



**GREENVILLE PUBLIC
SCHOOL DISTRICT**

COMPLIANCE REPORT

Compliance Special Reports

For the year ended *June 30, 2019*

SHAD WHITE

State Auditor

Stephanie C. Palmertree, CPA, CGMA

Director, Financial and Compliance Audit Division

Derrick Garner, CPA, CFE

Director, Compliance Audit Division



*The Office of the State Auditor does not discriminate on the basis of
race, religion, national origin, sex, age or disability.*



**STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR**

September 28, 2020

Limited Internal Control and Compliance Review Management Report

Greenville Public School District
412 South Main Street
Greenville, MS 38701

Dear Members of the Greenville Public School District:

Enclosed for your review are the Limited Internal Control and Compliance Review Findings for the Greenville Public School District for the Fiscal Year 2019. In these findings, the Auditor's Office recommends the Greenville Public School District:

1. Strengthen Internal Controls over Banking Transaction and Bank Reconciliations;
2. Strengthen Internal Controls over Activity Fund Cash Receipts and Bank Deposits;
3. Ensure Compliance with State Laws over the Approval of Claims;
4. Ensure Compliance with State Laws over the Reconciliation of Public Funds;
5. Ensure Compliance with State Laws over Expenditures;
6. Ensure Compliance with State Laws over Statement of Economic Interest;
7. Ensure Compliance with State Laws over Unemployment Compensation Fund;
8. Ensure Compliance with State Laws over Surety Bonds;
9. Ensure Compliance with State Laws over Reemployment of Retired Public Employees; and
10. Ensure Compliance with State Laws over Sixteenth Section Lease Payments.

During future engagements, we may review the findings in this management report to ensure procedures have been initiated to address these findings.

This report is intended solely for the information and use of management, individuals charged with governance and Members of the Legislature and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

I hope you find our recommendations enable the Greenville Public School District to carry out its mission more efficiently. If you have any questions or need more information, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "Stephanie C. Palmertree".

STEPHANIE PALMERTREE, CPA, CGMA
Director, Financial and Compliance Audit

The Office of the State Auditor has completed its limited internal control and compliance review of the Greenville Public School District for the year ended June 30, 2019. The Office of the State Auditor's staff members participating in this engagement included Derrick Garner, CPA, CFE, Travis Mitchell, CPA, Morgan Daniels, CPA, and Veronica Barton.

Our procedures and tests cannot and do not provide absolute assurance that all state legal requirements have been met. Also, our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be weaknesses. In accordance with *Section 7-7-211, Mississippi Code Annotated (1972)*, the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

We identified certain deficiencies in internal control over financial reporting that we consider to be a *material weakness* in internal control and certain deficiencies in internal control that we consider to be *significant deficiencies* in internal control. These matters are noted under the headings **MATERIAL WEAKNESS** and **SIGNIFICANT DEFICIENCY**.

In addition, while performing our review, we noted certain instances of noncompliance with State laws that require the attention of management. These matters are noted under the heading **INSTANCES OF NONCOMPLIANCE WITH STATE LAW**.

MATERIAL WEAKNESS

Finding 1: The School District Should Strengthen Internal Controls over Banking Transactions and Bank Reconciliations.

Internal Control Deficiency: Management is responsible for ensuring that the assets of the School District are safeguarded, and transactions are properly documented in the School District's financial records. A critical aspect of internal controls is reconciling the bank accounts by adding outstanding deposits and subtracting outstanding checks to the balance per bank statement to reconcile to the amount of cash that is listed on the general ledger of the School District to what is recorded at the bank. The reconciliation process enables the Business Office to make adjusting journal entries to correct any mistakes or unrecorded items in the School Districts' financial records.

The Mississippi State Board of Education Policy Manual, Chapter 71, Rule 71.3, Required Monthly Reports to be Furnished to Local School Board, states, "Presentation of reconciled bank statements should be made at the next regular board meeting after the bank statements are reconciled..."

District policy *Section Code DIB for Financial Reports and Statements* states, "... All bank statements shall be reconciled within thirty (30) days of receipts. Presentation of reconciled bank statements shall be made at the next regular board meeting after the bank statements are reconciled..."

Finding Detail: During our testing of bank reconciliations, we noted the bank statements for Pooled Funds, Cafeteria Funds, Tax Levy Debt Service Funds, and Payroll Clearing Fund were not reconciled to the cash balance in the general ledger for June 30, 2019. The bank reconciliations indicated differences in the amount of **\$1,709,824**.

Failure to record all transactions in the general ledger and accurately reconcile bank statements could result in the misstatement of the School District's financial statements, errors, or fraud occurring without being detected promptly.

Recommendation: We recommend the School Board implement policies and procedures to ensure all bank statements are reconciled timely and adequately with the School District's general ledger. Also, we recommend management perform monthly reconciliations of bank accounts to the general ledger by the fund to effectively and timely account for any variances from the book balances and comply with the School District's policy.

Repeat Finding: No.

SIGNIFICANT DEFICIENCY

Finding 2: The School District Should Strengthen Internal Controls over Receipts and Deposits for Activity Funds.

Internal Control Deficiency: *The Internal Control-Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Good internal controls require the functions of processing, recording transactions, and maintaining custody of related assets be properly recorded to ensure the assets are safeguarded against loss from unauthorized use or theft.

Board Policy *DK (Student Activities Fund Management)* states, "A person remitting activity funds to the principal for deposit will be given the original receipt, the second copy will be attached to the transmittal report to the central Office, and the third copy will be kept in the book and on permanent file in the principal's Office. All of these pre-numbered receipts must be accounted for ... All fund collected within the school must be deposited daily..."

Finding Detail: During our testing of eighteen (18) athletic fund revenue deposits, we noted the following weaknesses in internal controls:

- Eight (8) deposits were less than ticket sales totaling \$298;
- Six (6) deposits were in excess of ticket sales totaling \$40;
- Three (3) instances where the ending ticket number sold was not documented;
- One instance where no documentation of ticket sales was provided for a home basketball game on 11/1/2018;
- Three (3) instances where general ledger detail was not provided to trace ticket sales for games on 10/7/2019, 10/11/2019, and 10/24/2019; and
- Two (2) instances where the activity/athletic transmittal reports did not match general ledger amounts for August 2019 and September 2019 by \$614 and \$142, respectively.

Inadequate internal controls related to athletic fund revenue collection and receipting could result in a loss of assets and improper revenue recognition.

Recommendation: We recommend the School District implement policies and procedures are followed to ensure receipts from all activity are safeguarded, properly recognized, recorded, and deposited in a timely manner. This may be done by recalculating the amounts of tickets sold at each game and correctly documenting forms.

Repeat Finding: No.

INSTANCES OF NONCOMPLIANCE WITH STATE LAW

Finding 3: The School District Should Ensure Compliance with State Laws over the Approval of Claims.

Applicable State Law: *Mississippi Code Section 37-7-301(o)*, states, "To make orders directed to the Superintendent of schools for the issuance of pay certificates for lawful purposes on any available funds of the district and to have full control of the receipt, distribution, allotment and disbursement of all funds provided for the support and operation of the schools of such school district whether such funds be derived from state appropriations, local ad valorem tax collections, or otherwise. The local school board shall be authorized and empowered to promulgate rules and regulations that specify the types of claims and set limits of the dollar amount for payment of claims by the Superintendent of schools to be ratified by the board at the next regularly scheduled meeting after payment has been made."

Finding Detail: During the testing of claims, we noted the following noncompliance:

- The School Board does not approve the claims docket until one month after issuing checks; and
- The School District has no specified Board-approved rules and regulations that state what types of claims and the limit amount of the payment of those claims for the Superintendent to approve checks before Board approval.

Failure to appropriately approve claims resulted in the School District being in noncompliance with *Mississippi Code Section 37-7-301(o)*.

Recommendation: The Board Members should ensure compliance with *Mississippi Code Section 37-7-301(o)* by creating rules and regulations for the approval of all claims.

Repeat Finding: No.

Finding 4: The School District Should Ensure Compliance with State Laws over Annual Reconciliation of Public Funds.

Applicable State Law: *Section 27-105-5(6)(b), Miss. Code Ann. (1972)*, requires that not later than thirty (30) days following its fiscal year-end, a public depositor shall notify the State Treasurer of its official name, address, federal tax number, and provide a listing of all accounts that it had with qualified public depositories, including the deposit balance in those accounts, as of its fiscal year-end.

Finding Detail: During the review of the District's Public Depositor Annual Report, we noted the report was not submitted to the State Treasurer's Office within thirty (30) days of fiscal year-end. The School District submitted the annual report on August 28, 2019, which is twenty-nine (29) days late.

Failure to submit the Public Depositor Annual Report in a timely manner could result in the State Treasurer's Office having inaccurate records and increase that the School District's total deposits may not be properly collateralized.

Recommendation: We recommend the School District develop internal controls to ensure that the Public Depositor Annual Report is submitted to the State Treasurer's Office within thirty (30) days of fiscal year-end as required by state law.

Repeat Finding: No.

Finding 5: The School District Should Ensure Compliance with State Laws over Expenditures.

Applicable State Law: *Mississippi Code Annotated Section 37-61-19* states, "It shall be the duty of the superintendents of school and the school board of all school districts to limit the expenditure of school funds during the fiscal year to the resources available. It shall be unlawful for any school district to budget expenditures from a fund in excess of the resources available within that fund."

Finding Detail: During our review of the amended budget for Greenville Public School District, we noted for At Risk, Alternative Activity, Trigg Activity, Vocational Center Activity, Title I-A, School Improvement, Title II, IDEA Part B, and Title IV Part A Student Support funds, expenditures exceeded budgeted amount totaling \$575,473. Additionally, School Recognition Program, Summer Feeding Year 9, Cost Pool, Title V-Extended School Year, Unemployment Compensation, GHS Roof Project 2019, and Tax Levy Debt Service funds were expended but unbudgeted for the fiscal year 2018 in the amount of \$1,387,403.

Failure for the District to ensure there are available resources for all expenditures could result in deficit fund balances.

Recommendation: We recommend the School District ensure compliance with *Mississippi Code Section 37-61-19* by providing all funds have available resources before expenditures are approved.

Repeat Finding: No.

Finding 6: The School District Should Ensure Compliance with State Laws over Statements of Economic Interest.

Applicable State Law: *Section 25-4-25, Mississippi Code Annotated (1972)*, provides that "Each of the following individuals shall file a statement of economic interest with the commission in accordance with the provisions of this chapter: a) Persons elected by popular vote..." *Section 25-4-29, Mississippi Code Annotated (1972)*, provides that "1) Required statements hereunder shall be filed as follows: a) Every incumbent public official required....to file a statement of economic interest shall file such statement with the commission on or before May 1 of each year that such official holds Office, regardless of duration....2) Any person who fails to file a statement of economic interest within thirty (30) days of the date of the statement is due shall be deemed delinquent by the commission...a fine of Fifty Dollars (\$50) per day, not to exceed a total fine of One Thousand Dollars (\$1,000) shall be assessed against the delinquent filer for each day thereafter in which the statement of economic interest is not properly filed. The commission shall enroll such assessment as a civil judgment with the Circuit Clerk in the delinquent filer's county of residence..."

Finding Detail: During our testing of the Statement of Economic Interest, we noted the following:

- One (1) Board Member's statement was filed twenty (20) days late;
- One (1) Board Member has never filed a statement with the Ethics Commission; and,
- As of 11/18/2019, two (2) Board Members have not yet filed a statement for the calendar year 2018, which was due May 1, 2019.

Failure to file the Statement of Economic Interest, as required by state law, results in noncompliance with *Section 25-4-25* and could result in fines being assessed and a civil judgment being enrolled against the delinquent filers as allowed by *Section 25-4-29(2)*.

Recommendation: We recommend the School District implement procedures to ensure the School Board file their Statement of Economic Interest annually, no later than May 1st of each year that such official hold office, regardless of the duration.

Repeat Finding: No.

Finding 7: The School District Should Ensure Compliance with State Law over Unemployment Compensation Fund.

Applicable State Law: *Section 71-5-359(5), Mississippi Code Annotated (1972)*, states, "Each political subdivision, unless it elects to make contributions to the unemployment compensation fund as provided in subsection (9) of this section, shall establish a revolving fund and deposit an amount equal to two percent (2%) of the first Six Thousand Dollars (\$6,000.00) paid to each employee thereof during the next preceding year. However, the department shall by regulation establish a procedure to allow reimbursing political subdivisions to elect to maintain the balance in the revolving fund as required under this paragraph or to annually execute a surety bond to be approved by the department in an amount not less than two percent (2%) of the covered wages paid during the next preceding year."

Finding Detail: During our review of the School District's unemployment compensation fund, it was noted that based on the calendar year 2018 wages, the School District should have \$99,396 in their cash and investment balances in their unemployment compensation fund as of June 30, 2019. However, the School District only has \$43,260 cash in the fund, \$56,136 less than the statutorily required amount.

Recommendation: We recommend the School District deposit \$56,136 to the unemployment compensation fund and implement controls to evaluate the balance annually to ensure that a balance of no less than two percent (2%) of the first \$6,000 of each employee's wages is maintained in the fund.

Repeat Finding: No.

Finding 8: The School District Should Ensure Compliance with State Laws over Surety Bonds.

Applicable State Law(s): *Section 25-1-15(2), Mississippi Code Annotated (1972)* states, "A new bond in an amount not less than that required by law shall be secured upon employment and coverage shall continue by the securing of a new bond every four (4) years concurrent with the normal election cycle of the Governor or with the normal election cycle of the local government applicable to the employee."

Section 37-6-15, Mississippi Code Annotated (1972) states, "Before entering upon the discharge of the duties of his Office, each member of the school board shall give a surety bond in the penal sum of Fifty Thousand Dollars (\$50,000), with sufficient surety, to be payable conditioned and approved in the manner provided by law. The school board may execute a blanket bond for each school district official and employee (including school business managers and any other employee who receipts and/or disburses school district funds) in the penalty of Fifty Thousand Dollars (\$50,000), unless a different penalty is prescribed by statute, to be payable, conditioned and approved in the manner provided by law. The premium on said bond shall be paid out of the school district maintenance fund."

Section 37-9-27, Mississippi Code Annotated (1972) states, "The superintendent of any school district, before entering upon the duties of his office, shall furnish a good and sufficient surety bond in the penal sum of One Hundred Dollars (\$100,000.00), with sufficient surety."

Section 37-9-31, Mississippi Code Annotated (1972) states, "All school principals and attendance center principals shall furnish good and sufficient surety bonds in like manner as required of superintendents. The amount of such bonds shall be not less than Fifty Thousand Dollars (\$50,000), with sufficient surety."

Section 37-39-21, Mississippi Code Annotated (1972) states, "The purchasing agent of any school board, before entering upon his official duties in such capacity, shall furnish a good and sufficient surety bond in the penal sum of Fifty Thousand Dollars (\$50,000), with sufficient surety."

Finding Detail: As a result of procedures performed, we noted the following exceptions with the School District's surety bonds:

- Eight (8) Principals, five (5) Board Members, and six (6) Purchase Agents bonds are renewals or are for indefinite terms instead of new bonds with definite terms;
- Three (3) Principals were not bonded as Principals;
- Twelve (12) Principals and twelve (12) Directors, and the Superintendent, appointed by board policy as purchase agents, were not bonded as purchase agents;
- Eight (8) Purchase Agents are bonded for job titles other than Purchase Agent;
- One (1) Principal's bond lists job title as "Appointed Public Official Bond";
- The Superintendent is bonded incorrectly for \$50k instead of \$100k;
- Evidence of current renewal was not provided for three (3) Board Members' and One (1) Principals' indefinite term bonds; and
- Eight (8) Principals, two (2) Board Members, and four (4) Purchase Agents bonds or renewals were not on file with the Chancery Clerk.

Failure to have a bond in place for a specific term of office could limit the amount available for recovery if a loss occurred over multiple terms. Additionally, failure to comply with the state statute, by being correctly and sufficiently bonded, could result in the loss of public funds.

Recommendation: We recommend the School District ensure that new bonds are secured every four (4) years concurrent with the normal election cycle of the Governor or with the normal election cycle of the local government applicable to the employee as statutorily required. Additionally, the School Board should ensure all bonds for employees' and officials' bonds are filed with the Chancery Clerk. Furthermore, the School Board should ensure all blanket bonds specify the public servant holds the positions covered under its blanket bond.

Repeat Finding: No.

Finding 9: The School District Should Ensure Compliance with State Laws over Reemployment of Retired Public Employees.

Applicable State Law: *Section 25-11-127(4), Miss. Code Ann. (1972)*, requires counties hiring service retirees to notify PERS in writing by completing Form 4B "Certification/Acknowledgement of Reemployment of Retiree" with PERS office within five days of employment and the date of termination of the employment. Additionally, approved annual compensation should not be exceeded.

PERS Board Regulation 34, Section 105, Section 105, states, "The lawfully employ a PERS service retiree under Section 103, the employer must notify PERS in writing of the terms of the eligible employment within five (5) days from the date of employment and also from the date of termination on a form prescribed by the Board. Failure by the employer to timely notify PERS may result in the assessment of \$300 penalty per occurrence payable by the employer"

Section 25-11-127(1)(a), Mississippi Code Annotated (1972), states, "No person who is being paid a retirement allowance or a pension after retirement under this article shall be employed or paid for any service by the State of Mississippi, including services as an employee, contract worker, contractual employee or independent contractor, until the retired person has been retired for not less than ninety (90) consecutive days from his or her effective date of retirement. After the person has been retired for not less than ninety (90) consecutive days from his or her effective date of retirement or such later date as established by the board, he or she may be reemployed while being paid a retirement allowance under the terms and conditions provided in this section.

Finding Detail: During our review of Greenville Public School District's twenty-four (24) rehired service retirees for the fiscal year 2019, the following exceptions were noted:

- Two (2) Retirees were overpaid totaling \$1,441;
- Five (5) 4B forms were not filed within the required five (5) days of rehiring the employee; and
- Eleven (11) 4B forms did not have the date of retirement.

Failure to file form 4B as required by PERS and comply with Section 25-11-127(4) resulted in overpayment to retirees and could result in the School District being assessed penalties by PERS.

Recommendation: We recommend the School District ensure compliance with *Mississippi Code Section 25-11-127(4)* and PERS by properly completing and filing of the Form 4Bs within five (5) days, paying employees accurately and adequately completing the Form 4Bs.

Repeat Finding: No.

Finding 10: The School District Should Ensure Compliance with State Laws over Sixteenth Section Lease Payments.

Applicable State Law: *Mississippi Code Section 29-3-57*, states, "Upon a sixty (60) day default in payment of any rentals according to the terms of such lease, the lease shall be declared terminated unless the Board of Education finds extenuating circumstances were present, and the Board shall inaugurate the proper legal proceedings to terminate such lease." *Section 27-35-71, Mississippi Code Annotated (1972)*, states, "Sixteenth section lands reserved for the use of schools, or lands reserved or granted in lieu of or as a substitute for the sixteenth sections, shall be liable, after the same shall have been leased, to be taxes as other lands are taxed during the continuance of the lease, but in case of sale thereof for taxes, only the title of the lessee or his heirs or assigns shall pass by the sale." In addition, the standard lease agreement used by the district between the lessee and lessor states, "Lessee shall pay all taxes levied, if any, on said property on time to prevent default."

Failure to terminate lease agreement due to the non-payment of rental payments resulted in noncompliance with state laws regulations.

Finding Detail: During the review of nine (9) sixteenth section land leases, the following instances were noted:

- Two (2) lease payments were less than the annual rental fee; however, the leases were not canceled;
- One (1) lease payment was more than sixty (60) days late; however, the lease was not canceled; and,
- There were two (2) leases in which no payments were received; however, the leases were not canceled.

Recommendation: We recommend the School District ensure lease payments are made within sixty (60) days, as required by laws and regulations.

Repeat Finding: No.

End of Report



Greenville Public School District
Cynthia B. Cannon, Business Manager

412 South Main Street / P. O. Box 1619

Greenville, Mississippi 38702 **Phone:** 662-334-7010 **Email:** ccannon@gville.k12.ms.us

SAFETY + SUPERVISION + SCORES= STUDENT SUCCESS

5s Movement

Finding 1: School District should strengthen internal controls over banking transactions and bank reconciliations.

Corrective Action:

The Assistant Business Manager will collaborate with the Business Manager monthly before bank reconciliations are finalized to ensure reports are accurate, the general ledger corresponds with the cash balance in the bank, and is timely in finalizing.

Person(s) Responsible:

Assistant Business Manager/Business Manager

Anticipated completion date for corrective action:

Monthly Review during the fiscal year

Finding 2: The School District should strengthen internal controls over receipts and deposits for activity funds.

Corrective Action:

The Accounts Payable Clerk or designee will complete a weekly athletic/activity reconciliation to ensure ticket sales, deposits, and ticket numbers match the ticket distribution report. Any difference in tickets sold and tickets distributed will be documented immediately and forwarded to the Business Manager and Superintendent. The Assistant Business Manager will match the weekly athletic/activity reconciliations against the monthly transmittal reports to ensure accuracy of the reports submitted.

Person(s) Responsible:

Accounts Payable Clerk, Travel Records Clerk, Assistant Business, or Designee

Anticipated completion date for corrective action:

Tickets will be monitored weekly during athletic season effective immediately and ongoing

Finding 3: The School District should ensure compliance with state laws over the approval of claims

Corrective Action: Greenville Public School District has implemented Policy DJEJ (Payment Procedures) to adhere to claims being paid timely, approved by the Superintendent, and ratified by the School Board of Trustees.

Person(s) Responsible:

Business Manager

Anticipated completion date for corrective action:

Policy DJEJ was approved in April 2020; is being adhered accordingly

Finding 4: The School District should ensure compliance with state laws over annual reconciliation of public funds.

Corrective Action: The Business Manager will develop a schedule to ensure that the Annual Depositor's Report will be completed and submitted in a timely manner.

Person(s) Responsible:

Business Manager

Anticipated Completion date for corrective action:

July 31st of each fiscal year

Finding 5: The School District should ensure compliance with state laws and expenditures.

Corrective Action:

The Business Office will work to ensure that all (state and local) funds are appropriately budgeted and aligned; furthermore, the business office will work with other district directors to review federal and special service budgets to ensure the budgets match the budget narrative that is approved through the Mississippi Department of Education.

Person(s) Responsible:

Business Manager, Federal Programs Director, Special Services Director

Anticipated Completion date for corrective action:

Monthly Meetings will be held to review budgets

Finding 6: The School District should ensure compliance with state laws over Statements of Economic Interest.

Corrective Action:

The Business Manager will work with the board clerk to setup a schedule to communicate with the board of trustees to complete the economic interest form on or before May 1st of each year.

Person(s) Responsible:

Board Members/Board Clerk

Anticipated Completion date of corrective action:

Completed immediately and ongoing

Finding 7: The School District should ensure compliance with state law with regards to the unemployment compensation fund.

Corrective Action:

The Business Manager will work with the payroll bookkeeper to evaluate the balance of the unemployment fund in the general ledger as well as the bank balance to ensure the district meets the 2% allocation of the first \$6,000 requirement of each employee's wages.

Person(s) Responsible:

Business Manager and Payroll Bookkeeper

Anticipated completion date of corrective action:

Immediately and ongoing

Finding 8: The School District should ensure compliance with state laws over Surety Bonds.

Corrective Action:

The district will obtain and file surety bonds for all administrators annually in the Chancery Clerk's Office. The district will also file a separate surety bond for the purchasing agent in the district as well as ensure that all bonds are definite for administrators and bonds for board members and the superintendent are for the appointed time of service.

Person(s) Responsible:

Business Manager or Assistant Business Manager

Anticipated completion date of corrective action:

Immediately and ongoing

Finding 9: The School District should ensure compliance with state laws over reemployment of retired public employees.

Corrective Action:

The District will ensure that all retirees complete Form 4B in its entirety prior to starting employment. To ensure the retiree does not exceed the amount listed on the completed Form 4B, the retiree will do a monthly check with payroll to review accumulated earnings. The Form 4B will be submitted within five days of completion either by fax, email or regular mail.

Person(s) Responsible:

Human Resource Director/Payroll Bookkeeper

Anticipated completion date of corrective action:

Immediately and ongoing

Finding 10: The School District should ensure compliance with state laws over 16th section lease payments.

Corrective Action:

The Assistant Business Manager will provide monthly reports to the Business Manager and Superintendent of lease payments, expiring leases and delinquent leases that are on file with the Secretary of State for the district. Contact with lessees will be made as needed.

Person(s) Responsible:

Assistant Business Manager

Anticipated completion date for corrective action:

Immediately and ongoing