



Review of the Annual Audit for the Fiscal Year Ended June 30, 2022

April 18, 2023



Presented by:

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Presentation Overview

This presentation briefly overviews Jackson Public School's Annual Fiscal Audit for Year ended June 30, 2022.

- Independent Auditor's Opinion
- State Law and Regulations Compliance
- Schedule of Findings and Questioned Costs
- Questions & Answers

INDEPENDENT AUDITOR'S AUDIT OPINION

In our opinion, the accompanying financial statements ...present fairly, in all material respects, the respective financial position...of the Jackson Public School District as of June 30, 2022,...in accordance with accounting principles generally accepted in the United States of America. (Audit Report p.1)

JD CPA, PLLC

Jackson, Mississippi
March 6, 2023





...ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

“the auditor shall test to ensure that the school district is complying with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), relating to classroom supply funds.”

(Audit Report p.82)

“The results of our procedures ...disclosed no instances of noncompliance.” **(Audit Report p.82)**



...ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

“the auditor shall test to ensure correct and appropriate coding at the function level. The audit must include a report showing the correct and appropriate functional level expenditure codes in expenditures by the school district.” (Audit Report p.82)

“...disclosed no instances of noncompliance related to incorrect or inappropriate functional level expenditure coding.” (Audit Report p.82)



...ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

“...we have also performed procedures to test compliance with certain other state laws and regulations. However,... we do not express such an opinion.”

(Audit Report p.82)

“...disclosed the following (3) immaterial instances of noncompliance with other state laws and regulations.”

(Audit Report p.82)

STATE LAWS AND REGULATIONS COMPLIANCE

FINDING 1 (Audit Report p.83)

Criteria: Section 25-11-127 Miss Code Ann. (1972), provides that a reemployed retiree is not paid more than allowed as noted on Form 4B. Also, notice must be given within five (5) days from the date of employment and from the date of termination.

Condition: During the testing of retired personnel, it was noted that the district paid multiple retirees more than the statutory allowed amount noted on the form 4-B and that some re-hired employees' forms were not filed with the PERS office within five (5) days of re-employment of a PERS service retiree.

Cause: The school district failed to implement a system to ensure that rehired retirees were not paid more than statutorily allowed and that PERS Form 4Bs were filed promptly.

Effect: The district was not in compliance with the Section 25-11-127, Miss. Code Ann. (1972).

STATE LAWS AND REGULATIONS COMPLIANCE

FINDING 2 (Audit Report p.83)

Criteria: Section 25-4-25, Mississippi Code Annotated (1972), provides that "Each of the following individuals shall file a statement of economic interest with the commission ...in accordance with the provisions of this chapter a) Persons elected by popular vote " Section 25-4-29, 1-2 Mississippi Code Annotated (1972).

Condition: During our test work we noted instances where district board members were not in compliance with the required filing of their respective statement of economic interest forms.

Cause: The school district failed to implement a system to ensure the Statement of Economic Interests were filed in a timely manner.

Effect: The district was not in compliance with the Section 25-4-25, Miss. Code Ann. (1972).

STATE LAWS AND REGULATIONS COMPLIANCE

FINDING 3 (Audit Report p.84)

Criteria: Miss. Code Section 29-3-57 states that the superintendent of education should terminate lease agreements that are over 60 days in default.

Condition: During our test work, we noted instances where leases were not terminated after being 60 days or more delinquent.

Cause: The school district failed to implement a system to ensure that leases would be terminated after 60 days of delinquency.

Effect: The district was not in compliance with Section 29-3-57, Miss. Code Ann. (1972).

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

INTERNAL CONTROL AND COMPLIANCE

“In planning and performing our audit..., we considered District's internal control over financial reporting..., [but not to express] an opinion on the effectiveness of ... internal control. Accordingly, we do not express an opinion...” (Audit Report p.75)

“...during our audit, we did not identify any deficiencies ...that we consider material weaknesses. We did identify certain [deficiencies], ... to be a significant deficiency as Finding 2022-001.” (Audit Report p.75)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

INTERNAL CONTROL AND COMPLIANCE – FINDING 2022-001 (Audit Report p. 88)

Criteria: Management is responsible for establishing an internal control system that ensures strong financial accountability and safeguards the district's funds.

Condition: During our testing of district travel disbursements, we noted instances where no support for district employee travel was obtained to ensure employees were in attendance and one instance where no support for the travel reimbursement was approved, prior to travel.

Perspective

Sample Size: forty (40) Test Size: five (5) Problem: one (1)

Amount: \$73.37

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MAJOR FEDERAL AWARDS

“We have audited [District’s] compliance with ... the OMB Compliance Supplement” (Audit Report p.77)

“In our opinion, JPS complied, in all material respects, with the compliance requirements ... on each of its major federal programs ...” (Audit Report p.77)

“The results ... disclosed an immaterial instance of noncompliance ... described ... as Finding 2022-002.” (Audit Report p.78)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

MAJOR FEDERAL AWARDS – FINDING 2022-002

(Audit Report p. 88)

Criteria: In accordance with 7 CFR § 210.5(d)-.13 – Report of School Program Operations for claims reimbursement of meals served. Management is responsible for complying with the requirements of the Mississippi Department of Education's policies and procedures manual for child nutrition programs, which requires that the school district's monthly claims for reimbursement report be submitted by the tenth of the month for the previous reporting month.

Condition: Monthly claims for reimbursement are not being submitted in a timely fashion.

Perspective

Child Nutrition had two (2) of 12 months that the claim reports were filed late. Each monthly report is a compilation of data from all 51 school sites.

Questions & Answers

Thank you!

