

BOBBY JINDAL
GOVERNOR



ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of the Commissioner

October 7, 2009

The Honorable Michael J. Michot, Chairman
Joint Legislative Committee on the Budget
P. O. Box 44294
Baton Rouge, LA 70804

Dear Senator Michot:

Act 745 of the 1995 Regular Session requires that all state agencies and component reporting units report to the Commissioner of Administration, on a quarterly basis, information on accounts receivable and debt owed the state. The Commissioner is charged with the responsibility of developing the format for state agencies to report this information and also for compiling this information and reporting the results to the Joint Legislative Committee on the Budget.

In recent months, my office has conducted a review of statewide policies and procedures to determine the accuracy and effectiveness of the current reporting format. Now that we have concluded our evaluation, I am submitting the report for your review.

However, as was discussed in the last JLCB meeting, we believe that the "Quarterly Report on State Gross Accounts Receivable" can be revised to allow for a more useful management tool. Accounts receivable outstanding at various point of time will be compared to the revenues recognized for the same period. This is important information that is not captured in the current format and undermines the true understanding of "cash management". Therefore, we look forward to working with the JLCB to recommend revisions to this report format.

Attached is the Accounts Receivable Reports for the quarters ended September 30, 2008, **December 31, 2008** and March 31, 2009. Not included in the report are the Judiciary and the Legislature. In a letter dated March 6, 1997, from the Second Circuit Court of Appeal, Louisiana Revised Statute (LRS) 39:4 (B) is cited, which states that the Judiciary and the Legislature do not fall under the jurisdiction of the Division of Administration.

The Honorable Michael J. Michot

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Each report consists of a Schedule of Gross Receivables for the state, Amounts Past Due, Uncollectibles and Write-offs by Agency, and a Schedule of Activity for Accounts Receivable over 180 Days Past Due by Agency.

September 31, 2008: LSU Health Sciences Centers reported \$22,265,877 in write-offs for this quarter. This amount represents approximately 92.65% of the total write-offs reported.

December 31, 2008: LSU Health Sciences Centers reported \$31,452,776 in write-offs for this quarter. This amount represents approximately 13.86% of the total write-offs reported.

March 31, 2009: LSU Health Sciences Centers reported \$35,792,635 in write-offs for this quarter. This amount represents approximately 50.37% of the total write-offs reported.

If you have any questions concerning the information presented in this report, please contact Ms. Katherine Porche at (225) 219-4442 or Mr. Afranie Adomako at (225) 342-0708.

Sincerely,



Angele Davis
Commissioner of Administration

AD/AA/kbp

Enclosure

c: Mr. Afranie Adomako, CPA
Ms. Katherine Porche, CPA



STATE OF LOUISIANA



STATE OF LOUISIANA RECEIVABLES REPORT

For the Quarter Ended December 31, 2008



Angele Davis
Commissioner of Administration

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STATE OF LOUISIANA

Receivables Reporting Package

Background

Louisiana Revised Statute 39:79(C) mandated (1) the reporting of information on receivables and debt owed the State by state agencies and component reporting units on a quarterly basis; (2) the development of the format for reporting this information; and (3) the maintenance of detailed data to support the report format by each state agency and component reporting unit. These agencies are to submit a reporting package no later than 45 days after the end of each quarter. The quarterly reporting package contains the following schedules:

Accounts Receivable Activity - This schedule requests gross receivables at the end of the quarter, estimated uncollectibles, and authorized write-offs for the quarter by revenue source.

Accounts Receivable Aging Schedule - This schedule requests information about aging of past due accounts by revenue source.

Collections for Accounts Receivable Over 180 Days Past Due - This schedule requests, by revenue source, information about the status of accounts that are over 180 days old.

Quarterly Write-off Disclosure - This schedule requests disclosure of accounts written off during the quarter. The authorized quarterly write-offs are determined within each agency by their board or committee.

Quarterly receivables report is necessary to provide a summary of the status of the state receivables and related collections activity by agency. Users of this report should not consider gross receivables' amounts as resources available to any specific fund or agency because certain revenue (1) could be *Income Not Available* and not related to a specific fund or agency, or (2) could be major state revenue, which may be available to all agencies.

The receivables reporting requirement is applicable to all state agencies and component reporting units for the State of Louisiana except for the judiciary of the state and the Legislature. Title 39 of the Louisiana Revised Statutes (LRS) establishes the Division of Administration and mandates that all administrative functions of the state fall under its jurisdiction. LRS 39:4 (B) states, "The provisions of this Chapter shall not apply to the judiciary of the state, except the office of the Attorney General to which they shall apply, nor to the Legislature." Therefore, this reporting requirement is not applicable to the judiciary and to the Legislature.

STATE OF LOUISIANA
Schedule of Gross Receivables
For the Quarter Ended 12/31/2008

Gross Receivables	\$ 1,655,139,862
Less: Estimated Uncollectibles	\$ 620,818,769
Net Receivables	\$ 1,034,321,093
Gross Receivables Over 180 Days Past Due	\$ 936,544,547
Past Due As A Percentage of Gross Receivables	57%
Authorized Write-Offs This Quarter	\$ 258,463,768

Schedule of Gross Receivables, Amounts Past Due,
Uncollectibles, and Write-offs by Agency
For the Quarter Ended 12/31/2008

Agency	Gross Receivables	Over 180 days Past Due	% of Receivables Past Due	Uncollectibles	Write-Offs
<u>Boards & Commissions</u>					
Board of Certified Public Accountants	\$ 10,940	\$ 10,875	99%	\$ 0	\$ 0
Board of Embalmers and Funeral Directors	0	0	0%	0	2,665
LA State Board of Medical Examiners	690,623	112,984	16%	138,125	0
State Plumbing Board of Louisiana	3,170	3,170	100%	0	0
LA Recreational & Used Motor Vehicle Commission	39,492	28,192	71%	0	0
LA State Board of Veterinary Medicine	3,498	0	0%	0	0
Louisiana Tax Free Shopping Commission	470,600	44,659	9%	0	0
Total Boards & Commissions	\$ 1,218,323	\$ 199,880	16%	\$ 138,125	\$ 2,665
<u>Colleges & Universities</u>					
LSU - Baton Rouge	\$ 60,492,473	\$ 3,915,244	6%	\$ 793,680	\$ 0
LSU - Alexandria	3,525,891	589,477	17%	39,119	0
University of New Orleans	6,444,320	3,521,210	55%	524,524	0
LSU Health Sciences Center - New Orleans	16,032,620	3,145,978	20%	198,049	96,739
LSU - Eunice	1,809,139	245,457	14%	103,155	0
LSU - Shreveport	2,580,857	189,413	7%	0	0
Pennington Biomedical Research Center	2,465,872	51,437	2%	0	0
LSU Health Sciences Center - HCSD	57,168,170	12,968,045	23%	42,984,747	15,544,066
LSU Health Sciences Center - Shreveport	117,397,366	36,762,227	31%	76,951,983	15,811,971
Baton Rouge Community College	1,262,636	635,171	50%	0	0
Southern University (all campuses)	26,298,807	7,742,159	29%	1,008,817	0
Nicholls State University	24,988,996	2,331,363	9%	48,946	50,532
Grambling State University	17,257,596	7,350,731	43%	6,418,586	0
Louisiana Tech University	2,027,055	797,296	39%	284,859	0
McNeese State University	14,548,095	2,390,201	16%	2,200,272	2,408
University of Louisiana @ Monroe	1,915,017	1,370,072	72%	0	0
Northwestern State University	19,336,021	1,455,412	8%	1,230,251	27,241
Southeastern Louisiana University	29,519,331	3,660,381	12%	1,753,022	0
Delgado Community College	11,990,703	3,941,227	33%	0	0

Schedule of Activity for Accounts Receivable
Over 180 Days Past Due by Agency
For the Quarter Ended 12/31/2008

Agency	Agency In-House	Attorney General	Private Collection Agency	Other	Amount Under Protest
<u>Boards & Commissions</u>					
Board of Certified Public Accountants	\$ 10,875	\$ 0	\$ 0	\$ 0	0
Board of Embalmers and Funeral Directors	0	0	0	0	0
LA State Board of Medical Examiners	112,984	0	0	0	0
State Plumbing Board of Louisiana	3,170	0	0	0	0
LA Recreational & Used Motor Vehicle Commission	2,251	0	0	25,941	0
LA State Board of Veterinary Medicine	0	0	0	0	0
Louisiana Tax Free Shopping Commission	44,659	0	0	0	0
Total Boards & Commissions	\$ 173,939	\$ 0	\$ 0	\$ 25,941	\$ 0
<u>Colleges & Universities</u>					
LSU - Baton Rouge	\$ 1,922,255	\$ 0	\$ 1,992,989	\$ 0	0
LSU - Alexandria	234,861	0	354,616	0	0
University of New Orleans	3,490,637	30,573	0	0	0
LSU Health Sciences Center - New Orleans	3,065,488	0	80,490	0	0
LSU - Eunice	1,810	0	243,647	0	0
LSU - Shreveport	55,714	776	132,923	0	0
Pennington Biomedical Research Center	51,437	0	0	0	0
LSU Health Sciences Center - HCSD	11,598,608	164,474	0	1,204,963	0
LSU Health Sciences Center - Shreveport	36,637,015	125,212	0	0	0
Baton Rouge Community College	635,171	0	0	0	0
Southern University (all campuses)	6,280,102	1,462,057	0	0	0
Nicholls State University	2,331,363	0	0	0	0
Grambling State University	7,350,731	0	0	0	0
Louisiana Tech University	315,745	0	481,551	0	0
McNeese State University	818,032	86,244	1,485,925	0	0
University of Louisiana @ Monroe	916,446	0	453,626	0	0
Northwestern State University	20,989	0	1,434,423	0	0
Southeastern Louisiana University	2,992,790	645,889	6,894	14,808	0

Schedule of Activity for Accounts Receivable
Over 180 Days Past Due by Agency
For the Quarter Ended 12/31/2008

Agency	Agency In-House	Attorney General	Private Collection Agency	Other	Amount Under Protest
Delgado Community College	3,941,227	0	0	0	0
Nunez Community College	64,658	0	143,809	0	0
Bossier Parish Community College	246,260	0	562,810	0	0
South Louisiana Community College	138,024	0	0	0	0
River Parishes Community College	130,189	0	0	0	0
Louisiana Delta Community College	12,672	0	28,271	0	0
LCTCS - Louisiana Technical College	217,994	0	0	0	0
L E Fletcher Technical Community College	1,605	0	0	0	0
Sowela Technical Community College	60,549	0	0	0	0
Total Colleges & Universities	\$ 83,532,372	\$ 2,515,225	\$ 7,401,974	\$ 1,219,771	\$ 0

State Agencies

Office of the Governor	\$ 5,171	\$ 0	\$ 0	\$ 0	\$ 0
Mental Health Advocacy	429	0	0	0	0
Division of Administration	135,134	0	0	0	0
Louisiana Stadium & Exposition District	160,439	0	0	0	0
Department of Veterans Affairs	7,156	0	0	0	0
Southwest LA. War Veterans Home	25,137	0	0	0	0
Southeast LA. War Veterans Home	16,985	0	0	0	0
Secretary of State	384,491	8,465	0	0	0
Office of Attorney General	0	6,753,323	0	0	0
State Treasurer	469,167	0	0	0	0
Public Service Commission	118,897	0	0	0	0
Agriculture and Forestry	193,891	0	0	0	0
Department of Insurance	187,120	44,827	0	0	34,398
DED - LA Economic Development Corporation	0	0	0	0	208,821
Louisiana State Racing Commission	8,860	0	0	0	0
Office of Financial Institutions	0	0	0	0	0

**Schedule of Activity for Accounts Receivable
Over 180 Days Past Due by Agency
For the Quarter Ended 12/31/2008**

Agency	Agency In-House	Attorney General	Private Collection Agency	Other	Amount Under Protest
Louisiana State Board of Cosmetology	5,235	0	0	0	0
Department of Culture, Recreation, and Tourism	364	0	0	0	0
Department of Transportation & Development	46,213,995	0	0	0	0
Department of Health and Hospitals	201,756,198	0	282,705,368	0	0
DSS - Office of Family Support	45,703,107	0	0	0	0
DSS - Office of Community Services	105,466	0	0	0	0
DSS - Rehabilitation Services	6,567	0	0	0	0
Office of Youth Development	6,285,440	0	0	0	0
Corrections - Adult Probation and Parole	12,229,929	0	0	0	0
Department of Public Safety	2,410,688	0	0	0	0
DNR - Office of the Secretary	377,253	0	0	0	0
DNR - Office of Conservation	205,106	0	0	0	0
DNR - Office of Mineral Resources	422,113	0	0	0	0
DNR - Office of Coastal Restoration	47,799	0	0	0	0
Department of Revenue	205,560,712	0	0	0	0
Louisiana Tax Commission	62,643	0	0	0	0
Department of Labor	7,979,456	70,881	0	3,952,116	9,533,930
Department of Wildlife and Fisheries	1,618,880	0	0	798,028	86,975
Ethics Administration	707,771	255,605	0	0	0
Louisiana School for Math, Science, & the Arts	0	0	0	0	0
Office of Student Financial Assistance	859,947	0	0	0	0
Louisiana Educational Television Authority	2,401	0	0	0	0
Board of Regents	1,102	0	0	0	0
Louisiana Universities Marine Consortium	4,139	0	0	0	0
DOE - Management and Finance	11,745	0	0	0	0
DOE - Subgrantee Assistance	128,457	174,396	0	0	0
DOE - Special School District	2,023	0	0	0	0
Office of Risk Management	137	0	0	0	0
Administrative Services	0	0	0	0	0

Schedule of Activity for Accounts Receivable
Over 180 Days Past Due by Agency
For the Quarter Ended 12/31/2008

Agency	Agency In-House	Attorney General	Private Collection Agency	Other	Amount Under Protest
Louisiana Property Assistance Agency	0	0	0	0	0
Federal Property Assistance Agency	17,688	0	0	0	0
Office of Telecommunications Management	168	0	0	0	0
Prison Enterprises	6,625	0	0	0	0
Office of Aircraft Services	2,304	0	0	0	0
Department of Environmental Quality	2,597,997	0	0	0	0
District Attorneys and Assistants	1,860	0	0	0	0
Total	\$ 537,048,192	\$ 7,307,497	\$ 282,705,368	\$ 4,750,144	\$ 9,864,124
State Agencies	\$ 620,754,503	\$ 9,822,722	\$ 290,107,342	\$ 5,995,856	\$ 9,864,124
Grand Total					

Note: The grand total of "Receivables Over 180 Days Past Due" equals \$ 936,544,547 referenced on page 2 and page 6.