



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

April 6, 2022

Mr. Dean Shaw, Superintendent
Picayune School District
706 Goodyear Boulevard
Picayune, Mississippi 39466

Dear Mr. Shaw:

Enclosed for your files is an executed amendment for Professional Services between Picayune School District and St. Clair CPA, PLLC, for the performance of the services as set forth in the contract for the year ending June 30, 2021. This amendment has been reviewed and signed by a representative of the Office of the State Auditor pursuant to *Sections 7-7-211(e) and 37-9-18, Mississippi Code of 1972 (Ann.)*.

Please let us know if you have any questions or need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Leigh Taylor", is written over a horizontal line.

Leigh Taylor, CPA
Director, Quality Assurance

LT/mc

Enclosure

C: St. Clair CPA, PLLC
Ms. Megan St. Clair, CPA, Owner/Member

AMENDMENT TO CONTRACT FOR PROFESSIONAL SERVICES

Item 4 of the original contract dated the 15th day of March, 2019, between the Office of the State Auditor, Picayune School District and St. Clair CPA, PLLC, Certified Public Accountant states, in part as it relates to the 2019 FY audit:

4. Consideration

The firm shall receive a not-to-exceed fee, as specified below, as compensation for the described audit services:

Three-year contract (Option 3)

\$ 17,992 for the audit of the annual financial report for the fiscal year ending June 30, 2019 (Year 1), **\$17,300** for the audit of the annual financial report for the fiscal year ending June 30, 2020 (Year 2), and **\$17,300** for the audit of the annual financial report for the fiscal year ending June 30, 2021 (Year 3). The said fees are based upon: **208 hours at \$86.50 per hour** for the fiscal year ending June 30, 2019 (Year 1), **200 hours at \$86.50 per hour** for the fiscal year ending June 30, 2020 (Year 2), and **200 hours at \$86.50 per hour** for the fiscal year ending June 30, 2021 (Year 3). Reasonable and necessary travel expenses to include mileage reimbursement at a rate equal to or less than the federal rate and actual hotel expenses for firm staff will be added to the above fee when overnight travel is necessary. Such expenses are estimated not to exceed \$1,800.00 per year.

The initial development of the audit proposal took into consideration a detail review of the audit reports for the previous three years (June 30, 2016, June 30, 2017 and June 30, 2018) and a review of the district's website to gain information into the structure and the size of the district. The review of the financial statements in the audit reports did not indicate any unusual or complex transactions that should be considered in my proposal. The audit reports for the year ended June 30, 2018, June 30, 2017 and June 30, 2016 were clean audits with only one state legal compliance finding for the year ended June 20, 2017. That lead me to believe, based on my background and experience, the audit engagement for the year ended June 30, 2019 could be completed in 200 hours.

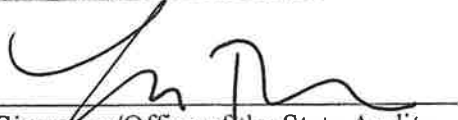
The district took over the Head Start program in both Picayune and Poplarville for the 2021 fiscal year and received Head Start funding that will need to be audited along the with Early Head Start Program. Additionally, due to all the additional COVID-19 federal funding (EDLA, HB1788 and all the ESSER funds) that are considered high risk and must be audited, it will be impossible to complete the audit within the 200 hours projected. In addition, additional testing is required based on the State Auditor's 2021 state legal compliance audit program. I anticipate at least an additional 12 hours over the 200 hours is needed to complete this engagement.

Due to the above noted item, it is necessary to amend the original contract regarding consideration to include the following, as it relates to the 2021 audit:

"Due to the increase in federal programs that are required to be audited and additional state legal compliance testing as required in the 2021 state legal compliance audit program, I anticipate at least an additional 12 hours of test and procedures will be required. The Firm shall receive, in addition to that stated in Item 4, a not-to-exceed fee of \$1,038, based on an additional 12 hours at the firm's stated hourly rate of \$86.50.

By signature below, all parties agree to amend Item 4 of the contract as indicated.

Office of the State Auditor



Signature/Office of the State Auditor



Witness/Office of the State Auditor

Director, Quality Assurance
Title

4.7.22
Date

School District's Representatives


Signature

Superintendent of Education
Title

4/5/22
Date


Signature

President – Board of Education

4-5-22
Date

Firm's Representative


Signature/Firm's Representative

Owner /Member
Title

4-06-22
Date