	\$33,993,041	\$85,204,391
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$59,886,995	\$5,312,969	\$3,406,976		
Accrued liabilities	16,744,353	907,106	6,565,334		
Due to state treasury (note 13)	86,316,100				
Due to other funds (note 5)	90,711,280		1,560,532		\$1,546,274
Deposits held for others	1,425,888	1,063,376		\$186,491	
Deferred revenues	16,904,006	12,268,224	999,854		
Compensated absences payable (note 9)	81,771,431	2,727,292	14,722,053		
Notes payable (note 12)					
Contracts payable (note 12)					
Bonds payable (note 12)					
Obligations under capital lease (note 10)					
Total Liabilities	353,760,053	22,278,967	27,254,749	186,491	1,546,274
Fund Equity:					
Net investment in plant					
Fund balances (deficit):					
Reserved (note 14)	33,086,645	3,124,653	17,710,802		
Current operations - unrestricted	(57,552,358)				
Amount expected to be financed in future years	(81,771,431)				
Current operations - restricted		23,695,415	232,509,817		
Noncurrent operations:					
Restricted				33,806,550	
Endowment					79,739,238
Term endowment					1,020,408
Quasi-endowment					2,898,471
Total Fund Equity	(106,237,144)	26,820,068	250,220,619	33,806,550	83,658,117
TOTAL LIABILITIES AND FUND EQUITY	\$247,522,909	\$49,099,035	\$277,475,368	\$33,993,041	\$85,204,391

The accompanying notes are an integral part of this statement.

Statement A

UNEXPENDED	PLANT FUNDS		INVESTMENT IN PLANT	AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS			
\$14,213,365	\$7,355,416	\$99,007		\$630,139	\$171,718,225
63,064,725	173,932	12,637,666		364,083	241,399,384
19,660	2,901				629,241
76,710	581			22,293	196,198,140
2,920,482		1,768,267			10,045,369
					432,964
					30,742,974
	668,169			123,697	95,141,802
					8,460,801
					41,234,579
			\$2,313,565,417		2,313,565,417
					1,432,358
<u>\$80,294,942</u>	<u>\$8,200,999</u>	<u>\$14,504,940</u>	<u>\$2,313,565,417</u>	<u>\$1,140,212</u>	<u>\$3,111,001,254</u>
\$205,247	\$1,406			\$1,297	\$68,814,890
67,880					24,216,793
199,503		\$1,124,213			86,383,980
				1,134,264	95,141,802
				4,651	3,810,019
					30,176,735
					99,220,776
			\$25,382,839		25,382,839
			2,549,057		2,549,057
			132,531,417		132,531,417
			16,622,051		16,622,051
<u>472,630</u>	<u>1,406</u>	<u>1,124,213</u>	<u>177,085,364</u>	<u>1,140,212</u>	<u>584,850,359</u>
			2,136,480,053		2,136,480,053
5,422,016	1,026,907	13,380,727			73,751,750
					(57,552,358)
					(81,771,431)
					256,205,232
74,400,296	7,172,686				115,379,532
					79,739,238
					1,020,408
					2,898,471
<u>79,822,312</u>	<u>8,199,593</u>	<u>13,380,727</u>	<u>2,136,480,053</u>	<u>NONE</u>	<u>2,526,150,895</u>
<u>\$80,294,942</u>	<u>\$8,200,999</u>	<u>\$14,504,940</u>	<u>\$2,313,565,417</u>	<u>\$1,140,212</u>	<u>\$3,111,001,254</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS**

**Combined Statement of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$594,582,404			
Tuition and fees - restricted			\$19,917,896	
State grants and contracts - restricted			55,988,725	
Federal grants and contracts - restricted			154,693,196	\$165,546
Local grants and contracts - restricted			2,830,265	
Private gifts, grants, and contracts - restricted			101,118,784	75
Investment income - restricted			6,145,648	107,236
Interest on loans receivable				673,244
Sales and services			138,569,876	
State funded endowments				
Endowment income			2,973,599	
Auxiliary enterprise revenues		\$146,820,548		
Hospital - restricted	772,381,486		214,789,807	
Additions to plant facilities				
Retirement of indebtedness				
Other sources		14,276	33,951,685	199,563
<i>Total revenues and other additions</i>	<u>1,366,963,890</u>	<u>146,834,824</u>	<u>730,979,481</u>	<u>1,145,664</u>
Expenditures and other deductions:				
Educational and general	594,312,764		467,722,861	
Hospital	779,011,175		243,398,064	2,688
Auxiliary enterprises		127,332,489		
Indirect costs recovered			28,849,033	
Loan cancellations and write-offs				216,934
Expended for plant facilities				
Disposal of plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Refunded to grantors				266,209
Interagency transfers (note 18)			9,905,788	
Compensated absences	3,752,582	16,161	945,119	
Other		1,518,211		80,128
<i>Total expenditures and other deductions</i>	<u>1,377,076,521</u>	<u>128,866,861</u>	<u>750,820,865</u>	<u>565,959</u>
Transfers among funds - additions (deductions):				
Mandatory:				
Principal and interest		(5,995,760)	(3,801,108)	
Loan fund matching	(47,010)		(13,911)	60,921
Other (note 23)	(25,944,383)		25,944,383	

(Continued)

The accompanying notes are an integral part of this statement.

Statement B

ENDOWMENT FUNDS	PLANT FUNDS			INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS		
					\$594,582,404
					19,917,896
					55,988,725
			\$29,723		154,888,465
					2,830,265
\$8,511,797					109,630,656
(124,078)	\$2,506,359	\$84,646	385,368		9,105,179
					673,244
					138,569,876
7,600,000					7,600,000
948,112					3,921,711
					146,820,548
					987,171,293
				\$146,843,579	146,843,579
				8,894,497	8,894,497
30,733	40,952,587		7,751,133	6,912,432	89,812,409
16,966,564	43,458,946	84,646	8,166,224	162,650,508	2,477,250,747
					1,062,035,625
					1,022,411,927
					127,332,489
					28,849,033
					216,934
	18,978,039	42,758			19,020,797
				60,272,660	60,272,660
			8,894,497		8,894,497
			6,480,040		6,480,040
					266,209
	1,835,155				11,740,943
					4,713,862
		1,419,362		45,394,895	48,412,596
NONE	20,813,194	1,462,120	15,374,537	105,667,555	2,400,647,612

(323,631)

10,120,499

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
ALL FUNDS
Combined Statement of Changes in Fund Balances, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Transfers among funds - additions (deductions): (Cont.)				
Nonmandatory:				
Capital improvements	(\$671,876)	(\$5,826,949)	(\$2,749,148)	
Renewals and replacements		(2,063,769)		
Other	468,847	(813,204)	203,551	\$32,166
Total transfers among funds	<u>(26,194,422)</u>	<u>(14,699,682)</u>	<u>19,583,767</u>	<u>93,087</u>
Inventory decrease:	<u>(746,790)</u>	<u>NONE</u>	<u>(3,701)</u>	<u>NONE</u>
Net increase (decrease) for the year	(37,053,843)	3,268,281	(261,318)	672,792
Fund balances (deficit) at beginning of year (restated - note 15)	<u>(69,183,301)</u>	<u>23,551,787</u>	<u>250,481,937</u>	<u>33,133,758</u>
Fund balances (deficit) at end of year	<u><u>(\$106,237,144)</u></u>	<u><u>\$26,820,068</u></u>	<u><u>\$250,220,619</u></u>	<u><u>\$33,806,550</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Statement B

ENDOWMENT FUNDS	PLANT FUNDS			INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS		
	\$9,096,759	\$151,214			
		2,063,769			
\$432,203	(81,340)	33,437	(\$275,660)		
432,203	8,691,788	2,248,420	9,844,839	NONE	NONE
NONE	NONE	NONE	NONE	NONE	(\$750,491)
17,398,767	31,337,540	870,946	2,636,526	\$56,982,953	75,852,644
66,259,350	48,484,772	7,328,647	10,744,201	2,079,497,100	2,450,298,251
\$83,658,117	\$79,822,312	\$8,199,593	\$13,380,727	\$2,136,480,053	\$2,526,150,895

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
CURRENT FUNDS**

**Combined Statement of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000**

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$163,029,481		\$19,734,366
Federal appropriations	11,018,275		
State appropriations	389,297,318		
Federal grants and contracts			130,581,478
State grants and contracts			51,698,838
Local grants and contracts			2,809,231
Private gifts, grants, and contracts			97,324,438
Hospital income	772,381,486		253,304,025
Sales and services of educational departments	12,381,035		134,958,880
Sales and services of auxiliary departments		\$146,820,548	
Endowment income			3,202,742
Investment income	3,657,517		2,622,394
Other sources	15,198,778		31,862,930
Total revenues	<u>1,366,963,890</u>	<u>146,820,548</u>	<u>728,099,322</u>
Expenditures and transfers:			
Educational and general:			
Instruction	259,047,663		85,574,953
Research	91,426,734		124,351,400
Public service	35,561,106		111,739,040
Academic support	61,873,842		57,603,352
Student services	15,025,487		7,893,004
Institutional support	62,319,164		35,980,475
Operations and maintenance of plant	49,349,440		10,858,664
Scholarships and fellowships	19,709,328		33,721,973
Total educational and general expenditures	<u>594,312,764</u>	NONE	<u>467,722,861</u>
Mandatory transfers for:			
Principal and interest		5,995,760	3,801,108
Loan fund matching	47,010		13,911
Other	25,944,383		(25,944,383)
Nonmandatory transfers for:			
Capital improvements	671,876		2,749,148
Renewals and replacements		2,063,769	
Other	31,153	197,384	173,645
Auxiliary enterprises expenditures		127,332,489	
Hospital expenditures	779,011,175		243,398,064
Total expenditures and transfers	<u>1,400,018,361</u>	<u>135,589,402</u>	<u>691,914,354</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues			2,880,159
Compensated absences	(3,752,582)	(16,161)	(945,119)
Inventory decrease	(746,790)		(3,701)
Other	500,000	(7,946,704)	(38,377,625)
Net increase (decrease) in fund balances	<u>(\$37,053,843)</u>	<u>\$3,268,281</u>	<u>(\$261,318)</u>

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA**

Notes to the Financial Statements
As of and for the Year Ended June 30, 2000

INTRODUCTION

The Louisiana State University (LSU) System is a publicly supported institution of higher education. The university is a component unit of the State of Louisiana, within the executive branch of government. The university is under the management and supervision of the LSU Board of Supervisors; however, the annual budgets of the university and changes to the degree programs, departments of instruction, et cetera, require the approval of the Board of Regents for Higher Education. The board of supervisors is comprised of 16 members appointed for a six-year term by the governor, with the consent of the Senate, and one student member appointed for a one-year term by a council composed of the student body presidents of the university. As a state university, operations of the university's instructional programs are funded through annual lapsing appropriations made by the Louisiana Legislature. The chief executive officer of the university system is the president.

The university system is comprised of nine institutions on ten campuses in five cities and nine state hospitals. The system includes LSU and A&M College, Paul M. Hebert Law Center, and Pennington Biomedical Research Center, all in Baton Rouge; the LSU Agricultural Center (including the Louisiana Agricultural Experiment Station and the Louisiana Cooperative Extension Service) with headquarters in Baton Rouge; the University of New Orleans; LSU in Shreveport; LSU at Alexandria and LSU at Eunice, both two-year institutions; and the LSU Health Sciences Center, which includes schools of Medicine, Dentistry, Nursing, and Allied Health Professions, and a Graduate School in New Orleans, the Louisiana State University School of Medicine in New Orleans Faculty Group Practice (a Louisiana non-profit corporation doing business as LSU Healthcare Network), the Health Care Services Division, and a School of Medicine and Hospital in Shreveport. Student enrollment for the university system for the 1999 fall semester totaled 59,897. During October 1999, the university system had approximately 5,000 full-time and part-time faculty members, including associates and affiliated faculty.

Louisiana Revised Statute 17:1519.1 provides for the operation of Louisiana's public hospitals by the LSU Health Sciences Center – Health Care Services Division, under the overall management of the LSU Board of Supervisors. The LSU Health Sciences Center - Health Care Services Division is comprised of nine hospitals throughout the state and a central administrative unit located in Baton Rouge. The state hospitals include E. A. Conway Medical Center in Monroe, Earl K. Long Medical Center in Baton Rouge, Huey P. Long Medical Center in Pineville, University Medical Center in Lafayette, W. O. Moss Regional Medical Center in Lake Charles, Lallie Kemp Regional Medical Center in Independence, Washington-St. Tammany Regional Medical Center in Bogalusa, Leonard J. Chabert Medical Center in Houma, and Medical Center of Louisiana at New Orleans.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Operations of the LSU Board of Supervisors, LSU and A&M College, Pennington Biomedical Research Center, LSU at Alexandria, LSU at Eunice, the Paul M. Hebert Law Center, and the LSU Agricultural Center are referred to in portions of these notes as LSU and A&M College - Baton Rouge and Related.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The Governmental Accounting Standards Board (GASB) considers both the American Institute of Certified Public Accountants (AICPA) College Guide model and the governmental model to be acceptable for accounting and financial reporting by governmental colleges and universities. The accompanying financial statements have been prepared in accordance with the AICPA College Guide model principles.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The university is considered a component unit of the State of Louisiana because the state exercises oversight responsibility and has accountability for fiscal matters as follows: (1) a majority of the members of the governing boards are appointed by the governor; (2) the state has control and exercises authority over budget matters; (3) state appropriations provide the largest percentage of total revenues; (4) the state issues bonds to finance certain construction; and (5) the university primarily serves state residents. The accompanying financial statements present information only as to the transactions of the programs of the Louisiana State University System, a component unit of the State of Louisiana.

The Louisiana State University School of Medicine in New Orleans Faculty Group Practice (a Louisiana non-profit corporation doing business as LSU Healthcare Network) is considered a component unit of the university system and is included in the financial statements. The component unit is included in the reporting entity because of the significance of its operational and financial relationships with the Louisiana State University System, LSU Health Sciences Center. Although the LSU Healthcare Network is legally separate, it is reported as a part of the university system because its purpose is to assist the LSU Health Sciences Center in carrying out its medical, educational, and research functions.

Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements. The general purpose financial statements are audited by the Louisiana Legislative Auditor.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

C. FUND ACCOUNTING

To observe the limitations and restrictions placed on the use of available resources, the accounts of the university are maintained in accordance with the principles of fund accounting. Such principles prescribe the manner in which resources for various purposes are classified, for accounting and reporting purposes, into funds that are in accordance with specified activities or objectives. Accounts are separately maintained for each fund; however, in the accompanying financial statements, funds having similar characteristics have been combined into fund groups. Accordingly, all financial statements have been reported by fund groups. A brief description of each fund group follows:

Current Funds

Current funds are operating funds that will be expended in the near term. Such funds include the General Fund, Auxiliary Enterprises Fund, and Restricted Fund.

The General Fund is used for operating purposes on which there are no restrictions, except the budgetary control provisions included in the annual legislative appropriation act. Auxiliary Enterprises retain unexpended balances to fund future expenditures of the auxiliary operations and revenues are externally restricted by bond covenants. Restricted current funds represent those operating funds on which restrictions have been imposed that limit the purposes for which such funds can be used and include gifts, grants, or contracts from governmental or private agencies.

Student Loan Funds

The student loan funds group accounts for resources available for loans to students.

Endowment Funds

The endowment fund group consists of endowment funds, term endowment funds, and quasi-endowment funds. Endowment funds are funds with respect to which donors or other outside agencies have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income that may either be expended or added to principal. Term endowment funds differ from endowment funds in that all or a portion of the principal becomes expendable after a stated period of time or an occurrence of a specified event. Quasi-endowment funds are those funds that the governing board of the institution, rather than a donor or other external agency, has determined to treat as endowment funds, to be retained and invested. Expendable income derived

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

from investment of principal is accounted for in the restricted current fund; any nonexpendable interest is accounted for as income in the endowment fund.

Plant Funds

The plant funds group contains four self-balancing subgroups. Unexpended plant funds are used for the acquisition of long-lived assets for institutional purposes. Funds for renewals and replacements are set aside from current operating revenues for the renewal and replacement of auxiliary enterprise properties. Funds for retirement of indebtedness are to service plant indebtedness of the university. Investment in plant includes all long-lived assets of the university. Certain plant assets are provided directly by the state and are funded by general obligation bonds of the state. While the plant assets are included in the financial statements, the general obligation bonds are not since they are funded by the state treasurer.

Agency Funds

Agency funds are deposits in which the university acts as custodian or fiscal agent on behalf of others, such as student or faculty organizations and workshops.

D. BASIS OF ACCOUNTING

The financial statements of the university have been prepared on the accrual basis of accounting, except that (1) depreciation is not recognized; (2) summer school tuition and fees and faculty salaries and related benefits for June are not prorated but are deferred to the succeeding year; and (3) the inventories of the General Fund are recorded as expenditures at the time of purchase.

The statement of current funds revenues, expenditures, and other changes is a statement of financial activities of current funds relating to the current reporting period. It does not purport to present the results of operations (net income or loss) for the period as would a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as expenditures in the case of normal acquisitions, repairs, and renovations; mandatory transfers in the case of required provisions for debt amortization and interest; and as transfers of a nonmandatory nature for all other cases.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

E. BUDGET PRACTICES

The appropriations made for the General Fund of the Louisiana State University System are annual lapsing appropriations established by legislative action and by Title 39 of the Louisiana Revised Statutes. The statute requires that the budget be approved by the Board of Regents for Higher Education and certain legislative and executive agencies of state government. Budget revisions are granted by the Joint Legislative Committee on the Budget. In compliance with these legal restrictions, budgets are adopted on the accrual basis of accounting, except that (1) depreciation is not recognized; (2) leave costs are treated as budgeted expenditures to the extent that they are expected to be paid; (3) summer school tuition and fees and summer school faculty salaries and related benefits for June are not prorated but are recognized in the succeeding year; and (4) inventories in the General Fund are recorded as expenditures at the time of purchase.

The original approved budgets and subsequent amendments approved are as follows:

	LSU Board of Supervisors	Pennington Biomedical Research Center	LSU and A&M College	LSU at Alexandria	LSU at Eunice
Original approved budget	\$1,577,217	\$6,110,881	\$248,938,475	\$7,912,129	\$7,210,184
Increases:					
State General Fund	7,850	101,927	7,194,815	144,094	151,717
Self-generated					200,000
Statutory dedications			240,000		
Interagency transfers			386,363		
Decreases - federal					
Final budget	<u>\$1,585,067</u>	<u>\$6,212,808</u>	<u>\$256,759,653</u>	<u>\$8,056,223</u>	<u>\$7,561,901</u>

The other funds of the university, although subject to internal budgeting, are not required to submit budgets for approval through the legislative budget process.

**F. CASH AND CASH EQUIVALENTS
AND INVESTMENTS**

Cash includes cash on hand, demand deposits, and interest-bearing demand deposits. Cash equivalents include amounts in time deposits. Under state law, the Louisiana State University System may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the university may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

<u>Paul M. Hebert Law Center</u>	<u>LSU Agricultural Center</u>	<u>University of New Orleans</u>	<u>LSU in Shreveport</u>	<u>LSU Health Sciences Center</u>	<u>Total</u>
\$10,694,681	\$77,627,930	\$88,017,299	\$19,341,426	\$1,151,719,404	\$1,619,149,626
729,111	1,753,585	1,834,238	445,871	6,711,452	19,074,660
				1,396,784	1,596,784
					240,000
				37,638,478	38,024,841
				(443,986)	(443,986)
<u>\$11,423,792</u>	<u>\$79,381,515</u>	<u>\$89,851,537</u>	<u>\$19,787,297</u>	<u>\$1,197,022,132</u>	<u>\$1,677,641,925</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

In accordance with Louisiana Revised Statute (R.S.) 49:327(C), the university is *authorized to invest funds in direct United States Treasury obligations and, in addition, funds derived from gifts and grants, endowments, and reserve funds established in accordance with bond issues may be invested as stipulated by the conditions of the gift instrument or bond indenture.* The majority of these investments are United States Treasury securities, mutual funds, and investments held by private foundations and are reported at fair value on the balance sheet.

G. INVENTORIES

Inventories are valued at cost or replacement cost, except for livestock at the LSU and A&M College and the LSU Agricultural Center and the inventory of the Dental School of the LSU Health Sciences Center - New Orleans. These inventories are valued at current market prices. The university uses periodic and perpetual inventory systems and values its various other inventories using the first-in, first-out and weighted-average valuation methods. Inventories in the General and Restricted funds are recorded as expenditures at the time of purchase. Year-end balances are offset by a fund balance reserve that indicates this portion of the fund balance does not constitute available spendable resources. The inventories of the auxiliary enterprise funds are expended when sold or used.

H. DEFERRED REVENUES

Tuition and fees collected at June 30, 2000, but applicable to the 2000 summer session, are reported as deferred revenues. Expenses relating to this session are reported in the period the tuition and fees are recognized as revenues.

I. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve fund balances, is employed by the university during the year. Encumbrances outstanding at year-end in all funds, except for the General Fund and certain encumbrances of the Restricted Fund referred to in note 14, are reported as reservations of fund balance since they do not constitute expenditures or liabilities in the year encumbered. Encumbrances of the General Fund are not included in the financial statements because the university does not have the ability to finance the liquidation of encumbrances after June 30, 2000, as provided by R.S. 39:82.

J. PLANT ASSETS

Physical plant and equipment are stated at cost at the date of acquisition, estimated cost if actual cost is not known, fair market value at date of donation in the case of gifts, or market value for livestock. Public domain or infrastructures are capitalized.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Construction in progress is capitalized during construction. No depreciation has been provided on plant assets.

K. COMPENSATED ABSENCES

Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. Faculty with 12-month appointments who have over 10 years of state service, non-classified employees with over 10 years of state service, and classified employees regardless of years of state service accumulate leave without limitation. According to the university leave schedule, faculty with 12-month appointments who have less than 10 years of state service and non-classified employees with less than 10 years of state service can only accumulate 176 hours of annual leave; sick leave is accumulated without limitation. Effective January 1, 1994, academic and unclassified employees were given the opportunity to elect to remain under the university leave schedule or change to the Louisiana State Civil Service annual leave accrual schedule under which there is no limit on the accumulation of annual leave. Nine-month faculty members accrue sick leave but do not accrue annual leave; however, they are granted faculty leave during holiday periods when students are not in classes. Upon separation of employment, both classified and non-classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours. In addition, academic and unclassified personnel or their heirs are compensated for accumulated sick leave not to exceed 25 days upon retirement or death. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

L. TOTAL COLUMNS ON STATEMENTS

Total columns on the statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations. Neither are such data comparable to a consolidation.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

2. CASH AND CASH EQUIVALENTS

At June 30, 2000, the university has cash and cash equivalents (book balances) of \$171,718,225 as follows:

	Cash on Hand	Cash - Demand Deposits	Interest- Bearing Demand Deposits	Cash Equivalents - Time Deposits	Cash in State Treasury	Total
LSU and A&M College - Baton Rouge and Related	\$1,222,915	(\$9,916,076)	\$325,197	\$79,845,946		\$71,477,982
University of New Orleans	481,090	200,859	5,863,315	840,000		7,385,264
LSU in Shreveport		169,657		3,675,000		3,844,657
LSU Health Sciences Center	231,550		35,528,927	118,600	\$53,131,245	89,010,322
Total	\$1,935,555	(\$9,545,560)	\$41,717,439	\$84,479,546	\$53,131,245	\$171,718,225

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2000, the university has \$142,689,568 in deposits (collected bank balances), excluding amounts held within the state treasury. These deposits are secured from risk by \$2,555,649 of federal deposit insurance (GASB Category 1), \$92,801,621 collateralized with securities held by the university or by its agent in the university's name (GASB Category 1), \$43,789,791 collateralized with securities held by the pledging financial institution's trust department or agent in the university's name (GASB Category 2), and \$3,542,507 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Included in cash and cash equivalents is cash available to the university within the state treasury totaling \$53,131,245. Securities pledged for cash in the state treasury are not included in the above computations as these amounts are secured by fiscal agent banks established by the state treasury independent of the university.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

3. INVESTMENTS

At June 30, 2000, the university has investments totaling \$241,399,384 as follows:

	LSU and A&M College - Baton Rouge and Related	University of New Orleans	LSU in Shreveport	LSU Health Sciences Center	Total
United States government securities	\$2,618,521	\$21,276,710		\$46,763,721	\$70,658,952
Repurchase agreements	6,160,798				6,160,798
Mutual funds	103,613,039				103,613,039
Stock	5,015,223	13,893		265,168	5,294,284
Commercial paper	1,525,976				1,525,976
Real estate				3,716,881	3,716,881
Investments held by private foundations in external investment pools	28,142,145	10,261,828	\$707,986	10,623,990	49,735,949
Faculty Group Practice				597,426	597,426
Other	96,079				96,079
Total investments	\$147,171,781	\$31,552,431	\$707,986	\$61,967,186	\$241,399,384

Investments for the LSU and A&M College - Baton Rouge and Related include the securities of the LSU and A&M College, Pennington Biomedical Research Center, LSU at Alexandria, LSU at Eunice, the Paul M. Hebert Law Center, and the LSU Agricultural Center. The investments are reported at fair value as required by GASB Statement 31. Investments held by private foundations in external investment pools are managed in accordance with the terms outlined in management agreements executed between the university and the foundations. Each university is a voluntary participant.

The credit risk of GASB Codification Section 150.125-126 was applied to the university's investments. Stocks of \$5,294,284 are investments either held by the university or by its agent in the university's name (GASB Category 1). United States government securities of \$44,356,450 and commercial paper of \$1,525,976 are uninsured and unregistered, with the securities held by the counterparty's trust department or agent in the university's name (GASB Category 2). Repurchase agreements of \$6,160,798, United States government securities of \$26,001,605, and other investments of \$10,323 are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the university's name (GASB Category 3). Mutual funds of \$103,613,039, real estate investments of \$3,716,881, investments held by private foundations in external investment pools totaling \$49,735,949, United States government securities of \$300,897, and other investments totaling \$683,182 were not categorized.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

4. ACCOUNTS RECEIVABLE

Accounts receivable are shown on Statement A net of an allowance for doubtful accounts as follows:

<u>Fund</u>	<u>Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Statement A</u>
General	\$1,175,521,338	\$1,107,268,655	\$68,252,683
Auxiliary Enterprises	9,562,861	88,587	9,474,274
Restricted	174,311,460	55,951,028	118,360,432
Student Loan Funds	11,167		11,167
Endowment	73,710		73,710
Unexpended Plant	3,000		3,000
Renewals and Replacements	581		581
Agency	22,293		22,293
	<u>\$1,359,506,410</u>	<u>\$1,163,308,270</u>	<u>\$196,198,140</u>
Total			

The allowance represents a provision in current funds from patients served at various hospitals, medical center clinics, and outside billings.

5. DUE FROM/TO OTHER FUNDS

The following is a summary of amounts due from/to other funds at June 30, 2000:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Current Funds:		
General	\$8,960	\$90,711,280
Auxiliary Enterprises	6,168,845	
Restricted	86,984,764	1,560,532
Student Loan Funds	1,187,367	
Endowment Funds		1,546,274
Plant Funds:		
Unexpended		199,503
Renewals and Replacements	668,169	
Retirement of Indebtedness		1,124,213
Agency Fund	123,697	
	<u>\$95,141,802</u>	<u>\$95,141,802</u>
Total		

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

6. PENSION PLANS

Plan Description. Substantially all employees of the university are members of two statewide, public employee retirement systems. Academic employees are generally members of the Teachers Retirement System of Louisiana (TRSLA), and classified/unclassified state employees are members of the Louisiana State Employees Retirement System (LASERS). Both plans are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. TRSLA and LASERS provide retirement, disability, and survivors' benefits to plan members and beneficiaries. Benefits granted by the retirement systems are guaranteed by the State of Louisiana by provisions of the Louisiana Constitution of 1974. Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual publicly available financial reports that include financial statements and required supplementary information for the systems. The reports may be obtained by writing to the Teachers Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446, and/or the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600.

Funding Policy. The contribution requirements of employee plan members and the university are established and may be amended by the state legislature. The legislature annually sets the required employer contribution rate equal to the actuarially required employer contribution as set forth in R.S. 11:102. Employees contribute 8% (TRSLA) and 7.5% (LASERS) of covered salaries. The state is required to contribute 15.2% of covered salaries to TRSLA and 12.3% of covered salaries to LASERS. The university's employer contribution is funded by the State of Louisiana through the annual appropriation to the university. The university's employer contributions to TRSLA for the years ended June 30, 2000, 1999, and 1998, were \$23,257,121, \$24,672,939, and \$24,642,144, respectively, and to LASERS for the years ended June 30, 2000, 1999, and 1998, were \$54,420,020, \$51,465,810, and \$52,547,349, respectively, equal to the required contributions for each year.

Optional Retirement System

R.S. 11:921 created an optional retirement plan for academic and administrative employees of public institutions of higher education. This program was designed to aid universities in recruiting employees who may not be expected to remain in TRSLA for 10 or more years. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants.

The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

optional retirement plan rather than the TRSLA and purchase retirement and death benefits through contracts provided by designated companies.

Total contributions by the university are 15.2% of the covered payroll. The participant's contribution (8%), less any monthly fee required to cover the cost of administration and maintenance of the optional retirement plan, is remitted to the designated company or companies. Upon receipt of the employer's contribution, the TRSLA pays over to the appropriate company or companies, on behalf of the participant, an amount equal to the employer's portion of the normal cost contribution as determined annually by the actuarial committee. The TRSLA retains the balance of the employer contribution for application to the unfunded accrued liability of the system. Benefits payable to participants are not the obligations of the State of Louisiana or the TRSLA. Such benefits and other rights of the optional retirement plan are the liability and responsibility solely of the designated company or companies to whom contributions have been made. Employer and employee contributions to the optional retirement plan totaled \$34,025,424 and \$17,911,160, respectively, for the year ended June 30, 2000.

**7. POSTRETIREMENT HEALTH CARE
AND LIFE INSURANCE BENEFITS**

The university provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the university's employees become eligible for these benefits if they reach normal retirement age while working for the university. These benefits for retirees and similar benefits for active employees are provided through a state-operated group insurance program and various insurance companies whose monthly premiums are paid jointly by the employee and the university. The university recognizes the cost of providing these benefits to retirees (university's portion of premiums) as an expenditure when paid during the year. These retiree benefits totaled \$14,358,456 for the year ended June 30, 2000.

**8. CONTINGENT LIABILITIES
AND RISK MANAGEMENT**

At June 30, 2000, the university is contingently liable for \$366,693 as guarantor of mortgage loans on sorority and fraternity houses built on university property. This amount has not been accrued in the accompanying financial statements. In addition, the university is involved in numerous lawsuits at June 30, 2000. In the opinion of legal counsel for the university, the ultimate outcome of these lawsuits cannot be determined; however, any losses, with few exceptions, would be fully covered by insurance. Losses arising from judgments, claims, and similar contingencies are paid by either private insurance companies or through the state's self-insurance fund operated by the Office of Risk Management, the agency responsible for the state's risk management program, or by General Fund appropriation. The university is involved in 593 lawsuits at June 30, 2000, of which 45 lawsuits are handled by contract attorneys. The remainder of the lawsuits are handled by the Office of Risk Management. Of the 45 lawsuits being handled by contract attorneys, the attorneys have estimated a possible liability of \$943,500 relating to six of the lawsuits. This amount has not been accrued in the

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

accompanying financial statements. The contract attorneys did not estimate a liability for 10 lawsuits in which the plaintiffs are seeking damages of \$5,394,000.

9. COMPENSATED ABSENCES

At June 30, 2000, employees of the university have accumulated and vested annual, sick, and compensatory leave benefits of \$71,386,487, \$22,122,891, and \$5,711,398, respectively, which were computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements. At June 30, 2000, the university estimates that approximately \$31.6 million of the accrued compensated absences liability will be paid from State of Louisiana General Fund appropriations to the university in years subsequent to June 30, 2000, rather than from current funds of the LSU System.

10. LEASE OBLIGATIONS

Operating Leases

For the year ended June 30, 2000, the total rental expenditures for all operating leases, except those with terms of a month or less that were not renewed, is \$9,994,256. The following is a schedule by years of future minimum annual rental payments required under operating leases that have initial or noncancelable lease terms in excess of one year as of June 30, 2000:

Nature of Operating Lease	2001	2002	2003	2004	2005	Thereafter	Total Minimum Payments Required
Office space	\$4,706,858	\$4,456,640	\$2,824,366	\$401,606	\$257,865	\$499,879	\$13,147,214
Equipment	1,402,104	215,665	150,150	135,577	33,894		1,937,390
Other	1,734,051	1,032,776	1,023,056	226,827	57,970	164,996	4,239,676
Total	<u>\$7,843,013</u>	<u>\$5,705,081</u>	<u>\$3,997,572</u>	<u>\$764,010</u>	<u>\$349,729</u>	<u>\$664,875</u>	<u>\$19,324,280</u>

Capital Leases

The university records items under capital leases as assets and obligations in the accompanying financial statements. The following is a schedule of future minimum lease payments under capital leases, together with the present value of minimum lease payments at June 30, 2000:

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Fiscal Year Ending June 30:	
2001	\$2,540,523
2002	2,525,534
2003	1,983,252
2004	1,563,834
2005	1,335,072
Thereafter	15,894,959
Total minimum lease payments	<u>25,843,174</u>
Less - amount representing interest	<u>(9,221,123)</u>
Present value of net minimum lease payments	<u><u>\$16,622,051</u></u>

11. LESSOR LEASES

The university's leasing operations consist primarily of the leasing of property for the purposes of providing food services to students; bookstore operations; land for fraternity and sorority houses and parking spaces to foundations; office space for postal services, banking services, and university affiliated organizations; space on rooftops for communication towers; and mineral leases.

The following schedule provides an analysis of the university's investment in property on operating leases and property held for lease by major classes as of June 30, 2000:

Office space	\$11,542,728
Other	<u>6,404,848</u>
Total	<u><u>\$17,947,576</u></u>

The following is a schedule by years of minimum future rentals on noncancelable operating leases as of June 30, 2000:

Nature of Operating Lease	2001	2002	2003	2004	2005	Thereafter	Total Minimum Future Rentals
Office space	\$1,733,206	\$1,548,842	\$1,457,547	\$1,500,521	\$1,359,583	\$567,136	\$8,166,835
Other	109,411	89,561	82,561	76,561	62,061	2,055,661	2,475,816
Total	<u>\$1,842,617</u>	<u>\$1,638,403</u>	<u>\$1,540,108</u>	<u>\$1,577,082</u>	<u>\$1,421,644</u>	<u>\$2,622,797</u>	<u>\$10,642,651</u>

Minimum future rentals do not include contingent rentals that may be received as stipulated in the lease contracts. These contingent rental payments occur as a result of sales volume, customer usage of services provided, or as a result of the drilling operations on mineral leases. Contingent rentals amounted to \$510,340 for the year ended June 30, 2000.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

12. LONG-TERM DEBT

Notes Payable

The university has entered into a number of installment purchase agreements for the purchase of computer equipment, copiers, vehicles, et cetera. These agreements require scheduled payments either on a monthly, semiannual, or annual basis and have interest rates ranging from zero to 12%. The following is a summary of installment notes payable by the university for the year ended June 30, 2000:

Balance at July 1, 1999	\$7,792,795
Installment purchases in 2000	190,766
Installment payments in 2000	<u>(3,405,667)</u>
Installment notes payable at June 30, 2000	<u><u>\$4,577,894</u></u>

The following is a summary of future minimum installment payments as of June 30, 2000:

Fiscal Year Ending June 30:	
2001	\$2,696,947
2002	1,144,696
2003	906,541
2004	82,909
2005	737
Total minimum installment payments	<u>4,831,830</u>
Less - amount representing interest	<u>(253,936)</u>
Total	<u><u>\$4,577,894</u></u>

The majority of the installment purchase agreements have non-appropriation exculpatory clauses that allow for lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period.

In addition to the installment purchase agreements, the university has entered into loan agreements with the Louisiana Public Facilities Authority (LPFA) on October 31, 1988. The LPFA loan agreement totaling \$28,500,000 is for financing, refinancing, or reimbursing the cost of facilities; improvements and expansions of the LSU Athletic Department; construction of the Student Recreation Sports Center for Louisiana State University and A&M College, improvements for parking and safety at Louisiana State University and A&M College, improvements to residential life facilities (\$26,200,000); additions to the parking garage at the LSU Health Sciences Center in New Orleans (\$1,000,000); and building a child care center at the University of New Orleans (\$1,300,000). The loan repayments are payable from the fees, rates, rentals, charges,

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

grants, or other receipts or income derived by or in connection with the facilities, equipment, and improvements. According to terms of the loan agreement, the university is to repay principal and interest on the obligation on the 28th day of each month for 20 years commencing August 28, 1991. The university made principal payments during the year totaling \$1,367,919. At June 30, 2000, the outstanding balance is \$19,894,581.

During the year ended June 30, 2000, the LSU and A&M College entered into an agreement with the Louisiana Equipment Acquisition Fund (LEAF) program for the installation of fiber optical cable with a total projected cost of \$3,946,863. At June 30, 2000, the outstanding balance is \$910,364. A repayment schedule will not be issued until the project is complete. Therefore, no payments were made during the fiscal year.

Notes payable totaling \$25,382,839 are reflected on Statement A.

Bonds and Contracts Payable

As presented on Statement A, at June 30, 2000, contracts payable total \$2,549,057 and bonds payable total \$132,531,417.

The following is a summary of bonds and reimbursement contracts payable by the university for the year ended June 30, 2000:

	LSU and A&M College	LSU at Alexandria	LSU at Eunice
Bonds and contracts payable at July 1, 1999	\$71,663,365	\$475,714	\$1,595,833
Bonds added	27,000,000		
Bonds and contracts retired	<u>(6,495,164)</u>	<u>(86,000)</u>	<u>(50,416)</u>
Bonds and contracts payable at June 30, 2000	<u>\$92,168,201</u>	<u>\$389,714</u>	<u>\$1,545,417</u>

Detailed summaries, by issues, of all bond and reimbursement contract debt outstanding at June 30, 2000, including outstanding interest payments of \$74,817,401 for LSU and A&M College; \$53,682 for LSU at Alexandria; \$830,291 for LSU at Eunice; \$23,386,221 for the University of New Orleans; \$14,318 for LSU in Shreveport; and \$20,433,736 for the LSU Health Sciences Center follow:

<u>University of New Orleans</u>	<u>LSU in Shreveport</u>	<u>LSU Health Sciences Center</u>	<u>Total</u>
\$25,305,000	\$257,142	\$400,000	\$99,697,054
(435,000)	(60,000)	15,910,000	42,910,000
<u>(435,000)</u>	<u>(60,000)</u>	<u>(400,000)</u>	<u>(7,526,580)</u>
<u>\$24,870,000</u>	<u>\$197,142</u>	<u>\$15,910,000</u>	<u>\$135,080,474</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Bonds Payable

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding July 1, 1999</u>
LSU and A&M College			
Student Housing System Bonds:			
Series 1961	July 1, 1961	\$2,735,000	\$193,000
1963 - Series A	July 1, 1963	1,100,000	97,000
1964:			
Series A	July 1, 1964	900,000	189,000
Series B	July 1, 1964	3,790,000	826,000
Building Bonds of 1965 -			
Series B	July 1, 1965	1,545,000	338,000
Student Housing System Bonds:			
1966:			
Series B	July 1, 1966	2,175,000	600,000
Series C	July 1, 1966	1,250,000	305,000
1968 - Series B	July 1, 1968	1,275,000	340,000
1981 - Series A	July 1, 1982	1,241,000	173,000
Auxiliary Revenue Bonds 1994	June 15, 1994	26,290,000	22,640,000
1996 Revenue Bonds	September 5, 1996	33,485,000	33,485,000
1997 Auxiliary Revenue Bonds	December 1, 1997	6,500,000	6,500,000
1999 Auxiliary Revenue Bonds	April 29, 1999	3,500,000	3,500,000
2000 Auxiliary Revenue Bonds	June 28, 2000	27,000,000	
LSU at Eunice			
1998 Auxiliary Revenue Bonds	June 1, 1998	1,650,000	1,595,833
University of New Orleans			
Jefferson Center, 1996-A	August 1, 1996	4,485,000	3,575,000
Revenue Bonds of 1997 - Series A	January 15, 1997	5,965,000	5,815,000
Revenue Bonds of 1998	August 15, 1998	15,915,000	15,915,000
LSU Health Sciences Center			
New Orleans - Building Revenue Bonds:			
Series 1962	April 1, 1962	2,990,000	400,000
Series 2000	February 3, 2000	15,910,000	
Total Bonds Payable		\$159,701,000	\$96,486,833

<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2000</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Interest Outstanding June 30, 2000</u>
	\$120,000	\$73,000	2000-2001	3.5%	\$2,555
	44,000	53,000	2000-2003	3.5%	2,030
	36,000	153,000	2000-2004	3.625%	13,630
	160,000	666,000	2000-2004	3.625%	60,683
	60,000	278,000	2000-2005	3%	23,700
	75,000	525,000	2000-2006	3%	56,100
	45,000	260,000	2000-2006	3%	25,050
	45,000	295,000	2000-2008	3%	32,550
	85,000	88,000	2000-2001	3%	2,640
	1,020,000	21,620,000	2000-2014	5% - 5.75%	10,278,254
	565,000	32,920,000	2000-2026	4.3% - 5.5%	29,914,205
	225,000	6,275,000	2000-2017	4% - 5%	3,133,021
	3,500,000				
\$27,000,000		27,000,000	2001-2017	Variable	30,961,500
	50,416	1,545,417	2000-2018	5%	830,291
	330,000	3,245,000	2000-2026	4.4% - 5.6%	2,685,917
	105,000	5,710,000	2000-2026	4.35% - 5.65%	5,217,390
		15,915,000	2000-2030	3.9% - 5%	15,482,914
	400,000				
<u>15,910,000</u>		<u>15,910,000</u>	2011-2031	4.4% - 6.375%	<u>20,433,736</u>
<u>\$42,910,000</u>	<u>\$6,865,416</u>	<u>\$132,531,417</u>			<u>\$119,156,166</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

Reimbursement Contracts Payable

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding July 1, 1999</u>
LSU and A&M College - Baton Rouge and Related Tiger Stadium Additions Bonds, Series 1976-B	February 1, 1976	\$3,500,000	\$527,033
LSU Union Additions Bonds, Series 1984-B	July 31, 1984	2,700,000	1,532,844
Student Recreation Sports Center Bonds, Series 1984-A	April 1, 1984	750,000	312,313
LSU Union Additions Bonds, Series 1983-A	March 1, 1983	300,000	105,175
Building Bonds, Series 1977-C - Alexandria	October 1, 1977	100,000	25,714
Student Union Additions Bonds, Series 1979-B - Alexandria	June 15, 1979	1,410,000	450,000
LSU in Shreveport Building Bonds, Series 1977-C	October 1, 1977	<u>1,000,000</u>	<u>257,142</u>
Total Reimbursement Contracts Payable		<u>\$9,760,000</u>	<u>\$3,210,221</u>

The annual requirements to amortize all bonds and reimbursement contracts outstanding at June 30, 2000, including interest of \$119,535,649, are as follows:

<u>Fiscal Year</u>	<u>LSU and A&M College - Baton Rouge and Related</u>	<u>University of New Orleans</u>	<u>LSU in Shreveport</u>	<u>LSU Health Sciences Center</u>	<u>Total</u>
2001	\$8,634,345	\$1,714,200	\$70,729	\$1,170,894	\$11,590,168
2002	8,130,351	1,511,830	70,532	1,162,094	10,874,807
2003	8,157,106	1,671,457	70,199	1,172,794	11,071,556
2004	8,096,742	1,671,828		1,172,234	10,940,804
2005	8,080,496	1,670,846		1,175,964	10,927,306
Subsequent years	<u>128,705,666</u>	<u>40,016,060</u>		<u>30,489,756</u>	<u>199,211,482</u>
Total	<u>\$169,804,706</u>	<u>\$48,256,221</u>	<u>\$211,460</u>	<u>\$36,343,736</u>	<u>\$254,616,123</u>

<u>Redeemed</u>	<u>Outstanding June 30, 2000</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Interest Outstanding June 30, 2000</u>
\$254,674	\$272,359	2000-2001	5.6%	\$15,252
184,707	1,348,137	2000-2004	4.67% - 6.01%	218,280
52,706	259,607	2000-2004	9.5%	64,168
23,077	82,098	2000-2003	8.125% - 8.2%	13,783
6,000	19,714	2000-2003	4.75%	1,432
80,000	370,000	2000-2004	5.5%	52,250
<u>60,000</u>	<u>197,142</u>	2001-2003	4.75%	<u>14,318</u>
<u>\$661,164</u>	<u>\$2,549,057</u>			<u>\$379,483</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

The following is a summary of the debt service reserve requirements of the various bond issues at June 30, 2000:

<u>Bond Issue</u>	<u>Cash/ Investment Reserves Available</u>	<u>Reserve Requirement</u>	<u>Excess</u>
Auxiliary Plant:			
LSU and A&M College	\$11,333,787	\$10,538,494	\$795,293
LSU at Alexandria	302,398	111,859	190,539
LSU at Eunice	389	389	
University of New Orleans	545,243	528,691	16,552
LSU in Shreveport	69,593	69,593	
	<u>\$12,251,410</u>	<u>\$11,249,026</u>	<u>\$1,002,384</u>
<i>Educational Plant - University of New Orleans</i>	<u>\$1,129,317</u>	<u>\$333,820</u>	<u>\$795,497</u>

As permitted by the Bond Resolution for the Revenue and Refunding Bonds, (Wellness Center Project) Series 1998, and the Bond Resolution for the Revenue Bonds, Series 2000, the university obtained surety bonds issued by an insurance company as a substitute for the reserve requirement for the bonds. The surety bond meets the definition as a "Reserve Fund Investment" and guarantees payment of an amount not to exceed \$1,041,250 and \$1,176,841, respectively, to fund the reserve requirement.

13. DUE TO STATE TREASURY

As shown on Statement A, the General Fund has \$86,383,980 due to the state treasury at June 30, 2000. This amount consists of \$86,192,755 of seed advance, \$67,880 of unexpended appropriation, \$74,025 of petty cash advances, and \$49,320 refund of prior year expenditures.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

14. RESERVATIONS OF FUND BALANCES

Reservations of fund balances at June 30, 2000, as shown on Statement A, are summarized as follows:

	Reserved for		Bond Indentures	Total
	Encumbrances	Inventories		
Current Funds:				
General		\$33,086,645		\$33,086,645
Auxiliary Enterprises	\$3,124,653			3,124,653
Restricted	17,688,454	22,348		17,710,802
Plant Funds:				
Unexpended	5,422,016			5,422,016
Renewals and Replacements	1,026,907			1,026,907
Retirement of Indebtedness			\$13,380,727	13,380,727
Total	\$27,262,030	\$33,108,993	\$13,380,727	\$73,751,750

Additional encumbrances of Pennington Biomedical Research Center, LSU and A&M College, LSU at Alexandria, LSU at Eunice, and LSU Agricultural Center totaling \$15,770,811 were outstanding at year-end for restricted state and federal grants and contracts. Under these agreements, the grantor provides reimbursement after expenditures occur and the related encumbrances are liquidated. A reservation of fund balances has not been established for such encumbrances.

15. PRIOR YEAR RESTATEMENT OF FUND BALANCES

As shown on Statement B, fund balances at the beginning of the year have been restated for prior period adjustments made during the year by the university system. The adjustments made to fund balances at the beginning of the year are summarized as follows:

	General Fund	Auxiliary Enterprises	Restricted Fund	Endowment Funds	Retirement of Indebtedness	Investment in Plant
Fund Balance at June 30, 1999, as previously reported	\$40,997,177	\$26,262,918	\$264,258,871	\$66,089,119	\$9,826,593	\$2,079,759,134
Adjustments:						
Addition of compensated absences liability	(78,364,208)	(2,711,131)	(13,776,934)			
Correction to estimate of dispro (Medicaid) receivables	(31,816,270)					
Correction to investment balance				170,231		
Correction to reserves held by the State Treasurer's Office					917,608	
Correction to reported assets						(262,034)
Fund Balance at June 30, 1999, as restated	(\$69,183,301)	\$23,551,787	\$250,481,937	\$66,259,350	\$10,744,201	\$2,079,497,100

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

16. STUDENT LOAN FUNDS

The fund balances of the student loan funds at June 30, 2000, are as follows:

	Perkins Loan Fund	Health Professions	Miscellaneous Other Loans	Total
LSU and A&M College	\$14,368,757	\$52,175	\$265,174	\$14,686,106
LSU at Alexandria			8,398	8,398
LSU at Eunice	608,663		9,578	618,241
University of New Orleans	5,123,772		45,225	5,168,997
LSU Health Sciences Center	4,211,060	8,431,829	681,919	13,324,808
Total	<u>\$24,312,252</u>	<u>\$8,484,004</u>	<u>\$1,010,294</u>	<u>\$33,806,550</u>

17. PLANT FUNDS

In August 1987, the Financial Accounting Standards Board (FASB) issued Statement No. 93, *Recognition of Depreciation by Not-for-Profit Organizations*, which requires not-for-profit organizations, including colleges and universities, to recognize depreciation of their long-lived tangible assets in their financial statements. In January 1988, the GASB issued Statement No. 8, which addresses the implementation of FASB Statement No. 93. Codification of Governmental Accounting and Financial Reporting Standards Section Co5.103 states that "Colleges and universities that follow the AICPA Guide should not change their accounting and reporting for depreciation of capital assets as a result of FASB Statement No. 93, *Recognition of Depreciation by Not-for-Profit Organizations*; the GASB has several projects under way that may affect that reporting." As reflected in note 1-D, the university does not currently recognize depreciation.

Physical plant facilities acquired before June 30, 1939, were valued based on estimated building costs. Subsequent additions to physical plant and equipment are stated at cost at the date of acquisition, estimated cost if actual cost is not known, fair market value at the date of donation in the case of gifts, or market value for livestock. Estimated costs of physical plant facilities constitute an immaterial portion of total value of plant facilities. A summary of investment in plant follows:

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

	LSU Board of Supervisors	Pennington Biomedical Research Center	LSU and A&M College	LSU at Alexandria	LSU at Eunice
Land and improvements		\$2,915,801	\$28,494,860	\$2,280,081	\$377,609
Buildings	\$1,734,226	36,309,189	438,296,721	13,658,782	18,383,940
Equipment	443,590	19,378,663	238,859,823	4,886,487	3,853,693
Library books			84,102,105	3,374,480	1,484,255
Livestock			85,300		
Total	\$2,177,816	\$58,603,653	\$789,838,809	\$24,199,830	\$24,099,497

18. INTERAGENCY TRANSFERS

During the year, the Louisiana State University Health Sciences Center's restricted fund transferred to the Louisiana Department of Health and Hospital \$1,068,480 of self-generated funds for Medicaid matching purposes and \$8,837,308 as required by the Joint Legislative Committee on the Budget.

In addition, transfers from the unexpended plant fund to the Office of Facility Planning and Control of \$1,835,155 were made during the year to finance renovation or construction projects. LSU in Shreveport transferred \$1,395,155 for the renovation of the Science Building and \$40,000 for the renovation of the Noel Memorial Library parking lot. The LSU Health Sciences Center transferred \$400,000 for the construction of a student union building.

<u>Paul M. Hebert Law Center</u>	<u>LSU Agricultural Center</u>	<u>University of New Orleans</u>	<u>LSU in Shreveport</u>	<u>LSU Health Sciences Center</u>	<u>Total</u>
	\$3,499,109	\$58,153,425	\$3,664,270	\$45,734,627	\$145,119,782
\$6,048,505	17,274,525	157,495,362	40,547,180	502,533,923	1,232,282,353
2,240,466	61,043,085	52,093,056	12,455,940	390,461,767	785,716,570
3,940,989		26,768,332	5,723,718	24,967,533	150,361,412
					85,300
<u>\$12,229,960</u>	<u>\$81,816,719</u>	<u>\$294,510,175</u>	<u>\$62,391,108</u>	<u>\$963,697,850</u>	<u>\$2,313,565,417</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

19. AUXILIARY ENTERPRISES

The university maintains various auxiliary enterprise funds that provide services to the university community. Segment information for the year ended June 30, 2000, follows:

	<u>Food Services</u>	<u>Housing</u>	<u>Bookstore</u>
Net increase in fund balances	\$471,222	\$1,946,484	\$41,325
Net income	355,464	3,428,572	735,502
Net assets	3,494,376	5,623,299	9,893,854
Outstanding principal and interest on debt	333,992	118,372,646	4,057,758
Annual principal and interest on debt	57,639	2,438,850	170,231

20. FOUNDATIONS

The accompanying financial statements do not include the accounts of the following foundations:

- Louisiana State University System Foundation
- LSU Property Foundation
- Pennington Biomedical Research Foundation
- Pennington Medical Foundation
- Tiger Athletic Foundation
- LSU Alumni Association
- LSU Law Alumni Association
- University of New Orleans Foundation
- University of New Orleans Research and Technology Foundation
- UNO Athletic Foundation
- UNO Alumni Association
- UNO Urban Waste Management Foundation
- Louisiana State University Health Sciences Center Foundation
- LSU Medical School Alumni Association
- LSU School of Dentistry Alumni Association
- LSU School of Nursing Alumni Association
- LSU in Shreveport Foundation
- LSU Alumni in Shreveport Association
- LSU Health Sciences Center in Shreveport Foundation
- Biomedical Research Foundation of Northwest Louisiana
- LSU Alexandria Foundation
- LSU Eunice Foundation

These foundations are separate corporations whose financial statements are subject to audit by independent certified public accountants.

<u>Athletics</u>	<u>Student Center</u>	<u>Others</u>	<u>Total</u>
(\$19,592)	(\$312,894)	\$1,141,736	\$3,268,281
2,383,554	724,834	3,802,169	11,430,095
2,543,967	(62,852)	5,327,424	26,820,068
36,033,428	2,317,153	21,545,932	182,660,909
2,133,473	482,572	712,995	5,995,760

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

21. DEFERRED COMPENSATION PLAN

Certain employees of the LSU System participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

22. FUND DEFICITS

The deficit of \$106,237,144 in the General Fund is the result of the liability for compensated absences for all campuses of the LSU System and from the recording of a payable for Uncompensated Care Cost at the LSU Health Sciences Center - Health Care Services Division. These amounts will be financed through future appropriations and other revenues.

23. OTHER TRANSFERS

During the fiscal year ended June 30, 2000, the LSU Health Sciences Center - Health Care Services Division transferred \$25,944,383 from the General Fund to the Restricted Fund. The transfer was attributed to over collections and surpluses of the fiscal year ended June 30, 2000. Act 3 of the 1997 Regular Legislative Session authorized these transfers to establish the restricted funds necessary for the division's operating expenses and reserves.

24. ON-BEHALF PAYMENTS

On-behalf payments for fringe benefits and salaries are direct payments made by one entity to a third party recipient for the employees of another legally separate entity. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends. The amount of on-behalf payments for fringe benefits and salaries included in Statement B for fiscal year ended June 30, 2000, is \$498,905. There were no on-behalf payments made as contributions to a pension plan for which the university is not legally responsible.

25. LSU HEALTHCARE NETWORK

The financial statements of the Louisiana State University System, LSU Health Sciences Center included the LSU School of Medicine in New Orleans Faculty Group Practice, a non-profit corporation doing business as the LSU Healthcare Network (LSUHN). The governing board of LSUHN was established in August 1995 and is comprised of 15 members, seven of which are appointed by LSU and eight of which are from the community and not members or employees of the LSU Board of Supervisors. LSUHN began operations in March 1997, providing health care to the general public and assisting the LSU Health Sciences Center in carrying out its medical, educational, and research functions.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

A cooperative endeavor agreement, dated November 1, 1995, documents the relationship between the LSU Health Sciences Center and LSUHN. The agreement provides for the LSU Health Sciences Center and LSUHN to continue as autonomous organizations, with separate but complimentary missions. The agreement establishes a relationship in which the LSU Health Sciences Center will lease certain faculty, staff, and specific office space and equipment to LSUHN as its part of the agreement. LSUHN will reimburse the LSU Health Sciences Center for the use of its employees, facilities, and equipment; provide support to the academic programs; and provide access to a patient base that would not otherwise be available, as its part of the agreement.

The LSU Health Sciences Center is reporting LSUHN patients' revenue of \$72,472,762 and patients' bad debts as expenditures of \$27,928,104, for the year ended June 30, 2000. In prior years, the center reported LSUHN's revenue net of the related bad dept expenditures. Effective for the year ended June 30, 2000, both the revenue and the expenditure amounts will be included in the financial statements, as required by generally accepted accounting principles. This change has no effect on the LSU Health Sciences Center's fund balances reported in the prior and current years. Amounts owed by patients are reported on Statement A net of their estimated uncollectible portion.

26. IMPROVEMENTS TO PLANT ON BEHALF OF UNIVERSITY

Improvements at University of New Orleans

The University of New Orleans Research and Technology Foundation, a separate corporation created for or in behalf of the University of New Orleans, issued long-term debt instruments for infrastructure improvements and the construction of facilities on land owned by the university and leased to the foundation. The improvements, valued at \$38,152,684 at December 31, 1999, were completely financed by the University of New Orleans Research and Technology Foundation through private lending and the sale of bonds through the Louisiana Public Facilities Authority, the Louisiana Local Government Environmental Facilities and Community Development Authority, and through bank notes. The university leases the land to the University of New Orleans Research and Technology Foundation in accordance with terms outlined in the ground leases. The improvements are owned by the University of New Orleans Research and Technology Foundation, but upon the expiration of the leases, will revert to the university.

Expansion of Tiger Stadium

The Tiger Athletic Foundation, a separate corporation created in behalf of the university's intercollegiate athletics program, issued in March 1999, long-term debt instruments for the expansion of Tiger Stadium, located on the grounds of LSU and A&M College in Baton Rouge. The expansion, with an estimated value of \$50 million, was completely financed by the Tiger Athletic Foundation through the sale of bonds through the Louisiana Public Facilities Authority and a bank loan. The bonds financed 75% of the cost of the project and the bank loan financed the remaining balance. Commencing in January 1999 and for a term of 50 years, the university

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Continued)

agrees to lease the land to the Tiger Athletic Foundation for the stadium improvements. Until the bonds are paid for by the Tiger Athletic Foundation, the rent paid is \$1,000 per year. After the bonds are paid for in full, the rent is increased to \$2 million per year. In turn, the university agrees to lease the completed stadium improvements for 35 years from the Tiger Athletic Foundation for \$2 million per year with payments being due in September of each year. In addition, the university has granted the foundation certain rights to purchase tickets in the existing and newly expanded section of the stadium. The stadium improvements are owned by the Tiger Athletic Foundation, but upon payment of the bonds and expiration of the lease, the Tiger Athletic Foundation intends to donate the stadium improvements to the university. Revenues of the Tiger Athletic Foundation from the sale of the ticket premiums relating to the stadium improvements are pledged to finance the debt service.

LSU Health Sciences Center - New Orleans
Cooperative Endeavor for District Energy Services

Effective November 1, 1998, the LSU Board of Supervisors on behalf of the LSU Health Sciences Center - New Orleans ("LSUHSC") entered into a cooperative endeavor agreement with Entergy Thermal ("Entergy"), a division of Entergy Business Solutions, Inc., and New Orleans Medical Complex, Inc. (NORMC), a Louisiana private, non-profit corporation. The term of the agreement ends September 30, 2020, with options to renew the lease for two 5-year periods.

Under the agreement, the LSUHSC leases to NORMC a parcel of land located in New Orleans at the northeastern corner of South Claiborne Avenue and Gravier Street. NORMC pays the LSU Health Sciences Center \$40,000 annually for the lease, which may be adjusted every five years for inflation. NORMC is responsible for the construction of a combined use facility, which is comprised of its office, a multi-level parking garage, and a thermal energy production facility. For the period of the agreement, the LSUHSC and NORMC entered into a reciprocal lease, which, in lieu of rent, gives each the right of occupancy of the combined use facility.

NORMC is subleasing the combined use facility to Entergy, which is responsible for the construction and financing of the thermal energy production facility within the combined use facility. Under the terms of the reciprocal lease, Entergy is also responsible for the operations, repair, replacement, and maintenance of the central plants located at the Medical Center of Louisiana at New Orleans and the LSUHSC (the central plants). For the term of the agreement, the LSUHSC is obligated to purchase its thermal energy from Entergy. The LSUHSC total monetary obligation is not determinable since the obligation will be based on energy consumption.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Notes to the Financial Statements (Concluded)

During the term of the agreement, title to the thermal equipment within the combined use facility is vested in Entergy Thermal. Upon the expiration or termination of the agreement, Entergy will have the right, but not the obligation, to remove equipment it has installed provided that the removal of the equipment does not materially damage the thermal energy production facility space in the combined use facility. The LSU Board of Supervisors has the option to purchase the equipment upon expiration or termination of the agreement. The title to the thermal equipment installed within the central plants is vested in NORMC until the expiration or termination of the agreement, at which time title shall automatically pass to and become vested in the LSU Board of Supervisors.

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 2000**

The following supplemental information schedules present the Balance Sheets; Schedules of Changes in Fund Balances; and Schedules of Revenues, Expenditures, and Other Changes - Current Funds for the LSU Board of Supervisors, the Pennington Biomedical Research Center, the LSU and A&M College Campus, the LSU at Alexandria Campus, the LSU at Eunice Campus, the Paul M. Hebert Law Center, the LSU Agricultural Center, the University of New Orleans Campus, the LSU in Shreveport Campus, and the LSU Health Sciences Center.

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU BOARD OF SUPERVISORS

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS		PLANT FUND - INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	GENERAL	RESTRICTED		
ASSETS				
Cash and cash equivalents	\$23,087	\$548,050		\$571,137
Accounts receivable		1,250		1,250
Due from other campuses	78,302	407,731		486,033
Deferred charges and prepaid expenses	824	450		1,274
Institutional plant			\$2,177,816	2,177,816
TOTAL ASSETS	\$102,213	\$957,481	\$2,177,816	\$3,237,510
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$2,410	\$2,487		\$4,897
Compensated absences payable	262,940	63,788		326,728
Accrued liabilities	99,803	6,728		106,531
Total Liabilities	365,153	73,003	NONE	438,156
Fund Equity:				
Net investment in plant			\$2,177,816	2,177,816
Fund balances (deficit):				
Reserved		11,770		11,770
Amount expected to be financed in future years	(262,940)			(262,940)
Current operations - restricted		872,708		872,708
Total Fund Equity	(262,940)	884,478	2,177,816	2,799,354
TOTAL LIABILITIES AND FUND EQUITY	\$102,213	\$957,481	\$2,177,816	\$3,237,510

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU BOARD OF SUPERVISORS

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000

	CURRENT FUNDS		PLANT FUND - INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	GENERAL	RESTRICTED		
Revenues and other additions:				
Unrestricted current fund revenues	\$1,585,067			\$1,585,067
Private gifts, grants, and contracts - restricted		\$30,750		30,750
Investment income - restricted		5,511		5,511
Additions to plant facilities			\$71,814	71,814
Other sources		2,126,990		2,126,990
Total revenues and other additions	<u>1,585,067</u>	<u>2,163,251</u>	<u>71,814</u>	<u>3,820,132</u>
Expenditures and other deductions:				
Educational and general	1,585,067	2,093,565		3,678,632
Disposal of plant facilities			69,414	69,414
Compensated absences	37,835	(58,289)		(20,454)
Total expenditures and other deductions	<u>1,622,902</u>	<u>2,035,276</u>	<u>69,414</u>	<u>3,727,592</u>
Net increase (decrease) for the year	(37,835)	127,975	2,400	92,540
Fund balances (deficit) at beginning of year (restated)	<u>(225,105)</u>	<u>756,503</u>	<u>2,175,416</u>	<u>2,706,814</u>
Fund balances (deficit) at end of year	<u>(\$262,940)</u>	<u>\$884,478</u>	<u>\$2,177,816</u>	<u>\$2,799,354</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU BOARD OF SUPERVISORS
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2000

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
State appropriations	\$1,585,067	
Private gifts, grants, and contracts		\$24,653
Other sources		2,068,912
Total revenues	<u>1,585,067</u>	<u>2,093,565</u>
Expenditures - educational and general:		
Institutional support	1,533,394	2,093,565
Operations and maintenance of plant	51,673	
Total expenditures	<u>1,585,067</u>	<u>2,093,565</u>
Other additions (deductions):		
Excess of restricted receipts over transfers to revenues		69,686
Compensated absences	<u>(37,835)</u>	<u>58,289</u>
Net increase (decrease) in fund balances	<u><u>(\$37,835)</u></u>	<u><u>\$127,975</u></u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
PENNINGTON BIOMEDICAL RESEARCH CENTER**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS		ENDOWMENT
	GENERAL	RESTRICTED	FUNDS
ASSETS			
Cash and cash equivalents	\$159,421	\$7,716,313	
Investments		67,849	\$2,325,110
Accounts receivable	59,481	1,243,720	
Due from state General Fund			
Deferred charges and prepaid expenses		23,483	
Inventories	9,166		
Institutional plant			
TOTAL ASSETS	\$228,068	\$9,051,365	\$2,325,110
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$159,753	\$17,528	
Accrued liabilities	44,479	87,311	
Deposits held for others	14,670		
Deferred revenues		11,364	
Compensated absences payable	908,840	90,831	
Total Liabilities	1,127,742	207,034	NONE
Fund Equity:			
Net investment in plant			
Fund balances (deficit):			
Reserved	9,166	597,305	
Amount expected to be financed in future years	(908,840)		
Current operations - restricted		8,247,026	
Noncurrent operations:			
Restricted			
Endowment			\$2,325,110
Total Fund Equity	(899,674)	8,844,331	2,325,110
TOTAL LIABILITIES AND FUND EQUITY	\$228,068	\$9,051,365	\$2,325,110

PLANT FUNDS		AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
UNEXPENDED	INVESTMENT IN PLANT		
\$3,499		\$695	\$7,879,928
			2,392,959
			1,303,201
15,906			15,906
			23,483
			9,166
	\$58,603,653		58,603,653
<u>\$19,405</u>	<u>\$58,603,653</u>	<u>\$695</u>	<u>\$70,228,296</u>
			\$177,281
			131,790
		\$695	15,365
			11,364
			999,671
<u>NONE</u>	<u>NONE</u>	<u>695</u>	<u>1,335,471</u>
	\$58,603,653		58,603,653
			606,471
			(908,840)
			8,247,026
\$19,405			19,405
			2,325,110
<u>19,405</u>	<u>58,603,653</u>	<u>NONE</u>	<u>68,892,825</u>
<u>\$19,405</u>	<u>\$58,603,653</u>	<u>\$695</u>	<u>\$70,228,296</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
PENNINGTON BIOMEDICAL RESEARCH CENTER**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS		ENDOWMENT FUNDS
	GENERAL	RESTRICTED	
Revenues and other additions:			
Unrestricted current fund revenues	\$6,044,975		
State and local grants and contracts - restricted		\$5,854	
Federal grants and contracts - restricted		14,181,860	
Private gifts, grants, and contracts		4,987,707	
Investment income - restricted		91,193	
State funded endowments			\$880,000
Endowment income		(8,249)	(17,161)
Additions to plant facilities			
Other sources		2,688,113	
Total revenues and other additions	<u>6,044,975</u>	<u>21,946,478</u>	<u>862,839</u>
Expenditures and other deductions:			
Educational and general	6,025,570	14,008,015	
Indirect costs recovered		3,417,847	
Expended for plant facilities			
Disposal of plant facilities			
Compensated absences	132,884	42,898	
Total expenditures and other deductions	<u>6,158,454</u>	<u>17,468,760</u>	<u>NONE</u>
Transfers among funds - additions (deductions) - nonmandatory - capital improvements	(19,405)	NONE	NONE
Inventory increase	9,166	NONE	NONE
Net increase (decrease) for the year	(123,718)	4,477,718	862,839
Fund balances (deficit) at beginning of year (restated)	<u>(775,956)</u>	<u>4,366,613</u>	<u>1,462,271</u>
Fund balances (deficit) at end of year	<u><u>(\$899,674)</u></u>	<u><u>\$8,844,331</u></u>	<u><u>\$2,325,110</u></u>

PLANT FUNDS		TOTAL
UNEXPENDED	INVESTMENT IN PLANT	(MEMORANDUM ONLY)
		\$6,044,975
		5,854
		14,181,860
		4,987,707
		91,193
		880,000
		(25,410)
	\$2,316,710	2,316,710
\$113,611		2,801,724
<u>113,611</u>	<u>2,316,710</u>	<u>31,284,613</u>
		20,033,585
		3,417,847
113,611		113,611
	57,764	57,764
		175,782
<u>113,611</u>	<u>57,764</u>	<u>23,798,589</u>
19,405	NONE	NONE
NONE	NONE	9,166
19,405	2,258,946	7,495,190
NONE	56,344,707	61,397,635
<u>\$19,405</u>	<u>\$58,603,653</u>	<u>\$68,892,825</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
PENNINGTON BIOMEDICAL RESEARCH CENTER
CURRENT FUNDS**

**Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000**

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
State appropriations	\$5,287,247	
Federal grants and contracts		\$7,301,889
State grants and contracts		4,856
Private gifts, grants, and contracts		3,880,529
Sales and services of educational departments	27,279	
Investment income:		10,808
Other sources	730,449	2,809,933
Total revenues	<u>6,044,975</u>	<u>14,008,015</u>
Expenditures and transfers:		
Educational and general:		
Research	1,891,008	12,434,930
Public service		282,158
Academic support	826,437	363,913
Institutional support	1,382,392	918,488
Operations and maintenance of plant	1,925,733	8,526
Total educational and general expenditures	<u>6,025,570</u>	<u>14,008,015</u>
Nonmandatory transfers - capital improvements	19,405	
Total expenditures and transfers	<u>6,044,975</u>	<u>14,008,015</u>
Other additions (deductions):		
Excess of restricted receipts over transfers to revenues		7,938,463
Compensated absences	(132,884)	(42,898)
Inventory increase	9,166	
Other		(3,417,847)
Net increase (decrease) in fund balances	<u>(\$123,718)</u>	<u>\$4,477,718</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
ASSETS					
Cash and cash equivalents		\$14,568,099	\$13,220,328	\$1,334,590	\$5,372,024
Investments	\$73,467,700		2,148,495		27,335,885
Accrued interest	32,231	27,150	65,468		
Accounts receivable	8,863,795	7,191,687	19,001,436	10,868	
Due from state General Fund					
Notes receivable				13,523,013	
Due from other funds		1,124,213	6,987,186		
Due from other campuses	8,960				
Deferred charges and prepaid expenses	1,173,476	2,118,398	2,112,619		
Inventories	227,345	2,735,968			
Institutional plant					
Other assets					1,432,358
TOTAL ASSETS	\$83,773,507	\$27,765,515	\$43,535,532	\$14,868,471	\$34,140,267
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$3,206,311	\$1,973,390	\$298,413		
Accrued liabilities	3,412,263	592,007	495,898		
Due to state treasury	1,210				
Due to other funds	6,987,186				
Due to other campuses	60,949,334				\$2,306,401
Deposits held for others	1,173,056	784,015		\$182,365	
Deferred revenues	7,816,802	11,980,837	507,943		
Compensated absences payable	16,668,954	2,092,687	450,460		
Notes payable					
Contracts payable					
Bonds payable					
Total Liabilities	100,215,116	17,422,936	1,752,714	182,365	2,306,401
Fund Equity:					
Net investment in plant					
Fund balances (deficit):					
Reserved	227,345	2,493,678	3,723,269		
Amount expected to be financed in future years	(16,668,954)				
Current operations - restricted		7,848,901	38,059,549		
Noncurrent operations:					
Restricted				14,686,106	
Endowment					27,930,707
Term endowment					1,020,408
Quasi-endowment - restricted					2,882,751
Total Fund Equity	(16,441,609)	10,342,579	41,782,818	14,686,106	31,833,866
TOTAL LIABILITIES AND FUND EQUITY	\$83,773,507	\$27,765,515	\$43,535,532	\$14,868,471	\$34,140,267

UNEXPENDED	PLANT FUNDS			AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT		
\$7,364,158	\$4,978,442	\$99,007		\$234,232	\$47,170,880
27,014,075		10,962,717			140,928,872
					124,849
73,710	581			14,876	35,156,953
453,427		1,396,276			1,849,703
					13,523,013
					8,111,399
					8,960
					5,404,493
					2,963,313
			\$789,838,809		789,838,809
					1,432,358
<u>\$34,905,370</u>	<u>\$4,979,023</u>	<u>\$12,458,000</u>	<u>\$789,838,809</u>	<u>\$249,108</u>	<u>\$1,046,513,602</u>
\$137,985					\$5,616,099
					4,500,168
					1,210
		\$1,124,213			8,111,399
					63,255,735
				\$249,108	2,388,544
					20,305,582
					19,212,101
			\$22,986,323		22,986,323
			1,962,201		1,962,201
			90,206,000		90,206,000
<u>137,985</u>	<u>NONE</u>	<u>1,124,213</u>	<u>115,154,524</u>	<u>249,108</u>	<u>238,545,362</u>
			674,684,285		674,684,285
2,739,935	\$1,025,501	11,333,787			21,543,515
					(16,668,954)
					45,908,450
32,027,450	3,953,522				50,667,078
					27,930,707
					1,020,408
					2,882,751
<u>34,767,385</u>	<u>4,979,023</u>	<u>11,333,787</u>	<u>674,684,285</u>	<u>NONE</u>	<u>807,968,240</u>
<u>\$34,905,370</u>	<u>\$4,979,023</u>	<u>\$12,458,000</u>	<u>\$789,838,809</u>	<u>\$249,108</u>	<u>\$1,046,513,602</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$252,120,251			
Tuition and fees - restricted			\$11,133,298	
State grants and contracts - restricted			26,814,928	
Federal grants and contracts - restricted			59,763,841	
Private gifts, grants, and contracts - restricted			17,356,916	
Investment income - restricted			1,199,689	\$27,841
Interest on loans receivable				346,683
Sales and services:			1,770,981	
State funded endowments				
Endowment income			1,460,668	
Auxiliary enterprise revenues		\$96,060,626		
Additions to plant facilities				
Retirement of indebtedness				
Other sources			11,075,027	99,075
Total revenues and other additions	<u>252,120,251</u>	<u>96,060,626</u>	<u>130,575,348</u>	<u>473,599</u>
Expenditures and other deductions:				
Educational and general	251,508,541		116,118,738	
Auxiliary enterprises		81,018,865		
Indirect costs recovered			9,175,928	
Loan cancellations and write-offs				153,032
Expended for plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Disposal of plant facilities				
Compensated absences	863,611	(6,057)	148,957	
Other		1,152,875		16,546
Total expenditures and other deductions	<u>252,372,152</u>	<u>82,165,683</u>	<u>125,443,623</u>	<u>169,578</u>
Transfers among funds - additions (deductions):				
Mandatory - principal and interest		(5,180,033)	(3,223,919)	
Nonmandatory:				
Capital improvements	(611,710)	(5,232,988)	(395,932)	
Renewals and replacements		(1,564,782)		
Other		(379,480)	346,043	
Total transfers among funds	<u>(611,710)</u>	<u>(12,357,283)</u>	<u>(3,273,808)</u>	<u>NONE</u>
Inventory increase	47,212	NONE	NONE	NONE
Net increase (decrease) for the year	(816,399)	1,537,660	1,857,917	304,021
Fund balances (deficit) at beginning of year (restated)	(15,625,210)	8,804,919	39,924,901	14,382,085
Fund balances (deficit) at end of year	<u>(\$16,441,609)</u>	<u>\$10,342,579</u>	<u>\$41,782,818</u>	<u>\$14,686,106</u>

ENDOWMENT FUNDS	PLANT FUNDS				TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
					\$252,120,251
					11,133,298
					26,814,928
					59,763,841
\$210,697					17,567,613
	\$700,615		\$241,564		2,169,709
					346,683
					1,770,981
2,920,000					2,920,000
(352,405)					1,108,263
					96,060,626
				\$54,968,754	54,968,754
				7,752,720	7,752,720
30,733	22,088,881		7,295,872	2,703,927	43,293,515
<u>2,809,025</u>	<u>22,789,496</u>	<u>NONE</u>	<u>7,537,436</u>	<u>65,425,401</u>	<u>577,791,182</u>
					367,627,279
					81,018,865
					9,175,928
					153,032
	10,061,692				10,061,692
			7,752,720		7,752,720
			4,611,223		4,611,223
				12,375,879	12,375,879
					1,006,511
		\$1,169,424		27,911,193	30,250,038
<u>NONE</u>	<u>10,061,692</u>	<u>1,169,424</u>	<u>12,363,943</u>	<u>40,287,072</u>	<u>524,033,167</u>
					8,403,952
	6,240,630				
		1,564,782			
	(81,340)	33,437	81,340		
<u>NONE</u>	<u>6,159,290</u>	<u>1,598,219</u>	<u>8,485,292</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>47,212</u>
2,809,025	18,887,094	428,795	3,658,785	25,138,329	53,805,227
29,024,841	15,880,291	4,550,228	7,675,002	649,545,956	754,163,013
<u>\$31,833,866</u>	<u>\$34,767,385</u>	<u>\$4,979,023</u>	<u>\$11,333,787</u>	<u>\$674,684,285</u>	<u>\$807,968,240</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AND A&M COLLEGE
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$91,323,306		\$10,908,533
State appropriations	142,934,037		
Federal grants and contracts			55,487,867
State grants and contracts			24,676,598
Private gifts, grants, and contracts			15,786,100
Sales and services of educational departments	6,698,370		1,821,297
Sales and services of auxiliary departments		\$96,060,626	
Endowment income			1,217,924
Investment income	2,509,620		533,626
Other sources	8,654,918		9,306,644
Total revenues	<u>252,120,251</u>	<u>96,060,626</u>	<u>119,738,589</u>
Expenditures and transfers:			
Educational and general:			
Instruction	117,980,504		31,336,230
Research	29,642,318		46,445,148
Public service	1,864,590		14,876,754
Academic support	34,715,430		2,038,455
Student services	6,791,834		2,814,160
Institutional support	22,661,187		3,246,378
Operations and maintenance of plant	24,720,702		490,315
Scholarships and fellowships	13,131,976		14,871,298
Total educational and general expenditures	<u>251,508,541</u>	NONE	<u>116,118,738</u>
Mandatory transfers - principal and interest		5,180,033	3,223,919
Nonmandatory transfers for:			
Capital improvements	611,710		395,932
Renewals and replacements		1,564,782	
Auxiliary enterprises expenditures		81,018,865	
Total expenditures and transfers	<u>252,120,251</u>	<u>87,763,680</u>	<u>119,738,589</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues			10,836,759
Compensated absences	(863,611)	6,057	(148,957)
Inventory increase	47,212		
Other		(6,765,343)	(8,829,885)
Net increase (decrease) in fund balances	<u>(\$816,399)</u>	<u>\$1,537,660</u>	<u>\$1,857,917</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
ASSETS					
Cash and cash equivalents	\$319,198	\$1,471,219	\$594,775	\$8,398	\$15,218
Investments			19,505		340,411
Accounts receivable	151,755	61,187	235,130		
Due from state General Fund					
Deferred charges and prepaid expenses	5,634				
Inventories		315,239			
Institutional plant					
TOTAL ASSETS	\$476,587	\$1,847,645	\$849,410	\$8,398	\$355,629
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$92,189	\$47,290	\$4,358		
Accrued liabilities	186,533	9,446	8,768		
Deposits held for others					
Deferred revenues	197,865	29,147	19,245		
Contracts payable					
Compensated absences payable	461,923	16,699			
Total Liabilities	938,510	102,582	32,371	NONE	NONE
Fund Equity:					
Net investment in plant					
Fund balances (deficit):					
Reserved		82,302	23,757		
Amount expected to be financed in future years	(461,923)				
Current operations - restricted		1,662,761	793,282		
Noncurrent operations:					
Restricted				\$8,398	
Endowment					\$340,411
Quasi-endowment - restricted					15,218
Total Fund Equity	(461,923)	1,745,063	817,039	8,398	355,629
TOTAL LIABILITIES AND FUND EQUITY	\$476,587	\$1,847,645	\$849,410	\$8,398	\$355,629

UNEXPENDED	PLANT FUNDS			AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT		
\$27,672	\$149,243			\$20,076	\$2,605,799
					359,916
62,839		\$302,398			448,072
					365,237
					5,634
					315,239
			\$24,199,830		24,199,830
<u>\$90,511</u>	<u>\$149,243</u>	<u>\$302,398</u>	<u>\$24,199,830</u>	<u>\$20,076</u>	<u>\$28,299,727</u>
\$18,502	\$1,406				\$163,745
					204,747
				\$20,076	20,076
					246,257
			\$389,714		389,714
					478,622
<u>18,502</u>	<u>1,406</u>	<u>NONE</u>	<u>389,714</u>	<u>20,076</u>	<u>1,503,161</u>
			23,810,116		23,810,116
53,833	1,406	\$302,398			463,696
					(461,923)
					2,456,043
18,176	146,431				173,005
					340,411
					15,218
<u>72,009</u>	<u>147,837</u>	<u>302,398</u>	<u>23,810,116</u>	<u>NONE</u>	<u>26,796,566</u>
<u>\$90,511</u>	<u>\$149,243</u>	<u>\$302,398</u>	<u>\$24,199,830</u>	<u>\$20,076</u>	<u>\$28,299,727</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
Revenues and other additions:					
Unrestricted current fund revenues	\$7,718,375				
Tuition and fees - restricted			\$264,826		
State grants and contracts - restricted			245,646		
Federal grants and contracts - restricted			1,774,248		
Private gifts, grants, and contracts - restricted			249,414		
Investment income - restricted			14,756	\$413	
Sales and services			1,535		
State funded endowments					\$40,000
Endowment income			9,001		8,543
Auxiliary enterprise revenues		\$1,813,596			
Additions to plant facilities					
Retirement of indebtedness					
Other sources		14,276	12,021	34	
Total revenues and other additions	<u>7,718,375</u>	<u>1,827,872</u>	<u>2,571,447</u>	<u>447</u>	<u>48,543</u>
Expenditures and other deductions:					
Educational and general	7,718,375		2,710,133		
Auxiliary enterprises		1,405,838			
Indirect costs recovered			32,311		
Expended for plant facilities					
Retirement of indebtedness					
Interest on indebtedness					
Disposal of plant facilities					
Compensated absences	(16,346)	3,728	(546)		
Other		28,939		57	
Total expenditures and other deductions	<u>7,702,029</u>	<u>1,438,505</u>	<u>2,741,898</u>	<u>57</u>	<u>NONE</u>
Transfers among funds - additions (deductions):					
Mandatory - principal and interest		(111,829)			
Nonmandatory:					
Capital improvements		(130,998)			
Renewals and replacements		(17,388)			
Total transfers among funds	<u>NONE</u>	<u>(260,215)</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Net increase (decrease) for the year	16,346	129,152	(170,451)	390	48,543
Fund balances (deficit) at beginning of year (restated)	<u>(478,269)</u>	<u>1,615,911</u>	<u>987,490</u>	<u>8,008</u>	<u>307,086</u>
Fund balances (deficit) at end of year	<u>(\$461,923)</u>	<u>\$1,745,063</u>	<u>\$817,039</u>	<u>\$8,398</u>	<u>\$355,629</u>

PLANT FUNDS				TOTAL
UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	(MEMORANDUM ONLY)
				\$7,718,375
				264,826
				245,646
				1,774,248
				249,414
		\$15,120		30,289
				1,535
				40,000
				17,544
				1,813,596
			\$1,334,883	1,334,883
			86,000	86,000
\$62,839				89,170
62,839	NONE	15,120	1,420,883	13,665,526
				10,428,508
				1,405,838
				32,311
268,797				268,797
		86,000		86,000
		25,829		25,829
			624,696	624,696
				(13,164)
	\$28,031			57,027
268,797	28,031	111,829	624,696	12,915,842
		111,829		
130,998				
	17,388			
130,998	17,388	111,829	NONE	NONE
(74,960)	(10,643)	15,120	796,187	749,684
146,969	158,480	287,278	23,013,929	26,046,882
\$72,009	\$147,837	\$302,398	\$23,810,116	\$26,796,566

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT ALEXANDRIA
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	<u>GENERAL</u>	<u>AUXILIARY ENTERPRISES</u>	<u>RESTRICTED</u>
Revenues:			
Tuition and fees	\$2,146,974		\$114,289
State appropriations	5,329,904		
Federal grants and contracts			1,763,336
State grants and contracts			286,035
Private gifts, grants, and contracts			486,704
Sales and services of educational departments	18,705		
Sales and services of auxiliary departments		\$1,813,596	
Endowment income			10,720
Investment income	37,522		
Other sources	185,270		49,049
Total revenues	<u>7,718,375</u>	<u>1,813,596</u>	<u>2,710,133</u>
Expenditures and transfers:			
Educational and general:			
Instruction	4,152,907		749,916
Academic support	448,185		19,742
Student services	609,218		84,378
Institutional support	1,172,716		114,947
Operations and maintenance of plant	1,255,736		363
Scholarships and fellowships	79,613		1,740,787
Total educational and general expenditures	<u>7,718,375</u>	NONE	<u>2,710,133</u>
Mandatory transfers - principal and interest		111,829	
Nonmandatory transfers for - renewals and replacements		17,388	
Auxiliary enterprises expenditures		1,405,838	
Total expenditures and transfers	<u>7,718,375</u>	<u>1,535,055</u>	<u>2,710,133</u>
Other additions (deductions):			
Excess of transfers to revenues over restricted receipts			(138,686)
Compensated absences	16,346	(3,728)	546
Other		(145,661)	(32,311)
Net increase (decrease) in fund balances	<u>\$16,346</u>	<u>\$129,152</u>	<u>(\$170,451)</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT EUNICE**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
ASSETS					
Cash and cash equivalents	\$432,241	\$1,939,499	\$241,514	\$24,576	\$11,106
Investments			15,385		128,507
Accounts receivable	48,531	4,070	554,896		
Due from state General Fund					
Notes receivable				593,665	
Inventories		311,298			
Institutional plant					
TOTAL ASSETS	\$480,772	\$2,254,867	\$811,795	\$618,241	\$139,613
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$37,139	\$5,379	\$7,097		
Accrued liabilities	189,882	5,858	17,439		
Deposits held for others	219				
Deferred revenues	253,532	23,352	18,451		
Compensated absences payable	464,243	5,957	4,956		
Bonds payable					
Total Liabilities	945,015	40,546	47,943	NONE	NONE
Fund Equity:					
Net investment in plant					
Fund balances (deficit):					
Reserved		4,740	1,762		
Amount expected to be financed in future years	(464,243)				
Current operations - restricted		2,209,581	762,090		
Noncurrent operations:					
Restricted				\$618,241	
Endowment					\$139,613
Total Fund Equity	(464,243)	2,214,321	763,852	618,241	139,613
TOTAL LIABILITIES AND FUND EQUITY	\$480,772	\$2,254,867	\$811,795	\$618,241	\$139,613

PLANT FUNDS					TOTAL
UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	AGENCY FUNDS	(MEMORANDUM ONLY)
	\$180,344			\$4,799	\$2,751,620
(\$82,459)		\$389			1,840,530
1,696,249					607,497
99,079					99,079
					593,665
					311,298
			\$24,099,497		24,099,497
<u>\$1,712,869</u>	<u>\$180,344</u>	<u>\$389</u>	<u>\$24,099,497</u>	<u>\$4,799</u>	<u>\$30,303,186</u>
					\$49,615
					213,179
				\$4,799	5,018
					295,335
					475,156
			\$1,545,417		1,545,417
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>1,545,417</u>	<u>4,799</u>	<u>2,583,720</u>
			22,554,080		22,554,080
		\$389			6,891
					(464,243)
					2,971,671
\$1,712,869	\$180,344				2,511,454
					139,613
<u>1,712,869</u>	<u>180,344</u>	<u>389</u>	<u>22,554,080</u>	<u>NONE</u>	<u>27,719,466</u>
<u>\$1,712,869</u>	<u>\$180,344</u>	<u>\$389</u>	<u>\$24,099,497</u>	<u>\$4,799</u>	<u>\$30,303,186</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT EUNICE**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
Revenues and other additions:					
Unrestricted current fund revenues	\$7,432,786				
Tuition and fees - restricted			\$269,510		
State grants and contracts - restricted			714,052		
Federal grants and contracts - restricted			3,726,466		
Private gifts, grants, and contracts - restricted			98,557		
Sales and services			1,897		
Investment income - restricted				\$1,621	
Interest on loans receivable				5,539	
Endowment income			6,908		(\$37)
Auxiliary enterprise revenues		\$1,884,862			
Additions to plant facilities					
Retirement of indebtedness					
Other sources			41,125	23,970	
Total revenues and other additions	<u>7,432,786</u>	<u>1,884,862</u>	<u>4,858,515</u>	<u>31,130</u>	<u>(37)</u>
Expenditures and other deductions:					
Educational and general	7,395,894		4,755,244		
Auxiliary enterprises		1,377,349			
Indirect costs recovered			50,182		
Loan cancellations and write-offs				10,981	
Expended for plant facilities					
Disposal of plant facilities					
Retirement of indebtedness					
Interest on indebtedness					
Compensated absences	19,494	400	4,956		
Other		7,813		14,190	
Total expenditures and other deductions	<u>7,415,388</u>	<u>1,385,562</u>	<u>4,810,382</u>	<u>25,171</u>	<u>NONE</u>
Transfers among funds - additions (deductions):					
Mandatory:					
Principal and interest		(127,474)			
Loan fund matching grants	(5,739)			5,739	
Nonmandatory:					
Renewals and replacements		(15,180)			
Other	(31,153)		31,153		
Total transfers among funds	<u>(36,892)</u>	<u>(142,654)</u>	<u>31,153</u>	<u>5,739</u>	<u>NONE</u>
Net increase (decrease) for the year	(19,494)	356,646	79,286	11,698	(37)
Fund balances (deficit) at beginning of year (restated)	(444,749)	1,857,675	684,566	606,543	139,650
Fund balances (deficit) at end of year	<u>(\$464,243)</u>	<u>\$2,214,321</u>	<u>\$763,852</u>	<u>\$618,241</u>	<u>\$139,613</u>

UNEXPENDED	PLANT FUNDS			TOTAL (MEMORANDUM ONLY)
	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	
				\$7,432,786
				269,510
				714,052
				3,726,466
				98,557
				1,897
\$97,610		\$2,204		101,435
				5,539
				6,871
				1,884,862
			\$775,071	775,071
			50,416	50,416
114,499				179,594
<u>212,109</u>	<u>NONE</u>	<u>2,204</u>	<u>825,487</u>	<u>15,247,056</u>
				12,151,138
				1,377,349
				50,182
				10,981
105,679				105,679
			347,761	347,761
		50,416		50,416
		79,792		79,792
				24,850
	\$325			22,328
<u>105,679</u>	<u>325</u>	<u>130,208</u>	<u>347,761</u>	<u>14,220,476</u>
		127,474		
	15,180			
<u>NONE</u>	<u>15,180</u>	<u>127,474</u>	<u>NONE</u>	<u>NONE</u>
106,430	14,855	(530)	477,726	1,026,580
1,606,439	165,489	919	22,076,354	26,692,886
<u>\$1,712,869</u>	<u>\$180,344</u>	<u>\$389</u>	<u>\$22,554,080</u>	<u>\$27,719,466</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AT EUNICE
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$2,550,874		\$219,369
State appropriations	4,819,726		
Federal grants and contracts			3,669,858
State grants and contracts			723,794
Private gifts, grants, and contracts			130,822
Sales and services of educational departments			1,391
Sales and services of auxiliary departments		\$1,884,862	
Endowment income			10,010
Other sources	62,186		
Total revenues	<u>7,432,786</u>	<u>1,884,862</u>	<u>4,755,244</u>
Expenditures and transfers:			
Educational and general:			
Instruction	4,110,879		839,711
Academic support	386,354		11,793
Student services	685,218		741,846
Institutional support	1,196,724		79,521
Operations and maintenance of plant	981,591		5,627
Scholarships and fellowships	35,128		3,076,746
Total educational and general expenditures	<u>7,395,894</u>	NONE	<u>4,755,244</u>
Mandatory transfers for:			
Principal and interest		127,474	
Loan fund matching grants	5,739		
Nonmandatory transfers:			
Renewals and replacements		15,180	
Other	31,153		
Auxiliary enterprises expenditures		1,377,349	
Total expenditures and transfers	<u>7,432,786</u>	<u>1,520,003</u>	<u>4,755,244</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues			103,271
Compensated absences	(19,494)	(400)	(4,956)
Other		(7,813)	(19,029)
Net increase (decrease) in fund balances	<u>(\$19,494)</u>	<u>\$356,646</u>	<u>\$79,286</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
PAUL M. HEBERT LAW CENTER**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS		ENDOWMENT
	GENERAL	RESTRICTED	FUNDS
ASSETS			
Cash and cash equivalents	\$710,631	\$1,061,734	\$179,911
Investments		50,609	889,910
Accounts receivable	53,976	12,827	
Due from state General Fund			
Deferred charges and prepaid expenses	88,765		
Institutional plant			
TOTAL ASSETS	\$853,372	\$1,125,170	\$1,069,821
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$64,750	\$947	
Accrued liabilities	113,148	3,983	
Deposits held for others	117,350		
Deferred revenues	558,124	8,575	
Compensated absences payable	636,652		
Total Liabilities	1,490,024	13,505	NONE
Fund Equity:			
Net investment in plant			
Fund balances (deficit):			
Reserved		69,722	
Amount expected to be financed in future years	(636,652)		
Current operations - restricted		1,041,943	
Noncurrent operations:			
Endowment			\$1,069,319
Quasi-endowment - restricted			502
Total Fund Equity	(636,652)	1,111,665	1,069,821
TOTAL LIABILITIES AND FUND EQUITY	\$853,372	\$1,125,170	\$1,069,821

PLANT FUNDS		AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
UNEXPENDED	INVESTMENT IN PLANT		
(\$167,742)		\$154	\$1,784,688
			940,519
			66,803
167,742			167,742
			88,765
	\$12,229,960		12,229,960
NONE	\$12,229,960	\$154	\$15,278,477
			\$65,697
			117,131
		\$154	117,504
			566,699
			636,652
NONE	NONE	154	1,503,683
	\$12,229,960		12,229,960
			69,722
			(636,652)
			1,041,943
			1,069,319
			502
NONE	12,229,960	NONE	13,774,794
NONE	\$12,229,960	\$154	\$15,278,477

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
PAUL M. HEBERT LAW CENTER**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS		ENDOWMENT
	GENERAL	RESTRICTED	FUNDS
Revenues and other additions:			
Unrestricted current fund revenues	\$10,960,910		
Tuition and fees - restricted		\$129,554	
State grants and contracts - restricted		13,275	
Private gifts, grants, and contracts - restricted		298,648	\$50
Sales and services		168,272	
Investment income - restricted		45,868	
State funded endowments			120,000
Endowment income		34,980	14,684
Additions to plant facilities			
Other sources			
Total revenues and other additions	<u>10,960,910</u>	<u>690,597</u>	<u>134,734</u>
Expenditures and other deductions:			
Educational and general	10,960,910	601,318	
Expended for plant facilities			
Disposal of plant facilities			
Compensated absences	114,922	(7,950)	
Total expenditures and other deductions	<u>11,075,832</u>	<u>593,368</u>	<u>NONE</u>
Net increase (decrease) for the year	(114,922)	97,229	134,734
Fund balances (deficit) at beginning of year (restated)	<u>(521,730)</u>	<u>1,014,436</u>	<u>935,087</u>
Fund balances (deficit) at end of year	<u><u>(\$636,652)</u></u>	<u><u>\$1,111,665</u></u>	<u><u>\$1,069,821</u></u>

PLANT FUNDS		TOTAL
UNEXPENDED	INVESTMENT IN PLANT	(MEMORANDUM ONLY)
		\$10,960,910
		129,554
		13,275
		298,698
		168,272
		45,868
		120,000
		49,664
	\$1,157,299	1,157,299
\$167,742		167,742
<u>167,742</u>	<u>1,157,299</u>	<u>13,111,282</u>
		11,562,228
167,742		167,742
	371,425	371,425
		106,972
<u>167,742</u>	<u>371,425</u>	<u>12,208,367</u>
NONE	785,874	902,915
NONE	11,444,086	12,871,879
<u>NONE</u>	<u>\$12,229,960</u>	<u>\$13,774,794</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 PAUL M. HEBERT LAW CENTER
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2000

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
Tuition and fees	\$5,045,746	\$101,484
State appropriations	5,826,399	
State grants and contracts		80,675
Private gifts, grants, and contracts		305,708
Sales and services of educational departments	33,941	85,031
Investment income	51,525	
Endowment income		28,420
Other sources	3,299	
Total revenues	<u>10,960,910</u>	<u>601,318</u>
Expenditures and transfers - educational and general:		
Instruction	5,123,623	411,156
Research	420,389	675
Public service	6,821	3,277
Academic support	1,864,866	17,130
Student services	523,989	20,319
Institutional support	1,473,152	55,761
Operations and maintenance of plant	823,574	
Scholarships and fellowships	724,496	93,000
Total educational and general expenditures	<u>10,960,910</u>	<u>601,318</u>
Other additions (deductions):		
Excess of restricted receipts over transfers to revenues		89,279
Compensated absences	(114,922)	7,950
Net increase (decrease) in fund balances	<u>(\$114,922)</u>	<u>\$97,229</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AGRICULTURAL CENTER**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS		ENDOWMENT
	GENERAL	RESTRICTED	FUNDS
ASSETS			
Cash and cash equivalents	\$639,280	\$6,885,793	
Investments		48,658	\$660,327
Accounts receivable	151,540	4,470,124	
Due from state General Fund			
Deferred charges and prepaid expenses	6,019	81,250	
Inventories	3,175,486		
Institutional plant			
TOTAL ASSETS	\$3,972,325	\$11,485,825	\$660,327
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$100,078	\$43,436	
Accrued liabilities	681,987	230,315	
Deposits held for others	1,898		
Deferred revenues	12,876	41,741	
Compensated absences payable	7,907,479	46,958	
Total Liabilities	8,704,318	362,450	NONE
Fund Equity:			
Net investment in plant			
Fund balances (deficit):			
Reserved	3,175,486	696,639	
Amount expected to be financed in future years	(7,907,479)		
Current operations - restricted		10,426,736	
Noncurrent operations:			
Restricted			
Endowment			\$660,327
Total Fund Equity	(4,731,993)	11,123,375	660,327
TOTAL LIABILITIES AND FUND EQUITY	\$3,972,325	\$11,485,825	\$660,327

PLANT FUNDS		AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
UNEXPENDED	INVESTMENT IN PLANT		
\$1,155,124		\$33,733	\$8,713,930
			708,985
3,000			4,624,664
823,702			823,702
			87,269
			3,175,486
	\$81,816,719		81,816,719
<u>\$1,981,826</u>	<u>\$81,816,719</u>	<u>\$33,733</u>	<u>\$99,950,755</u>
\$9,075			\$152,589
			912,302
		\$33,733	35,631
			54,617
			7,954,437
<u>9,075</u>	<u>NONE</u>	<u>33,733</u>	<u>9,109,576</u>
	\$81,816,719		81,816,719
367,637			4,239,762
			(7,907,479)
			10,426,736
1,605,114			1,605,114
			660,327
<u>1,972,751</u>	<u>81,816,719</u>	<u>NONE</u>	<u>90,841,179</u>
<u>\$1,981,826</u>	<u>\$81,816,719</u>	<u>\$33,733</u>	<u>\$99,950,755</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU AGRICULTURAL CENTER

Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000

	CURRENT FUNDS		ENDOWMENT FUNDS
	GENERAL	RESTRICTED	
Revenues and other additions:			
Unrestricted current fund revenues	\$79,053,640		
State grants and contracts - restricted		\$6,556,689	
Federal grants and contracts - restricted		4,874,122	
Private gifts, grants, and contracts - restricted		5,563,538	
Investment income - restricted		364,867	
Sales and services		572,097	
State funded endowments			\$160,000
Endowment income		28,731	(4,990)
Additions to plant facilities			
Other sources		893,186	
Total revenues and other additions	<u>79,053,640</u>	<u>18,853,230</u>	<u>155,010</u>
Expenditures and other deductions:			
Educational and general	79,053,640	16,681,598	
Indirect costs recovered		595,304	
Expended for plant facilities			
Disposal of plant facilities			
Compensated absences	357,783	17,206	
Total expenditures and other deductions	<u>79,411,423</u>	<u>17,294,108</u>	<u>NONE</u>
Inventory increase	<u>137,764</u>	<u>NONE</u>	<u>NONE</u>
Net increase (decrease) for the year	(220,019)	1,559,122	155,010
Fund balances (deficit) at beginning of year (restated)	<u>(4,511,974)</u>	<u>9,564,253</u>	<u>505,317</u>
Fund balances (deficit) at end of year	<u><u>(\$4,731,993)</u></u>	<u><u>\$11,123,375</u></u>	<u><u>\$660,327</u></u>

PLANT FUNDS		TOTAL
UNEXPENDED	INVESTMENT IN PLANT	(MEMORANDUM ONLY)
		\$79,053,640
		6,556,689
		4,874,122
		5,563,538
\$95,171		460,038
		572,097
		160,000
		23,741
	\$4,858,636	4,858,636
1,219,888		2,113,074
<u>1,315,059</u>	<u>4,858,636</u>	<u>104,235,575</u>
		95,735,238
		595,304
1,380,174		1,380,174
	3,307,751	3,307,751
		374,989
<u>1,380,174</u>	<u>3,307,751</u>	<u>101,393,456</u>
NONE	NONE	137,764
(65,115)	1,550,885	2,979,883
2,037,866	80,265,834	87,861,296
<u>\$1,972,751</u>	<u>\$81,816,719</u>	<u>\$90,841,179</u>

LOUISIANA STATE UNIVERSITY SYSTEM
 STATE OF LOUISIANA
 LSU AGRICULTURAL CENTER
 CURRENT FUNDS

Schedule of Revenues, Expenditures,
 and Other Changes
 For the Year Ended June 30, 2000

	<u>GENERAL</u>	<u>RESTRICTED</u>
Revenues:		
Federal appropriations	\$11,018,275	
State appropriations	63,095,273	
Federal grants and contracts		\$4,599,896
State grants and contracts		6,087,552
Private gifts, grants, and contracts		4,499,158
Sales and services of educational departments	4,012,500	821,650
Investment income	79,504	81,098
Endowment income		5,197
Other sources:	848,088	587,047
Total revenues	<u>79,053,640</u>	<u>16,681,598</u>
Expenditures and transfers - educational and general:		
Research	38,282,340	10,929,127
Public service	30,821,019	5,343,538
Academic support	227,262	
Institutional support	7,198,315	347,521
Operations and maintenance of plant	2,524,704	2,862
Scholarships and fellowships		58,550
Total educational and general expenditures	<u>79,053,640</u>	<u>16,681,598</u>
Other additions (deductions):		
Excess of restricted receipts over transfers to revenues		2,171,632
Compensated absences	(357,783)	(17,206)
Inventory increase	137,764	
Other		(595,304)
Net increase (decrease) in fund balances	<u>(\$220,019)</u>	<u>\$1,559,122</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS	ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED		
ASSETS					
Cash and cash equivalents	\$3,484,972	\$2,037,143		\$311,374	\$1,347,237
Investments			\$12,964		10,780,940
Accrued interest					
Accounts receivable	4,053,855	1,296,445	8,742,537		
Due from state General Fund					
Notes receivable				4,857,623	
Due from other funds		1,551,572			
Due from private foundation			432,964		
Deferred charges and prepaid expenses	601,291	2,909			
Inventories	253,221	1,104,597	22,348		
Institutional plant					
TOTAL ASSETS	\$8,393,339	\$5,992,666	\$9,210,813	\$5,168,997	\$12,128,177
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$2,289,622	\$153,869	\$301,541		
Accrued liabilities	1,099,204	30,055	120,356		
Due to state treasury					
Due to other funds			1,551,572		
Deposits held for others	32,777	120,516			
Due to other campuses	130,134		8,960		
Deferred revenues	4,588,381	164,150	271,905		
Compensated absences payable	5,892,106	218,729	95,617		
Notes payable					
Bonds payable					
Obligations under capital leases					
Total Liabilities	14,032,224	687,319	2,349,951	NONE	NONE
Fund Equity:					
Net investment in plant					
Fund balances (deficit):					
Reserved	253,221	198,900	817,886		
Amount expected to be financed in future years	(5,892,106)				
Current operations - restricted		5,106,447	6,042,976		
Noncurrent operations:					
Restricted				\$5,168,997	
Endowment					\$12,128,177
Total Fund Equity	(5,638,885)	5,305,347	6,860,862	5,168,997	12,128,177
TOTAL LIABILITIES AND FUND EQUITY	\$8,393,339	\$5,992,666	\$9,210,813	\$5,168,997	\$12,128,177

UNEXPENDED	PLANT FUNDS			AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT		
\$61,259	\$12,497			\$130,782	\$7,385,264
19,083,967		\$1,674,560			31,552,431
8,139				7,417	8,139
277,075					14,100,254
					277,075
					4,857,623
					1,551,572
					432,964
					604,200
					1,380,166
			\$294,510,175		294,510,175
<u>\$19,430,440</u>	<u>\$12,497</u>	<u>\$1,674,560</u>	<u>\$294,510,175</u>	<u>\$138,199</u>	<u>\$356,659,863</u>
					\$2,745,032
					1,249,615
\$67,880					67,880
					1,551,572
				\$138,199	291,492
					139,094
					5,024,436
					6,206,452
			\$1,086,504		1,086,504
			24,870,000		24,870,000
			12,872,753		12,872,753
<u>67,880</u>	<u>NONE</u>	<u>NONE</u>	<u>38,829,257</u>	<u>138,199</u>	<u>56,104,830</u>
			255,680,918		255,680,918
		\$1,674,560			2,944,567
					(5,892,106)
					11,149,423
19,362,560	\$12,497				24,544,054
					12,128,177
<u>19,362,560</u>	<u>12,497</u>	<u>1,674,560</u>	<u>255,680,918</u>	<u>NONE</u>	<u>300,555,033</u>
<u>\$19,430,440</u>	<u>\$12,497</u>	<u>\$1,674,560</u>	<u>\$294,510,175</u>	<u>\$138,199</u>	<u>\$356,659,863</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$86,552,257			
Tuition and fees - restricted			\$6,724,735	
State grants and contracts - restricted			7,133,839	
Federal grants and contracts - restricted			28,120,879	\$63,301
Local grants and contracts - restricted			866,308	
Private gifts, grants, and contracts - restricted			5,790,067	
State funded endowments				
Investment income - restricted			138,366	
Endowment income			900,824	
Auxiliary enterprise revenues		\$11,663,225		
Interest on loans receivable				68,409
Additions to plant facilities				
Retirement of indebtedness				
Other sources			4,229,546	64,261
Total revenues and other additions	<u>86,552,257</u>	<u>11,663,225</u>	<u>53,904,564</u>	<u>195,971</u>
Expenditures and other deductions:				
Educational and general	87,031,157		48,365,085	
Auxiliary enterprises		10,394,861		
Indirect costs recovered			4,258,272	
Loan cancellations and write-offs				53,421
Expended for plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Disposal of plant facilities				
Compensated absences	300,411	(5,828)	21,009	
Other				37,447
Total expenditures and other deductions	<u>87,331,568</u>	<u>10,389,033</u>	<u>52,644,366</u>	<u>90,868</u>
Transfers among funds - additions (deductions):				
Mandatory:				
Principal and interest		(403,730)	(577,189)	
Loan fund matching	(21,100)			21,100
Nonmandatory:				
Capital improvements		(199,303)	(185,561)	
Renewals and replacements		(70,149)		
Other	500,000	(500,000)	(458,863)	
Total transfers among funds	<u>478,900</u>	<u>(1,173,182)</u>	<u>(1,221,613)</u>	<u>21,100</u>
Inventory decrease	<u>(12,874)</u>	<u>NONE</u>	<u>(3,701)</u>	<u>NONE</u>
Net increase (decrease) for the year	(313,285)	101,010	34,884	126,203
Fund balances (deficit) at beginning of year (restated)	<u>(5,325,600)</u>	<u>5,204,337</u>	<u>6,825,978</u>	<u>5,042,794</u>
Fund balances (deficit) at end of year	<u>(\$5,638,885)</u>	<u>\$5,305,347</u>	<u>\$6,860,862</u>	<u>\$5,168,997</u>

ENDOWMENT FUNDS	PLANT FUNDS			INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS		
					\$86,552,257
					6,724,735
					7,133,839
			\$29,723		28,213,903
					866,308
\$1,050					5,791,117
1,720,000					1,720,000
	\$987,580		126,480		1,252,426
(12,769)					888,055
					11,663,225
					68,409
				\$8,817,650	8,817,650
				497,365	497,365
				1,298,245	5,924,388
<u>1,708,281</u>	<u>277,075</u> <u>1,264,655</u>	<u>NONE</u>	<u>55,261</u> <u>211,464</u>	<u>1,298,245</u> <u>10,613,260</u>	<u>166,113,677</u>
					135,396,242
					10,394,861
					4,258,272
					53,421
	2,001,056				2,001,056
			497,365		497,365
			1,374,867		1,374,867
				7,397,786	7,397,786
					315,592
		\$221,582			259,029
<u>NONE</u>	<u>2,001,056</u>	<u>221,582</u>	<u>1,872,232</u>	<u>7,397,786</u>	<u>161,948,491</u>
			980,919		
	225,973	158,891			
		70,149			
458,863					
<u>458,863</u>	<u>225,973</u>	<u>229,040</u>	<u>980,919</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>(16,575)</u>
2,167,144	(510,428)	7,458	(679,849)	3,215,474	4,148,611
9,961,033	19,872,988	5,039	2,354,409	252,465,444	296,406,422
<u>\$12,128,177</u>	<u>\$19,362,560</u>	<u>\$12,497</u>	<u>\$1,674,560</u>	<u>\$255,680,918</u>	<u>\$300,555,033</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
UNIVERSITY OF NEW ORLEANS
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$39,461,771		\$6,939,258
State appropriations	42,428,516		
Federal grants and contracts			24,856,231
State grants and contracts			6,855,397
Local grants and contracts			866,307
Private gifts, grants, and contracts			5,554,757
Sales and services of educational departments	242,253		
Sales and services of auxiliary departments		\$11,663,225	
Endowment income			882,870
Investment income	397,447		141,713
Other sources	4,022,270		3,490,165
Total revenues	<u>86,552,257</u>	<u>11,663,225</u>	<u>49,586,698</u>
Expenditures and transfers:			
Educational and general:			
Instruction	45,461,819		9,325,945
Research	1,246,999		19,930,198
Public service	2,082,863		3,494,285
Academic support	10,150,555		1,021,395
Student services	3,819,702		2,736,511
Institutional support	12,328,243		996,147
Operations and maintenance of plant	8,430,306		1,104,382
Scholarships and fellowships	3,510,670		9,756,222
Total educational and general expenditures	<u>87,031,157</u>	NONE	<u>48,365,085</u>
Mandatory transfers for:			
Principal and interest		403,730	577,189
Loan fund matching	21,100		
Nonmandatory transfers for:			
Capital improvements			185,561
Renewals and replacements		70,149	
Other			458,863
Auxiliary enterprises expenditures		10,394,861	
Total expenditures and transfers	<u>87,052,257</u>	<u>10,868,740</u>	<u>49,586,698</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues			4,317,866
Compensated absences	(300,411)	5,828	(21,009)
Inventory decrease	(12,874)		(3,701)
Other	500,000	(699,303)	(4,258,272)
Net increase (decrease) in fund balances	<u>(\$313,285)</u>	<u>\$101,010</u>	<u>\$34,884</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU IN SHREVEPORT**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
ASSETS				
Cash and cash equivalents	\$1,141,615	\$1,223,704	\$1,002,084	\$39,924
Investments				707,986
Accrued interest	538	5,729	3,542	114
Accounts receivable	304,288	38,604	1,523,859	
Due from state General Fund				
Deferred charges and prepaid expenses	62,790		12,691	
Inventories		394,026		
Institutional plant				
TOTAL ASSETS	\$1,509,231	\$1,662,063	\$2,542,176	\$748,024
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$33,385	\$23,000	\$20,670	
Accrued liabilities	393,070	6,749	16,693	
Due to state treasury	9,761			
Deposits held for others				
Deferred revenues	1,073,015	52,274	108,021	
Compensated absences payable	1,456,033	32,656	120,543	
Contracts payable				
Obligations under capital leases				
Total Liabilities	2,965,264	114,679	265,927	NONE
Fund Equity:				
Net investment in plant				
Fund balances (deficit):				
Reserved			10,824	
Amount expected to be financed in future years	(1,456,033)			
Current operations - restricted		1,547,384	2,265,425	
Noncurrent operations:				
Restricted				
Endowment				\$748,024
Total Fund Equity	(1,456,033)	1,547,384	2,276,249	748,024
TOTAL LIABILITIES AND FUND EQUITY	\$1,509,231	\$1,662,063	\$2,542,176	\$748,024

UNEXPENDED	PLANT FUNDS		AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT		
\$244,431			\$192,899	\$3,844,657
				707,986
629				10,552
				1,866,751
	\$69,593			69,593
				75,481
				394,026
		\$62,391,108		62,391,108
<u>\$245,060</u>	<u>\$69,593</u>	<u>\$62,391,108</u>	<u>\$192,899</u>	<u>\$69,360,154</u>
				\$77,055
				416,512
				9,761
			\$192,899	192,899
				1,233,310
				1,609,232
		\$197,142		197,142
		29,340		29,340
<u>NONE</u>	<u>NONE</u>	<u>226,482</u>	<u>192,899</u>	<u>3,765,251</u>
		62,164,626		62,164,626
	\$69,593			80,417
				(1,456,033)
				3,812,809
\$245,060				245,060
				748,024
<u>245,060</u>	<u>69,593</u>	<u>62,164,626</u>	<u>NONE</u>	<u>65,594,903</u>
<u>\$245,060</u>	<u>\$69,593</u>	<u>\$62,391,108</u>	<u>\$192,899</u>	<u>\$69,360,154</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU IN SHREVEPORT**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			ENDOWMENT FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$18,981,250			
Tuition and fees - restricted			\$674,849	
State grants and contracts - restricted			2,179,762	
Federal grants and contracts - restricted			6,217,589	
Private gifts, grants, and contracts - restricted			1,309,673	
Investment income - restricted				\$49,530
Sales and services			140,385	
State funded endowments				80,000
Auxiliary enterprise revenues		\$2,512,255		
Additions to plant facilities				
Retirement of indebtedness				
Other sources			170,438	
Total revenues and other additions	<u>18,981,250</u>	<u>2,512,255</u>	<u>10,692,696</u>	<u>129,530</u>
Expenditures and other deductions:				
Educational and general	18,981,250		9,073,674	
Auxiliary enterprises		2,256,448		
Indirect costs recovered			190,490	
Expended for plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Disposal of plant facilities				
Interagency transfers				
Compensated absences	86,791	327	17,149	
Total expenditures and other deductions	<u>19,068,041</u>	<u>2,256,775</u>	<u>9,281,313</u>	<u>NONE</u>
Transfers among funds - additions (deductions):				
Mandatory - principal and interest		(70,789)		
Nonmandatory:				
Capital improvements			(1,459,728)	
Other		(289,724)	316,384	(26,660)
Total transfers among funds	<u>NONE</u>	<u>(360,513)</u>	<u>(1,143,344)</u>	<u>(26,660)</u>
Net increase (decrease) for the year	(86,791)	(105,033)	268,039	102,870
Fund balances (deficit) at beginning of year (restated)	<u>(1,369,242)</u>	<u>1,652,417</u>	<u>2,008,210</u>	<u>645,154</u>
Fund balances (deficit) at end of year	<u><u>(\$1,456,033)</u></u>	<u><u>\$1,547,384</u></u>	<u><u>\$2,276,249</u></u>	<u><u>\$748,024</u></u>

UNEXPENDED	PLANT FUNDS RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
			\$18,981,250
			674,849
			2,179,762
			6,217,589
			1,309,673
\$13,314			62,844
			140,385
			80,000
			2,512,255
		\$3,245,843	3,245,843
		60,000	60,000
		32,658	203,096
13,314	NONE	3,338,501	35,667,546
			28,054,924
			2,256,448
			190,490
58,778			58,778
	\$60,000		60,000
	10,789		10,789
		437,620	437,620
1,435,155			1,435,155
			104,267
1,493,933	70,789	437,620	32,608,471
	70,789		
1,459,728			
1,459,728	70,789	NONE	NONE
(20,891)	NONE	2,900,881	3,059,075
265,951	69,593	59,263,745	62,535,828
\$245,060	\$69,593	\$62,164,626	\$65,594,903

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU IN SHREVEPORT
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	<u>GENERAL</u>	<u>AUXILIARY ENTERPRISES</u>	<u>RESTRICTED</u>
Revenues:			
Tuition and fees	\$7,706,600		\$617,531
State appropriations	10,694,832		
Federal grants and contracts			6,072,001
State grants and contracts			2,055,053
Private gifts, grants, and contracts			1,292,936
Sales and services of educational departments	143,231		149,083
Sales and services of auxiliary departments		\$2,512,255	
Investment income	132,449		
Other sources	304,138		364,211
Total revenues	<u>18,981,250</u>	<u>2,512,255</u>	<u>10,550,815</u>
Expenditures and transfers:			
Educational and general:			
Instruction	10,524,037		2,282,370
Research	58,442		330,702
Public service			2,668,871
Academic support	2,262,123		358,892
Student services	977,866		92,714
Institutional support	2,798,775		300,753
Operations and maintenance of plant	1,777,856		47,095
Scholarships and fellowships	582,151		2,992,277
Total educational and general expenditures	<u>18,981,250</u>	NONE	<u>9,073,674</u>
Mandatory transfers - principal and interest		70,789	
Nonmandatory transfers:			
Capital improvements			1,459,728
Other		289,724	(316,384)
Auxiliary enterprises expenditures		2,256,448	
Total expenditures and transfers	<u>18,981,250</u>	<u>2,616,961</u>	<u>10,217,018</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues			141,881
Compensated absences	(86,791)	(327)	(17,149)
Other			(190,490)
Net increase (decrease) in fund balances	<u>(\$86,791)</u>	<u>(\$105,033)</u>	<u>\$268,039</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU HEALTH SCIENCES CENTER**

Balance Sheet, All Funds, June 30, 2000

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
ASSETS				
Cash and cash equivalents	\$56,569,153	\$1,607,251	\$22,479,850	\$343,211
Investments		315,285	12,772,493	28,901
Accrued interest		5,270	226,565	483
Accounts receivable	54,565,462	882,281	82,574,653	299
Due from state General Fund	5,356,620			
Notes receivable				11,768,673
Due from other campuses	60,949,335			
Due from other funds		3,493,060	79,589,847	1,187,367
Deferred charges and prepaid expenses	1,899,135	8,674	262,393	
Inventories	29,421,427	3,264,458		
Institutional plant				
TOTAL ASSETS	\$208,761,132	\$9,576,279	\$197,905,801	\$13,328,934
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$53,901,358	\$3,110,041	\$2,710,499	
Accrued liabilities	10,523,984	262,991	5,577,843	
Due to state treasury	86,305,129			
Due to other funds	83,316,363			
Due to other campuses	355,900			
Deposits held for others	85,918	158,845		\$4,126
Deferred revenues	2,403,411	18,464	12,609	
Compensated absences payable	47,112,261	360,564	13,848,900	
Notes payable				
Bonds payable				
Obligations under capital leases				
Total Liabilities	284,004,324	3,910,905	22,149,851	4,126
Fund Equity:				
Net investment in plant				
Fund balances (deficit):				
Reserved	29,421,427	345,033	11,757,868	
Current operations - unrestricted	(57,552,358)			
Amount expected to be financed in future years	(47,112,261)			
Current operations - restricted		5,320,341	163,998,082	
Noncurrent operations:				
Restricted				13,324,808
Endowment				
Total Fund Equity	(75,243,192)	5,665,374	175,755,950	13,324,808
TOTAL LIABILITIES AND FUND EQUITY	\$208,761,132	\$9,576,279	\$197,905,801	\$13,328,934

ENDOWMENT FUNDS	PLANT FUNDS		INVESTMENT IN PLANT	AGENCY FUNDS	TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS			
\$355,775	\$5,607,423	\$2,034,890		\$12,769	\$89,010,322
33,042,058	15,270,434	173,932		364,083	61,967,186
239,590	10,892	2,901			485,701
	1,020,712				138,022,695
					6,377,332
2,306,401					11,768,673
		668,169		123,697	63,255,736
					85,062,140
					2,170,202
					32,685,885
			\$963,697,850		963,697,850
<u>\$35,943,824</u>	<u>\$21,909,461</u>	<u>\$2,879,892</u>	<u>\$963,697,850</u>	<u>\$500,549</u>	<u>\$1,454,503,722</u>
	\$39,685			\$1,297	\$59,762,880
					16,364,818
\$1,546,274	199,503				86,305,129
					85,062,140
					355,900
				494,601	743,490
				4,651	2,439,135
					61,321,725
			\$1,310,012		1,310,012
			15,910,000		15,910,000
			3,719,958		3,719,958
<u>1,546,274</u>	<u>239,188</u>	<u>NONE</u>	<u>20,939,970</u>	<u>500,549</u>	<u>333,295,187</u>
			942,757,880		942,757,880
	2,260,611				43,784,939
					(57,552,358)
					(47,112,261)
					169,318,423
	19,409,662	\$2,879,892			35,614,362
34,397,550					34,397,550
<u>34,397,550</u>	<u>21,670,273</u>	<u>2,879,892</u>	<u>942,757,880</u>	<u>NONE</u>	<u>1,121,208,535</u>
<u>\$35,943,824</u>	<u>\$21,909,461</u>	<u>\$2,879,892</u>	<u>\$963,697,850</u>	<u>\$500,549</u>	<u>\$1,454,503,722</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU HEALTH SCIENCES CENTER**

**Schedule of Changes in Fund Balances
For the Year Ended June 30, 2000**

	CURRENT FUNDS			STUDENT LOAN FUNDS
	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED	
Revenues and other additions:				
Unrestricted current fund revenues	\$124,132,893			
Tuition and fees - restricted			\$721,124	
State grants and contracts - restricted			12,324,680	
Federal grants and contracts - restricted			36,034,191	\$102,245
Local grants and contracts - restricted			1,963,957	
Private gifts, grants, and contracts - restricted			65,433,514	75
Investment income - restricted			4,285,398	77,361
Sales and services			135,914,709	
State funded endowments				
Endowment income			540,736	
Auxiliary enterprise revenues		\$32,885,984		
Hospital - restricted	772,381,486		214,789,807	
Interest on loans receivable				252,613
Additions to plant facilities				
Retirement of indebtedness				
Other sources			12,715,239	12,223
Total revenues and other additions	<u>896,514,379</u>	<u>32,885,984</u>	<u>484,723,355</u>	<u>444,517</u>
Expenditures and other deductions:				
Educational and general	124,052,360		253,315,491	
Hospital	779,011,175		243,398,064	2,688
Auxiliary enterprises		30,879,128		
Indirect costs recovered			11,128,699	
Loan cancellations and write-offs				(500)
Expended for plant facilities				
Retirement of indebtedness				
Interest on indebtedness				
Refunded to grantors				266,209
Disposal of plant facilities				
Interagency transfers			9,905,788	
Compensated absences	1,855,197	23,591	759,729	
Other		328,584		11,888
Total expenditures and other deductions	<u>904,918,732</u>	<u>31,231,303</u>	<u>518,507,771</u>	<u>280,285</u>
Transfers among funds - additions (deductions):				
Mandatory:				
Principal and interest		(101,905)		
Loan fund matching	(20,171)		(13,911)	34,082
Other	(25,944,383)		25,944,383	
Nonmandatory:				
Capital improvements	(40,761)	(263,660)	(707,927)	
Renewals and replacements		(396,270)		
Other		356,000	(31,166)	32,166
Total transfers among funds	<u>(26,005,315)</u>	<u>(405,835)</u>	<u>25,191,379</u>	<u>66,248</u>
Inventory decrease	<u>(928,058)</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Net increase (decrease) for the year	<u>(35,337,726)</u>	<u>1,248,846</u>	<u>(8,593,037)</u>	<u>230,480</u>
Fund balances (deficit) at beginning of year (restated)	<u>(39,905,466)</u>	<u>4,416,528</u>	<u>184,348,987</u>	<u>13,094,328</u>
Fund balances (deficit) at end of year	<u><u>(\$75,243,192)</u></u>	<u><u>\$5,665,374</u></u>	<u><u>\$175,755,950</u></u>	<u><u>\$13,324,808</u></u>

ENDOWMENT FUNDS	PLANT FUNDS			INVESTMENT IN PLANT	TOTAL (MEMORANDUM ONLY)
	UNEXPENDED	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS		
					\$124,132,893
					721,124
					12,324,680
					36,136,436
					1,963,957
\$8,300,000		\$84,646			73,733,589
(173,608)	\$612,069				4,885,866
					135,914,709
1,680,000					1,680,000
1,312,247					1,852,983
					32,885,984
					987,171,293
					252,613
				\$69,296,919	69,296,919
				447,996	447,996
	16,908,052		\$400,000	2,877,602	32,913,116
<u>11,118,639</u>	<u>17,520,121</u>	<u>84,646</u>	<u>400,000</u>	<u>72,622,517</u>	<u>1,516,314,158</u>
					377,367,851
					1,022,411,927
					30,879,128
					11,128,699
					(500)
	4,820,510	42,758			4,863,268
			447,996		447,996
			377,540		377,540
					266,209
				35,282,564	35,282,564
	400,000				10,305,788
					2,638,517
				17,483,702	17,824,174
<u>NONE</u>	<u>5,220,510</u>	<u>42,758</u>	<u>825,536</u>	<u>52,766,266</u>	<u>1,513,793,161</u>
	(323,631)		425,536		
	1,020,025	(7,677)			
		396,270			
			(357,000)		
<u>NONE</u>	<u>696,394</u>	<u>388,593</u>	<u>68,536</u>	<u>NONE</u>	<u>NONE</u>
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>(928,058)</u>
11,118,639	12,996,005	430,481	(357,000)	19,856,251	1,592,939
23,278,911	8,674,268	2,449,411	357,000	922,901,629	1,119,615,596
<u>\$34,397,550</u>	<u>\$21,670,273</u>	<u>\$2,879,892</u>	<u>NONE</u>	<u>\$942,757,880</u>	<u>\$1,121,208,535</u>

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
LSU HEALTH SCIENCES CENTER
CURRENT FUNDS

Schedule of Revenues, Expenditures,
and Other Changes
For the Year Ended June 30, 2000

	GENERAL	AUXILIARY ENTERPRISES	RESTRICTED
Revenues:			
Tuition and fees	\$14,794,210		\$833,902
State appropriations	107,296,317		
Federal grants and contracts			26,830,400
State grants and contracts			10,928,878
Local grants and contracts			1,942,924
Private gifts, grants, and contracts			65,363,071
Hospital income	772,381,486		253,304,025
Sales and services of educational departments	1,204,756		132,080,428
Sales and services of auxiliary departments		\$32,885,984	
Investment income	449,450		1,855,149
Endowment income			1,047,601
Other sources	388,160		13,186,969
Total revenues	<u>896,514,379</u>	<u>32,885,984</u>	<u>507,373,347</u>
Expenditures and transfers:			
Educational and general:			
Instruction	71,693,894		40,629,625
Research	19,885,238		34,280,620
Public service	785,813		85,070,157
Academic support	10,992,630		53,772,032
Student services	1,617,660		1,403,076
Institutional support	10,574,266		27,827,394
Operations and maintenance of plant	6,857,565		9,199,494
Scholarships and fellowships	1,645,294		1,133,093
Total educational and general expenditures	<u>124,052,360</u>	NONE	<u>253,315,491</u>
Mandatory transfers for:			
Principal and interest		101,905	
Loan fund matching	20,171		13,911
Other	25,944,383		(25,944,383)
Nonmandatory transfers for:			
Capital improvements	40,761		707,927
Renewals and replacements		396,270	
Other		(92,340)	31,166
Auxiliary enterprises expenditures		30,879,128	
Hospital expenditures	<u>779,011,175</u>		<u>243,398,064</u>
Total expenditures and transfers	<u>929,068,850</u>	<u>31,284,963</u>	<u>471,522,176</u>
Other deductions:			
Excess of transfers to revenues over restricted receipts			(22,649,992)
Compensated absences	(1,855,197)	(23,591)	(759,729)
Inventory decrease	(928,058)		
Others		(328,584)	(21,034,487)
Net increase (decrease) in fund balances	<u>(\$35,337,726)</u>	<u>\$1,248,846</u>	<u>(\$8,593,037)</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on compliance with laws, regulations, contracts, and grants and on internal control as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET
POST OFFICE BOX 94397
TELEPHONE: (225) 339-3800
FACSIMILE: (225) 339-3870

December 8, 2000

Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the
General Purpose Financial Statements

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the general purpose financial statements of the Louisiana State University System, a component unit of the State of Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated December 8, 2000. We did not audit a portion of the Restricted Fund assets, revenues, and expenditures and the Net Investment in Plant Fund assets, revenues, and expenditures related to the operations of the LSU School of Medicine in New Orleans Faculty Group Practice (doing business as LSU Healthcare Network). These amounts were audited by another auditor whose report has been furnished to us. This report, insofar as it relates to the LSU Healthcare Network, is based solely upon the reports of the other auditors. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Louisiana State University System's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana State University System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be

EXHIBIT A

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Compliance and Internal Control Report
Page 2

material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses.

Other Reports

Other external auditors audited the LSU Healthcare Network, which is included in the Louisiana State University System's general purpose financial statements for the year ended June 30, 2000. To obtain the latest audit report of the LSU Healthcare Network, write to the LSU Healthcare Network, 2020 Gravier Street, Suite 507, New Orleans, Louisiana 70112.

As a part of our audit of the LSU System's financial statements for the year ended June 30, 2000, we performed certain procedures on campuses and hospitals within the LSU System. Our reports for those campuses and hospitals are dated as follows:

LSU and A&M College - Baton Rouge and Related	December 8, 2000
LSU Health Care Sciences Center - New Orleans	November 29, 2000
LSU Health Care Sciences Center - Shreveport	November 6, 2000
University of New Orleans	December 5, 2000
Medical Center of Louisiana at New Orleans	November 9, 2000
Huey P. Long Medical Center	To be issued
University Medical Center	August 29, 2000
W. O. Moss Medical Center	June 26, 2000
Leonard J. Chabert Medical Center	October 31, 2000
Lallie Kemp Medical Center	February 22, 2000

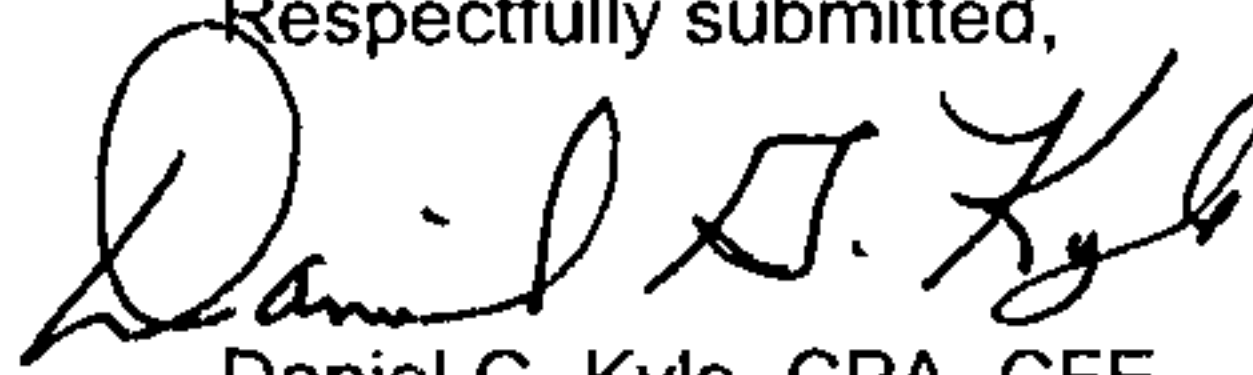
These reports contained compliance and internal control findings related to these facilities. Management's responses are also included in those reports. Copies of those reports are available for public inspection at the Baton Rouge, New Orleans, and Shreveport offices of the Legislative Auditor, and those reports can also be found on the Internet at www.la.state.la.us:80/f&c.shtml.

LEGISLATIVE AUDITOR

LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Compliance and Internal Control Report
Page 3

This report is intended solely for the information and use of the Louisiana State University System and its management and is not intended to be, and should not be, used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel G. Kyle". The signature is written in a cursive style with a large initial "D".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

WDD:EFS:RCL:dl

[LSU00]

EXHIBIT A