



STATE OF MISSISSIPPI
Phil Bryant, Governor
DEPARTMENT OF HUMAN SERVICES
John Davis
Executive Director

February 4, 2016

CERTIFIED MAIL

Mr. Mark Houston, County Administrator
Madison County Board of Supervisors
P.O. Box 608
Canton, MS 39046

REFERENCE: FFY 2015 SSBG Agreement # 6006186/6006187
FFY 2015 TANF Agreement # 6004466/6004468

Dear Mr. Houston:

The Mississippi Department of Human Services (MDHS) is required to monitor the activities of its subgrantees by following the Single Audit Act Amendments of 1996, the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the OMB Circular A-133 Compliance Supplement. MDHS must monitor each project, program, subgrant, function, or activity supported by a Federal award to assure compliance with applicable Federal regulations and that performance goals are achieved.

Our procedures and tests cannot and do not provide absolute assurance that all federal legal requirements have been met. In accordance with MDHS Subgrantee/Contract Manual Revised July 2012 and its addendums 1-5, the Office of Monitoring and/or the Office of Investigative Audit, when deemed necessary, may conduct additional procedures and tests of transactions for past, present or future reporting time periods to ensure compliance with legal requirements.

On September 24, 2015 LaKenya Evans from the Mississippi Department of Human Services, Division of Program Integrity - Office of Monitoring performed a monitoring review of fiscal and programmatic operations of the subgrants referenced above. The finding that resulted from this monitoring review is contained in the attached Initial Report of Findings and Recommendations. Please note that the report identifies questioned costs totaling \$1,975.68.

A response that includes corrective actions taken to clear the findings should be forwarded to the Division of Program Integrity - Office of Monitoring, Post Office Box 352, Jackson, Mississippi 39205-0352 within fifteen (15) working days, no later than Monday, February 29, 2016. Should you need additional information, please contact the Monitoring Supervisor, Laketha Gilmore, at 601-359-4946 or you may reach me at 601-359-4931.

Sincerely,



J. Win Girod, Director
Office of Monitoring

JWG:lg

Attachment

pc: James MacCarone, Director
Division of Youth Services

Andrew Friday, Director
Finance and Administration
Division of Youth Services

**MISSISSIPPI DEPARTMENT OF HUMAN SERVICES
INITIAL MONITORING REPORT**

Subgrantee: Madison County Board of Supervisors
P.O. Box 608
Canton, MS 39046

Subgrant Number(s): 6006186/6006187
6004466/6004468

Funding Year/Source: FFY 2015 SSBG
FFY 2015 TANF

MDHS Division/Office: Division of Youth Services

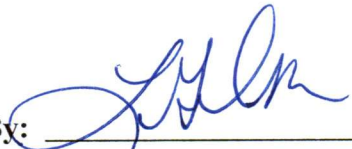
Effective Date(s): October 1, 2014 - September 30, 2015
April 1, 2015 - September 30, 2015

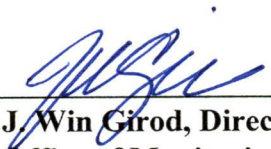
Date(s) Monitored: September 24-29, 2015

Monitor(s): LaKenya Evans

Subgrantee Personnel Attending Entrance Conference:
Shelton Vance - Comptroller

Subgrantee Personnel Attending Exit Conference:
Shelton Vance - Comptroller
Mark Houston - County Administrator

Reviewed By:  _____ **Date:** 2/4/16
Monitoring Supervisor

Approved By:  _____ **Date:** 2.4.2016
J. Win Girod, Director
Office of Monitoring

**MDHS, OFFICE OF MONITORING
 INITIAL REPORT OF FINDINGS AND RECOMMENDATIONS
 FROM MONITORING CONDUCTED OF SEPTEMBER 24-29, 2015
 THE FFY 2015 SSBG & 2015 TANF AGREEMENTS #
 6006186/6006187 & 6004466/6004468
 FUNDED BY THE DIVISION OF YOUTH SERVICES
 AT MADISON COUNTY BOARD OF SUPERVISORS**

FISCAL AND ADMINISTRATIVE:

Agreement # 6006186 & 6004466/6004468

There were no significant findings noted during this review.

Agreement # 6006187

Finding1:

The subgrantee did not determine that the cost charged was allowable and that it may be allocated to an activity. The subgrantee overcharged travel for the AERC program.

Agreement #	Date	Expense	Payee	Amount Budgeted	Amount Charged	Amount Disallowed
6006187	General Ledger 7/21/2015	Travel - Lodging	Holiday Inn Express	\$720.00	\$1,128.48	\$408.48
6006187	General Ledger 7/23/2015	Travel - Meals	Multiple	\$369.00	\$765.00	\$396.00
Total						\$804.48

Questioned Cost: \$804.48

Reference:

The MDHS Subgrantee/Contract Manual, Financial Management, Section 5, page 28, states, "The applicable federal regulations require that subgrantees, and any lower-tier subrecipients, have in place, prior to the receipt of funds, a financial management system that will provide:..

- Procedures to ensure that the cost is allowable and that it may be allocated to an activity."

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Corrective Action Required:

To clear this finding, refund the questioned costs by the check or money order payable to Treasurer, State of MS and submit with the response to this report.

Agreement # 6006187

Finding 2:

The subgrantee did not ensure that each expense paid from a subgrant was authorized in the budget of the subgrant charged with the expense. The subgrantee charged travel and training to Administrative cost that were not budgeted for Ulessiah Johnson.

Agreement #	Date	Expense	Payee	Amount Budgeted	Amount Charged	Amount Disallowed
6006187	General Ledger 7/23/2015	Travel	Ulessiah Johnson	\$0.00	\$255.00	\$255.00
6006187	General Ledger 8/18/2015	Travel	Ulessiah Johnson/ Bankcard Center	\$0.00	\$2,013.00	\$671.20
6006187	General Ledger 8/18/2015	Training	Ulessiah Johnson/ Bankcard Center	\$0.00	\$1,500.00	\$500.00
Total						\$1,426.20

Questioned Cost: \$1,171.20

(\$1,426.20 - \$255.00 including in Finding 1)

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Reference:

The MDHS Subgrantee/Contract Manual, Financial Management, Section 5, page 1, states, “The applicable federal regulations require that subgrantees, and any lower-tier subrecipients, have in place, prior to the receipt of funds, a financial management system that will provide:...

- Procedures to ensure that each expense paid from a subgrant was authorized in the budget of the subgrant charged with the expense;”

Corrective Action Required:

To clear this finding, refund the questioned costs by the check or money order payable to Treasurer, State of MS and submit with the response to this report.

PROGRAMMATIC:

Agreement # 6006186/6006187 & 6004466/6004468

There were no adverse programmatic findings noted during this review.