

WAYNE COUNTY SCHOOL DISTRICT MISSISSIPPI

COMPLIANCE REPORT

LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT

For the year ended *June 30, 2023*

SHAD WHITE, CFE
State Auditor

Charlotte L. Duckworth
Director, *Compliance Audit Division*





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

June 24, 2024

Limited Internal Control and Compliance Review Management Report

Wayne County School District
810 Chickasawhay Street
Waynesboro, MS 39367

Dear Wayne County School Board:

Enclosed for your review are the Limited Internal Control and Compliance Review Findings for the **Wayne County School District** for the fiscal year **2023**. In these findings, the Auditor's Office recommends the **Wayne County School District**:

1. Strengthen Internal Controls and Ensure Compliance with State Law Regarding Budget Approval and Procedures;
2. Strengthen Internal Controls and Ensure Compliance with State Law Regarding Sixteenth Section Deposits, Taxes, and Lease Payments;
3. Ensure Compliance with State Law Regarding Board Member Ethics;
4. Ensure Compliance with State Law Regarding Monthly Financial Reports;
5. Ensure Compliance with State Law Regarding Credit Card Documentation and Membership Card Justification;
6. Ensure Compliance with State Law Regarding Statements of Economic Interest;
7. Ensure Compliance with State Law Regarding Certified Employees' Background Checks;
8. Ensure Compliance with State Law Regarding Reemployment of Rehired Public Employees; and
9. Ensure Compliance with State Law Regarding Surety Bonds.

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

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

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

Sincerely,

A handwritten signature in blue ink, reading "Charlotte L. Duckworth".

CHARLOTTE L. DUCKWORTH
Director, *Compliance Audit*
Office of the State Auditor

The Office of the State Auditor has completed its limited internal control and compliance review of the **Wayne County School District** for the year ended **June 30, 2023**.

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

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

We identified certain deficiencies in internal control over financial reporting that we consider to be *deficiencies* in internal control. These matters are noted under the headings **OTHER DEFICIENCIES**.

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

Terms used in this Report.

OSA – Office of the State Auditor

AGO – Attorney General's Office

DFA – Department of Finance and Administration

PERS – Public Employees Retirement System of Mississippi

COSO – *The Internal Control-Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission*

WCSD – Wayne County School District

Section – *Mississippi Code Annotated (1972)*

Opinion – Mississippi Ethics Commission

OTHER DEFICIENCIES AND INSTANCES OF NONCOMPLIANCE WITH STATE LAW

Finding 1: The District Should Strengthen Internal Controls and Ensure Compliance with State Law Regarding Budget Approval and Procedures.

Internal Control Deficiency: The *COSO* specifies that a satisfactory control environment is only effective when there are adequate control activities in place. Good internal controls require the School Board establishes priorities for the financial management of the District, reviews and approves all presented budgets, and assures expenditures for the District fund are within the legal requirements of the approved budget.

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

Finding Detail: During the review of the District's budgets, the auditor noted the following exceptions:

- The District's actual expenditures for Fund 2311 (Title V Rural & Low Income) exceeded budgeted expenditures in the amount of **\$1,574**;
- On August 10, 2022, the Board approved the original budget for fiscal year 2023 that included the following 18 funds projecting a negative fund balance at year-end:
 - Special Education Fund (1130) – **(\$53,989)**;
 - Sixteenth Section Shared Township Fund (1842) – **(\$1,370,000)**;
 - Extended School Year Fund (2090) – **(\$9,286)**;
 - Title I-A Basic Fund (2211) – **(\$171,610)**;
 - SIG 1003g Fund (2240) – **(\$261,081)**;
 - Administrative Cost Pool Fund (2290) – **(\$211,975)**;
 - Title V Rural & Low Income Fund (2311) – **(\$3,091)**;
 - Title II Effective Instruction Fund (2511) – **(\$23,496)**;
 - Equity In Distance Learning Fund (2592) – **(\$892,113)**;
 - MS Pandemic Response Broadband Availability Fund (2593) – **(\$15,926)**;
 - ESSER II Fund (2594) – **(\$187,395)**;
 - CTE ESSER CFDA No 84 Fund (2597) – **(\$983)**;
 - ARP ESSER III Fund (2598) – **(\$34,383)**;
 - IDEA Part B ARP 611 Fund (2599) – **(\$16,650)**;
 - IDEA Part B Preschool ARP 619 Fund (2600) – **(\$3,870)**;
 - EHA Part B 2000 FY Fund (2610) – **(\$179,483)**;
 - Title IV Part A – Student Support & Academic Enrichment Fund (2811) – **(\$9,334)**; and
 - Debt Service Fund Bancorp Fund (4021) – **(\$118,783)**.
- On September 25, 2023, the Board approved the amended budget for fiscal year 2023 that included the following four funds projecting a negative fund balance at year-end:
 - Title I-A Basic Fund (2211) – **(\$9,928)**;
 - Sig 1003g Fund (2240) – **(\$2,009)**;
 - EHA Part B 2000 FY Fund (2610) – **(\$269,090)**; and
 - EHA Preschool 2000 FY Fund (2620) – **(\$28,621)**.

The actual fund balances at June 30, 2023 were not negative; however, the approval of the fund budgets with ending deficit fund balances could result in noncompliance with State Law.

Recommendation: We recommend the District strengthen internal controls and ensure compliance by implementing sound budgeting practices that will prevent projected negative fund balances from being presented to the School Board. A thorough review of such budgets should be made prior to presentation to the Board for approval.

District's Response: The District's financial software did reflect Title V exceeded the budgeted expenditures by the amount of **\$1,574**, but the actual amount requested from MCAPS did not exceed what was allowed to be drawn down. This error occurred due to a coding mistake. The District as part of internal control procedures, will constantly review coding to insure budgeted amounts are reflected correctly in the school's financial software system. The budget for fiscal year 2023 did show negative balances on the original budget. This error occurred by mistake and will be corrected in the future by having the budget reviewed by a second party prior to being submitted for Board approval. The amended budget reviewed by a second party prior to being submitted for Board approval. The amended budget was rebalanced accordingly in order to take care of the negative balances but somehow didn't rebalance these four funds. This error also will be corrected in the future by having the budget reviewed by a second party prior to being submitted for the Board approval. This procedure will strengthen our internal control procedures over the budgeting process.

Repeat Finding: No.

Finding 2: The District Should Strengthen Internal Controls and Ensure Compliance Regarding Sixteenth Section Deposits, Taxes, and Lease Payments.

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

Applicable State Law: *Section 27-35-71*, “All school lands known as the sixteenth sections, reserved for the use of schools, or lands reserved or granted in lieu of or as a substitute for the sixteenth sections, shall be liable, after the same shall have been leased, to be taxed as other lands are taxed during the continuance of the lease; but in case of sale thereof for taxes, only the title of the lessee or his assignee shall pass by the sale.” In addition, the standard lease agreement used by the district between the lessee and lessor states, “Lessee shall pay all taxes levied, if any, on said property on time to prevent default.”

Section 29-3-57, “Upon a sixty (60) day default in payment of any rentals according to the terms of such lease, the lease shall be declared terminated unless the Board of Education finds extenuating circumstances were present, and the Board shall inaugurate the proper legal proceedings to terminate such lease.”

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

- Two lease payments were not deposited in a timely manner;
- Two leases’ taxes were not current; however, the lease agreements were not terminated totaling, **\$1,023**; and
- Four lease payments were more than 60 days late; however, the lease agreements were not terminated.

Failure to have adequate internal controls over sixteenth section land lease agreements resulted in noncompliance with State Law.

Recommendation: We recommend the District strengthen internal controls and ensure compliance by making sure all lease payments are made within 60 days, taxes are paid by February 1st, and receipts are deposited in a timely manner as required by State Law.

District’s Response: The District is currently reevaluating internal control procedures over the 16th section lease program. The intent is to ensure that all leases are paid on time and that all taxes are paid at the Tax Assessor’s office in a timely manner. We will monitor the situation in order to ensure that the policies and procedures are being followed.

Repeat Finding: No.

INSTANCES OF NONCOMPLIANCE WITH STATE LAW

Finding 3: The District Should Ensure Compliance with State Law Regarding Board Member Ethics.

Applicable State Law: *Section 25-4-105(1)*, “No public servant shall use his official position to obtain, or attempt to obtain, pecuniary benefit for himself other than that compensation provided for by law, or to obtain, or attempt to obtain, pecuniary benefit for any relative or any business with which he is associated.”

Applicable Administrative Decisions and Guidance: *Opinion 10-014-E* states, in part, that a Board Member should avoid participating in budget matters which do not directly affect the relatives but from which the relative may indirectly benefit. The Board Member would not be required to recuse himself or herself from the approval of budgets where the relative is a licensed employee of the school district whose salary is set by the Mississippi Department of Education and the District has not supplemented that employee's salary, or provided other discretionary salary or benefits to the relative. When possible, a school board may separate the budget into parts and vote on parts separately, even when such separation is not necessary to maintain a quorum. The guiding requirement is that a board member must recuse from actions which would result in a monetary benefit to the Board Member's relative. Therefore, a school trustee who's financially independent child is employed by the school district as a certified teacher may vote on the adoption of a budget, provided that all local salary or other supplemental benefits are excluded from the budget as voted upon and acted upon separately by the other trustees, even when such separation is not so required to obtain a quorum. Additionally, the Board Member may not use his or her position to avoid a monetary detriment to his or her relative, such as termination or unpaid furlough. There should be a total and complete recusal the Board Member in matters of relatives described in *Section 25-4-103(q)*. This action should be spread upon the District's minutes.

Finding Detail: During the review of the District's Board minutes and related party questionnaires, the auditor noted that one Board Member voted on the Amended Budget, Original Budget and Salary Schedule for fiscal year 2023 that directly benefited their son and daughter-in-law, both certified teachers.

Failure to ensure the Board Member was not recused from the vote of the 2022-2023 salary schedules and budgets resulted in a noncompliance with State Law and regulations.

Recommendation: We recommend the District ensure compliance by assuring all personnel procedures are in compliance with State Law and regulations. Additionally, this matter will be forwarded to the Mississippi Ethics Commission.

District's Response: The Wayne County School District will review and strengthen internal controls with the help of the School Board attorney to ensure that the School Board members abide by *Mississippi Code 25-4-103(q)* nepotism when voting on budgets and salary schedules.

Repeat Finding: No.

Finding 4: The District Should Ensure Compliance with State Law Regarding Monthly Financial Reports.

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

Applicable Administrative Guidance: *Mississippi State Board of Education Policy Manual, Chapter 71, Rule 71.3, "Required Monthly Reports to be Furnished to Local School Board* provides:

1. The State Board of Education is directed by *Miss. Code Ann. §37-9-18* to promulgate rules and regulations concerning the type of financial reports required to be submitted by the superintendent of schools to the local school board, and the frequency with which the reports shall be submitted. At a minimum, the superintendent of schools shall furnish to the local school board the following required financial reports each month at the regular school board meeting:
 - a. Reconciled Bank Statements...
 - b. Statement of Revenues and Expenditures ...
 - c. Current Budget Status...
 - d. Cash Flow Statement by Month...
 - e. Combined Balance Sheet ...

OR

f. Current Fund Equity Balances...”

Finding Detail: During the review of the District’s financial reports, the auditor noted that a complete set of monthly financial reports were not presented to the School Board for fiscal year 2023.

Failure to comply with the financial reporting requirements resulted in noncompliance with State Law and regulations.

Recommendation: We recommend the District ensure compliance by assuring an accurate and complete set of financial reports are submitted to the Board each month as required by State Law.

District’s Response: The Wayne County School District Financial Statements were currently kept in a separate board minute file after being approved by the Board. The School District will correct this issue by spreading the Financial Statements approved by the School Board in the official minute book.

Repeat Finding: No.

Finding 5: The District Should Ensure Compliance with State Law Regarding Credit Card Documentation and Membership Card Justification.

Applicable Administrative Guidance: *Mississippi Procurement Manual, Chapter 10, 10.112.04, Merchant – Specific Credit Card Minimum Requirements*, states, “Upon receipt of the monthly statement, the cardholder shall review all charges to assure accuracy, complete applicable dispute documents, reconcile the statement with copies of receipts and order logs, and approve and sign the statement... The appropriate agency official shall maintain a file with the statements and all applicable receipts and dispute documents.”

Mississippi Procurement Manual, Chapter 10, 10.112.05, Membership Club Cards, states, “Membership card fee’s such as Sam’s club cards, are allowed but should be justified by the agency or governing authority to show that the anticipated savings using the card would exceed the cost of the card fee. This justification should be maintained on file with the government entity. Each subsequent year, the government entity shall document actual saving for the previous year which substantiate the cost of the card. This would not mean documenting saving on each and every purchase but enough documentation to substantiate adequate saving to justify the expense of the card.”

Finding Detail: During the review of the District’s procurement cards, the auditor noted the following exception:

- There was no evidence of ten Fuelman charge slips; therefore, OSA could not compare the charges to the fuel statements; and
- The Board did not approve nor have on file the justification of its membership club card (Sam’s).

Failure to maintain on file documentation of card purchases and the justification for the use of a Sam’s card resulted in noncompliance with State Law.

Recommendation: We recommend the District ensure compliance by implementing adequate policies and procedures concerning its credit card use, as required State Law.

District’s Response: The District will review internal controls in order to ensure that all charge slips in addition to the charge information provided by the vendor is attached to the fuel statement and contained in one file.

Repeat Finding: No.

Finding 6: The District Should Ensure Compliance with State Law Regarding Statements of Economic Interest.

Applicable State Law: *Section 25-4-25(b)*, “Each of the following individuals shall file a statement of economic interest with the commission in accordance with the provisions of this chapter: (b) Members of local school boards that administer public funds, regardless of whether such members are elected or appointed.”

Section 25-4-29(1) provides in part: “Required statements hereunder shall be filed as follows: a) Every incumbent public official required...to file a statement of economic interest shall file such statement with the commission on or before May 1 of each year that such official holds office, regardless of duration...2) Any person who fails to file a statement of economic interest within thirty (30) days of the date of the statement is due shall be deemed delinquent by the commission...a fine of Fifty Dollars (\$50.00) per day, not to exceed a total fine of One Thousand Dollars (\$1,000.00) shall be assessed against the delinquent filer for each day thereafter in which the statement of economic interest is not properly filed. The commission shall enroll such assessment as a civil judgment with the circuit clerk in the delinquent filer’s county of residence...”

Finding Detail: During the review of the District’s Statements of Economic Interest, the auditor noted two Board members did not file a Statement of Economic Interest by May 1, 2023.

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

Recommendation: We recommend the District ensure compliance by ensuring Board members file a Statement of Economic Interest annually, no later than May 1st of each year that such official holds office, regardless of the duration, as required by State Law.

District’s Response: The Wayne County School District will require that School Board members complete the Statement of Economic Interest before May 1st of each year that such official holds office regardless of the duration. This will be discussed at each board meeting starting in January until all have completed the Statement.

Repeat Finding: No.

Finding 7: The District Should Ensure Compliance with State Law Regarding Certified Employees’ Background Checks.

Applicable State Law: *Section 37-9-17(2)*, “Current criminal records background checks and current child abuse registry checks are obtained, and that such criminal record information and registry checks are on file for any new hires applying for employment as a licensed or non-licensed employee at a school and not previously employed in such school under the purview of the State Board or at such local school district prior to July 1, 2000.”

Applicable Administrative Guidance: *MDEAMSD, Section B, Miscellaneous Issues, Personnel Files*, “There shall be individual personnel files in the school district central office, which include contracts, support documentation of experience awarded, support documentation of licensure, wage authorizations, federal and state withholding authorizations, and other deduction information. Individual personnel files shall stand alone to support payroll checks issued to individuals. School districts, as well as private firms under contract to provide substitute teachers to school districts, are required to conduct criminal records background and child abuse registry checks on all licensed and non-licensed employees hired after June 30, 2000.”

Finding Detail: During the review of the District’s personnel files, the auditor noted ten certified employees did not have background checks documented within their personnel files.

Failure to obtain and maintain background checks of all new hires could result in a wrongful hire of an individual and resulted in noncompliance with State Law.

Recommendation: We recommend the District ensure compliance by assuring criminal background checks are obtained and maintained in the personnel files of its employees, as required by State Law.

District's Response: The Wayne County School District will strengthen controls by reviewing all employee files to ensure that all required documentation is contained in the file. Check list will be incorporated with this procedure to ensure completeness.

Repeat Finding: No.

Finding 8: The District Should Ensure Compliance with State Law Regarding Reemployment of Rehired Public Employees.

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

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

Finding Detail: During the review of the District's PERS Form 4Bs, the auditor noted the following exceptions:

- Five PERS Form 4Bs did not have evidence of the retirement date;
- Five PERS Form 4Bs did not have evidence of rehire dates;
- Five PERS Form 4Bs did not have evidence of being filed with PERS; and
- Three retirees were paid more than the amount allowed by PERS, totaling **\$3,577**.

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

Recommendation: We recommend the District ensure compliance by properly paying employees, completing, and filing Form 4Bs with PERS, as required by State Law.

District's Response: The District has reevaluated procedures and internal controls to ensure retirees who are reemployed with the School District are properly paid the correct amount. Also, that all forms are completed, correctly and submitted in a manner that is within the established time frame.

Repeat Finding: No.

Finding 9: The District Should Ensure Compliance with State Law Regarding Surety Bonds.

School Board Policy: *Section D, Fiscal Management, Policy DH, Bonded Employees and Board Members*, provides that security personnel be bonded in accordance to *Mississippi Code Section 37-7-321* and that all public officer or employees that handle or have custody of public funds shall be bonded no less than \$25,000.

Applicable State Law: *Section 25-1-12(1)*, "Notwithstanding any other provision of law to the contrary, any public officer or employee handling or having the custody of public funds, by virtue of his or her office or employment, shall give an individual bond or be covered by a blanket bond. The amount of such bonds shall not be less than Twenty-five Thousand

Dollars (\$25,000.00) for each public officer or employee, unless a specific amount is otherwise required by law. The provisions of this section shall not apply to any public officer or employee whose activity of handling or having custody of public funds is incidental to his or her employment or job duties, as defined by the regulations of the State Auditor's office."

Section 37-6-15(1)(2), "(1) Before entering upon the discharge of the duties of his office, each member of the school board shall give a surety bond in the penal sum of Fifty Thousand Dollars (\$50,000), with sufficient surety, to be payable, conditioned and approved in the manner provided by law. (2) The school board may execute a blanket bond for each school district official and employee (including school business managers and any other employee who receipts and/or disburses school district funds) in the penalty of Fifty Thousand Dollars (\$50,000), unless a different penalty is prescribed by statute, to be payable, conditioned and approved in the manner provided by law. The premium on said bond shall be paid out of the school district maintenance fund."

Section 37-7-321(1), "The school board of any school district within the State of Mississippi, in its discretion, may employ one or more persons as security personnel and may designate such persons as peace officers in or on any property operated for school purposes by such board upon their taking such oath and making such bond as required of a constable of the county in which the school district is situated."

Section 37-9-31, "All school principals and attendance center principals shall furnish good and sufficient surety bonds in like manner as required of superintendents. The amount of such bonds shall be not less than Fifty Thousand Dollars (\$50,000.00), with sufficient surety. The premium upon said bond shall be paid from the maintenance funds of the district served by such principal. Such bond shall be payable, conditioned and approved in the manner provided by law. All such bonds shall be filed and recorded in the office of the clerk of the chancery court of the county in which the school district is located."

Section 37-39-21, "The purchasing agent of any school board, before entering upon his official duties in such capacity, shall furnish a good and sufficient surety bond in the penal sum of Fifty Thousand Dollars (\$50,000.00), with sufficient surety. Such bonds shall be payable, conditioned and approved in the manner provided by law, and shall be filed and recorded in the office of the clerk of the chancery court in which the school district is located. The premium on said bond shall be paid out of the school district(s) maintenance fund(s)."

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

- The following employees' bonds were continuation certificates; instead of official surety bonds:
 - Ten financial secretaries/bookkeeper;
 - Eight Security Resource Officers;
 - Seven Purchase Agents,
 - Six Principals;
 - Two Board Members;
 - One Assistant Superintendent; and
 - Business Manager.
- The District did not make a finding upon its Boards minutes that the following employees jobs handling of cash is incidental to his or her employment. That it would be an occasional, not regularly occurring handling of funds and they do not require bonds:
 - Six Cafeteria Managers;
 - Eight Cafeteria Cashiers; and
 - 269 Certified Teachers that work as gatekeepers.
- Two Security Resource Officers were not bonded for fiscal year 2023; however, the District's policy states all security personnel should be bonded in accordance with *Section 37-7-321*.

A “continuation certificate” is a document that extends the life of the original surety bond. A continuation certificate only covers the current bonding period rather than both the current and previous periods. In the event of fraud or misappropriation of funds, having continuation certificates instead of new bonds could limit the amount available for recovery if the loss occurred over multiple terms.

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

Recommendation: We recommend the District ensure compliance by making sure all employees are properly and sufficiently bonded, as required by State Law. Additionally, the Board should ensure employees are bonded according to Board – approved policies.

District’s Response: The District had already addressed this issue. The bond continuation will be eliminated and all bonds will be renewed annually. All Cafeteria managers and Cafeteria cashiers are now bonded and will be renewed annually as well. Current School Board policy has been updated in order to cover the handling of cash by those whom it is considered to be incidental to his or her employment.

Repeat Finding: No.

End of Report