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Mississippi Department of Information Technology Services

Auditor's Reports on the
Mississippi Interoperable Communications Grant, CFDA No. 97.001

June 30, 2013



Mississippi Department of Information Technology Services
Mississippi Interoperable Communications Grant, CFDA No. 97.001
June 30, 2013

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Independent Auditor's Report on the Schedule of Expenditures of Federal Awards – Program Audited

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 (the Schedule) for the Mississippi Interoperable Communications Grant, CFDA No. 97.001 (Program Audited) of the Mississippi Department of Information Technology Services for the year ended June 30, 2013.

Management's Responsibility for the Schedule of Expenditures of Federal Awards

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 of the Program Audited of the Mississippi Department of Information Technology Services for the year ended June 30, 2013, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 of the Schedule, which describes that the Schedule is not intended to be a complete presentation of all federal funds expended by the Mississippi Department of Information Technology Services. Our opinion is not modified with respect to this matter.

BKD, LLP

Jackson, Mississippi
March 24, 2014

Mississippi Department of Information Technology Services
Schedule of Expenditures of Federal Awards – Program Audited
Year Ended June 30, 2013

Cluster/ Program Title	Federal Agency/Pass-Through Entity	CFDA Number	Grant or Identifying Number	Federal Expenditures
Mississippi Interoperable Communications Grant	U.S. Department of Homeland Security passed through the Mississippi Department of Public Safety	97.001	2008-MS-MX-0001	\$ 28,912,027

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 the Mississippi Interoperable Communications Grant federal funds expended by the Mississippi Department of Information Technology Services for the year ended June 30, 2013. 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 Auditor's Report on Compliance for a Federal Program and Report on Internal Control Over Compliance When Using the Program-Specific Audit Option to Satisfy OMB Circular A-133 Requirements

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

Report on Compliance for the U.S. Department of Homeland Security Mississippi Interoperable Communications Grant, CFDA No. 97.001

We have audited the compliance of the Mississippi Department of Information Technology Services (ITS) with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on the U.S. Department of Homeland Security Mississippi Interoperable Communications Grant, CFDA No. 97.001 (Program Audited) for the year ended June 30, 2013.

Management's Responsibility

Management of ITS is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to the Program Audited.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for ITS' Program Audited based on our audit of the types of compliance requirements referred to above.

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 the Program Audited occurred. An audit includes examining, on a test basis, evidence about ITS' 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 on compliance for the Program Audited. Our audit does not provide a legal determination on ITS' compliance with those requirements.

Opinion

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 the Mississippi Interoperable Communications Grant, CFDA No. 97.001 for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of ITS is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered ITS' internal control over compliance with the requirements that could have a direct and material effect on the Program Audited to determine the auditing procedures that are appropriate in the circumstances 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 ITS' 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BKD, LLC

Jackson, Mississippi
March 24, 2014

Mississippi Department of Information Technology Services
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2013

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
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No matters were reportable.

Mississippi Department of Information Technology Services
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2013

Reference Number	Summary of Finding	Status
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No matters are reportable.