



**STATE OF MISSISSIPPI
DEPARTMENT OF EDUCATION**

Lynn J. House, Ph.D.
Interim State Superintendent of Education

March 18, 2013

Honorable Stacey E. Pickering, State Auditor
Office of the State Auditor
State of Mississippi
P.O. 956
Jackson, Mississippi 39205-0956

Dear Mr. Pickering:

In accordance with your correspondence dated February 14, 2013, the Mississippi Department of Education is providing the following response and corrective action plan for the financial audit finding for the fiscal year ending June 30, 2012.

AUDIT FINDING: OTHER CONTROL DEFICIENCY

2012-08 Employee Approval Levels in the Statewide Automated Accounting System
Should Be Reviewed

Response: Although the Mississippi Department of Education (MDE) concurs that seven (7) Accounting Office employees have entry and approval rights for specific transaction types in the accounting system, we have reviewed the approval levels of each employee annually and have provided written justification to the auditors which has been considered acceptable in prior audits with no written audit finding resulting. We have also informed the auditors of additional internal control procedures that are in place to ensure that one person does not enter a transaction and approve it. Further, the Statewide Automated Accounting System (SAAS) has been in place since 1989, and we are unaware of any instances in which the

MDE has been cited for the same person entering and approving a transaction during the 24 years of operation.

Corrective Action Plan:

A. Specific steps to be taken to correct the situation.

In fiscal year 2014, a new statewide accounting system will be implemented and SAAS will no longer be used to process accounting transactions. The Mississippi Accountability System for Government Information and Collaboration (MAGIC) security features will ensure that no individual has the ability to initiate and approve a transaction. Thus, this finding will be resolved.

B. Name of the contact person responsible for correction action.

James A. Hart, Accounting Director

C. Anticipated completion date for correction action.

August 1, 2013

Should you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Lynn J. House". The signature is written in a cursive style with a large initial "L".

Lynn J. House, Ph.D.

Interim State Superintendent of Education



**STATE OF MISSISSIPPI
DEPARTMENT OF EDUCATION**

Lynn J. House, Ph.D.
Interim State Superintendent of Education

April 1, 2013

Honorable Stacey E. Pickering, State Auditor
Office of the State Auditor
State of Mississippi
P.O. 956
Jackson, Mississippi 39205-0956

Dear Mr. Pickering:

In accordance with your correspondence dated March 21, 2013, the Mississippi Department of Education is providing the following responses and corrective action plans for the single audit findings for the fiscal year ending June 30, 2012.

Other Audit Findings:

SPECIAL TESTS AND PROVISIONS

84.010 Title 1 Grants to Local Educational Agencies

Oth-16 Controls over Title 1 School Improvement reporting should be strengthened

Response:

The Mississippi Department of Education (MDE) concurs that errors were made in reporting. MDE has worked to strengthen federal reporting, and is currently engaged in the redesign of the Mississippi Report Card. Originally the redesign was expected to take less than a year to complete; however, due to the ESEA Waiver, and the approaching onset of a new accountability model, the project timeline has been extended. MDE has been very thoughtful about the accountability and reporting process, and is actively engaged in developing processes to ensure accurate and consistent reporting of data.

Corrective Action Plan:

A. Specific steps to be taken to correct the situation.

The Office of Accreditation and Accountability along with the Office of Federal Programs will review the Mississippi Report Card prior to publication to ensure the public has access to reliable information and to ensure compliance with federal regulations.

B. Name of the contact person(s) responsible for correction action.

Patrick Ross, Accountability Services
Marcus Cheeks, Federal Programs
Quentin Ransburg, Reporting

C. Anticipated completion date for correction action.

November 1, 2013

REPORTING

| | |
|--------|--|
| 10.558 | Child and Adult Care Food Program |
| 84.010 | Title 1 Grants to Local Educational Agencies |
| 84.027 | Special Education – Grants to States (IDEA, Part B) |
| 84.173 | Special Education – Preschool Grants (IDEA, Preschool) |
| 84.367 | Improving Teacher Quality State Grants |

| | |
|--------|---|
| Oth-17 | Controls should be strengthened over Federal Funding and Accountability Transparency Act Reporting |
|--------|---|

Response:

The Mississippi Department of Education (MDE) concurs with the finding and is establishing internal controls to ensure that sub-award information is reported by the federal program offices in a timely and accurate manner. The weaknesses denoted were caused by federal reporting system issues that were beyond our control and the lack of a federal liaison to resolve system issues and to answer reporting questions. In spite of the difficulties encountered since FFATA inception in October 2010, a good faith effort has been made by department staff to comply with the reporting requirements.

Corrective Action Plan:

A. Specific steps to be taken to correct the situation.

The federal reporting duties will be assumed by federal program staff who administer the programs, are knowledgeable of federal program requirements, and have designated federal liaisons to provide technical assistance.

B. Name of the contact person(s) responsible for corrective action.

Scott Clements, Healthy Schools
Debbie Murphy, Federal Programs
Ann Moore, Special Education
James Hart, Accounting

C. Anticipated completion date for corrective action.

July 31, 2013

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Lynn J. House". The signature is written in a cursive style with a large initial "L".

Lynn J. House, Ph.D.
Interim State Superintendent of Education