



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

Mississippi Department of Information Technology Services

Independent Accountants' Reports and
Schedule of Expenditures of Federal Awards
Mississippi Interoperable Communications Grant, CFDA No. 97.001

June 30, 2012



Mississippi Department of Information Technology Services

Mississippi Interoperable Communications Grant, CFDA No. 97.001

June 30, 2012

Contents

Independent Accountants' Report on the Schedule of Expenditures of Federal Awards.....	1
Schedule of Expenditures of Federal Awards	2
Independent Accountants' Report on Compliance with Requirements that Could Have a Direct and Material Effect on the Federal Program and on Internal Control Over Compliance in Accordance with the Program- Specific Audit Option Under OMB Circular A-133	3
Schedule of Findings and Questioned Costs	5
Summary Schedule of Prior Audit Findings	6

Independent Accountants' Report on the Schedule of Expenditures of Federal Awards

Craig P. Orgeron, Ph.D., Executive Director
Mississippi Department of Information Technology Services
Jackson, Mississippi

And

Mr. Stacey E. Pickering, State Auditor
Office of the State Auditor
Jackson, Mississippi

We have audited the accompanying schedule of expenditures of federal awards for the Mississippi Interoperable Communications Grant, CFDA No. 97.001 of the Mississippi Department of Information Technology Services (the Department) for the year ended June 30, 2012. This schedule is the responsibility of the Department's management. Our responsibility is to express an opinion on the schedule of the program based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the schedule of expenditures of federal awards referred to above presents fairly, in all material respects, the expenditures of federal awards under the Mississippi Interoperable Communications Grant, CFDA No. 97.001 in conformity with accounting principles generally accepted in the United States of America.

BKD, LLP

December 19, 2012

Mississippi Department of Information Technology Services
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2012

Federal Grantor/ Program Title	Catalog of Federal Domestic Assistance Number	Federal Expenditures
U. S. Department of Homeland Security Passed Through the Mississippi Department of Public Safety Mississippi Interoperable Communications Grant	97.001	\$ 46,039,526

Notes to Schedule of Expenditures of Federal Awards

1. **Basis of Presentation** - This schedule includes certain federal awards activity of the Mississippi Department of Information Technology Services and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. This schedule represents only amounts expended for the Mississippi Interoperable Communications Grant, CFDA No. 97.001 and, as such, does not represent all federal funds expended by the Mississippi Department of Information Technology Services.

2. **Purpose of the Schedule** - The purpose of this schedule is to present the amount of Mississippi Interoperable Communications Grant federal funds expended by the Mississippi Department of Information Technology Services for the year ended June 30, 2012. This information will be reflected in the State of Mississippi Single Audit Report to assist the Office of the State Auditor of Mississippi to comply with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

3. **Subrecipients** - The Mississippi Department of Information Technology Services did not provide any of its federal award funds for the Mississippi Interoperable Communications Grant, CFDA No. 97.001 to subrecipients.

**Independent Accountants' Report on Compliance with Requirements
that Could Have a Direct and Material Effect on the Federal
Program and on Internal Control Over Compliance in Accordance
with the Program-Specific Audit Option Under OMB Circular A-133**

Craig P. Orgeron, Ph.D., Executive Director
Mississippi Department of Information Technology Services
Jackson, Mississippi

And

Mr. Stacey E. Pickering, State Auditor
Office of the State Auditor
Jackson, Mississippi

Compliance

We have audited the Mississippi Department of Information Technology Services' compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on its Mississippi Interoperable Communications Grant, CFDA No. 97.001 for the year ended June 30, 2012. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Mississippi Department of Information Technology Services' management. Our responsibility is to express an opinion on the Mississippi Department of Information Technology Services' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on Mississippi Interoperable Communications Grant, CFDA No. 97.001 occurred. An audit includes examining, on a test basis, evidence about the Mississippi Department of Information Technology Services' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Mississippi Department of Information Technology Services' compliance with those requirements.

In our opinion, the Mississippi Department of Information Technology Services complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Mississippi Interoperable Communications Grant, CFDA No. 97.001 for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the Mississippi Department of Information Technology Services is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Mississippi Department of Information Technology Services' internal control over compliance with the requirements that could have a direct and material effect on its Mississippi Interoperable Communications Grant, CFDA No. 97.001 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mississippi Department of Information Technology Services' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Executive Director of the Mississippi Department of Information Technology Services, others within the Mississippi Department of Information Technology Services, the Office of the State Auditor of Mississippi, the federal awarding agency and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

December 19, 2012

Mississippi Department of Information Technology Services
Schedule of Findings and Questioned Costs
Year Ended June 30, 2012

Summary of Auditor's Results

1. The opinion(s) expressed in the independent accountants' report on the schedule of expenditures of federal awards of the Mississippi Interoperable Communications Grant were:

Unqualified Qualified Adverse Disclaimed

2. Noncompliance considered material to the financial statements was disclosed by the audit?

Yes No

3. The independent accountants' report on internal control over compliance with requirements that could have a direct and material effect on the program audited disclosed:

Significant deficiency(ies)? Yes No

Material weakness(es)? Yes No

4. The opinion expressed in the independent accountants' report on compliance with requirements that could have a direct and material effect on the program audited was:

Unqualified Qualified Adverse Disclaimed

5. The audit disclosed findings required to be reported. Yes No

6. The Mississippi Department of Information Technology Services' program audited was:

Cluster/Program	CFDA Number
Mississippi Interoperable Communications Grant	97.001

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
-------------------------	----------------	-------------------------

No matters are reportable.

Mississippi Department of Information Technology Services
Summary Schedule of Prior Findings
Year Ended June 30, 2012

Reference Number	Summary of Finding	Status
-----------------------------	---------------------------	---------------

No matters are reportable.