

# State of Mississippi



**Single Audit for Year Ending June 30, 2022**

Mississippi Office of the State Auditor

Shad White



Cover art for the State of Mississippi 2022 Single Audit Report has been reproduced with the artist's permission.

P. Sanders McNeal (b. 1949), ***The Rehearsal***, 1997. oil on canvas. 36 x 60 in. Collection of the Mississippi Museum of Art. Gift of John and Melody Maxey. 2005.030

***The Rehearsal*** depicts Dr. Russell Thomas, longtime Jazz professor at Jackson State University, and is part of the collection of artwork from the Mississippi Museum of Art, located in downtown Jackson.

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**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR**

**SHAD WHITE**

AUDITOR

July 31, 2023

The Governor, Members of the Legislature  
and Citizens of the State of Mississippi

I am pleased to submit the *Single Audit Report* of the State of Mississippi for the fiscal year ended June 30, 2022. Our audit was conducted in accordance with the requirements of the Single Audit Act Amendments of 1996, the provisions of the Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (contained in Title 2 of the U.S. Code of Federal Regulations Part 200)*, and the State of Mississippi's audit requirements.

The Single Audit process requires the coordination and cooperation of many state government entities. We are particularly grateful for the efforts of the Mississippi Department of Finance and Administration in compiling data.

While I am pleased to report that, for the thirty-fifth consecutive year, DFA was awarded the Government Finance Officers Association of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting, it is important to note that this award is bestowed on DFA for its adherence to standards when compiling the report, and does not consider the actual financial condition of the state.

Additionally, it is important to note that my office issued an unmodified opinion on those financials, but that in order to do so, multiple significant adjustments to the financial reports submitted by state agencies were required. I would encourage you to review the audit findings issued by my office and other independent CPA firms. These audit findings are a vital part of our report as they acknowledge weaknesses existing in our state agencies that should be addressed by management and those charged with governance.

Mississippi's *Annual Comprehensive Financial Report* for fiscal year 2022 and our report thereon, dated April 21, 2023, has been issued under separate cover and is available electronically at <http://www.dfa.state.ms.us/> or by writing to the address below:

Mississippi Department of Finance and Administration  
Attention: Bureau of Financial Reporting  
P. O. Box 267  
Jackson, MS 39205

Respectfully submitted,

A handwritten signature of Shad White, the State Auditor, is located below the "Respectfully submitted," text. The signature is written in black ink and is a stylized, cursive representation of the name "Shad White".

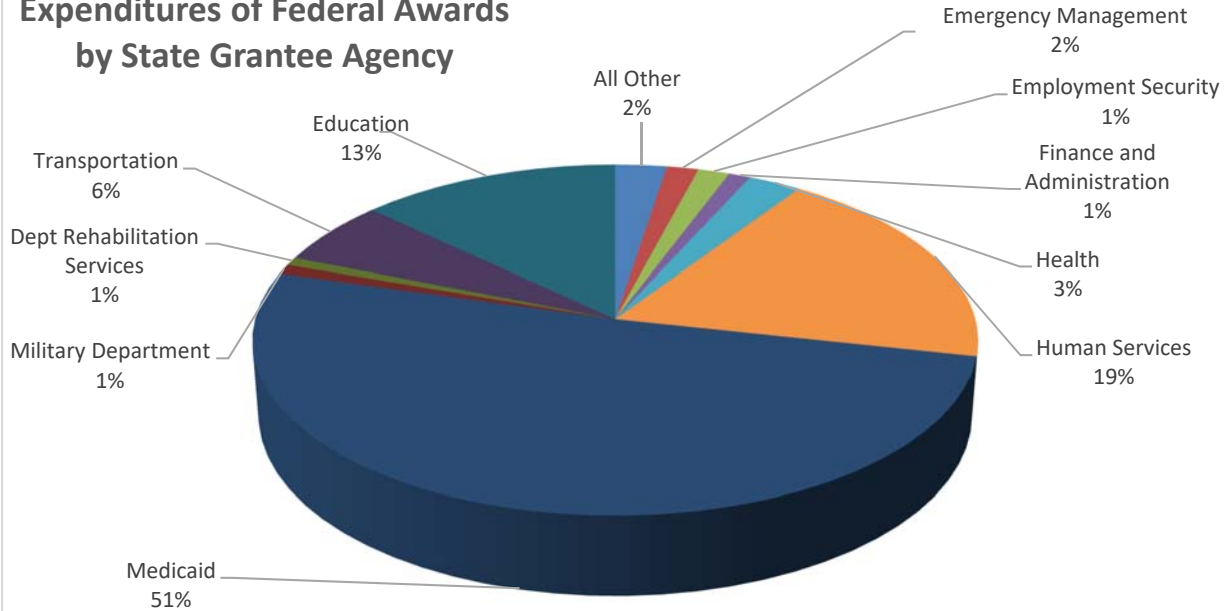
SHAD WHITE  
State Auditor

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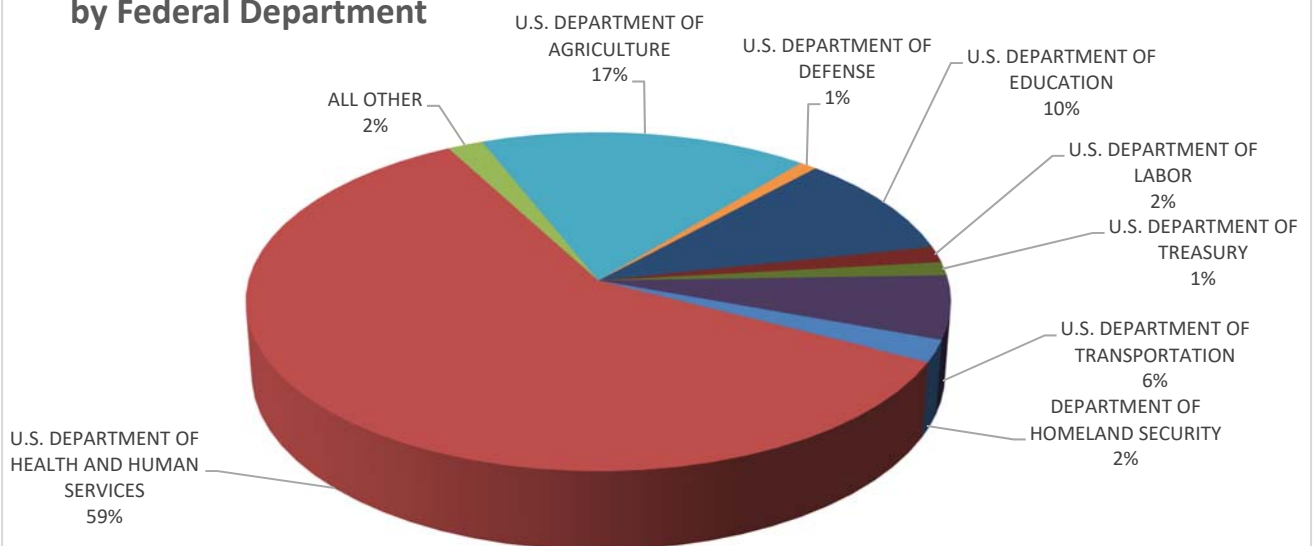
# STATE OF MISSISSIPPI

## Fiscal Year 2022

**Expenditures of Federal Awards  
by State Grantee Agency**



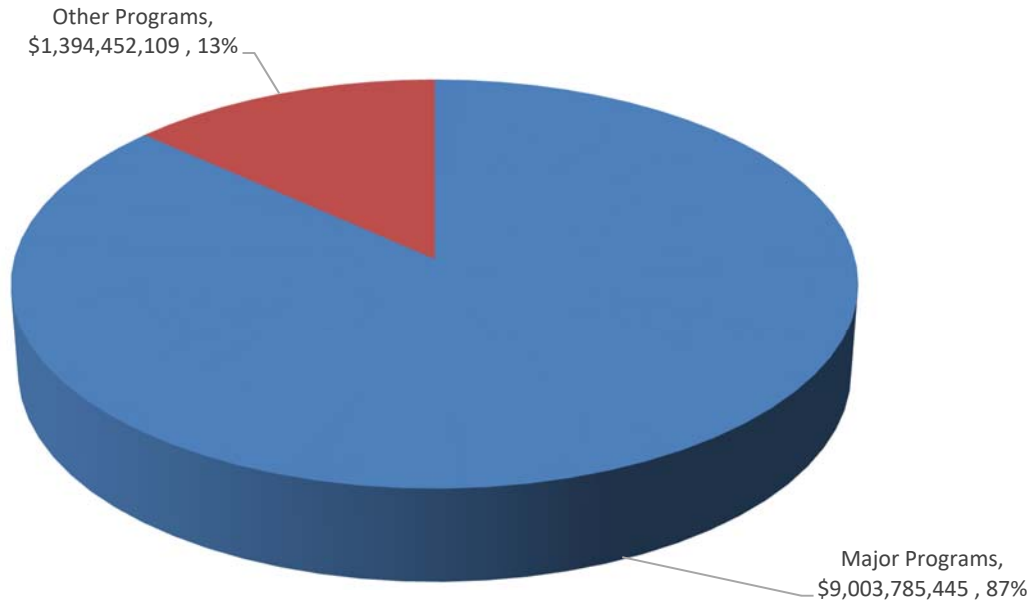
**Expenditure of Federal Awards  
by Federal Department**



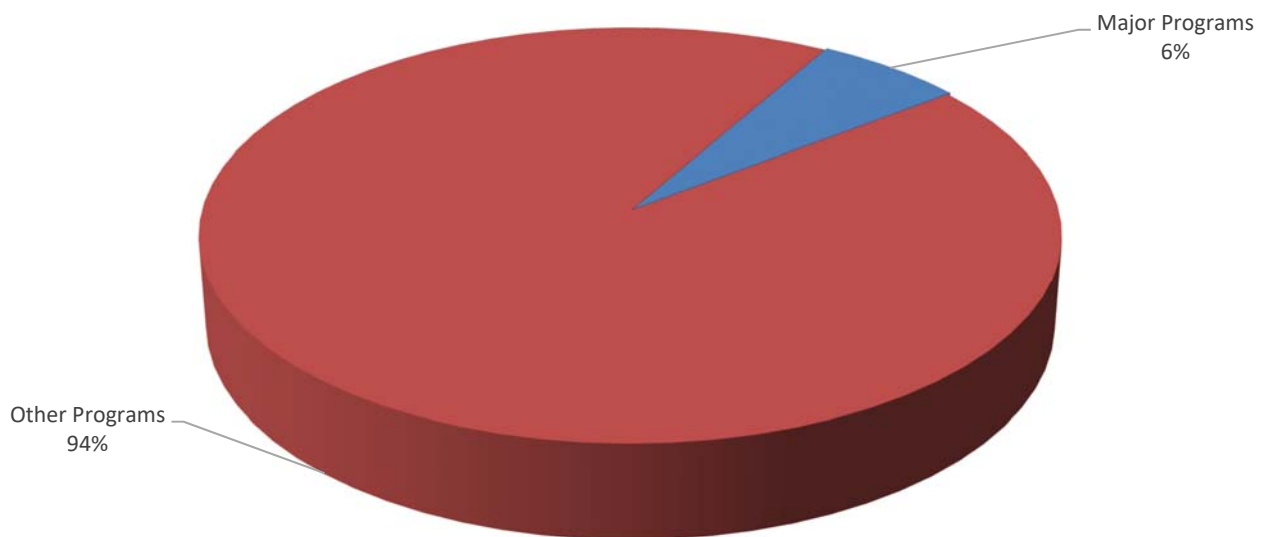
# STATE OF MISSISSIPPI

## Fiscal Year 2022

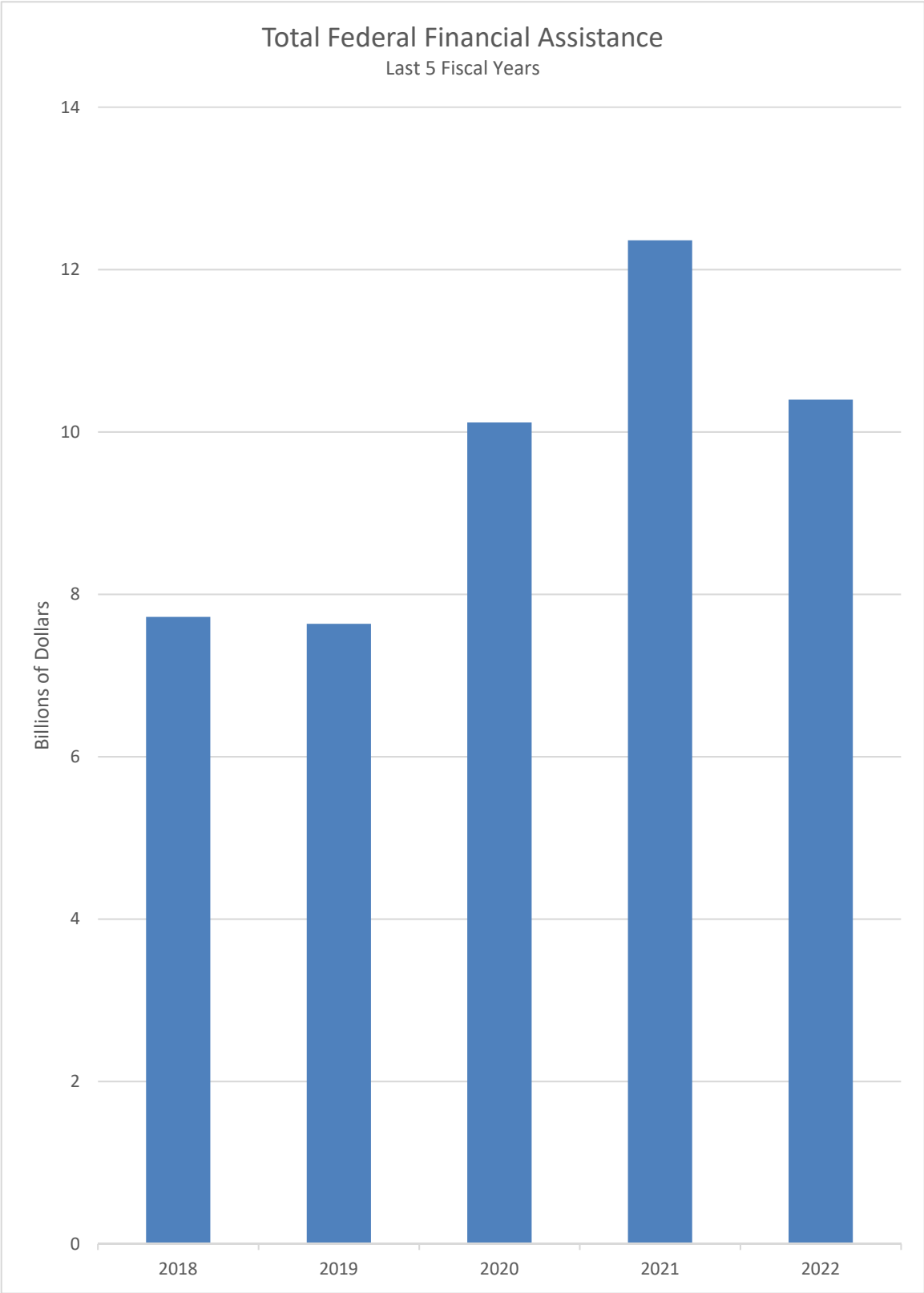
Percentage of Major Program Assistance, by Dollars  
Total Expenditures of Federal Awards \$10,398,237,554



Percentage of Major Program Assistance, by Program  
334 Programs



**STATE OF MISSISSIPPI**  
**Fiscal Year 2022**





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# STATE OF MISSISSIPPI

## SINGLE AUDIT REPORT

For the Year Ended June 30, 2022

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# **I. AUDIT REPORTING**









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

**INDEPENDENT AUDITOR'S REPORT ON**  
**INTERNAL CONTROL OVER FINANCIAL REPORTING**  
**AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF**  
**FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE**  
**WITH *GOVERNMENT AUDITING STANDARDS***

The Governor, Members of the Legislature and Citizens of the State of Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the State of Mississippi (the State), as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise the State's basic financial statements, and have issued our report thereon dated April 21, 2023. Our report includes a reference to other auditors who audited the financial statements of the following, as described in our report on the State of Mississippi's financial statements:

▪ Government-wide Financial Statements

• Governmental Activities

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation which, in the aggregate, represent 11 percent, 15 percent, and 10 percent, respectively, of the assets, net position, and revenues of the governmental activities;

• Business-type Activities

- AbilityWorks, Inc. within the Department of Rehabilitation Services, the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, the Veterans' Home Purchase Board, and the Department of Finance and Administration State Life and Health Plan which, in the aggregate, represent 63 percent, 60 percent, and 97 percent, respectively, of the assets, net position, and revenues of the business-type activities;

• Component Units

- the Universities and the nonmajor component units.

▪ Fund Financial Statements

• Governmental Funds

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State

Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation, which, in the aggregate, represent 25 percent, 30 percent, and 10 percent, respectively, of the assets, fund balance, and revenues of the governmental activities;

- Proprietary Funds

- the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, and the Department of Finance and Administration State Life and Health Plan which are considered major enterprise funds which, in the aggregate, represent 51 percent, 44 percent, and 91 percent, respectively, of the assets, fund balance, and revenues of the proprietary funds;

- Aggregate Remaining Funds

- Nonmajor enterprise funds for AbilityWorks, Inc. within the Department of Rehabilitation Services and the Veterans' Home Purchase Board;
- Other Employee Benefits Trust Fund – State Life and Health Insurance Plan;
- the Pension Trust Funds;
- the Private-Purpose Trust Funds of the Mississippi Affordable College Savings Program;

all of which represent 99 percent, 99 percent, and 100 percent, respectively, of the assets, net position, and revenues of the aggregate remaining funds.

Except for the major component unit Universities, this report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. This report does not include the results of the other auditor's testing of internal control over financial reporting and compliance and other matters for the major component unit Universities that are reported on separately by those auditors.

The financial statements of the Mississippi State University Foundation, Inc., the University of Mississippi Foundation, the University of Southern Mississippi Foundation, the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund and the State Institutions of Higher Learning Tort Liability Fund, which were audited by other auditors upon whose reports we are relying, were not audited in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting compliance and other matters associated with these funds or entities.

## **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we and other auditors considered the State of Mississippi's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of Mississippi's internal control.

Our and the other auditors' consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying "Schedule of Findings and Questioned Costs: Part 2 – Financial Statement Findings", we and other auditors did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 *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 consider the deficiencies described in the accompanying "Schedule of Findings and Questioned Costs: Part 2 – Financial Statement Findings" as items 2022-005, 2022-006, 2022-010, 2022-011, 2022-012, 2022-014, 2022-015, and 2022-016 to be material weaknesses.

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. We consider the deficiencies described in the accompanying "Schedule of Findings and Questioned Costs: Part 2 – Financial Statement Findings" as items 2022-007, 2022-008, 2022-009, and 2022-013 to be significant deficiencies.

We and the other auditors also noted certain matters involving the internal control over financial reporting, which we have reported to management of the applicable state agencies and institutions of the State of Mississippi in separate communications.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the State of Mississippi's financial statements are free from material misstatement, we and other auditors performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We and the other auditors also noted certain matters which we have reported to management of the State of Mississippi in separate communications.

### **State of Mississippi's Response to Finding**

Management's response to the findings identified in our audit is described in the accompanying "Management's Response and Corrective Action Plan" section. Management's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of Mississippi's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.



**Angela Mire, CPA, CFE**  
Director, Agency Division  
Mississippi Office of the State Auditor

Jackson, Mississippi  
April 21, 2023



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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

The Governor, Members of the Legislature  
and Citizens of the State of Mississippi

**Report on Compliance for Each Major Federal Program**  
*Qualified and Unmodified Opinions*

We have audited the State of Mississippi's (the State) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2022. The State of Mississippi's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

The State of Mississippi's basic financial statements include the operations of the State's public universities, as a major component unit within the discretely presented component units, which expended \$1,196,451,018 in federal awards which is not included in the State's schedule of federal awards during the year ended June 30, 2022. Our audit, described below, did not include the operations of the public universities because the universities component unit engaged other auditors to perform an audit of compliance in accordance with the provisions of Uniform Guidance.

*Summary of Opinions*

ALN(s)	Major Program Name	Type of Opinion
10.542	Pandemic EBT Cards Program	Qualified
10.558	Child and Adult Care Program	Unmodified
10.551, 10.561	Supplemental Nutrition Assistance Program (SNAP)	Unmodified
17.225	Unemployment Insurance	Qualified
17.258, 17.259, 17.278	Workforce Innovation and Opportunity Act Cluster (WIOA)	Qualified
20.205, 20.219, 20.224	Highway Planning and Construction Cluster	Unmodified
21.023	Emergency Rental Assistance Program	Qualified
21.026	Homeowner Assistance Fund	Qualified
64.015	Veterans State Nursing Home Care	Qualified
84.010	Title I Grants to Local Educational Agencies Program	Qualified
84.126	Vocational Rehabilitation Grants to States	Unmodified
84.027, 84.173	Special Education Cluster (IDEA)	Unmodified
84.367	Supporting Effective Instruction State Grants (SEED)	Qualified
84.425C, 84.425D, 84.425R, 84.425U, 84.425W	Education Stabilization Fund	Qualified
93.558	Temporary Assistance for Needy Families (TANF) Program	Qualified
93.568	Low-Income Home Energy Assistance Program (LIHEAP)	Qualified
93.575, 93.596	Child Care Development Fund (CCDF) Cluster	Qualified

Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

93.767	Children's Health Insurance Program (CHIP)	Qualified
93.775, 93.777, 93.778	Medicaid Cluster	Qualified
96.001	Social Security Disability Insurance Cluster	Unmodified
93.667	Social Services Block Grant	Qualified

*Qualified Opinion on the Pandemic EBT Cards Program, Unemployment Insurance, Workforce Innovation and Opportunity Act Cluster (WIOA), Emergency Rental Assistance Program, Homeowner Assistance Fund, Veterans State Nursing Home Care, Title I Grants to Local Educational Agencies Program, Supporting Effective Instruction State Grants (SEED), Education Stabilization Fund, Temporary Assistance for Needy Families (TANF) Program, Low-Income Home Energy Assistance Program (LIHEAP), Child Care Development Fund (CCDF) Cluster, Children's Health Insurance Program (CHIP), Medicaid Cluster, and Social Services Block Grant.*

In our opinion, based on our audit and the reports of other auditors, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Mississippi complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Pandemic EBT Cards Program, Unemployment Insurance, Workforce Innovation and Opportunity Act Cluster (WIOA), Emergency Rental Assistance Program, Homeowner Assistance Fund, Veterans State Nursing Home Care, Title I Grants to Local Educational Agencies Program, Supporting Effective Instruction State Grants (SEED), Education Stabilization Fund, Temporary Assistance for Needy Families (TANF) Program, Low-Income Home Energy Assistance Program (LIHEAP), Child Care Development Fund (CCDF) Cluster, Children's Health Insurance Program (CHIP), Medicaid Cluster, and Social Services Block Grant for the year ended June 30, 2022.

*Unmodified Opinion on Each of the Other Major Federal Programs*

In our opinion, based on our audit and the reports of other auditors, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2022. The scope of this audit did not include testing transactions and records from the major federal programs of the public universities of Mississippi. The audit of their federal programs was conducted in accordance with the provisions of Uniform Guidance by other auditors, and a separate report was issued.

***Basis for Qualified and Unmodified Opinions***

Except as discussed in the preceding paragraph, we conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State of Mississippi and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit and the audits of other auditors do not provide a legal determination of the State of Mississippi's compliance with the compliance requirements referred to above.

*Matters Giving Rise to Qualified Opinion on the Pandemic EBT Cards Program, Unemployment Insurance, Workforce Innovation and Opportunity Act Cluster (WIOA), Emergency Rental Assistance Program, Homeowner Assistance Fund, Veterans State Nursing Home Care, Title I Grants to Local Educational Agencies Program, Supporting Effective Instruction State Grants (SEED), Education Stabilization Fund, Temporary Assistance for Needy Families (TANF) Program, Low-*



Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

*Income Home Energy Assistance Program (LIHEAP), Child Care Development Fund (CCDF) Cluster, Children's Health Insurance Program (CHIP), Medicaid Cluster, and Social Services Block Grant.*

As described in the accompanying "Schedule of Findings and Questioned Costs: Part 3 – Federal Award Findings and Questioned Costs," the State of Mississippi did not comply with requirements regarding the following:

<b>Finding #</b>	<b>ALN</b>	<b>Program/Cluster Name</b>	<b>Compliance Requirement</b>
2022-017	93.568	Low-Income Home Energy Assistance Program (LIHEAP)	Subrecipient Monitoring
2022-018	93.558, 93.575, 93.596	Temporary Assistance for Needy Families (TANF), Child Care Development Fund (CCDF) Cluster	Subrecipient Monitoring
2022-019	93.558, 93.667, 93.568, 10.542, 93.596, 93.575	Temporary Assistance for Needy Families (TANF), Social Services Block Grant, Low-Income Home Energy Assistance Program (LIHEAP), Pandemic EBT Cards, Child Care Development Fund (CCDF) Cluster	Reporting
2022-020	17.225	Unemployment Insurance	Special Tests and Provisions
2022-021	17.225	Unemployment Insurance	Matching, Level of Effort, Earmarking
2022-022	17.225	Unemployment Insurance	Reporting
2022-023	17.258, 17.259, 17.278	Workforce Innovation and Opportunity Act Cluster (WIOA)	Subrecipient Monitoring
2022-025	93.767, 93.775, 93.777, 93.778	Children's Health Insurance Program (CHIP), Medicaid Cluster	Eligibility
2022-028	84.010, 84.367, 84.425	Title I Grants to Local Educational Agencies Program, Supporting Effective Instruction State Grants (SEED), Education Stabilization Fund	Reporting
2022-031	21.023, 21.026	Emergency Rental Assistance Program, Homeowner Assistance Fund	Eligibility
2022-032	21.023, 21.026	Emergency Rental Assistance Program, Homeowner Assistance Fund	Subrecipient Monitoring
2022-033	64.015	Veterans State Nursing Home Care	Reporting

Compliance with such requirements is necessary, in our opinion, for the State of Mississippi to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State of Mississippi's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State of Mississippi's compliance based on our audit.

Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

We did not audit the compliance of the following major programs: Veterans State Nursing Home Care, Rehabilitation Services – Vocational Rehabilitation Grants to States, and Social Security Disability Insurance, which in total represent 1.1% of the total federal expenditures. Those programs were audited by other auditors, whose reports have been furnished to us, and our opinions are based solely on the report of the other auditors. This report includes our consideration of the results of the other auditors' testing of compliance and internal control over compliance that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State of Mississippi's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State of Mississippi's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State of Mississippi's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State of Mississippi's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

The scope of this audit did not include testing transactions and records from the major federal programs of the public universities of Mississippi. The audit of those federal programs was conducted in accordance with the provisions of Uniform Guidance by other auditors, and a separate report was issued.

#### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying "Schedule of Findings and Questioned Costs: Part 3 - Federal Award Findings and Questioned Costs" as items 2022-024, 2022-026, 2022-027, 2022-029, and 2022-030. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Mississippi's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of Mississippi's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

We also noted other immaterial instances of noncompliance which have been reported to management of the State of Mississippi in separate communications.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We and the other auditors consider the deficiencies in internal control over compliance described in the accompanying "Schedule of Findings and Questioned Costs: Part 3 - Federal Award Findings and Questioned Costs" as items 2022-017, 2022-018, 2022-019, 2022-020, 2022-021, 2022-022, 2022-023, 2022-025, 2022-028, 2022-031, 2022-032, and 2022-033 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying "Schedule of Findings and Questioned Costs: Part 3 – Federal Award Findings and Questioned Costs" as items 2022-024, 2022-027, 2022-029, and 2022-030 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State of Mississippi's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of Mississippi's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is matter of public record and its distribution is not limited.

### **Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Mississippi as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Mississippi's basic financial statements.

Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

We issued our report thereon dated April 21, 2023 which contained unmodified opinions on those financial statements. We did not audit the financial statements of:

- Government-wide Financial Statements

- Governmental Activities

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation which, in the aggregate, represent 11 percent, 15 percent, and 10 percent, respectively, of the assets, net position, and revenues of the governmental activities;

- Business-type Activities

- AbilityWorks, Inc. within the Department of Rehabilitation Services, the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, the Veterans' Home Purchase Board, and the Department of Finance and Administration State Life and Health Plan which, in the aggregate, represent 63 percent, 60 percent, and 97 percent, respectively, of the assets, net position, and revenues of the business-type activities;

- Component Units

- the Universities and the nonmajor component units.

- Fund Financial Statements

- Governmental Funds

- the Department of Environmental Quality Clean Water State Revolving Loan Fund, the Department of Health Local Governments and Rural Water Systems Improvements Revolving Loan Fund, the State Agencies Self-Insured Workers' Compensation Trust Fund, Department of Public Safety, Mississippi Development Authority, Department of Health, Department of Corrections, Mississippi State Hospital, Administrative Office of the Courts – Supreme Court, Boswell Regional Center, Department of Mental Health and selected funds at the Community College Board, Department of Marine Resources, and the Department of Transportation, which, in the aggregate, represent 25 percent, 30 percent, and 10 percent, respectively, of the assets, fund balance, and revenues of the governmental activities;

- Proprietary Funds

- the Port Authority at Gulfport, the Mississippi Prepaid Affordable College Tuition Program, and the Department of Finance and Administration State Life and Health

Independent Auditor's Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by Uniform Guidance

Plan which are considered major enterprise funds which, in the aggregate, represent 51 percent, 44 percent, and 91 percent, respectively, of the assets, fund balance, and revenues of the proprietary funds;

- Aggregate Remaining Funds
  - Nonmajor enterprise funds for AbilityWorks, Inc. within the Department of Rehabilitation Services and the Veterans' Home Purchase Board;
  - Other Employee Benefits Trust Fund – State Life and Health Insurance Plan;
  - the Pension Trust Funds;
  - the Private-Purpose Trust Funds of the Mississippi Affordable College Savings Program;

all of which represent 99 percent, 99 percent, and 100 percent, respectively, of the assets, net position, and revenues of the aggregate remaining funds.

Those statements were audited by other auditors whose reports have been furnished to us; and our opinions, insofar as they relate to the amounts included for those agencies, funds, and component units, are based solely on the reports of the other auditors.

The State of Mississippi has excluded federal programs administered by public universities from the accompanying schedules of expenditures of federal awards, as more fully described in Note 2 to the schedules. The State's public universities were audited in accordance with statutory requirements and the provisions of Uniform Guidance, and a separate report was issued.

Our audit and the audits of the other auditors were conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards by Federal Department is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the audit reports of the other auditors, except for the effects of the omission described in the preceding paragraph, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**Angela Mire, CPA, CFE**  
Director, Agency Division  
Jackson, Mississippi  
July 31, 2023



# **Schedule of Expenditures of Federal Awards by Federal Department**





**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
10.025	Plant and Animal Disease, Pest Control, and Animal Care		979,012	-
10.069	Soil and Water Conservation		1,230,521	-
10.163	Market Protection and Promotion		2,724	-
10.170	Specialty Crop Block Grant Program – Farm Bill		240,728	238,876
10.171	Organic Certification Cost Share Programs		876	-
10.351	Rural BusinessDevelopment Grant		45,000	-
10.475	Cooperative Agreements with States for Intrastate Meat		1,114,241	-
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program		292,233	-
10.542	Pandemic EBT — Food Benefits		262,698,276	-
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	39,695,654		1,704,786
10.557	COVID-19 Special Supplemental Nutrition Program for Women, Infants, and Children	713,658		-
	<i>Total Special Supplemental Nutrition Program for Women, Infants, and Children</i>		40,409,312	
10.558	Child and Adult Care Food Program		46,411,644	46,382,858
10.560	State Administrative Expenses for Child Nutrition		4,563,863	-
10.576	Senior Farmers Market Nutrition Program		1,060	-
10.578	WIC Grants To States (WGS)		341,705	-
10.579	Child Nutrition Discretionary Grants Limited Availability		175,192	175,192
10.580	Supplemental Nutrition Assistance Program Process and Technology Improvement Grants		(142,315)	-
10.582	Fresh Fruit and Vegetable Program		2,274,759	2,274,759
10.649	Pandemic EBT Administrative Costs		5,739,714	-
10.664	Cooperative Forestry Assistance		2,199,948	-
10.855	Distance Learning and Telemedicine Loans and Grants		74,591	-
10.902	Soil and Water Conservation		2,947,850	-
10.904	Soil and Water Conservation		820,176	-
10.912	Soil and Water Conservation		1,411,782	-
10.916	NRCS Watershed Rehabilitation Program		269,757	-
10.950	Agricultural Statistics Reports		32,513	-
	<b>SNAP Cluster</b>			
10.551	Supplemental Nutrition Assistance Program (SNAP)		969,481,356	-
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		33,770,498	5,250,761
	<b>Total SNAP Cluster</b>		<u>1,003,251,854</u>	
	<b>Child Nutrition Cluster</b>			
10.553	School Breakfast Program (SBP)		84,406,100	84,406,100
10.555 @	National School Lunch Program (NSLP)		282,063,393	254,110,641
10.556	Special Milk Program for Children (SMP)		4,978	4,978
10.559 @	Summer Food Service Program for Children (SFSPC)		6,192,095	5,405,262
	<b>Total Child Nutrition Cluster</b>		<u>372,666,566</u>	
	<b>Food Distribution Cluster</b>			
10.565	Commodity Supplemental Food Program		902,294	902,294
10.568	Emergency Food Assistance Program (Administrative Costs)	1,357,586		1,240,378
10.568	COVID-19 Emergency Food Assistance Program (Administrative Costs)	1,681,214		1,681,037
	<i>Total Emergency Food Assistance Program (Administrative Costs)</i>		3,038,800	
10.569 @	Emergency Food Assistance Program (Food Commodities)		5,730,020	-
	<b>Total Food Distribution Cluster</b>		<u>8,768,820</u>	
	<b>Forest Service Schools and Roads Cluster</b>			
10.665	Schools and Roads - Grants to States		5,246,960	-
	<b>Total Forest Service Schools and Roads Cluster</b>		<u>5,246,960</u>	
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>1,764,971,656</b>	
<b>U.S. DEPARTMENT OF COMMERCE</b>				
11.407	Inter jurisdictional Fisheries Act of 1986		206,881	-
11.419	Coastal Zone Management Administration Awards		1,500,375	-
11.420	Coastal Zone Management Estuarine Research Reserves		813,189	-
11.434	Cooperative Fishery Statistics		62,335	-
11.451	Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology		72,803	-
<b>TOTAL U.S. DEPARTMENT OF COMMERCE</b>			<b>2,655,583</b>	

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b><u>U.S. DEPARTMENT OF DEFENSE</u></b>				
12.002	Procurement Technical Assistance For Business Firms		338,784	-
12.005	Conservation and Rehabilitation of Natural Resources on Military Installations		1,630,280	-
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services		69,795	-
12.400	Military Construction, National Guard		2,836,214	-
12.401	National Guard Military Operations and Maintenance (O&M) Projects		86,003,432	-
12.404	National Guard ChalleNGe Program		4,383,955	-
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			<b>95,262,460</b>	
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>				
14.228	Community Development Block Grants / State's Program		25,085,738	3,443,321
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>25,085,738</b>	
<b><u>U.S. DEPARTMENT OF THE INTERIOR</u></b>				
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining		218,521	-
15.252	Abandoned Mine Land Reclamation (AMLR) Program		85,209	-
15.608	Fish and Wildlife Management Assistance		117,013	47,292
15.615	Cooperative Endangered Species Conservation Fund		205,499	-
15.616	Clean Vessel Act		(9,663)	-
15.657	Endangered Species Conservation – Recovery		424,205	-
15.810	National Cooperative Geologic Mapping Program		69,240	-
15.904	Historic Preservation Fund Grants-In-Aid		869,501	-
15.922	Native American Graves Protection and Repatriation Act		36,713	-
15.929	Save America's Treasures		28,481	-
15.939	National Heritage Area Federal Financial Assistance		237,625	119,295
15.980	National Ground-Water Monitoring Network		28,364	-
15.981	Water Use and Data Research		9,632	-
<b>Fish and Wildlife Cluster</b>				
15.605	Sport Fish Restoration Program		5,842,125	353,873
15.611	Wildlife Restoration and Basic Hunter Education		11,056,920	-
<b>Total Fish and Wildlife Cluster</b>			<b>16,899,045</b>	
<b>TOTAL U.S. DEPARTMENT OF THE INTERIOR</b>			<b>19,219,385</b>	
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>				
16.017	Sexual Assault Services Formula Program		210,297	184,028
16.034	Coronavirus Emergency Supplemental Funding		1,331,729	674,481
16.320	Services for Trafficking Victims		444,327	36,595
16.540	Juvenile Justice and Delinquency Prevention – Allocation to States		198,665	5,000
16.543	Missing Children's Assistance		415,162	-
16.554	National Criminal History Improvement Program (NCHIP)		859,518	-
16.575	Crime Victim Assistance		15,576,736	11,400,097
16.576	Crime Victim Compensation		801,745	-
16.588	Violence Against Women Formula Grants		324,453	296,639
16.589	Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program		133,853	53,950
16.593	Residential Substance Abuse Treatment for State Prisoners		169,851	46,326
16.609	Project Safe Neighborhoods		44,346	-
16.734	Special Data Collections and Statistical Studies		51,236	-
16.735	PREA Program: Strategic Support for PREA Implementation		8,091	-
16.738	Edward Byrne Memorial Justice Assistance Grant Program		1,429,048	1,429,048
16.741	DNA Backlog Reduction Program		474,582	-
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program		143,899	129,618
16.750	Support for Adam Walsh Act Implementation Grant Program		144,859	-
16.751	BJA PREA Program		(100)	-
16.754	Harold Rogers Prescription Drug Monitoring Program		316,512	33,177
16.812	Second Chance Act Reentry Initiative		180,562	-
16.816	John R. Justice Prosecutors and Defenders Incentive Act		36,257	-
16.838	Comprehensive Opioid, Stimulant, and Substance Abuse Program		(9,849)	-
16.922	Equitable Sharing Program		188,990	-
16.UN5	US Marshall Service		11,823	-
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>23,486,592</b>	

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b>U.S. DEPARTMENT OF LABOR</b>				
17.002	Labor Force Statistics		677,487	-
17.005	Compensation and Working Conditions		16,498	-
17.225 #	Unemployment Insurance	104,716,034		-
17.225 #	COVID-19 Unemployment Insurance	7,776,108		-
	<i>Total Unemployment Insurance</i>		112,492,142	
17.235	Senior Community Service Employment Program		753,197	753,197
17.245	Trade Adjustment Assistance		123,483	-
17.270	Reentry Employment Opportunities		498	-
17.271	Work Opportunity Tax Credit Program (WOTC)		188,140	-
17.273	Temporary Labor Certification for Foreign Workers		258,493	-
17.277	Workforce Investment Act (WIA) National Emergency Grants	346,955		346,955
17.277	COVID-19 Workforce Investment Act (WIA) National Emergency Grants	2,505,615		2,505,615
	<i>Total Workforce Investment Act (WIA) National Emergency Grants</i>		2,852,570	
17.285	Apprenticeship USA Grants		959,362	959,362
17.286	Hurricanes and Wildfires of 2017 Supplemental- National Dislocated Worker Grants		90,232	-
17.600	Mine Health and Safety Grants		10,835	-
	<b>Employment Service Cluster</b>			
17.207	Employment Service / Wagner-Peyser Funded Activities		6,626,313	-
17.801	Disabled Veterans' Outreach Program (DVOP)		1,075,036	-
	<i>Total Employment Service Cluster</i>		7,701,349	
	<b>WIOA Cluster</b>			
17.258	WIA Adult Program		11,819,305	11,819,305
17.259	WIA Youth Activities		11,361,636	11,361,636
17.278	WIA Dislocated Worker Formula Grants		12,965,293	12,965,293
	<i>Total WIOA Cluster</i>		36,146,234	
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			<b>162,270,520</b>	
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
20.200	Highway Research and Development Program		110,462	-
20.232	Commercial Driver's License Program Improvement Grant		240,793	-
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort		37,370	-
20.505	Fed Transit Auth-FTA		349,804	-
20.509	Formula Grants for Rural Areas	9,391,767		8,761,559
20.509	COVID-19 Formula Grants for Rural Areas	16,981,658		16,042,990
	<i>Total Formula Grants for Rural Areas</i>		26,373,425	-
20.614	Fatality Analysis Reporting System		100,473	-
20.615	E-911 Grant Program		1,524,718	1,272,968
20.700	Pipeline Safety Program Base Grant		651,283	-
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		312,472	265,556
20.721	PHMSA Pipeline Safety Program One Call Grant		38,718	-
20.933	National Infrastructure Investments		22,059,287	-
	<b>Highway Planning and Construction Cluster</b>			
20.205	Highway Planning and Construction		556,498,232	-
20.224	Federal Lands Access Program		4,229,623	-
	<i>Total Highway Planning and Construction Cluster</i>		560,727,855	
	<b>Transit Services Programs Cluster</b>			
20.513	Enhanced Mobility for Seniors and Individuals with Disabilities		1,878,285	1,878,285
20.516	Job Access and Reverse Commute Program		90,280	90,280
	<i>Total Transit Services Programs Cluster</i>		1,968,565	
	<b>FMCSA Cluster</b>			
20.218	National Motor Carrier Safety		3,072,344	-
20.237	Fed Aviation Adm-FAA		441,940	-
	<i>Total FMCSA Cluster</i>		3,514,284	
	<b>Federal Transit Cluster</b>			
20.526	Bus and Bus Facilities Formula Program		4,475,516	2,811,140
	<i>Total Federal Transit Cluster</i>		4,475,516	
	<b>Highway Safety Cluster</b>			
20.600	State and Community Highway Safety		8,128,410	3,015,758
	<i>Total Highway Safety Cluster</i>		8,128,410	
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>630,613,435</b>	



**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>				
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast		18,562,382	16,928,206
21.023	Emergency Rental Assistance Program		43,593,773	43,593,773
21.026	Homeowner Assistance Fund		65,053,508	65,053,508
21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS		5,000,000	-
<b>TOTAL U.S. DEPARTMENT OF THE TREASURY</b>			<b>132,209,663</b>	
<b><u>APPALACHIAN REGIONAL COMMISSION</u></b>				
23.002	Appalachian Area Development		4,563,778	-
23.011	Appalachian Research, Technical Assistance, and Demonstration Projects		171,480	-
<b>TOTAL APPALACHIAN REGIONAL COMMISSION</b>			<b>4,735,258</b>	
<b><u>FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL APPRAISAL SUBCOMMITTEE</u></b>				
38.006	State Appraiser Agency Support Grants		82,773	47,555
<b>TOTAL FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL APPRAISAL SUBCOMMITTEE</b>			<b>82,773</b>	
<b><u>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</u></b>				
45.025	Promotion of the Arts - Partnership Agreements		1,617,346	-
45.129	Promotion of the Humanities Federal/State Partnership		11,300	-
45.149	Promotion of the Humanities – Division of Preservation Access		35,273	-
45.162	Promotion of the Humanities Teaching and Learning Resources and Curriculum Development		354,878	-
45.310	Grants to States	1,724,673		438,625
45.310	COVID-19 Grants to States	1,851,173		1,369,551
	<i>Total Grants to States</i>		3,575,846	-
<b>TOTAL NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>			<b>5,594,643</b>	
<b><u>SMALL BUSINESS ADMINISTRATION</u></b>				
59.061	State Trade and Export Promotion Pilot Grant Program		745,522	-
<b>TOTAL SMALL BUSINESS ADMINISTRATION</b>			<b>745,522</b>	
<b><u>U.S. DEPARTMENT OF VETERANS AFFAIRS</u></b>				
64.015	Veterans State Nursing Home Care		32,553,863	-
64.203	Veterans Cemetary Grants Program		2,201,562	-
<b>TOTAL U.S. DEPARTMENT OF VETERANS AFFAIRS</b>			<b>34,755,425</b>	
<b><u>ENVIRONMENTAL PROTECTION AGENCY</u></b>				
66.032	State Indoor Radon Grants		25,870	-
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		448,821	-
66.040	State Clean Diesel Grant Program		538,941	191,185
66.204	Multipurpose Grants to States and Tribes		77,788	-
66.419	Water Pollution Control State, Interstate, and Tribal Program Support		167,574	-
66.432	State Public Water System Supervision		868,711	-
66.433	State Underground Water Source Protection		131,525	-
66.454	Water Quality Management Planning		151,646	-
66.460	Nonpoint Source Implementation Grants		3,780,994	2,059,926
66.461	EPA Wetlands Program Development		193,872	134,211
66.472	Beach Monitoring and Notification Program Implementation Grants		160,445	-
66.475	Sewer Overflow and Stormwater Reuse Municipal Grant Program		14,663	-
66.605	Performance Partnership Grants		8,525,409	-
66.608	Environmental Information Exchange Network Grant Program and Related Assistance		22,254	-
66.701	Toxic Substances Compliance Monitoring Cooperative Agreements		21,799	-
66.707	TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals		339,695	-
66.708	Pollution Prevention Grants Program		34,272	-
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements		44,968	-
66.804	Underground Storage Tank Prevention, Detection and Compliance Program		368,933	-
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program		867,085	-
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements		48,943	-

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b>Clean Water State Revolving Fund Cluster</b>				
66.458	Capitalization Grants for Clean Water State Revolving Funds		11,451,331	-
	<b>Total Clean Water State Revolving Fund Cluster</b>		<b>11,451,331</b>	
<b>Drinking Water State Revolving Fund Cluster</b>				
66.468	Capitalization Grants for Drinking Water State Revolving Funds		9,168,381	-
	<b>Total Drinking Water State Revolving Fund Cluster</b>		<b>9,168,381</b>	
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>			<b>37,453,920</b>	
<b>U.S. DEPARTMENT OF ENERGY</b>				
81.041	State Energy Program		374,704	-
81.136	DOE Salmon Testing Site		107,256	-
81.042	Weatherization Assistance for Low-Income Persons		2,061,445	1,419,640
<b>TOTAL U.S. DEPARTMENT OF ENERGY</b>			<b>2,543,405</b>	
<b>U.S. DEPARTMENT OF EDUCATION</b>				
84.002	Adult Education – Basic Grants to States		3,892,698	-
84.002A	Adult Education - Basic Grants to States		5,192,173	-
84.010	Title I Grants to Local Educational Agencies		222,006,387	219,034,469
84.011	Migrant Education – State Grant Program		816,737	762,508
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		348,164	239,352
84.048A	Career and Technical Education -- Basic Grants to States		13,063,754	11,878,081
84.126	Rehabilitation Services – Vocational Rehabilitation Grants to States		52,130,727	-
84.144	Migrant Education – Coordination Program		36,000	-
84.177	Rehabilitation Services – Independent Living Services for Older Individuals Who are Blind		274,609	-
84.181	Special Education – Grants for Infants and Families		5,338,375	88,660
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities		272,954	-
84.196	Education for Homeless Children and Youth		728,921	602,675
84.287	Twenty-First Century Community Learning Centers		10,566,789	9,691,062
84.305	Education Research, Development and Dissemination		111,633	-
84.323	Special Education – State Personnel Development		1,507,967	1,021,598
84.358	Rural Education		5,493,513	5,238,372
84.365	English Language Acquisition State Grants		1,923,677	1,871,141
84.367	Improving Teacher Quality State Grants		30,978,763	30,574,831
84.368	Competitive Grants for State Assessments		473,921	-
84.369	Grants for State Assessments and Related Activities		6,465,529	-
84.372	Statewide Data Systems		90,808	-
84.377	School Improvement Grants		969,520	958,186
84.424	Title IV-SSAE State Activities		15,162,861	15,013,571
84.425C	Governor's Emergency Education Relief		20,395,530	-
84.425D	Elementary and Secondary Emergency Relief Fund		292,543,589	285,236,418
84.425R	Coronavirus Response and Relief Supplemental Appropriation Act		11,348,895	11,324,895
84.425U	Education Stabilization Fund		169,789,144	163,664,211
84.425W	Education Stabilization Fund		105,370	105,370
	Total ESSER		<b>494,182,528</b>	
84.938	Temporary Emergency Impact Aid for Displaced Students		175,990	175,990
<b>Special Education Cluster (IDEA)</b>				
84.027	Special Education – Grants to States (IDEA, Part B)		136,299,084	129,499,976
84.027X	Special Education Grants to States		7,142,276	7,142,276
84.173	Special Education – Preschool Grants (IDEA, Preschool)		4,276,081	4,174,600
84.173X	Special Education Preschool Grants		562,093	
	<b>Total Special Education Cluster (IDEA)</b>		<b>148,279,534</b>	
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>1,020,484,532</b>	
<b>GULF COAST ECOSYSTEM RESTORATION COUNCIL</b>				
87.051	Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component Program		947,618	-
87.052	Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program		1,916,484	747,953
<b>TOTAL GULF COAST ECOSYSTEM RESTORATION COUNCIL</b>			<b>2,864,102</b>	

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b>ELECTION ASSISTANCE COMMISSION</b>				
90.401	Help America Vote Act Requirements Payments		10,288	-
90.404	2018 HAVA Election Security Grant	991,916		991,916
90.404	COVID-19 2020 HAVA Election Security Grant	2,891,644		-
	<i>Total 2018 HAVA Election Security Grant</i>		3,883,560	
<b>TOTAL ELECTION ASSISTANCE COMMISSION</b>			<b>3,893,848</b>	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
93.008	Medical Reserve Corps Small Grant Program		10,000	-
93.041	Special Programs for the Aging – Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation		24,812	24,812
93.042	Special Programs for the Aging – Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	144,721		100,012
93.042	COVID-19 Special Programs for the Aging – Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	22,966		18,869
	<i>Total Special Programs for the Aging – Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals</i>		167,687	
93.043	Special Programs for the Aging – Title III, Part D – Disease Prevention and Health Promotion Services		302,173	302,173
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		221,875	221,875
93.052	National Family Caregiver Support, Title III, Part E	1,494,365		1,494,365
93.052	COVID-19 National Family Caregiver Support, Title III, Part E	267,586		267,586
	<i>Total National Family Caregiver Support, Title III, Part E</i>		1,761,951	-
93.069	Public Health Emergency Preparedness		6,109,179	109,173
93.070	Environmental Public Health and Emergency Response		337,737	-
93.071	Medicare Enrollment Assistance Program		238,392	207,258
93.072	Lifespan Respite Care Program		51,318	36,793
93.074	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements		(199,561)	-
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance		77,812	-
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program		412,814	153,287
93.103	Food and Drug Administration – Research		475,060	-
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)		437,536	-
93.110	Maternal and Child Health Federal Consolidated Programs		245,447	-
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs		589,976	-
93.127	Emergency Medical Services for Children		83,927	-
93.130	Cooperative Agreements to States / Territories for the Coordination and Development of Primary Care Offices		145,531	-
93.136	Injury Prevention and Control Research and State & Community Based Programs		3,763,937	1,759,595
93.137	Impact of Preschool Obesity Prevention Curriculum Enhanced with Positive Behavioral Support		7,430	-
93.150	Projects for Assistance in Transition from Homelessness (PATH)		247,517	-
93.155	Rural Health Research Centers		2,588,321	2,155,591
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Levels in Children		232,866	33,852
93.217	Family Planning – Services		3,453,893	490,751
93.235	Affordable Care Act (ACA) Abstinence Education Program		748,656	703,414
93.236	Grants to States to Support Oral Health Workforce Activities		424,698	79,908
93.241	State Rural Hospital Flexibility Program		526,680	215,579
93.243	Substance Abuse and Mental Health Services – Projects of Regional and National Significance		2,769,220	15,244
93.251	Universal Newborn Hearing Screening		74,299	-
93.262	Occupational Safety and Health Program		50,620	2,461
93.268	Immunization Cooperative Agreements	51,415,971		484,078
93.268	COVID-19 Immunization Cooperative Agreements	7,249,609		242,244
	<i>Total Immunization Cooperative Agreements</i>		58,665,580	
93.270	Adult Viral Hepatitis Prevention and Control		63,898	-
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance		2,232,417	71,155
93.301	Small Rural Hospital Improvement Grant Program	246,943		246,943
93.301	COVID-19 Small Rural Hospital Improvement Grant Program	(11,868)		-
	<i>Total Small Rural Hospital Improvement Grant Program</i>		235,075	
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program		366	-
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	1,280,766		1,280,766



**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) <i>Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</i>	52,821,372		309,775
93.324	State Health Insurance Assistance Program		54,102,138	
	The Healthy Brain Initiative: Technical Assistance to Implement Public Health		685,085	366,892
93.334	Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels		52,516	17,371
93.336	Behavioral Risk Factor Surveillance System		68,262	-
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	71,411		-
93.354	COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response <i>Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response</i>	1,291,179	1,362,590	-
93.367	Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs		145,457	-
93.369	ACL Independent Living State Grants		358,657	-
93.387	National and State Tobacco Control Program		749,965	222,765
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises		6,512,437	2,332,820
93.413	The State Flexibility to Stabilize the Market Grant Program		27,894	-
93.426	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke		449,399	104,709
93.464	ACL Assistive Technology		483,493	-
93.478	Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees		297,428	27,425
93.495	Community Health Workers for Public Health Response and Resilient		71,719	-
93.498	Provider Relief Fund	3,901,983		-
93.498	COVID-19 Provider Relief Fund <i>Total Provider Relief Fund</i>	354,071	4,256,054	-
93.500	Pregnancy Assistance Fund Program		111,782	-
93.505	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program		2,399,497	-
93.506	ACA Nationwide Program for National and State Background Checks for Direct Patient Access Employees of Long Term Care Facilities and Providers		70,281	-
93.556	Promoting Safe and Stable Families		4,691,317	2,592,550
93.558	Temporary Assistance for Needy Families (TANF) State Programs		48,306,233	13,756,475
93.563	Child Support Enforcement		26,449,212	-
93.566	Refugee and Entrant Assistance – State Administered Programs		1,192,945	1,192,945
93.568	Low-Income Home Energy Assistance	26,232,043		18,390,563
93.568	COVID-19 Low-Income Home Energy Assistance <i>Total Low-Income Home Energy Assistance</i>	29,157,025	55,389,068	22,834,705
93.569	Community Services Block Grants	10,763,796		8,848,726
93.569	COVID-10 Community Services Block Grants <i>Total Community Services Block Grants</i>	5,002,302	15,766,098	3,782,607
93.586	State Court Improvement Program		309,290	-
93.590	Community-Based Child Abuse Prevention Grants		368,904	368,904
93.597	Grants to States for Access and Visitation Programs		102,013	-
93.599	Chafee Education and Training Vouchers Program (ETV)		416,594	-
93.603	Adoption Incentive Payments		965,996	-
93.630	Developmental Disabilities Basic Support and Advocacy Grants		758,383	-
93.645	Stephanie Tubbs Jones Child Welfare Services Program	2,917,003		2,917,003
93.645	COVID-19 Stephanie Tubbs Jones Child Welfare Services Program <i>Total Stephanie Tubbs Jones Child Welfare Services Program</i>	243,083	3,160,086	-
93.658	Foster Care – Title IV-E		25,653,813	-
93.659	Adoption Assistance		25,887,671	-
93.665	Emergency Grants to Address Mental and Substance Use Disorders During COVID-19		781,024	-
93.667	Social Services Block Grant		12,307,769	6,796,100
93.669	Child Abuse and Neglect State Grants		475,861	-
93.671	Family Violence Prevention and Services / Domestic Violence Shelter and Supportive Services		804,911	600,942
93.674	Chafee Foster Care Independence Program	1,007,870		31,640
93.674	COVID-19 Chafee Foster Care Independence Program <i>Total Chafee Foster Care Independence Program</i>	1,842,676	2,850,546	-
93.686	Ending the HIV Epidemic: A Plan for America - Ryan White HIV/AIDS Program Parts A and B		144,716	-
93.735	State Public Health Approaches for Ensuring Quitline Capacity – Funded in Part by Prevention and Public Health Funds (PPHF)		47,085	47,085

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
93.747	Elder Abuse Prevention Interventions Program		313,542	-
93.752	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds		(148)	-
93.758	Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)		2,149,064	477,961
93.767	Children's Health Insurance Program	192,920,972		-
93.767	COVID-19 Children's Health Insurance Program	710,445		-
	<i>Total Children's Health Insurance Program</i>		193,631,417	-
93.788	Opioid STR		7,568,899	-
93.796	LIC and Cert 16-18		2,112,867	-
93.816	Preventing Heart Attacks and Strokes in High Need Areas		2,753,693	797,150
93.870	Maternal, Infant and Early Childhood Home Visiting Grant		128,436	-
93.889	National Bioterrorism Hospital Preparedness Program	2,038,824		506,437
93.889	COVID-19 National Bioterrorism Hospital Preparedness Program	2,130		-
	<i>Total National Bioterrorism Hospital Preparedness Program</i>		2,040,954	-
93.898	Cancer Prevention		750,877	138,761
93.913	Grants to States for Operation of Offices of Rural Health		220,652	14,970
93.917	HIV Care Formula Grants		(508,694)	-
93.940	HIV Prevention Activities – Health Department Based		3,331,013	893,529
93.944	Human Immunodeficiency Virus (HIV) / Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		4,292,612	237,876
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs		389,834	69,834
93.958	Block Grants for Community Mental Health Services		7,197,075	5,171,910
93.959	Block Grants for Prevention and Treatment of Substance Abuse		14,061,643	11,119,138
93.977	Preventive Health Services – Sexually Transmitted Diseases Control Grants		957,805	-
93.994	Maternal and Child Health Services Block Grant to the States		3,881,129	582,135
	<b>Aging Cluster</b>			
93.044	Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers	3,996,294		3,996,294
93.044	COVID-19 Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers	1,012,413		
	<i>Total Special Programs for the Aging</i>		5,008,707	
93.045	Special Programs for the Aging – Title III, Part C – Nutrition Services	6,057,312		6,057,312
93.045	COVID-19 Special Programs for the Aging – Title III, Part C – Nutrition Services	2,014,436		
	<i>Total Special Programs for the Aging – Title III, Part C – Nutrition Services</i>		8,071,748	
93.053	Nutrition Services Incentive Program		1,993,654	1,993,654
	<b>Total Aging Cluster</b>		15,074,109	
	<b>CCDF Cluster</b>			
93.575	Child Care and Development Block Grant	63,790,830		4,693,886
93.575	COVID-19 Child Care and Development Block Grant	338,273,548		135,597
	<i>Total Child Care and Development Block Grant</i>		402,064,378	
93.596	Child Care Mandatory & Matching Funds of the Child Care and Development Fund		30,075,032	-
	<b>Total CCDF Cluster</b>		432,139,410	
	<b>Head Start Cluster</b>			
93.600	Head Start		184,556	-
	<b>Total Head Start Cluster</b>		184,556	
	<b>Medicaid Cluster</b>			
93.775	State Medicaid Fraud Control Units		2,784,609	-
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		2,721,185	-
93.778	Medical Assistance Program	4,762,111,308		-
93.778	COVID-19 Medical Assistance Program	343,593,740		-
	<i>Total Medical Assistance Program</i>		5,105,705,048	
	<b>Total Medicaid Cluster</b>		5,111,210,842	
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>6,190,494,915</b>	
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>				
	<b>Foster Grandparent/Senior Companion Cluster</b>			
94.011	AmeriCorps Seniors Foster Grandparent Program (FGP) 94.011		162,284	-
94.016	Senior Companion Program		191,551	-
	<b>Total Foster Grandparent/Senior Companion Cluster</b>		353,835	
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			<b>353,835</b>	

**STATE OF MISSISSIPPI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY FEDERAL DEPARTMENT**  
**FOR THE YEAR ENDED JUNE 30, 2022**

<u>ALN</u>	<u>Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures</u>	<u>Amount Passed to Subrecipients</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>				
95.001	High Intensity Drug Trafficking Areas Program		1,873,529	-
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b>1,873,529</b>	
<b>SOCIAL SECURITY ADMINISTRATION</b>				
96.008	Social Security – Work Incentives Planning and Assistance Program		276,917	-
<b>Disability Insurance / SSI Cluster</b>				
96.001	Social Security – Disability Insurance (DI)		24,702,721	-
<b>Total Disability Insurance / SSI Cluster</b>			<b>24,702,721</b>	
<b>TOTAL SOCIAL SECURITY ADMINISTRATION</b>			<b>24,979,638</b>	
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
97.008	Non-Profit Security Program		405,879	405,879
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)		175,791	-
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	64,593,057		64,593,057
97.036	COVID 19 Disaster Grants – Public Assistance (Presidentially Declared Disasters)	126,476,980		6,486,710
<i>Total Disaster Grants – Public Assistance (Presidentially Declared Disasters)</i>			191,070,037	
97.039	Hazard Mitigation Grant		2,288,677	2,198,397
97.041	National Dam Safety Program		730,979	299,701
97.042	Emergency Management Performance Grants	4,466,286		2,573,267
97.042	COVID-19 Emergency Management Performance Grants	980,558		-
<i>Total Emergency Management Performance Grants</i>			5,446,844	
97.045	Cooperating Technical Partners		2,660,823	-
97.050	Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	1,753,547		-
97.050	COVID-19 Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	67,862		-
<i>Total Presidential Declared Disaster Assistance to Individuals and Households - Other Needs</i>			1,821,409	
97.056	FY16 Port Security Grant		123,371	
97.067	Homeland Security Grant Program		6,383,791	6,383,791
97.082	Earthquake Consortium		61,342	-
97.089	Driver's License Security Grant Program		438,234	438,234
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			<b>211,607,177</b>	
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>10,398,237,554</b>	

**EXPLANATION OF FOOTNOTE REFERENCE:**

Program Number with UN denotes unknown ALN numbers.

# The total expenditures for ALN 17.225 include state expenditures of \$73,974,898 and federal expenditures of \$29,824,825.

@ Denotes federal programs with noncash benefits.

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# **Schedule of Expenditures of Federal Awards by State Grantee Agency**





# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>Agriculture and Commerce</b>			
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.025	Plant and Animal Disease, Pest Control, and Animal Care		196,734
10.163	Market Protection and Promotion		2,724
10.170	Specialty Crop Block Grant Program – Farm Bill		240,728
10.171	Organic Certification Cost Share Programs		876
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection		1,114,241
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program		292,233
10.576	Senior Farmers Market Nutrition Program		1,060
10.902	Soil and Water Conservation		11,698
10.912	Environmental Quality Incentives Program		67,119
10.950	Agricultural Statistics Reports		32,513
	<b>Total U.S. DEPARTMENT OF AGRICULTURE</b>		<b>1,959,926</b>
	<b>ENVIRONMENTAL PROTECTION AGENCY</b>		
66.605	Performance Partnership Grants		552,012
	<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
93.103	Food and Drug Administration Research		486,296
	<b>TOTAL Agriculture and Commerce</b>		<b>2,998,234</b>
<b>Animal Health</b>			
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.025	Plant and Animal Disease, Pest Control, and Animal Care		782,278
	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
93.008	Medical Reserve Corps Small Grant Program		10,000
	<b>TOTAL Animal Health</b>		<b>792,278</b>
<b>Archives and History</b>			
	<b>U.S. DEPARTMENT OF THE INTERIOR</b>		
15.904	Historic Preservation Fund Grants-In-Aid		869,501
15.922	Native American Graves Protection and Repatriation Act		36,713
15.929	Civil War Battlefield Land Acquisition Grants		28,481
	<b>Total U.S. DEPARTMENT OF THE INTERIOR</b>		<b>934,695</b>
	<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>		
45.129	Promotion of the Humanities Federal/State Partnership		11,300
45.149	Promotion of the Humanities – Division of Preservation and Access		35,273
45.162	Promotion of the Humanities Teaching and Learning Resources and Curriculum Development		354,878
	<b>Total NATIONAL ENDOWMENT FOR THE HUMANITIES</b>		<b>401,451</b>
	<b>TOTAL Archives and History</b>		<b>1,336,146</b>
<b>Arts Commission</b>			
	<b>NATIONAL ENDOWMENT FOR THE ARTS</b>		
45.025	Promotion of the Arts - Partnership Agreement		1,617,346
	<b>TOTAL Arts Commission</b>		<b>1,617,346</b>
<b>Attorney General</b>			
	<b>U.S. DEPARTMENT OF JUSTICE</b>		
16.543	Missing Children's Assistance		415,162
16.576	Crime Victim Compensation		801,745
16.816	John R. Justice Prosecutors and Defenders Incentive Act		36,257
	<b>Total U.S. DEPARTMENT OF JUSTICE</b>		<b>1,253,164</b>
	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
93.775	State Medicaid Fraud Control Units		2,784,609
	<b>TOTAL Attorney General</b>		<b>4,037,773</b>
<b>Board for Community and Junior Colleges</b>			
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.855	Distance Learning and Telemedicine Loans and Grants		74,591
	<b>U.S. DEPARTMENT OF EDUCATION</b>		
84.002	Adult Education – Basic Grants to States		3,892,698
84.002A	Adult Education – Basic Grants to States		5,192,173
	<b>Total U.S. DEPARTMENT OF Education</b>		<b>9,084,871</b>
	<b>TOTAL Board for Community and Junior Colleges</b>		<b>9,159,462</b>

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

ALN	State Agency/Federal Department/Program Name	COVID-19 Delineation	Federal Expenditures/ Distributions/ Issuances
<b>Corrections</b>			
<b>U.S. DEPARTMENT OF JUSTICE</b>			
16.812	Second Chance Act Reentry Initiative		180,562
<b>TOTAL Corrections</b>			<b>180,562</b>
<b>East MS State Hospital</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.498	Provider Relief Fund	1,028,605	
<b>TOTAL Corrections</b>			<b>1,028,605</b>
<b>Education</b>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
10.553	School Breakfast Program (SBP)		84,406,100
10.555 @	National School Lunch Program (NSLP)		282,063,393
10.556	Special Milk Program for Children (SMP)		4,978
10.558	Child and Adult Care Food Program		46,411,644
10.559 @	Summer Food Service Program for Children (SFSPC)		6,192,095
10.560	State Administrative Expenses for Child Nutrition		4,563,863
10.579	Child Nutrition Discretionary Grants Limited Availability		175,192
10.582	Fresh Fruit and Vegetable Program		2,274,759
<b>Total U.S. DEPARTMENT OF AGRICULTURE</b>			<b>426,092,024</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
84.010	Title I Grants to Local Educational Agencies		222,006,387
84.011	Migrant Education – State Grant Program		816,737
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth		348,164
84.027	Special Education – Grants to States (IDEA, Part B)		136,299,084
84.144	Migrant Education – Coordination Program		36,000
84.173	Special Education – Preschool Grants (IDEA, Preschool)		4,276,081
84.196	Education for Homeless Children and Youth		728,921
84.287	Twenty-First Century Community Learning Centers		10,566,789
84.305	Education Research, Development and Dissemination		111,633
84.323	Special Education – State Personnel Development		1,507,967
84.358	Rural Education		5,493,513
84.365	English Language Acquisition State Grants		1,923,677
84.367	Supporting Effective Instruction State Grants		30,978,763
84.368	Competitive Grants for State Assessments		473,921
84.369	Grants for State Assessments and Related Activities		6,465,529
84.372	Statewide Longitudinal Data Systems		90,808
84.377	School Improvement Grants		969,520
84.424	Title IV - SSAE State Activities		15,162,861
84.425D	Elementary and Secondary School Emergency Relief Fund	292,543,589	
84.425R	Coronavirus Response and Relief Supplemental Appropriations Act, 2021 - Emergency Assistance for Non-Public Schools (CRRSA EANS)	11,348,895	
84.938	Disaster Recovery Assistance for Education		175,990
84.425U	Education Stabilization Fund	169,789,144	
84.425W	Education Stabilization Fund	105,370	
84.027X	Special Education Grants to States		7,142,276
84.048A	Career and Technical Education -- Basic Grants to States		13,063,754
84.173X	Special Education Preschool Grants		562,093
<b>Total U.S. DEPARTMENT OF EDUCATION</b>			<b>932,987,466</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STI Prevention and School-Based Surveillance		77,812
<b>TOTAL Education</b>			<b>1,359,157,302</b>
<b>Emergency Management</b>			
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
20.615	E-911 Grant Program		1,524,718
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		312,472
<b>Total U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>1,837,190</b>

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards



# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)		175,791
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	64,593,057	
97.036	COVID-19 Disaster Grants – Public Assistance (Presidentially Declared Disasters)	91,050,188	
	<i>Total Disaster Grants – Public Assistance (Presidentially Declared Disasters)</i>		155,643,245
97.039	Hazard Mitigation Grant		2,288,677
97.042	Emergency Management Performance Grants	4,466,286	
97.042	COVID-19 Emergency Management Performance Grants	980,558	
	<i>Total Emergency Management Performance Grants</i>		5,446,844
97.082	Earthquake Consortium		61,342
	<b>Total U.S. DEPARTMENT OF HOMELAND SECURITY</b>		<b>163,615,899</b>
	<b>TOTAL Emergency Management</b>		<b>165,453,089</b>
<b>Employment Security</b>			
<b>U.S. DEPARTMENT OF LABOR</b>			
17.002	Labor Force Statistics		677,487
17.005	Compensation and Working Conditions		16,498
17.207	Employment Service / Wagner-Peyser Funded Activities		6,626,313
17.225 #	Unemployment Insurance	104,716,034	
17.225 #	COVID-19 Unemployment Insurance	7,776,108	
	<i>Total Unemployment Insurance</i>		112,492,142
17.235	Senior Community Service Employment Program		753,197
17.245	Trade Adjustment Assistance		123,483
17.258	WIA Adult Program		11,819,305
17.259	WIA Youth Activities		11,361,636
17.271	Work Opportunity Tax Credit Program (WOTC)		188,140
17.273	Temporary Labor Certification for Foreign Workers		258,493
17.277	Workforce Investment Act (WIA) National Emergency Grants	346,955	
17.277	COVID-19 Workforce Investment Act (WIA) National Emergency Grants	2,505,615	
	<i>Total Workforce Investment Act (WIA) National Emergency Grants</i>		2,852,570
17.278	WIA Dislocated Worker Formula Grants		12,965,293
17.285	Apprenticeship USA Grants		959,362
17.801	Jobs for Veterans State Grants		1,075,036
17.270	Reentry Employment Opportunities		498
17.286	Hurricanes and Wildfires of 2017 Supplemental– National Dislocated Worker Grants		90,232
	<b>Total U.S. DEPARTMENT OF LABOR</b>		<b>162,259,685</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
97.050	Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	1,753,547	
97.050	COVID-19 Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	67,862	
	<i>Total Presidential Declared Disaster Assistance to Individuals and Households - Other Needs</i>		1,821,409
	<b>TOTAL Employment Security</b>		<b>164,081,094</b>
<b>Environmental Quality</b>			
<b>U.S. DEPARTMENT OF DEFENSE</b>			
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services		69,795
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining		218,521
15.252	Abandoned Mine Land Reclamation (AMLR)		85,209
15.608	Fish and Wildlife Management Assistance		47,292
15.810	National Cooperative Geologic Mapping Program		69,240
15.980	National Ground-Water Monitoring Network		28,364
15.981	Water Use and Data Research		9,632
	<b>Total U.S. DEPARTMENT OF THE INTERIOR</b>		<b>458,258</b>
<b>U.S. DEPARTMENT OF LABOR</b>			
17.600	Mine Health and Safety Grants		10,835
<b>U.S. DEPARTMENT OF THE TREASURY</b>			
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States		18,562,382

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act		448,821
66.040	State Clean Diesel Grant Program		538,941
66.204	Multipurpose Grants to States and Tribes		14,378
66.419	Water Pollution Control State, Interstate, and Tribal Program Support		167,574
66.454	Water Quality Management Planning		151,646
66.458	Capitalization Grants for Clean Water State Revolving Funds		11,451,331
66.460	Nonpoint Source Implementation Grants		3,780,994
66.461	Regional Wetland Program Development Grants		3,661
66.472	Beach Monitoring and Notification Program Implementation Grants		160,445
66.605	Performance Partnership Grants		7,973,397
66.608	Environmental Information Exchange Network Grant Program and Related Assistance		22,254
66.701	Toxic Substances Compliance Monitoring Cooperative Agreements		21,799
66.707	TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals		339,695
66.708	Pollution Prevention Grants Program		34,272
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements		44,968
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program		368,933
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program		867,085
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements		48,943
	<b>Total ENVIRONMENTAL PROTECTION AGENCY</b>		<b>26,439,137</b>
<b>GULF COAST ECOSYSTEM RESTORATION COUNCIL</b>			
87.051	Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component Program		947,618
87.052	Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program		1,916,484
	<b>Total GULF COAST ECOSYSTEM RESORATION COUNCIL</b>		<b>2,864,102</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
97.041	National Dam Safety Program		730,979
97.045	Cooperating Technical Partners		2,660,823
	<b>Total U.S. DEPARTMENT OF HOMELAND SECURITY</b>		<b>3,391,802</b>
	<b>TOTAL Environmental Quality</b>		<b>51,796,311</b>
<b>Finance and Administration</b>			
<b>U.S. DEPARTMENT OF THE TREASURY</b>			
21.023	Emergency Rental Assistance Program		43,593,773
21.026	Homeowner Assistance Fund		65,053,508
21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	5,000,000	
	<b>Total CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS</b>		<b>5,000,000</b>
	<b>TOTAL Finance and Administration</b>		<b>113,647,281</b>
<b>Forestry Commission</b>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
10.664	Cooperative Forestry Assistance		2,199,948
	<b>TOTAL Forestry Commission</b>		<b>2,199,948</b>
<b>Governor's Office</b>			
<b>U.S. DEPARTMENT OF EDUCATION</b>			
84.425C	Governor's Emergency Education Relief Fund	20,395,530	
	<b>Total Governor's Emergency Education Relief Fund</b>		<b>20,395,530</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.600	Head Start		184,556
	<b>TOTAL Governor's Office</b>		<b>20,580,086</b>
<b>Health</b>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	39,695,654	
10.557	COVID-19 WIC Special Supplemental Nutrition Program for Women, Infants, and Children	713658	
	<b>Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children</b>		<b>40,409,312</b>
10.578	WIC Grants To States (WGS)		341,705
	<b>Total U.S. DEPARTMENT OF AGRICULTURE</b>		<b>40,751,017</b>

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>DEPARTMENT OF JUSTICE</b>			
16.017	Sexual Assault Services Formula Program		210,297
16.320	Services for Trafficking Victims		180,384
16.575	Crime Victim Assistance		15,576,736
16.588	Violence Against Women Formula Grants		324,453
16.589	Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program		133,853
16.754	Harold Rogers Prescription Drug Monitoring Program		316,510
16.838	Comprehensive Opioid, Stimulant, and Substance Abuse Program		(9,849)
	<b>Total DEPARTMENT OF JUSTICE</b>		<b>16,732,384</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
66.032	State Indoor Radon Grants		25,870
66.204	Multipurpose Grants to States and Tribes		37,553
66.432	State Public Water System Supervision		868,711
66.468	Capitalization Grants for Drinking Water State Revolving Funds		9,168,381
	<b>Total ENVIRONMENTAL PROTECTION AGENCY</b>		<b>10,100,515</b>
<b>U.S. DEPARTMENT OF ENERGY</b>			
81.136	Long-Term Surveillance and Maintenance		107,256
<b>U.S. DEPARTMENT OF EDUCATION</b>			
84.181	Special Education – Grants for Infants and Families		5,338,375
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.069	Public Health Emergency Preparedness		6,109,179
93.070	Environmental Public Health and Emergency Response		337,737
93.074	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)		
	Aligned Cooperative Agreements		(199,561)
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program		412,814
93.103	Food and Drug Administration Research		(11,236)
93.110	Maternal and Child Health Federal Consolidated Programs		23,236
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs		589,976
93.127	Emergency Medical Services for Children		83,927
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices		145,531
93.136	Injury Prevention and Control Research and State and Community Based Programs		3,763,937
93.137	Community Programs to Improve Minority Health Grant Program		7,430
93.155	Rural Health Research Centers		2,588,321
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children		232,866
93.217	Family Planning – Services		3,453,893
93.236	Grants to States to Support Oral Health Workforce Activities		424,698
93.241	State Rural Hospital Flexibility Program		526,680
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance		35,124
93.251	Early Hearing Detection and Intervention		74,299
93.262	Occupational Safety and Health Program		50,620
93.268	Immunization Cooperative Agreements	51,415,971	
93.268	COVID-19 Immunization Cooperative Agreements	7,249,609	
	<b>Total Immunization Cooperative Agreements</b>		<b>58,665,580</b>
93.270	Viral Hepatitis Prevention and Control		63,898
93.283	Centers for Disease Control and Prevention Investigations and Technical Assistance		2,232,417
93.301	Small Rural Hospital Improvement Grant Program	246,943	
93.301	COVID-19 Small Rural Hospital Improvement Grant Program	(11,868)	
	<b>Total Small Rural Hospital Improvement Grant Program</b>		<b>235,075</b>
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program		366
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	52,821,372	
93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	1,280,766	
	<b>Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</b>		<b>54,102,138</b>
93.334	Healthy Brain Initiative		52,516
93.336	Behavioral Risk Factor Surveillance System		68,262
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	71,411	
93.354	COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	1,291,179	
	<b>Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response</b>		<b>1,362,590</b>
93.367	Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs		145,457

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
93.387	National and State Tobacco Control Program		749,965
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises		6,512,437
93.426	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke		449,399
93.478	Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees		297,428
93.495	Community Health Workers for Public Health Response and Resilient		71,719
93.500	Pregnancy Assistance Fund Program		111,782
93.506	ACA Nationwide Program for National and State Background Checks for Direct Patient Access: Employees of Long Term Care Facilities and Providers		70,281
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		804,911
93.686	Ending the HIV Epidemic: A Plan for America		144,716
93.735	State Public Health Approaches for Ensuring Qutline Capacity – Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds		47,085
93.752	Preventative Health and Health Services Block Grant		(148)
93.758	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare		2,149,064
93.777	Preventing Heart Attacks and Strokes in High Need Areas		2,721,185
93.816	National Bioterrorism Hospital Preparedness Program		2,753,693
93.889	COVID-19 National Bioterrorism Hospital Preparedness Program	2,038,824	
93.889	<i>Total National Bioterrorism Hospital Preparedness Program</i>	2,130	2,040,954
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations		750,877
93.913	Grants to States for Operation of State Offices of Rural Health		220,652
93.917	HIV Care Formula Grants		(508,694)
93.940	HIV Prevention Activities Health Department Based		3,331,013
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		4,292,612
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs		389,834
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants		957,805
93.994	Maternal and Child Health Services Block Grant to the States		3,881,129
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>167,817,469</b>
	<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>		
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	35,426,792	
	<b>TOTAL Health</b>		<b>276,273,808</b>
	<b>Hudspeth Regional Center</b>		
	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
94.011	The State Flexibility to Stabilize the Market Grant Program		162,284
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>162,284</b>
	<b>TOTAL Hudspeth Regional Center</b>		<b>162,284</b>
	<b>Human Services</b>		
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.542	Pandemic EBT — Food Benefits		262,698,276
10.551	Supplemental Nutrition Assistance Program (SNAP)		969,481,356
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		33,770,498
10.565	Commodity Supplemental Food Program		902,294
10.568	Emergency Food Assistance Program (Administrative Costs)	1,357,586	
10.568	COVID-19 Emergency Food Assistance Program (Administrative Costs)	1,681,214	
	<i>Total Emergency Food Assistance Program (Administrative Costs)</i>		3,038,800
10.569 @	Emergency Food Assistance Program (Food Commodities)		5,730,020
10.580	Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants		(142,315)
10.649	Pandemic EBT Administrative Costs		5,739,714
	<b>Total U.S. DEPARTMENT OF AGRICULTURE</b>		<b>1,281,218,643</b>
	<b>U.S. Department of Energy</b>		
81.042	Weatherization Assistance for Low-Income Persons		2,061,445

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse Neglect, and Exploitation		24,812
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	144,721	
93.042	COVID-19 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	22,966	
	<i>Total Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals</i>		167,687
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		302,173
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	3,996,294	
93.044	COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	1,012,413	
	<i>Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers</i>		5,008,707
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	6,057,312	
93.045	COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	2,014,436	
	<i>Total Special Programs for the Aging, Title III, Part C, Nutrition Services</i>		8,071,748
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects		221,875
93.052	National Family Caregiver Support, Title III, Part E	1,494,365	
93.052	COVID-19 National Family Caregiver Support, Title III, Part E	267,586	
	<i>Total National Family Caregiver Support, Title III, Part E</i>		1,761,951
93.053	Nutrition Services Incentive Program		1,993,654
93.071	Medicare Enrollment Assistance Program		238,392
93.072	Lifespan Respite Care Program		51,318
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program		748,656
93.324	State Health Insurance Assistance Program		685,085
93.505	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program		2,399,497
93.556	MaryLee Allen Promoting Safe and Stable Families Program		4,691,317
93.558	Temporary Assistance for Needy Families (TANF)		48,306,233
93.563	Child Support Enforcement		26,449,212
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs		1,192,945
93.568	Low-Income Home Energy Assistance	26,232,043	
93.568	COVID-19 Low-Income Home Energy Assistance	29,157,025	
	<i>Total Low-Income Home Energy Assistance</i>		55,389,068
93.569	Community Services Block Grant	10,763,796	
93.569	COVID-19 Community Services Block Grant	5,002,302	
	<i>Total Community Services Block Grant</i>		15,766,098
93.575	Child Care and Development Block Grant	63,790,830	
93.575	COVID-19 Child Care and Development Block Grant	338,273,548	
	<i>Total Child Care and Development Block Grant</i>		402,064,378
93.590	Community-Based Child Abuse Prevention Grants		368,904
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund		30,075,032
93.597	Grants to States for Access and Visitation Programs		102,013
93.599	Chafee Education and Training Vouchers Program (ETV)		416,594
93.603	Adoption and Legal Guardianship Incentive Payments		965,996
93.645	Stephanie Tubbs Jones Child Welfare Services Program	2,917,003	
93.645	COVID-19 Stephanie Tubbs Jones Child Welfare Services Program	243,083	
	<i>Total Stephanie Tubbs Jones Child Welfare Services Program</i>		3,160,086
93.658	Foster Care Title IV-E		25,653,813
93.659	Adoption Assistance		25,887,671
93.667	Social Services Block Grant		12,307,769
93.669	Child Abuse and Neglect State Grants		475,861
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	1,007,870	
93.674	COVID-19 John H. Chafee Foster Care Program for Successful Transition to Adulthood	1,842,676	
	<i>Total John H. Chafee Foster Care Program for Successful Transition to Adulthood</i>		2,850,546
93.747	Elder Abuse Prevention Interventions		313,542
93.870	Maternal, Infant and Early Childhood Home Visiting Grant		128,436
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>678,241,069</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			
94.016	Senior Companion Program		191,551
	<b>TOTAL Human Services</b>		<b>1,961,712,708</b>

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>Insurance</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.413	The State Flexibility to Stabilize the Market Grant Program		27,894
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>27,894</b>
	<b>TOTAL Insurance</b>		<b>27,894</b>
<b>Library Commission</b>			
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>			
45.310	Grants to States	1,724,673	
45.310	COVID-19 Grants to States	1,851,173	
	<i>Total Grants to States</i>		<i>3,575,846</i>
	<b>TOTAL Library Commission</b>		<b>3,575,846</b>
<b>Marine Resources</b>			
<b>U.S. DEPARTMENT OF COMMERCE</b>			
11.407	Interjurisdictional Fisheries Act of 1986		206,881
11.419	Coastal Zone Management Administration Awards		1,500,375
11.420	Coastal Zone Management Estuarine Research Reserves		813,189
11.434	Cooperative Fishery Statistics		62,335
11.451	Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology		72,803
	<b>Total U.S. DEPARTMENT OF COMMERCE</b>		<b>2,655,583</b>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
15.605	Sport Fish Restoration		759,399
15.616	Clean Vessel Act		(9,663)
15.939	National Heritage Area Federal Financial Assistance		237,625
	<b>Total U.S. DEPARTMENT OF THE INTERIOR</b>		<b>987,361</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
66.461	Regional Wetland Program Development Grants		190,211
66.475	Gulf of Mexico Program		14,663
	<b>Total ENVIRONMENTAL PROTECTION AGENCY</b>		<b>204,874</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
97.056	Port Security Grant Program		123,371
	<b>Total U.S. DEPARTMENT OF HOMELAND SECURITY</b>		<b>123,371</b>
	<b>TOTAL Marine Resources</b>		<b>3,971,189</b>
<b>Medicaid</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.767	Children's Health Insurance Program	192,920,972	
93.767	COVID-19 Children's Health Insurance Program	710,445	
	<i>Total Children's Health Insurance Program</i>		<i>193,631,417</i>
93.778	Medical Assistance Program	4,762,111,308	
93.778	COVID-19 Medical Assistance Program	343,593,740	
	<i>Total Medical Assistance Program</i>		<i>5,105,705,048</i>
93.796	State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid		2,112,867
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>5,301,449,332</b>
	<b>TOTAL Medicaid</b>		<b>5,301,449,332</b>
<b>Mental Health</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)		437,536
93.110	Maternal and Child Health Federal Consolidated Programs		222,211
93.150	Projects for Assistance in Transition from Homelessness (PATH)		247,517
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance		2,734,096
93.630	Developmental Disabilities Basic Support and Advocacy Grants		758,383
93.665	Emergency Grants to Address Mental and Substance Use Disorders During COVID-19		781,024
93.788	Opioid STR		7,568,899
93.958	Block Grants for Community Mental Health Services		7,197,075
93.959	Block Grants for Prevention and Treatment of Substance Abuse		14,061,643

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards

# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>34,008,384</b>
	<b>TOTAL Mental Health</b>		<b>34,008,384</b>
<b>Military Department</b>			
	<b>U.S. DEPARTMENT OF DEFENSE</b>		
12.400	Military Construction, National Guard		2,836,214
12.401	National Guard Military Operations and Maintenance (O&M) Projects		86,003,432
12.404	National Guard Challenge Program		4,383,955
	<b>Total U.S. DEPARTMENT OF DEFENSE</b>		<b>93,223,601</b>
	<b>TOTAL Military Department</b>		<b>93,223,601</b>
<b>MS Development Authority</b>			
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.351	Rural Business Development Grant		45,000
	<b>U.S. DEPARTMENT OF DEFENSE</b>		
12.002	Procurement Technical Assistance For Business Firms		338,784
	<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>		
14.228	Community Development Block Grants / State's Program		25,085,738
	<b>APPALACHIAN REGIONAL COMMISSION</b>		
23.002	Appalachian Area Development		4,563,778
23.011	Appalachian Research, Technical Assistance, and Demonstration Projects		171,480
	<b>Total APPALACHIAN REGIONAL COMMISSION</b>		<b>4,735,258</b>
	<b>SMALL BUSINESS ADMINISTRATION</b>		
59.061	State Trade Expansion		745,522
	<b>U.S. DEPARTMENT OF ENERGY</b>		
81.041	State Energy Program		374,704
	<b>TOTAL MS Development Authority</b>		<b>31,325,006</b>
<b>MS State Hospital</b>			
	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
93.498	Provider Relief Fund	354,071	
	<b>TOTAL MS State Hospital</b>		<b>354,071</b>
<b>Oil and Gas Board</b>			
	<b>ENVIRONMENTAL PROTECTION AGENCY</b>		
66.204	Multipurpose Grants to States and Tribes		25,857
66.433	State Underground Water Source Protection		131,525
	<b>Total ENVIRONMENTAL PROTECTION AGENCY</b>		<b>157,382</b>
	<b>TOTAL Oil and Gas Board</b>		<b>157,382</b>
<b>Public Safety</b>			
	<b>U.S. DEPARTMENT OF JUSTICE</b>		
16.034	Coronavirus Emergency Supplemental Funding		1,331,729
16.320	Services for Trafficking Victims		263,943
16.540	Juvenile Justice and Delinquency Prevention		198,665
16.554	National Criminal History Improvement Program (NCHIP)		859,518
16.593	Residential Substance Abuse Treatment for State Prisoners		169,851
16.609	Project Safe Neighborhoods		44,346
16.734	Special Data Collections and Statistical Studies		51,236
16.735	PREA Program: Strategic Support for PREA Implementation		8,091
16.738	Edward Byrne Memorial Justice Assistance Grant Program		1,429,048
16.741	DNA Backlog Reduction Program		474,582
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program		143,899
16.750	Support for Adam Walsh Act Implementation Grant Program		144,859
16.751	Edward Byrne Memorial Competitive Grant		(100)
16.754	Harold Rogers Prescription Drug Monitoring Program		2
16.922	Equitable Sharing Program		188,990
16.UN5	U.S. Marshal Joint Task Force		11,823
	<b>Total U.S. DEPARTMENT OF JUSTICE</b>		<b>5,320,482</b>
	<b>U.S. DEPARTMENT OF TRANSPORTATION</b>		
20.218	Motor Carrier Safety Assistance		3,072,344
20.232	Commercial Driver's License Program Implementation Grant		240,793

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards



# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements		441,940
20.600	State and Community Highway Safety		8,128,410
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements		100,473
	<b>Total U.S. DEPARTMENT OF TRANSPORTATION</b>		<b>11,983,960</b>
	<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>		
95.001	High Intensity Drug Trafficking Areas Program		1,873,529
	<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>		
97.008	Non-Profit Security Program		405,879
97.067	Homeland Security Preparedness Technical Assistance Program		6,383,791
97.089	Driver's License Security Grant Program		438,234
	<b>Total U.S. DEPARTMENT OF HOMELAND SECURITY</b>		<b>7,227,904</b>
	<b>TOTAL Public Safety</b>		<b>26,405,875</b>
	<b>Public Service Commission</b>		
	<b>U.S. DEPARTMENT OF TRANSPORTATION</b>		
20.700	Pipeline Safety Program State Base Grant		651,283
20.721	PHMSA Pipeline Safety Program One Call Grant		38,718
	<b>Total U.S. DEPARTMENT OF TRANSPORTATION</b>		<b>690,001</b>
	<b>TOTAL Public Service Commission</b>		<b>690,001</b>
	<b>Real Estate Commission</b>		
	<b>FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL APPRAISAL SUBCOMMITTEE</b>		
38.006	State Appraiser Agency Support Grants		82,773
	<b>Total FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL APPRAISAL SUBCOMMITTEE</b>		<b>82,773</b>
	<b>Total Real Estate Commission</b>		<b>82,773</b>
	<b>Rehabilitation Services</b>		
	<b>U.S. DEPARTMENT OF EDUCATION</b>		
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States		52,130,727
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind		274,609
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities		272,954
	<b>Total U.S. DEPARTMENT OF EDUCATION</b>		<b>52,678,290</b>
	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
93.369	ACL Independent Living State Grants		358,657
93.464	ACL Assistive Technology		483,493
	<b>Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<b>842,150</b>
	<b>SOCIAL SECURITY ADMINISTRATION</b>		
96.001	Social Security – Disability Insurance (DI)		24,702,721
96.008	Social Security - Work Incentives Planning and Assistance Program		276,917
	<b>Total SOCIAL SECURITY ADMINISTRATION</b>		<b>24,979,638</b>
	<b>TOTAL Rehabilitation Services</b>		<b>78,500,078</b>
	<b>Secretary of State</b>		
	<b>ELECTION ASSISTANCE COMMISSION</b>		
90.401	Help America Vote Act Requirements Payments		10,288
90.404	Election Security Grant	991,916	
90.404	COVID-19 Election Security Grant	2,891,644	
	<b>Total Election Security Grant</b>		<b>3,883,560</b>
	<b>Total Secretary of State</b>		<b>3,893,848</b>
	<b>Soil and Water Conservation Commission</b>		
	<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
10.069	Conservation Reserve Program		1,230,521
10.902	Soil and Water Conservation		2,936,152
10.904	Watershed Protection and Flood Prevention		820,176
10.912	Environmental Quality Incentives Program		1,344,663
10.916	Watershed Rehabilitation Program		269,757
	<b>Total U.S. DEPARTMENT OF AGRICULTURE</b>		<b>6,601,269</b>
	<b>TOTAL Soil and Water Conservation Commission</b>		<b>6,601,269</b>

(continued)

See accompanying Notes to the Schedules of Expenditures of Federal Awards



# STATE OF MISSISSIPPI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS BY STATE GRANTEE AGENCY FOR THE YEAR ENDED JUNE 30, 2022

<u>ALN</u>	<u>State Agency/Federal Department/Program Name</u>	<u>COVID-19 Delineation</u>	<u>Federal Expenditures/ Distributions/ Issuances</u>
<b>Supreme Court</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
93.586	State Court Improvement Program		309,290
<b>TOTAL Supreme Court</b>			<b>309,290</b>
<b>Transportation</b>			
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
20.200	Highway Research and Development Program		110,462
20.205	Highway Planning and Construction		556,498,232
20.224	Federal Lands Access Program		4,229,623
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort		37,370
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research		349,804
20.509	Formula Grants for Rural Areas and Tribal Transit Program	9,391,767	
20.509	COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	16,981,658	
	<i>Total Formula Grants for Rural Areas and Tribal Transit Program</i>		26,373,425
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities		1,878,285
20.516	Job Access and Reverse Commute Program		90,280
20.526	Bus and Bus Facilities Formula Program		4,475,516
20.933	National Infrastructure Investments		22,059,287
<b>TOTAL Transportation</b>			<b>616,102,284</b>
<b>Treasury</b>			
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
10.665	Schools and Roads – Grants to States		5,246,960
<b>TOTAL Treasury</b>			<b>5,246,960</b>
<b>Veterans Affairs</b>			
<b>U.S. DEPARTMENT OF VETERANS AFFAIRS</b>			
64.015	Veterans State Nursing Home Care		32,553,863
64.203	Veterans Cemetery Grants Program		2,201,562
<b>Total U.S. DEPARTMENT OF VETERANS AFFAIRS</b>			<b>34,755,425</b>
<b>U.S. DEPARTMENT OF HUMAN SERVICES</b>			
93.498	Provider Relief Fund	2,873,378	
<b>TOTAL Veterans Affairs</b>			<b>37,628,803</b>
<b>Wildlife, Fisheries and Parks</b>			
<b>U.S. DEPARTMENT OF DEFENSE</b>			
12.005	Conservation and Rehabilitation of Natural Resources on Military Installations		1,630,280
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
15.605	Sport Fish Restoration		5,082,726
15.608	Fish and Wildlife Management Assistance		69,721
15.611	Wildlife Restoration and Basic Hunter Education		11,056,920
15.615	Cooperative Endangered Species Conservation Fund		205,499
15.657	Endangered Species Recovery Implementation		424,205
<b>Total U.S. DEPARTMENT OF THE INTERIOR</b>			<b>16,839,071</b>
<b>TOTAL Wildlife, Fisheries and Parks</b>			<b>18,469,351</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS:</b>			<b>10,398,237,554</b>

**EXPLANATION OF FOOTNOTE REFERENCE:**

Program Number with UN denotes unknown ALN numbers.

# The total expenditures for ALN 17.225 include state expenditures of \$73,974,898 and federal expenditures of \$29,824,825.

@ Denotes federal programs with noncash benefits.

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# **Notes to the Schedules of Expenditures of Federal Awards**





## STATE OF MISSISSIPPI

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### NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022

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#### **NOTE 1: PURPOSE OF THE SCHEDULES**

The accompanying Schedule of Expenditures of Federal Awards is required by and presented in accordance with the Office of Management and Budget's (OMB) *Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). To comply with this requirement, the Department of Finance and Administration required each state agency to prepare and submit a schedule of expenditures of federal awards. Information contained in these schedules was combined by the Department of Finance and Administration to form the accompanying schedules of expenditures of federal awards. Federal programs which have not been assigned an Assistance Listing Number (ALN) have been identified. Because the Schedule presents only a selected portion of the operations of the State, it is not intended to and does not present the Financial Position, Changes in Net Position or Cash Flows of the State.

#### **NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**

A. Basis of Presentation - The information in the accompanying schedules of expenditures of federal awards is presented in accordance with OMB Title 2 of the U.S. Code of Federal Regulations Part 200 (Uniform Guidance). The Schedule of Expenditures of Federal Awards by Federal Department presents a summary of federal awards expended by federal department and ALN. The Schedule of Expenditures of Federal Awards by State Grantee Agency presents federal awards expended by recipient agencies of the State of Mississippi.

- Federal Financial Assistance - Pursuant to the Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, cooperative agreements, loans, loan guarantees, property (including donated surplus property), interest subsidies, insurance, direct appropriations or other assistance. Accordingly, nonmonetary federal assistance, including food commodities, immunizations and surplus property, is included in federal financial assistance and, therefore, is reported on the schedules of expenditures of federal awards. Federal financial assistance does not include direct federal cash assistance to individuals or procurement contracts used to buy goods or services from vendors.
- Major Programs - The Single Audit Act Amendments of 1996 and Uniform Guidance establish a risk-based approach to determine which federal programs are major based on certain expenditure thresholds and risk criteria. According to the state's Single Audit Report for the fiscal year ended June 30, 2022, federal expenditures, distributions or issuances totaled \$10,398,237,554. This established the threshold for Type A programs as those with federal expenditures, distributions or issuances which exceeded \$30,000,000.

For the fiscal year 2022 audit, there were initially twenty-six programs with expected expenditures exceeding the Type A threshold. Of those twenty-six, two High-Risk Type A programs and one Low-Risk Type A programs fell below the Type A threshold based on actual expenditures. Two additional programs were designated Type A before audited procedures had been completed. Appropriate risk assessment procedures were performed, yielding no additional High Risk Type A programs. Therefore, final assessment after audit yielded twenty-five Type A programs. Of these twenty-five programs, six Type A programs were identified as low risk. Risk assessments of Type

## STATE OF MISSISSIPPI

### Notes to Schedules of Expenditures of Federal Awards (continued)

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B programs were performed until the appropriate number of high risk Type B programs were identified. Therefore, for fiscal year 2022, twenty-one federal award programs, comprising nineteen high risk Type A programs and two high risk Type B programs, were audited as major programs for the State of Mississippi.

*Assistance Listings* - The *Assistance Listings* is a government-wide compendium of individual federal programs. Each program included in the listings is assigned a five-digit program identification number (ALN) which is reflected in the accompanying schedules. The first two digits of the ALN designate the federal agency and the last three digits designate the federal assistance program within the federal agency.

For programs that have not been assigned a ALN, the number shown in the Schedule is the federal agency's 2 digit prefix followed by "UN" and digits to identify one or more Federal award lines which form the program.

- *Cluster of Programs* – A grouping of closely related programs with different ALN's that share common compliance requirements is considered a cluster of programs. The accompanying Schedules have been designed to present federal financial assistance information by clusters.
- *Amount Provided to Subrecipients* – The amount of federal assistance that the State provided to subrecipients under each federal program is presented in a separate column in the accompanying Schedules according to requirements in Uniform Guidance. A subrecipient is defined by Uniform Guidance as a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program.
- *Indirect Cost Rate* – As detailed in Uniform Guidance, State Agencies may elect to charge a de minimis cost rate of 10% of modified total direct costs which may be used indefinitely if said agencies have not previously negotiated a separate indirect cost rate with the federal entity. Except for those agencies listed in Appendix A, all other State agencies covered in this report have elected to use the 10% de minimis rate.

B. Reporting Entity - The accompanying schedules include all federal programs administered by the State of Mississippi, except for the programs accounted for by the major component unit, Universities, within the component units section of the financial statements, for the year ended June 30, 2022. Expenditures of federal awards provided to the state's public universities and related entities were audited by other auditors in accordance with statutory requirements and the provisions of Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (contained in Title 2 of the U.S. Code of Federal Regulations Part 200); and a separate report issued May 18, 2023.

C. Basis of Accounting - Federal programs included in the accompanying schedules are accounted for in the state's governmental and proprietary funds. Governmental funds are accounted for by using the current financial resources measurement focus and the modified accrual basis of accounting and proprietary funds by using the economic resources measurement focus and the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Negative amounts reflected in the accompanying Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The value of food commodity distributions within the National School Lunch Program on the accompanying schedules was calculated using the U.S. Department of Agriculture, Food and Nutrition Service commodity price list in effect at the date of distribution.

STATE OF MISSISSIPPI  
Notes to Schedules of Expenditures of Federal Awards (continued)

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The state issues food stamp benefits in electronic form, and benefits are recognized as expenditures when recipients use the benefits.

- D. Expenditures and Expenses - Certain transactions relating to expenditures of federal awards may appear in records of more than one state grantee agency. To avoid duplication and the overstatement of the aggregate level of federal awards expended by the State of Mississippi, the following policies have been adopted:
1. When monies are received by one state grantee agency and redistributed (expended) to another state grantee agency (i.e., a pass-through of funds by the primary recipient state grantee agency to a subrecipient state grantee agency), the federal financial assistance will be reflected in the primary receiving/expending state grantee agency's accounts.
  2. Purchases of services between state grantee agencies using federal monies will be recorded as *expenditures* or *expenses* on the purchasing agency's records and as *revenues* for services rendered on the providing agency's records. Therefore, the expenditure of federal awards is attributed to the purchasing agency, which is the primary receiving/expending state grantee agency.

**NOTE 3: OTHER**

- A. All federal expenditures/distributions/issuances included in the accompanying schedules represent assistance received directly from the federal government, unless otherwise noted. Federal financial assistance received indirectly from the federal government (i.e., passed-through from entities outside of the State of Mississippi) is noted parenthetically.
- B. Expenditures reflected in the ALN 14.228 - Community Development Block Grants/State's program include disbursements made for grants and new loans totaling \$159,165. Program income generated by the program in previous years was used to make these grants and new loan payments. In subsequent years, the program income generated from the repayment of loans will be deposited into a revolving loan fund to be redistributed to the local governments under CFDA 14.228 for program activities. At June 30, 2022, the outstanding loan balance for the program totaled \$3,800,848.
- C. The Unemployment Insurance program (ALN 17.225) is administered through a unique federal-state partnership that was founded upon federal law, but implemented through state law. For the purposes of presenting the expenditures of this program in the accompanying schedules of expenditures of federal awards, both state and federal funds have been considered federal awards expended as denoted with a # to the right of the ALN. The breakdown of the state and federal portions of the total program expenditures is as follows:

State Portion	\$73,974,898
Federal Portion	<u>29,824,825</u>
Total	<u>\$103,799,723</u>

- D. Expenditures reflected in ALN 66.458 - Capitalization Grants for Clean Water State Revolving Funds - include loans to local governments for developing or constructing water treatment facilities. The funding source for these loans includes federal grant funds and state funds. In subsequent years, local governments will be required to repay these funds to the Mississippi Department of Environmental Quality. When received, these funds will be redistributed to local governments through new loans for additional water treatment facility projects. The outstanding loan balance for the year ended June 30, 2022, was \$391,165,945. Total disbursements for new loans for the year ended June 30, 2022, totaled

## STATE OF MISSISSIPPI

### Notes to Schedules of Expenditures of Federal Awards (continued)

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\$23,109,891. Administrative costs associated with the program for the year ended June 30, 2022, totaled \$1,251,524.

- E. Expenditures reflected in ALN 66.468 - Capitalization Grants for Drinking Water State Revolving Funds - include loans to counties, municipalities and other tax exempt water systems organizations for construction of new water systems, the expansion or repair of existing water systems, and/or the consolidation of new or existing water systems. The funding source for these loans includes federal grant funds and state funds. In subsequent years, the entities will be required to repay these funds to the Mississippi Department of Health. When received, these funds will be used to make new loans for the program activities. The outstanding loan balance for the year ended June 30, 2022, was \$185,140,971. Total disbursements for new loans made during fiscal year 2022 totaled \$28,085,786. Administrative costs associated with the program for the year ended June 30, 2022, totaled \$793,867.
- F. State Aid Road Construction is a division of the Mississippi Department of Transportation (MDOT). Federal financial assistance in the amount of \$35,638,994 related to State Aid Road Construction is included on the schedules of expenditures of federal awards under Transportation Department program 20.205 - Highway Planning and Construction.
- G. Noncash Assistance.

The State of Mississippi participated in several federal programs in which noncash benefits were provided through the state to eligible program participants. These noncash benefits programs are identified on the schedules of expenditures of federal awards with an @ to the right of the ALN. A listing of these programs follows:

<u>ALN</u>	<u>Program Name</u>
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10.555	National School Lunch Program (NSLP)
10.559	Summer Food Service Program for Children (SFSPC)

- *ALN 10.555 — National School Lunch Program received \$282,063,393 including cash assistance and noncash assistance. Cash assistance totaled \$254,109,511 and noncash assistance totaled \$27,593,882.*
- *ALN 10.559 — Summer Food Service Program for Children expended \$6,192,095 including cash assistance and noncash assistance. Cash assistance totaled \$5,534,147 and noncash assistance totaled \$657,948.*

H. Contingencies.

The State of Mississippi has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from an audit may become a liability of the State.

The Office of the Governor – Division of Medicaid has been notified by the Centers for Medicare and Medicaid Services (CMS) of a potential claim relative to potential overpayments by CMS under Medical Assistance Program grants that may have been made between 1981 and 2009 to a number of states, including Mississippi. CMS is working with the Division of Medicaid, as well as various other



**STATE OF MISSISSIPPI****Notes to Schedules of Expenditures of Federal Awards (continued)**

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states, to resolve the discrepancies. The amount questioned by CMS approximates \$28 million for the Division of Medicaid.

Additionally, the Division of Medicaid has also been notified by the Office of the Inspector General (OIG) of a potential claim relative to unallowable school-based Medicaid administrative costs for federal fiscal years 2010 through 2012. The amount determined by the OIG to be unallowable was \$21,200,000.

- I. The State of Mississippi's major federal programs for the year ended June 30, 2022, were based on federal expenditures/distributions/issuances and risk assessments as defined in Note 2:A. Those programs are as follows:

**ALN**

<b><u>Number</u></b>	<b><u>Program</u></b>
<b><u>Name</u></b>	

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10.542	Pandemic EBT Food Benefits
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	<b>Supplemental Nutrition Assistance Program Cluster</b>
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10.551	Supplemental Nutrition Assistance Program (SNAP)
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10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
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10.558	Child and Adult Care Food Program
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17.225	Unemployment Insurance
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	<b>WIOA Cluster</b>
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17.258	WIA Adult Program
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17.259	WIA Youth Activities
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17.278	WIA Dislocated Worker Formula Grants
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	<b>Highway Planning and Construction Cluster</b>
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20.205	Highway Planning and Construction
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20.219	Recreational Trails Program
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20.224	Federal Lands Access Program
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21.023	Emergency Rental Assistance Program
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21.026	Homeowner Assistance Fund
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64.015	Veterans State Nursing Home Care
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84.010	Title I Grants to Local Educational Agencies
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84.126	Rehabilitation Services – Vocational Rehabilitation Grants to States
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	<b>Special Education Cluster (IDEA)</b>
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84.027	Special Education – Grants to States (IDEA, Part B)
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84.173	Special Education – Preschool Grants (IDEA Preschool)
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**STATE OF MISSISSIPPI****Notes to Schedules of Expenditures of Federal Awards (continued)**

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84.367	Supporting Effective Instruction State Grants (SEED)
	<b>Education Stabilization Fund Cluster (ESSER)</b>
84.425C	Governor's Emergency Education Relief
84.425D	Elementary and Secondary School Emergency Relief Fund
84.425R	Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance to Non-Public Schools (CRRSA EANS)
84.425U	American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)
84.425W	American Rescue Plan – Elementary and Secondary School Emergency Relief – Homeless Children and Youth
93.558	Temporary Assistance for Needy Families (TANF)
93.568	Low-Income Home Energy Assistance
	<b>CCDF Cluster</b>
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.667*	Social Services Block Grant
93.767	Children's Health Insurance Program
	<b>Medicaid Cluster</b>
93.775	State Medicaid Fraud Control Units
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778	Medical Assistance Program (Medicaid; Title XIX)
	<b>Disability Insurance/SSI Cluster</b>
96.001*	Social Security Disability Insurance

\* Denotes a Type B Program

**STATE OF MISSISSIPPI****Notes to Schedules of Expenditures of Federal Awards (continued)**

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**Appendix “A”**

The following state agencies have negotiated an indirect cost rate and have not opted to use the de minimis rate of 10% as allowed in Uniform Guidance:

Board of Animal Health  
Department of Agriculture & Commerce  
Department of Education  
Department of Employment Security  
Department of Environmental Quality  
Department of Finance & Administration  
Department of Health  
Department of Human Services  
Department of Marine Resources  
Department of Mental Health  
Department of Rehabilitation Services  
Department of Transportation  
Department of Wildlife Fisheries & Parks  
Division of Medicaid  
Mississippi Attorney General  
Mississippi Community College Board  
Mississippi Development Authority  
Mississippi Emergency Management  
Mississippi Military Department  
Mississippi Veterans Affairs  
Soil and Water Conservation Commission  
Forestry Commission

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# **Schedule of Findings and Questioned Costs**

## **Part 1 – Summary of Auditor's Results**





**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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**PART 1 - SUMMARY OF AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued:

**Unmodified**

Internal control over financial reporting:

- Material weaknesses identified?   X   yes        no
- Significant deficiencies identified?   X   yes        none reported

Noncompliance material to financial  
statements noted?

       yes   X   no

***Federal Awards***

Internal control over major programs:

- Material weaknesses identified?   X   yes        no
- Significant deficiencies identified?   X   yes        none reported

Type of auditor's report issued on compliance for major programs:

**Summary of Opinions**

ALN(s)	Major Program Name	Type of Opinion
10.542	Pandemic EBT Cards	Qualified
10.558	Child and Adult Care Program	Unmodified
10.551, 10.561	Supplemental Nutrition Assistance Program	Unmodified
17.225	Unemployment Insurance	Qualified
17.258, 17.259, 17.278	Workforce Innovation and Opportunity Act Cluster	Qualified
20.205, 20.219, 20.224	Highway Planning and Construction Cluster	Unmodified
21.023	Emergency Rental Assistance Program	Qualified
21.026	Homeowner Assistance Fund	Qualified
64.015	Veterans State Nursing Home Care	Qualified
84.010	Title I Grants to Local Educational Agencies	Qualified
84.126	Vocational Rehabilitation Grants to States	Unmodified
84.027, 84.173	Special Education Cluster (IDEA)	Unmodified
84.367	Supporting Effective Instruction State Grants (SEED)	Qualified

84.425C, 84.425D, 84.425R, 84.425U, 84.425W	Education Stabilization Fund	Qualified
93.558	Temporary Assistance for Needy Families (TANF)	Qualified
93.568	Low-Income Home Energy Assistance Program	Qualified
93.575, 93.596	Child Care Development Fund (CCDF) Cluster	Qualified
93.767	Children's Health Insurance Program (CHIP)	Qualified
93.775, 93.777, 93.778	Medicaid Cluster	Qualified
96.001	Social Security Disability Insurance Cluster	Unmodified
93.667	Social Services Block Grant	Qualified

Any audit findings disclosed that are  
required to be reported in accordance  
with 2 CFR 200.516(a)?

  X   yes



**STATE OF MISSISSIPPI**  
**Schedule of Findings and Questioned Costs**  
**Part 1 - Summary of Auditor's Results (continued)**

<b>CFDA</b>	
<b><u>Number</u></b>	<b><u>Major Program Identification</u></b>
10.542	Pandemic EBT Cards
10.558	Child and Adult Care Program
	<u>SNAP Cluster</u>
10.551	Supplemental Nutrition Assistance Program
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
17.225	Unemployment Insurance
	<u>Workforce Innovation and Opportunity Act (WIOA) Cluster</u>
17.258	WIOA Adult Activities
17.259	WIOA Youth Activities
17.278	WIOA Dislocated Worker Activities
	<u>Highway Planning and Construction Cluster</u>
20.205	Highway Planning and Construction
20.219	Recreational Trails Program
20.224	Federal Lands Access Program
21.023	Emergency Rental Assistance Funding
21.026	Homeowner Assistance Fund
64.015	Veterans State Nursing Home Care
84.010	Title I Grants to Local Educational Agencies
84.126	Vocational Rehabilitation to States
	<u>Special Education Cluster (IDEA)</u>
84.027	Special Education – Grants to States (IDEA, Part B)
84.173	Special Education – Preschool Grants (IDEA, Preschool)
84.367	Supporting Effective Instruction State Grants (SEED)
	<u>Education Stabilization Fund</u>
84.425D	Elementary and Secondary School Emergency Relief Fund
84.425C	Governor's Emergency Education Relief Fund (GEER)

84.425R	Coronavirus Response and Relief Supplemental Appropriations Act, Non-public schools
84.425U	American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)
84.425W	American Rescue Plan – Elementary and Secondary School Emergency Relief – Homeless Children and Youth
93.558	Temporary Assistance for Needy Families (TANF) State Programs
93.568	Low Income Home Energy Assistance Program
	<u>Childcare Dependent Care Fund (CCDF) Cluster</u>
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.667*	Social Services Block Grant
93.767	Children’s Health Insurance
	<u>Medicaid Cluster</u>
93.775	State Medicaid Fraud Control Units
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778	Medical Assistance Program
96.001*	Disability / SSI Cluster

\*Denotes a Type B Program

Dollar threshold used to distinguish between  
Type A and Type B programs:

\_\_\_\_\_ \$30,000,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes      X   no

# **Schedule of Findings and Questioned Costs**

## **Part 2 – Financial Statement Findings**





STATE OF MISSISSIPPI

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

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PART 2 – FINANCIAL STATEMENT FINDINGS

**Introduction**

This part of the Schedule of Findings and Questioned Costs presents audit findings classified as material weaknesses, significant deficiencies and material noncompliance that are related to the financial statements and are required to be reported in accordance with *Government Auditing Standards*.

Findings are arranged in order by state agency. Each finding has one of the following designations:

- ❖ **Material Weakness** – A deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the state’s financial statements will not be prevented, or detected and corrected on a timely basis.
- ❖ **Significant Deficiency** – 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.
- ❖ **Material Noncompliance** – Matters coming to the auditor’s attention relating to the state’s compliance with certain provision of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts.

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**PART 2 – FINANCIAL STATEMENT FINDINGS**

**Finding Number**      **Finding and Recommendation**

**COMMUNITY COLLEGE BOARD**

**MATERIAL WEAKNESS**

**2022-005**                      Strengthen Controls Over Financial Reporting.

**Repeat Finding**              No.

**Criteria**                      Management is responsible for establishing and maintaining effective internal control over financial reporting. Internal controls should allow management or employees in the normal course of performing their assigned functions to prevent or detect material misstatements in the financial reporting of all Funds.

*The Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that reconciliations of accounting data be timely and detailed in order to ensure accuracy and reliability.

**Condition**                      As part of the audit, a material adjustment for several items in fund 3329700000 related to accounts receivable. These items were received after year-end June 30, 2022; however, they related to the year under audit and were not recorded as revenue for the year presented. As a result, revenue, accounts receivable, and fund balance were all understated by \$80,755.

**Cause**                              The corrections were due to accruals that were not identified in a timely manner.

**Effect**                              The ending fund balance for fund 3329700000 was materially understated. Unadjusted Fund balance was \$362,517 before the adjustment, and \$443,272 after the adjustment.

**Recommendation**              Management should review and enhance current procedures (as deemed necessary) to ensure that accruals be identified in a timely manner.

**Views of Responsible Officials**              The Mississippi Community College Board concurs with the finding. See additional information in Management’s Corrective Action Plan at page 161.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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DEPARTMENT OF CORRECTIONS

SIGNIFICANT DEFICIENCY

**2022-008**                      Strengthen Controls Over Financial Reporting.

**Repeat Finding**              No.

**Criteria**                      Management is responsible for establishing and maintaining effective internal control over financial reporting. Internal controls should allow management or employees in the normal course of performing their assigned functions to prevent or detect material misstatements in the financial reporting of all Funds.

*The Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that reconciliations of accounting data be timely and detailed in order to ensure accuracy and reliability.

**Condition**                      Physical inventory counts are performed bi-annually, and adjustments to inventory are made based on the inventory counts. The year-end inventory count adjustment was made as part of the year-end GAAP package close process. A one-time human error resulted in a miskey in the adjustment from the inventory count into the GAAP Package spreadsheet, causing the inventory to be understated by \$877,600.

**Cause**                          The Mississippi Department of Corrections' accounting policies and procedures provide for review of the year end GAAP package; however it did not provide sufficiently detailed level of supervisory challenge, review and approval by the director of purchasing, property, warehouse and fleet.

**Effect**                          The one-time human error resulted in a miskey in the year-end inventory adjustment resulting in \$877,600 understatement of inventory.

**Recommendation**              Management should implement a more detailed process for the review and approval of GAAP Packets for inventory to be performed by the director of purchasing, property, warehouse and fleet.

**Views of Responsible Officials**                      The Mississippi Department of Corrections concurs with the finding. See additional information in Management's Corrective Action Plan at page 163.

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**STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)**

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**DEPARTMENT OF EDUCATION**

**SIGNIFICANT DEFICIENCY**

**2022-009**                      Strengthen Controls Over the Preparation of the Federal Grant Activity Schedule.

**Repeat Finding**            Yes; 2021-006; Significant Deficiency.

**Criteria**                      *The Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when control activities exist. This includes a review performed to verify the accuracy and completeness of financial information reported.

*The Mississippi Agency Accounting Policies and Procedures (MAAPP) Manual Section 27.30.60* states, "The Federal Grant Activity schedule supports amounts reported on the GAAP Packet for federal grant revenues, receivables, deferred revenues and expenditures. The schedule is also used for preparing the Single Audit Report required by the Single Audit Act...and the State's audit requirements. The amounts on this schedule should be reconciled by the agency with amounts reported on federal financial reports."

Per OMB M-20-26, Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations (June 18, 2020), "in order to provide adequate oversight of the COVID-19 Emergency Acts funding and programs, recipients and subrecipients must separately identify the COVID-19 Emergency Acts expenditures on the Schedules of Expenditures of Federal Awards and audit report findings."

Per the Grant Bulletin, Implementation of the 120-Calendar Day Liquidation Period Codified in 2 CFR § 200.344 and Effective on November 12, 2020, "This bulletin implements a revision ... that extends the grant closeout liquidation period, i.e., the period immediately following the end date of the period of performance, from 90 calendar days to 120 calendar days for all active grants.

**Condition**                      The Mississippi Department of Education (MDE) did not update the Grant Schedule for all changes to grants amounts, grant numbers, and grant dates that occurred during the fiscal year. During testwork of the Grant Schedule, the auditor noted errors in reporting for programs. Examples of these errors include:

- One instance in which expenditures to sub-grantees were incorrectly coded in MAGIC and thus were not captured on the Subgrant Schedule form 27.30.70 or the column for amounts passed to sub-grantees on the Grant Schedule form 27.30.60. The total amount of transactions not included was \$2,011,532.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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- Seven instances in which the cumulative expenditures for the federal subprogram per the grant schedule exceeded the allocated amount assigned by the agency to the federal subprogram within the block grant.
- One instance in which a grant award was not properly identified with the COVID-19 designation on the Federal Grant Activity Schedule as required by uniform guidance.
- Two instances in which the grant funding period end date reported on the grant schedule did not match the grant funding period end date per the grant award.
- One instance in which the noncash assistance amounts National Student Lunch Program (ALN 10.555) and the Summer Food Service Program (ALN 10.559) per the Federal Grant Activity Schedule did not agree to MAGIC. The amount was \$2,040,951.

**Cause** The Mississippi Department of Education did not enforce proper internal control structures over the preparation of the Federal Grant Activity Schedule and allowed multiple errors in the schedule to remain by agency personnel.

**Effect** Without proper internal control structures over the preparation of the Federal Grant Activity Schedule, erroneous grant numbers, grant award amounts, and “Amount Passed to Subrecipients” could be reported on the Federal Grant Activity Schedule. In addition, the errors would be passed thru to the State’s Schedule of Federal Expenditures and could result in reporting errors on the State’s Single Audit Report.

**Recommendation** We recommend the Mississippi Department of Education strengthen controls over the preparation of the Federal Grant Activity Schedule to ensure all grant award information and amounts reported are accurate and correct.

**Views of Responsible Officials** The Mississippi Department of Education concurs with the finding. See additional information in Management’s Corrective Action Plan at page 165.

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**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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**DEPARTMENT OF FINANCE AND ADMINISTRATION**

**MATERIAL WEAKNESS**

<b>2022-015</b>	<u>Require Chief Fiscal Officers of State Agencies to hold Minimum Accounting Qualifications and Attend Mandatory Training.</u>
<b>Repeat Finding</b>	Yes; 2016-012, 2017-006, 2018-024, 2019-015 2020-010, and 2021-003; Material Weakness Findings
<b>Criteria</b>	<p><i>Section 7-7-3 Miss. Code Ann. (1972)</i> states that the State Fiscal Officer (as defined by <i>Section 21-104-6 Miss. Code Ann. (1972)</i> as the Executive Director of the Department of Finance and Administration shall conduct training seminars on a regular basis to ensure that agencies have access to persons proficient in the correct use of the statewide accounting system.</p> <p><i>Section 7-7-211 Miss. Code Ann. (1972)</i> authorizes the State Auditor to establish training course and programs for the personnel of the various state and local governmental entities. These courses shall include, but are not limited to, topics on internal control, purchasing and property, governmental accounting and financial reporting, and internal auditing.</p> <p><i>The Internal Control – Integrated Framework</i> published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) specifies that a satisfactory control environment is only effective when there is a commitment to competence that demonstrates a commitment to retain competent employees. This principle of competency can be achieved through analysis of skills required for positions, training and development training.</p>
<b>Condition</b>	<p>During testing for fiscal year 2022, we noted, through inquiry and observation, that the overall expertise level of accounting staff in various state agencies was not consistent, and that job requirements often did not specify applicants hold any specific accounting or governmental knowledge. We also noted that, although the Department of Finance and Administration (DFA) held GAAP conversion and accounting training courses to aid state agencies in compiling financial information, it was not a mandatory requirement and often agency personnel did not attend. Likewise, qualification and skill requirements were not consistently applied to Chief Financial Officers throughout the various state agencies.</p> <p>The lack of overall understanding and application of proper accounting standards required the centralized accounting function of the state, DFA, to prepare significant adjusting and reclassification entries in order to prevent material misstatement. While the majority of entries would not have materially misstated accounts individually, in the aggregate, without adjustment, the financials would have been materially misstated.</p>
<b>Cause</b>	Lack of consistently applied agency qualifications for accounting personnel.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

**Effect** The failure of the State to hire and retain competent staff could result in material misstatement of the financial statements.

**Recommendation** We recommend the Department of Finance and Administration implement mandatory training sessions for accounting personnel and Chief Fiscal Officers. Additionally, we recommend the State of Mississippi implement minimum qualifications for Chief Financial Officers.

**Views of Responsible Officials** Management at the Department of Finance and Administration concurs with the finding. See additional information in Management’s Corrective Action Plan at page 181.

-----  
**2022-016** Strengthen Controls Over the Compilation Process of the Annual Comprehensive Financial Statements and Supporting Schedules.

**Repeat Finding** No.

**Criteria** Section 27-104-4, Mississippi Code Annotated (1972) requires each state agency to prepare annual financial statements at such time as required by the State Fiscal Officer. The State Fiscal Officer, in consultation with the State Auditor, shall prescribe rules and regulations to implement and specify the records, procedures and accounting systems necessary to carry out the provisions of this section. The State Fiscal Officer shall combine the financial statements of the various state agencies into a comprehensive annual financial report for the State of Mississippi.

The Internal Control - Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) specifies that a satisfactory control environment includes principles that management should hold individuals responsible for appropriate authorities assigned to their role. Additionally, strong control activities requires appropriate, timely, and correct reconciliations of financial statements and accounts.

**Condition** During the 2022 audit of the Annual Comprehensive Financial Statements, the following issues were identified:

- A significant adjusting journal entry (\$172,758,130) was needed for a revenue accrual related to the opioid settlements during the course of the audit. The Department of Finance and Administration (DFA) along with the Attorney General's Office failed to record an entry or communicate with each other to identify that an accrual was necessary.
- The Schedule of Expenditures of Federal Awards (SEFA) is prepared at each agency and reviewed by DFA. DFA also combines each agency's SEFA with all other agencies to compile the statewide SEP A. During the audit at the various agencies as well as at the combined ACFR level, numerous adjustments to the SEP A were required by the Office of the

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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State Auditor (OSA). Below are detailed the most specific changes required by OSA to various Assistance Listing Numbers (ALN):

- ALN 10.555 – noncash expenditures of \$27,953,882 were accrued as expenditures by OSA for the Department of Education program.
- ALN 21.027 – Expenditures for fund number 6821113000 was reduced from \$755,000,000 to \$5,000,000 as the monies had only been transferred from a DFA fund to agency funds - but no actual expenditures had occurred.
- ALN 21.027 – revenues and expenditures for fund number 6821113100 were removed from the SEP A as these monies were passed thru the State of Mississippi to Non-entitlement Units of local government. Removing this fund from the SEFA reduced total current federal expenditures by \$267,967,748.
- ALN 64.015 – This ALN was not included on the SEFA – the agency did not include the revenue/expense in a federal revenue fund. DFA reconciles federal revenue, but due to the incorrect fund assignment, these monies were not included on the automated report. Therefore, federal revenue was incorrectly reconciled. When ALN 64.015 was added to the SEFA, Federal expenditures increased by \$32,553,863.

In addition, to the significant changes above, there were numerous errors with incorrect assistance listing numbers (ALN), incorrect grant numbers, and incorrect grant award amounts.

**Cause** Lack of controls and proper oversight over the compilation process of the Annual Comprehensive Financial Report and supporting schedules.

**Effect** The lack of controls and proper oversight over the compilation of the Annual Comprehensive Financial Report and supporting schedules resulted in materially misstated financial statements that required adjustment by auditors.

**Recommendation** We recommend the Department of Finance and Administration strengthen controls over the compilation process of the Annual Comprehensive Financial Statements by staying informed of new accounting pronouncements, and current trends; we further recommend that the Department of Finance of Administration implement more effective controls over the compilation of the Statewide SEFA, and communicate overarching policies regarding its compilation to all state agencies.

**Views of Responsible Officials** The Mississippi Department of Finance and Administration concurs with the finding. See additional information in Management’s Corrective Action Plan at page 183.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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DEPARTMENT OF HEALTH

MATERIAL WEAKNESS

2022-012                      Strengthen Controls over Financial Reporting.

**Repeat Finding**              No.

**Criteria**                      The *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the review process of transactions, proper support of transactions, proper documentation and support of methodologies used in accounting practices, proper support of information and communication within the agency, and a commitment to competence by management.

**Condition**                      While the design of the Fund’s accounting and financial reporting process provides for appropriate supervisory review of the federal grant worksheet, that review did not properly function during the year-end close process this year. The supervisory review and approval of the federal grant schedule didn’t properly function to detect errors in the schedule.

**Cause**                              The Fund assigned new personnel with limited experience to prepare the federal grant worksheet and did not properly review the worksheet to detect errors within.

**Effect**                              Potentially material misstatements in the financial statements related to federal grants could occur and not be prevented or detected in a timely manner. Errors in the federal grant worksheet related to carry-forward balances and formula errors. Adjust adjustments were proposed to correct the ending balances.

**Recommendation**              We recommend management ensure its process for the supervisory review and approval of the federal grant worksheet, including challenging the clerical accuracy, the reasonableness of the year-end balances of any accruals, and the propriety of any carry-forward amounts properly functions during each year-end close.

**Views of Responsible Officials**              The Mississippi Department of Health concurs with the finding. See additional information in Management’s Corrective Action Plan at page 189.

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**STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)**

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**DEPARTMENT OF HUMAN SERVICES**

**SIGNIFICANT DEFICIENCY**

**2022-007**                      Strengthen Controls to Ensure Proper Review Processes for Financial Reporting.

**Repeat Finding**            Yes; 2020-008 and 2021-001; Material Weakness Findings.

**Criteria**                      The *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the review process of transactions, proper support of transactions, proper documentation and support of methodologies used in accounting practices, proper support of information and communication within the agency, and a commitment to competence by management.

The *Mississippi Agency Accounting Policies and Procedures (MAAPP) Manual Section 27.30.05* states that supporting schedules provide the details, which support the adjusted MAGIC balances on the GAAP Trial Balance.

**Condition**                      While performing testwork related to the Mississippi Department of Human Services' (MDHS) Schedule of Federal Grant Activity, the auditor noted the following regarding the Federal Sub-Grant Activity Schedule:

- Two instances in which amounts recorded as "Passed to Subrecipients" were coded to the incorrect ALN number on the Schedule of Federal Grant Activity.
- 12 instances in which the amounts recorded as "Current Year Agency Expenditures - Amounts Paid to Sub-Grantees" per the Sub-Grant Activity Schedule (form 27.30. 70) did not agree to amounts reported on the KOB1 report (Internal Order Report) within the Mississippi Accountability System for Government information and Collaboration (MAGIC).

**Cause**                              The Mississippi Department of Human Services did not enforce proper control structures over financial reporting, which attributed to the multiple errors detected on the Federal Sub-Grant Activity Schedule.

**Effect**                              Without proper enforcement of internal control structures over financial reporting, erroneous financial statements and corresponding schedules could be compiled, resulting in a misrepresentation of the financial standing of the Mississippi Department of Human Services.

**Recommendation**            We recommend management at the Department of Human Services evaluate internal control procedures over the review and approval of Federal Sub-Grant Activity Schedule. Additionally, we recommend existing staff obtain the needed

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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training to be able to accurately report and review financial information entered into the Federal Sub-Grant Schedule.

**Views of Responsible  
Officials**

The Mississippi Department of Human Services concurs with the finding. See additional information in Management's Corrective Action Plan at page 191.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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DEPARTMENT OF MARINE RESOURCES

**MATERIAL WEAKNESS**

<b>2022-006</b>	<u>Strengthen Controls Over Financial Reporting.</u>
<b>Repeat Finding</b>	Yes; 2020-014 and 2021-004; Material Weakness.
<b>Criteria</b>	The <i>Internal Control – Integrated Framework</i> published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the <i>U.S. Government Accountability Office Standards for Internal Control in the Federal Government</i> (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes a review performed to verify the accuracy of information reported to ensure that transactions are recorded in the proper period and that invoices are not recorded twice.
<b>Condition</b>	As part of the 2022 audit, material audit adjustments were proposed in funds 5345000000 and 3345200000 related to the recording of liabilities and the related expenditures.
<b>Cause</b>	Errors in reporting expenditures and related liabilities were not identified in a timely manner.
<b>Effect</b>	The ending fund balance of fund 5345000000 and 3345200000, respectively, was materially understated by \$190,229 and \$746,949, and required an adjustment to correct the ending balance. The adjusted fund balance at the end of the year should be \$(315,270) and \$26,343,383.
<b>Recommendation</b>	We recommend that the Mississippi Department of Marine Resources strengthen controls over the review of prepared financial statements to ensure that errors are identified and corrected in a timely manner.
<b>Views of Responsible Officials</b>	The Mississippi Department of Marine Resources concurs with the finding. See additional information in Management's Corrective Action Plan at page 197.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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DEPARTMENT OF PUBLIC SAFETY

MATERIAL WEAKNESS

2022-011                      Strengthen Controls Over Financial Reporting.

**Repeat Finding**            Yes, 2020-016 and 2021-009; Material Weakness Findings.

**Criteria**                      The *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the review process of transactions, proper support of transactions, proper documentation and support of methodologies used in accounting practices, proper support of information and communication within the agency, and a commitment to competence by management.

**Condition**                    During the audit, it was noted that the due to and from balances between Mississippi Department of Public Safety intra-agency funds did not balance and eliminate when consolidated. Multiple material audit adjustments were identified.

**Cause**                        The Mississippi Department of Public Safety's internal controls were not designed to reconcile the due to and from balances for intra-agency funds that were not required to submit a GAAP package to the Mississippi Department of Finance and Administration. In addition, internal controls were not designed to analyze due from balances for collectability.

**Effect**                        The Mississippi Department of Public Safety's due from and due to balances were overstated by approximately \$1,203,568 and \$936,914, respectively, because due to and from balances did not eliminate. In addition, audit procedures identified approximately \$1,998,298 of significantly aged due from other governments. Per discussion with Mississippi Department of Public Safety, the due from balances were likely uncollectible and a reserve of \$1,998,298 was established.

**Recommendation**        We recommend the Mississippi Department of Public Safety strengthen internal controls over financial reporting to ensure that due to and from balances reconcile to supporting schedules and other funds. We also recommend that management assess the due from balances on an annual basis to ensure that they are collectible.

**Views of Responsible Officials**        The Mississippi Department of Public Safety concurs with the finding. See additional information in Management's Corrective Action Plan at page 199.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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**DIVISION OF MEDICAID**

**MATERIAL WEAKNESS**

**2022-010**                      Strengthen Controls Over the Preparation and Review of the Schedule of Expenditures of Federal Awards.

**Repeat Finding**            Yes; 2020-011 and 2021-007; Material Weakness Findings.

**Criteria**                      *The Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when control activities exist. This includes a review performed to verify the accuracy and completeness of financial information reported.

*The Mississippi Agency Accounting Policies and Procedures (MAAPP) manual Section 27.30.60* states, “The Federal Grant Activity schedule supports amounts reported on the GAAP Packet for federal grant revenues, receivables, deferred revenues and expenditures. The schedule is also used for preparing the Single Audit Report required by the Single Audit Act...and the State’s audit requirements. The amounts on this schedule should be reconciled by the agency with amounts reported on federal financial reports.”

**Condition**                      During the audit of the Mississippi Division of Medicaid for fiscal year ended June 30, 2022, we became aware of ineffective processes and/or procedures relating to internal controls over financial reporting and the Schedule of Expenditures of Federal Awards. In the aggregate, these instances resulted in a material weakness in the agency’s overall control environment. The following exceptions were noted:

- Two instances in which the amount listed in the grant award section of the Schedule of Expenditures of Federal Awards did not agree with the Grant Award.
- One instances in which expenditures per the Schedule of Expenditures of Federal Awards and the Mississippi Accountability System for Government Information and Collaboration (MAGIC) did not agree to the Quarterly Medicaid Statements of Expenditures for the Medical Assistance Program (form CMS-64), resulting in adjustments to the Schedule of Expenditures of Federal Awards and an audit adjustment.
- One instance in which receipts per the Schedule of Expenditures of Federal Awards and MAGIC did not agree to receipts per the Payment Management Services (PMS) report, resulting in adjustments to the Schedule of Expenditures of Federal Awards and an audit adjustment.

The lack of adequate controls over the Schedule of Expenditures of Federal Awards and the Claims Payable calculation resulted in the following:

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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- Federal Revenue was understated by \$35,579,254;
- Subsidies Loans and Grants was understated by \$35,232,626;
- Unearned Federal Revenue was overstated by \$19,029,946; and
- Due from Federal Government was overstated by \$18,683,318.

**Cause** The Mississippi Division of Medicaid (“Medicaid”) did not possess or enforce proper internal control structures over financial reporting. Additionally, Medicaid did not properly review grant schedule information and did not perform review over crucial aspects of financial reporting.

**Effect** Without proper internal control structures over financial reporting, erroneous financial statements and corresponding schedules could be compiled, resulting in a misrepresentation of the financial standing of the Mississippi Division of Medicaid. Failure to properly ensure the amounts are correct on the Federal Grant Activity Schedule could result in reporting errors on the State’s Single Audit Report.

**Recommendation** We recommend the Mississippi Division of Medicaid strengthen controls financial reporting and the Schedule of Expenditures of Federal Awards to ensure all grant award information and amounts reported are accurate and correct.

**Views of Responsible Officials** The Mississippi Division of Medicaid does not concur with the finding. See additional information in Management’s Corrective Action Plan at page 201; and the Auditor’s Response to the Corrective Action Plan at page 67 and 203.

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

**Auditor's note to the Corrective Action Plan from Mississippi Division of Medicaid (MDOM) Management**

***Division of Medicaid Material Weakness***

**2022-010      Strengthen Controls Over the Preparation and Review of the Schedule of Expenditures of Federal Awards.**

While MDOM states that they do not concur with the finding, in reading the Corrective Action Plan they do concur that the amount needed adjustment because it was materially misstated. The amount per the SEFA agreed with amount per MAGIC; however, both amounts were incorrect and did not agree with the amount reported on the federal report – which was the correct amount. The adjustment, agreed to by MDOM, adjusted the financials to the correct amount. Therefore, the statements made in the finding are accurate.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)

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**OFFICE OF THE STATE TREASURER**

**SIGNIFICANT DEFICIENCY**

**2022-013**                      Strengthen Controls to Ensure Correct Reports for Equity in Internal Investments are Sent to Department of Finance and Administration to Make the Market Value Adjustment.

**Repeat Finding**            No.

**Criteria**                      The *Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the review process of transactions, proper support of transactions, proper documentation and support of methodologies used in accounting practices, proper support of information and communication within the agency, and a commitment to competence by management.

**Condition**                      While performing testwork related to Equity in Internal Investment, the auditor noted that the Office of the State Treasurer had sent the Department of Finance and Administration the incorrect report for use in calculating the adjustment to market value for investments in the internal investment pool.

**Cause**                              The Office of the State Treasurer did not apply proper oversight when running the report request by the Department of Finance and Administration.

**Effect**                              Equity in Internal Investments was overstated for fiscal year 2022 by \$348,916,698 and required an audit adjustment.

**Recommendation**            We recommend management at the Office of the State Treasurer strengthen controls to ensure correct reports are run for determining market value adjustments.

**Views of Responsible Officials**            The Office of the State Treasurer concurs with the finding. See additional information in Management's Corrective Action Plan at page 217.

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**STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART – 2 Financial Statement Findings (continued)**

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**VETERANS AFFAIRS BOARD**

**MATERIAL WEAKNESS**

**2022-014**                      Strengthen Controls Over the Preparation, Recording, and Review of the Schedule of Expenditures of Federal Awards.

**Repeat Finding**            Yes, 2020-040, 2021-051; Material Weakness Findings.

**Criteria**                      The *Code of Federal Regulations (2 cfr §200.510(b))* states, in part "the auditee must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502."

*The Code of Federal Regulations (2 CFR §200.502(a))* states, in part, "the determination of when a federal award is expended must be based on when the activity related to the Federal award occurs."

The *Internal Control - Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *US. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that a review is performed to verify the accuracy and completeness of financial information reported. The Federal Grant Activity Schedule captures amounts that must be accurate and complete in order to ensure the accuracy of financial and federal information reported on such schedule to verify the accuracy and completeness of financial information reported.

The *Mississippi Agency Accounting Policies and Procedures* (MAAPP) manual Section 27.30.60 states, "The Federal Grant Activity schedule supports amounts reported on the GAAP packet for federal grant revenues, receivables, deferred revenues and expenditures. The schedule is also used for preparing the Single Audit Report required by the Single Audit Act, Office of Management and Budget Uniform Grant Guidance and the State's audit requirements. The amounts on this schedule should be reconciled by the agency with amounts reported on federal financial reports."

**Condition**                      During the audit of Mississippi Veterans Affairs (MVA) for fiscal year ended June 30, 2022, auditors noted that MVA recorded federal monies in state assigned fund classification (the three funds) rather than the federal assigned fund classification (the five funds) in the statewide accounting system, the Mississippi Accountability System for Government Information and Collaboration (MAGIC). Due to this misclassification of funds, the Mississippi Department of Finance and Administration (DFA) was unaware the MVA was receiving federal monies, and did not include the agency on the Statewide Schedule of Federal Activity (SEFA), and did not require MVA to prepare a grant schedule during the financial close out period. The statewide SEFA is prepared using agency prepared grant schedule

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART – 2 Financial Statement Findings (continued)**

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activity reports, and a system of internal controls exists to ensure all federal monies are included in the SEFA and that all agencies that have federal monies prepare grant schedules. By misclassifying the funds, MVA inadvertently circumvented the control system and DFA was not alerted to the need for the inclusion of the funds in the SEFA. During the audit for the statewide ACFR, auditors noted that ALN 64.015 was not listed on the SEFA. The auditor requested the information from MVA and adjusted the SEFA accordingly.

**Cause** Management at MVA is relatively new and continued recording money in the same funds it had historically been recorded in and did not realize the federal monies received required the agency to prepare a SEFA. Additionally, the misclassification of funds in the general fund did not alert DFA to the receipt of federal funds.

**Effect** Failure to properly ensure the assistance listing numbers (ALN) and amounts are reported correctly in MAGIC and that the SEFA agrees with the underlying financial records could result in inaccurate reporting to both the state and federal oversight organizations.

**Recommendation** We recommend Mississippi Veterans Affairs strengthen controls over the preparation and review of the Schedule of Expenditures of Federal Awards to ensure all grant award information and amounts reported are accurate and correct, and that the information agrees with the underlying financial records. In addition, we recommend Mississippi Veterans Affairs record all federal revenues in a five fund to ensure inclusion on the Schedule of Expenditures of Federal Awards.

**Views of Responsible Officials** The Mississippi Veterans Affairs Board concurs with the finding. See additional information in Management's Corrective Action Plan at page 213.

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**Schedule of Findings and Questioned Costs**  
**Part 3 – Federal Award Findings and Questioned**  
**Costs**





## STATE OF MISSISSIPPI

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### SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

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#### PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

##### Introduction

This part of the Schedule of Findings and Questioned Costs presents audit findings required to be reported by *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200, Section 5.16*

Findings are grouped by federal funding agency and then organized by state agency. Findings within the state agency are listed in order by type of compliance requirement as listed in Appendix XI to the *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200*.

Each finding has one of the following designations:

- ❖ **Material Weakness** – *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.
- ❖ **Significant Deficiency** – *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.
- ❖ **Material Noncompliance** – Conditions representing noncompliance with the provisions of laws, regulations, contracts or grant agreements, that in the auditor’s judgment have a direct and material effect on a major federal program.
- ❖ **Immaterial Noncompliance** – Conditions representing noncompliance with the provisions of laws, regulations, contracts, or grant agreements that do not have a direct and material effect on a major federal program.

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STATE OF MISSISSIPPI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF AGRICULTURE

**Finding Number**      **Finding and Recommendation**

**DEPARTMENT OF EDUCATION**

**ALLOWABLE COSTS / ACTIVITIES ALLOWED**

*Significant Deficiency*

*Immaterial Noncompliance*

**2022-027**      Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Child and Adult Care Food Program (CACFP).

**ALN Number(s)**      10.558 Child and Adult Care Food Program

**Federal Award No.**      All Current Active Grants

**Questioned Costs**      \$6,017

**Criteria**      *Code of Federal Regulations (7 CFR 226.15(e))* states, each institution shall establish procedures to collect and maintain all program records required under this part, as well as any records required by the State agency. Failure to maintain such records shall be grounds for the denial of reimbursement for meals served during the period covered by the records in question and for the denial of reimbursement for costs associated with such records. At a minimum, the following records shall be collected and maintained:

- Documentation of the enrollment of each participant at centers and child at day care homes. Such documentation of enrollment must be updated annually, signed by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care.
- Daily records indicating the number of participants in attendance and the daily meal counts, by type (breakfast, lunch, supper, and snacks), served to family day care home participants, or the time of service meal counts, by type (breakfast, lunch, supper, and snacks), served to center participants.
- Copies of invoices, receipts, or other records required by the State agency financial management instruction to document: Administrative costs claimed by the institution; Operating costs claimed by the institution except sponsoring organizations of day care homes; and Income to the Program.

**STATE OF MISSISSIPPI**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Agriculture (continued)**

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*Mississippi Department of Education Office of Child Nutrition: Recordkeeping Manual for the Child and Adult Care Food Program* states, “Participants eligible for free or reduced priced meals enrolling after July 1, must have meal applications completed before the end of the month. The category of each participant, as stated on the meal application, is recorded on the Master Roster. Failure to have a complete meal application on file for each enrolled participant will result in the disallowance of meals and repayment of Program funds. ...It is the responsibility of the center staff to review and categorize the application as free, reduced, or denied/paid. The staff must sign and date the application in the “official use only” section.”

*Mississippi Department of Education Office of Child Nutrition: Recordkeeping Manual for the Child and Adult Care Food Program* states, “The United States Department of Agriculture (USDA) issues CACFP reimbursement for organizations based on three categories: free, reduced price and paid. To qualify for the free or reduced-price categories, a family must meet the income level and household size specified on the Income Eligibility Guidelines.”

*Mississippi Department of Education Office of Child Nutrition: Recordkeeping Manual for the Child and Adult Care Food Program* states, “Attendance records verify that participants claimed were actually present. An individual record of each participant’s attendance (days present and absent) must be recorded each day. ...Failure to complete and document attendance will result in the disallowance of meals and the repayment of Program Funds. Claiming meals more than documented in attendance will result in the designation of your organization as seriously deficient.”

*The Mississippi Department of Education CACFP: Participant Guide* states, “Meal count and attendance records must indicate that meal count totals are never *HIGHER* than attendance totals.”

*Mississippi Department of Education Office of Child Nutrition: Recordkeeping Manual for the Child and Adult Care Food Program* states “Program operators are required to track an organization’s spending and provide a Balance on Hand of CACFP funds independently of other center funds. The State Agency highly recommends opening a separate Checking Account for the tracking of CACFP funds. ... No payments may be made for expenses not directly related to operation of the CACFP. Any payments of this nature will be disallowed, and the organization will be required to repay all such expenditures.”

*Mississippi Department of Education Office of Child Nutrition: Recordkeeping Manual for the Child and Adult Care Food Program* states, “Failure to abide by the staffing pattern with the specific staff listed for salaries/wages/benefits will result in the designation of costs as unallowable and the repayment of Program funds.”

*Mississippi Department of Education Office of Child Nutrition Recordkeeping Manual for the Child and Adult Care Food Program (CACFP)* states, “All

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Agriculture (continued)**

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	program records and documentation will be maintained for three years plus the current year.”
<b>Condition</b>	<p>During testwork performed for Activities Allowed and Unallowed &amp; Allowable Costs for CACFP grants for the 2021-2022 year, the auditor noted the following exceptions:</p> <ul style="list-style-type: none"><li>• 29 instances in which documentation for the Free/Reduced Meal Application was not provided or was not completed correctly, resulting in \$2,292 of questioned costs.</li><li>• 16 instances in which meal category claimed did not agree to the participant’s eligible meal category based on the Free/Reduced Meal Application, resulting in \$2,506 of questioned costs.</li><li>• 5 instances in which the meals claimed exceeded the attendance on the sign in/out data, resulting in \$413 of questioned costs.</li><li>• One instance in which salaries paid with CACFP funds exceeded the allowable staffing pattern, resulting in \$806 of questioned costs.</li></ul>
<b>Cause</b>	MDE did not monitor subrecipients properly and ensure that subrecipients are maintaining required supporting documentation as required by written policies and procedures.
<b>Effect</b>	Failure to not properly monitor subrecipients and ensure required supporting documentation is maintained could result in questioned costs and loss of funding.
<b>Recommendation</b>	We recommend the Mississippi Department of Education strengthen controls to ensure compliance with allowable costs requirements of the Child and Adult Care Food Program (CACFP).
<b>Repeat Finding</b>	Yes; 2021-034.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Education does not concur with this finding. See additional comments in the Corrective Action Plan on page 167; and the Auditor’s Response to the Corrective Action Plan at page 79 and 173.

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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Education (MDE) Management**

**Department of Education – Activities Allowed/Allowable Costs – *Significant Deficiency/Immaterial Noncompliance***

**2022-027      Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Child and Adult Care Food Program (CACFP).**

Mississippi Department of Education (MDE) asserts in their disagreement with the finding that they have a “robust system of monitoring” and that they could not verify the accuracy of the finding due to “not being included in the reviews of the recipients.

OSA reviewed a significantly lower percentage of CACFP subrecipients than MDE alleges they reviewed in their response (60.3%) and OSA found enough noncompliance to warrant an immaterial noncompliance finding with \$6,017 in questioned costs.

Additionally, the assertion that the accuracy could not be verified due to not being “included in the reviews of subrecipients” is misleading, and implies that MDE was not made aware of the particulars of the questioned costs. MDE was provided with a list of all the CACFP subrecipients that are noted in the finding and a list of the specific questioned costs. MDE stated that MDE will need to review the auditors’ documentation and also perform on-site visits before it can make final determination regarding the potential unallowable costs determinations against sponsors.

In conclusion, the sheer number of errors in the subrecipient monitoring process that led to the questioned allowable costs does not support MDE’s statement that their internal controls and subrecipient monitoring system is either robust or adequate.

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**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Agriculture (continued)**

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**DEPARTMENT OF HUMAN SERVICES**

**REPORTING**

*Material Weakness*

*Material Noncompliance*

**2022-019**                      Strengthen Controls to Ensure Compliance with the Federal Funding Accountability and Transparency Act (FFATA) Reporting Requirements.

**ALN Number(s)**            93.558 Temporary Assistance for Needy Families (TANF)  
                                      93.667 Social Services Block Grant (SSBG)  
                                      93.568 Low Income Home Energy Assistance (LIHEAP)  
                                      10.542 and 10.649 Pandemic EBT Benefits  
                                      93.596 and 93.575 Child Care Development Fund (CCDF)

<b>Federal Award</b>	G2201MSTANF	G2201MSCCDM	G2201MSLIEA
	G2201MSCCDD	G2201MSSOSR	225MS410S9007

**Questioned Costs**        N/A

**Criteria**                      Per the *Code of Federal Regulations (2 cfr 170.200)*, “(a) federal awarding agencies are required to publicly report Federal awards that equal or exceed the micro-purchase threshold and publish the required information on a public-facing, OMB-designated, government wide website and follow Uniform Guidance to support Transparency Act implementation. (b) Federal awarding agencies that obtain post-award data on subaward obligations outside of this policy should take the necessary steps to ensure that their recipients are not required, due to the combination of agency-specific and Transparency Act reporting requirements, to submit the same or similar data multiple times during a given reporting period.”

*The Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the U.S. Government Accountability Office Standards for Internal Control in the Federal Government (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the entity determining which laws and regulations apply to the entity and setting objectives that incorporate these requirements.*

**Condition**                      When performing testwork related to Federal Funding Accountability and Transparency Act (FFATA) Reporting as of June 30, 2022, the auditor noted that the Mississippi Department of Human Services (MDHS) did not perform reporting over FFATA for Temporary Assistance for Needy Families (TANF), Child Care Development Fund (CCDF), Low Income Energy Assistance Program (LIHEAP), and Pandemic EBT as required by the *Code of Federal Regulations (2 cfr 170.200)*.

**Cause**                              MDHS staff failed to follow grant regulations requiring FFATA reporting.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Agriculture (continued)**

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<b>Effect</b>	Failure to report any applicable awards and subawards resulted in MDHS being in noncompliance with federal reporting requirements and could result in a misstatement of federal expenditures to the federal awarding agency.
<b>Recommendation</b>	We recommend the Mississippi Department of Human Services strengthen controls to ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) Reporting.
<b>Repeat Finding</b>	Yes; 2021-010.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Human Services concurs with this finding. See additional comments in the Corrective Action Plan on page 193 of this audit report.

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STATE OF MISSISSIPPI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF EDUCATION

**Finding Number**      **Finding and Recommendation**

**DEPARTMENT OF EDUCATION**

**REPORTING**

*Material Weakness*

*Material Noncompliance*

**2022-028**      Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements

**ALN Number(s)**      84.010 Title I – Grants to Local Education Agencies  
84.367 Title II – Supporting Effective Instruction  
84.425 Education Stabilization Fund

**Federal Award No.**      All Current Active Grants

**Questioned Costs**      N/A

**Criteria**      *The Code of Federal Regulations (2 CFR 170, Appendix A((I)(a)(2)(ii)) states a subaward must be reported in FSRS by the last day of the month following the obligation date, which is defined as the date the subaward is signed.*

*The Code of Federal Regulations (2 CFR 170, Appendix A(I)(b)(1)(i)) sets forth the reporting requirements of the Transparency Act that related to subawards under grants. Direct recipients of grants who make first-tier subawards equal to or exceeding \$30,000 are required to report each subaward obligating action equal to \$30,000 or more in Federal funds.*

**Condition**      During testwork performed for the Federal Funding Accountability and Transparency Act (FFATA) reporting fiscal year 2022, the auditor noted the following exceptions:

- Fifteen instances out of 15 reports tested for ARP ESSER, in which the reports were not submitted within the required timeframe.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Education (continued)**

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
15	0	15	0	0
Dollar Amount Tested For Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$182,492,391	\$0	\$182,492,391	\$0	\$0

- Mississippi Department of Education (MDE) written policies over FFATA were not updated to reflect the current threshold amount of \$30,000 for first tier subawards.

<b>Cause</b>	MDE personnel did not ensure timely submission of FFATA Reports; MDE personnel did not properly update written policy to reflect federal regulation.
<b>Effect</b>	Failure to submit reports timely can undermine transparency and accountability since the public will not know about these grants awards in an appropriate manner
<b>Recommendation</b>	We recommend the Mississippi Department of Education (MDE) strengthen controls to ensure compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements.
<b>Repeat Finding</b>	Yes; 2021-035.
<b>Statistically Valid</b>	Yes.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Education does not concur with this finding. See additional comments in the Corrective Action Plan on page 169; and the Auditor's Response to the Corrective Action Plan at pages 89 and 173 of this audit report.

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**SUBRECIPIENT MONITORING**

*Significant Deficiency*  
*Immaterial Noncompliance*

<b>2022-029</b>	<u>Strengthen Controls to Ensure Compliance with On-Site Subrecipient Monitoring Requirements for Special Education Cluster Programs</u>
<b>ALN Number</b>	84.027 Special Education – Grants to States (IDEA, Part B) 84.173 Special Education – Preschool Grants (IDEA, Preschool)
<b>Federal Award No.</b>	All Current Active Grants

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Education (continued)

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**Questioned Costs** N/A

**Criteria** The terms and conditions of the grant agreements between the Mississippi Department of Education (MDE) and the U.S. Department of Education require MDE to administer grants in compliance with the *Code of Federal Regulations (2 CFR Part 200 – Uniform Guidance)*. The *Code of Federal Regulations (2 CFR Part 200.331)* designates MDE, as a pass through entity, to properly identify subaward requirements to subrecipients, evaluate the risk of noncompliance for each subrecipient, and monitor the activities of subrecipients as necessary to ensure that subawards are used for authorized purposes, complies with the terms and conditions of the subawards and achieves performance goals.

*The Code of Federal Regulations (2 CFR 200.332(d))* requires all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

MDE's Office of Special Education Bureau of Monitoring and Technical Assistance (OSE-BMTA) procedures require an on-site monitoring visit of each subgrantee contract based on a four-year rotating cycle and a fiscal monitoring assessment for each subgrantee contract by a five year cycle. The OSE-BMTA written procedures state each monitoring visit will have a monitoring team leader who is responsible for completing the monitoring report and sending the report to the Office of Special Education (OSE) Bureau Director for approval. The monitoring instrument is designed to include all areas of compliance to be monitored and consists of a programmatic portion and a fiscal portion. The written procedures require the monitoring report be provided to the LEA within 30 calendar days of the monitoring visit. The written procedures further state that all noncompliance must be corrected as soon as possible, but in no case more than 12 months from the date of the monitoring report.

**Condition** The Mississippi Department of Education (MDE) did not follow written procedures for the 2020-2021 programmatic and fiscal monitoring cycles and did not perform monitoring visits based on the four-year monitoring cycle for the programmatic portion and the five year monitoring cycle for the fiscal portion, as required by MDE policy. MDE policy requires roughly 35 Local Education Agencies (LEAs) to be included in the cyclical on-site monitoring cycle and approximately 29 LEAs to be included in the cyclical fiscal monitoring cycle each year. During the last completed monitoring cycle, 2020-2021 however, only nine LEA's received an on-site monitoring visit and only 12 received a Fiscal monitoring assessment.

During testwork over subrecipient monitoring, the auditor tested 2 of the 21 local education agencies (LEAs) that had an on-site or fiscal monitoring assessment for the 2020-2021 monitoring cycle and noted the following:

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Education (continued)**

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	<ul style="list-style-type: none"> <li>Two instances, or 100%, in which the LEA's did not receive timely notification (within 30 calendar days of an on-site monitoring visit) from MDE. The monitoring reports were issued 78 days after the monitoring visit.</li> <li>One instance or 50% in which there was no documentation of the monitoring instrument.</li> </ul>
<b>Cause</b>	MDE did not follow written policies related to their subrecipient monitoring requirements.
<b>Effect</b>	MDE programmatic funding divisions rely upon on-site monitoring procedures to verify compliance with program regulations and to identify potential problem areas needing corrective action. Failure to properly monitor subrecipients and ensure closure of the monitoring visits in a timely manner could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in questioned costs
<b>Recommendation</b>	We recommend the Mississippi Department of Education strengthen controls to ensure compliance with subrecipient monitoring requirements for the Special Education Cluster Programs.
<b>Repeat Finding</b>	Yes; 2021-037.
<b>Statistically Valid</b>	Yes.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Education concurs with this finding. See additional comments in the Corrective Action Plan on page 170 of this audit report.

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**SPECIAL TEST & PROVISIONS – PARTICIPATION OF PRIVATE SCHOOL CHILDREN**

*Significant Deficiency*  
*Immaterial Noncompliance*

<b>2022-030</b>	<u>Strengthen Controls to Ensure Compliance with Equitable Participation of Private School Children Requirements.</u>
<b>ALN Number</b>	84.425 Education Stabilization Fund (ESSER)
<b>Federal Award No.</b>	All Current Active Grants
<b>Questioned Costs</b>	N/A
<b>Criteria</b>	<i>The Elementary and Secondary Education Act Section 1117 (c)(1) states, "A local educational agency shall have the final authority, consistent with this section, to</i>



**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Education (continued)**

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calculate the number of children, ages 5 through 17, who are from low-income families and attend private schools by— (A) using the same measure of low income used to count public school children; (B) using the results of a survey that, to the extent possible, protects the identity of families of private school students, and allowing such survey results to be extrapolated if complete actual data are unavailable; (C) applying the low-income percentage of each participating public school attendance area, determined pursuant to this section, to the number of private school children who reside in that school attendance area; or (D) using an equated measure of low income correlated with the measure of low income used to count public school children.”

*The CARES Act Section 18005(a)* states “a local educational agency receiving funds under sections 18002 or 18003 of this title shall provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representation of non-public schools.”

*The Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that an agency maintain an audit trail to ensure adherence to written policies and procedures.

<b>Condition</b>	<p>During testwork performed for Special Tests Participation of Private School Children for ESF (ESSER), auditor noted the following exceptions:</p> <ul style="list-style-type: none"> <li>One instance out of two tested in which the LEA received notice that the two private schools in their district revoked their intent to participate, however the LEA still claimed reimbursement for equitable services ESSER funds.</li> </ul>
<b>Cause</b>	MDE did not follow written policies related to equitable services..
<b>Effect</b>	Failure to review the proper documentation to support the data submitted by the LEA on their Consolidated Application prior to MDE’s Office of Federal Programs approval may result in improper payment to the LEAs which could also reduce the amount of future funding of ESSER.
<b>Recommendation</b>	We recommend the Mississippi Department of Education strengthen controls to ensure compliance with equitable participation of private school children requirements.
<b>Repeat Finding</b>	No.
<b>Statistically Valid</b>	Yes.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Education (continued)**

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**View of Responsible  
Officials**

Management at the Mississippi Department of Education concurs with this finding.  
See additional comments in the Corrective Action Plan on page 172 of this audit  
report.

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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Education (MDE) Management**

**Department of Education – Reporting - *Material Weakness/Material Noncompliance***

**2022-028      Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) Requirements.**

Mississippi Department of Education (MDE) asserts in their disagreement with the finding that they have a process to report FFATA timely. They further blame the FFATA reporting system for the problem, as the upload date is changed any time a change is made to a report. MDE failed to retain copies of their initial reports showing the dates of the original uploads.

Although MDE did not agree with the finding, they provided a corrective action plan to begin maintaining copies showing the initial submission of all reports.

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STATE OF MISSISSIPPI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

<b><u>Finding Number</u></b>	<b><u>Finding and Recommendation</u></b>
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**DEPARTMENT OF HUMAN SERVICES**

**REPORTING**

*Material Weakness*

*Material Noncompliance*

<b>2022-019</b>	<u>Strengthen Controls to Ensure Compliance with the Federal Funding Accountability and Transparency Act (FFATA) Reporting Requirements.</u>
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<b>ALN Number(s)</b>	93.558 Temporary Assistance for Needy Families (TANF) 93.667 Social Services Block Grant (SSBG) 93.568 Low Income Home Energy Assistance (LIHEAP) 10.542 and 10.649 Pandemic EBT Benefits 93.596 and 93.575 Child Care Development Fund (CCDF)
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<b>Federal Award</b>	G2201MSTANF	G2201MSCCDM	G2201MSLIEA
	G2201MSCCDD	G2201MSSOSR	225MS410S9007

<b>Questioned Costs</b>	N/A
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<b>Criteria</b>	Per the <i>Code of Federal Regulations</i> (2 cfr 170.200), “(a) federal awarding agencies are required to publicly report Federal awards that equal or exceed the micro-purchase threshold and publish the required information on a public-facing, OMB-designated, government wide website and follow Uniform Guidance to support Transparency Act implementation. (b) Federal awarding agencies that obtain post-award data on subaward obligations outside of this policy should take the necessary steps to ensure that their recipients are not required, due to the combination of agency-specific and Transparency Act reporting requirements, to submit the same or similar data multiple times during a given reporting period.”
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*The Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the U.S. Government Accountability Office Standards for Internal Control in the Federal Government (Green Book) specifies that a satisfactory control environment is only effective when control activities exist. This includes but is not limited to the entity determining which laws and regulations apply to the entity and setting objectives that incorporate these requirements.*

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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<b>Condition</b>	When performing testwork related to Federal Funding Accountability and Transparency Act (FFATA) Reporting as of June 30, 2022, the auditor noted that the Mississippi Department of Human Services (MDHS) did not perform reporting over FFATA for Temporary Assistance for Needy Families (TANF), Child Care Development Fund (CCDF), Low Income Energy Assistance Program (LIHEAP), and Pandemic EBT as required by the <i>Code of Federal Regulations (2 cfr 170.200)</i> .
<b>Cause</b>	MDHS staff failed to follow grant regulations requiring FFATA reporting.
<b>Effect</b>	Failure to report any applicable awards and subawards resulted in MDHS being in noncompliance with federal reporting requirements and could result in a misstatement of federal expenditures to the federal awarding agency.
<b>Recommendation</b>	We recommend the Mississippi Department of Human Services strengthen controls to ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) Reporting.
<b>Repeat Finding</b>	Yes; 2021-010.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Human Services concurs with this finding. See additional comments in the Corrective Action Plan on page 193 of this audit report.

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***SUBRECIPIENT MONITORING***

***Material Weakness***  
***Material Noncompliance***

<b>2022-017</b>	<u>Strengthen Controls over On-Site Monitoring for the Low Income Home Energy Assistance Program (LIHEAP).</u>	
<b>ALN Number(s)</b>	93.568 Low Income Home Energy Assistance (LIHEAP)	
<b>Federal Award</b>	G2001MSLIE4 2001MSE5C3	G2101MSLIEAR
<b>Questioned Costs</b>	N/A	
<b>Criteria</b>	The terms and conditions of the grant agreements between the Mississippi Department of Human Services (MDHS) and the U.S. Department of Health and Human Services require MDHS to administer grants in compliance with the <i>Code</i>	

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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*of Federal Regulations (2 cfr Part 200).* The *Code of Federal Regulations (2 cfr Part 200.331)* designates MDHS as a pass through entity to properly identify subgrant requirements to subrecipients, evaluate the risk of noncompliance for each subrecipient, and monitor the activities of subrecipients as necessary to ensure that subgrants are used for authorized purposes, complies with the terms and conditions of the subgrants and achieves performance goals.

The auditor evaluated the Mississippi Department of Human Services' (MDHS's) compliance with subrecipient monitoring requirements based on written policies and procedures designed by MDHS's Office of Compliance – Division of Monitoring (DM) to satisfy during-the-award monitoring requirements. DM procedures require: an on-site monitoring review of each subrecipient contract at least once during the subgrant period. Monitoring tools/checklists are used during each on-site monitoring review to provide guidance and to document a review was performed. The on-site monitoring workpapers are reviewed and approved by DM supervisory personnel prior to issuance of a written report, the Initial Report of Findings & Recommendations, which is used for communicating finding(s) and/or questioned costs to subrecipients. The written report should be issued within 60 days from the date of the exit conference, which is normally held on the last day of the on-site review. Additionally, if the initial report identifies any administrative findings or questioned costs, a response to the findings is required to be submitted by the subrecipient to DM within thirty (30) working days from the date the report was issued.

Additionally, *The Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Manual* specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that: the agency perform appropriate multi-level reviews over the monitoring process and the agency ensures timely communication from the subgrantees and timely resolution of findings in order to prevent; detect; and deter fraud, waste, and abuse or the misuse of federal funds.

**Condition**

When performing testwork over subrecipient on-site monitoring for 123 subgrant contracts during state fiscal year 2021, we noted the following exceptions:

- Four instances, or 3 percent, in which the Supervisor's Checklist was not included for Subrecipient on the FY 2021 Monitoring Reviews Smartsheet; therefore, auditor could not verify Supervisory Review of the Monitoring process.
- Two instances, 2 percent, in which Initial Report was not issued within 60 working days of the exit conference.
- One instance, or 1 percent, in which the Division of Monitoring did not receive a response from a subrecipient in regards to the Initial Finding Letter, or the response was not received within 30 days of the receipt of the Initial Findings Letter.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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- Three instances, or 2 percent, in which auditor could not verify clearance or resolution of monitoring findings.

<b>Cause</b>	Staff were either unaware or did not follow identified policies and procedures for monitoring requirements.
<b>Effect</b>	MDHS programmatic funding divisions rely upon DM monitoring procedures to verify compliance with program regulations and to identify potential problem areas needing corrective action. Failure to properly monitor subrecipients in an effective manner could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in questioned costs..
<b>Recommendation</b>	We recommend the Mississippi Department of Human Services’ Office of Compliance – Division of Monitoring (DM) strengthen controls over subrecipient monitoring. We also recommend the agency ensure subgrants are monitored timely and that the “Report of Findings & Recommendations” prepared as a result of the on-site monitoring be issued in a timely manner to enable immediate corrective action procedures to be initiated. Additionally, we recommend that the agency maintain all supporting monitoring tools, reports, and correspondence in the monitoring file.
<b>Repeat Finding</b>	Yes; 2021-013.
<b>Statistically Valid</b>	No
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Human Services concurs with this finding. See additional comments in the Corrective Action Plan on page 195 of this audit report.

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**SUBRECIPIENT MONITORING**

***Material Weakness***

***Material Noncompliance***

<b>2022-018</b>	<u>Strengthen Controls over Subrecipient Monitoring to Ensure Compliance with Uniform Guidance Auditing Requirements.</u>
<b>ALN Number(s)</b>	93.558 Temporary Assistance for Needy Families (TANF) 93.575, 93.596 Child Care Development Fund (CCDF)
<b>Federal Award No.</b>	G2001MSTANF G2001MSCCDF



**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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<b>Questioned Costs</b>	N/A
<b>Criteria</b>	<p>The <i>Code of Federal Regulations</i> (2 cfr §200.331(f)) states all pass-through entities (PTE's) must verify that every subrecipient is audited as required by Subpart F - Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements.</p> <p>The <i>Code of Federal Regulations</i> (2 cfr § 200.512(a)(1)) states the audit must be completed and the data collection form described in paragraph (b) of this section and reporting package described in paragraph (c) of this section must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day.</p> <p>Additionally, per the MDHS Subgrant/Agreement Manual: All MDHS subgrantees are required to complete the MDHS Subgrantee Audit Information Form (MDHS-DPI-002). This form must be submitted to the Division of Monitoring no later than ninety (90) calendar days after the end of the subgrantee's fiscal year. This form is necessary to certify the sources and amounts of all Federal awards received and expended by the subgrantee.</p>
<b>Condition</b>	When performing testwork related to OMB Single Audit Monitoring as of June 30, 2022, the auditor noted two instances in which the Mississippi Department of Human Services (MDHS) did not ascertain whether Single Audit Requirements were being met by subgrantees
<b>Cause</b>	Failure to properly monitor subrecipients could allow noncompliance with federal regulations to occur and go undetected, potentially resulting in fraud, waste, and abuse within the agency.
<b>Effect</b>	Staff were either unaware or did not follow identified policies and procedures for monitoring requirements.
<b>Recommendation</b>	We recommend the Mississippi Department of Human Services' Office of Compliance - Division of Monitoring (DM) strengthen controls over subrecipient monitoring for Uniform Guidance audits to ensure recipients expending \$750,000 or more in Federal funds during their fiscal year are meeting Uniform Guidance Audit requirements.
<b>Repeat Finding</b>	Yes; 2021-014.
<b>Statistically Valid</b>	No.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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**View of Responsible  
Officials**

Management at the Mississippi Department of Human Services concurs with this finding. See additional comments in the Corrective Action Plan on page 194 of this audit report.

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)

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**DIVISION OF MEDICAID**

**ELIGIBILITY**

*Material Weakness*

*Material Noncompliance*

**2022-025**                      Strengthen Controls to Ensure Compliance with Eligibility Requirements of the Children’s Health Insurance Program (CHIP) and the Medical Assistance Program

**ALN Number(s)**            93.767 – Children’s Health Insurance Program (CHIP)  
                                       93.775 – State Medicaid Fraud Control Units  
                                       93.777 – State Survey and Certification of Health Care Providers and Suppliers  
                                       93.778 – Medical Assistance Program (Medicaid; Title XIX)

**Federal Award No.**        All Current Active Grants

**Questioned Costs**         \$2,303,403

**Criteria**                      *Code of Federal Regulations (42 CFR § 435.948(a)(1))* states, “The agency must in accordance with this section request the following information relating to financial eligibility from other agencies in the State and other States and Federal programs to the extent the agency determines such information is useful to verifying the financial eligibility of an individual: Information related to wages, net earnings from self-employment, unearned income and resources from the State Wage Information Collection Agency (SWICA), the Internal Revenue Service (IRS), the Social Security Administration (SSA), the agencies administering the State unemployment compensation laws, the State administered supplementary payment programs under section 1616(a) of the Act, and any State program administered under a plan approved under Titles I, X, XIV, or XVI of the Act.”

*Code of Federal Regulations (42 CFR § 435.949(b))* states, "To the extent that information related to eligibility for Medicaid is available through the electronic service established by the Secretary, States must obtain the information through such service, subject to the requirements in subpart C of part 433 of this chapter, except as provided for in §435.945(k) of this subpart."

*The Center for Medicaid and CHIP Services (CMCS) Informational Bulletin - Subject: MAGI-Based Eligibility Verification Plans* states, "To the extent that information related to Medicaid or CHIP eligibility is available through the electronic data services hub established by the Secretary, states must obtain the information through this data services hub. Subject to Secretarial approval and the conditions described in §435.945(k) and 457.380(i), states can obtain information through a mechanism other than the data services hub."

*The Mississippi Division of Medicaid Eligibility Policy and Procedures Manual Section 201.03.04A* requires the use of the individual’s most recent tax return to

**STATE OF MISSISSIPPI**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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verify income for individuals considered self-employed, a shareholder in an S Corporation, a partner in a business or one who has income from a partnership, LLP, LLC or S Corporation.

*The Mississippi Division of Medicaid Eligibility Policy and Procedure Manual Section 201.03* states, pensions/retirement benefit payments count as income except for benefits received by a child who is not required to file, as appropriate. Retroactive payments count as income in the month of receipt if the payment has not been otherwise counted (as monthly income) for the same time period.

Per the *Mississippi Division of Medicaid MAGI based Eligibility Verification Plan*, Mississippi Division of Medicaid has determined Mississippi Department of Employment Security (MDES) to be a useful electronic data source.

Per the *Mississippi Medicaid State Plan Attachment 4.32-A*, applicants are submitted weekly to MDES to verify wage and unemployment benefits. Renewals are submitted once per month for the same data. Renewal files are processed in the month prior to the scheduled review due date.

*Code of Federal Regulations (42 CFR § 435.914(a))* states, “The agency must include in each applicant's case record facts to support the agency's decision on his application.”

*Miss. Code Ann (1972) Section 43-13-116.1(2)* states, “In accordance with Section 1940 of the federal Social Security Act (42 USCS Section 1396w), the Division of Medicaid shall implement an asset verification program requiring each applicant for or recipient of Medicaid assistance on the basis of being aged, blind or disabled, to provide authorization by the applicant or recipient, their spouse, and by any other person whose resources are required by law to be disclosed to determine the eligibility of the applicant or recipient for Medicaid assistance, for the division to obtain from any financial institution financial records and information held by any such financial institution with respect to the applicant, recipient, spouse or such other person, as applicable, that the division determines are needed to verify the financial resources of the applicant, recipient or such other person in connection with a determination or redetermination with respect to eligibility for, or the amount or extent of, Medicaid assistance. Each aged, blind or disabled Medicaid applicant or recipient, their spouse, and any other applicable person described in this section shall provide authorization (as specified by 42 USCS Section 1396w(c)) to the division to obtain from any financial institution, any financial record, whenever the division determines that the record is needed in connection with a determination or redetermination of eligibility for Medicaid assistance.”

*The Mississippi Division of Medicaid Eligibility Policy and Procedure Manual Section 303.03* states, “Section 1940 of the Social Security Act and Mississippi state law requires the verification of liquid assets held in financial institutions for purposes of determining Medicaid eligibility for applicants and beneficiaries in

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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programs with an asset test, i.e., Aged, Blind, and Disabled (ABD) Medicaid programs.

*Per The Mississippi Division of Medicaid Eligibility Policy and Procedure Manual Section 303.03*, implementation of MDOM's Asset Verification System (AVS) is on/after November 1, 2018. The AVS contractor will perform electronic matches with financial institutions to detect and verify bank accounts based on identifiers including Social Security Numbers for the following COEs: 010 through 015, 019, 025, 045, 062 through 066, and 094 through 096. At each application and redetermination, a request will be submitted through AVS for information on an individual's financial accounts. The AVS must be used as a primary data source when verifying resources.

*The Mississippi Division of Medicaid Eligibility Policy and Procedures Manual Section 101.08.01* states, "All cases must be thoroughly documented. Documentation is the written record of all information pertaining to the eligibility decision. Case documentation includes the completed application form, the specialist's verbal and written contacts with the applicant, information requested and received from electronic data sources, the applicant or third party sources, such as governmental or nongovernmental agencies, businesses and individuals, and notification of the eligibility decision."

*The Mississippi Division of Medicaid Eligibility Policy and Procedure Manual Section 500.03.01* states, "The Division of Medicaid uses a contractor to conduct the institutional level of care review for the DCLH application and renewal process. The level of care decision is based on the services and specialized care provided by the parent that would routinely be provided to the child in an inpatient hospital, nursing facility or ICF/IID facility. The contractor's medical staff reviews the child's medical history within the last 12 months and other information related to the child's condition in making the level of care decision and relays the level of care decision back to DOM."

*Code of Federal Regulations (42 CFR § 435.945(d))* states, "All State eligibility determination systems must conduct data matching through the Public Assistance Reporting Information System (PARIS)."

*The Mississippi Division of Medicaid MAGI-Based Eligibility Verification Plan* states, "The state uses quarterly PARIS data matches to resolve duplicate Medicaid participation in another state and residency discrepancies."

Per the *Mississippi Medicaid State Plan Attachment 4.32-A*, quarterly file transmissions of Medicaid recipients active in the previous quarter are submitted for matching purposes with applicable federal databases (PARIS) to identify benefit information on matching Federal civilian employees and military members, both active and retired, and to identify duplicate participation across state lines.

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)

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**Condition**

During testwork performed over eligibility requirements for the Children’s Health Insurance Program (CHIP) and the Medical Assistance Program as of June 30, 2022, the auditor tested 300 total beneficiaries (180 Modified Adjusted Gross Income (MAGI) beneficiaries and 120 aged, blind, and disabled (ABD) beneficiaries) and noted the following:

Auditor originally selected 300 total beneficiaries with total payments of \$163,387 in June 2022 and \$2,167,338 during fiscal year 2022. When these files were received from DOM, auditors noted that files had been pre-screened by DOM personnel during the time period from the initial request to delivery to auditors. Auditors also noted during the initial review of the 300 files that information in the data system had been modified, reviewed, or additional comments had been entered into the files. In at least two instances data had been changed to correct apparent mistakes in the eligibility files or beneficiaries were contacted to confirm information in the file since the initial request of data to DOM. Auditors determined that the review and possible modifications of eligibility data had been pervasive throughout the sample and included files from multiple, if not all, field offices. Auditors determined that this sample could not be sufficiently relied upon to verify compliance with eligibility requirements due to these pre-screenings. Therefore, these “sample” items were removed from the population and considered actual questioned costs due to lack of verifiable audit trail. A new sample was selected after discussions with DOM personnel about the importance of the integrity of the sample and testing process. New procedures were implemented to ensure files requested by auditors remained unmodified and in their original state when eligibility determinations were made.

- CHIP: 60 beneficiaries with total payments of \$13,682 in June 2022 and \$143,726 during fiscal year 2022.
- MAGI Managed Care: 60 beneficiaries with total payments of \$16,112 in June 2022 and \$205,944 during fiscal year 2022.
- MAGI Fee for Service: 60 beneficiaries with total payments of \$3,676 in June 2022 and \$117,837 during fiscal year 2022.
- ABD Managed Care: 60 beneficiaries with total payments of \$86,558 in June 2022 and \$1,195,766 during fiscal year 2022.
- ABD Fee for Service: 60 beneficiaries with total payments of \$43,359 in June 2022 and \$504,065 during fiscal year 2022.
- Mississippi Division of Medicaid (MDOM) did not use federal tax and/or state tax data to verify income, including self-employment income, out-of-state income, and various types of unearned income. The Medicaid State Plan requires the verification of all income for MAGI-based eligibility determinations, and the *Mississippi Division of Medicaid’s Eligibility Policy and Procedure Manual (Section 201.03.04a)* requires the use of an individual’s most recent tax return to verify self-employment income. This section further states, if tax returns are not filed, not available, or if there is a change in income anticipated for the current tax year, refer to Chapter 200, Net Earnings from Self-Employment at 200.09.08, for policy on estimating net

**STATE OF MISSISSIPPI**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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earnings from self-employment. The MDOM's State Plan does not allow for accepting self-attested income. Therefore, if an applicant indicates zero for self-employment income, the amount of zero must be verified like any other income amount.

- 28 of the 180 MAGI beneficiaries (or 15.56 percent) reported self-employment income, out-of-state income, or unearned income on the Mississippi income tax return, but the income was not reported on the recipient's application. Of the 28 instances, eight instances (or 28.57 percent) were noted in which the total income per the most recent tax return available at the time of determination exceeded the applicable income limit for the recipient's category of eligibility.

Due to MDOM's failure to verify self-employment income on the applicant's tax return, MDOM was not aware income exceeded eligibility limits, and did not request any additional information that might have explained why income was not self-reported; therefore, auditor could not determine with certainty that individuals are, in fact, ineligible. However, information that MDOM used at the time of the eligibility determination did not support eligibility. The auditor acknowledges that the self-employment income reported on the income tax returns does not, in and of itself, make the eight cited beneficiaries ineligible, it does indicate that they had self-employment income during the year of eligibility determination that was, potentially, not accurately reported on their application. Furthermore, MDOM did not perform any procedures to verify that the self-employment income reported on the applications was accurate.

MDOM's policy requires the use of the individual's most recent tax return to verify income for individuals considered self-employed, a shareholder in an S Corporation, or a partner in a business or one who has income from a partnership, LLP, LLC or S Corporation. Due to the timing of tax returns filings, including allowable extensions, MDOM requires the use of prior year income verification in these circumstances. Additionally, due to the COVID-19 pandemic, some beneficiaries did not have a redetermination performed in FY 2022, so the auditor tested the prior year redetermination (which made the beneficiary eligible as of June 30, 2022). The auditor used tax return data from the following years: 2018 for 2019 determinations, 2019 for 2020 determinations, 2020 for 2021 determinations, and 2021 for 2022 determinations.

The fiscal year payments for these eight beneficiaries that might not have been eligible to receive the benefits totaled \$20,568 of questioned costs.

Based on the error rate calculated using the fee for service (FFS) and capitation payments of our sample, the projected amount of payments made for beneficiaries who it is reasonably possible were ineligible would fall between \$87,707,287 (projected costs based on average monthly payments sampled) and \$98,741,848 (projected costs based on actual month payment sampled).

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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The following is a breakdown of these costs by category:

CHIP: Between \$1,945,889 (actual monthly) to \$1,962,303 (average monthly)  
MAGI Managed Care: Between \$65,529,785 (average monthly) to \$92,808,714 (actual monthly)  
MAGI Fee for Service: Between \$3,987,244 (actual monthly) to \$20,215,199 (average monthly)

- For one of the 180 MAGI beneficiaries (or 0.56 percent), taxable unearned income was reported on a tax return provided to MDOM by the beneficiary, but MDOM did not include the income in the beneficiary's income calculation.
- For one of the 180 MAGI beneficiaries (or 0.56 percent), self-employment income was reported to MDOM, but MDOM did not request a tax return from the beneficiary.
- For two of the 180 MAGI beneficiaries (or 1.11 percent), income was not verified through Mississippi Department of Employment Security (MDES) at the time of the redetermination for the eligibility period that covered June 30, 2022. This resulted in questioned costs of \$4,554. Questioned costs were not projected for this item due to the inability to statistically validate the sample.
- For one of the 180 MAGI beneficiaries (or 0.56 percent), the beneficiary's case file did not contain an application or verification of income. This resulted in questioned costs of \$2,721. Questioned costs were not projected for this item due to the inability to statistically validate the sample.
- For one of the 300 beneficiaries (or 0.33 percent), auditors were unable to verify that any eligibility redeterminations have been performed since 2018. This resulted in questioned costs of \$286. Questioned costs were not projected for this item due to the inability to statistically validate the sample.
- 66 ABD beneficiaries required resource verifications through the Asset Verification system (AVS). Of the 66, nine instances (or 13.64 percent) in which resources were not verified through AVS at the time of redetermination. This resulted in questioned costs of \$107,937. Questioned costs were not projected for this item due to the inability to statistically validate the sample.
- 42 ABD beneficiaries required an institutional level of care review. Of the 42, one instance (or 2.38 percent) in which the beneficiary's case file did not contain a current level of care decision.



**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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- 73 out of 300 beneficiaries (or 24.33 percent) were not included on all of the required quarterly Public Assistance Reporting Information System (PARIS) file transmissions for fiscal year 2022. Of the 73 beneficiaries, six beneficiaries (or 8.22 percent) were not included on any quarterly PARIS file transmissions during fiscal year 2022.

<b>Cause</b>	The Mississippi Division of Medicaid (MDOM) did not have adequate internal controls to ensure compliance with eligibility requirements. Additionally, MDOM did not have policies in place to verify certain types of income on applicant's tax returns, as required by its own policy and procedures, for eligibility determinations.
<b>Effect</b>	Failure to comply with eligibility requirements could result in ineligible beneficiaries being determined eligible, resulting in questioned costs and the possible recoupment of funds by the federal granting agency.
<b>Recommendation</b>	We recommend the Mississippi Division of Medicaid strengthen controls to ensure compliance with eligibility requirements of the Children's Health Insurance Program (CHIP) and the Medical Assistance Program.
<b>Repeat Finding</b>	Yes; 2021-041.
<b>Statistically Valid</b>	Portions of these findings were based on statistically valid samples.
<b>View of Responsible Officials</b>	Management at the Mississippi Division of Medicaid concurs with portions of this with this finding and does not concur with other portions. See additional comments in the Corrective Action Plan on page 206; and the Auditor's Response to the Corrective Action Plan at pages 107 and 211.

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**REPORTING**

***Immaterial Noncompliance***

<b>2022-026</b>	<u>Ensure Compliance with Reporting Requirements of the Children's Health Insurance Program (CHIP) and the Medical Assistance Program.</u>
<b>ALN Number(s)</b>	93.767 – Children's Health Insurance Program (CHIP) 93.775 – State Medicaid Fraud Control Units 93.777 – State Survey and Certification of Health Care Providers and Suppliers 93.778 – Medical Assistance Program (Medicaid; Title XIX)
<b>Federal Award No.</b>	All Current Active Grants

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)

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**Questioned Costs** \$206,763

**Criteria** *Code of Federal Regulations (45 CFR § 95.517)* states, “A State must claim FFP for costs associated with a program only in accordance with its approved cost allocation plan. However, if a State has submitted a plan or plan amendment for a State agency, it may, at its option claim FFP based on the proposed plan or plan amendment, unless otherwise advised by the DCA.”

Per the *Mississippi Division of Medicaid Cost Allocation Plan*, the Children’s Health Insurance Program (CHIP) administration cost pool consists of costs of contracted services to support the administration of CHIP and the allocation method is direct to CHIP.

The *Code of Federal Regulations (2 CFR § 200.511)* tasks auditees with the responsibility for follow-up and corrective action on all audit findings. As a part of this responsibility, auditees are required to report the status of all audit findings included in the prior audit’s schedule of findings and questioned costs. Auditees may either note that the finding has been 1) fully corrected, 2) partially corrected or 3) not corrected.

*Code of Federal Regulations (2 CFR § 200.514(e))* states, “The auditor must follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with § 200.511(b), and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding.”

**Condition** During testwork performed over *Quarterly Children’s Health Insurance Program Statement of Expenditures for Title XXI* reporting requirements, the auditor noted administration expenditures for the quarters ended September 2021 and December 2021 included indirect costs of \$97,484 and \$109,279 respectively.

The *Mississippi Division of Medicaid (MDOM) Summary Schedule of Prior Federal Audit Findings* dated March 8, 2023, states finding 2021-041 *Strengthen controls to ensure compliance with eligibility requirements of the Medical Assistance Program and the Children’s Health Insurance Program (CHIP)* has been “Fully Corrected”. However, during testwork performed over eligibility requirements for the Medical Assistance Program and the Children’s Health Insurance Program (CHIP), auditor noted the finding as a repeat finding (2022-025) in fiscal year 2022

**Cause** The incorrect cost allocation method was used for administration expenditures of the Children’s Health Insurance Program (CHIP). The Mississippi Division of Medicaid did not concur with finding 2021-041 in the prior year

**Effect** Failure to comply with federal requirements could result in questioned costs and the possible recoupment of funds by the federal granting agency

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Department of HHS (continued)**

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<b>Recommendation</b>	We recommend the Mississippi Division of Medicaid ensure compliance with reporting requirements of the Children’s Health Insurance Program (CHIP) and the Medical Assistance Program.
<b>Repeat Finding</b>	No.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Division of Medicaid concurs with portions of this with this finding and does not concur with other portions. See additional comments in the Corrective Action Plan on page 208; and the Auditor’s Response to the Corrective Action Plan at pages 107 and 211.

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

**Auditor's note to the Corrective Action Plan from Mississippi Division of Medicaid (MDOM) Management**

**Division of Medicaid – Eligibility - *Material Weakness/Material Noncompliance***

**2022-025      Strengthen Controls to Ensure Compliance with Eligibility Requirements of the Medical Assistance Program and the Children's Health Insurance Program (CHIP)**

This finding is a repeat finding for MDOM since the Fiscal Year 2019 Single Audit. MDOM's State Plan requires the verification of all income for MAGI-based eligibility determinations, and, as stated in the finding, MDOM's Eligibility Policy and Procedure Manual requires the use of an individual's most recent tax return to verify self-employment income. In multiple instances, applicants either misreported self-employment income or failed to report self-employment income. MDOM's failure to adequately capture and verify self-employment income led to 9 instances where individuals who may not have been eligible to receive benefits were awarded benefits. In order to attempt to reduce ineligible individuals from receiving benefits, MDOM should strengthen their controls and perform due diligence to ensure that self-employment income is properly verified. MDOM repeatedly states that they do not have access to state tax return information; however, their own policy states that they will use tax return data to verify self-employment income.

As explained to MDOM by auditors, the questioned costs remained even though MDOM was unable to remove individuals from the program due to COVID-19. The auditor asserts that, if MDOM had performed proper due diligence when initially evaluating these individuals, they may have never been accepted into the program; therefore, the questioned costs remain. The auditor concurs that OSA is not able to know the recipients were actually ineligible; conversely, MDOM is not able to know the recipients are actually eligible due to their own failed compliance with policies. Eligibility for these individuals is, at best, questionable, which is why the payments made are questioned costs.

MDOM did not concur with the section of the finding regarding a redetermination not being performed on one beneficiary since 2018. MDOM asserts that redeterminations could not be performed during the Public Health Emergency (PHE), COVID-19; however, per the auditors' review, the redetermination should have occurred between 2018 and the Public Health Emergency.

MDOM did not concur with the section of the finding regarding nine instances in which the beneficiaries' resources were not verified through Asset Verification System (AVS) at the time of redetermination. Per the MDOM, in June 2022 the eligibility system was updated to include automatic asset checks within the system processing workflow to eliminate the manual request process and facilitate asset verification through AVS. However, the redeterminations that were tested and resulted in the finding were for

redeterminations that occurred prior to implementation of the automatic asset check; and therefore the finding is deemed necessary.

MDOM did not concur with the part of the finding that states one instant in which the beneficiary's case file did not contain the level of care decision. MDOM asserts that due to the PHE, redeterminations were suspended. However, the auditor used the most recent redetermination performed prior to the PHE and the case file did not contain a level of care decision.

Additionally, MDOM stated that they do not concur with the section of the finding regarding six beneficiaries that were not included on the required quarterly Public Assistance Reporting Information System (PARIS) file transmissions for fiscal year 2022. MDOM states that per an amendment to DOM's CMS-approved State Plan, DOM is only required to verify Title XIX applicants and individuals eligible for covered Title XIX services. The above members were covered in Family Planning, which is not considered Title XIX, and did not receive Title XIX services. Therefore, these members should not have been included on any of the PARIS file transmissions. Auditor asserts that per Mississippi Section 1115 Family Planning Medicaid Waiver, expenditures made by Mississippi for the waiver shall be regarded as expenditures under the state's title XIX plan. As such, the beneficiaries should have been included on the PARIS file transmissions.

#### **Division of Medicaid – Reporting - *Immaterial Noncompliance***

##### **2022-026      Ensure Compliance with Reporting Requirements of the Children's Health Insurance Program (CHIP) and the Medicaid Assistance Program.**

MDOM continues to disagree with auditors regarding self-attestation of self-employment income. In MDOM's opinion, the agency has nothing to correct; therefore, they do not concur with the finding related to incorrectly stating the process of prior year findings. However, as long as this finding persists in the audit report, the finding cannot be categorized as "CORRECTED" on the Schedule of Status of Prior Year Findings.

STATE OF MISSISSIPPI

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

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PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF LABOR

**Finding Number**      **Finding and Recommendation**

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**DEPARTMENT OF EMPLOYMENT SECURITY**

**MATCHING, LEVEL OF EFFORT, EARMARKING**

*Material Weakness*

*Material Noncompliance*

**2022-021**      Strengthen Controls to Ensure Compliance with Matching Requirements for Unemployment Insurance.

**ALN Number(s)**      17.225 – Unemployment Insurance

**Federal Award No.**      UI-34724-20-55-A-28

**Questioned Costs**      \$1,248

**Criteria**      Per the Department of Labor’s *Unemployment Insurance Program Letter No. 18-20*, amount of Funds Transferred from FUA (Section 903(i)(1)(B), SSA) (42 U.S.C. § 1103(i)(I)(B)). Section 2103(b) of the *CARES Act* amended the *Social Security Act* (SSA) by adding a new subsection 903(i), SSA (42 U.S.C. § 1103(i)). Section 903(i)(1)(B), SSA (42 U.S.C. § 1103(i)(1)(B) authorizes transfers from the Federal Unemployment Account (FUA) to a state’s account in the unemployment trust fund for one-half of the amount of compensation paid by the state to employees of state and local governmental entities, certain nonprofit organizations, and Federally-recognized Indian tribes that opt to make payments in lieu of contributions (i.e., reimbursing employers).

Important Program Dates. These partial reimbursements apply to all payments made in lieu of contributions for weeks of unemployment beginning on or after March 13, 2020 and ending on or before December 31, 2020, even if the unemployed individual is not unemployed as a result of COVID-19.

*The Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in*

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)

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*the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate an agency should appropriately update program rules to meet federal program guidelines.

**Condition** During review of matching contributions and extended benefits in relation to unemployment insurance, it was noted that the Mississippi Department of Employment Security (MDES) treated all extended benefits claims as fully federally funded. Per discussion with MDES personnel, the agency specifically stated that they inadvertently programmed all employer accounts to qualify for federal sharing to extended benefits. This allowed local and state government entities and federally recognized Indian Tribes to qualify for extended benefits, however amounts over one-half of the amount of compensation paid by the state to employees of state and local governmental entities and federally recognized Indian Tribes were prohibited per federal guidelines.

The auditor reviewed a listing of local and state government entities and federally recognized Indian tribes that received extended benefits and specifically verified that five of these entities did in fact receive extended benefits that should have been prohibited. The auditor verified that the total of benefits paid to these excluded entities amounted to \$1,248.

**Cause** MDES inadvertently programmed all employer accounts to qualify for federal sharing of extended benefits including the local and state government entities and federally recognized Indian Tribes.

**Effect** Extended benefit costs attributable to employment with state and local governments or federally recognized Indian tribes were fully funded with Federal dollars.

**Recommendation** We recommend the Mississippi Department of Employment Security strengthen controls to ensure compliance with matching requirements for unemployment insurance.

**Repeat Finding** Yes, 2021-022.

**Statistically Valid** Yes.

**View of Responsible Officials** Management at the Mississippi Department of Employment Security concurs with this finding. See additional comments in the Corrective Action Plan on page 175 of this audit report.

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STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)

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REPORTING

*Material Weakness*

*Immaterial Noncompliance*

**2022-022**                      Strengthen Controls to Ensure Compliance with Reporting Requirements for Unemployment Insurance

**ALN Number(s)**        17.225 – Unemployment Insurance

**Federal Award No.**    UI-34724-20-55-A-28

**Questioned Costs**     N/A

**Criteria**                      *The Code of Federal Regulations 2 CFR 200.302* states each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

*The Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that proper review and approval procedures should be in place to ensure accuracy and reliability of reports submitted by the agency.

**Condition**                      During review of required monthly reports for ETA-9050, ETA-9052, and ETA-9055, there was no evidence of written supervisory approval for the reports submitted. The auditor reviewed four monthly reports, twelve in total, for each of the previously mentioned reports. The agency could not provide support to the auditors due to this report being system generated from ReEmploy. Due to a lack of evidence of review and support, the auditor is unable to determine accuracy within the performance review reports.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)**

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<b>Cause</b>	The Mississippi Department of Employment Security lacks adequate review procedures and proper internal controls over reporting requirements.
<b>Effect</b>	Without proper review and approval, reports could be inaccurate and incomplete.
<b>Recommendation</b>	We recommend the Mississippi Department of Employment Security strengthen controls to ensure compliance with reporting requirements for unemployment insurance.
<b>Repeat Finding</b>	Yes, 2021-026.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Employment Security concurs with this finding. See additional comments in the Corrective Action Plan on page 175 of this audit report.

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**SUBRECIPIENT MONITORING**

***Material Weakness***  
***Material Noncompliance***

<b>2022-023</b>	<u>Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.</u>
<b>ALN Number(s)</b>	17.258, 17.259, 17.278 – Workforce Innovation and Opportunity Act
<b>Federal Award No.</b>	N/A
<b>Questioned Costs</b>	N/A
<b>Criteria</b>	<i>Code of Federal Regulations (2 CFR §200.332(f))</i> states all pass-through entities (PTE's) must verify that every subrecipient is audited as required by Subpart F - Audit Requirements when it is expected that the subrecipient's Federal awards expended during the fiscal year equaled or exceeded the threshold—a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted—set forth in § 200.501 <i>Audit requirements</i> .

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)

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*Code of Federal Regulations 2 CFR 200.332 (d)* states to monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

*Sec. 184(a)(4) of the Workforce Innovation and Opportunity Act* states the State must conduct an annual on-site monitoring review of each local area's compliance with *2 CFR part 200*.

*Code of Federal Regulations 2 CFR 200.332 (e)* states depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- (1) Providing subrecipients with training and technical assistance on program-related matters; and
- (2) Performing on-site reviews of the subrecipient's program operations;
- (3) Arranging for agreed-upon-procedures engagements as described in § 200.425.

**Condition**

The Mississippi Department of Employment Security (MDES) does not efficiently or effectively review the required federal audits for Subrecipient Monitoring Requirements per *2 CFR 200.332 (f)*. For three out of thirteen subrecipients the agency did not maintain or provide the correct Single Audit or the determination if a Single Audit was required when requested.

MDES does not appropriately ensure on-site monitoring is done in a timely manner. During review of ten subrecipients, auditor noted that all documented monitoring was done after the fiscal year was complete, the monitoring was not completed on-site, and the reports for the monitoring were provided back to the agency after the fiscal year was complete.

Per discussion with agency personnel, a pre-award scoring is being performed to determine ability of the subrecipient to enact the grant, however a risk based assessment to ensure the subrecipient has proper accountability with the award is not being performed.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)**

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<b>Cause</b>	Staff did not follow policies and procedures for subrecipient on-site monitoring requirements.
<b>Effect</b>	Subrecipients could be in noncompliance with 2 <i>CFR</i> § 200.501, Audit requirements, and go undetected by MDES. In addition, MDES could lose federal funding for not properly monitoring their subrecipients. Without proper monitoring of their federal reports, subrecipients may participate in unallowable activities that goes undetected by MDES, the grantor.
<b>Recommendation</b>	We recommend that the Mississippi Department Employment Security strengthen controls to ensure compliance with the Subrecipient Monitoring requirements.
<b>Repeat Finding</b>	No.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Employment Security concurs with this finding. See additional comments in the Corrective Action Plan on page 176 of this audit report

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**SPECIAL TESTS - OVERPAYMENTS**

***Material Weakness***

***Material Noncompliance***

<b>2022-020</b>	<u>Strengthen Controls to Ensure Compliance with Special Tests – Program Integrity-Overpayments Requirements for Unemployment Insurance</u>
<b>ALN Number(s)</b>	17.225 – Unemployment Insurance
<b>Federal Award No.</b>	UI-34724-20-55-A-28
<b>Pass-through Entity</b>	N/A
<b>Questioned Costs</b>	\$25,470
<b>Criteria</b>	As stated in the <i>Attachment I to UIPL No. 16-20 Change I</i> , Pandemic Unemployment Assistance (PUA) payments must be reduced to recover overpayments for other states if the state has signed the Interstate Reciprocal Overpayment Recovery Arrangement (IRORA) agreement. However, the

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)

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state may not offset more than 50 percent from the PUA payment to recover overpayments for other programs.

As stated in the *Attachment I to UIPL No. 17-20, Change I*, The state may not offset more than 50 percent from the Pandemic Emergency Unemployment Compensation (PEUC) payment to recover an overpayment.

*The Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate agencies should correctly program systems to comply with federal guidelines.

**Condition**

During testing performed on overpayments, the auditor noted that the Mississippi Department of Employment Security had incorrect offset percentages setup in ReEmploy MS to recover overpayments. The agency was incorrectly recovering overpayments by offsetting PUA and PEUC with other benefit programs. Specifically the agency used:

- PUA benefit payments to offset 100% of overpayments that occurred from Mixed Earners Unemployment Compensation program (MEUC) and Federal Pandemic Unemployment Compensation (FPUC) benefits. Total known questioned costs relative to PUA benefit offsets is \$10,735.
- PEUC benefit payments to offset 100% of overpayments that occurred from PUA, MEUC, FPUC, Regular Unemployment Insurance, and Extended Benefit overpayments. Total known questioned costs relative to PEUC benefit offsets is \$14,735.

**Cause**

The agency has determined that the UIPLs issued by the Department of Labor (DOL) are not sufficient in altering the understanding MDES has for the *CARES Act* regulations. MDES does not believe that updating policies and procedures to follow the guidance issued by DOL is required if it is contradictory to their understanding of the *CARES Act* regulations

**Effect**

The claimant may not receive the appropriate amount of PUA and PEUC benefits if the agency uses incorrect offset percentages to recover overpayments from the previously mentioned unemployment programs

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)**

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**Recommendation** We recommended the Mississippi Department of Employment Security strengthen controls to ensure compliance with special tests – program integrity-overpayments requirements for unemployment insurance..

**Repeat Finding** Yes, 2021-025.

**Statistically Valid** Yes.

**View of Responsible Officials** Management at the Mississippi Department of Employment Security does not concur with this finding. See additional comments in the Corrective Action Plan on page 177; and the Auditor’s Response to the Corrective Action Plan at pages 119 and 179.

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**SPECIAL TESTS – BENEFIT PAYMENTS**

*Significant Deficiency*

**2022-024** Strengthen Controls to Ensure Compliance with Special Tests – Benefit Payments Requirements for Unemployment Insurance

**ALN Number(s)** 17.225 – Unemployment Insurance

**Federal Award No.** UI-34724-20-55-A-28

**Questioned Costs** N/A

**Criteria** As stated in the *Employment and Training Handbook No. 395, 5<sup>th</sup> Edition*: Section 13: Completion of Cases and Timely Data Entry, “A case is complete when the investigation has been concluded as required, all official actions for the Key Week (except appeals) have been completed, the supervisor has signed off, and the results have been entered into the computer.”

*The Internal Control – Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the *U.S. Government Accountability Office Standards for Internal Control in the Federal Government* (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that agencies should appropriately sign and review benefit investigations.

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Labor (continued)**

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<b>Condition</b>	During testing performed for Benefit Payments, the auditor noted that there were two instances out of fifty in which Benefit Accuracy Measurement (BAM) cases reviewed were not signed demonstrating evidence of supervisory/investigator review.
<b>Cause</b>	Due to lack of staffing, agency personnel failed to follow policies and procedures in regards to completing benefit accuracy measurement investigations.
<b>Effect</b>	Failure to complete and review of investigations may result in the integrity of the information being collected and recorded to be compromised.
<b>Recommendation</b>	We recommend the Mississippi Department of Employment Security strengthen controls to ensure compliance with special tests – benefit payments requirements for unemployment insurance.
<b>Repeat Finding</b>	No.
<b>Statistically Valid</b>	Yes.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Employment Security concurs with this finding. See additional comments in the Corrective Action Plan on page 178 of this audit report.

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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Employment Security (MDES) Management**

**Department of Employment Security – Special Test - Overpayments - *Material Weakness/Material Noncompliance***

**2022-020      Strengthen Controls to Ensure Compliance with Special Tests – Program Integrity-Overpayments Requirements for Unemployment Insurance.**

MDES appears to disagree with the finding due to the complexity of the regulations around the pandemic and the public health emergency. MDES does agree that UIPLs were issued to refine guidelines and to rapidly update the related federal regulations. Regardless of the complexities of those regulations, MDES is still required to implement updates and changes, and MDES failed to properly account for these guidance changes issued by UIPLs.

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STATE OF MISSISSIPPI

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

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PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF THE TREASURY

**Finding Number**      **Finding and Recommendation**

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**DEPARTMENT OF FINANCE AND ADMINISTRATION**

**ELIGIBILITY**

*Material Weakness*

*Material Noncompliance*

**2022-031**      Strengthen Controls to Ensure Compliance with Eligibility Requirements for the Emergency Rental Assistance Program.

**ALN Number(s)**      21.023 COVID-19 Emergency Rental Assistance (ERA))

**Federal Award No.**      N/A

**Questioned Costs**      N/A

**Criteria**      *Code of Federal Regulations (2 CFR 200.303(a)) states that the Non-federal entity should establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee Sponsoring Organizations of the Treadway Commission (COSO).*

*Frequently Asked Questions (FAQ’s) as guidance regarding the requirements of the Emergency Rental Assistance program (ERA1) established by section 501 of Division N of the Consolidated Appropriation Act, 2021, Pub. L. No. 116-260 (December 27, 2020) and the Emergency Rental Assistance Program (ERA2) established by section 3201 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021) states that grantees must require all applications for assistance to include an attestation from the applicant household that all information included is correct and complete. In all cases, grantees must document their policies and procedures for determining household eligibility to include policies and procedures for determining the prioritization of households in compliance with the statute and maintain records of their determinations. Grantees must also have controls in place to ensure compliance with their policies and procedures and prevent fraud.*

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Treasury (continued)**

<b>Condition</b>	The Department of Finance and Administration (DFA) did not review and assess procedures over eligibility determination to prevent fraudulent applications from being approved and funds disbursed. DFA’s third-party administrator, Mississippi Home Corporation (MHC), fiscal year 2022 single audit report identified a finding related to the approval of fraudulent applications due to the self-attestation process. DFA did not implement nor ensure that corrective action was implemented to mitigate the fraud from reoccurring.
<b>Cause</b>	DFA does not consider MHC as a subrecipient nor does DFA assume responsibility for the direct and material compliance requirements. The program is administered without any responsibility and oversight from the State of Mississippi, the grant recipient.
<b>Effect</b>	Without proper monitoring and administration of the grant, the risk of non-compliance due to fraud is increased and could result in questioned costs.
<b>Recommendation</b>	We recommend the Department of Finance and Administration strengthen controls to ensure compliance with eligibility requirements for the Emergency Rental Assistance Program.
<b>Repeat Finding</b>	No.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Finance and Administration does not concurs with this finding. See additional comments in the Corrective Action Plan on page 185; and the Auditor’s Response to the Corrective Action Plan at pages 125 and 187.

**MONITORING**

*Material Weakness*

*Material Noncompliance*

<b>2022-032</b>	<u>Strengthen Controls to Ensure Compliance with Federal Monitoring Requirements.</u>
<b>ALN Number(s)</b>	21.023 COVID-19 Emergency Rental Assistance (ERA) 21.026 COVID-19 Homeowners Assistance Fund (HOF)
<b>Federal Award No.</b>	N/A
<b>Questioned Costs</b>	N/A

STATE OF MISSISSIPPI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
PART 3 – Federal Award Findings and Questioned Costs – US Dept of Treasury (continued)

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<b>Criteria</b>	<p><i>Code of Federal Regulations (2 CFR 200.400)</i> requires the non-federal entity:</p> <ul style="list-style-type: none"><li>• To be responsible for the efficient and effective administration of the Federal award through the application of sound management practices.</li><li>• Assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.</li><li>• Ensure the cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during the review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.</li></ul> <p><i>Code of Federal Regulations (2 CFR 200.303)</i> requires the Non-federal entity:</p> <ul style="list-style-type: none"><li>• Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).</li><li>• Evaluate and monitor the non-Federal entity’s compliance with statutes, regulations and terms and conditions of Federal awards.</li></ul>
<b>Condition</b>	<p>The Department of Finance and Administration (DFA) passed federal funds to a third-party administrator, Mississippi Home Corporation (MHC) but did not document this subrecipient relationship via a subaward agreement, nor did DFA monitor and support MHC as a subrecipient. MHC is a quasi-governmental agency and not part of the State of Mississippi’s financial reporting structure. Therefore, due to lack of support of the subrecipient relationship, we the deemed the programs to be administered by DFA.</p> <p>During testing we noted that DFA did not assume responsibility for the administration of the federal award as required by <i>2 CFR 200.400</i>, nor did they establish and maintain effective internal controls over the federal award as required by <i>2 CFR 200.303</i>. DFA did not document their review and approval of program costs which included payroll cost charged to the program based on a billing methodology used for program cost charged to U.S. Department of Housing and Urban Development (HUD) housing counseling grants. There was no evidence of DFA’s review and approval over eligibility determined by the MHC or financial and programmatic reports prepared by MHC.</p>
<b>Cause</b>	<p>The Mississippi Department of Finance and Administration (DFA) does not consider Mississippi Home Corporation as a subrecipient nor does DFA assume responsibility for the direct and material compliance requirements. The program</p>

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of Treasury (continued)**

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	is administered without any responsibility and oversight from the State of Mississippi, the grant recipient
<b>Effect</b>	Without proper monitoring there is an increased risk of charging unallowed costs and activity to the program and noncompliance with direct and material compliance requirements.
<b>Recommendation</b>	We recommend the Department of Finance and Administration strengthen controls to ensure compliance with monitoring processes in order to ensure federal compliance requirements are being met.
<b>Repeat Finding</b>	Yes; 2021-032.
<b>Statistically Valid</b>	No.
<b>View of Responsible Officials</b>	Management at the Mississippi Department of Finance and Administration does not concur with this finding. See additional comments in the Corrective Action Plan on page 186; and the Auditor's Response to the Corrective Action Plan at pages 125 and 187.

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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Finance and Administration**

**Department of Finance and Administration – Eligibility - *Material Weakness/Material Noncompliance***

**2022-031      Strengthen Controls to Ensure Compliance with Eligibility Requirements for the Emergency Rental Assistance Program.**

The Department of Finance and Administration is the primary recipient of the grant funds; therefore, the responsibility for grant administration and monitoring ultimately is DFAs, even if grant administration is contracted to another entity.

**Department of Finance and Administration – Monitoring - *Material Weakness/Material Noncompliance***

**2022-031      Strengthen Controls to Ensure Compliance with Federal Monitoring Requirements.**

The Department of Finance and Administration is the primary recipient of the grant funds; therefore, the responsibility for grant administration and monitoring ultimately is DFAs, even if grant administration is contracted to another entity.

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STATE OF MISSISSIPPI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

PART 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF VETERAN AFFAIRS

**Finding Number**      **Finding and Recommendation**

**MISSISSIPPI VETERANS AFFAIRS**

**REPORTING**

*Material Weakness*

*Material Noncompliance*

**2022-033**      Strengthen Controls Over the Preparation, Recording, and Review of the Schedule of Expenditures of Federal Awards.

**ALN Number(s)**      64.015 Veterans State Nursing Home Care

**Federal Award No.**      N/A

**Questioned Costs**      N/A

**Criteria**      *The Code of Federal Regulations (2 cfr §200.510(b)) states, in part “the auditee must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502.”*

*Code of Federal Regulations (2 cfr §200.502(a)) states, in part, “the determination of when a federal award is expended must be based on when the activity related to the Federal award occurs.”*

*The Internal Control – Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the U.S. Government Accountability Office Standards for Internal Control in the Federal Government (Green Book) specify that a satisfactory control environment is only effective when there are adequate control activities in place. Effective control activities dictate that a review is performed to verify the accuracy and completeness of financial information reported. The Federal Grant Activity Schedule captures amounts that must be accurate and complete in order to ensure the accuracy of financial and federal information reported on such schedule to verify the accuracy and completeness of financial information reported.*

*The Mississippi Agency Accounting Policies and Procedures (MAAPP) manual Section 27.30.60 states, “The Federal Grant Activity schedule supports amounts reported on the GAAP packet for federal grant revenues, receivables, deferred revenues and expenditures. The schedule is also used for preparing the Single*

**STATE OF MISSISSIPPI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**PART 3 – Federal Award Findings and Questioned Costs – US Dept of VA (continued)**

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	Audit Report required by the Single Audit Act, Office of Management and Budget Uniform Grant Guidance and the State’s audit requirements. The amounts on this schedule should be reconciled by the agency with amounts reported on federal financial reports.”
<b>Condition</b>	The Department failed to report all federal program expenditures on its Schedule of Expenditures of Federal Awards (SEFA). During the audit for the statewide ACFR, the auditors noted that the SEFA from the Department was incomplete and did not contain the federal expenditures for ALN #64.015.
<b>Cause</b>	Management at MSVA is relatively new and did not realize the federal monies received required the agency to prepare a SEFA.
<b>Effect</b>	The Department is not compliant with the federal and State report requirements for federal expenditures. Inaccurate reporting of federal program expenditures may result in unreliable and inaccurate reporting to the state and federal oversight organizations, as well materially affect the State’s risk assessment over major federal programs.
<b>Recommendation</b>	We recommend that the Department review and enhance procedures over accounting for and reporting federal program expenditure activity. The Departments enhancement to the procedures should strengthen internal controls over the preparation and review of the SEFA to ensure that all grant award information and related expenditures are complete and accurate.
<b>Repeat Finding</b>	Yes; 2021-051.
<b>Statistically Valid</b>	N/A
<b>View of Responsible Officials</b>	Management at the Mississippi Veterans Affairs concurs with this finding. See additional comments in the Corrective Action Plan on page 215 of this audit report.

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## **II. SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**





**STATE OF MISSISSIPPI**

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**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Instructions to Management**

Each state grantee agency included in the prior year Single Audit Report for the State of Mississippi prepared a summary schedule of prior federal audit findings as required by *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200, Section 5.11*. In order to provide a systematic approach for reporting, agencies were asked to follow the format listed below.

For each prior year federal audit finding, the agency should include the following: (1) finding identification including finding number, finding heading, *Assistance Listing Number (ALN)* and program name, (2) current status, and (3) planned corrective action, if required. These items are discussed below:

- (1) Each finding number, finding heading, ALN and program name should be listed in the same sequence as presented in the prior year Single Audit Report.
- (2) The current status should be identified with one of the following terms:
  - a. “Fully Corrected” - All corrective action has been taken.
  - b. “Partially Corrected” - Some, but not all, corrective action has been taken.
  - c. “Not Corrected” - Corrective action has not been taken.
  - d. “Not Valid” - Finding is no longer valid and does not warrant further action.
- (3) Corrective action should be noted for findings that are not identified as “Fully Corrected.”
  - a. When audit findings are “Partially Corrected” or “Not Corrected,” describe the planned corrective action as well as any partial corrective action taken.
  - b. When audit findings are “Not Valid,” describe the reasons the findings are no longer considered valid or do not warrant further action.

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**STATE OF MISSISSIPPI**

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**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**INDEX LISTED BY FINDING NUMBER**

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\*a The agency indicates the finding is fully corrected; finding 2022-019 was written to report current year problems noted.

\*b The agency indicates the finding is fully corrected; finding 2022-017 was written to report current year problems noted.

\*c The agency indicates the finding is fully corrected; finding 2022-018 was written to report current year problems noted.

Summary of Prior Year Status  
Continued

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2021-037 <sup>*j</sup>	Department of Education	135

<sup>\*d</sup> The agency indicates the finding is not corrected; finding 2022-021 was written to report current year problems noted.

<sup>\*e</sup> The agency indicates the finding is fully corrected; finding 2022-020 was written to report current year problems noted.

<sup>\*f</sup> The agency indicates the finding is fully corrected; finding 2022-022 was written to report current year problems noted.

<sup>\*g</sup> The agency indicates the finding is partially corrected; finding 2022-032 was written to report current year problems noted.

<sup>\*h</sup> The agency indicates the finding is partially corrected; finding 2022-027 was written to report current year problems noted.

<sup>\*i</sup> The agency indicates the finding is partially corrected; finding 2022-028 was written to report current year problems noted.

<sup>\*j</sup> The agency indicates the finding is fully corrected; finding 2022-029 was written to report current year problems noted.



Summary of Prior Year Status  
Continued

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\*k The agency indicates the finding is fully corrected; finding 2022-025 was written to report current year problems noted.

\*l The agency indicates the finding is not corrected; finding 2022-033 was written to report current year problems noted.

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## MISSISSIPPI DEPARTMENT OF EDUCATION

Robert P. Taylor, Ed.D.  
*State Superintendent of Education*

### SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

For the Year Ended June 30, 2021

2021-006 Strengthen Controls Over the Preparation of the Federal Grant Activity Schedule

PARTIALLY CORRECTED

The MDE has established processes to strengthen the controls over the preparation and review of the Schedule of Federal Award and Subgrant Schedule

2021-034 Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Child and Adult Care Food Program (CACFP).

10.558 Child and Adult Care Food Program

PARTIALLY CORRECTED

The MDE has begun reviewing OSA findings at 5 of 8 participating organizations, which includes on-site assessments. MDE staff is reviewing source documentation to determine overclaims in accordance with USDA regulations. The MDE will continue to review the unallowable costs and recover funds.

2021-035 Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements.

84.010 Title I – Grants to Local Education Agencies

84.425 Education Stabilization Fund

PARTIALLY CORRECTED

The MDE has established processes to strengthen the FFATA Reporting requirements.

2021-036 Strengthen Controls to Ensure Compliance with On-Site Monitoring Requirements for Title I.

84.010 Title I – Grants to Local Education Agencies

PARTIALLY CORRECTED

The MDE has established processes to continue to strengthen the on-site monitoring. Full implementation of the corrective action will be a part of the review of the FY23 Monitoring of districts.

2021-037 Strengthen Controls to Ensure Compliance with On-Site Subrecipient Monitoring Requirements for Special Education Cluster Programs.

84.027 Special Education – Grants to States (IDEA, Part B)

84.173 Special Education – Preschool Grants (IDEA, Preschool)

COMPLETED

The MDE has established IDEA Fiscal Monitoring Procedures, revised May 2022. The processes by which the MDE OSE reviews, approves, and monitors budgets and expenditures through the Mississippi Comprehensive Automated Performance-based System (MCAPS) to oversee the use of IDEA grant funds to subrecipients. Also, the processes ensure that MDE OSE conducts virtual self-assessment via desk audits if the process is once again interrupted due to health and safety concerns.

Additionally, the MDE has established IDEA Programmatic Monitoring Procedures, revised May 2022. The processes by which the MDE OSE completes risk-based assessments, that includes the SPP/APR data, each year as universal monitoring of all LEAs to identify those in need of intensive intervention and support.

The MDE OSE has worked diligently to return monitoring activities to those pre-pandemics. The FY21 Fiscal Monitoring covers cyclical/targeted (12 districts) and Intensive (5 districts) and Programmatic Monitoring covers cyclical (9 districts) and Intensive (4 districts). The FY22 Fiscal Monitoring covers cyclical/targeted (7 districts) and intensive (5 districts).

2021-038 Strengthen Controls to Ensure Compliance with Equitable Participation of Private School Children Requirements.

84.010 Title I – Grants to Local Education Agencies

PARTIALLY CORRECTED

The MDE has established processes to continue to strengthen controls with the Equitable Participation of Private School Children Requirements. Full implementation of the corrective action will be a part of the review of the 2023-2024 school year.

2021-044 Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Coronavirus (COVID) Relief Funds (CRF) and Elementary and Secondary School Emergency Relief Fund (ESSER).

21.019 Coronavirus Relief Fund (CRF)

84.425 Education Stabilization Fund (ESSER)

COMPLETED

This legislative program has expired.

OTH-2021-009 Strengthen Controls Over Subrecipient Monitoring Related to the Single Audit Process.

10.553 – School Breakfast Program

10.555 – National School Lunch Program  
10.556 – Special Milk Program for Children  
10.558 – Child and Adult Food Program  
10.559 - Summer Food Service Program for Children  
10.579 – Child Nutrition Discretionary Grants Limited Availability

PARTIALLY COMPLETED

The MDE has established processes to continue to strengthen the controls with the review of the Single Audit process.

Signed: \_\_\_\_\_

Robert P. Taylor, Ed.D., State Superintendent

Date: \_\_\_\_\_

2 March 23

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## Mississippi Department of Employment Security

**Tate Reeves**  
**Governor**

Robin Stewart  
Interim Executive Director

**2021-008      Strengthen Controls over the Unemployment Insurance Benefits Paid**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-016      Strengthen Controls over the Reconciliation of the State's Financial Accounting System (MAGIC) to the Third-Party Unemployment Software (ReEmploy)**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-017      Strengthen Controls over the Identification of Unemployment Benefit Overpayments**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-018      Strengthen Controls over the Overpayments of Employer Contributions**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-015      Strengthen Controls to Ensure Compliance with Eligibility Requirements for Unemployment Insurance**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-022      Strengthen Controls to Ensure Compliance with Matching Requirements for Unemployment**



**CFDA # 17.225      Unemployment Insurance**

Not Corrected.

MDES has identified the universe of employers affected by this finding. We are working to implement system changes that strengthen controls to ensure compliance with federal matching requirements for unemployment insurance. DOL/ETA required adjustments due to this finding are currently in progress and are expected to be completed by October 31, 2023.

**2021-023      Strengthen Controls to Ensure Compliance with Period of Performance Requirements for Unemployment Insurance****CFDA # 17.225      Unemployment Insurance**

Partially Corrected.

This finding consisted of four conditions. The responses below provides the status of each item.

1. The finding related to the Extended Benefit (EB) Program is [not corrected](#).
  - a. This item concerns the improper payments made to individuals for one week after EB triggered off in MS. Based on our calculations, of the \$38,589.00 paid outside of the EB period, \$24,160 will be shifted to PUA and paid under that funding. The remaining \$14,429 will result in overpayments for some claimants.

In our response to DOL on May 9<sup>th</sup>, we indicated that the system changes will be implemented by October 31, 2023.

2. The finding related to the Disaster Unemployment Assistance (DUA) Program is [fully corrected](#).
3. The last two conditions resulted from a labeling issue in the system. This finding is [fully corrected](#).

**2021-024      Strengthen Controls to Ensure Compliance with Special Tests – Benefit Payments Requirements for Unemployment Insurance****CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-025      Strengthen Controls to Ensure Compliance with Special Tests – Program Integrity – Overpayments Requirements for Unemployment Insurance****CFDA # 17.225      Unemployment Insurance**

Fully Corrected.\*



\*This finding is fully corrected unless this agency receives other guidance from the Employment Training Administration under the US DOL.

**2021-026      Strengthen Controls to Ensure Compliance with Reporting Requirements for Unemployment Insurance**

**CFDA # 17.225      Unemployment Insurance**

Fully Corrected.

**2021-027      Strengthen Controls to Ensure Compliance with Special Tests – Employer Experience Rating Requirements for Unemployment Insurance**

**CFDA # 17.225      Unemployment Insurance**

Not Corrected.

MDES recognizes the importance of ensuring that the employer experience rating requirements for unemployment insurance are accurate and as such continues to monitor any modifications to employer non-charging. MDES has identified the universe of claimants whose charging is impacting employer tax rates in relation to this finding as well as the employers who are affected by this finding. DOL/ETA required adjustments associated with this finding are in progress and are expected to be completed by December 31, 2023.

**2021-028      Strengthen Controls to Ensure Compliance with Reporting Requirements for Lost Wages Assistance**

**ALN # 97.050      Lost Wages Assistance**

Fully Corrected.

**2021-029      Strengthen Controls to Ensure Proper Review over the Schedule of Expenditures of Federal Awards**

**ALN # 17.225      Unemployment Insurance**  
**ALN # 97.050      Lost Wages Assistance**

Fully Corrected.

DocuSigned by:  
 Signature: Robin Stewart  
 Title: Interim Executive Director  
 Date: 6/5/2023

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## MISSISSIPPI STATE DEPARTMENT OF HEALTH

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### SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS For the Year Ended June 30, 2022

2021-033      Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements

93.323 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

FULLY CORRECTED

Signed: Sharon Dowdy  
Sharon Dowdy, CPA, CFE, CPM  
Chief Administrative Officer / Chief Financial Officer

Date: 7/27/2023 | 12:04 PM CDT

Signed: Daniel Edney, MD  
Daniel Edney, MD, FACP, FASAM  
State Health Officer

Date: 7/27/2023 | 12:14 PM CDT

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**STATE OF MISSISSIPPI**  
GOVERNOR TATE REEVES

**DEPARTMENT OF FINANCE AND ADMINISTRATION**

**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**  
**For the Year Ended June 30, 2022**

- 2021-050      Strengthen Controls to Ensure Compliance with Allowable Costs and Activities Allowed Requirements for Coronavirus Relief Funds
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.
- 2021-044      Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Coronavirus (COVID) Relief Funds (CRF) and Elementary and Secondary
- School Emergency Relief Fund (ESSER)
- ALN 21.019 Coronavirus Relief Fund and 84.425D ESSER
- Partially Corrected
- Program ended – no further correction needed.
- 2021-043      Strengthen Controls to Ensure Compliance with Allowable Costs and Activities Allowed Requirements for Coronavirus Relief Funds.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.

- 2021-045      Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.
- 2021-046      Strengthen Controls to Ensure Compliance with Allowable Costs and Activities Allowed Requirements for Coronavirus Relief Funds.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.
- 2021-047      Strengthen Controls to Ensure Terms and Conditions are stated in Subrecipient Subaward Documents.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.
- 2021-048      Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.
- 2021-049      Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.
- ALN 21.019 Coronavirus Relief Fund
- Partially Corrected
- Program ended – no further correction needed.

2021-052 Strengthen Controls Over the Preparation, Recording, and Review of the Schedule of Expenditures of Federal Awards.

ALN 21.019 Coronavirus Relief Fund

Partially Corrected

Program ended – no further correction needed.

2021-030 Strengthen Controls to Ensure Proper Review over the Schedule of Expenditures of Federal Awards.

ALN 21.023 Emergency Rental Assistance

Fully Corrected

2021-031 Strengthen Controls to Ensure Compliance with Reporting Requirements for Emergency Rental Assistance.

ALN 21.023 Emergency Rental Assistance

Partially Corrected

2021-032 Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.

ALN 21.023 Emergency Rental Assistance

Partially Corrected

DFA was simply a pass-through agency of the funds and was required to draw down funds in light of an impending federal deadline. It is not possible for DFA to conduct monitoring as it has not been appropriated any funds nor does it have the personnel or other resources to do so.

Signature: L. Welch (Agency Head)  
Title: Exec. Dir., DFA  
Date: 7/26/23

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

March 31, 2023

Dear Auditor White:

Enclosed for your review is the agency's Summary of Schedule of Prior Federal Audit Findings for the State Fiscal ending June 30, 2021.

**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS  
For the Year Ended June 30, 2021**

**2021-010**                      **The Mississippi Department of Human Services Should Strengthen Controls to Ensure Compliance with the Federal Funding and Accountability and Transparency Act (FFATA) Reporting Requirements.**

ALN Number(s):      93.558 Temporary Assistance for Needy Families State Programs  
                                 93.667 Social Services Block Grant  
                                 93.568 Low Income Home Energy Assistance Program

MDHS Response:      FULLY CORRECTED

**2021-011**                      **The Mississippi Department of Human Services Should Strengthen Controls to Ensure Compliance with Reporting Requirements for Pandemic EBT Food Benefits.**

ALN Number(s):      10.542 Pandemic EBT Food Benefits

MDHS Response:      FULLY CORRECTED

**2021-012**                      **The Mississippi Department of Human Services Should Strengthen Controls Over the Compilation and Submission of Required Federal Reports for the Social Services Block Grant (SSBG) Program.**

ALN Number(s):      93.667 Social Services Block Grant (SSBG)

MDHS Response:      FULLY CORRECTED

**2021-013**

**The Mississippi Department of Human Services Should Strengthen Controls Over Onsite Monitoring for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care and Development Block Grant (CCDF), Low Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant (SSBG) Programs.**

CFDA Number: 10.551 Supplemental Nutrition Assistance Program  
93.558 Temporary Assistance for Needy Families State Programs  
93.667 Social Services Block Grant  
93.575 Child Care and Development Block Grant  
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund  
93.568 Low Income Home Energy Assistance Program

MDHS Response: FULLY CORRECTED

**2021-014**

**The Mississippi Department of Human Services Should Strengthen Controls Over Subrecipient Monitoring to Ensure Compliance with Uniform Guidance Auditing Requirements.**

CFDA Number: 10.551 Supplemental Nutrition Assistance Program  
93.558 Temporary Assistance for Needy Families State Programs  
93.667 Social Services Block Grant  
93.575 Child Care and Development Block Grant  
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund  
93.568 Low Income Home Energy Assistance Program

MDHS Response: FULLY CORRECTED

**OTH-2021-008**

**Strengthen Controls to Ensure Compliance with Eligibility and Benefit Requirements for the Temporary Assistance for Needy Families Program.**

CFDA Number: 93.558 Temporary Assistance for Needy Families State Programs

MDHS Response: PARTIALLY CORRECTED

A statewide case review will be conducted quarterly on 10% of open TANF cases. 1st quarter (October – December 2022) completed. All MDHS-312, Personal Responsibility Contract, documents will be scanned to the case file at both application and redetermination stages. This has been completed. All staff with TANF caseloads will be required to complete an annual refresher training. The target completion date is April 13, 2023.

**OTH-2021-007**

**Strength Controls to Ensure Compliance with Eligibility and Benefit Requirements for the Temporary Assistance for Needy Families Program.**

CFDA Number: 93.575 Child Care and Development Block Grant

MDHS Response: FULLY CORRECTED

We appreciate the courtesy and professionalism demonstrated by Emily Mathis and her field staff throughout the audit. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact Brett Robinson, Director of Internal Audit, at 601.359.4697.

Respectfully,



Robert G. Anderson  
Executive Director

RGA:mm

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**Brad White**  
Executive Director

P. O. Box 1850  
Jackson, MS 39215-1850  
Telephone (601) 359-7249  
FAX (601) 359-7050  
GoMDOT.com



**Brian D. Ratliff**  
Deputy Executive Director/Chief Engineer  
**Lisa M. Hancock**  
Deputy Executive Director/Administration  
**Charles R. Carr**  
Director, Office of Intermodal Planning

## SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

For the year ended June 30, 2022

- 2021-019     Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements
- CFDA # 20.205 Highway Planning and Construction
- FULLY CORRECTED
- 
- 2021-020     Controls Should Be Strengthened to Ensure Compliance with Wage Rate Requirements
- CFDA # 20.205 Highway Planning and Construction
- FULLY CORRECTED
- 
- 2021-021     Strengthened Controls to Ensure Compliance with Special Test Requirements Related to the Quality Assurance Program
- CFDA # 20.205 Highway Planning and Construction
- FULLY CORRECTED

Signed:   
Brad White  
Executive Director

Date: 3/20/23

**Brad White**  
Executive Director

P. O. Box 1850  
Jackson, MS 39215-1850  
Telephone (601) 359-7249  
FAX (601) 359-7050  
GoMDOT.com



**Brian D. Ratliff**  
Deputy Executive Director/Chief Engineer  
**Lisa M. Hancock**  
Deputy Executive Director/Administration  
**Charles R. Carr**  
Director, Office of Intermodal Planning

## SUMMARY SCHEDULE OF OTHER AUDIT FINDING

For the year ended June 30, 2022

OTH-2021-00 Strengthen Controls Over Allowable Costs Requirements

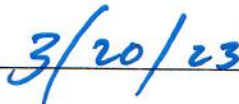
CFDA # 20.205 Highway Planning and Construction

FULLY CORRECTED

Signed: \_\_\_\_\_

  
Brad White  
Executive Director

Date: \_\_\_\_\_

  
3/20/23



**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS**  
For the Year Ended June 30, 2022

- 2021-007     Strengthen Controls Over the Preparation and Review of the Schedule of Expenditures of Federal Awards
- FULLY CORRECTED
- 2021-039     Strengthen Controls to Ensure Compliance with the Allowable Costs Requirements of the Children's Health Insurance Program (CHIP)
- 93.767 Children's Health Insurance Program (CHIP)
- FULLY CORRECTED
- 2021-040     Strengthen Controls to Ensure Compliance with the Allowable Cost Requirement of the Medical Assistance Program
- 93.778 Medical Assistance Program (Medicaid; Title XIX)
- FULLY CORRECTED
- 2021-041     Strengthen Controls to Ensure Compliance with Eligibility Requirements of the Medical Assistance Program and the Children's Health Insurance Program (CHIP)
- 93.767 Children's Health Insurance Program (CHIP)  
93.778 Medical Assistance Program (Medicaid; Title XIX)
- FULLY CORRECTED
- 2021-042     Strengthen Controls to Ensure Compliance with Provider Eligibility Requirements of the Children's Health Insurance Program (CHIP)
- 93.767 Children's Health Insurance Program (CHIP)



PARTIALLY CORRECTED

DOM has implemented the centralized credentialing process. However, the contracts for credentialing services with select large healthcare systems have not been executed. DOM plans to have contracts in place soon.

Signed:

A handwritten signature in blue ink, appearing to be 'Drew Snyder', written over a horizontal line.

Drew Snyder, Executive Director

Date:

3/8/2023



**MISSISSIPPI VETERANS AFFAIRS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2022**

Office of the State Auditor

The Department of Veterans Affairs respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2022.

Audit period: July 1, 2021-June 30, 2022

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**2021 – 051 Finding Title**

**Condition:**

During the audit of Mississippi Veterans Affairs (MVA) for fiscal year ended June 30, 2021, auditors noted that MVA recorded expenditures provided did not agree to the amounts in the statewide accounting system, the Mississippi Accountability System for Government Information and Collaboration (MAGIC). The statewide SEFA is prepared using agency prepared grant schedule activity reports, and a system of internal controls exists to ensure all federal monies are included in the SEFA and that all agencies that have federal monies prepare grant schedules. By making adjustments to the MVA accounting records without making adjustments to MAGIC or notifying the DFA, MVA inadvertently circumvented the control system and DFA was not alerted to the need for adjustment to the amount of the funds in the SEFA.

Due to the designation as a Major Program under Uniform Grant Guidance Subpart F, MVA required an audit for fiscal year 2021. MVA prepared and submitted grant information to the auditors that did not agree to the DFA SEFA. MVA could not reasonably justify the expenditures reported on the grant schedule, nor could they produce supporting documentation of such expenditures. Due to this inability to support which expenditures were paid with grant funds, and an inability to separate allowable costs in the from unallowable costs, auditors could not determine, with any reasonable accuracy, what the questioned costs are from the grant; therefore, auditors were overall unable to audit the 64.015 grant funds.

**Status:** Not resolved.

**Reason for finding's recurrence:** Management at MSVA is relatively new and did not realize the federal monies received required the agency to prepare a SEFA.

**Corrective Action:** Mississippi Veterans Affairs will submit all financial data for the GAAP reporting packets and ensure necessary adjustments and corrections are accurately reported. The preparation of reviewing and recording federal awards expenditures will be maintained and tracked

accordingly. The Mississippi Veterans Affairs Internal Auditor will monitor the Finance Department internal processes and procedures to implement corrective actions for compliance requirements.

#### **FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

There were no federal award program audit findings in the prior year.

If the State Auditor has questions regarding this plan, please call Demetrice Watts at 601-576-4859 or Edward Williams at 601-576-4862.

### **III. MANAGEMENT RESPONSES AND CORRECTIVE ACTION PLANS**





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## STATE OF MISSISSIPPI

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### MANAGEMENT RESPONSES AND CORRECTIVE ACTION PLANS FOR THE YEAR ENDED JUNE 30, 2022 Instructions to Management

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In order to provide a systematic approach for agencies to respond to audit findings, the management of each agency was requested to follow the instructions listed below in preparation of the formal response to single audit findings and the corrective action plan.

For each AUDIT FINDING, the agency should include the following: (1) *Assistance Listing Number* (ALN) and program name, (2) type of compliance requirement, (3) audit finding number and finding heading, (4) response, and (5) corrective action plan. These items are discussed below:

1. Each ALN and program name should be listed in the same sequence presented in the management letter. The entire finding is not required to be repeated.
2. Each type of compliance requirement should be listed in the same sequence as presented in the management letter.
3. Each audit finding number and finding heading should be listed separately in the same sequence as presented in the management letter. The entire finding is not required to be repeated.
4. Responses of the agency to audit findings should be included directly below each audit finding heading. For each response, the agency should state whether they concur or do not concur with the individual finding and recommendation and the reasons why.
5. After an audit finding heading has been listed along with the corresponding agency response, the plan for corrective action should be listed using the following format:
  - a. Specific steps to be taken to correct situation.
  - b. Name(s) of the contact person(s) responsible for corrective action.
  - c. Anticipated completion date for corrective action.
  - d. Specific reasons why corrective action is not necessary, if applicable.

OMB Uniform Guidance, Section 200.521 requires audit findings to be resolved between federal agencies and audited agencies within six months after the receipt of the single audit report by the federal government. Audited agencies should maintain permanent files on all correspondence with the federal government during the audit resolution process. Federal agencies may ask for additional information pertaining to audit findings.

On the following pages, we have compiled the formal response to the findings and recommendations and the corrective action plan of each agency's management.

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## COMMUNITY COLLEGE BOARD

3825 Ridgewood Road • Jackson, MS 39211 • Phone: (601) 432-6518 • Fax: (601) 432-6363

### FINANCIAL AUDIT FINDINGS

March 2, 2023

Mr. Shad White, State Auditor  
Office of the State Auditor  
State of Mississippi  
Post Office Box 956  
Jackson, Mississippi 39205-0956

Dear Auditor White:

The Mississippi Community College Board (MCCB) has received its Independent Auditor's Report from Clifton Larson Allen, LLP (CLA) for Fiscal Year 2022. The report included one finding, which is listed below. Additionally, our response and corrective action plan is also provided.

### MCCB FY 2022 AUDIT FINDING:

#### **2022-055      Audit Adjustment**

- **Type of Finding:**

#### **Material Weakness in Internal Control over Financial Reporting**

As part of the MCCB single audit CLA proposed a material adjustment for several items in fund 3329700000 related to accounts receivable. These items were received after year-end June 30, 2022; however, they related to the year under audit and were not recorded as revenue for the year presented. As a result, revenue, accounts receivable, and fund balance were all understated by \$80,755.

- **Response:**

MCCB management agrees with the finding and will institute a policy to review all accounts receivable received after year end.

- **Corrective Action Plan:**

- A. At year end a list of outstanding receivables will be given to accounts receivable staff to use for daily entries. Revenue accruals received after year end will be coded to the prior year during the lapse period. After lapse period

The mission of the Mississippi Community College Board is to advance the community college system through coordination, support, leadership, and advocacy.

has ended any accruals received will be recorded to the prior year via an audit adjustment.

- B. Mr. Jason Carter, MCCB's Deputy Executive Director for Finance and Administration, will be responsible for ensuring the corrective action plan is followed.
- C. The corrective action plan will be in place before year end FY 2023.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kell Smith', with a stylized flourish at the end.

Kell Smith  
Executive Director





**STATE OF MISSISSIPPI  
DEPARTMENT OF CORRECTIONS  
BURL CAIN, COMMISSIONER**

**FINANCIAL AUDIT FINDINGS**

**January 19, 2023**

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

Dear Mr. White:

Enclosed for your review is the Mississippi Department of Correction's response to the financial statement audit finding for the fiscal Year 2022:

**Finding 2022-008**

Repeat Finding: No

Finding Type: Significant Deficiency in internal Controls Over Financial Reporting – Review of GAAP Package Reporting for Inventory Counts

Physical inventory counts are performed bi-annually, and adjustments to inventory are made based on the inventory counts. The year-end inventory count adjustment was made as part of the year-end GAAP package close process. A one-time human error resulted in a miskey in the adjustment from the inventory count into the GAAP Package spreadsheet, causing the inventory to be understated by \$877,600.

**Agency Response:**

MDOC concurs with the finding.

**Corrective Action Plan**

MDOC will implement the recommendation to have the Director of Property, Warehouse, and Fleet perform a final review of the GAAP package to ensure the data is keyed correctly to the GAAP package. Derrick Garner, the Chief of Fiscal Affairs and Budgeting, will be the contact person for the corrective action plan changes. This change will be implemented during the GAAP package submission in August of 2023.

Sincerely,



Burl Cain, Commissioner

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## MISSISSIPPI DEPARTMENT OF EDUCATION

Robert P. Taylor, Ed.D.  
*State Superintendent of Education*

### **FINANCIAL AUDIT FINDINGS**

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

March 2, 2023

Dear Mr. White:

In accordance with Financial Audit Management Audit Report dated February 16, 2023, the Mississippi Department of Education (MDE) is providing the following response and corrective action plan for the financial audit finding for the fiscal year ending June 30, 2022.

#### AUDIT FINDINGS:

**2022-009**      Strengthen controls over the preparation of the Federal Grant Activity Schedule.

Response: The MDE concurs with the finding and noted the following:

- Expenditures in the amount of \$2,011,532 were coded to the GAAP contractual services expense account in error on the Accounts Payable Recorded by Agency Form 27.30.40 for Subsidies, Loans, and Grants expenditures recorded in MAGIC during the lapse period.
- A GAAP entry was recorded for noncash commodities as of June 30, 2018, in the amount of \$20,966,789 which is included in the cumulative expenditures in MAGIC. These are USDA commodities donated to the National School Lunch Program. This amount is not related to the grant award (201818N109945).

These grants are closed with no federal expenditures in fiscal year ending June 30, 2022, therefore, these cumulative expenditures have no effect on the fiscal year ending June 30, 2022, Schedule of Expenditures of Federal Awards.

- The COVID-19 designation was omitted in error for grant (202121H170645).
- 2 out of 105 grants had the incorrect grant funding period end date.
- The donated foods inventory was not included on the grant schedule.

#### Corrective Action Plan:

A. Specific steps to be taken to correct the situation.

The Executive Director of Accounting will continue to strengthen controls over the preparation and review process of the Schedule of Federal Awards and Subgrant Schedule.

B. Name of the contact person responsible for corrective action.

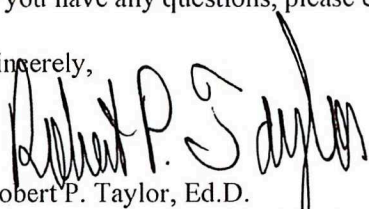
Sheila Franklin-Buie, Executive Director of Accounting

C. Anticipated completion date for correction action.

August 31, 2023

If you have any questions, please contact Dr. Felicia Gavin at 601-359-5254.

Sincerely,



Robert P. Taylor, Ed.D.  
State Superintendent of Education



## MISSISSIPPI DEPARTMENT OF EDUCATION

Raymond C. Morgigno, Ph.D.  
*Interim State Superintendent of Education*

### SINGLE AUDIT FINDINGS

July 27, 2023

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

Dear Mr. White:

The Mississippi Department of Education (MDE) has reviewed the single audit findings for the for the fiscal year ending June 30, 2022, and provides the following response and corrective action plan.

#### AUDIT FINDINGS:

10.558 Child and Adult Care Food Program

Allowable Cost

**2022-027**      Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Child and Adult Care Food Program (CACFP).

Response:      The MDE does not concur with this finding. The OSA did not identify weaknesses in the MDE subrecipient monitoring process, such as in the selection of organizations, the monitoring cycle, or monitoring procedures. Instead, OSA identified potential errors made by individual participating organizations.

The MDE has a robust system of internal controls and subrecipient monitoring system for the CACFP. In addition to meeting USDA requirements for monitoring, the MDE Office of Child Nutrition (OCN) also employs a risk-based process to select CACFP subrecipients for review and to determine the scope of monitoring. The MDE routinely exceeds the USDA requirement to monitor 33.3% of participating organizations annually. For Program Year (PY) 2021-2022, 60.3% of participating organizations were reviewed to provide additional oversight of



subrecipients. When the MDE identifies instances of noncompliance, it requires participating organizations to take appropriate corrective action. For organizations that are very high-risk, the MDE employs the USDA Serious Deficiency process in accordance with 7 C.F.R. 226.6.

The MDE already has a process to recover funds from an organization if an error is discovered during subrecipient monitoring. In PY 2022, the MDE assessed \$132,207 in repayments of USDA funds and required an additional \$40,577 in unallowable costs to be returned to local CACFP accounts.

Finally, MDE staff was not included in the reviews of subrecipients by OSA, so the MDE was unable to verify the accuracy of the proposed unallowable costs before publication of the report from OSA. MDE staff will need to review documentation from OSA, and source documentation retained at CACFP sites before it can make a final determination regarding the potential unallowable cost determinations against sponsors.

Corrective Action Plan:

- A. The MDE will review documentation provided by OSA of potential questioned costs and review source documentation held by the subrecipients to determine the amount of unallowable costs. If confirmed, the MDE will recover any unallowable costs in accordance with USDA policies. This review will be completed by January 22, 2024. Susie Evans, CACFP Director for the MDE OCN, will oversee the review.
- B. The MDE will continue to assess its CACFP monitoring and continue to strengthen the process while remaining in compliance with USDA regulations.

84.010 Title I – Grants to Local Education Agencies  
84.367 Title II – Supporting Effective Instruction  
84.425 Education Stabilization Fund

## Reporting

### **2028-028**     Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements

**Response:**     The MDE does not concur with this finding. The MDE maintains a process to report FFATA information timely. The MDE is hampered in its reporting, however, by known issues to the FFATA reporting system. For example, if the MDE needs to revise a report it must submit a request to the FSRS Helpdesk to delete the previously-uploaded report before it can upload a revised report. This revised report is required when entities DUNS/UEI became valid and/or when allocations were revised. In these instances, the reporting date will be the date of the revised report, rather than the original report.

The MDE made good faith efforts to upload this information in a timely manner. Unfortunately, the FSRS system cannot provide the transactions on each federal award to show when an original file was uploaded into the system or provide a report on the end-user activity in the system. In addition, the FSRS system experiences frequent system errors that prevent the MDE from uploading its reports in a timely fashion. Thus, the MDE is unable to demonstrate exactly when the file was initially submitted to the FSRS system or upload files that are timely prepared.

These common reporting and system issues are known by and affect all users. Until these issues are corrected, the MDE may continue to experience difficulty in uploading reports. All current reports have been uploaded and are visible within the FSRS system.

## Corrective Action Plan:

- A. The MDE will maintain a copy of the PDF file of the upload for the initial submission and will electronically provide a date stamp on the document indicating its upload. This process was implemented on June 30, 2023, and is monitored by Elisha Campbell, Executive Director.



84.027 Special Education – Grants to States (IDEA, Part B)

84.173 Special Education – Preschool Grants (IDEA, Preschool)

### Subrecipient Monitoring

**2022-029**      Strengthen Controls to Ensure Compliance with On-Site Subrecipient Monitoring Requirements for Special Education Cluster Programs.

Response      The MDE Office of Special Education (OSE) acknowledges the findings identified by the Office of the State Auditor's as described above. MDE OSE has maintained the review of the Single Audits and provided follow-up on corrections needed by LEAs with funding under IDEA programs. In addition, MDE OSE provides technical assistance to LEAs regarding such. Further, MDE OSE utilizes the District Determinations (SPP/APR) data to provide proactive technical assistance to LEAs.

During the 2020-2021 school year, MDE OSE conducted cyclical monitoring to the best of its ability given school closures related to the COVID-19 pandemic. During SY 20-21, the existing procedure required onsite visits for every monitoring activity. However, during that time, and under the guidance of the National Center for Systemic Improvement (NCSI), MDE OSE monitored LEAs via Special Education Determination Reports, Mississippi Comprehensive Automated Performance-based System (MCAPS) funding application review, and Formal State Complaints using previous procedures while MDE OSE developed new procedures and risk assessments. Additionally, with the onset of COVID-19, the districts and state agencies faced challenges in meeting monitoring requirements and timelines during the first six months of the 2020-2021 school year due to health and safety restrictions. In its implementation of new procedures and risk assessments, MDE OSE has incorporated broad revisions to the agency's subrecipient monitoring procedures and made a significant investment in building the capacity of new OSE management team members to monitor subrecipient compliance and ensure that subawards are used for authorized purposes. Those newly developed procedures were piloted during the 2021-2022 school year, finalized in May 2022, and fully implemented for school year 2022-2023.

It should be noted that in June 2023, the MDE OSE received a program determination letter (PDL) from the U.S. Department of Education (US DOE), Office of Special Education and Rehabilitative Services (OSERS) that resolved a similar finding 2021-037 from Audit 04-21-39984 conducted by the State of Mississippi, Office of the State Auditor. The corrective actions included in finding 2021-037 are the same as those seen below. The PDL indicated that the MDE OSE produced evidence of revised systems to ensure compliance with the agency's requirements for subrecipient monitoring.



Corrective Action Plan:

- A. The MDE OSE will continue the programmatic and cyclical monitoring of LEAs that began as a pilot in the spring of 2020. The newly implemented procedures will be utilized fully in the 2022-2023 school year.
- B. The MDE OSE will continue to complete the risk-based assessment, that includes the SPP/APR data, each year as universal monitoring of all LEAs to identify those in need of intensive intervention and support.
- C. The MDE OSE will continue to review, approve and monitor budgets and expenditures through the Mississippi Comprehensive Automated Performance-based System (MCAPS) to oversee the use of IDEA grant funds to subrecipients.
- D. The MDE OSE has established a procedure of virtual self-assessment via desk audits if the process is once again interrupted due to health and safety concerns.

84.425 Education Stabilization Fund (ESSER)

**Special Test & Provisions – Participation of Private School Children**

**2022-030**      Strengthen Controls to Ensure Compliance with Equitable Participation of Private School Children Requirements

**Response**      The MDE does not see the finding as a systemic problem with the program. The two non-public schools initially participated in the ESSER I Equitable Services, and the LEA provided services. However, when USDE revoked the Interim Final Rule, the two non-public schools decided to no longer participate. Services were offered before the non-public school's decision not to participate.

**Corrective Action Plan**

- A. The MDE will continue to work with and provide trainings to subrecipients to follow the established procedures and update monitoring procedures, as necessary, to ensure efficiency and effectiveness.

Thank you for the opportunity to provide the above response.

Sincerely,



Raymond C. Morgigno, Ph.D.  
Interim, State Superintendent of Education



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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Education (MDE) Management**

**Department of Education – Activities Allowed/Allowable Costs – *Significant Deficiency/Immaterial Noncompliance***

**2022-027      Strengthen Controls to Ensure Compliance with Allowable Costs Requirements of the Child and Adult Care Food Program (CACFP).**

Mississippi Department of Education (MDE) asserts in their disagreement with the finding that they have a “robust system of monitoring” and that they could not verify the accuracy of the finding due to “not being included in the reviews of the recipients.

OSA reviewed a significantly lower percentage of CACFP subrecipients than MDE alleges they reviewed in their response (60.3%) and OSA found enough noncompliance to warrant an immaterial noncompliance finding with \$6,017 in questioned costs.

Additionally, the assertion that the accuracy could not be verified due to not being “included in the reviews of subrecipients” is misleading, and implies that MDE was not made aware of the particulars of the questioned costs. MDE was provided with a list of all the CACFP subrecipients that are noted in the finding and a list of the specific questioned costs. MDE stated that MDE will need to review the auditors’ documentation and also perform on-site visits before it can make final determination regarding the potential unallowable costs determinations against sponsors.

In conclusion, the sheer number of errors in the subrecipient monitoring process that led to the questioned allowable costs does not support MDE’s statement that their internal controls and subrecipient monitoring system is either robust or adequate.

**Department of Education – Reporting - *Material Weakness/Material Noncompliance***

**2022-028      Strengthen Controls to Ensure Compliance with Federal Funding Accountability and Transparency Act (FFATA) Requirements.**

Mississippi Department of Education (MDE) asserts in their disagreement with the finding that they have a process to report FFATA timely. They further blame the FFATA reporting system for the problem, as the upload date is changed any time a change is made to a report. MDE failed to retain copies of their initial reports showing the dates of the original uploads.

Although MDE did not agree with the finding, their provided a corrective action plan to begin maintaining copies showing the initial submission of all reports.



## Mississippi Department of Employment Security

**Tate Reeves**  
**Governor**

Robin Stewart  
Executive Director

### SINGLE AUDIT FINDINGS

July 21, 2023

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

Dear Mr. White:

The Mississippi Department of Employment Security submits for your review, its responses to the single audit findings for Fiscal Year 2022.

***ALN Number 17.225 – Unemployment Insurance***

**2022-021 – Strengthen Controls to Ensure Compliance with Matching Requirements for Unemployment Insurance.**

**Cat – C, Finding Type, A, C1 (MW, MNC)**

**MDES Response:**

MDES has begun evaluating both the requirements for and the analysis of the recommended system programming changes to implement the suggested controls. MDES has a goal date of October 31, 2023 to complete the recommended corrective action.

***ALN Number 17.225 – Unemployment Insurance***

**2022-022 – Strengthen Controls to Ensure Compliance with Reporting Requirements for Unemployment Insurance.**

**Cat – L, Finding Type, A, C2 (MW, IMNC)**

**MDES Response:**

During the pandemic emergency, MDES relied upon the procedures encoded in ReEmployMS to generate the non-emergency tasks. Currently, the Policy and Compliance staff conduct random reviews and tests of both files and reports for accuracy validation

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using samples identified by the US DOL. The ReEmployMS system generates and stores flat files containing the specific individual records to create the ETA reports. When an error occurs in the generated reports, the staff receive alerts to review the data and reconcile the report. If the system does not generate an error, the information passes as accurate and verification occurs later upon the generation of test samples.

### **Corrective Action Plan:**

After the relative subsidence of the COVID-19 crisis and review of our activities, MDES better appreciates the value of ensuring that appropriate staff review reports and of maintaining documentation for each examination. Moreover, MDES currently has procedures in place to ensure the review of all reports and to document such activities.

### ***ALN Number 17.258, 17.259, 17.278 – Workforce Innovation and Opportunity Act 2022-023 – Strengthen Controls to Ensure Compliance with Subrecipient Monitoring Requirements.***

**Cat – M, Finding Type, A, C1 (MW, MNC)**

### **MDES Response:**

The Mississippi Department of Employment Security concurs in principle with the three conditions noted in the finding. During and prior to this audit, MDES enacted new procedures to address the concerns noted in this finding. MDES renewed its commitment to ensuring that subrecipients are qualified to receive funds. MDES contracted with Booth Management Consultants and more recently Trace Advisory Group to ensure compliance with all DOL monitoring requirements, including on-site monitoring and through other modes. Also, we started implementing a risk-based assessment tool to ensure the performance of a thorough qualification assessment on all grantees.

### **Corrective Action Plan:**

A. The Offices of Grant Management and Business Management will develop a plan to document our assessment of the subrecipients' awareness of audit requirements at 2 CFR 200.332(f). MDES will start implementing the plan detailed below on or before October 31, 2023. This plan involves the following:

- 1) Perform a pre-award risk assessment to determine risk for awarding grant and the level of monitoring required during program;
- 2) Issue a standardized audit requirement letter or agreed upon procedures to all subgrantees to remind them of grant requirements;
- 3) Receipt of required federal single audit from subgrantees expending more than \$750,000 in federal funds from all sources OR receipt of a statement that the entity did not meet this threshold;

- 4) Document the review and assessment of the audits received for findings or questioned costs using tools, such as the templates found in the DOL Core Monitoring Guide; and
  - 5) Document all required agency action necessary to mitigate the risks identified in the audits.
- B. COVID-19 caused extensive travel and in-person meeting restrictions nationwide. MDES did not restrict travel or virtual meetings. As contact guidelines fluctuated, the on-site monitoring team had discretion regarding the method to conduct this process. Also during this time, DOL staff observed similar contact restrictions, which limited federal monitoring of MDES. Such challenges and restrictions no longer exist. MDES will perform on-site and remote monitoring, as required. Where possible, MDES intends to conduct future monitoring on-site. MDES management will also hold regular meetings with the subrecipients to monitor progress and to ensure questions related to grant expenditures receive timely responses.
- C. Although the agency did not perform a risk-based assessment in the year reviewed by the auditors (PY21), MDES did incorporate the Risk Assessment Tool, *Tool S* from the U. S. Department of Labor's Core Monitoring Guide, into its review of subgrantees for PY 2022. MDES will continue to ensure the performance of a thorough risk-based assessment on all grantees.

***ALN Number 17.225 – Unemployment Insurance***

**2022-020 – Strengthen Controls to Ensure Compliance with Special Tests – Program Integrity – Overpayments Requirements for Unemployment Insurance.  
Cat – N, Finding Type, A, C1 (MW, MNC)**

**MDES Response:**

MDES respectfully disagrees with this finding because the flexibility to present its interpretations of federal guidance as impacted by state law to DOL for approval remains a cornerstone of the federal-state dynamic of the unemployment insurance system. In addition, the federal pandemic programs that Congress required MDES to institute involved broad, complex, and overlapping processes. MDES worked tirelessly to ensure that we followed all federal guidelines to the best of our ability while promptly enacting the pandemic program. In addition, DOL issued many updates to the federal guidelines including program changes via UIPLs. These UIPLs also referenced prior UIPLs and guidelines creating a high level of complexity when the pandemic demanded swift decisions and rapid implementation of program changes to provide vital assistance to Mississippi's citizens suddenly thrust into unemployment. MDES will continue to work with DOL regarding its interpretations of federal program guidance as affected by state law.

MDES maintains an on-going review of these programs to determine proper and timely payments and offsets under each program and will make necessary programmatic changes to ensure we properly issue payments and make offsets in compliance with federal and

*MDES Response to the  
FY2022 Single Audit  
July 21, 2023  
Page 4 of 4*

state guidelines. On June 19, 2023, MDES implemented an updated process to adjust the offset percentages for these programs.

***ALN Number 17.225 – Unemployment Insurance***

**2022-024 – Strengthen Controls to Ensure Compliance with Special Tests – Benefit Payments Requirements for Unemployment Insurance.**

**Cat – N, Finding Type B (SD)**

**MDES Response:**

MDES appreciates the value of ensuring that appropriate staff review reports and of maintaining appropriate documentation of supervisor/investigator signatures after examination of each report. This finding identified isolated and non-reoccurring incidents. Moreover, MDES has procedures in place to ensure the review of all reports and documentation of such activities

**Corrective Action Plan:**

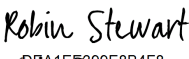
MDES has adopted the corrective procedures listed below for the activities relevant to this finding. MDES staff have the option to use the DocuSign for this process. We shall evaluate the efficiency and effectiveness of these procedures and modify them as necessary.

- A. The reviewer in the department prepares the draft report and sends it to the appropriate manager/supervisor for review, editing, and approval.
- B. The appropriate manager/supervisor receives the report, reviews it, makes changes as necessary, and approves it.
- C. The appropriate manager/supervisor or designated records custodian receives the approval, prints it, and stores the report with the record of the review.

MDES appreciates the opportunity to respond to the Single Audit findings and to outline our plan to address the recommendations therein.

Sincerely,

**MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY**

DocuSigned by:  
  
Robin Stewart  
Interim Executive Director





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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Employment Security (MDES) Management**

**Department of Employment Security – Special Test - Overpayments - *Material Weakness/Material Noncompliance***

**2022-020      Strengthen Controls to Ensure Compliance with Special Tests – Program Integrity-Overpayments Requirements for Unemployment Insurance.**

MDES appears to disagree with the finding due to the complexity of the regulations around the pandemic and the public health emergency. MDES does agree that UIPLs were issued to refine guidelines and to rapidly update the related federal regulations. Regardless of the complexities of those regulations, MDES is still required to implement updates and changes, and MDES failed to properly account for these guidance changes issued by UIPLs.

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**STATE OF MISSISSIPPI**  
GOVERNOR TATE REEVES

**DEPARTMENT OF FINANCE AND ADMINISTRATION**

LIZ WELCH  
EXECUTIVE DIRECTOR

**FINANCIAL AUDIT FINDINGS**

Shad White  
Office of the State Auditor  
State of Mississippi  
Post Office Box 956  
Jackson, Mississippi 39205-0956

June 14, 2023

Dear Mr. White,

In reference to your letter dated March 22, 2023, we submit the following responses and corrective action plans to the financial audit findings for the Department of Finance and Administration (DFA) for the fiscal year ended June 30, 2022.

**AUDIT FINDINGS:**

**MATERIAL WEAKNESSES**

**2022-015**

The State of MS Should Require Chief Fiscal Officers of State Agencies to hold Minimum Accounting Qualifications and Atten Mandatory Training.

**Response:**

We acknowledge the finding.

The Department of Finance and Administration (DFA) is the primary agency responsible for state government financial and administrative operations, and we fully accept and embrace the magnitude of that responsibility. However, while DFA is the executive branch control agency over governmental accounting and financial reporting, and in particular, the completion of the annual comprehensive financial report, we rely heavily on the cooperation and input of every other state agency to successfully accomplish that task.

We acknowledge that Section 7-7-3 of Miss. Code Ann. (1972) requires DFA to conduct training seminars on a regular basis to ensure that agencies have access to persons proficient in the correct use of the state accounting system. Before implementation of the new statewide system and since that time, we have provided class training, one-on-one personalized training and detailed assistance via the call center to agency personnel to help them understand the processes required for daily workflow. We have training material, work instructions and job aids available on the internet that are easily accessible. While we have clearly stated that these training sessions are necessary, we continue to have agencies that do not attend.

The finding specifically calls into question the lack of qualifications and skill requirements of agency accounting personnel, and specifically mentions the lack of qualified personnel serving as Chief Fiscal Officers. While we have the responsibility to provide systems to facilitate the financial reporting and operations of the state and to provide training to employees that use these systems, we do not have the oversight of the hiring or selection of agency employees. Hiring qualified employees is the responsibility of each state agency head.

**Corrective Action:**

A. The audit finding recommendation is for DFA to implement mandatory training sessions for accounting personnel and chief fiscal officers.

DFA will continue to provide training opportunities for accounting personnel and chief fiscal officers and will pursue and provide additional training as funding allows. DFA will also consider requiring attendance, however enforcement of that will be difficult.

B. Liz Welch is the contact person for this corrective action.

C. The corrective action will be implemented during fiscal year 2023.

D. N/A

2022-016

The Department of Finance and Administration Should  
Strengthen the Controls Over the Compilation Process of  
the Annual Comprehensive Financial Statements and  
Supporting Schedules

**Response:**

We concur with the finding.

**Corrective Action:**

- A. DFA - Office of Financial Reporting (OFR) will examine options for more efficient collection of information to reduce GAAP preparation time. OFR will also reiterate to the GAAP Coordinators the importance of timely, accurate, and materially correct financial supporting schedules. In addition, OFR will meet with the Office of the State Auditor to discuss ways to have audit adjustments and finalized audits sooner.
- B. The contact person responsible for this corrective action is Liz Welch.
- C. The corrective action will be implemented during fiscal year 2023.
- D. N/A

Sincerely,



Liz Welch  
Executive Director

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STATE OF MISSISSIPPI  
GOVERNOR TATE REEVES

DEPARTMENT OF FINANCE AND ADMINISTRATION

LIZ WELCH  
EXECUTIVE DIRECTOR

July 26, 2023

SINGLE AUDIT FINDINGS

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

Dear Mr. White:

The Mississippi Department of Finance and Administration (DFA) respectfully submits its response to the Office of the State Auditor's single audit findings for Fiscal Year 2022. On the following pages, DFA has provided its corrective action plan for each finding by (a) describing specific steps to be taken to correct the situation; (b) providing the name of the contact person responsible for the corrective action; (c) providing the anticipated completion date for the corrective action; and (d) stating whether we concur with the finding.

AUDIT FINDINGS:

21.023 COVID-19 Emergency Rental Assistance (ERA)

Eligibility

2022-031 Strengthen Controls to Ensure Compliance with Eligibility Requirements for the Emergency Rental Assistance Program

Response:

DFA was simply a pass-through agency of the funds and was required to draw down the funds in light of an impending federal deadline. It is not possible for DFA to assess and conduct eligibility determinations as it has not been appropriated any funds nor does it have the personnel or other resources to do so.

Corrective Action Plan:

- A. Mississippi Home Corporation has eligibility and fraud prevention policies in place; however, this grant program is no longer accepting applications.
- B. N/A
- C. N/A
- D. N/A

21.023 COVID-19 Emergency Rental Assistance (ERA)

21.026 COVID-19 Homeowners Assistance Fund (HAF)

Monitoring

2022-032 Strengthen Controls to Ensure Compliance with Federal Monitoring Requirements

Response:

DFA was simply a pass-through agency of the funds and was required to draw down the funds in light of an impending federal deadline. It is not possible for DFA to conduct monitoring as it has not been appropriated any funds nor does it have the personnel or other resources to do so.

Corrective Action Plan:

- A. Mississippi Home Corporation should hire a 3<sup>rd</sup> party monitor.
- B. Mississippi Home Corporation Director Scott Spivey
- C. N/A
- D. N/A



Liz Welch, Executive Director  
Mississippi Department of Finance and Administration





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

**Auditor's note to the Corrective Action Plan from Mississippi Department of Finance and Administration**

**Department of Finance and Administration – Eligibility - *Material Weakness/Material Noncompliance***

**2022-031      Strengthen Controls to Ensure Compliance with Eligibility Requirements for the Emergency Rental Assistance Program.**

The Department of Finance and Administration is the primary recipient of the grant funds; therefore, the responsibility for grant administration and monitoring ultimately is DFAs, even if grant administration is contracted to another entity.

**Department of Finance and Administration – Monitoring - *Material Weakness/Material Noncompliance***

**2022-031      Strengthen Controls to Ensure Compliance with Federal Monitoring Requirements.**

The Department of Finance and Administration is the primary recipient of the grant funds; therefore, the responsibility for grant administration and monitoring ultimately is DFAs, even if grant administration is contracted to another entity.

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MISSISSIPPI STATE DEPARTMENT OF HEALTH

**FINANCIAL AUDIT FINDINGS**

April 21, 2023

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

Dear Mr. White:

We have reviewed the audit finding below in reference to the Mississippi State Department of Health 2022 fiscal year financial audit of the Drinking Water Revolving Loan Fund. Listed below is our individual response and plan for corrective action:

**AUDIT FINDING:**

**2022-012**                      Strengthen Controls Over Financial Reporting of the Grant Schedule

Response:                      The Agency concurs with the finding.

Corrective Action:            Additional procedures will be implemented to improve the review process of work performed by staff. In addition, some of the issues were related to cumulative figures that have been carried forward from year to year. Additional procedures will be implemented to review the cumulative amounts for reasonableness.

Name of contact person responsible for corrective action: Sharon Dowdy

Anticipated completion date of corrective action: August 2023

Should you have any questions regarding our response or corrective action plan, please feel free to contact Sharon Dowdy, 601-576-7354.

Sincerely,

*Daniel Edney, MD*  
Daniel P. Edney, MD, FACP, FASAM  
State Health Officer

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**FINANCIAL AUDIT FINDINGS**

February 23, 2023

Hon. Shad White, State Auditor  
Office of the State Auditor  
State of Mississippi  
Post Office Box 956  
Jackson, Mississippi 39205-0956

Dear Auditor White:

Enclosed for your review is the agency's official response to the financial audit finding as defined in the Mississippi Department of Human Services (MDHS) Fiscal Year 2022 Financial Audit Management Report, along with the corrective action plan that is to be implemented.

FINANCIAL AUDIT FINDING:

**2022-007**                      **Strengthen Controls to Ensure Proper Review Processes for Financial Reporting.**

MDHS Response:       MDHS agrees that controls should be strengthened to ensure proper review processes for financial reporting.

Corrective Action Plan:

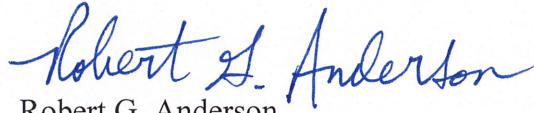
MDHS acknowledges weaknesses in some of its controls regarding the review and submission of its GAAP packet. MDHS implemented new procedures for the review and approval of the Federal Subgrant Activity Schedule in the previous year. MDHS reduced the error rate significantly over the first year. MDHS will continue to strive to reduce errors in reporting and continue to improve upon the established process.

Additionally, MDHS, as an entire agency, is conducting a 360 review of its automated systems and will be looking at this process as part of that review. MDHS hopes to identify areas where automation can help reduce human error and cut down on the manual process being performed currently.

Wayne Carpenter, Deputy Executive Director of Finance and Administration and Samuel Cole, Director of Procurement Services are the responsible parties for implementing the Corrective Action Plan. The anticipated completion date is July 1, 2023.

We appreciate the courtesy and professionalism demonstrated by Emily Mathis and her field audit staff throughout the review. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact Brett Robinson, Director of Internal Audit, at 601-359-4697.

Respectfully,



Robert G. Anderson  
Executive Director

pc: Kameron Harris, Chief Compliance Officer  
Wayne Carpenter, Deputy Executive Director of Finance and Administration  
Patrick Black, General Counsel  
Sandra Griffith, Principal Deputy Executive Director & Inspector General



**SINGLE AUDIT FINDINGS**

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

July 28, 2023

Dear Auditor White:

Enclosed for your review is the agency's official response and corrective action plan to the single audit findings and other findings as outlined in the Mississippi Department of Human Services (MDHS) Fiscal Year 2022 Single Audit Management Report.

**AUDIT FINDINGS:**

**REPORTING**

**ALN Number**            93.558 Temporary Assistance for Needy Families (TANF)  
                                 93.667 Social Services Block Grant (SSBG)  
                                 93.568 Low Income Home Energy Assistance (LIHEAP)  
                                 10.542 and 10.649 Pandemic EBT Benefits  
                                 93.596 and 93.575 Child Care Development Fund (CCDF)

**2022-019**                The Mississippi Department of Human Services Should Strengthen Controls to Ensure Compliance with the Federal Funding and Accountability and Transparency Act (FFATA) Reporting Requirements.

**Response:**              MDHS concurs that controls should be strengthened over FFATA reporting requirements.

**Corrective Action Plan:**

1. Strengthen controls to ensure compliance with FFATA reporting requirements.
  - A. MDHS implemented a process as of January 1, 2023, to ensure that FFATA reporting is being done and verified on a periodic basis. Standard Operating Procedures are under revision as we master this federal system.
  - B. Responsible Parties: Wayne Carpenter, Deputy of Finance and Samuel Cole, Director of Procurement Services
  - C. Anticipated Completion Date: Initial implementation was executed January 1, 2023, with newly issued subgrants. We are in the process of entering

Page 1 of 3



subgrants awarded between July 1, 2022, and December 31, 2022, in an attempt to become current on this fiscal year's reporting requirements.

## SUBRECIPIENT MONITORING

**ALN Number** 93.568 Low Income Home Energy Assistance (LIHEAP)

**2022-018** The Mississippi Department of Human Services Should Strengthen Controls Over Onsite Monitoring for the Low-Income Home Energy Assistance Program (LIHEAP).

**Response:** MDHS Concurs that controls should be strengthened over On-Site monitoring for the LIHEAP Program.

MDHS also concurs with the following specific recommendations of the OSA and incorporates those recommendations as the foundation for the MDHS Corrective Action Plan (CAP) related to this finding.

### Corrective Action Plan:

1. Strengthen controls over the subrecipient monitoring process:
  - A. The Office of Compliance, Division of Monitoring has made significant strides in strengthening controls over the subrecipient monitoring process. The Division continues to review and update the processes and procedures as necessary to ensure processes are adequate and effective. Staff are constantly notified/trained on updates to policies, procedures, and regulations to ensure continued compliance with monitoring the agency's subgrant agreements.
  - B. Responsible Party: Kameron Harris, Chief Compliance Officer, Director of Monitoring, Laketha Gilmore
  - C. Completion Date: This corrective action has been implemented and is ongoing.
2. Ensure subgrants are monitored timely and the Report of Findings is issued in a timely manner:
  - A. The Office of Compliance, Division of Monitoring continues to improve upon the monitoring review process. The Division has implemented timeliness requirements to ensure the Agency's compliance with the monitoring process.
  - B. Responsible Parties: Kameron Harris, Chief Compliance Officer, Director of Monitoring, Laketha Gilmore
  - C. Anticipated Completion Date: This corrective action has been implemented.
3. Maintain all supporting monitoring tools, reports, and correspondence in the monitoring file:



- A. The Division of Monitoring has implemented a quality control measures to ensure all required documentation is included in the monitoring file.
- B. Responsible Parties: Kameron Harris, Chief Compliance Officer, Director of Monitoring, Laketha Gilmore
- C. Anticipated Completion Date: This corrective action has been implemented.

## **SUBRECIPIENT MONITORING**

**ALN Number** 93.558 Temporary Assistance for Needy Families (TANF)  
93.575, 93.596 Child Care Development Fund (CCDF)

**2022-017** Strengthen Controls over Subrecipient Monitoring for the Child Care Development Fund (CCDF) and Temporary Assistance for Needy Families (TANF) Programs to conform with Uniform Guidance.


**Response:** MDHS concurs that it needs to strengthen controls over subrecipient monitoring for the Child Care Development Fund (CCDF) and Temporary Assistance for Needy Families (TANF) programs to conform with Uniform Guidance.

### **Corrective Action Plan:**

1. Please refer to MDHS response in 2022-018 for measures already taken and ongoing by MDHS and all future corrective actions.
2. Responsible Parties: Kameron Harris, Chief Compliance Officer, Director of Monitoring, Laketha Gilmore
3. Anticipated Completion Date: This corrective action has been implemented and is ongoing.

MDHS appreciates the courtesy and professionalism demonstrated by your field staff throughout this audit. Should you have any questions regarding our responses or corrective action plan, please do not hesitate to contact Brett Robinson, Internal Audit Director, at 601-359-4697.

Sincerely,



Robert G. Anderson  
Executive Director

RGA

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## STATE OF MISSISSIPPI

Tate Reeves  
Governor

### MISSISSIPPI DEPARTMENT OF MARINE RESOURCES

Joe Spraggins, Executive Director

#### **FINANCIAL AUDIT FINDINGS**

February 8, 2023

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

Dr. Mr. White:

The Mississippi Department of Marine Resources has received the audit report and findings for the FY22 agency audit. Please find our response below to finding 2022-006 as well as our corrective action plan.

#### AUDIT FINDINGS:

##### **2022-006      AUDIT ADJUSTMENTS**

Response: The Department of Marine Resources recognizes errors in the amount of \$689,497.00. These errors were due to double accruing invoices. Of that amount, \$609,268.00 was due to recording estimates for Tidelands recipient payments as well as recording the actual invoices when we received them causing them to be double accrued. This was caused by Tidelands reallocation of funds to a different project during the lapse period and was a miscommunication between departments. We have put a procedure in place to halt any Tidelands reallocations during the lapse period to prevent this from happening in the future.

The remaining audit adjustments of \$247,681.00 were due to invoices received that were less than the estimated amount recorded as a liability. The estimates made were reasonable for the time frame we are given to complete the GAAP packet for submission to the State. We were unaware that we could continue to make adjustments after our submission if we find differences until we were advised by our agency auditors. In the future we will monitor this and report any errors found to the agency auditors for correction prior to the beginning of the audit testing to minimize any audit adjustments to our estimates.

Corrective Action Plan:

- A. The Department of Marine Resources has put a procedure in place to halt reallocations during the lapse period. We will also monitor incoming invoices after GAAP packet submission and report any errors or differences in estimated accruals found prior to audit testing to prevent further audit adjustments.
- B. Contact: Brandi Busby, Director of Finance at 228-523-4099
- C. Anticipated completion date for corrective action is June 30, 2023.

Sincerely,



Joe Spraggins  
Executive Director  
Mississippi Department of Marine Resources



**STATE OF MISSISSIPPI**  
TATE REEVES, GOVERNOR  
**DEPARTMENT OF PUBLIC SAFETY**  
SEAN J. TINDELL, COMMISSIONER

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

March 20, 2023

Dear Mr. White:

This letter is in response to the audit for fiscal year 2022 prepared by CliftonLarsonAllen LLP.

**AUDIT FINDINGS:**

**2022-001**      Material Weakness in Internal Control over Financial Reporting

Response:      The Department of Public Safety acknowledges this finding.

**Corrective Action Plan:**

- A:              DPS is the process of implementing a written policy which requires the Financial Reporting section to review and reconcile due to and due from balances annually.
- B:              Responsible for implementing the corrective action plan will be the Comptroller
- C:              July 1, 2023

Respectfully,

  
Sean J. Tindell  
Commissioner

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MISSISSIPPI DIVISION OF  
**MEDICAID**

**FINANCIAL AUDIT FINDINGS**

March 8, 2023

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

Dear Mr. White:

We have reviewed the single audit findings below in reference to our fiscal year 2022 audit. Listed below is our response and plan for corrective action.

**AUDIT FINDINGS:**

2022-010 Strengthen Controls Over Financial Reporting and the Schedule of Expenditures of Federal Awards.

**Response:**

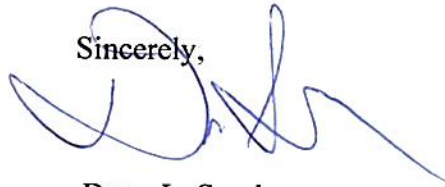
The Division of Medicaid (DOM) does not concur with this finding. While it is true that the expenditures on the Schedule of Expenditures of Federal Awards (SEFA) and in MAGIC did not agree to the CMS-64 report, proper adjustments, that align with instructions provided by the MS Department of Finance and Administration (DFA), were made to correct this issue.

A deposit was not correctly posted in MAGIC by 06/30/2021, so it was accrued in FY2021 through GAAP entries as federal revenue. The entry amount was included in the PMS report in July 2021. However, it was FY2021 federal revenue for a FY2021 expenditure. DOM agrees that the SEFA receipts and MAGIC did not match receipts per PMS, but DOM is not aware of a policy that requires these to match. Additionally, per the DFA MAAP manual, the receipts on the SEFA should agree to the amounts recorded during the fiscal year in account 42100000 in MAGIC. The balance in account 42100000 is \$5,058,075,774.77, which is the amount reported per DOM in the current fiscal year receipts column on the SEFA. The OSA adjusted grant schedule reported \$5,093,308,401, which does not equal account 42100000 as required by DFA.

**Corrective Action Plan:**

- A. Not applicable
- B. Christine Woodberry
- C. Not applicable
- D. DOM followed DFA's instructions to correct the initial error when identified by DOM. As a result, DOM believes no corrective action needed. If new guidance is issued by DFA or OSA, DOM will follow that guidance.

Sincerely,



Drew L. Snyder  
Executive Director





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

**Auditor's note to the Corrective Action Plan from Mississippi Division of Medicaid (MDOM) Management**

**Division of Medicaid *Material Weakness***

**2022-010      Strengthen Controls Over the Preparation and Review of the Schedule of Expenditures of Federal Awards.**

While MDOM states that they do not concur with the finding, in reading the Corrective Action Plan they do concur that the amount needed adjustment because it was materially misstated. The amount per the SEFA agreed with amount per MAGIC; however, both amounts were incorrect and did not agree with the amount reported on the federal report – which was the correct amount. The adjustment, agreed to by MDOM, adjusted the financials to the correct amount. Therefore, the statements made in the finding are accurate.

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MISSISSIPPI DIVISION OF  
**MEDICAID**

SINGLE AUDIT FINDINGS

July 20, 2023

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

Dear Auditor White:

Thank you for providing the Single Audit Findings for the Mississippi Division of Medicaid for our review and response. Our responses are below.

Sincerely,

Drew Snyder  
Executive Director  
Mississippi Division of Medicaid

## AUDIT FINDINGS:

93.767 Children's Health Insurance Program (CHIP)

93.778 Medical Assistance Program (Medicaid; Title XIX)

### Eligibility

2022-025 Strengthen Controls to Ensure Compliance with Eligibility Requirements of the Children's Health Insurance Program (CHIP) and the Medical Assistance Program

#### **DOM Response:**

DOM acknowledges OSA's concern regarding the initial review of case files and the prompt action to select and provide a new sample of cases. Historically, DOM has provided a hardcopy of the actual beneficiary case files to OSA. Since those cases were active, an inventory control process, which included a notation in the electronic beneficiary file of the request to send the physical folder to the central office, was implemented. Likewise, upon arrival in the central office, notation of receipt of the files are added to the system prior to providing said files to the auditor.

Occasionally, there are multiple files depending on the office with whom a beneficiary communicates, and multiple individual files associated with a family case. Additionally, cases in the sample may also be undergoing redetermination. To ensure that OSA has all the documentation needed for their case review, DOM staff reviews the files prior to sending them to central office. If an adverse eligibility determination is discovered, DOM has an obligation to correct at the time of discovery. As such, changes to the files are noted in the case history, which is available to the auditors. DOM will be transitioning to a paperless environment, which should alleviate any concerns during future audits.

#### **Use of Tax Return Resources**

**DOM Does Not Concur.** OSA compared eligibility data to state income tax returns. DOM is prohibited from accessing state income tax records per Mississippi Code Annotated §27-3-73 and currently, does not have access to federal income tax records. DOM maintains that for determining eligibility, it has complied with the CMS-approved state plan. Using the approved CMS MAGI Based Verification plan in effect during the audit time period, the state sought to verify the reported income to the standard of reasonable compatibility, as defined by CMS, through all available electronic data sources.

Further, DOM is required to accept the information provided by the applicant and utilize the available verification methods as detailed in the CMS-approved state plan to evaluate the accuracy of the information provided. If an applicant does not report self-employment income, and the tools available to DOM do not reveal such, DOM has performed its due diligence in the eligibility process and complied with the requirements of CMS, DOM's federal regulatory and oversight agency. OSA questioning DOM's determinations based on information that DOM was

not provided nor have access to is shortsighted and does not align with the federal regulations that are imposed on this agency.

While DOM is only required to use tax return information in certain circumstances, the agency continues to pursue the authority to review state and/or federal tax return information. To date, DOM has not been provided statutory authority to access Mississippi Department of Revenue tax information and is still awaiting IRS approval of the Safeguard Security Risks document. DOM plans to continue to follow the approved federal/state plan for eligibility determinations and will utilize additional resources as they become available.

**One MAGI beneficiary - DOM did not use taxable unearned income reported on tax return**

**DOM Concurs.** The application on file states neither parent has earned income. Although, the unearned income was not included in the initial calculation, adding it did not result in the beneficiary being ineligible.

**One MAGI beneficiary - self-employment income was reported to MDOM, but MDOM did not request a tax return from the beneficiary.**

**DOM Concurs.** The tax return was not requested for this particular beneficiary. This was an oversight, and the issue has been corrected.

**Two of the 180 MAGI beneficiaries - income was not verified through Mississippi Department of Employment Security**

**DOM Concurs.** There were multiple transactions associated with each of the beneficiaries identified. As a result, DOM's eligibility vendor is investigating to determine the reason the MDES search was not performed.

**One of the 180 MAGI beneficiaries - the beneficiary's case file did not contain an application or verification of income.**

**DOM Concurs.** This file could not be located.

**One of the 300 beneficiaries - auditors were unable to verify that any eligibility redeterminations have been performed since 2018.**

**DOM Does not Concur.** A redetermination was not completed prior to the PHE. During the PHE, DOM was not allowed to performed redeterminations, which would have allowed DOM to update this file.

**Nine instances - resources were not verified through AVS at the time of redetermination.**

**DOM Does not Concur.** This is a prior finding from OSA 2021-041. Please note that all redeterminations in question occurred prior to the OSA audit period (FY22) and were suspended due to the public health emergency from March 2020 to June 2023. The eligibility system was

updated in June 2022, after finding 2021-041, to include automatic asset checks within the system processing workflow to eliminate the manual request process and facilitate asset verification through AVS. Again, each instance identified above occurred prior to this implementation. In addition, AVS was checked on the 9 instances OSA cited, which resulted in no change in the eligibility determination.

**One instance - the beneficiary's case file did not contain a current level of care decision.**

**DOM Does not Concur.** DOM disagrees with this finding as redeterminations for the category of eligibility in question were suspended due to the public health emergency from March 2020 to June 2023. The date in question is from July 2021, which falls within this timeframe, and the child would have been eligible regardless.

**Seventy-three beneficiaries were not included on all of the required quarterly Public Assistance Reporting Information System (PARIS) file transmissions for fiscal year 2022. Of the 73 beneficiaries, six beneficiaries were not included on any quarterly PARIS file transmissions during fiscal year 2022.**

**DOM Does not Concur.** Per an amendment to DOM's CMS-approved State Plan, DOM is only required to verify Title XIX applicants and individuals eligible for covered Title XIX services. The above members were covered in Family Planning, which is not considered Title XIX, and did not receive Title XIX services. Therefore, these members should not have been included on any of the PARIS file transmissions.

**DOM Corrective Action Plan:**

- a. All issues identified will be reviewed with regional office staff. Further, examples of these issues will be included in annual training sessions performed by Eligibility. DOM will continue to work with the vendor to ensure that income is verified through MDES, as applicable, and to implement controls that will limit this issue in the future. Further, DOM is implementing an electronic storage system to house all documents associated with applicants/beneficiary files.
- b. Cindy Bradshaw
- c. December 31, 2024

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93.767 Children's Health Insurance Program (CHIP)  
93.778 Medical Assistance Program (Medicaid; Title XIX)

**Reporting**

2022-026 Ensure Compliance with Reporting Requirements of the Children's Health Insurance Program (CHIP) and the Medical Assistance Program

DOM Response:

**DOM Concurs.** DOM identified this issue during reporting of the March 31, 2022 federal expenditures. Per 45 CFR §95.1, DOM has two years (seven quarters following the occurrence of the expenditure) to make adjusting entries to claim additional expenditures.

**DOM Does not Concur.** DOM has fully corrected finding 2021-041 on the Schedule of Prior Year Findings. This finding is based on OSA's belief that DOM should be using state tax data to determine eligibility of applicants. However, DOM does not have statutory authority to access this information. DOM utilizes all available tools, in accordance with the CMS approved state plan, to evaluate the eligibility of applicants; thus, this finding is Fully Corrected as DOM is complying with all CMS regulations and the approved state plan.

Further, DOM performed training and made operational changes for all other issues noted in finding 2021-041. There are internal controls in place to limit the number of errors and annual training is conducted that includes examples of issues noted, along with preventive and corrective solutions. Human error is a part of any manual process and cannot be completely eliminated.

**DOM Corrective Action Plan:**

- a. DOM made adjustments to the costs identified in this audit finding in the June 30, 2023 federal reports. In addition, a reconciliation has been added to the spreadsheets used for reporting of federal expenditures to ensure all expenditures are reported properly going forward.
- b. Christine Woodberry
- c. Completed July 24, 2023

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

**Auditor's note to the Corrective Action Plan from Mississippi Division of Medicaid (MDOM) Management**

**Division of Medicaid – Eligibility - *Material Weakness/Material Noncompliance***

**2022-025      Strengthen Controls to Ensure Compliance with Eligibility Requirements of the Medical Assistance Program and the Children's Health Insurance Program (CHIP)**

This finding is a repeat finding for MDOM since the Fiscal Year 2019 Single Audit. MDOM's State Plan requires the verification of all income for MAGI-based eligibility determinations, and, as stated in the finding, MDOM's Eligibility Policy and Procedure Manual requires the use of an individual's most recent tax return to verify self-employment income. In multiple instances, applicants either misreported self-employment income or failed to report self-employment income. MDOM's failure to adequately capture and verify self-employment income led to 9 instances where individuals who may not have been eligible to receive benefits were awarded benefits. In order to attempt to reduce ineligible individuals from receiving benefits, MDOM should strengthen their controls and perform due diligence to ensure that self-employment income is properly verified. MDOM repeatedly states that they do not have access to state tax return information; however, their own policy states that they will use tax return data to verify self-employment income.

As explained to MDOM by auditors, the questioned costs remained even though MDOM was unable to remove individuals from the program due to COVID-19. The auditor asserts that, if MDOM had performed proper due diligence when initially evaluating these individuals, they may have never been accepted into the program; therefore, the questioned costs remain. The auditor concurs that OSA is not able to know the recipients were actually ineligible; conversely, MDOM is not able to know the recipients are actually eligible due to their own failed compliance with policies. Eligibility for these individuals is, at best, questionable, which is why the payments made are questioned costs.

MDOM did not concur with the section of the finding regarding a redetermination not being performed on one beneficiary since 2018. MDOM asserts that redeterminations could not be performed during the Public Health Emergency (PHE), COVID-19; however, per the auditors' review, the redetermination should have occurred between 2018 and the Public Health Emergency.

MDOM did not concur with the section of the finding regarding nine instances in which the beneficiaries' resources were not verified through Asset Verification System (AVS) at the time of redetermination. Per the MDOM, in June 2022 the eligibility system was updated to include automatic asset checks within the system processing workflow to eliminate the manual request process and facilitate asset verification through AVS. However, the redeterminations that were tested and resulted in the finding were for

redeterminations that occurred prior to implementation of the automatic asset check; and therefore the finding is deemed necessary.

MDOM did not concur with the part of the finding that states one instant in which the beneficiary's case file did not contain the level of care decision. MDOM asserts that due to the PHE, redeterminations were suspended. However, the auditor used the most recent redetermination performed prior to the PHE and the case file did not contain a level of care decision.

Additionally, MDOM stated that they do not concur with the section of the finding regarding six beneficiaries that were not included on the required quarterly Public Assistance Reporting Information System (PARIS) file transmissions for fiscal year 2022. MDOM states that per an amendment to DOM's CMS-approved State Plan, DOM is only required to verify Title XIX applicants and individuals eligible for covered Title XIX services. The above members were covered in Family Planning, which is not considered Title XIX, and did not receive Title XIX services. Therefore, these members should not have been included on any of the PARIS file transmissions. Auditor asserts that per Mississippi Section 1115 Family Planning Medicaid Waiver, expenditures made by Mississippi for the waiver shall be regarded as expenditures under the state's title XIX plan. As such, the beneficiaries should have been included on the PARIS file transmissions.

#### **Division of Medicaid – Reporting - *Immaterial Noncompliance***

##### **2022-026      Ensure Compliance with Reporting Requirements of the Children's Health Insurance Program (CHIP) and the Medicaid Assistance Program.**

MDOM continues to disagree with auditors regarding self-attestation of self-employment income. In MDOM's opinion, the agency has nothing to correct; therefore, they do not concur with the finding related to incorrectly stating the process of prior year findings. However, as long as this finding persists in the audit report, the finding cannot be categorized as "CORRECTED" on the Schedule of Status of Prior Year Findings.



**MISSISSIPPI VETERANS AFFAIRS BOARD**  
OFFICE OF THE EXECUTIVE DIRECTOR  
660 NORTH STREET, SUITE 200  
JACKSON, MISSISSIPPI 39202-3139



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

April 4, 2023

Dear Mr. White:

The Mississippi Veterans Affairs appreciates and thanks your staff for all the assistance and courtesy provided during the audit of this agency. Your recommendations will be incorporated to enhance our internal controls and policies.

**Audit Findings**

1. Strengthen Controls Over the Preparation, Recording, and Review of the Schedule of Expenditures of Federal Awards.

**CFDA Numbers and Program Name**

64.015 Veterans State Nursing Home Care

**Type of Compliance Requirement**

Material Weakness

**Audit Finding Heading**

2022 - 014 Strengthen Controls Over the Preparation, Recording, and Review of the Schedule of Expenditures of Federal Awards.

**Response:** We concur with this finding after receiving clarification from the Department of Finance and Administration and the Office of the State Auditor's.

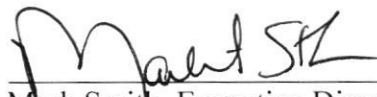
**Corrective Action Plan:**

- A. The Chief Financial Officer will submit all financial data for the GAAP reporting packets and ensure necessary adjustments and corrections are accurately reported.
- B. The Chief Financial Officer will ensure the preparation of reviewing and recording federal award expenditures are maintained and tracked accordingly.
- C. The Mississippi Veterans Affairs Internal Auditor will monitor the Finance Department

internal processes and procedures to implement corrective actions for compliance requirements.

- D. Mississippi Veterans Affairs have begun the process of implementing the corrective action plan for FY23 by submission of journal vouchers entries to code funding source as federal revenue.

Signed:

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

Mark Smith, Executive Director  
Mississippi Veterans Affairs



**MISSISSIPPI VETERANS AFFAIRS BOARD**  
OFFICE OF THE EXECUTIVE DIRECTOR  
660 NORTH STREET, SUITE 200  
JACKSON, MISSISSIPPI 39202-3139



**DEPARTMENT OF VETERANS AFFAIRS  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2022**

The Department of Veterans Affairs respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit period: July 1, 2021-June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**Department of Veterans Affairs**

- 2022-033      Veterans State Nursing Home Care – Assistance Listing No. 64.015  
Recommendation: We recommend that The Department review and enhance procedures over accounting for and reporting federal program expenditure activity. The Department's enhancement to the procedures should strengthen internal controls over the preparation and review of the SEFA to ensure that all grant award information and related expenditures are complete and accurate.  
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.  
Action taken in response to finding: Mississippi Veterans Affairs will submit all financial data for the GAAP reporting packets and ensure necessary adjustments and corrections are accurately reported. The preparation of reviewing and recording federal awards expenditures will be maintained and tracked accordingly. The Mississippi Veterans Affairs Internal Auditor will monitor the Finance Department internal processes and procedures to implement corrective actions for compliance requirements.  
Name(s) of the contact person(s) responsible for corrective action: Demetrice Watts  
Planned completion date for corrective action plan: December 31, 2023

If the State Auditor has questions regarding this plan, please call Demetrice Watts at 601-576-4859 or Edward Williams at 601-576-4862.

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## **FINANCIAL AUDIT FINDINGS**

April 21, 2023

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

Dear Mr. White:

In accordance with your correspondence dated March 22, 2023, the Office of the State Treasurer (OST) is providing the following response for the financial audit finding for the fiscal year ended June 30, 2022.

### **AUDIT FINDINGS:**

#### **Strengthen Controls to Ensure Correct Reports for Equity in Internal Investments are Sent to Department of Finance and Administration to Make the Market Value Adjustment**

**Response:** We concur with this finding and will strengthen controls to ensure correct reports for equity in internal investments are sent to Department of Finance and Administration to make market value adjustments.

#### **Corrective Action Plan:**

- A. OST has strengthened controls to ensure correct reports for equity in internal investments are sent to Department of Finance and Administration to make the market value adjustment. OST has updated internal ACFR instructions noting that upon request of the Earnings Apportionment report as of FY from Department of Finance and Administration, to use the unrealized market value amount "Above/Below" on the Inventory Watermark as the interest amount for the report date requested going forward.





- B. Justin Smith – Director of Investments, Cash Management, & Collateral
- C. July 1, 2023
- D. N/A

Sincerely,

David McRae  
Treasurer  
State of Mississippi



## IV. INDICES





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**STATE OF MISSISSIPPI**

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**INDEX OF FINANCIAL STATEMENT FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2022**

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**FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS (by finding number)**

<b><u>FINDING NUMBER</u></b>	<b><u>PAGE NUMBER</u></b>	<b><u>STATE GRANTEE AGENCY NAME</u></b>
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2022-006	61	Department of Marine Resources
2022-007	59	Department of Human Services
2022-008	48	Department of Corrections
2022-009	51	Department of Education
2022-010	65	Division of Medicaid
2022-011	63	Department of Public Safety
2022-012	57	Department of Health – Drinking Water
2022-013	69	Office of the State Treasurer
2022-014	71	Department of Veteran’s Affairs
2022-015	53	Department of Finance and Administration
2022-016	54	Department of Finance and Administration

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Department of Corrections: Page 163  
Department of Education: Page 165  
Department of Employment Security: Page 175  
Department of Finance and Administration: Page 181  
Department of Health – Drinking Water: Page 189  
Department of Human Services: Page 191  
Department of Marine Resources: Page 197  
Department of Public Safety: Page 199  
Division of Medicaid: Page 201  
Department of Veterans Affairs: Page 213  
Office of the State Treasurer: Page 217

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**STATE OF MISSISSIPPI**

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**INDEX OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
LISTED BY FEDERAL DEPARTMENT  
FOR THE YEAR ENDED JUNE 30, 2022**

---

1. U.S. Department of Agriculture: Page 75
2. U.S. Department of Commerce: None
3. U.S. Department of Defense: None
4. U.S. Department of Housing and Urban Development: None
5. U.S. Department of the Interior: None
6. U.S. Department of Justice: None
7. U.S. Department of Labor: Page 109
8. U.S. Department of Transportation: None
9. U.S. Department of Treasury: Page 121
10. Appalachian Regional Commission: None
11. National Foundation on the Arts and Humanities: None
12. Small Business Administration: None
13. U.S. Department of Veterans Affairs: Page 127
14. Environmental Protection Agency: None
15. U.S. Department of Energy: None
16. U.S. Department of Education: Page 83
17. Gulf Coast Ecosystem Restoration Council: None
18. Election Assistance Commission: None
19. U.S. Department of Health and Human Services: Page 91
20. Corporation for National and Community Service: None
21. Executive Office of the President: None
22. Social Security Administration: None
23. U.S. Department of Homeland Security: None

*Note: Federal Departments are listed in order of their respective numerical Assistance Listing Number.*

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**STATE OF MISSISSIPPI**

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**INDEX OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
LISTED BY STATE GRANTEE AGENCY  
FOR THE YEAR ENDED JUNE 30, 2022**

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1. Agriculture and Commerce: None
2. Animal Health: None
3. Archives and History: None
4. Arts Commission: None
5. Attorney General: None
6. Board for Community and Junior Colleges: None
7. Corrections: None
8. East MS State Hospital: None
9. Education: Pages 75,83
10. Emergency Management: Pages
11. Employment Security: Page 109
12. Environmental Quality: None
13. Finance and Administration: Page 121
14. Forestry Commission: None
15. Governor's Office: None
16. Health: None
17. Human Services: Pages 81, 91
18. Insurance: None
19. Library Commission: None
20. Marine Resources: None
21. Medicaid: Page 97
22. Mental Health: None
23. Military Department: None
24. MS Development Authority: None
25. MS State Hospital: None
26. Oil and Gas Board: None
27. Board of Pharmacy: None
28. Public Safety: None
29. Public Service Commission: None
30. Public Utilities Staff: None
31. Rehabilitation Services: None
32. Secretary of State: None
33. Soil and Water Conservation Commission: None
34. Supreme Court: None
35. Transportation: None
36. Treasury: None
37. Veterans Affairs: Page 127
38. Wildlife, Fisheries and Parks: None

*Note: If findings and recommendations related to an agency appear on more than one page in a sequence, only the first page is indicated in the above reference.*

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**STATE OF MISSISSIPPI**

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**INDEX OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
LISTED BY FINDING NUMBER  
FOR THE YEAR ENDED JUNE 30, 2022**

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<b><u>FINDING NUMBER</u></b>	<b><u>PAGE NUMBER</u></b>	<b><u>STATE GRANTEE AGENCY NAME</u></b>
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2022-018	94	Department of Human Services
2022-019	81; 91	Department of Human Services
2022-020	114	Department of Employment Security
2022-021	109	Department of Employment Security
2022-022	111	Department of Employment Security
2022-023	112	Department of Employment Security
2022-024	116	Department of Employment Security
2022-025	97	Division of Medicaid
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2022-027	75	Department of Education
2022-028	83	Department of Education
2022-029	84	Department of Education
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2022-031	121	Department of Finance and Administration
2022-032	122	Department of Finance and Administration
2022-033	127	Veterans Affairs Board

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**STATE OF MISSISSIPPI**

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**INDEX OF MANAGEMENT RESPONSES TO FEDERAL AWARD FINDINGS  
AND CORRECTIVE ACTION PLANS  
LISTED BY STATE GRANTEE AGENCY  
FOR THE YEAR ENDED JUNE 30, 2022**

---

1. Agriculture and Commerce: None
2. Animal Health: None
3. Archives and History: None
4. Arts Commission: None
5. Attorney General: None
6. Board for Community and Junior Colleges: None
7. Corrections: None
8. East MS State Hospital: None
9. Education: Page 167
10. Emergency Management: None
11. Employment Security: Page 175
12. Environmental Quality: None
13. Finance and Administration: Page 185
14. Forestry Commission: None
15. Governor's Office: None
16. Health: None
17. Human Services: Page 193
18. Insurance: None
19. Library Commission: None
20. Marine Resources: None
21. Medicaid: Page 205
22. Mental Health: None
23. Military Department: None
24. Mississippi Development Authority: None
25. MS State Hospital: None
26. Oil and Gas Board: None
27. Board of Pharmacy: None
28. Public Safety: None
29. Public Service Commission: None
30. Public Utilities Staff: None
31. Rehabilitation Services: None
32. Secretary of State: None
33. Soil and Water Conservation Commission: None
34. Supreme Court: None
35. Transportation: None
36. Treasury: None
37. Veterans Affairs: Page 215
38. Wildlife, Fisheries and Parks: None

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## **V. ACKNOWLEDGMENTS**





## **ACKNOWLEDGMENTS**

### **REPORT PREPARED BY:**

**Shad White, State Auditor**  
**Stephanie C. Palmertree, CPA, CFE, CGMA, Deputy State Auditor**  
**Jason K. Ashley, Deputy Director, Financial and Compliance Audit Division**  
**Angela Mire, CPA, CFE, Director, Agency Audit Section**

Many thanks to the following managers, supervisors and field staff of the Office of the State Auditor for their efforts in gathering information contained in this Single Audit Report:

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LaDonna Johnson, CISA

#### **Quality Assurance Staff**

Leigh Taylor, CPA – Director  
Kylie Joiner, CPA  
Na Venator, CPA

We would also like to thank staff members of the Office of Financial Reporting, Department of Finance and Administration for their assistance through compilation of the Schedule of Expenditures of Federal Awards.

Special thanks to the Administrative Staff of the Financial and Compliance Division who tirelessly support us during our audits.

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Mississippi Office of the State Auditor  
Shad White