

JACKSON PUBLIC SCHOOL DISTRICT

MISSISSIPPI

COMPLIANCE REPORT

Limited Internal Control and Compliance Review Management Report
For the year ended *June 30, 2020*

SHAD WHITE
State Auditor

Stephanie C. Palmertree, CPA, CGMA
Deputy State Auditor
Charlotte L. Duckworth
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**STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
SHAD WHITE
AUDITOR**

Limited Internal Control and Compliance Review Management Report

Jackson Public School District
662 South President Street
Jackson, MS 39201

Members of the Jackson Public School Board:

Enclosed for your review are the Limited Internal Control and Compliance Review Findings for the Jackson Public School District for the fiscal year 2020. In these findings, the Office of the State Auditor recommends that Jackson Public School District:

1. Strengthen Internal Controls and Ensure Compliance with State Law over Public Funds;
2. Strengthen Internal Controls over Fair Presentation of Financial Statements and Annual Audit Report;
3. Strengthen Internal Controls over Maintaining and Preparing Board Minutes;
4. Strengthen Internal Controls and Ensure Compliance with State Law over Budgets;
5. Strengthen Internal Controls and Ensure Compliance with State Law over Enhancement Fund Procurement Cards;
6. Strengthen Internal Controls Over Contracts and Policies to Ensure Compliance with State Law Over Incentive Programs;
7. Ensure Compliance with State Law over Sole Source Purchases;
8. Ensure Compliance with State Law over Depositories;
9. Ensure Compliance with State Law over Annual Reconciliation of Public Funds;
10. Ensure Compliance with State Law over Monthly Financial Reports;
11. Ensure Compliance with State Law over Certified Employees' Contracts, Salaries, and Maintaining Background Checks;
12. Ensure Compliance with State Law over Reemployment of Retired Public Employees;
13. Ensure Compliance with State Law over Sixteenth Section Lease Revenues, Taxes, and Appraisals;
14. Ensure Compliance with State Law over Its Tax Request Publication; and
15. Ensure Compliance with State Law over Surety Bonds.

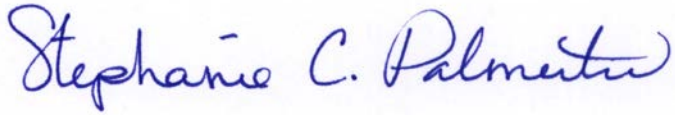
Please review the recommendations and submit a plan to implement them by October 13, 2022. The enclosed findings contain more information about our recommendations.

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 Jackson 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". The signature is written in a cursive, flowing style.

STEPHANIE PALMERTREE, CPA, CGMA
Deputy State Auditor
Office of the State Auditor

The Office of the State Auditor has completed its limited internal control and compliance review of the Jackson Public School District for the year ended **June 30, 2020**.

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**. We also noted certain deficiencies in controls that we noted under the heading **OTHER DEFICIENCIES**.

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 AND INSTANCE OF NONCOMPLIANCE

Finding 1: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Public Funds.

Internal Control Deficiency: The *Committee of Sponsoring Organizations of the Treadway Commission (COSO)* is the most broadly accepted standards for internal control in the U.S. One of the components of COSO's internal control structure is control environment. In order for a School District to have adequate internal controls, the District must have a sufficient control environment. Additionally, as stewards of taxpayer dollars the School Board of Education sets the tone at the top of the School District. The School Board of Education is responsible for the implementation of policies and procedures to ensure waste and abuse of taxpayer dollars are avoided. This includes not acquiring or using resources in the most productive manner to achieve program objectives. This is achieved by avoiding improper or questionable practices that violates public trust.

Finding Detail: During the review of the School District's Board minutes and contracts, the auditor noted the following exceptions:

- On October, 20, 2020, the School Board approved contract services with PowerSchool, a web-based professional development system; however, the School District had not cancelled its contract with Frontline Education, another web-based professional management system. The School District was still responsible for the payment of **\$281, 590** to Frontline Education.

- On January 22, 2021, after Frontline Education gave the School District notice for the suspension of its services, the Chief of Staff and Deputy Superintendent created a new RFP or Request for Proposal in order to pay Frontline for invoiced services incurred after the approval of the contract with PowerSchool. On March 9th, 2021, Frontline Education submitted a bid, totaling **\$281,590**, which represented the liability previously owed for services utilized by the School District.

Failure to appropriately monitor contracts led to the district paying multiple vendors for the same service and resulted in a waste of taxpayer dollars.

Recommendation: We recommend the Jackson Public School District ensure compliance over public funds by strengthening controls and ensuring invoices are paid within 45 days of being received. Also, the School District should ensure that all bids meet the requirements of state law.

Repeat Finding: No.

District's Response: The district is not aware of any state statute prevents an entity to have multiple service providers in any given area. Given that the district was transitioning from one system to another it was in the best interest of the district to have overlap from the current system until such time that the new system was being implemented and became operational. As there was a previously board approved multi – year agreement with Frontline Education to provide these services the district made payment of **\$281,590** for the final year of service as required (see the attached contract)

There was an administrative misunderstanding regarding the issuance of an RFP for these services which was published but was never acted upon by our Board of Trustees and no contract was entered into based on that RFP. When the proposed contract was submitted for legal review it was then determined that the RFP was unnecessary due to the presence of the 2017 agreement that was already in place. No action was taken as a result of that RFP. Given this, we vehemently deny any suggestion of fraud. Our systems and professionals ensured that the bid process and contracting of services were executed appropriately.

Auditor's Response: As noted above, the School Board of Education serve as stewards of taxpayer dollars. This School Board approved the payment of two separate vendors (PowerSchool Group, LLC - \$204,300 and Frontline Education - \$281,590) for web based Human Resource Management and Professional Development for a combined total of \$485,890, which is a waste of public funds.

Repeat Finding: No.

MATERIAL WEAKNESS

Finding 2: The School District Should Strengthen Internal Controls over the Fair Presentation of Financial Statements and Annual Audit Reports.

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

Finding Detail: During the testing of the School District's Unemployment Fund, the auditor noted the restricted fund balance listed in the District's financial statements and the fiscal year 2020 audit report was overstated **\$1,591,430**.

Inadequate internal controls surrounding the presentation and fair presentation of the District's financial statements resulted in the misstatement of the unemployment's fund balance.

Recommendation: We recommend the Jackson Public School District strengthen controls by implementing adequate procedures to ensure the proper preparation and fair presentation of its financial statements.

Repeat Finding: No.

District's Response: The District does properly prepare their financial statements. Although the District separates the accounts for Unemployment Compensation and Life & Disabilities Insurance on the general ledger, they were reported together on Financial Exchange Transaction Systems (FETS) submitted to the Mississippi Department of Education. The accounting manual does not recognize Life & Disabilities (Fund 2821) as a fund. Therefore, the District combines that fund with Unemployment Compensation (Fund 2820) for report purposes. The District will continually ensure that financial statements are properly stated.

Auditor's Note: Per review of the District's financial statements and its 2020 financial audit report, they both were not fairly and properly stated. The *Mississippi State Board of Education Accounting Manual* requires four – digit fund and account codes to identify the fund types, individual funds or account groups to be used by all School Districts. Additionally, individual funds and subsidiary ledger code numbers assigned should not be changed or altered. Funds assigned a range of code numbers may be utilized by the School District's financial statements and the 2020 financial audit report should not have been reported separately. The reserved fund balance was reported to be **\$3,520,837**; however, due to the Unemployment Compensation Fund (2820) being combined with Life & Disabilities Insurance Fund (2821), the Unemployment Fund was overstated **\$1,591,430**. The District also has a responsibility in informing the CPA Firm, who conducts its financial audit, of this misstatement of its Unemployment Fund in the 2020 audit report.

SIGNIFICANT DEFICIENCY

Finding 3: The School District Should Strengthen Internal Controls over Maintaining and Preparing Board Minutes.

Internal Control Deficiency: Management is responsible for ensuring the assets of the District are safeguarded and transactions are properly documented and recorded in the District's Board minutes. A critical aspect of internal controls includes numbering the Board minute pages.

Finding Detail: During the review of the School District's Board minutes, the auditor noted the District's official Board minutes did not include page numbers.

Inadequate internal controls surrounding the maintenance and preparation of the Board minutes could result in the State Laws and Regulations being circumvented.

Recommendation: We recommend the Jackson Public School District strengthen controls by implementing policies and procedures to ensure all Board minute pages in the future are correctly numbered.

Repeat Finding: No.

District's Response: The District's staff will also coordinate efforts with the software provider of the Board agenda to see if page numbers can be generated for more efficient internal controls.

OTHER DEFICIENCY AND INSTANCES OF NONCOMPLIANCE WITH STATE LAW

Finding 4: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Budgets.

Internal Control Deficiency: The Board of Education establishes priorities for the financial management of the District, reviews and approves all presented budgets, and assures expenditures for the District fund are within the legal requirements of the approved budget.

Applicable State Law: *Section 37-61-9, Mississippi Code Annotated (1972)*, states, “It shall be the duty of the superintendent of schools and the school boards 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 form a fund in excess of the resources available within that fund...”

Mississippi Department of Education Accounting Manual, states, “The budget formats which follow are to be prepared by each school district in formalizing its annual budget. These formats are prescribed by the State Auditor's Office. A school district may use computer printouts provided they contain the same information as the prescribed forms. A separate budget is required for each individual fund within each generic fund type, with the exception of Agency Funds and Private Purpose Trust Funds. As required by *Section 37-61-19, Mississippi Code Annotated (1972)*, the approved combined budget and combining budgets for each fund type are to be reflected in the board minutes or an addendum to the board minutes. The original and amended budgets shall be signed and dated by the board president and secretary. Signed copies of all approved budgets must be filed for safekeeping and audit review.”

Finding Detail: During the review of the School District’s original and amended budgets, the auditor noted the following exceptions:

- Three funds’ whose expenditures exceeded resources available from their budgeted amounts, totaling **\$61,461**:
 - **Fund 1220** (District Maintenance) - **\$18,962**
 - **Fund 2020** (School Recognition Program) - **\$12,924**
 - **Fund 2192** (JPS Program Special 93-9) - **\$29,575**
- Six funds, including the four that could not be identified, were unbudgeted for the audit year in the amount of **\$19,807,459**:
 - **Fund 2090** (Extended School Year)
 - **Fund 4907** (G.O. Series 2012A)
 - **Fund 4908** (Limited Tax Note)
 - **Fund 4910** (G.O. Bond Series 2012B Refunding)
 - **Fund 4911** (G.O. Bonds 2015B)
 - **Fund 7290** (Lake Memorial Library)
- The original and amended budgets for fiscal year 2020 were not approved, signed or spread upon the Board’s minutes in the format prescribed in the Accounting Manual;
- On June 18, 2019, the Board approved the original budget for fiscal year 2021 in which included 45 funds reflecting a projected negative fund balance at year end totaling **\$11,194,262**; and
- On September 15, 2020, the Board approved the amended budget for fiscal year 2020 in which included the following 24 funds reflecting a negative fund balance at year end totaling **\$4,151,144**:
 - Activity Fund (1150) – **(\$3,373)**;
 - English (1192) – **(\$328)**;
 - Athletics (1901) – **(\$480,212)**;
 - Community Education (1908) – **(\$23,194)**;

- Together We Rise Supt. Response (1934) – (\$129,455);
- School Fruits & Vegetables (2112) – (\$10,297);
- Healthier US Challenge (2115) – (\$38,546);
- Summer Feeding (State) (2129) – (\$250,152);
- Title I, Part D, Subpart 2 (2212) – (\$20,545);
- Title I School Improvement (2213) – (\$569,078);
- Consolidated Admin. Cost (2291) – (\$245,581);
- EHA – Preschool (2620) – (\$14,155);
- 21st Century Learn Ctr/Title IV (2812) – (\$57,321);
- Healthy Lifestyles Grant 2011 (2908) – (\$1,126);
- Dropout Preventions Grant (2945) – (\$132);
- Adv. Placement Incentive Grant (2945) - (\$9,998);
- Health Resources & Services Administration (2949) – (\$2,496);
- Grade Results Discretionary (2954) – (\$9,122);
- Bailey Structure Construction (3011) – (\$24,000);
- School Bond Series 2008 (3906) – (\$710,505);
- Lanier Window Replacement Project (3910) – (\$85,304);
- Limited Tax Capital Projects 2017 (3913) – (\$109,145);
- Special Activity Agency (7320) – (\$130); and
- Worker’s Compensation (7911) – (\$1,356,950).

Failure for the District to ensure there are available resources for all expenditures could result in deficit fund balances. Also, failure for the School District to ensure the correct format results in the non-compliance with *Mississippi Code Section 37-61-19*, and *The Mississippi Department of Education Accounting Manual*. The actual fund balances at June 30, 2020 were not negative. The approval of the fund budgets with ending deficit fund balances is in violation of state law.

Recommendation: We recommend the Jackson Public School District ensure compliance with *Sections 37-61-9* and *37-61-19* by ensuring all funds have available resources before expenditures are approved, all budgets are in the proper format and spread upon the Board minutes. Also, we recommend the School District implement budgeting practices that will prevent projected negative fund balances from being presented to the School Board. A thorough review of such budgets should be made prior to presentation to the Board for approval.

District’s Response: The District will ensure that all reports are filed appropriately per the Accounting Manual. In reference to the negative fund balance on accounts, the funds would have a beginning fund balance with possibly no additional revenue for the year but expenditures for the year. This would in fact have a negative fund balance for the fiscal year but not for the year end as a whole.

Repeat Finding: No.

Finding 5: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Enhancement Fund Procurement Cards.

Internal Control Deficiency: An effective system of internal control requires a complete and accurate roster for the distribution of Education Enhancement Fund Cards, as well as completed Teacher Cardholder Agreements should be maintained and emailed to the Mississippi Department of Education by District’s program Coordinator annually.

Applicable State Law: *Section 37-61-33(3)(iii), Mississippi Code Annotated (1972)*, authorizes an eligible teacher or “cardholder” may receive a procurement cards to provide access to the Education Enhancement Funds (EEF). By signing for and using the EEF procurement card, you agree to abide by the terms and policies outlined in the Teacher cardholder agreement. Each teacher is responsible for all purchases and must not allow anyone else to make purchases. Additionally, the EEF procurement card and account numbers are unique and registered to each teacher.

Finding Detail: During the testing of the School District’s Education Enhancement Fund (EEF) procurement cards, the auditor noted two cardholder agreements could not be located by the District.

Inadequate internal controls and procedures surrounding the School District’s EEF Procurement cards resulted in non-compliance with state law and could result in the loss or misappropriation, fraud, waste, and abuse of public funds.

Recommendation: We recommend the Jackson Public School District strengthen controls and ensure compliance over EEF funds by ensuring policies and procedures are being followed in completing, signing and maintain EEF Procurement Card agreements, as required by the Mississippi Department of Education.

District’s Response: The District maintains records for approximately 1,600 Education Enhancement Fund Procurement cards and will initiate a more efficient method of maintaining copies, as required.

Repeat Finding: No.

Finding 6: The School District Should Strengthen Controls Over Contracts and Policies to Ensure Compliance with State Law Over Incentive Programs.

Internal Control Deficiency: The Board of Education may establish or adopt any orders, resolutions, or ordinance with respect to District affairs, property, and finances which are consistent with other state law (Home Rule). The Board of Education must also establish and oversee the performance of the School District in order to comply with applicable law and internal controls. *The Committee of Sponsoring Organizations of the Treadway Commission (COSO)* and *The Standards for Internal Control in the Federal Government (Greenbook)* dictate that in order to have a successful control environment, the organization must design and implement internal control policies and procedures that ensure compliance with all relevant regulations.

Applicable State Law: *Attorney General Opinion No. 2010 WL 2019883* states, “Payments in which there is no pre-existing obligation to make the payments, as in the case of bonuses, or in which payments are made for future services that have not been provided at the time the payments are made, as in the case of donations, are considered unlawful, in accordance with *Mississippi Constitution Article IV, Sections 66 and 96. MS AG Op., Allen (June 11, 2004); MS AG Op., Ellis (June 27, 1994).* To the contrary, we have previously opined that employee incentive payments which are implemented prospectively and for which payment is made pursuant to conditions met in the future do not run afoul of these constitutional provisions. *MS AG Op., Meredith and Jones (December 22, 2006); MS AG Op., Silver (July 18, 2003); MS AG Op., Jackson (June 29, 1992).* See also *MS AG Op., Murdock (August 7, 2009)* and *MS AG Op., Bowman (November 14, 2005)* (incentive provision may be included in contracts when incentive payments are contemplated by contract, there are predetermined objective standards of measurement, payments have been earned and proper amount paid and does not exceed maximum amount).”

Article 4, Section 66, Mississippi Constitution states, “No law granting a donation or gratuity in favor of any person or object shall be enacted exacted by the concurrence of two-thirds of the members elect of each branch of the Legislature, nor by any vote for a sectarian purpose or use.”

Article 4, Section 96, Mississippi Constitution provides the Legislature shall never grant extra compensations, fee, or allowance, to any public officer, agent, servant, or contractor, after service rendered or contract made, nor authorize payment, or part payment, of any claim under any contract not authorized by law;

Finding Detail: During the review of the School District’s contractual obligations and salary payments to employees, the auditor noted that the school adopted an “incentive pay” program to reward teachers and other employees (as applicable). The Mississippi Attorney General’s Office (AGO) has consistently opined that School Boards have the authority to adopt such programs, as long as they meet the following criteria:

- 1.) The incentives are contracted for prior to the date when services are performed;
- 2.) The incentives are determined in accordance with objective standards of measurement; and
- 3.) The incentives are earned by personal services performed by the employees.

Further, the AGO has consistently opined that compliance with the above criteria are essential to ensure incentive payments do not constitute prohibited payments, such as bonuses or donations.

The incentive program designed by the Jackson Public School District is not in compliance with state law because the School District described the payment as a “bonus” in communications to the School Board, employees, and general public for fiscal years 2019, 2020, 2021, and 2022.

Failure to properly document or account for how the school is in compliance with the criteria stated above could result in incentive payments being classified as improper payments to employees.

Recommendation: We recommend the Jackson Public School District strengthen controls and ensure compliance over incentive payments by ensuring that all payments are in compliance with the required criteria. We further recommend that the School District consult with their Board Attorney, Mississippi Department of Education, or the Attorney General’s Office to ensure their incentive program is in compliance with the law.

Repeat Finding: No.

District’s Response: The Jackson Public School District will strengthen controls and ensure compliance over incentive payments by ensuring that all payments comply with the required criteria, specifically regarding the communication of and naming of its teacher “incentive pay” program. Jackson Public School District will consult with its Board Attorney, the Mississippi Department of Education, or the Attorney General’s Office to ensure its incentive program complies with the law.

INSTANCES OF NONCOMPLIANCE WITH STATE LAW

Finding 7: The School District Should Ensure Compliance with State Law over Sole – Source Purchases.

Applicable State Law: *Attorney General Opinion No. 2012-00158*, “The ultimate goal of the public purchasing statute, found at *Mississippi Code Annotated Section 31-7-13*, is to encourage competition to ensure efficiency and economy in purchases made by public entities. In fact, *Section 31-7-13(c) (iv)(1)* specifically prohibits a public entity from writing bid specifications that exclude comparable equipment. However, clearly, the Legislature intended, in its adoption of *Section 31-7-13(c) (iv) (1)*, to create an exemption to that prohibition. *Section 31-7-13(c) (iv) (1)* provides the following: Specifications pertinent to such bidding shall be written so as not to exclude comparable equipment of domestic manufacture. However, if valid justification is presented, the Department of Finance and Administration or the board of a governing authority may approve a request”

Section 31-7-13(m)(viii), Mississippi Code Annotated (1972), states, “Noncompetitive items available from one (1) source only. In connection with the purchase of noncompetitive items only available from one (1) source, a certification of the conditions and circumstances requiring the purchase shall be filed by the agency with the Department of Finance and Administration and by the governing authority with the board of the governing authority. Upon receipt of that certification the Department of Finance and Administration or the board of the governing authority, as the case may be, may, in writing, authorize the purchase, which authority shall be noted on the minutes of the body at the next regular meeting thereafter. In those situations, a governing authority is not required to obtain the approval of the Department of Finance and Administration. Following the purchase, the executive head of the state agency, or his designees, shall file with the Department of Finance and Administration, documentation of the purchase, including a description of the commodity purchased, the purchase price thereof and the source from whom it was purchased.”

Section 31-7-13(c), Mississippi Code Annotated (1972), requires the District to obtain from the lowest and best bidder after advertising for two (2) consecutive weeks in the local newspaper when the expenditure is in excess of \$50,000 exclusive of freight and shipping charges.

Finding Detail: During the testing of the School District’s purchases, the auditor noted that the School Board approved a sole – source purchase of a virtual reality learning management system from Lobaki, Inc., totaling **\$60,417**, instead of advertising for bids as required by *Section 31-7-13(c)*.

Failure to properly advertise for competitive sealed bids resulted in the District’s non-compliance with state purchasing laws.

Recommendation: We recommend the Jackson Public School District ensure compliance with *Section 31-7-13(c), Mississippi Code Annotated (1972)*, by properly advertising for competitive sealed bids for purchases over **\$50,000**.

Repeat Finding: No.

District’s Response: The District did research the specifications required for the program/software from other vendors and could not find anyone who could supply what was needed for our Career Development Center. The Career Development Center (CDC) uses specific programs just for their area that can be easily found through other vendors. Therefore, the District was not writing specifications to eliminate any vendor from participating in the bidding process. In reference to the *Attorney General Opinion #2012-00158*, it was just unfortunate that we could not find any other vendors with what the CDC needed that was compatible with what the District software program could support. The Department of Finance and Administration acknowledged that they do not approve any purchase made by governing authority. The District will continue to be in compliance with properly advertising for competitive sealed bids over \$50,000 to include sole source vendors, if applicable.

Auditor’s Note: The category of “sole source” detailed in Mississippi purchase laws and by the Attorney General of Mississippi, cannot be claimed by vendors based on trademark or copyright of a brand. The District relied on a letter from Lobaki, Inc. which stated that Lobaki, Inc. was a sole-source provider. The District cannot solely rely on a letter from a vendor that declares itself a sole source. *Section 31-7-13(m)(vii)*, states that a certification of a sole source shall be filed by the governing authority with the Board of the governing authority. To classify a purchase as sole source, the items must be unique and there should be an investigation and research of the items purchased as to what defines them as a sole source purchase. While Lobaki’s product is a virtual reality educational platform, similar products are produced by other vendors. Also, the Chief Financial Officer or new Director of the Career Development Center could not provide OSA any research of specifications in regards to this purchase.

Finding 8: The School District Should Ensure Compliance with State Law over the Approval of Depositories.

Applicable State Law: *Section 37-7-333, Mississippi Code Annotated (1972)*, requires all public funds to be placed in the depository or depositories selected by the School Board in the same manner as provided in *Section 27-105-305, Mississippi Code Annotated (1972)* for the selection of county depositories. *Section 37-7-333, Mississippi Code Annotated (1972)*, also requires the bids of the financial institutions keeping school funds be effective on July 1st of each year. Further, School Boards are allowed to advertise and accept bids for depositories, not less than once every three (3) years, when the School Board determines that I can obtain a more favorable rate of interest and less administrative processing.

Finding Detail: During the review of the School District's depository bids, the auditor noted the Board approved Trustmark National Bank as its depository on May 6, 2017 for fiscal years 2018 through 2020; however, the District also had two bank accounts with both Priority One and BancorpSouth, which were not Board – approved depositories.

Failure to approve depository bids by July 1, 2020, resulted in noncompliance with *Section 37-7-333, Mississippi Code Annotated (1972)*.

Recommendation: We recommend the Jackson Public School District ensure compliance with state law by properly accepting bids for depositories by July 1st every three years for all bank accounts.

Repeat Finding: No.

District's Response: The District was in the process of closing all accounts not at the approved depositories. The District did approve the depositories in compliance with the state statute; however, two accounts were not moved timely. The District has corrected this and all accounts are at the approved depositories.

Finding 9: The School District Should Ensure Compliance with State Law over the Annual Reconciliation of Public Funds.

Applicable State Law: *Section 27-105-5(b), Mississippi Code Annotated (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 School District's Public Depositor Annual Report, the auditor noted the report submitted to the State Treasurer's Office on July 15, 2020 did not include the following bank accounts listed under the District's tax identification number: JPS Tort Account and Cafeteria Plan.

Failure to properly and accurately submit the Public Depositor Annual Report resulted in noncompliance with state law. Also, it could result in the State Treasurer's Office having inaccurate records and the District's deposits being under-collateralized.

Recommendation: We recommend the Jackson Public School District ensure compliance by developing control procedures to ensure the District's Public Depositor Annual Report is properly and accurately submitted to the State Treasurer's Office within 30 days of fiscal year-end, as required by state law.

Repeat Finding: No.

District's Response: The District inadvertently failed to include two accounts on the Public Depositor Annual Report that was file timely. A revised report will be filed. All subsequent reports will reflect all accounts as required.

Finding 10: The School District Should Ensure Compliance with State Law over Monthly Financial Reports.

Applicable State Law: *Section 37-9-18(1)(a), Mississippi Code Annotated (1972)*, states, "The State Board of Education shall promulgate rules and regulations concerning the type of financial reports required to be submitted by the superintendent of schools to the local school board, and the frequency with which the reports shall be submitted by the superintendent of schools to the local school board, and the frequency with which the reports shall be submitted."

Mississippi State Board of Education Policy Manual, Chapter 71, Rule 71.3, Required Monthly Reports to be Furnished to Local School Board states that, "at minimum, the Superintendent should provide reconciled bank statements, a statement of revenues and expenditures, current budget status, a cash flow statement by month, and a combined balance sheet or current fund equity balances."

Finding Detail: During the review of the School District's monthly financial reports, the auditor noted the following exceptions:

- Eight instances where monthly financial statements from June 2019 through July 2020 were not submitted to the Board; and
- Two instances where only partial monthly financial statements were submitted to the Board in October 2019 and December 2019;
- Three instances where the cash flow statements submitted to the Board only included statements for the District Maintenance fund.

Failure to comply with the financial reporting requirements established by the State Board of Education constitutes a violation of the *Mississippi Public School Accountability Standards*. Additionally, not presenting all information to the Board could lead to the School Board not being appropriately and timely informed of the District's financial status, which would influence decisions made by the Board concerning claims.

Recommendation: We recommend the Jackson Public School District ensure compliance by submitting an accurate and complete set of financial reports are submitted to the Board monthly and spread upon its minutes, as required by state law.

Repeat Finding: No.

District's Response: The District will comply with the requirement for monthly financial reports. In February 2020, the District was the victim of a cyberattack which required the administration to manually recreate all of the financial activities from November 2019 through March 2020. This severely hampered the ability to submit these monthly reports to the Board as required. All subsequent reports have been submitted to the Board as required.

Finding 11: The School District Should Ensure Compliance with State Law over Maintaining Background Checks.

Applicable State Law: *Section 37-9-17(2), Mississippi Code Annotated (1972)*, states, "Current criminal records background checks and current child abuse registry checks are obtained, and that such criminal record information and registry checks are on file for any new hires applying for employment as a licensed or non-licensed employee at a school

and not previously employed in such school under the of the State Board of Education or at such local school district prior to July 1, 2000.” Ultimately, the criminal records information and registry must be kept on file for any new hires.

Finding Detail: During the testing of the School District’s personnel files, the auditor noted three instances where evidence of a background check was not included in the employees' personnel file.

Recommendation: We recommend the Jackson Public School District ensure compliance by obtaining and maintaining on file current criminal background checks, as required by state law.

Repeat Finding: No.

District’s Response: The District will ensure compliance of the results of the background checks being kept in employees’ personnel files.

Finding 12: The School District Should Ensure Compliance with State Law over Reemployment of Retired Public Employees.

Applicable State Law: *Section 25-11-127(4), Mississippi Code Annotated. (1972)*, states, “Notice shall be given in writing to the executive director, setting forth the facts upon which the employment is being made, and the notice shall be given within five (5) days from the date of employment and also from the date of termination of the employment.”

Mississippi Public Employment Retirement System (PERS) Board Regulation 34, 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.”

Finding Detail: During the review of the School District’s PERS Form 4Bs, the auditor noted the following exceptions out of 79 tested:

- Fifteen retirees were paid more than the allowed salary by PERS, totaling **\$19,837**;
- All 79 PERS Form 4Bs did not have evidence of being filed within days of rehire;
- Fifty PERS Form 4Bs did not have the compete retirement dates recorded;
- Twenty-four PERS Form 4Bs did not have position of the retiree at the time of retirement;
- Three PERS Form 4Bs were not signed by the District’s representative; and
- Two PERS Form 4Bs did not list the position of the retiree at the time of retirement.

Failure to file and complete the Form 4B, and comply with *Section 25-11-127(4)* could result in overpayment of a retiree and the School District being assessed penalties by PERS.

Recommendation: We recommend the Jackson Public School District ensure compliance with state law and PERS by properly paying employees, completing, and filing Form 4Bs within five days of rehire.

Repeat Finding: No.

District’s Response: The District will ensure that the proper procedures are followed to be in compliance with completing and filing the PERS Form 4Bs with the Public Employees Retirement System (PERS). Also, the District has implemented a process to monitor payments for retirees on a monthly basis.

Finding 13: The School District Should Ensure Compliance with State Law over Sixteenth Section Lease Revenues, Taxes, and Appraisals.

Applicable State Law: *Section 29-3-57, Mississippi Code Annotated (1972)*, states, “The superintendent of education shall keep a current docket as to the expiration date of all leases on sixteenth section lands; likewise, he shall keep a correct current docket upon the existing leases or any extensions thereof as to the amounts and time of payment of rentals provided for by such lease. It shall be the duty of the superintendent of education to collect promptly all rentals due and all principal and interest due upon loans and investments of sixteenth section funds. 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 29-3-65, Mississippi Code Annotated (1972), states, “One (1) year prior to the date, when any such lands, not subject to competitive bid procedures, shall become available for lease, the Board of Education shall appoint a competent appraiser to appraise the land and report to the Board his recommendation for the fair market rental amount. The Board shall then determine whether the same be a reasonable amount, and shall grant the lease pursuant to *Section 29-3-63*.”

Section 29-3-71, 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.”

Finding Detail: During the review of School District’s sixteenth section leases, the auditor noted the following exceptions:

- Six lease payments made during the 2020 fiscal year were payments for the 2019 fiscal year; however, the lease agreements were not cancelled;
- One lease agreement had not been paid since 2015; however, the lease agreement was not cancelled;
- Eight lease payments were paid more than 60 days late; however, the lease agreements were not cancelled;
- Six lease agreements’ taxes were not current totaling **\$22,157**; however, the lease agreements were not terminated;
- Two lease agreements did not have parcel numbers, descriptions, and PPIN numbers; therefore, the auditor could not determine if the taxes were current; and
- Three lease agreements did not have files for each lease; therefore, the auditor could not verify any documentation of appraisals.

Failure to terminate lease agreements due to non-payment of rental payments, tax payments, and appoint appraisers resulted in non-compliance with state law and regulations.

Recommendation: We recommend the Jackson Public School District ensure compliance by ensuring lease payments are made within 60 days, taxes are current, and an appraisal is appointed one year before the rental of sixteenth section land, as required by state law and regulations.

Repeat Finding: No.

District's Response: The district will ensure that payments on the 54 active leases are received timely and, in the event, that they are not, are presented to the Board of Trustees for declaration of default if it is in the best interest of the district. One lease identified in the audit as a late payment was declared in default by the Board of Trustees on March 20, 2018. The payment received in August 2019 was the result of a recovery payment based on an order issued by the Hinds County Circuit Court.

Finding 14: The School District Should Ensure Compliance with State Law over Its Tax Request Publication.

Applicable State Law: *Section 27-39-207(2)(a), Mississippi Code Annotated (1972)*, states, "The school board of the school district shall advertise its intent to increase its ad valorem tax effort in dollars in a newspaper of general circulation in the county. The advertisement shall be no less than one-fourth ($\frac{1}{4}$) page in size and the type used shall be no smaller than eighteen (18) point and surrounded by a one-fourth-inch solid black border. The advertisement shall not be placed in any portion of the newspaper where legal notices and classified advertisements appear."

Section 27-39-207(2)(b), Mississippi Code Annotated (1972), provides that except as provided for in subsection (1) of this section, if a school district is requesting an increase in ad valorem tax effort in dollars pursuant to *Sections 37-57-105 and 37-57-107*, it shall be in form: "NOTICE OF PROPOSED AD VALOREM TAX EFFORT (Name of the school district)."

Finding Detail: During the review of the School District's advertisement of its "Notice of Proposed Ad Valorem Tax Effort," the auditor noted the title within the advertisement did not include the name of the school district.

Failure to accurately advertise the ad valorem tax increase could result in an escrow of ad valorem taxes for one year.

Recommendation: We recommend Jackson Public School District ensure compliance over its ad valorem tax increase advertisement by ensuring it is displayed in the proper form according to state law.

Repeat Finding: No.

District's Response: The District will ensure that the name is included in the title of the advertisement.

Finding 15: The School District Should Ensure Compliance with State Law over Surety Bonds.

Applicable State Law: *Section 25-1-15(4), Mississippi Code Annotated (1972)*, states, "A new bond in an amount not less than that required by law for public employees shall be secured at the beginning of each new term of office of the public or appointed official by whom they are employed, if applicable, or at least every four (4) years concurrent with the normal election cycle of the Governor."

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."

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 (\$50,000.00), with sufficient surety.”

Board Policy D, Fiscal Management, Section DIEA, Purchasing Authority, states, “The board shall authorize the Superintendent or his designee to purchase and supervise the purchasing of all supply items, repair parts, vendor performed services, and items of furniture and equipment, in accordance with state law and good purchasing practices.”

Finding Detail: During the review of the School District’s surety bonds, the auditor noted the following exceptions:

- The bond on file for six Board members was a blanket bond instead of separate official bonds with definite terms;
- The bond on file for 53 Principals was a blanket bond without definite terms. The following was also noted:
 - Six Board members were included on the bond;
 - The names of the Principals were not listed on the bond; and
 - They were not bonded for the statutorily required amount of **\$50,000** instead of **\$25,000**;
- The Superintendent was not bonded as a Purchasing Agent, as required by Board policy;
- The Chief Financial Officer (CFO) was not bonded as a Purchasing Agent; however, they sign purchase orders; and
- The CFO’s bond was a continuation bond instead of an original bond with a definite term.

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 Jackson Public School District ensure compliance over surety bonds by securing new bonds every four 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.

Repeat Finding: No.

District’s Response: The school board members all had separate bonds as required (see attached). The district will ensure that all principal’s names will be provided on the bond as required. Effective July 1, 2019 the amount of the blanket bond was increased from \$25,000 to \$50.00.00 as required by statute (see attached). The Superintendent does not function as the district’s Purchasing Agent. The duties of the CFO (included in the job description) include the function of Purchasing Agent. However, the district will ensure that the bond for the CFO will list Purchasing Agent specifically.

Auditor’s Note: The blanket bond provided to OSA included the District’s Board Members. Additionally, if the Superintendent is not serving as the Purchasing Agent, the Board has designated him to assign the personnel that will be responsible. The District was unable to provide OSA with evidence from the Board minutes in which the Superintendent designated the CFO as the District’s Purchasing Agent.

End of Report



Errick L. Greene, Ed.D.
Superintendent

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www.jackson.k12.ms.us

November 1, 2022

Shad White, State Auditor
Office of the State Auditor
State of Mississippi
P. O. Box 956
Jackson, MS 39205-0956

COMPLIANCE REVIEW FINDINGS

Dear Mr. White:

The vision of the Jackson Public School District is to prepare scholars to achieve globally, contribute locally, and be fulfilled individually. To achieve this, a culture of accountability and excellence must permeate our district operations through the deliberate and consistent use of systems and analysis. As a school district, we are committed to the efficient, effective, and appropriate use of our resources in compliance with state laws and school district policy and procedures.

We recognize the importance of continued review of our internal control performance and compliance. One of our strategic commitments is to create a culture of accountability and excellence. The Jackson Public School District has received the report of findings from the Limited Internal Control and Compliance Review Audit conducted for the fiscal year ending June 30, 2020. Below are the responses and corrective action plans for your review.

AUDIT FINDINGS:

Finding 1: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Public Funds.

Response: The Jackson Public School District will strengthen internal controls and ensure compliance with state law over public funds.

Corrective Action Plan:

- A. The Jackson Public School District has strengthened its internal controls and ensured compliance with state law over public funds by strengthening controls and ensuring invoices are paid within 45 days of being

JACKSON PUBLIC SCHOOL DISTRICT

Finding 2: The School District Should Strengthen Internal Controls over the Fair Presentation of Financial Statements and Annual Audit Reports.

Response: Jackson Public School District will continue to prepare its financial statements properly. The District will continually ensure that financial statements are correctly stated.

Corrective Action Plan:

- A. The Jackson Public School District has strengthened controls by implementing adequate procedures to ensure the proper preparation and fair presentation of its financial statements.
- B. Earl Burke and Margaret Purnell
- C. June 30, 2022; Ongoing

Finding 3: The School District Should Strengthen Internal Controls over Maintaining and Preparing Board Minutes.

Response: Jackson Public School District takes seriously its responsibility for ensuring the assets of the District are safeguarded, and transactions are properly documented and recorded in the District's Board minutes.

Corrective Action Plan:

- A. The District's staff will:
 - a. Coordinate efforts with the Board Agenda software provider to ensure pages are correctly numbered.
 - b. The Jackson Public School District Board Secretary will adopt a page numbering method and ensure all final minute book pages are numbered accordingly.
- B. Rosalind Williams and Errick Greene
- C. June 30, 2023; Ongoing

Finding 4: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Budgets.

Response: Jackson Public School District will ensure compliance with *Sections 37-61-9* and *37-61-19* by ensuring all funds have available resources before expenditures are approved, and all budgets are in the proper format and spread upon the Board minutes.

Corrective Action Plan:

- A. The Jackson Public School District will strengthen its internal controls and ensure compliance with state law over budgeting preparation and approvals by ensuring that the original and amended budgets are appropriately aligned. The budget will be reviewed monthly to identify any discrepancies. The Superintendent or Superintendent's designee will ensure that all budgets are Board-approved.
- B. Earl Burke and Margaret Purnell
- C. June 30, 2022; Ongoing

Finding 5: The School District Should Strengthen Internal Controls and Ensure Compliance with State Law over Enhancement Fund Procurement Cards.

JACKSON PUBLIC SCHOOL DISTRICT

Response: Jackson Public School District takes seriously its responsibility to control and ensure compliance for approximately 1,600 Education Enhancement Fund Procurement cards.

Corrective Action Plan:

- A. The Jackson Public School District will strengthen its controls and ensure compliance with EEF funds by ensuring policies and procedures are followed in completing, signing, and maintaining EEF Procurement Card agreements, as required by the Mississippi Department of Education.
- B. Earl Burke and Paxton Green
- C. June 30, 2022

Finding 6: The School District Should Strengthen Controls Over Contracts and Policies to Ensure Compliance with State Law Over Incentive Programs.

Response: Jackson Public School District takes seriously its responsibility to control and ensure compliance over incentive payments by ensuring that all payments comply with the required criteria.

Corrective Action Plan:

- A. The Jackson Public School District will strengthen its controls and ensure compliance over incentive payments by ensuring that all payments comply with the required criteria. The School District administration will consult with our Board Attorney, the Mississippi Department of Education, or the Attorney General's Office to ensure their incentive program complies with the law.
- B. Errick Greene, Michael Cormack, William Merritt, Larrissa Moore, Earl Burke, and School Board
- C. June 30, 2022; Ongoing

Finding 7: The School District Should Ensure Compliance with State Law over Sole-Source Purchases.

Response: Jackson Public School District takes seriously its responsibility to ensure compliance with Section 31-7-13(c), Mississippi Code Annotated (1972), by adequately advertising for competitive sealed bids for purchases over \$50,000.

Corrective Action Plan:

- B. The District will do the following:
 - a. The Jackson Public School District will review and retrain procurement staff to ensure that all bids meet state law requirements, specifically regarding the "sole source" category detailed in Mississippi purchase laws.
 - b. Review purchasing procedures with all personnel to ensure compliance with state policy.
 - c. Establish a purchasing checklist of required documentation to assist personnel in ensuring compliance when submitting sole-source requests.
- C. Earl Burke, Margaret Purnell, and Bettie Jones
- D. June 30, 2022; Ongoing

Finding 8: The School District Should Ensure Compliance with State Law over the Approval of Depositories.

JACKSON PUBLIC SCHOOL DISTRICT

Response: Jackson Public School District takes seriously its responsibility to ensure compliance with state law by properly accepting bids for depositories by July 1 every three years for all bank accounts.

Corrective Action Plan:

- A. Once bid depositories are appropriately determined, the Jackson Public School District will process timely the closing of all accounts not at the approved depositories.
- B. Earl Burke, Margaret Purnell, Betty Jones, and Tyrone Mitchell
- C. June 30, 2023

Finding 9: The School District Should Ensure Compliance with State Law over the Annual Reconciliation of Public Funds.

Response: Jackson Public School District takes seriously its responsibility to ensure that the District's Public Depositor Annual Report is accurately submitted to the State Treasurer's Office within 30 days of fiscal year-end, as required by state law.

Corrective Action Plan:

- A. The Jackson Public School District will accurately review and submit the Public Depositor Annual Report to the State Treasurer's Office within 30 days of fiscal year-end.
- B. Earl Burke, Margaret Purnell, and Tyrone Mitchell
- C. June 30, 2022; Ongoing

Finding 10: The School District Should Ensure Compliance with State Law over Monthly Financial Reports.

Response: Jackson Public School District takes seriously its responsibility to submit an accurate and complete set of financial reports monthly and spread upon its minutes, as required by state law.

Corrective Action Plan:

- A. The Jackson Public School District will ensure
 - a. Board receives a complete, accurate, and timely set of monthly financial reports to its Board.
 - b. The financial reports submitted to the Board as part of the monthly report are approved and included in the monthly meetings. The board secretary will include those reports as attachments and place them in the minute book, not in a separate file.
- B. Earl Burke and Margaret Purnell
- C. June 30, Ongoing

Finding 11: The School District Should Ensure Compliance with State Law over Maintaining Background Checks.

Response: Jackson Public School District takes seriously its responsibility to ensure compliance by obtaining and maintaining current criminal background checks on file, as required by state law.

Corrective Action Plan:

- A. The District will review its procedure related to obtaining and maintenance of the results of the

JACKSON PUBLIC SCHOOL DISTRICT

background checks in employees' personnel files.

B. Campus Enforcement Staff, Sandra Lyons and Stephanie Nelson

C. June 30, 2022; Ongoing

Finding 12: The School District Should Ensure Compliance with State Law over Reemployment of Retired Public Employees.

Response: Jackson Public School District takes its responsibility seriously to promptly ensure that notice of reemployment of retired public employees is given in writing to the executive director of the Mississippi Public Employment Retirement System (PERS) Board.

Corrective Action Plan:

A. The District will do the following:

- c. Review policies and procedures to ensure proper procedures are in place when hiring or rehiring employees and retirees and update policies accordingly.
- d. The District will establish a checklist for rehires to include requirements for retirees with an established timeline for completion to ensure compliance with state deadlines.
- e. Conduct training or seek training opportunities to complete and submit the various employment forms promptly.

B. Sandra Lyons and Stephanie Nelson.

C. June 30, 2022; Ongoing

Finding 13: The School District Should Ensure Compliance with State Law over Sixteenth Section Lease Revenues, Taxes, and Appraisals.

Response: Jackson Public School District takes seriously its responsibility to ensure compliance with State Law regarding the management of Sixteenth Section Lease Revenues, Taxes, and Appraisals.

Corrective Action Plan:

A. To ensure compliance with State Law on tax payment for lease 16" section land, the District will do the following:

- a. A lessee will be required to submit to the District a copy of the paid tax receipt for each year of the corresponding section leased.
- b. The District, working in conjunction with the Tax Assessor Office, will establish policy and procedures to verify that all taxes on the leased 16th section property are current by March 1" of each year.
- c. The District will consider part-time employment of a 16" Section Land Manager to help ensure that the District complies with all 16th Section State Policies and Procedures.

B. Fred Davis and Wilton Jackson

C. June 30, 2022; Ongoing

Finding 14: The School District Should Ensure Compliance with State Law over Its Tax Request Publication.

JACKSON PUBLIC SCHOOL DISTRICT

Response: Jackson Public School District will ensure compliance with its ad valorem tax increase advertisement by ensuring it is displayed in the proper form according to state law.

Corrective Action Plan:

- A. The District will ensure that the school district name is included in the advertisement's title.
- B. Earl Burke and Margaret Purnell
- C. June 30, 2023

Finding 15: The School District Should Ensure Compliance with State Law over Surety Bonds.

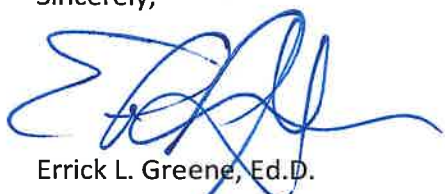
Response: Jackson Public School District will comply with *Section 25-1-15 (4)*, *Section 37-6-15*, *Section 37-9-31*, and *Section 37-39-21, Mississippi Code Annotated (1972)* to ensure that all parties requiring bonds are bonded for the required time and bonds are filed.

Corrective Action Plan:

- A. The District will do the following:
 - a. Ensure that all required bonded personnel are licensed and filed with the chancery clerk's office. Copies of the bond are on file in the business office.
 - b. Review the recommendation of securing a new bond every four years concurrent with the election or appointment applicable to the particular employee.
- B. Earl Burke and Philis Fowler
- C. June 30, 2023; Ongoing

Please do not hesitate to contact me if any additional information is needed.

Sincerely,



Errick L. Greene, Ed.D.

Superintendent of Education

CC: Michael Cormack, Deputy Superintendent
William Merritt, Chief of Staff
Earl Burke, Chief Operations Officer
Larissa Moore, District Counsel
School Board

JACKSON PUBLIC SCHOOL DISTRICT