

**OFFICE OF EDUCATIONAL ACCOUNTABILITY**  
**Summary of State Board of Education Agenda Items**  
**Consent Agenda**  
**November 10, 2016**

**OFFICE OF EDUCATIONAL ACCOUNTABILITY**

- L. Modify contract with CliftonLarsonAllen LLP to conduct the FY 2016 and FY 2017 financial audit and Single Audit of the Mississippi Department of Education as directed by the Office of the State Auditor

Awarded Vendor: CliftonLarsonAllen LLP  
Minneapolis, Minnesota

Scope of Project: The purpose of this contract modification is to increase the contract cost to allow the contractor to audit four additional federal programs during FY 2016 as directed by the Office of the State Auditor.

Scope of Contract:

- Term of Current Contract: September 23, 2016 – September 22, 2018
- Cost of Current Contract: \$197,930
- Modification Increase: \$96,000
- Total Cost of Modified Contract: \$293,930
- Method of Award: Request for Proposals

Funding Source: State funds

Recommendation: Approval

Back-up material attached



**STATE OF MISSISSIPPI**  
**OFFICE OF THE STATE AUDITOR**  
**STACEY E. PICKERING**  
STATE AUDITOR

**RECEIVED**  
OCT 14 2016  
MS DEPT. OF EDUCATION  
EDUCATIONAL ACCOUNTABILITY

October 11, 2016

Todd Ivey, Deputy State Superintendent for Operations  
Mississippi Department of Education  
P.O. Box 771  
Jackson, MS 39205

Dear Mr. Ivey:

The Office of the State Auditor (OSA) has reviewed the documentation provided by your office on September 21, 2016 and the information provided to your auditor, CliftonLarsonAllen, LLP. This documentation was in response to our inquiry dated August 30, 2016.

After reviewing this information, we have determined that the underlying cause of the error in the over allocation of *CFDA # 84.287 – Twenty-First Century Community Learning Centers* funds and unallowable reimbursement from *CFDA # 84.013 – Title 1 State Agency Program for Neglected and Delinquent Children and Youth* were due to internal control deficiencies, either in their design or implementation.

Due to the centralized oversight of federal grants by MDE's Office of Federal Programs (OFP), OSA must consider these internal control deficiencies to be pervasive, and must consider the likelihood that additional federal programs have also been affected. Therefore, we have re-evaluated the programs selected for audit in fiscal year ended June 30, 2016 and have increased the scope of our audit to include the following programs:

- 1) 84.010 – Title 1 Grants to Local Educational Agencies
- 2) 84.027/84.713 – Special Education Cluster
- 3) 84.048 – Career and Technical Education – Basic Grants to States
- 4) 84.287 – Twenty-First Century Community Learning Centers
- 5) 84.367 – Improving Teacher Quality State Grants

These five additional programs will need to be audited for fiscal year 2016 in conjunction with your financial audit for inclusion in the Comprehensive Annual Financial Report (CAFR) and the existing federal programs previously selected for audit. Please communicate these additions, as soon as possible, to your independent accounting firm engaged to perform these audits.

Sincerely,

Stephanie Palmertree, CPA, CGMA  
Director of Financial and Compliance Audit

cc: Sonya Amis, CPA - Deputy State Superintendent of MDE  
Brad Feaster, CPA - Director of Internal Audit of MDE  
William A. Early, Jr., CPA – Principal of CliftonLarsonAllen, LLP  
Donna Parmegiani, CPA - Director of Agency Audit, OSA