



STATE OF MISSISSIPPI
Phil Bryant, Governor
DEPARTMENT OF HUMAN SERVICES
Richard A. Berry
Executive Director

February 22, 2013

CERTIFIED MAIL

Mr. Brad Sellers, County Administrator
Madison County Board of Supervisors
Post Office Box 608
Canton, Mississippi 39046

REFERENCE: FFY 2011 TANF Subgrant # 641WL11A

Dear Mr. Sellers:

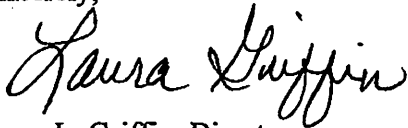
The Office of Monitoring has reviewed your response dated February 8, 2013. The response did not include adequate documentation to clear all monetary findings. We consider your response to be your complete and final response. Therefore, this letter is considered our **final decision**.

Your refund of \$1,279.89 must be submitted immediately or, if you wish to contest the final decision, you may request a hearing with Richard A. Berry, Executive Director, Mississippi Department of Human Services (MDHS) within thirty (30) days of receipt of this letter. Failure to respond or resolve these findings may result in you and your organization being ineligible from receiving funds from MDHS.

In compliance with the MDHS Subgrantee Hearing Procedures Policy in Section 13 of the MDHS Subgrantee/Contract Manual, the hearing must be requested within (30) days, no later than Friday, April 5, 2013.

If further information is needed, please contact J. Win Girod, Director of the Office of Monitoring, at 601-359-4931 or you may reach me at 601-359-4908.

Sincerely,

A handwritten signature in cursive script that reads "Laura L. Griffin".

Laura L. Griffin, Director
Division of Program Integrity

LLG:JWG:MR

Attachment

pc: James MacCarone, Director
Division of Youth Services

Earl Scales, Special Assistant Attorney General
Office of the Attorney General

**MDHS, OFFICE OF MONITORING
FINAL REPORT OF FINDINGS AND RECOMMENDATIONS
FROM MONITORING CONDUCTED JANUARY 17 - 18, 2012 OF
THE FFY 2011 TANF SUBGRANT # 641WL11A FUNDED BY
THE DIVISION OF YOUTH SERVICES
AT MADISON COUNTY BOARD OF SUPERVISORS**

ADMINISTRATIVE AND FISCAL:

Finding 1: The subgrantee did not submit the cost reporting worksheet for the month of July by the tenth calendar day of the following month.

Questioned Costs: \$0

Status:

This finding has been administratively cleared. The cost reporting worksheet for the month of July was not submitted by the August 10, 2011 because it was not generated by MDHS until August 12, 2011.

Finding 2: The cumulative costs indicated on the reporting worksheet submitted for the month ended October 31, 2011, were not based upon costs recorded in the accounting records; therefore, the cost reporting worksheet were not completed correctly. Furthermore, the contractual, fringe benefits, and commodities cost categories were under reported. The contractual services cost category was under reported.

Questioned Costs: \$0.00

Status:

The response is acceptable and the finding is cleared. The subgrantee submitted a statement acknowledging the error and implemented procedures to ensure that cost reporting worksheet is completed accurately.

Finding 3: The subgrantee did not follow procedures to ensure that each expense paid from the subgrant was authorized in the budget of the subgrant charged with the expense.

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Date	Check #	Payer	Expense	Amount Disallowed
07-01-2011	EFT	Guardian	Fringe(Vision)	\$32.57
08-01-2011	EFT	Guardian	Fringe(Vision)	\$32.57
09-01-2011	EFT	Guardian	Fringe(Vision)	\$32.57
10-01-2011	EFT	Guardian	Fringe(Vision)	\$32.57
			TOTAL	\$130.28

Questioned Costs: \$58.37 (\$730.28 - \$671.91 cleared)

Status:

This response is partially acceptable and the finding is partially cleared. The Cost Reporting Worksheet ending 10-31-2011 provided verification that the subgrant was not charged for Brierfield Insurance (\$100.00) and Fairland (\$500.00). The subgrantee provided additional accounting records to calculate true unallowable charges for vision insurance. To clear this finding, refund the questioned costs by check or money order payable to Treasurer, State of MS and submit with the response to this report.

Finding 4: The subgrantee did not have effective control over and accountability for all subgrant funds, property, and other assets.

Date	Check #	Payer	Expense	Amount Disallowed
<u>08-22-2011</u>	<u>142083</u>	<u>MS Dept of Human Services</u>	<u>Contractual</u>	<u>\$2,303.82</u>
			TOTAL	\$2,303.82

Questioned Costs: \$0.00

Status:

The response is acceptable and the finding is cleared. The subgrantee provided documentation to show the amount was not charged to the subgrant.

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Finding 5: The subgrantee did not provide adequate documentation to support the subgrantee's financial claims. The subgrantee did not provide current approved salary for Avis Stringer.

<u>Check Date</u>	<u>Employee Name</u>	<u>Expense</u>	<u>Amount Charged</u>	<u>Amount Disallowed</u>
<u>07-29-2011</u>	<u>Avis Stringer</u>	<u>Salary</u>	<u>\$3,250.00</u>	<u>\$3,250.00</u>
<u>08-31-2011</u>	<u>Avis Stringer</u>	<u>Salary</u>	<u>\$3,750.00</u>	<u>\$3,750.00</u>
<u>09-30-2011</u>	<u>Avis Stringer</u>	<u>Salary</u>	<u>\$3,750.00</u>	<u>\$3,750.00</u>
<u>10-31-2011</u>	<u>Avis Stringer</u>	<u>Salary</u>	<u>\$3,750.00</u>	<u>\$3,750.00</u>
			<u>FICA-7.65%</u>	<u>\$1,109.25</u>
			<u>Retirement-12%</u>	<u>\$1,740.00</u>
			<u>Health Insurance</u>	<u>\$370.24</u>
			<u>Dental</u>	<u>\$18.80</u>
			<u>Unemployment-2.5%</u>	<u>\$362.50</u>
			<u>TOTAL</u>	<u>\$18,100.79</u>

Questioned Costs: \$0.00 (\$18,100.79 cleared)

Status:

The response is acceptable and the finding is cleared. The subgrantee submitted the salary verification for Avis Stringer.

Finding 6: The subgrantee did not have procedures for determining that the cost is allowable and that it may be allocated to an activity. The subgrantee overcharged Avis Stringer's salary.

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Date	Employee Name	Budgeted Amount	Amount Charged	Amount Disallowed
08-31-2011	Avis Stringer	\$3,416.66	\$3,750.00	\$333.34
09-30-2011	Avis Stringer	\$3,416.66	\$3,750.00	\$333.34
10-31-2011	Avis Stringer	\$3,416.66	\$3,750.00	\$333.34
			FICA-7.65%	\$76.50
			Retirement-12%	\$120.00
			Unemployment-2.5%	\$25.00
			TOTAL	\$1,221.52

Questioned Costs: \$1,221.52

Status:

The response is not acceptable and the finding is not cleared. The subgrantee submitted general journal data entry showing \$500 of Avis Stringer's salary per pay period is being charged to another source, but did not provide a general ledger showing adjustments made along with the adjusted cost reporting worksheet. To clear this finding, refund the questioned costs by check or money order payable to Treasurer, State of MS and submit with the response to this report.

Finding 7: The subgrantee did not have procedures for determining that the cost is allowable and that it may be allocated to an activity. The subgrantee overcharged the Fringe Benefits cost category.

Date	Payee	Expense	Amount Budgeted	Amount Billed	Amount Charged	Difference Disallowed
07-26-2011	Blue Cross/Blue Shield	Medical	\$185.12	\$252.46	\$729.61	\$544.49
07-26-2011	Guardian	Dental	\$9.40	\$9.40	\$49.82	\$40.42
08-29-2011	Blue Cross/Blue Shield	Medical	\$185.12	\$252.46	\$791.06	\$605.94

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Date	Payee	Expense	Amount Budgeted	Amount Billed	Amount Charged	Difference Disallowed
08-29-2011	Guardian	Dental	\$9.40	\$9.40	\$54.02	\$44.62
09-28-2011	Blue Cross/Blue Shield	Medical	\$185.12	\$252.46	\$862.26	\$677.14
09-28-2011	Guardian	Dental	\$9.40	\$9.40	\$54.02	\$44.62
10-27-2011	Blue Cross/Blue Shield	Medical	\$185.12	\$252.46	\$1,364.62	\$1,179.50
10-27-2011	Guardian	Dental	\$9.40	\$9.40	\$85.49	\$76.09
					TOTAL	\$3,212.82

Questioned Costs: \$0.00

Status:

The response is acceptable and the finding is cleared. The subgrantee provided additional accounting records to track actual charges to the grant, pooling and payment of medical and dental expenses.

PROGRAMMATIC:

Finding 8: The subgrantee did not provide adequate documentation to support the subgrantee's financial claims. The subgrantee did not provide current approved salary for Avis Stringer.

Questioned Costs: \$0.00

Status:

The response is acceptable and the finding is cleared. The subgrantee submitted the salary verification for Avis Stringer.