

ANNUAL REPORT 2004

**PHIL BRYANT
STATE AUDITOR**

2004 ANNUAL REPORT
FISCAL YEAR JULY 1, 2003 THROUGH JUNE 30, 2004
PHIL BRYANT
STATE AUDITOR

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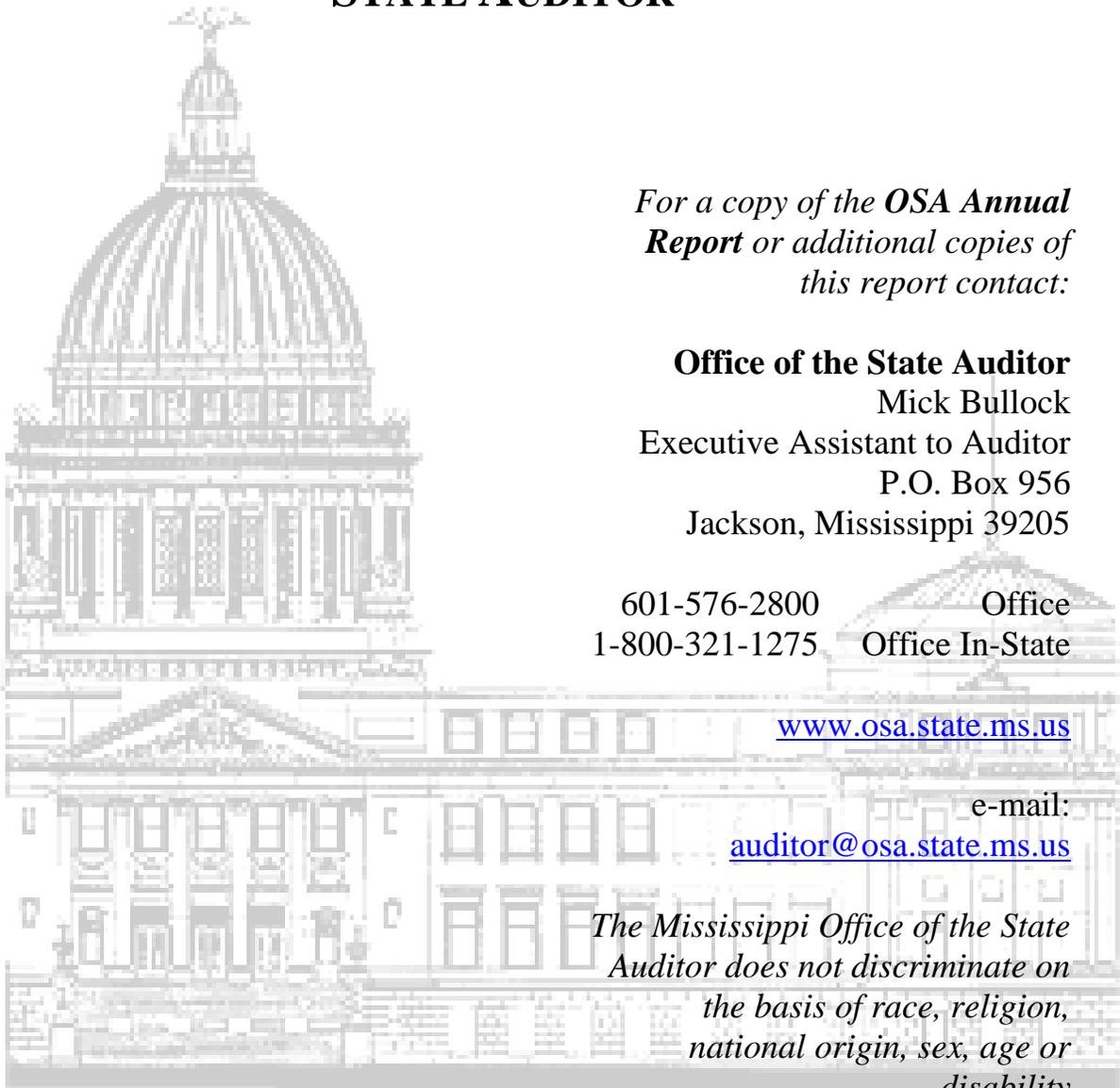




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PRIMARY STATUTORY RESPONSIBILITIES

Section 134 of the Mississippi Constitution, adopted November 1, 1890, created the Office of the Auditor of Public Accounts, now the Office of the State Auditor. The Mississippi Code of 1972 (Annotated) grants the Office important responsibilities. Section 7-7-211 is the most comprehensive, charging the Office with the following responsibilities and authority:

- Identify and define generally accepted accounting principles for all public offices of the state and its subdivisions;
- Prescribe systems of accounting, budgeting and financial reporting for all public offices of regional and local subdivisions of the state and assist in the installation of these systems;
- Study and analyze existing managerial policies, methods, procedures, duties and services of state agencies and institutions upon written request of the Governor or the Legislature or its designee, and determine if operations can be eliminated, combined, simplified or improved;
- Relative to the comprehensive annual financial report of the state, post-audit and, when necessary, pre-audit and investigate financial matters of departments, institutions, boards, commissions and other agencies of state government;
- Post-audit and, when necessary, pre-audit and investigate financial matters of county governments, public school districts, community college districts, levee boards, agencies created by the Legislature or by executive order, profit or nonprofit business entities administering programs financed by funds flowing through the state treasury or receiving grants from revenues collected by state governmental divisions and all other public bodies supported by funds derived in part or wholly from public funds, except municipalities;
- Demand payment from public officers, employees, administrative bodies, individuals, partnerships, corporations or associations for amounts representing recovery of public funds improperly withheld, misappropriated or otherwise illegally expended and the value of public property disposed of in an unlawful manner, institute suit in any state court for demands not paid;
- Investigate suspected violations of state laws by officers or employees of the state, counties or other public offices;
- With approval of a chancery or circuit court, issue subpoenas to examine records, etc. regarding persons, firms or other entities related to dealings with any state, county or other public entity;

- In lieu of conducting audits, examine audits of public hospitals or public school districts produced by certified public accountants. Provide audit programs and report formats to accountants conducting audits of public hospitals and public school districts;
- If funds are made available by the Legislature, contract for preparation of selected audits of departments, institutions, boards, commissions or other agencies of state government, county governments, public school districts, community college districts and any other public bodies supported by public funds, except municipalities, provide audit programs and report formats to accountants conducting contract audits;
- Establish training courses and programs for state and local government personnel under jurisdiction of the Office; and
- Upon written request of the Governor or member of the Legislature, audit any state or federal funds received by any nonprofit corporation.

Other responsibilities are given to the Office throughout sections of the Mississippi Code. However, most of these are addressed within the responsibilities mentioned above. When new programs are created or funded by the Legislature, the Office is often given audit or system-prescribing responsibility.



AUDIT RESPONSIBILITY

The above statutory responsibilities make the Office responsible for financial reporting of most public entities within the state. This entails either audit, review, recording, receipt, or investigative responsibility for over 1,000 entities in the following categories:

General State and Local Governments

General governments provide a wide range of services to their citizens and number the following:

| | |
|----------------|-----|
| State Agencies | 117 |
| Cities | 298 |
| Counties | 82 |

Special-Purpose Governmental Entities

Most special-purpose governments provide a single, special service. Created by counties, municipalities or a combination of both, or by special legislation passed by the Legislature, all were designed to provide services not offered by individual general governments. In most cases, special-purpose governments are designed as authorities, agencies, boards or districts.

Mississippi special-purpose governmental units include, but are not limited to, the following:

| | |
|---------------------------------------|-------|
| Airport Authorities | 59 |
| Colleges | 15 |
| Universities | 8 |
| District Attorneys | 22 |
| Drainage Districts | 58 |
| Economic Development Districts | 138 |
| Fire Protection Districts | 85 |
| Flood Control Districts | 4 |
| Hospitals | 67 |
| Housing Authorities | Local |
| Human Resource Agencies | 27 |
| Industrial Development Districts | 35 |
| Libraries | 48 |
| Mental Health Centers | 15 |
| Park Districts | 7 |
| Planning and Development Districts | 10 |
| Port Authorities | 6 |
| Public Building Authorities | Local |
| School Districts | 150 |
| Soil and Water Conservation Districts | 79 |
| Tourism Bureaus | 40 |
| Utility Districts | 28 |

The Office maintains some oversight responsibility for each. In addition, other public and private entities fall within the Office's oversight when created or financially supported by Legislative appropriations, for a number of reasons some of these do not fall into one of the general categories listed above.



OFFICE CUSTOMERS

Based on analysis of Mississippi statutes, the Office has identified and prioritized its customers to provide the above services in a manner to protect the public's interest. These include:

- 1) Citizens and taxpayers of the State of Mississippi
- 2) Legislative, Executive and Judicial Branches of state government
- 3) State and local governmental entities
- 4) Federal government
- 5) Other states

Citizens are prioritized as the most important Office customer, since providing services for and on their behalf is the reason government exists. The Office has primary responsibility for oversight of the taxpayers' state and often local government supporting funds.

Therefore, the primary purpose of the Office is protection of the interests of its most important customer, the taxpayers.

The legislative, executive, and judicial branches of state government, along with the Office, exist to serve citizens and taxpayers. Therefore the Office provides valuable services to these branches in performing their services to the citizens of the state.

State and local governmental entities are the primary recipients of Office services with customers receiving benefits from the services provided by this Office. Although state agencies are a part of the executive, legislative and judicial branches, state agencies are also considered separate Office customers since they are the subject of audits and are not always directly accountable to citizens and taxpayers. Although the focus of day-to-day Office work relates to state and local governmental entities, benefits accrue to higher prioritized customers: taxpayers, and legislative, executive, and judicial branches.

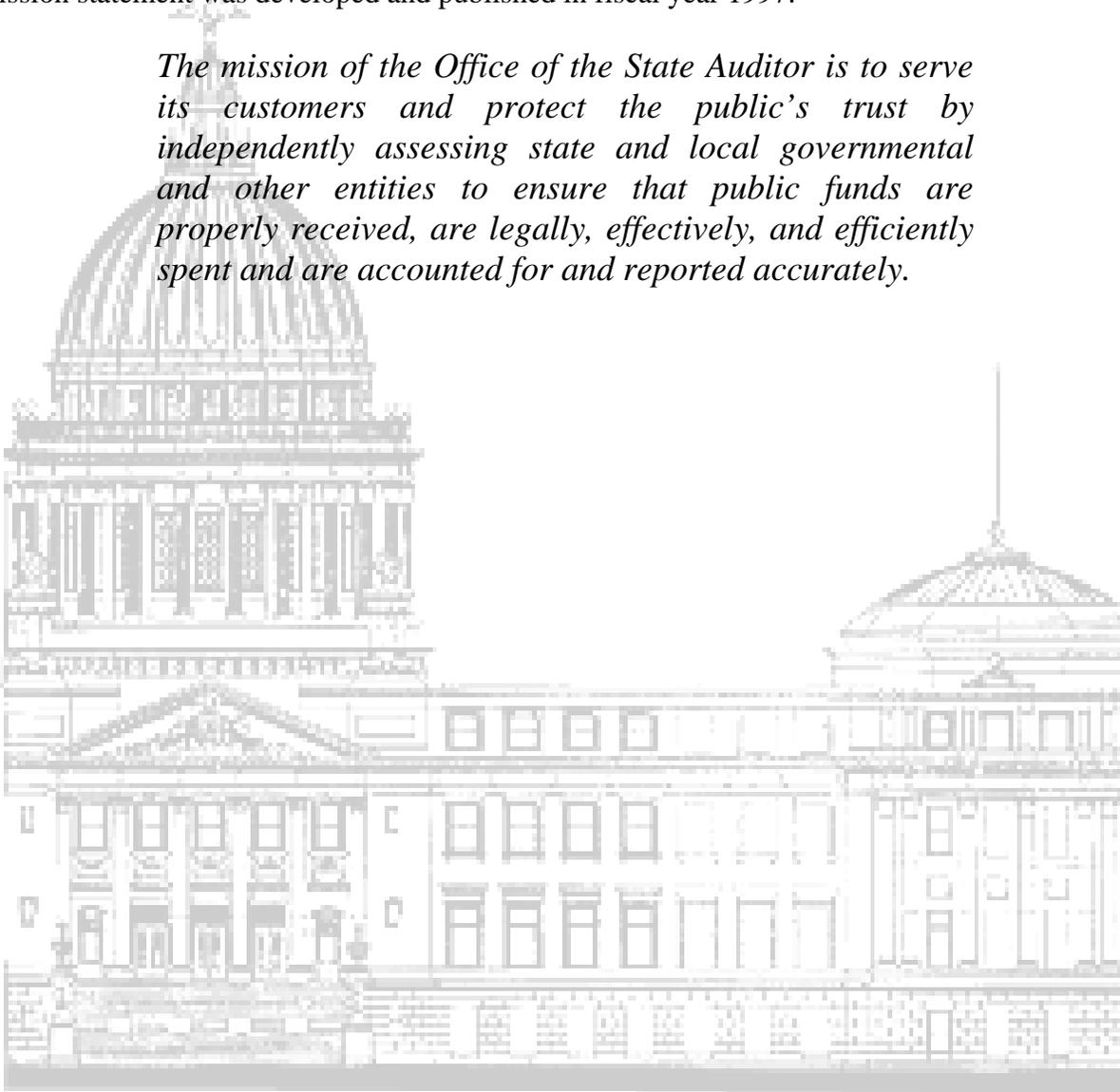
Because the federal government provides certain funds to the state, the state has reporting responsibilities to the federal government. Additionally, the Office's audit field work and reporting standards are controlled in part by the federal government. Since other states occasionally use our reports in their work, they are also considered valued Office customers.



OFFICE OF THE STATE AUDITOR'S MISSION

Based on the purpose intended for the Office and the services the Office provides, the following mission statement was developed and published in fiscal year 1997:

The mission of the Office of the State Auditor is to serve its customers and protect the public's trust by independently assessing state and local governmental and other entities to ensure that public funds are properly received, are legally, effectively, and efficiently spent and are accounted for and reported accurately.





DIVISIONS

The Office of the State Auditor is composed of eight divisions. These divisions report to the Audit Department Director, Norman McLeod and include:

Administrative Services Division (page 11)
Jeff Adcock, Director

Average Daily Attendance Audit Division (page 12)
Shirley Crawford, Director

Financial & Compliance Audit Division (page 13)
Rodney Zeagler, CPA, Director

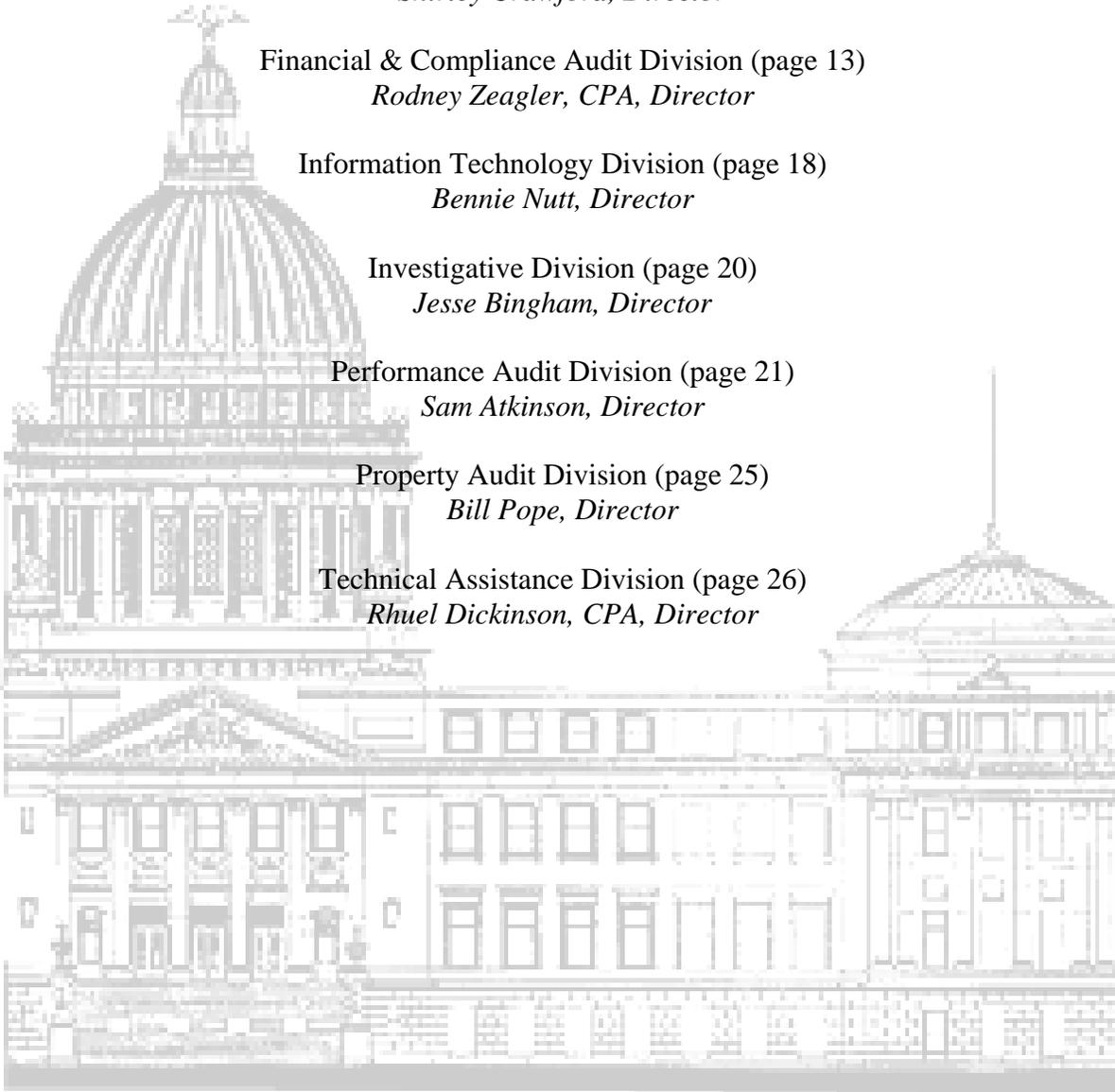
Information Technology Division (page 18)
Bennie Nutt, Director

Investigative Division (page 20)
Jesse Bingham, Director

Performance Audit Division (page 21)
Sam Atkinson, Director

Property Audit Division (page 25)
Bill Pope, Director

Technical Assistance Division (page 26)
Rhuel Dickinson, CPA, Director





OFFICE GOALS

In accomplishing its mission the Office of the State Auditor has established the following goals:

- Establish accounting and financial reporting systems for all regional and local governmental entities. Consult with State Fiscal Officer in the establishment of accounting and financial reporting systems for the state;
- Perform or contract the necessary financial, compliance, performance, and investigative audits in accordance with professional standards;
- Train public officials in methods of conducting their duties in compliance with state law; and
- Comply with constitutional and statutory provisions.
- Make Government more accessible to the taxpayers.

The Office will accomplish these goals by:

- Providing timely financial and legal compliance audits of state agencies, counties, school districts and state supported colleges and universities;
- Providing timely technical assistance to representatives of state and local governments and the general public;
- Investigating state and local governments and government representatives and employees concerning legal compliance violations and accountability issues;
- Performing performance audits for state and local governments to improve accountability, economy and efficiency of government operations;
- Conducting state-wide property audits and performing average daily attendance counts for school districts; and
- Providing the Office and state and local governments assistance with their information management needs.
- Working with local governments to secure E-Government services for the taxpayers it serves.

Electronic Government

The Office of the State Auditor continues to take a leading role in the development and implementation of E-Government in the State. As a result of the efforts of this office, taxpayers in thirteen counties now have the ability to pay their property taxes and renew their car tags via the internet. Also, there are a number of State agencies that now offer online services to the citizens of Mississippi. While displaying an aggressive role in E-government Auditor Bryant

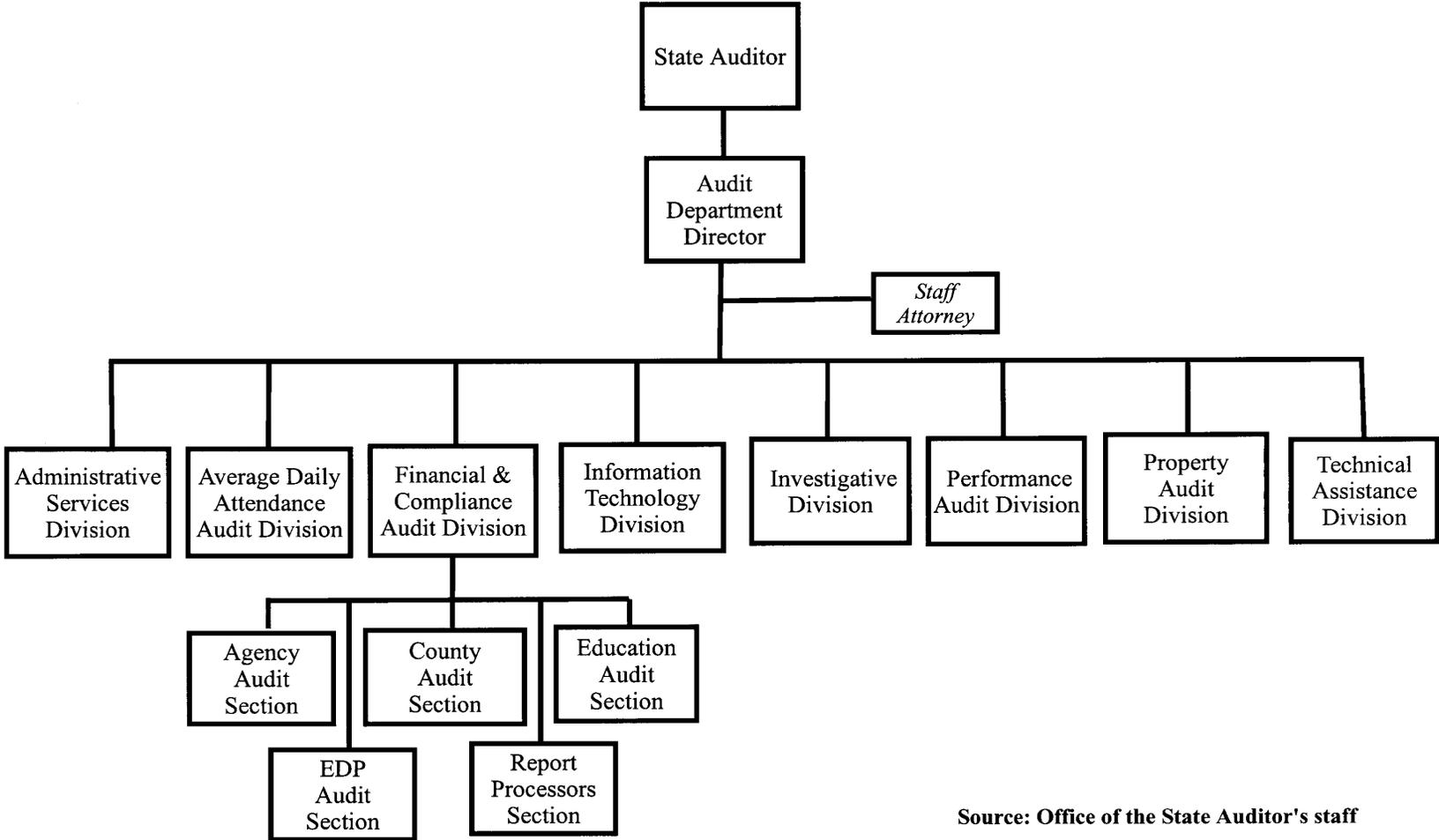
served as Chairman of the E-Government Committee for the National State Auditor's Association (NSAA), serves as Vice-Chairman of the Mississippi Legislative E-Government Oversight Committee and The National Electronic Commerce Coordinating Councils board of directors. He was named "Mississippian of the Year" by the Association of Information Technology Professionals in 2002. Recently in 2004 Auditor Bryant co-authored the book entitled, "21st Century Government-Digital Promise, Digital Reality" the 4th book in a leadership series that will be distributed to the state's governors and other leaders with emphasis on financial management, human resource, technology and auditing officials.

Professional Audit Standards

The Office is comprised of professional staff to perform a necessary function to protect the welfare and ensure the public trust. Because taxes are an involuntary requirement for the citizens of this great state, financial accountability and responsibility for an effective and efficient government are the responsibility of every public servant, including those elected, appointed and employed. This public trust requires a diligent review and accounting for the financial reporting and performance of all entities entrusted with public funds. To perform this service, the Office complies with generally accepted government auditing standards (GAGAS) issued by the United States General Accounting Office and documented as Government Auditing Standards and generally accepted auditing standards (GAAS) published by the American Institute of Certified Public Accountants. The Office also abides by pronouncements of the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) where applicable. Additionally, the Office participates in a quality control review process whereby Office audits are periodically reviewed by other states' audit office personnel for compliance with the above standards. Also the Office's finances are reviewed by the Legislative PEER Committee to ensure all financial matters are in order.

What does all this mean? The Office sets high standards of performance for the auditors it hires and the work they perform. The trust placed with the Office by the public is not taken lightly, nor the responsibility ignored. These standards and the reviews the Office undergo help ensure the quality of the work prepared and presented to the public administrators of the public funds and resources on behalf of the citizens of the state, who are our primary customers and to whom we acknowledge a great responsibility.

Exhibit A
Office of the State Auditor
Organizational Structure
as of March 1, 1999



Source: Office of the State Auditor's staff

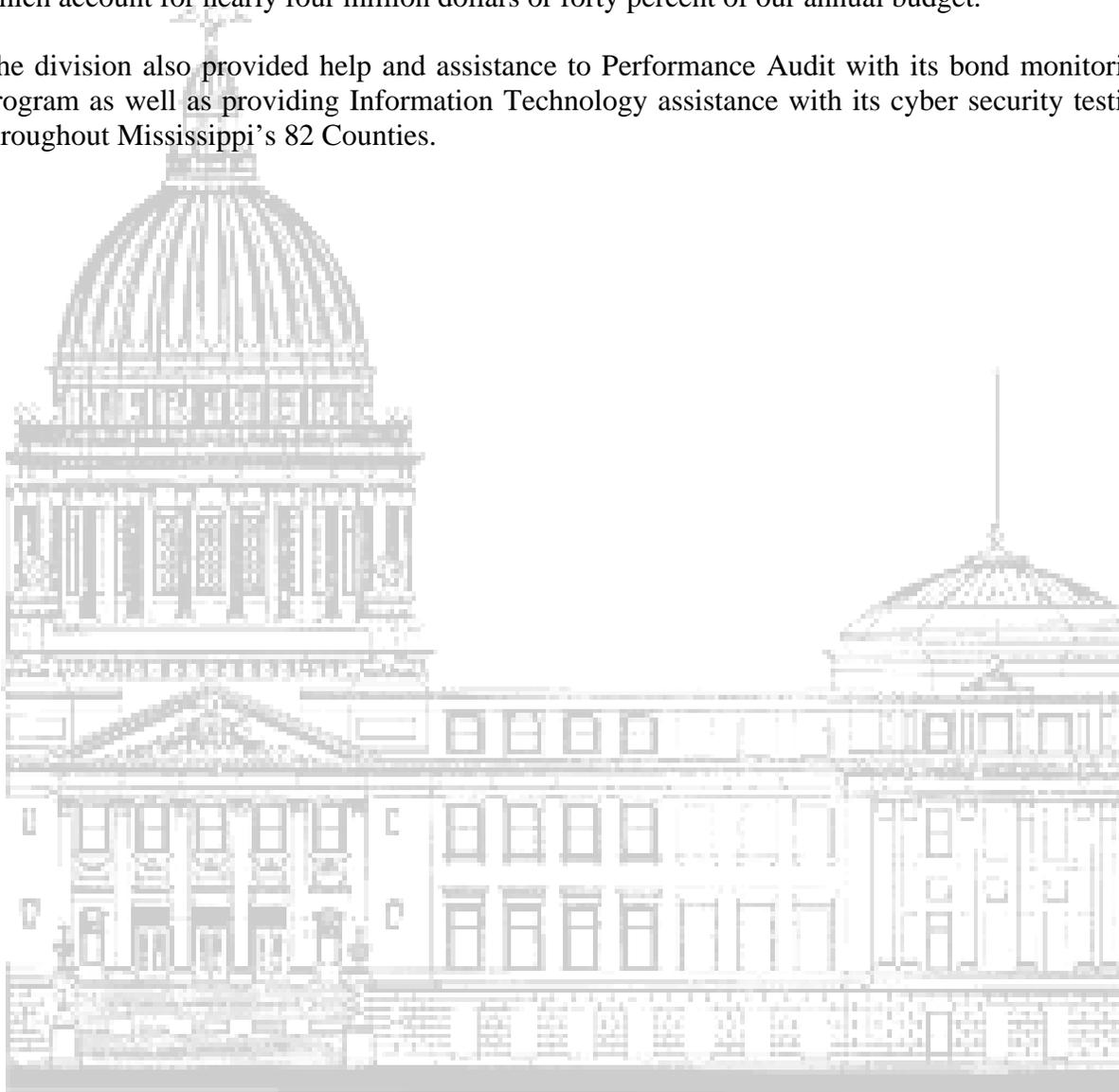


ADMINISTRATIVE SERVICES DIVISION

Our Administrative Services Division continues to perform in an exemplary manner by providing services for personnel matters, processing invoices, payroll, travel vouchers purchase orders for the office and all accounting functions including preparation of the department's GAAP package.

Administrative Services began using the Statewide Payroll and Human Resources System (SPAHRIS) for travel reimbursement as prescribed by the Department of Finance and Administration during 2004. The Division prepares invoices for services rendered by the office which account for nearly four million dollars or forty percent of our annual budget.

The division also provided help and assistance to Performance Audit with its bond monitoring program as well as providing Information Technology assistance with its cyber security testing throughout Mississippi's 82 Counties.





AVERAGE DAILY ATTENDANCE DIVISION

The Average Daily Attendance Division (ADA) was created to verify correct distribution of Minimum Foundation Program funds, a compliance function related to local school districts. ADA performed counts of school district pupils to determine the accuracy of school district attendance reports to the State Department of Education. After House bill 1251 passed in the 2004 Legislative Session, our roles have changed. The Office of the State Auditor verifies the validity and accuracy of the process and the internal controls schools use to produce adequate information regarding student transactions. For 2004, 526 units were counted four times and 613 units were counted six times due to large discrepancies between the number of students on the rolls and the number of students present. School district reports were used by the State Department of Education to allocate Minimum Program Funds to local school districts. HB 1251 made some changes in funding as well. Funding is provided primarily from the Mississippi Adequate Education Program (MAEP) which replaced the Minimum Foundation Program. This funding is provided in the year following the count and it also provides special funds for fast growing districts. In 2004, the MAEP Program distributed 44% of the state's entire general fund budget to support local school districts.

Accomplishments for 2004

During 2004, ADA accomplished the following:

- Issued and distributed the Average Daily Attendance Comprehensive Annual Report to the Governor, State Board of Education members, Public School Building Fund members, and local school district superintendents;
- Completed 10,226 student counts;
- Calculated average daily attendance at 462,780 for school year 2003-2004;
- Issued 34 letters of commendation to school districts; and
- Performed fixed asset audits for 92 local school districts.
- Made random vehicle checks for correct markings in 290 municipalities and counties.



FINANCIAL AND COMPLIANCE AUDIT DIVISION

The Financial and Compliance Audit Division employs a majority of the employees of the Office and produces most of its published work. The Division is responsible for performing audits on 82 counties, 15 colleges the university system, 150 local school districts and the State of Mississippi, which includes 117 state agencies. The Division also performs agreed-upon procedures on disaster claims of various entities in the state. To perform these audit duties, the Division is organized into five sections:

County Audit Section

Brenda Haralson, CPA, Director

Education Audit Section

Brent Ballard, CPA, Director

State Agency Audit Section

Bill Doss, CPA, Director

EDP Audit Section

Any Ellis, CPA, Manager

Report Processing Section

Frieda Bailey, Supervisor

Through this division, the Office accomplishes its primary statutory duties of:

- Examining the financial records and statements of counties, school districts, colleges, the university system and the State of Mississippi to determine accuracy and reliability;
- Reviewing, testing and evaluating state and local government control systems to ensure
 - the safeguarding of assets,
 - the legality, accuracy and reliability of financial transactions, records and statements, and
 - adherence to prescribed management control policies;
- Auditing and issuing opinions on financial statements of counties, school districts, colleges, the university system and the State of Mississippi;
- Issuing the State's Single Audit Report and single audit reports of counties, school districts, colleges and the university system;
- Examining and testing transactions and operational processes of auditees to determine compliance with laws and regulations;

- Auditing governmental entities seeking reimbursement for disaster losses; and
- Reviewing audits of college, county, school district and state agency financial statements performed by CPA firms.

To reduce travel time and expenses, the Division maintains staff in Jackson, with branch offices in Grenada and Ellisville.

AUDIT SECTIONS

A brief description of each of the audit sections is given below.

County Audit Section

The County Audit Section audits the 82 Mississippi counties. During fiscal year 2004, the County Audit Section released reports on 38 counties it audited. Also during this period, this Section released reports on 38 counties audited by CPA firms.

Education Audit Section

The Education Audit Section is responsible for college and university audits and for local school district audits. College and university auditors are responsible for 15 public colleges, the Board of Trustees of the Institutions of Higher Learning, and eight public universities and their divisions. During fiscal year 2004, the Section audited and released reports for five colleges. Beginning in the fiscal year ended June 30, 1998, the Section audits the universities under the governance of the Board of Trustees of the Institutions of Higher Learning as a system. The Section audited and released the report in April 2004 for the university system for the fiscal year ended June 30, 2003. Separate management letters were issued to the universities and their divisions. Colleges not audited by this Section were audited by CPA firms under contracts supervised by the Education Section. Twelve college audit reports issued by CPA firms were released during fiscal year 2004.

The Section is also responsible for conducting annual audits of the 150 public school districts in the state. During fiscal year 2004, the Section audited and released reports on 24 school districts. Public school districts not audited by this Section are audited by CPA firms under contracts supervised by the Education Audit Section. Ninety-eight school district audit reports issued by CPA firms were released during fiscal year 2004.

State Agency Audit Section

The State Agency Audit Section is responsible for the annual audit of the State of Mississippi, including the State's Comprehensive Annual Financial Report (CAFR) and its Single Audit Report.

EDP Audit Section

The EDP Audit Section works with the other sections to perform reviews of entities' electronic data processing systems.

Report Processing Section

The Report Processing Section finalizes all Division reports and processes them for publication.

GOALS AND OBJECTIVES

The goals and objectives of the Financial and Compliance Audit Division include the following:

- Perform more efficient and effective audits while maintaining current audit status and timely release of audits.
- Increase the use of computers in performing audit procedures and ensure the staff has access to the most up-to-date technology.
- Provide staff training on new technical pronouncements.
- Continue to reduce time between the completion of fieldwork and the issuance of the report.
- Increase the number of auditors in the EDP Audit Section.
- Revise various manuals for the professional staff and local government officials.

ACCOMPLISHMENTS FOR 2004

The Financial and Compliance Audit Division accomplished many things during the 2004 fiscal year. Highlights of these accomplishments include:

- This division took exception to \$174,828 of expenditures which was returned directly to governmental entities.
- During fiscal year 2004, the County Audit Section released 76 audit reports. The reports covered Governmental and Expendable Trust Fund revenues in excess of \$1.032 billion, Governmental and Expendable Trust Fund expenditures in excess of \$1.211 billion, assets in excess of \$3.227 billion and long-term debt in excess of \$668 million. Of these amounts, audit coverage of approximately \$588 million revenues, \$664 million expenditures, \$1.632 billion assets and \$412 million debt was provided by CPA firms.
- During fiscal year 2004, the College and University Unit of the Education Audit Section released 14 fiscal year 2002 audit reports and three fiscal year 2003 audit reports. The fiscal year 2002 audit reports were issued using the old reporting model (which focuses on the accountability of funds) covered current fund revenues in excess of \$469.5 million, expenditures in excess of \$445.3 million and assets in excess of \$137.4 million and plant fund assets in excess of \$694.8 million. Of these amounts, audit coverage of approximately \$332.9 million current fund revenues, \$316.6 million current fund expenditures, \$95.4 million current fund assets, and \$514.3 million plant fund assets was provided by CPA firms. The fiscal year 2003 audit reports were issued using the new reporting model required by the Governmental Accounting Standards Board's Statement Numbers 34 and 35 (which focuses on the financial condition of the college, the results of operations and cash flows of the college as a whole) covered operating revenues in excess

of \$72.9 million, nonoperating revenues in excess of \$53.3 million, operating expenses in excess of \$131.2 million, nonoperating expenses in excess of \$1 million, other revenues and expenses (net) in excess of \$9.4 million, and total net assets in excess of \$142.9 million. Audit coverage of all of these amounts was provided by CPA firms.

- During fiscal year 2004, the College and University Unit issued its sixth system-wide audit report on the State of Mississippi Institutions of Higher Learning. The report covered operating revenues in excess of \$1.363 billion, nonoperating revenues in excess of \$612 million, operating expenses in excess of \$1.896 billion, nonoperating expenses in excess of \$43 million, other revenues and expenses (net) in excess of \$60 million, and total net assets in excess of \$2.01 billion.
- During fiscal year 2004, the School Unit of the Education Audit Section released one fiscal year 2001 audit reports, 46 fiscal year 2002 audit reports and 75 fiscal year 2003 audit reports. The fiscal year 2001 audit report and all but one of the fiscal year 2002 audit reports were issued using the old reporting model (which focuses on the accountability of funds) covered Governmental and Expendable Trust Fund revenues in excess of \$916.2 million, Governmental and Expendable Trust Fund expenditures in excess of \$983.3 million and assets in excess of \$1.768 billion. Of these amounts, audit coverage of approximately \$617 million revenues, \$675.4 million expenditures and \$1.277 billion assets was provided by CPA firms. One fiscal year 2002 and the fiscal year 2003 audit reports were issued using the new reporting model required by the Governmental Accounting Standards Board's Statement Number 34 using the new reporting model (which focuses on the financial condition of the school district, the results of operations and cash flows of the school district as a whole) covered Governmental Activities program revenues in excess of \$537.7 million, Governmental Activities general revenues in excess of \$1.155 billion, Governmental Activities expenses in excess of \$1.613 billion, and Governmental Activities total net assets in excess of \$933.8 million. Of these amounts, audit coverage of approximately \$477.6 million program revenues, \$1.071 billion general revenues, \$1.477 billion expenses, and \$836.6 million total net assets was provided by CPA firms.
- During fiscal year 2004, Mississippi's 2003 CAFR and Single Audit Report were released in a different form. Mississippi is one of the first states in the country to send its annual financial report of federal dollars on a single disc. This process, which is a result of 100's of man hours, has traditionally taken the form of a book-like production. The Single Audit reports on the state's compliance of its major federally funded programs. For 2003, programs with expenditures exceeding \$14 million were identified as major programs.
- The State Agency Section was responsible for auditing Governmental Activities program revenues in excess of \$5.642 billion, Business-type Activities program revenues in excess of \$226 million, Governmental Activities general revenues in excess of \$4.8 billion, Business-type Activities general revenues in excess of \$57 million, Governmental Activities expenses in excess of \$10.144 billion, and Business-type Activities expenses in excess of approximately \$310 million, Governmental Activities total net assets in excess of \$8.377 billion, and Business-type Activities total net assets in excess of \$1.005 billion.

- Staff in the Division assisted the Training Officer in conducting required training sessions for professional staff.
- Staff in the Division revised accounting and auditing manuals as necessary to comply with federal regulations and audit standards.



INFORMATION TECHNOLOGY DIVISION

The Information Technology Division is responsible for providing information technology and services to all employees of the Office of the State Auditor and other governmental entities that must comply with Office-issued requirements. The Division also conducts computer training, assists auditors with electronic data processing (EDP) audit reviews, procures computer hardware and software, develops and supports computerized applications, maintains a local area network, web server and email system, and provides technical support to the Office staff. The Division supports the Office by:

- Increasing Office employee productivity through automation;
- Improving technological support for all Office staff by focusing on service for the Office;
- Enhancing computer applications and implementing new information systems for other divisions;
- Assisting other divisions applying technology in performing audits;
- Procuring and implementing state-of-the-art hardware and software; and
- Educating Office staff in the use of information technology.

ACCOMPLISHMENTS FOR 2004

Over the last year, the Division has successfully implemented several projects to improve the Agency operations.

Field Auditors

Due to the demands placed on the current field audit work force, there is constant need to provide updated software compatible with the entities we audit. The division purchased and installed Microsoft Windows 2000 on the laptop computers for our field staff. As the entities we audit increase in technological abilities, so must we increase the methods by which we audit electronically.

Office Staff

The Division has successfully maintained all computer equipment and software to meet standards that will make the Office productive, provide audit services and satisfy concerns associated with the 21st century. As we have upgraded our technology, we have also donated equipment and maintained applications to assist other entities in technology advancement.

Web Server

The Division successfully redesigned the Web Server. A search engine was installed to make the system user friendly.

Cyber Security Assessment

The Division was awarded a \$500,000 Grant from Homeland Security and contracted with vendors to perform an assessment of most state agencies computer network systems. This assessment will include tests to prevent inside and outside intrusion as well as an analysis of the entire system or systems.

The Division was successful in securing each of the eighty-two counties a \$10,000 Grant from Homeland Security and contracted with vendors to perform an assessment of most county computer network systems. This assessment will include tests to prevent inside and outside intrusion as well as an analysis of the entire system or systems.

FUTURE PLANS

The Division plans to continue the long-range purchasing by replacing any computer related equipment that is not under manufacture's warranty. The Division continues to pursue a wide area network for audit reports and investigative files from around the state to be downloaded directly to the main Office computers. This will expedite the audit report and investigative process. These advances should cut travel cost and enable more effective use of Office personnel. The Division continues to support the Agency in its efforts to perform paperless audits. The Division plans to purchase additional equipment and software to meet this goal. The Division will continue to work with Homeland Security to secure funding for future projects that will benefit State and Local Government.



INVESTIGATIVE DIVISION

The Investigative Division is responsible for investigating allegations or suspected violations of the laws of the State of Mississippi by any state, county or local public official or other individual responsible for public assets. The primary focus of the Division is to detect and deter the misuse or misappropriation of public assets in the purchase, sale or use of any supplies, services, equipment or other property.

This staff assures proper use of public assets through recoveries and prosecution when violations are detected. Based on a study conducted by the Association of Certified Fraud Examiners, the average organization loses about 6 percent of its total annual revenue to fraud and abuse committed by its own employees and management. Government waste, fraud and abuse represent a hidden tax on every family in Mississippi. This Division's responsibility is to cut that hidden tax.

Complaints are received from public officials, private citizens, auditors, the media and anonymous or public sources. All complaints are confidential.

Any information concerning possible violations should be forwarded to:

Office of the State Auditor
Attn: Jesse M. Bingham, Director
Investigative Division
P.O. Box 956
Jackson, MS 39205

Or reported by calling 601.576.2722 or toll free in-state 800.321.1275 and ask for The Investigative Division.

ACCOMPLISHMENTS FOR 2004

During Fiscal Year 2004, there were 134 cases of allegedly misused or misappropriated public assets opened in the Investigative Division.

During Fiscal Year 2004, the Investigative Division:

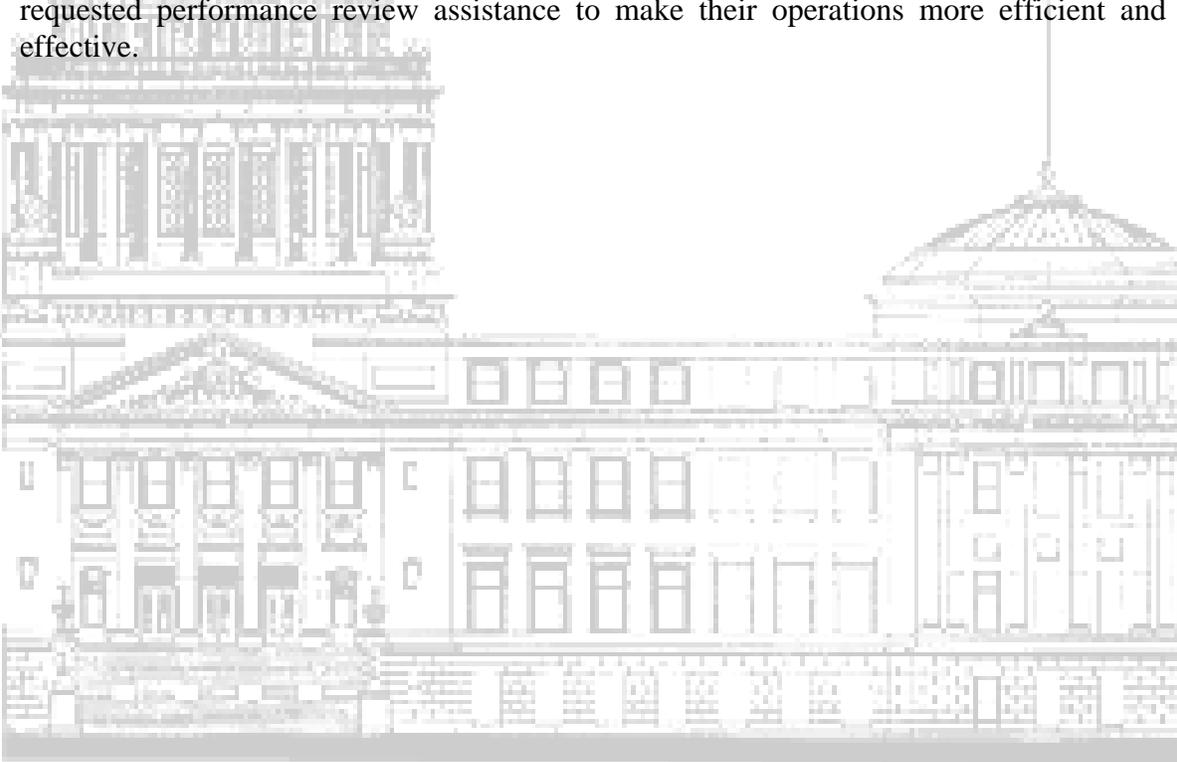
- Recovered \$808,451.72 and returned these funds to public entities;
- Issued 21 Formal Demand letters totaling \$1,822,083.61.
- Closed 160 cases.



PERFORMANCE AUDIT DIVISION

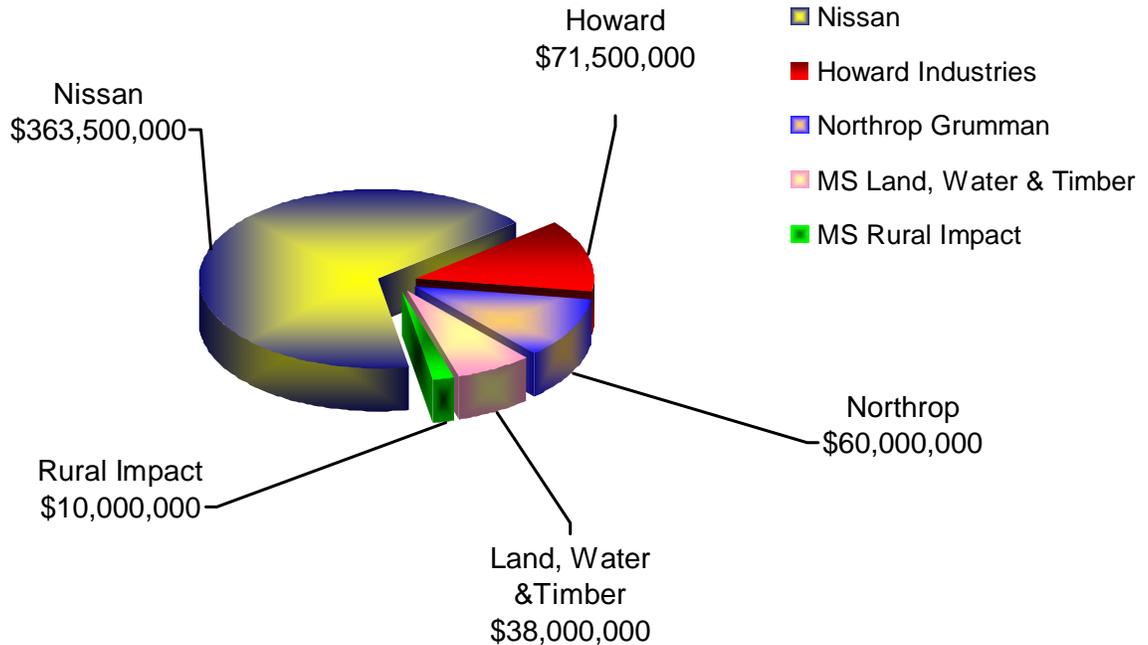
Fiscal Year 2004 was a turning point for the Performance Audit Division. During this time the Division's Bond Monitoring Program began to expand. Additionally, the Division continued work on a wide variety of projects related to increasing performance and productivity at all levels of government. These were completed with positive results and satisfied clients—many of the recommendations have been implemented successfully.

Bond Monitoring. The Auditor and many other state officials came to realize that in order for the state to be assured that its bond related investments in economic development projects were successful, there needed to be more fiscal and general monitoring oversight of the entire project process. Nissan was one of the first bond monitoring projects but during FY 04 more projects were added under the Performance Audit Division's Bond Monitoring Program. Projects authorized under the Mississippi Land, Water and Timber Board and the Mississippi Development Authority were added to the Division's program. Site visits and reports helped to identify successful endeavors as well as potential problems for these projects. Reports and briefing papers have been sent to the Legislature, Governor's, Lt. Governor's offices and other interested parties throughout the year to keep them informed about the status of bond projects being monitored. Also during this fiscal year, municipalities, state agencies and others requested performance review assistance to make their operations more efficient and effective.



Bonds Authorized as of 1/1/04

Total Bonds Authorized \$543,000,000



Performance auditing is defined by the U.S. Government Auditing Standards as “*the assessment of the performance of organizations, programs, activities, and functions in order to provide information to improve accountability and facilitate decision-making.*” Besides providing additional public accountability, efficiency, and effectiveness opportunities, performance reviews and audits are especially important and useful during times of budget shortages. Division reports rely on laws and regulations, best practices, program purposes/goals, current resources, current program operations as well as expected and desired outputs and outcomes to craft recommendations and complete analysis reports that help achieve fiscal savings while keeping productivity high. While other divisions of the State Auditor are designed to detect governmental entities’ errors or omissions, the Performance Audit Division is one of two Office Divisions, the other being Technical Assistance, designed to prevent problems and help government managers better perform their jobs.

ACCOMPLISHMENTS FOR 2004

- ***A Limited Review of the Mississippi State Department of Health’s Individual Wastewater Disposal System Inspection Process In Rankin County*** (Report # 73)—At the request of the State Health Officer, Performance Audit reviewed recent problems encountered by the Mississippi State Department of Health (DoH) concerning permits for individual wastewater disposal systems in Rankin County. The Division performed a limited review of DoH’s response to problems regarding permitting in Rankin County of individual wastewater disposal systems during 2002.

- ***A Limited Review of the Mississippi Land, Water and Timber Resources Act*** (Report # 74)—The Chairman of the House Ways and Means Committee of the Mississippi Legislature requested that Performance Audit conduct a limited review of the Mississippi Land, Water and Timber Resources Act and the Board created by the Act in the 2000 Extraordinary Session. The Board was created to assist the Mississippi agricultural industry in the development, marketing, production, and distribution of agricultural products. The Division reviewed the statutes establishing the Board and the policies and procedures promulgated by the Board for the administration of the Act.
- ***An Informational Report of State Vehicle Purchases Fiscal Year 2003*** (Report # 75)—This study is performed each year pursuant to §25-1-77, Mississippi Code, Annotated, (1972). The law requires an audit of vehicles purchased in the preceding fiscal year as well as any instances of noncompliance with the law. This report is sent to the appropriate Legislative Committees and other interested parties. This report assesses the vehicle acquisition policies implemented by the Department of Finance and Administration (DFA) and makes appropriate recommendations. The Performance Division works closely with the Property Division to complete this annual report.
- ***A Disclosure of Emergency Purchases Made By State Agencies In Fiscal Year 2003*** (Report # 76)—Pursuant to §31-7-13(j), Mississippi Code of 1972, Annotated, the Division reviewed data concerning emergency purchases made by state agencies in FY 2003. This report: 1) Summarized information on the number and dollar amount of emergency purchases reported by agencies; and 2) Provided background information on current state law concerning emergency purchases by state agencies. The Performance Division works closely with the Property Division to complete this annual report.
- ***A Review of Selected Operations of the City of Forest's Police Department*** (Report # 77)—The Mayor of the City of Forest and the Board of Alderman requested that the Performance Audit Division conduct a review of selected operations of the City Police Department (FPD). This study: 1) Reviewed the organizational structure and use of employees within FPD to determine if staff was properly assigned and consisted of appropriate numbers of personnel; 2) Reviewed recordkeeping for accuracy, efficiency, and effectiveness in meeting the needs of the City; and 3) Reviewed evidence management policies, procedures and personnel in FPD to determine if the Department was effective in controlling evidence.
- ***A Review of Selected Operations of the North Delta Planning and Development District (NDPDD)*** (Management Letter #78)—At the request of state legislators from the House of Representatives the Division reviewed selected operations of NDPDD to alleviate some areas of concern regarding non-timely payments to certain agencies. The review included a study and analysis of NDPDD's operational policies and accounting system.
- ***A Review of Performance-Based Budgeting in Mississippi*** (Report # 79)—At the request of the Lieutenant Governor, the Division conducted a review of performance-based budgeting, as well as its functions in the Mississippi appropriations process. Over the last ten years, many states across the country have transformed their appropriations process to a performance-based budgeting system. Similarly, during the 1994 legislative session the Mississippi Legislature updated Mississippi's budgeting law to mandate performance-based budgeting. This report

is a valuable resource with recommendations that can help the budgeting process, especially during these times of budget challenges.

- ***A Performance Review of the State and School Employees' Life and Health Insurance Plan*** (Report # 80)—This Performance Division review was initiated by a request from the Department of Finance and Administration, Office of Insurance, on behalf of the State and School Employees Health Insurance Management Board, pursuant to requirements of §25-15-11, Mississippi Code of 1972, annotated. Since the State and School Employees' Life and Health Insurance Plan is an extremely important government program protecting the health of thousands of state employees and public school employees, the significance of this report cannot be overstated.
- ***Formulating An Economic Development Bond Monitoring Program*** (Report #81)—Following up on a pair of Nissan reviews conducted earlier in 2003, the Performance Audit Division released this report in February 2004. This report not only retraced the State's involvement in utilizing general obligation bonds for economic development purposes, but also documented the formative stages of five additional economic development initiatives and proposed a framework for continuous monitoring to follow-up on the terms and conditions agreed to by both the State and respective private companies wishing to develop or expand operations in Mississippi.
- ***An Informational Report on State and Federal Workforce Training Activities*** (Report # 82)—This review, initiated by a request from the Governor's Office, compared and contrasted Mississippi's separate state and federal workforce training activities. It also summarized materials regarding the disbursement and expenditure of federal funds administered by the Employment Training Division of the Mississippi Development Authority for the State of Mississippi. The report also proposed a variety of measures aimed at integrating state and federal fiscal resources and activities. The Performance Division worked closely with the Agency Audit Division to compile information for this report.
- The Performance Audit Division also issued Bond Monitoring briefing papers about Mississippi Beef Processors, Nissan, and the MS Land, Water and Timber Board.



PROPERTY AUDIT DIVISION

The purpose of the Property Audit Division is to protect the public's trust by independently assessing state and local governmental entities to ensure that public property is properly procured, effectively managed in its dispersal and disposal and proper procedures are lawfully followed regarding the addition and deletion of fixed assets. In addition to verifying the existence of fixed assets, the Property Audit Division is responsible for maintaining a master inventory of all state owned fixed assets and periodic audits of state and local governmental asset maintenance records.

ACCOMPLISHMENTS FOR 2004

The Division performs its duties and responsibilities in conformity with statutory mandates as set forth in Section 29-9-1, et seq, *Mississippi Code of 1972* (Annotated). The primary focus of the Division is the verification of assets. In fiscal year 2004, the Division initiated property (verification) of fixed assets as follows:

| | |
|------------------------------------|----|
| State Agency and University audits | 99 |
| County governmental audits | 42 |
| School District audits | 92 |

The Division maintains a master state-wide inventory database for all assets owned by state agencies and universities. All reports for additions, deletions and adjustments by agencies and universities are submitted to the Division for review and verification of accuracy and completeness.

The Property Division continues to provide one-on-one training and technical support in property management. The Division offers property managers assistance to promote continuing effectiveness and communicates statutory amendments, rule changes and management techniques.

To enhance property reporting and management, the Division is continuing its effort to implement a web-based property management system.



TECHNICAL ASSISTANCE DIVISION

The Technical Assistance Division was established to provide a mechanism through which state and local government officials can receive guidance to help comply with the many financial-and- compliance-related laws and regulations they enforce. This service enables public officials to address and resolve questions or minor problems before they result in misappropriated or misused public funds or resources.

The Division's staff of five Certified Public Accountants provides an oral and/or written answer to literally thousands of inquires annually. The staff also conducts specialized training to update officials of the latest changes in laws and regulations that affect their jobs maintaining the public's resources and trust. Combined, the staff has over 100 years of experience in local and state government accounting and auditing.

ACCOMPLISHMENTS FOR 2004

During fiscal year 2004, the Division performed the following services:

- Responded to approximately 9,945 telephone requests for technical assistance from the general public, public officials and employees, other agencies and governing authorities.
- Responded by letter or by E-mail to over 380 requests for statements of position of the Office of the State Auditor on legal requirements and department regulations. A statement of position is a written ruling stating the position or action our office will take on a situation that has already occurred or will occur in the future.
- Developed, published and distributed a monthly publication entitled "Technicalities" to over 5,300 public officials, employees, and practitioners. "Technicalities" is presented in a question and answer format and addresses current issues (legal compliance, accounting procedures, new AG opinions, changing legislation, and other matters) facing public officials and employees.
- Met with public officials and various other individuals on matters of concern in an effort to resolve problems and explain areas of statutory compliance, accounting procedures, office regulations, etc.
- Developed and conducted 81 Educational and / or Required Certification Programs annually for various groups and associations.

- Developed and conducted approximately 74 Educational and / or Required Certification Programs annually for various groups and associations. Examples include:

Mississippi Supervisors
 Chancery Clerks
 Circuit Clerks
 County Administrators and Comptrollers
 County Tax Assessors and Collectors
 County Board Attorneys
 Sheriffs

Purchase Clerks, Receiving Clerks, and Inventory Control Clerks
 Justice Court Clerks
 Municipal Aldermen, Councilmen and Mayors
 Municipal Clerks and Court Clerks
 Police Chiefs
 Narcotic Task Forces
 Municipal Board Attorneys
 CPA's who conduct municipal, district attorney and other audits throughout the state
 Election Commissioners
 Fire Chiefs and Coordinators
 Soil and Water as well as other assorted local commissions
 Planning and Development Districts
 Governmental Purchasing Agents
 Prosecuting Attorneys
 Association of Government Accountants
 Local School Boards and School Officials

Other Accomplishments For 2004:

- Reviewed and filed all official opinions of the Attorney General for research purposes.
- Provided legislators with information concerning proposed legislation upon request and met with or testified before legislative bodies to explain the intent or effect of proposed legislation.
- Compiled the annual update of the legal digest for Mississippi counties.
- Scheduled and conducted continuing education for the staff of the Office of the State Auditor.

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

Released in July 2003

| | |
|-------------------------------------|--------------------|
| Madison County | September 30, 2001 |
| Clarke County | September 30, 2002 |
| Hinds County | September 30, 2002 |
| Jackson County | September 30, 2002 |
| Rankin County | September 30, 2002 |
| Simpson County | September 30, 2002 |
| Stone County | September 30, 2002 |
| Wayne County | September 30, 2002 |
| Amite County School District | June 30, 2002 |
| Copiah County School District | June 30, 2002 |
| Hazlehurst City School District | June 30, 2002 |
| Hinds County School District | June 30, 2002 |
| Indianola School District | June 30, 2002 |
| Lauderdale County School District | June 30, 2002 |
| Leflore County School District | June 30, 2002 |
| Lowndes County School District | June 30, 2002 |
| Madison County School District | June 30, 2002 |
| Moss Point School District | June 30, 2002 |
| Neshoba County School District | June 30, 2002 |
| Philadelphia Public School District | June 30, 2002 |
| Pontotoc City School District | June 30, 2002 |
| West Point School District | June 30, 2002 |
| Western Line School District | June 30, 2002 |

Released in August 2003

| | |
|-------------------------------|--------------------|
| Choctaw County | September 30, 2001 |
| Prentiss County | September 30, 2001 |
| Attala County | September 30, 2002 |
| Benton County | September 30, 2002 |
| Bolivar County | September 30, 2002 |
| DeSoto County | September 30, 2002 |
| Issaquena County | September 30, 2002 |
| Jefferson County | September 30, 2002 |
| Lee County | September 30, 2002 |
| Lincoln County | September 30, 2002 |
| Montgomery County | September 30, 2002 |
| Tallahatchie County | September 30, 2002 |
| Tunica County | September 30, 2002 |
| Yazoo County | September 30, 2002 |
| Tupelo Public School District | June 30, 2001 |

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

| | |
|--|---------------|
| Greene County School District | June 30, 2002 |
| Itawamba County School District | June 30, 2002 |
| Leake County School District | June 30, 2002 |
| | |
| Copiah-Lincoln Community College | June 30, 2002 |
| Mississippi Gulf Coast Community College | June 30, 2002 |
| Northeast Mississippi Community College | June 30, 2002 |
| Pearl River Community College | June 30, 2002 |
| Southwest Mississippi Community College | June 30, 2002 |

Released in September 2003

| | |
|------------------------|--------------------|
| Claiborne County | September 30, 2002 |
| Jasper County | September 30, 2002 |
| Jefferson Davis County | September 30, 2002 |
| Jones County | September 30, 2002 |
| Lamar County | September 30, 2002 |
| Lawrence County | September 30, 2002 |
| Madison County | September 30, 2002 |
| Wilkinson County | September 30, 2002 |

| | |
|--|---------------|
| Benoit School District | June 30, 2002 |
| Carroll County School District | June 30, 2002 |
| Claiborne County School District | June 30, 2002 |
| Clarksdale Municipal School District | June 30, 2002 |
| Shaw School District | June 30, 2002 |
| Simpson County School District | June 30, 2002 |
| Smith County School District | June 30, 2002 |
| Tate County School District | June 30, 2002 |
| West Tallahatchie Consolidated School District | June 30, 2002 |
| Yazoo City Municipal School District | June 30, 2002 |

| | |
|----------------------------|---------------|
| Itawamba Community College | June 30, 2002 |
| Meridian Community College | June 30, 2002 |

Released in October 2003

| | |
|----------------|--------------------|
| Adams County | September 30, 2002 |
| Alcorn County | September 30, 2002 |
| Lowndes County | September 30, 2002 |
| Noxubee County | September 30, 2002 |
| Webster County | September 30, 2002 |

| | |
|---------------------------------|---------------|
| Gulfport School District | June 30, 2002 |
| North Bolivar School District | June 30, 2002 |
| North Panola School District | June 30, 2002 |
| Prentiss County School District | June 30, 2002 |

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

| | |
|-------------------------------------|---------------|
| Scott County School District | June 30, 2002 |
| East Central Community College | June 30, 2002 |
| East Mississippi Community College | June 30, 2002 |
| Hinds Community College | June 30, 2002 |
| Holmes Community College | June 30, 2002 |
| Jones County Junior College | June 30, 2002 |
| Mississippi Delta Community College | June 30, 2002 |

Released in November 2003

| | |
|--|--------------------|
| Marion County | September 30, 2002 |
| Pontotoc County | September 30, 2002 |
| Scott County | September 30, 2002 |
| Tishomingo County | September 30, 2002 |
| East Jasper School District | June 30, 2002 |
| Greenwood Public School District | June 30, 2002 |
| Jackson Public School District | June 30, 2002 |
| Kemper County School District | June 30, 2002 |
| South Panola School District | June 30, 2002 |
| Starkville School District | June 30, 2002 |
| Coahoma Community College & Agricultural High School | June 30, 2002 |

Released in December 2003

| | |
|---|--------------------|
| Harrison County | September 30, 2002 |
| Choctaw County School District | June 30, 2002 |
| Columbia School District | June 30, 2002 |
| Noxubee County School District | June 30, 2002 |
| Clinton Public School District | June 30, 2003 |
| Forrest County Agricultural High School | June 30, 2003 |
| Lamar County School District | June 30, 2003 |
| Richton School District | June 30, 2003 |
| Expressed opinion on the State of Mississippi financial statements issued by the Department of Finance & Administration in the Comprehensive Annual Financial Report (CAFR) | June 30, 2003 |

Released in January 2004

| | |
|------------------|--------------------|
| Calhoun County | September 30, 2002 |
| Chickasaw County | September 30, 2002 |
| Grenada County | September 30, 2002 |

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

| | |
|-----------------------------------|--------------------|
| Panola County | September 30, 2002 |
| Pearl River County | September 30, 2002 |
| Perry County | September 30, 2002 |
| Alcorn County School District | June 30, 2002 |
| Kosciusko School District | June 30, 2003 |
| Montgomery County School District | June 30, 2003 |
| South Tippah School District | June 30, 2003 |

Released in February 2004

| | |
|--------------------------------------|--------------------|
| Covington County | September 30, 2002 |
| Franklin County | September 30, 2002 |
| Newton County | September 30, 2002 |
| Prentiss County | September 30, 2002 |
| Yalobusha County | September 30, 2002 |
| Tupelo Public School District | June 30, 2002 |
| Attala County School District | June 30, 2003 |
| Calhoun County School District | June 30, 2003 |
| Laurel School District | June 30, 2003 |
| Lawrence County School District | June 30, 2003 |
| Lee County School District | June 30, 2003 |
| Lincoln County School District | June 30, 2003 |
| Long Beach School District | June 30, 2003 |
| Quitman Consolidated School District | June 30, 2003 |

Released in March 2004

| | |
|----------------------------------|--------------------|
| Amite County | September 30, 2002 |
| Carroll County | September 30, 2002 |
| Coahoma County | September 30, 2002 |
| George County | September 30, 2002 |
| Humphreys County | September 30, 2002 |
| Itawamba County | September 30, 2002 |
| Lafayette County | September 30, 2002 |
| Leake County | September 30, 2002 |
| Marshall County | September 30, 2002 |
| Sharkey County | September 30, 2002 |
| Warren County | September 30, 2002 |
| Washington County | September 30, 2002 |
| Winston County | September 30, 2002 |
| Houston School District | June 30, 2002 |
| Covington County School District | June 30, 2003 |

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

| | |
|---|---------------|
| Lafayette County School District | June 30, 2003 |
| Leland School District | June 30, 2003 |
| Louisville Municipal School District | June 30, 2003 |
| Natchez-Adams School District | June 30, 2003 |
| New Albany Public School District | June 30, 2003 |
| Newton Municipal School District | June 30, 2003 |
| North Tippah Consolidated School District | June 30, 2003 |
| Quitman County School District | June 30, 2003 |
| Senatobia Municipal School District | June 30, 2003 |
| Shaw School District | June 30, 2003 |
| Simpson County School District | June 30, 2003 |
| South Delta School District | June 30, 2003 |
| Water Valley School District | June 30, 2003 |
| Wilkinson County School District | June 30, 2003 |

Released in April 2004

| | |
|------------------|--------------------|
| Clay County | September 30, 2002 |
| Greene County | September 30, 2002 |
| Holmes County | September 30, 2002 |
| Neshoba County | September 30, 2002 |
| Sunflower County | September 30, 2002 |
| Union County | September 30, 2002 |
| Walthall County | September 30, 2002 |

| | |
|------------------------------|---------------|
| Union County School District | June 30, 2002 |
|------------------------------|---------------|

| | |
|--|---------------|
| Baldwyn Public School District | June 30, 2003 |
| Benoit School District | June 30, 2003 |
| Biloxi Public School District | June 30, 2003 |
| Choctaw County School District | June 30, 2003 |
| Corinth School District | June 30, 2003 |
| Enterprise School District | June 30, 2003 |
| Leflore County School District | June 30, 2003 |
| McComb Separate School District | June 30, 2003 |
| Newton County School District | June 30, 2003 |
| Pontotoc City School District | June 30, 2003 |
| Pontotoc County School District | June 30, 2003 |
| Rankin County School District | June 30, 2003 |
| Tishomingo County Special Municipal Separate School District | June 30, 2003 |

| | |
|--|---------------|
| East Mississippi Community College | June 30, 2003 |
| Mississippi Gulf Coast Community College | June 30, 2003 |
| State of Mississippi Institutions of Higher Learning | June 30, 2003 |

| | |
|--|---------------|
| State of Mississippi Single Audit Report | June 30, 2003 |
|--|---------------|

Released in May 2004

OFFICE OF THE STATE AUDITOR
Financial and Compliance Audit Reports Released
State Fiscal Year Ended June 30, 2004

GOVERNMENT ENTITY

PERIOD ENDED

| | |
|--|--------------------|
| Choctaw County | September 30, 2002 |
| Monroe County | September 30, 2002 |
| Quitman County | September 30, 2002 |
| Tate County | September 30, 2002 |
| Tippah County | September 30, 2002 |
| Booneville School District | June 30, 2003 |
| Chickasaw County School District | June 30, 2003 |
| Coahoma County School District | June 30, 2003 |
| Coffeeville School District | June 30, 2003 |
| Grenada School District | June 30, 2003 |
| Jackson County School District | June 30, 2003 |
| North Panola School District | June 30, 2003 |
| Okolona Municipal Separate School District | June 30, 2003 |
| Poplarville Special Municipal Separate School District | June 30, 2003 |
| Stone County School District | June 30, 2003 |
| Vicksburg-Warren School District | June 30, 2003 |
| Walthall County School District | June 30, 2003 |
| Wayne County School District | June 30, 2003 |
| West Jasper Consolidated School District | June 30, 2003 |
| Northwest Mississippi Community College | June 30, 2003 |

Released in June 2004

| | |
|---|---------------|
| Amite County School District | June 30, 2003 |
| Benton County School District | June 30, 2003 |
| Copiah County School District | June 30, 2003 |
| DeSoto County School District | June 30, 2003 |
| Forest Municipal School District | June 30, 2003 |
| Franklin County School District | June 30, 2003 |
| Gulfport School District | June 30, 2003 |
| Houston School District | June 30, 2003 |
| Humphreys County School District | June 30, 2003 |
| Marion County School District | June 30, 2003 |
| Meridian Public School District | June 30, 2003 |
| Neshoba County School District | June 30, 2003 |
| North Bolivar School District | June 30, 2003 |
| North Pike Consolidated School District | June 30, 2003 |
| Oxford School District | June 30, 2003 |
| Pearl Public School District | June 30, 2003 |
| Union County School District | June 30, 2003 |
| Yazoo County School District | June 30, 2003 |

**COUNTY AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004**

| <u>Year</u> | <u>County</u> | | <u>Revenues*</u> | <u>Expenses*</u> | <u>Total Assets</u> | <u>Total Long-term Debt</u> |
|--------------------------------------|------------------------|-----------|--------------------|--------------------|----------------------|-----------------------------|
| Counties Audited by CPA Firms | | | | | | |
| 2001 | Choctaw County | \$ | 5,821,745 | 6,304,618 | 11,867,213 | 896,000 |
| 2002 | Alcorn County | | 10,004,536 | 11,915,704 | 28,646,993 | 7,644,451 |
| 2002 | Attala County | | 6,691,396 | 7,093,291 | 20,085,921 | 611,847 |
| 2002 | Benton County | | 4,245,602 | 4,772,787 | 7,838,157 | 309,734 |
| 2002 | Bolivar County | | 14,958,872 | 22,447,451 | 65,951,268 | 13,652,773 |
| 2002 | Calhoun County | | 5,277,065 | 4,837,224 | 14,986,237 | 1,897,856 |
| 2002 | Chickasaw County | | 6,645,273 | 6,646,354 | 17,564,172 | 2,783,697 |
| 2002 | Clarke County | | 7,230,927 | 7,289,063 | 19,620,125 | 5,007,031 |
| 2002 | DeSoto County | | 41,348,362 | 58,721,406 | 163,654,788 | 84,378,475 |
| 2002 | Hinds County | | 66,571,258 | 69,020,193 | 158,876,411 | 41,011,972 |
| 2002 | Humphreys County | | 5,322,592 | 5,044,787 | 10,628,022 | 3,870,577 |
| 2002 | Issaquena County | | 2,262,194 | 2,123,155 | 9,503,123 | 285,378 |
| 2002 | Itawamba County | | 7,984,226 | 10,291,454 | 23,543,905 | 6,664,919 |
| 2002 | Jackson County | | 60,079,202 | 59,523,707 | 117,279,625 | 46,072,738 |
| 2002 | Jasper County | | 7,967,005 | 8,882,810 | 24,622,496 | 6,647,787 |
| 2002 | Jefferson County | | 8,499,497 | 8,163,507 | 20,703,732 | 7,688,805 |
| 2002 | Jefferson Davis County | | 6,527,023 | 6,217,990 | 15,003,721 | 0 |
| 2002 | Jones County | | 18,913,916 | 28,626,131 | 85,171,826 | 35,370,249 |
| 2002 | Lamar County | | 17,667,235 | 22,312,557 | 48,866,615 | 15,784,485 |
| 2002 | Lawrence County | | 7,008,260 | 8,221,053 | 23,456,228 | 4,239,279 |
| 2002 | Lee County | | 22,749,982 | 29,353,737 | 86,698,601 | 11,779,557 |
| 2002 | Lincoln County | | 10,318,463 | 10,802,528 | 28,093,618 | 5,142,953 |
| 2002 | Lowndes County | | 21,618,520 | 21,928,181 | 79,589,226 | 9,478,189 |
| 2002 | Marion County | | 11,797,258 | 13,410,227 | 28,623,023 | 8,845,959 |
| 2002 | Marshall County | | 14,156,626 | 14,781,163 | 39,543,464 | 9,607,225 |
| 2002 | Montgomery County | | 4,730,774 | 4,667,210 | 13,080,354 | 1,078,734 |
| 2002 | Noxubee County | | 5,755,315 | 6,294,855 | 12,808,021 | 3,040,916 |
| 2002 | Pontotoc County | | 8,347,231 | 8,471,108 | 19,646,631 | 473,750 |
| 2002 | Rankin County | | 40,817,008 | 42,817,930 | 150,868,262 | 28,316,300 |
| 2002 | Scott County | | 9,815,818 | 9,587,424 | 22,970,001 | 3,794,214 |
| 2002 | Stone County | | 8,570,604 | 8,641,077 | 20,907,403 | 7,235,944 |
| 2002 | Tallahatchie County | | 7,890,597 | 9,062,696 | 15,487,381 | 3,010,073 |
| 2002 | Tishomingo County | | 6,699,043 | 7,462,802 | 23,082,331 | 288,802 |
| 2002 | Tunica County | | 52,282,248 | 61,904,447 | 96,693,774 | 2,485,439 |
| 2002 | Washington County | | 33,516,120 | 35,784,520 | 52,037,028 | 13,974,717 |
| 2002 | Webster County | | 4,049,140 | 4,493,366 | 7,153,558 | 1,242,598 |
| 2002 | Wilkinson County | | 4,120,330 | 4,714,432 | 10,372,521 | 1,226,859 |
| 2002 | Yazoo County | | 10,097,406 | 11,771,160 | 36,509,400 | 16,644,834 |
| Total By CPA Firms | | \$ | 588,358,669 | 664,404,105 | 1,632,035,175 | 412,485,116 |
| Counties Audited by OSA | | | | | | |
| 2001 | Madison County | \$ | 25,964,952 | 32,721,354 | 132,449,906 | 59,842,345 |
| 2001 | Prentiss County | | 7,052,003 | 7,994,019 | 23,508,065 | 10,161,240 |
| 2002 | Adams County | | 14,886,896 | 20,407,022 | 47,736,586 | 18,039,412 |
| 2002 | Amite County | | 4,627,124 | 4,687,415 | 15,245,104 | 1,330,899 |
| 2002 | Carroll County | | 8,722,037 | 8,661,031 | 24,334,333 | 7,835,749 |
| 2002 | Choctaw County | | 3,566,089 | 5,131,667 | 9,435,640 | 779,402 |
| 2002 | Claiborne County | | 9,436,456 | 11,721,080 | 23,610,160 | 5,786,740 |
| 2002 | Clay County | | 6,888,216 | 8,167,535 | 21,233,154 | 3,624,148 |
| 2002 | Coahoma County | | 13,441,932 | 15,087,726 | 119,622,365 | 3,806,678 |
| 2002 | Covington County | | 6,592,052 | 6,069,064 | 16,965,124 | 72,769 |

**COUNTY AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004**

| <u>Year</u> | <u>County</u> | <u>Revenues*</u> | <u>Expenses*</u> | <u>Total Assets</u> | <u>Total Long-term Debt</u> |
|-----------------------|--------------------|-------------------------|----------------------|----------------------|-----------------------------|
| 2002 | Franklin County | 4,549,133 | 4,209,598 | 15,924,404 | 945,166 |
| 2002 | George County | 8,226,572 | 8,329,370 | 23,351,430 | 1,714,239 |
| 2002 | Greene County | 5,255,215 | 6,890,859 | 12,044,548 | 3,823,242 |
| 2002 | Grenada County | 9,914,970 | 10,714,053 | 45,403,287 | 15,821,668 |
| 2002 | Harrison County | 84,151,115 | 99,061,623 | 233,953,926 | 97,940,488 |
| 2002 | Holmes County | 9,188,624 | 10,990,756 | 26,641,830 | 8,313,397 |
| 2002 | Lafayette County | 12,003,442 | 16,909,295 | 66,788,203 | 17,792,500 |
| 2002 | Leake County | 10,577,869 | 13,745,950 | 33,226,114 | 11,079,446 |
| 2002 | Madison County | 31,768,713 | 58,561,065 | 149,551,808 | 76,239,293 |
| 2002 | Monroe County | 12,648,205 | 22,526,926 | 73,049,828 | 22,445,459 |
| 2002 | Neshoba County | 8,927,906 | 11,303,883 | 35,852,903 | 11,374,517 |
| 2002 | Newton County | 6,213,594 | 6,730,400 | 18,000,387 | 4,806,074 |
| 2002 | Panola County | 12,326,327 | 14,155,130 | 39,087,138 | 6,962,152 |
| 2002 | Pearl River County | 14,503,264 | 15,471,160 | 19,558,705 | 1,944,184 |
| 2002 | Perry County | 7,629,493 | 8,173,673 | 30,256,846 | 5,218,492 |
| 2002 | Prentiss County | 8,840,530 | 9,941,813 | 25,267,009 | 9,218,629 |
| 2002 | Quitman County | 5,051,685 | 6,785,152 | 15,179,409 | 4,334,628 |
| 2002 | Sharkey County | 3,024,479 | 3,717,295 | 6,844,265 | 1,163,418 |
| 2002 | Simpson County | 8,031,429 | 9,389,774 | 18,146,706 | 5,340,893 |
| 2002 | Sunflower County | 9,316,796 | 10,662,393 | 23,074,427 | 7,575,841 |
| 2002 | Tate County | 9,244,258 | 11,212,533 | 40,249,687 | 10,389,652 |
| 2002 | Tippah County | 7,692,932 | 7,802,153 | 15,349,276 | 3,703,811 |
| 2002 | Union County | 8,883,191 | 8,501,663 | 37,714,324 | 3,456,759 |
| 2002 | Walthall County | 4,821,402 | 5,768,150 | 13,674,243 | 2,329,240 |
| 2002 | Warren County | 19,214,246 | 21,013,706 | 48,997,310 | 9,666,513 |
| 2002 | Wayne County | 8,111,076 | 11,121,378 | 31,552,373 | 8,733,169 |
| 2002 | Winston County | 6,872,846 | 6,472,315 | 39,930,699 | 8,037,312 |
| 2002 | Yalobusha County | 6,221,391 | 6,043,428 | 22,468,540 | 5,873,927 |
| Total By OSA | | \$ 444,388,460 | 546,853,407 | 1,595,280,062 | 477,523,491 |
| Combined Total | | \$ 1,032,747,129 | 1,211,257,512 | 3,227,315,237 | 890,008,607 |

* Includes Governmental Funds and Expendable Trust Funds

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)

COLLEGE AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004
(Prior To Implementation of GASB Statement Numbers 34 and 35)

| <u>Year</u> | <u>College</u> | <u>Current Funds</u> | | | | <u>Total Assets</u> | <u>Plant Fund</u> |
|--------------------------------------|--|----------------------------------|---|---------------------------|-----------------------------|---------------------|---------------------|
| | | <u>Revenues & Other Add.</u> | <u>Expenditures & Other Deduct.</u> | <u>Tuition & Fees</u> | <u>State Appropriations</u> | | <u>Total Assets</u> |
| Colleges Audited by CPA Firms | | | | | | | |
| 2002 | Copiah-Lincoln Community College | \$ 25,878,922 | 25,372,368 | 3,845,776 | 7,730,200 | 4,554,489 | 42,153,765 |
| 2002 | East Central Community College | 20,656,261 | 20,160,340 | 2,996,699 | 9,073,444 | 5,053,477 | 20,871,996 |
| 2002 | East Mississippi Community College | 24,304,675 | 23,919,693 | 4,557,407 | 6,196,594 | 5,550,634 | 30,666,504 |
| 2002 | Hinds Community College | 87,677,575 | 83,940,768 | 14,959,536 | 23,527,679 | 23,217,529 | 134,695,089 |
| 2002 | Itawamba Community College | 35,477,992 | 33,626,729 | 5,246,216 | 9,143,106 | 12,194,765 | 53,526,717 |
| 2002 | Mississippi Gulf Coast Community College | 61,074,894 | 57,180,417 | 12,061,641 | 19,020,400 | 15,999,219 | 103,218,347 |
| 2002 | Northeast Mississippi Community College | 28,101,564 | 27,870,348 | 4,310,214 | 9,187,685 | 10,797,622 | 48,940,808 |
| 2002 | Pearl River Community College | 34,036,635 | 29,559,963 | 5,117,813 | 8,386,290 | 9,828,512 | 46,852,280 |
| 2002 | Southwest Mississippi Community College | 15,730,452 | 15,024,137 | 2,515,972 | 5,554,305 | 8,197,109 | 33,408,448 |
| Total By CPA Firms | | \$ 332,938,970 | 316,654,763 | 55,611,274 | 97,819,703 | 95,393,356 | 514,333,954 |
| Colleges Audited by OSA | | | | | | | |
| 2002 | Coahoma Community College & Agr HS | \$ 19,480,304 | 18,809,398 | 2,059,687 | 4,573,124 | 4,255,923 | 24,747,603 |
| 2002 | Holmes Community College | 26,311,946 | 23,170,794 | 4,963,039 | 8,549,999 | 11,037,604 | 40,117,391 |
| 2002 | Jones County Junior College | 38,217,696 | 38,119,963 | 5,905,558 | 13,549,118 | 13,409,774 | 57,422,541 |
| 2002 | Meridian Community College | 25,638,308 | 21,476,851 | 4,486,398 | 8,479,358 | 6,987,993 | 26,921,848 |
| 2002 | Mississippi Delta Community College | 26,979,167 | 27,073,487 | 4,281,570 | 7,995,389 | 6,389,425 | 31,310,017 |
| Total By OSA | | \$ 136,627,421 | 128,650,493 | 21,696,252 | 43,146,988 | 42,080,719 | 180,519,400 |
| Combined Total | | \$ 469,566,391 | 445,305,256 | 77,307,526 | 140,966,691 | 137,474,075 | 694,853,354 |

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)

**COLLEGE AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004
(After Implementation of GASB Statement Numbers 34 and 35)**

| <u>Year</u> | <u>College</u> | <u>Operating Revenue</u> | <u>Nonoperating Revenue</u> | <u>Operating Expenses</u> | <u>Nonoperating Expenses</u> | <u>Other Rev. & Exp. (Net)</u> | <u>Ending Net Assets</u> | <u>State Appropriations</u> | <u>Tuition & Fees (Net)</u> |
|--------------------------------------|--|--------------------------|-----------------------------|---------------------------|------------------------------|------------------------------------|--------------------------|-----------------------------|---------------------------------|
| Colleges Audited by CPA Firms | | | | | | | | | |
| 2003 | East Mississippi Community College | \$ 15,537,451 | 10,123,815 | 25,222,443 | 379,414 | 0 | 17,799,776 | 7,472,479 | 2,724,979 |
| 2003 | Mississippi Gulf Coast Community College | 33,465,072 | 26,124,685 | 62,704,178 | 198,265 | 6,236,687 | 77,034,430 | 20,123,029 | 6,703,510 |
| 2003 | Northwest Mississippi Community College | 23,947,859 | 17,137,856 | 43,303,273 | 456,900 | 3,200,126 | 48,123,750 | 12,917,282 | 2,763,907 |
| Total By CPA Firms | | \$ 72,950,382 | 53,386,356 | 131,229,894 | 1,034,579 | 9,436,813 | 142,957,956 | 40,512,790 | 12,192,396 |

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)

**UNIVERSITY SYSTEM RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004**

| <u>Year</u> | <u>College</u> | <u>Operating Revenue</u> | <u>Nonoperating Revenue</u> | <u>Operating Expenses</u> | <u>Nonoperating Expenses</u> | <u>Other Rev. & Exp. (Net)</u> | <u>Ending Net Assets</u> | <u>State Appropriations</u> | <u>Tuition & Fees (Net)</u> |
|---|---|--------------------------|-----------------------------|---------------------------|------------------------------|------------------------------------|--------------------------|-----------------------------|---------------------------------|
| University System Audited by OSA | | | | | | | | | |
| 2003 | State of Mississippi Institutions Of Higher Learning | \$ 1,363,842,404 | 612,090,228 | 1,896,816,224 | 43,436,091 | 99,290,059 | 2,010,453,323 | 628,233,697 | 249,529,970 |

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)

SCHOOL DISTRICT AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004
(Prior To Implementation of GASB Statement Number 34)

| <u>Year</u> | <u>School District</u> | <u>Revenues*</u> | <u>Expenses*</u> | <u>Total Assets</u> | <u>Total Long-term Debt</u> |
|---|---|-----------------------|--------------------|----------------------|-----------------------------|
| School District Audited by CPA Firms | | | | | |
| 2001 | Tupelo Public School District | \$ 53,479,971 | 69,800,512 | 144,474,876 | 48,565,265 |
| 2002 | Alcorn County School District | 21,511,035 | 21,688,906 | 41,058,832 | 8,105,581 |
| 2002 | Amite County School District | 9,516,230 | 10,445,351 | 16,316,433 | 2,256,201 |
| 2002 | Carroll County School District | 6,971,368 | 7,284,026 | 11,023,539 | 3,085,671 |
| 2002 | Columbia School District | 11,538,845 | 11,937,278 | 30,941,848 | 10,240,523 |
| 2002 | Greene County School District | 12,432,240 | 12,344,437 | 14,610,145 | 896,129 |
| 2002 | Hazlehurst City School District | 10,791,550 | 10,784,640 | 11,311,683 | 3,055,510 |
| 2002 | Hinds County School District | 35,752,207 | 38,481,611 | 113,529,091 | 43,224,731 |
| 2002 | Houston School District | 10,988,430 | 11,053,971 | 23,068,046 | 6,246,170 |
| 2002 | Indianola School District | 15,727,463 | 16,360,591 | 31,614,854 | 9,315,234 |
| 2002 | Itawamba County School District | 20,254,802 | 22,051,736 | 48,319,788 | 12,314,882 |
| 2002 | Lauderdale County School District | 37,244,741 | 37,227,524 | 58,803,882 | 12,448,837 |
| 2002 | Leake County School District | 17,056,094 | 17,988,333 | 35,437,743 | 8,951,122 |
| 2002 | Leflore County School District | 17,658,800 | 17,572,018 | 17,266,547 | 2,474,030 |
| 2002 | Lowndes County School District | 32,416,062 | 30,097,740 | 80,503,109 | 17,089,258 |
| 2002 | Madison County School District | 64,465,230 | 94,883,321 | 246,509,472 | 92,903,495 |
| 2002 | Moss Point School District | 27,812,459 | 25,778,678 | 27,294,348 | 312,088 |
| 2002 | Neshoba County School District | 16,064,089 | 17,074,338 | 31,013,539 | 6,915,525 |
| 2002 | Philadelphia Public School District | 7,563,032 | 7,431,127 | 16,848,804 | 5,420,975 |
| 2002 | Pontotoc City School District | 13,163,190 | 11,738,236 | 27,614,326 | 6,839,158 |
| 2002 | Scott County School District | 22,253,632 | 20,538,884 | 30,863,569 | 2,281,906 |
| 2002 | Smith County School District | 17,428,735 | 16,615,663 | 36,701,509 | 6,046,794 |
| 2002 | South Panola School District | 26,708,218 | 26,243,290 | 50,284,558 | 15,929,968 |
| 2002 | Tupelo Public School District | 55,136,669 | 62,313,332 | 42,859,485 | 46,032,255 |
| 2002 | Union County School District | 13,689,027 | 13,380,317 | 21,219,089 | 4,898,993 |
| 2002 | West Tallahatchie Cons. School District | 9,843,551 | 10,002,734 | 11,933,208 | 3,185,289 |
| 2002 | Western Line School District | 12,867,179 | 12,659,021 | 22,183,144 | 3,955,585 |
| 2002 | Yazoo City Municipal School District | 16,676,176 | 21,616,035 | 33,347,662 | 12,088,894 |
| Total By CPA Firms | | \$ 617,011,025 | 675,393,650 | 1,276,953,129 | 395,080,069 |
| School Districts Audited by OSA | | | | | |
| 2002 | Benoit School District | \$ 3,308,830 | 3,478,055 | 2,505,535 | 7,340 |
| 2002 | Choctaw County School District | 10,307,374 | 10,439,961 | 19,351,187 | 3,501,526 |
| 2002 | Claiborne County School District | 13,708,509 | 13,825,670 | 27,735,173 | 5,955,310 |
| 2002 | Clarksdale Municipal School District | 20,965,613 | 20,707,356 | 40,644,172 | 14,074,031 |
| 2002 | Copiah County School District | 17,843,417 | 17,987,579 | 24,137,639 | 7,226,677 |
| 2002 | East Jasper School District | 8,422,637 | 7,956,605 | 16,692,669 | 3,764,484 |
| 2002 | Greenwood Public School District | 20,958,348 | 21,627,298 | 33,094,317 | 6,487,169 |
| 2002 | Gulfport School District | 45,369,622 | 46,645,875 | 92,121,075 | 24,879,640 |
| 2002 | Kemper County School District | 9,710,878 | 9,231,519 | 11,231,277 | 2,703,561 |
| 2002 | North Bolivar School District | 7,046,949 | 6,817,854 | 6,529,631 | 2,520,752 |
| 2002 | North Panola School District | 11,814,661 | 11,759,380 | 17,359,699 | 4,750,000 |
| 2002 | Noxubee County School District | 16,308,267 | 20,476,522 | 25,028,423 | 9,372,834 |
| 2002 | Prentiss County School District | 15,090,654 | 15,319,286 | 22,175,110 | 7,570,439 |
| 2002 | Shaw School District | 4,903,081 | 5,250,239 | 4,902,392 | 1,284,491 |
| 2002 | Simpson County School District | 26,234,292 | 25,153,282 | 40,106,957 | 6,009,301 |
| 2002 | Starkville School District | 30,507,940 | 33,228,777 | 43,091,050 | 12,841,544 |
| 2002 | Tate County School District | 15,289,587 | 16,244,028 | 23,772,576 | 6,217,503 |
| 2002 | West Point School District | 21,478,655 | 21,783,701 | 41,495,803 | 13,211,452 |
| Total By OSA | | \$ 299,269,314 | 307,932,987 | 491,974,685 | 132,378,054 |

**SCHOOL DISTRICT AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004
(Prior To Implementation of GASB Statement Number 34)**

| <u>Year</u> | <u>School District</u> | <u>Revenues*</u> | <u>Expenses*</u> | <u>Total Assets</u> | <u>Total Long-term Debt</u> |
|-----------------------|------------------------|------------------------------|---------------------------|-----------------------------|-------------------------------------|
| Combined Total | | \$ <u>916,280,339</u> | <u>983,326,637</u> | <u>1,768,927,814</u> | <u>527,458,123</u> |

* Includes Governmental Funds and Expendable Trust Funds

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)

**SCHOOL DISTRICT AUDITS RELEASED BY THE OFFICE OF THE STATE AUDITOR
STATE FISCAL YEAR ENDED JUNE 30, 2004**

(After Implementation of GASB Statement Number 34)

| | | GOVERNMENTAL ACTIVITIES | | | |
|---|---|--------------------------------|----------------------------|-----------------|------------------------------|
| Year | School District | Program Revenue | General Revenue | Expenses | Ending Net Assets |
| School District Audited by CPA Firms | | | | | |
| 2002 | Jackson Public School District | \$ 42,145,151 | 161,156,467 | 208,121,427 | 55,204,444 |
| 2003 | Amite County School District | 2,920,258 | 7,057,350 | 10,719,432 | 7,804,888 |
| 2003 | Attala County School District | 6,504,726 | 3,556,945 | 9,328,583 | 12,287,990 |
| 2003 | Baldwyn Public School District | 1,462,307 | 5,387,067 | 6,321,810 | 2,978,485 |
| 2003 | Benoit School District | 1,354,054 | 2,034,290 | 3,302,304 | 1,290,638 |
| 2003 | Booneville School District | 1,495,460 | 6,438,982 | 7,274,223 | 7,742,149 |
| 2003 | Calhoun County School District | 3,777,696 | 11,704,625 | 16,164,405 | 6,336,406 |
| 2003 | Chickasaw County School District | 986,068 | 2,793,704 | 3,333,777 | 1,767,861 |
| 2003 | Choctaw County School District | 3,469,347 | 8,470,956 | 11,788,129 | 7,842,177 |
| 2003 | Clinton Public School District | 4,255,336 | 23,916,853 | 28,248,060 | 17,232,531 |
| 2003 | Coffeeville School District | 4,398,099 | 1,501,241 | 5,585,660 | 3,012,023 |
| 2003 | Copiah County School District | 4,465,641 | 14,059,078 | 17,211,028 | 3,484,418 |
| 2003 | Corinth School District | 2,402,454 | 10,506,768 | 12,013,930 | 13,014,294 |
| 2003 | Covington County School District | 5,905,053 | 16,637,783 | 20,766,177 | 11,770,290 |
| 2003 | DeSoto County School District | 23,221,309 | 94,949,723 | 106,666,819 | 98,534,597 |
| 2003 | Enterprise School District | 900,660 | 4,838,154 | 5,363,596 | 3,171,380 |
| 2003 | Forest Municipal School District | 2,305,577 | 8,373,668 | 9,921,651 | 2,563,861 |
| 2003 | Forrest County Agricultural High School | 2,371,390 | 1,179,714 | 3,359,947 | 3,391,048 |
| 2003 | Franklin County School District | 8,491,407 | 3,317,805 | 11,898,557 | 6,737,818 |
| 2003 | Gulfport School District | 26,763,423 | 20,512,969 | 47,047,882 | 24,208,257 |
| 2003 | Houston School District | 2,567,173 | 9,547,333 | 11,622,527 | 5,295,416 |
| 2003 | Humphreys County School District | 4,154,902 | 9,464,663 | 12,443,160 | 11,322,451 |
| 2003 | Jackson County School District | 8,242,587 | 44,815,338 | 46,610,657 | 30,545,695 |
| 2003 | Kosciusko School District | 3,147,542 | 10,461,925 | 12,790,874 | 11,278,169 |
| 2003 | Lafayette County School District | 11,121,358 | 4,950,102 | 15,600,726 | 6,276,023 |
| 2003 | Lamar County School District | 7,453,290 | 33,827,733 | 41,161,704 | 21,310,454 |
| 2003 | Laurel School District | 5,607,036 | 17,833,693 | 21,748,019 | 9,162,213 |
| 2003 | Lawrence County School District | 4,348,788 | 11,294,072 | 15,324,537 | 7,979,064 |
| 2003 | Lee County School District | 6,877,804 | 32,066,525 | 35,595,854 | 27,611,333 |
| 2003 | Leflore County School District | 5,247,570 | 15,038,041 | 19,075,069 | 5,371,150 |
| 2003 | Leland School District | 2,809,563 | 6,456,760 | 8,947,821 | (440,642) |
| 2003 | Lincoln County School District | 3,562,920 | 13,210,735 | 14,949,155 | 9,957,113 |
| 2003 | Long Beach School District | 3,252,856 | 16,810,460 | 20,198,460 | 4,020,779 |
| 2003 | Louisville Municipal School District | 5,143,221 | 15,238,732 | 19,121,482 | 10,985,673 |
| 2003 | Marion County School District | 4,564,978 | 13,416,201 | 16,825,171 | 10,727,099 |
| 2003 | McComb Separate School District | 5,208,806 | 16,218,897 | 21,053,367 | 6,038,196 |
| 2003 | Meridian Public School District | 30,378,415 | 16,155,745 | 46,425,530 | 15,685,583 |
| 2003 | Montgomery County School District | 1,564,335 | 3,339,692 | 5,023,927 | 2,000,525 |
| 2003 | Natchez-Adams School District | 7,227,731 | 26,135,762 | 32,355,542 | 30,040,321 |
| 2003 | New Albany Public School District | 3,770,699 | 10,702,041 | 14,729,930 | 7,201,932 |
| 2003 | Newton County School District | 9,388,635 | 2,457,371 | 10,905,495 | 12,981,281 |
| 2003 | Newton Municipal School District | 2,083,938 | 6,310,006 | 7,805,606 | 5,796,887 |
| 2003 | North Bolivar School District | 6,993,043 | 1,516,189 | 8,119,414 | (11,323) |
| 2003 | North Panola School District | 3,767,207 | 9,843,984 | 12,342,019 | 1,724,833 |
| 2003 | North Pike Consolidated School District | 1,693,422 | 7,660,937 | 8,464,259 | 7,745,999 |
| 2003 | North Tippah Cons. School District | 2,088,826 | 6,582,697 | 8,016,200 | 3,564,633 |
| 2003 | Okolona Mun. Sep. Sch. District | 4,695,014 | 1,420,873 | 5,840,149 | 1,202,538 |
| 2003 | Oxford School District | 12,514,928 | 9,021,341 | 20,147,728 | 10,928,062 |
| 2003 | Pontotoc City School District | 2,955,493 | 10,750,384 | 12,937,994 | 9,495,755 |
| 2003 | Pontotoc County School District | 4,031,800 | 13,454,051 | 17,158,334 | 5,368,202 |
| 2003 | Poplarville Spec. Mun. Sep. Sch. Dist. | 2,995,842 | 10,985,628 | 12,337,369 | 9,689,345 |
| 2003 | Quitman County School District | 3,695,497 | 7,988,632 | 10,886,299 | 1,656,856 |
| 2003 | Quitman Consolidated School District | 11,316,923 | 4,852,286 | 14,488,565 | 16,954,181 |

| | | | | | |
|--|---|-----------------------|----------------------|----------------------|--------------------|
| 2003 | Rankin County School District | 16,998,521 | 84,991,486 | 94,537,224 | 63,516,080 |
| 2003 | Richton School District | 1,122,509 | 3,669,673 | 4,730,704 | 2,630,111 |
| 2003 | Senatobia Municipal School District | 1,934,783 | 8,446,863 | 9,137,169 | 3,576,967 |
| 2003 | Shaw School District | 1,426,826 | 4,022,408 | 5,050,401 | 606,759 |
| 2003 | Simpson County School District | 7,314,126 | 19,800,290 | 25,308,895 | 18,715,334 |
| 2003 | South Delta School District | 3,030,374 | 7,237,605 | 9,396,881 | 5,233,993 |
| 2003 | South Tippah School District | 3,455,570 | 12,472,883 | 14,682,438 | 13,352,804 |
| 2003 | Stone County School District | 12,876,140 | 4,036,013 | 16,026,857 | 6,907,525 |
| 2003 | Tishomingo Co. Spec. Mun. Sep. Sch. Dist. | 4,241,089 | 16,388,407 | 18,423,998 | 25,968,458 |
| 2003 | Union County School District | 3,338,028 | 11,577,691 | 14,162,014 | 7,306,590 |
| 2003 | Vicksburg-Warren School District | 35,460,221 | 23,529,541 | 56,814,224 | 33,921,263 |
| 2003 | Walthall County School District | 4,068,630 | 12,706,476 | 16,998,696 | 6,362,043 |
| 2003 | Water Valley School District | 6,974,449 | 1,457,623 | 7,996,562 | 2,005,342 |
| 2003 | Wayne County School District | 21,158,492 | 5,020,975 | 23,920,739 | 10,171,233 |
| 2003 | West Jasper Consolidated School District | 2,894,854 | 10,002,523 | 11,196,564 | 6,810,672 |
| 2003 | Wilkinson County School District | 3,209,199 | 7,747,285 | 10,459,047 | 8,081,533 |
| 2003 | Yazoo County School District | 4,032,339 | 10,035,725 | 12,645,361 | 11,582,424 |
| Total By CPA Firms | | \$ 477,603,708 | 1,071,366,438 | 1,476,978,114 | 836,590,482 |
| School Districts Audited by OSA | | | | | |
| 2003 | Benton County School District | 2,226,553 | 5,770,197 | 8,032,345 | 4,823,531 |
| 2003 | Biloxi Public School District | 26,018,807 | 27,505,967 | 49,231,599 | 43,140,047 |
| 2003 | Coahoma County School District | 3,966,529 | 10,909,947 | 14,582,672 | (590,783) |
| 2003 | Grenada School District | 20,411,387 | 7,698,005 | 25,657,507 | 25,129,959 |
| 2003 | Neshoba County School District | 3,890,951 | 12,414,935 | 16,000,520 | 10,197,454 |
| 2003 | Pearl Public School District | 3,662,037 | 19,460,603 | 23,051,535 | 14,573,232 |
| Total By OSA | | \$ 60,176,264 | 83,759,654 | 136,556,178 | 97,273,440 |
| Combined Total | | \$ 537,779,972 | 1,155,126,092 | 1,613,534,292 | 933,863,922 |

Source – Financial and Compliance Audit Division, Office of the State Auditor (OSA)