

JACKSON PUBLIC SCHOOL DISTRICT

**Audited Financial Statements
For the Year Ended June 30, 2023**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

**Superintendent and School Board
Jackson Public School District**

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Public School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Jackson Public School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Public School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Jackson Public School District and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jackson Public School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Real there due may ty th

information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Jackson Public School District

**Jackson Public School District
Management's Discussion and Analysis
For the Year Ended June 30, 2023**

The Statement of Net Position presents information on all the District's nonfiduciary assets, deferred outflows, liabilities, and deferred inflows, with the differences between them reported as "net position." Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial position is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the

**Jackson Public School District
Management's Discussion and Analysis**

**Jackson Public School District
Management's Discussion and Analysis
For the Year Ended June 30, 2023**

**Jackson Public School District
Management's Discussion and Analysis
For the Year Ended June 30, 2023**

The following are significant current year transactions that have had an impact on the Statement of Net Position:

- § Decrease in net capital assets in the amount of \$2,266,081, including lease and SBITA assets.
- § The principal retirement of \$21,279,155 of long term debt, including lease and SBITA liabilities.
- § Incurred SBITA liabilities totaling \$2,280,157.

The District's total revenues for the fiscal years ended June 30, 2023 and June 30, 2022 were \$311,126,015 and \$276,687,986, respectively. The total cost of all programs and services was \$296,708,596 for 2023 and \$260,266,658 for 2022.

Table 2 presents a summary of the changes in net position for the fiscal years ended June 30, 2023 and June 30, 2022.

Program revenues:			
Charges for services	\$ 2,705,412	\$ 2,227,135	21.47 %
Operating grants and contributions	112,054,351	73,600,621	52.25 %
General revenues:			
Property taxes	92,211,073	94,237,770	(2.15) %
Grants and contributions not restricted	100,789,155	104,166,973	(3.24) %
Investment earnings	884,125	102,201	765.08 %
Sixteenth section sources	656,389	1,088,629	(39.70) %
Other	1,825,510	1,264,657	44.35 %
	<hr/>	<hr/>	
Instruction	131,893,352	119,787,204	10.11 %
Support services	120,496,831	117,002,329	2.99 %
Noninstructional	14,059,632	12,867,964	9.26 %
Sixteenth section	55,242	60,815	(9.16) %
Pension expense	26,367,214	5,145,019	412.48 %
OPEB expense	(2,616,343)	(1,672,769)	(56.41) %
Interest on long term liabilities	6,452,668	7,076,095	(8.81) %
	<hr/>	<hr/>	
			5.59 %
			6.07 %
	<hr/>	<hr/>	

The following table presents the cost of seven major District functional activities: instruction, support services, noninstructional, sixteenth section, pension expense, OPEB expense and interest on long term liabilities. The table also shows each functional activity's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). TQ o Ú he%

**Jackson Public School District
Management's Discussion and Analysis
For the Year Ended June 30, 2023**

Instruction		\$	131,893,352	\$	119,787,204	1011 %	
Support services			120,496,831	\$	117,002,329	299 %	
Noninstructional	M		14,059,632		12,867,968	926 %	
Sixteenth section			5,242		60,815	(916) %	
Pension Expense			26,367,214		5,145,019	41248 %	
OPEB Expense			(2,616,324)		(1,672,768)	(5641) %	
Interest on long-term liabilities			6,452,668		7,076,085	(881) %	(916) %
					7,076,085		

**Jackson Public School District
Management's Discussion and Analysis
For the Year Ended June 30, 2023**

At June 30, 2023, the District had \$159,875,058 in outstanding long term debt, of which \$20,543,674 is due within one year. During the fiscal year, the District made principal payments totaling \$21,279,155 on outstanding long term debt. The liability for compensated absences decreased \$740,752 from the prior year.

General obligation bonds payable	\$	10,575,000	\$	12,490,000	(15.3) %
Special obligation bonds payable		109,955,000		121,860,000	(9.7) %

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FINANCIAL STATEMENTS

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	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 53,802,987
Due from other governments	26,737,257
Other receivables, net	2,819,286
Lease receivable	9,245,407
Inventories	1,522,619
Restricted assets	18,844,802
Capital assets, non depreciable:	
Land	6,780,059
Capital assets, net of accumulated depreciation	
Buildings	144,160,302
Improvements other than buildings	12,408,299
Mobile equipment	5,784,577
Furniture and equipment	1,488,982
Leased assets	708,755
Subscription IT assets	827,260
Total Assets	<u>285,145,582</u>
Deferred outflows - advance refunding of debt	7,014,461
Deferred outflows - pensions	60,327,328
Deferred outflows - OPEB	2,956,147
Total Deferred Outflows of Resources	<u>70,297,936</u>
Accounts payable and accrued liabilities	22,164,890
Interest payable on long term liabilities	808,918
Long term liabilities, due within one year:	
Capital related liabilities	14,046,420
Non capital related liabilities	5,488,131
Lease liabilities	723,136
SBIA liabilities	275,987
Net OPEB liability	682,473
Long term liabilities, due beyond one year:	
Capital related liabilities	56,850,989
Capital related bond premiums	13,587,865
Non capital related liabilities	68,724,480
SBIA liabilities	168,050
Net pension liability	404,843,746
Net OPEB liability	13,871,291
Total Liabilities	<u>602,241,376</u>
Deferred inflows - pensions	15,077,744
Deferred inflows - OPEB	9,680,877
Deferred inflows - leases	9,178,055
Total Deferred Inflows of Resources	<u>33,936,676</u>
Net investment in capital assets	93,557,401
Restricted for:	
Expendable:	
School based activities	21,104,307
Debt service	20,389,424
Forestry improvements	39,830
Unemployment benefits	1,797,788
Non expendable:	
Sixteenth section	299,713
Unrestricted	(417,872,997)
Total Net Position	<u>\$ (280,674,534)</u>

The notes to the financial statements are an integral part of this statement.





Child	ARP	Other	Total
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\$ 81,659,408

1. Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Land	\$ 6,780,059
Buildings	248,050,971
Improvements other than buildings	39,419,085
Mobile equipment	17,820,524
Furniture and equipment	16,601,873
Leased assets and subscription based IT assets, net	1,531,015

	General Fund	Child Nutrition Fund	ESSER II Fund	ARP ESSER III Fund	Other Governmental Funds	Total Governmental Funds
Local sources	\$ 69,861,087	\$ 380,343	-	-	\$ 25,837,802	\$ 96,019,182
Intermediate sources	-	-	-	-	20,000	20,000
State sources	110,724,114	131,187	-	-	10,173,966	121,029,267
Federal sources	91,472	17,161,574	16,153,652	19,430,865	39,015,121	91,852,714
Sixteenth section sources	1,001,146	-	-	-	-	1,001,146
Total Revenues	181,677,799	17,613,104	16,153,652	19,430,865	75,046,886	309,922,306
Instruction	103,295,068	-	6,084,333	5,424,591	23,280,781	146,084,763
Support services	72,881,068	863,214	8,638,084	12,664,568	33,309,287	128,346,141
Noninstructional services	83,360	13,066,618	-	-	1,987,825	15,127,803
Sixteenth section	55,242	-	-	-	-	55,242
Debt service:						
Principal	2,232,982	117,400	-	-	18,928,823	21,279,155
Interest	363,422	6,647	-	-	6,673,921	7,043,990
Other	11,750	-	-	-	14,750	26,500
Total Expenditures	181,922,832	14,033,859	14,722,357	18,089,139	89,195,387	317,963,594
Excess (Deficiency) of Revenues over (under) Expenditures	(245,033)	3,579,225	1,431,295	1,341,726	(14,148,501)	(8,041,289)
SEITA issued	1,863,602	-	-	-	366,555	2,230,157
Insurance recovery	563,378	-	-	-	637,331	1,200,709
Payments held by escrow agent	-	-	-	-	1,044,596	1,044,596
Payment to QSCB debt escrow agent	(1,044,596)	-	-	-	-	(1,044,596)
Sale of transportation equipment	25,000	-	-	-	-	25,000
Sale of other property	600	-	-	-	-	600
Operating transfers in	4,032,985	-	-	-	6,342,674	10,375,659
Operating transfers out	(3,555,478)	(800,000)	(1,431,295)	(1,341,726)	(3,147,130)	(10,375,659)
Other financing uses	-	-	-	-	(7,094)	(7,094)
Total Other Financing Sources (Uses)	1,868,491	(800,000)	(1,431,295)	(1,341,726)	5,266,932	(7,094)





	<u>Private Purpose Trust Funds</u>
Interest on investments	\$ 170
Contributions and donations from private sources	46,388
Total Additions	<u>46,558</u>
Educational media services	67,949
Total Deductions	<u>67,949</u>
Net increase (decrease) in fiduciary net position	<u>(21,386)</u>
Net position- Beginning	<u>68,885</u>
Net position- Ending	<u><u>\$ 47,509</u></u>

The notes to the financial statements are an integral part of this statement.

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JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
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Fund Financial Statements - Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other governmental funds.

The school district reports the following major governmental funds:

General Fund - This is the school district's primary operating fund. The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Child Nutrition Fund - This is a special revenue fund that accounts for local, state and federal sources received and expenditures incurred related to the District's Child Nutrition program.

ESSER II Fund - This is a special revenue fund that accounts for federal sources received and expenditures incurred related to the District's Elementary and Secondary School Emergency Relief (ESSER) Fund.

ARP ESSER III Fund - This is a special revenue fund that accounts for federal sources received and expenditures incurred related to the American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER) III Fund.

All other governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

The school district also reports fiduciary funds which focus on net position and changes in net

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting as are the Fiduciary Fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred or economic asset used, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Property taxes, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual.

Ad valorem property taxes are levied by the governing authority of the city on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs and then general revenues.

The effect of inter-fund activity has been eliminated from the government-wide statements.

Revenues from the Mississippi Adequate Education Program are appropriated on a fiscal year basis and are recorded at the time the revenues are received from the State of Mississippi.

The account classifications used in the financial statements conform to the broad classifications recommended in: *Governmental Accounting and Financial Reporting Manual*, 2012 by the Government Finance Officers Association and are consistent with the broad classifications recommended in: *Governmental Accounting and Financial Reporting Manual*, 2012 by the U.S. Department of Education.

JACKSON PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements

For Year Ended June 30, 2023

5 Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable debt statutes, e.g. Qualified School Construction Bond sinking funds. Also, the nonexpendable portion of the Permanent Fund, if applicable, is classified as restricted assets because the 16th Section Principal fund is not available for use by the district except as provided for under state statute for loans from this fund. In addition, unspent proceeds from the issuance of long term debt reported as cash and cash equivalents, cash with fiscal agents, and/or investments in a Capital Projects Fund is classified as restricted assets because the funds are to be spent for specific purposes outlined in resolutions approved by the board, bond documentation, etc.

6 Capital Assets

Capital assets include land, improvements to land, easements, water rights, timber rights, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the thresholds in the table below.

Capital acquisition and construction are reflected as expenditures in the Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is calculated on the straight line basis for all assets, except land.

The following schedule details the capitalization thresholds:

	<u>Capitalization Policy</u>	<u>Estimated Useful Life</u>
Land	\$ 0	0
Buildings		

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

5ggj bYXZbXVUUbWY includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Superintendent and the Chief Financial Officer pursuant to authorization established by the School District's approved fund balance policy.

I bggj bYXZbXVUUbWY is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the District's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

It is the goal of the District to achieve and maintain an unassigned fund balance in the general fund at fiscal year end of not less than 7% of revenues.

15 Accounting Standards Update

GASB 96 Subscription Based Information Technology Arrangements, was implemented during the 2023 fiscal year. Prior to the issuance of this statement there was no accounting or financial reporting guidance specifically for SBITAs. The purposes of the standard is to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, reliability, relevance, and consistency of information about SBITAs.

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits are imposed by statutes as follows:

Deposits. The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

Cash and Cash Equivalents

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds and fiduciary funds was \$62,337,428 (which includes \$299,713 of certificates of deposit with original maturities beyond three months and reported on the Balance Sheet as cash) and \$51,837, respectively.

71 g e X U 7 f Y X F g ! 8 Y d g g " Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district. As of June 30, 2023, none of the district's deposits are insured by the FDIC. As of June 30, 2023, the district has no deposits with financial institutions that are not insured by the FDIC.

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Other governmental funds	\$ 3,595,478
Child Nutrition Fund	General Fund	860,000
ESSER II Fund	General Fund	1,431,295
ARP ESSER III Fund	General Fund	1,341,756
Other governmental funds	General Fund	399,984
	Other governmental funds	2,747,196
Total		\$ 10,375,659

Operating transfers were primarily for the following: the funding of daily operations and routine activities of funds other than School District Maintenance, indirect cost transfers, transfers to cover vocational and special education expenditures, food service transfers, administrative cost pool transfers, and other routine operating transfers.

The restricted assets represent the cash balance totaling \$299,713 of the Sixteenth Section Principal Fund (Permanent Fund) which is legally restricted and may not be used for purposes that support the district's programs. In addition, the restricted assets represent the cash with fiscal agent balance totaling \$10,338,966 of the QSCB Bond Retirement Fund. Also, the restricted assets include the cash and cash equivalents and cash with fiscal agent balances totaling \$7,882,912 and \$271,058, respectively, of the GO Bond Construction 2018 Fund. In addition, the restricted assets represent the cash balance of the 2020 Refinance Capital Improvements Fund totaling \$620 and the Limited Tax Note 2017A Capital Projects Fund totaling \$51,533 resulting from unspent proceeds of long term debt at fiscal year end. Total restricted assets reported on the Statement of Net Position are \$18,844,802.

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

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Notes to the Financial Statements
For Year Ended June 30, 2023

A summary of lease and subscription II asset activity during the year ended June 30, 2023 is as follows:

	Balance 7/1/2022	Additions	Remeasuments	Deductions	Balance 6/30/2023
<u>Lease assets:</u>					
Furniture and equipment	2,111,267				2,111,267

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The lease term includes the noncancellable period of the lease plus any additional periods covered by either a school district or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain to not be exercised. Periods in which both the school district

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest	Total
2024	\$ 275,987	\$ 10,381	\$ 286,368
2025	127,287	4,066	131,353
2026	20,126	1,034	21,160
2027	20,637	523	21,160
Total	\$ 444,037	\$ 16,004	\$ 460,041

The following is a summary of changes in long-term liabilities and other obligations for governmental activities:

	Balance 7/1/2022	Additions	Reductions	Balance 6/30/2023	Amounts due within one year
A. General obligation bonds payable	\$ 12,490,000	\$	\$ 1,915,000	\$ 10,575,000	\$ 2,000,000
B. Special obligation bonds payable	121,860,000		11,905,000	109,955,000	12,520,000
C. Three mill notes payable	9,785,000		4,150,000	5,635,000	4,340,000
D. Installment purchases loans payable	2,663,653		771,244	1,892,409	601,420
E. Qualified school construction bonds payable	15,400,000			15,400,000	-
F. Compensated absences payable	2,403,363		740,752	1,662,611	83,131
Subtotal	\$ 164,602,016	- \$	\$ 19,481,996	\$ 145,120,020	\$ 19,544,551
Add Bond premium	15,791,944		2,204,079	13,587,865	
Total	\$ 180,393,960	- \$	\$ 21,686,075	\$ 158,707,885	

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The following is a schedule by years of the total payments due on this debt:

1. General obligation bonds, Series 2012A issued on January 15, 2013

Year-Ending June 30	Principal	Interest	Total
2024	\$ 1,745,000	\$ 87,250	\$ 1,832,250
Total	\$ 1,745,000	\$ 87,250	\$ 1,832,250

This debt will be retired from the General Obligation Series 2012A Refunding Debt Service Fund

2. General obligation refunding bonds, Series 2020 issued on November 19, 2020

Year-Ending June 30	Principal	Interest	Total
2024	\$ 255,000	\$ 141,280	\$ 396,280
2025	2,095,000	137,200	2,232,200
2026	2,125,000	103,680	2,228,680
2027	2,160,000	69,680	2,229,680
2028	2,195,000	35,120	2,230,120
Total	\$ 8,830,000	\$ 486,960	\$ 9,316,960

This debt will be retired from the General Obligation Series 2020 Refunding Debt Service Fund

Total general obligation bond payments for all issues:

Year-Ending June 30	Principal	Interest	Total
2024	\$ 2,000,000	\$ 228,530	\$ 2,228,530
2025	2,095,000	137,200	2,232,200
2026	2,125,000	103,680	2,228,680
2027	2,160,000	69,680	2,229,680
2028	2,195,000	35,120	2,230,120
Total	\$ 10,575,000	\$ 574,210	\$ 11,149,210

The amount of bonded indebtedness that can be incurred by the school district is limited by

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

Total special obligation bonds payments for all issues:

Year Ending June 30	Principal	Interest	Total
2024	\$ 12,520,000	\$ 5,389,900	\$ 17,909,900
2025	13,160,000	4,760,900	17,920,900
2026	13,845,000	4,099,650	17,944,650
2027	14,480,000	3,404,025	17,884,025
2028	12,560,000	2,676,025	15,236,025
2029- 2033	16,980,000	8,574,250	25,554,250
2034- 2038	21,480,000	4,012,250	25,492,250
2039	4,970,000	130,463	5,100,463
Total	\$ 109,955,000	\$ 33,047,463	\$ 143,002,463

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

2 Limited taxnotes, Series 2017, issued on August 18, 2017:

Year Ending June 30	Principal	Interest	Total
2024	\$ 225,000	\$ 32,513	257,513
2025	235,000	27,200	262,200
2026	245,000	21,656	266,656
2027	260,000	15,823	275,823
2028	270,000	9,702	279,702
2029	285,000	3,292	288,292
Total	\$ 1,520,000	\$ 110,186	1,630,186

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The following is a schedule by years of the total payments due on this debt:
1. Installment purchase loan issued on September 19, 2013:

Year Ending June 30	Principal	Interest	Total
2024	\$ 192,687	\$ 4,297	\$ 196,984
Total	\$ 192,687	\$ 4,297	\$ 196,984

This debt will be retired from the Lunchroom Fund and EEF Buildings and Buses Fund (Special Revenue Funds).

2. Installment purchase loan issued on July 26, 2017:

Year Ending June 30	Principal	Interest	Total
2024	\$ 408,733	\$ 41,233	\$ 449,966
2025	419,316	30,630	449,966
2026	430,235	19,731	449,966
2027	\$ 440,438	\$ 9,569	449,968
Total	\$ 1,698,722	101,163	1,800,000

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

For the year ended June 30, 2023, the District recognized pension expense of \$26,367,214. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Differences between expected and actual experience	\$	2,958,088	\$	
Net difference between projected and actual earnings on pension plan investments		18,639,779		
Changes of assumptions		14,607,862		
Changes in proportion and differences between District contributions and proportionate share of contributions				15,077,744
District contributions subsequent to the measurement date		24,121,594		
Total	\$	60,327,323	\$	15,077,744

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The most recent target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	%	<u>Long-Term Expected Real Rate of Return</u>	%
Domestic Equity	25.00	%	4.60	%
International Equity	2.00		4.50	
Global Equity	12.00		4.85	
Fixed Income	18.00		1.40	
Real Estate	10.00		3.65	
Private Equity	10.00		6.00	
Private Infrastructure	2.00		4.00	
Private Credit	2.00		4.00	
Cash Equivalents	1.00		(0.10)	
Total	100	%		

8/20/2023. The discount rate used to measure the total pension liability was 7.55 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current contribution rate (17.40%). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of approximately \$1.1 billion as of 8/20/2023.

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

For the year ended June 30, 2023, the District recognized OPEB expense of (\$2,616,343). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Differences between expected and actual experience	\$	12,052	\$	6,305,290
Changes of assumptions		2,269,894		1,347,485
Net difference between projected and actual earnings on OPEB plan investments		1,004		
Changes in proportion and differences between District contributions and proportionate share of contributions				1,968,102
District contributions subsequent to the measurement date		673,197		
Total	\$	2,956,147	\$	9,620,877

JACKSON PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements

For Year Ended June 30, 2023

5. OPEB Liability The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following key actuarial assumptions and other inputs:

Inflation	2.40 percent
Salary increases	2.65 - 17.90 percent, including wage inflation
Municipal Bond Index Rate	
Measurement Date	3.37%
Prior Measurement Date	2.13%
Year FNP is projected to be depleted	
Measurement Date	2022
Prior Measurement Date	2021
Single Equivalent Interest Rate, net of OPEB plan investment expense, including inflation	
Measurement Date	3.37%
Prior Measurement Date	2.13%
Health Care Cost Trends	
Medicare Supplement Claims	7.00% for 2023 decreasing to an ultimate rate of 4.50% by 2029 FYE
Pre-Medicare	

Mortality rates for service retirees were based on the Pub.S.H2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates for disability retirees were based on the Pub.G.H2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants is $\text{y} \times 1.31$

JACKSON PUBLIC SCHOOL DISTRICT

Notes to the Financial Statements

For Year Ended June 30, 2023

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.37 percent) or 1-percentage point higher (4.37 percent) than the current discount rate:

	1% Decrease (2.37%)	Current Discount Rate (3.37%)	1% Increase (4.37%)
Net OPEB liability	\$ 16,082,760	\$ 14,553,764	\$ 13,283,318

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB liability	\$ 13,541,230	\$ 14,553,764	\$ 15,693,230

Detailed information about the OPEB plan's fiduciary net position is available in a separately issued report that can be found at [_____](#)

A summary of significant Net Position Fund Balance adjustments is as follows:

Exhibit B- Statement of Activities

<u>Explanation</u>	<u>Amount</u>
To correct prior year overstatement of liabilities	\$ 1,205,009
Total	\$ 1,205,009

Exhibit D- Statement of Revenues, Expenditures and Changes in Fund Balances

<u>Fund</u>	<u>Explanation</u>	<u>Amount</u>
General Fund	To correct prior year overstatement of liabilities	\$ 1,205,009
Total		\$ 1,205,009

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

Federal Grants – The school district 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 the grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowances resulting from the grantor audit may become a liability of the school district.

Litigation – The school district is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the school district with respect to the various proceedings. However, the school district's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the school district.

The school district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Section 1521 of the American Recovery and Reinvestment Act (ARRA) of 2009 provides for a source of capital at no or a nominal interest rates for costs incurred by certain public schools in connection with the construction, rehabilitation or repair of a public school facility or for the acquisition of land where a school will be built. Investors receive Federal income tax credits at prescribed tax credit rates in lieu of interest, which essentially allows state and local governments to borrow without incurring interest costs. While Qualified School Construction Bonds (QSCBs) „ n.B ° ter° s t cq b interior M

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Financial Statements
For Year Ended June 30, 2023

The Jackson Public School District received \$1,203,709 in insurance loss recoveries during the fiscal year related to various damages to property. In the government wide Statement of Activities, the insurance loss recoveries were reported as charges for services and were allocated to the support services expense function.

REQUIRED SUPPLEMENTARY INFORMATION

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	Original	Final	Actual (GAAP Basis)	Original to Final	Final to Actual
Local sources	\$ 75,73681				





District's proportion of the net pension liability	1.966823%	2.051981%	2.086222%	2.160332%	2.213511%	2.279106%	2.357943%	2.357337%	2.310335%
District's proportionate share of the net pension liability	\$ 40,843,746	\$ 30,284,369	\$ 40,674,749	\$ 38,045,022	\$ 38,172,643	\$ 37,894,640	\$ 42,187,498	\$ 36,433,367	\$ 280,000,000



Contractually required contribution	24,121,594	23,560,001	23,739,266	24,159,867	22,159,763	22,263,234	23,030,463	23,757,819	23,197,754
Contributions in relation to the contractually required contribution	\$ 24,121,594	\$ 23,560,001	\$ 23,739,266	\$ 24,159,867	22,159,763	22,263,234	23,030,463	23,757,819	23,197,754
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
Districts covered payroll	138,629,851	135,402,305	136,432,563	138,849,925	140,666,908	141,353,867	146,225,162	150,843,295	147,287,327
Contributions as a percentage of covered payroll	17.40%	17.40%	17.40%	17.40%	15.73%	15.73%	15.73%	15.73%	15.73%

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented in FYE 6/30/2015, and until a full 10 year trend is compiled, the District has only presented information for the years in which information is available.

Districts proportion of the net OPEB liability	%	29539730	30191986	316547216	325962800	334822000	335842700
Districts proportionate share of the net OPEB liability	\$	14,553,764	19,434,043	24,633,968	27,659,284	25,900,156	26,350,519
Districts covered employee payroll		145,157,046	143,538,716	152,555,372	149,272,252	151,437,714	150,884,889
Districts proportionate share of the net OPEB liability as a percentage of its covered employee payroll							



Actuarially determined contribution	\$	673,197	593,098	781,123	982,398	1,108,669	1,123,362
Contributions in relation to the actuarially determined contribution	\$	673,197	593,098	781,123	982,398	1,108,669	1,123,362
Contribution deficiency (excess)	\$	-	-	-	-	-	-

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Required Supplementary Information
For Year Ended June 30, 2023

Budgetary Comparison Schedule

(1) Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

(2) Budget Amendments and Revisions

The budget is adopted by the school board and filed with the taxing authority. Amendments can be made on the approval of the school board. By statute, final budget revisions must be approved on or before October 15. A budgetary comparison is presented for the General Fund and each major Special Revenue Fund consistent with accounting principles generally accepted in the United States of America.

Pension Schedules

(1) 7/1/15 to 6/30/15

2015

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.

The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

2016

The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

2017

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.

The wage inflation assumption was reduced from 3.75% to 3.25%.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Required Supplementary Information
For Year Ended June 30, 2023

2019

The expectation of retired life mortality was changed to the Pub. S. H2010(B) Retiree Table with the following adjustments: for males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119; for females, 85% of the female rates from ages 18 to 65 scaled up to 102% for

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Required Supplementary Information
For Year Ended June 30, 2023

(2) 7\Ub[Yg[b WbZ\ndfcj lgcbg

2016

Effective July 1, 2016 the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

(3) A\hcXUbXUggj a d\jcbg' g\X\b WWU\jcbg'cZUWUfU n\XMa j\XWb\qM l\jcbg'
The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are reported (June 30, 2020 valuation for the June 30, 2022 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	gEntry ags of m
Amortization method	Level percentage of payroll, open
Remaining amortization period	27.7 years
Asset valuation method	5 years smoothed market
Price Inflation	2.75 percent
Salary increase	3.00 percent to 1.825 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

OPEB Schedules

(1) 7\Ub[Yg'cZUggj a d\jcbg'

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Required Supplementary Information
For Year Ended June 30, 2023

2021: The schedule of monthly retiree contributions was increased as of January 1, 2022. In addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2022.

2022: The schedule of monthly retiree contributions was increased as of January 1, 2023. In addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2023.

(3) The Actuarially Determined Contributions rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated as of the most recent Valuation Date. The following actuarial methods and assumptions (for the July 30, 2022 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022.

(ft U

Actuarial cost method	Entry age	
Amortization method	Level dollar	
Amortization period	30 years, open	
Asset valuation method	Market Value of Assets	
Price inflation	2.75%	
Salary increases, including wage inflation	6.30%	sgc Return ann et 0

SUPPLEMENTARY INFORMATION

Federal Grant/ Pass-through Grant/ Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Passed through Mississippi Department of Education			
Child nutrition cluster:			
School breakfast program	10.553	215MS326N1009	5,577,220
National school lunch program	10.555	215MS326N1009	12,488,909
Summer Food Service Program for Children	10.559	215MS326N1009	618,785
School Fruits and Vegetables	10.582	215MS326N1009	534,852
Total child nutrition cluster			<u>19,224,766</u>
Total passed through Mississippi Department of Education			<u>19,224,766</u>
Direct Program			
Reserve Officers' Training Corps	12.xxx	NA	<u>754,741</u>
			<u>754,741</u>
Passed through Mississippi Department of Education			
Title I - grants to local educational agencies	84.010	S010A500024	21,254,726
Title II - Supporting Effective Instruction State Grants	84.367	S367A200023	1,860,156
English Language Acquisition State Grants	84.365	ES365A200024	61,889
Title IV - Student Support and Academic Enrichment	84.424	S424A190025	1,107,540
Title V - Rural and Low Income School Program (Project Ignite)	84.358B	ES424A200025	881,897
Career and Technical Education - Basic Grants to States	84.098	V098A200024	313,074
Education for Homeless Children and Youth	84.196	ES196A200025	366,480
RISE: Reading Inspires Student Excellence	84.215G	ES424A200025	700,119
Subtotal			<u>26,545,891</u>
Education Stabilization Funds:			
COVID 19- Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	S425D210031	2,334,621
COVID 19- Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	S425D210031	16,153,652
COVID 19- Elementary and Secondary School Emergency Relief Fund (ARP ESSER III)	84.425U	S425U210031	19,534,019
COVID 19- Education Stabilization Fund (ESSER) Subtotal			<u>38,022,292</u>
Special education cluster:			
Special education - grants to states	84.027	H027A200108	7,056,298
Special education - preschool grants	84.173	HI73A200113	218,726
Total special education cluster			<u>7,275,024</u>
Total passed through Mississippi Department of Education			<u>71,873,207</u>
			<u>71,873,207</u>
			<u>\$ 91,852,714</u>

JACKSON PUBLIC SCHOOL DISTRICT
Notes to the Supplementary Information
For the Year Ended June 30, 2023

Schedule of Expenditures of Federal Awards
(1) Basis of Presentation



	Total	Instruction and Other Student Instructional Expenditures	General Administration	Student Administration	Other
Salaries and fringe benefits	\$ 195,760,202	145,564,761	8,660,391	14,541,951	27,003,099
Other	122,203,392	39,327,668	3,148,472	33,919	79,686,333
Total	\$ 317,963,594	184,892,429	11,798,863	14,575,870	106,689,432
Total number of students *	16,080				
Cost per student	\$ 19,773	11,498	734	906	6,635

For purposes of this schedule, the following columnar descriptions are applicable:

Instruction and Other Student Instructional Expenditures - in this column are included all expenditures for instructional purposes, including salaries and fringe benefits of instructional personnel, instructional materials, instructional facilities, instructional equipment, and other instructional purposes.

	2023	2022	2021*	2020
Local sources	\$ 69,861,037	\$ 71,199,865	\$ 73,600,129	\$ 73,737,001
State sources	110,724,114	104,959,398	105,172,349	113,055,526
Federal sources	91,472	280,910	378,597	236,569
Sixteenth section sources	1,001,146	1,088,629	780,582	1,154,861
Total Revenues	181,677,769	177,528,797	179,931,657	188,208,957
Instruction	106,295,068	107,365,851	107,088,606	108,604,169
Support services	72,881,058	69,471,037	72,432,511	79,565,855
Noninstructional services	83,360	73,536	87,504	66,832
Sixteenth section	55,242	60,815	53,016	103,652
Debt service:				
Principal	2,232,932	686,310	-	-
Interest	363,422	123,978	675,122	173,896
Other	11,750	11,750	9,250	4,250
Total Expenditures	181,922,832	177,796,307	179,454,089	188,521,654

Ex 6

due



	2023	2022*	2021*	2020*
Local sources	\$ 96,019,182	\$ 96,878,548	\$ 98,801,089	\$ 100,888,461
Intermediate sources	20,000	80,000	73,636	55,000
State sources	121,029,264	109,886,449	110,487,960	119,277,515
Federal sources	91,852,714	67,919,104	53,954,722	44,788,536
Sixteenth section sources	1,001,146	1,088,629	780,582	1,154,861
Total Revenues	309,922,306	275,852,730	264,097,989	266,164,373
Instruction	146,084,763	133,325,485	137,146,236	129,772,539
Support services	128,346,141	121,753,629	116,972,446	104,165,983
Noninstructional services (165	65,491,402 (165			

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

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**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: CJ9FBA9BH5I 8-HB; GH5B85F8G**

**Superintendent and School Board
Jackson Public School District**

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 *Circular No. 5* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jackson Public School District, as of and for the year ended June 30, 2023, and the related notes to financial statements, which collectively comprise Jackson Public School District's basic financial statements, and have issued our report thereon dated March 22, 2024.

In planning and performing our audit of the financial statements, we considered Jackson Public School District's internal control over financial reporting (internal control) as a basis for designing 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 Jackson Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Jackson Public School District's internal control.

A control deficiency exists when the design or operation of a control does not

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with ; c) Yba Yh5i Xjh 'GhXUEg in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Jackson, Mississippi
March 22, 2024

Auditor's Responsibilities for 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 to express an opinion on Jackson Public School District's compliance based on our audit. 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 generally accepted auditing standards, ; c) Yba Ybi5i X]b] 'GRbMEXg 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 Jackson Public School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, ; c) Yba Ybi5i X]b] 'GRbMEXg 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 Jackson Public School District'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 Jackson Public School District'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 Uotsheri Scho,**

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Criteria:

Section 25-11-127 Miss Code Ann (1972), provides that a reemployed retiree is not paid more than allowed as noted on the Form 4B. Also, notice must be given within five (5) days from the date of employment and also from the date of termination of the employment.

Condition identified

During the testing of retired personnel, it was noted that the district paid multiple retirees more than the statutory allowed amount noted on the form 4B and that some re-hired employees' forms were not filed with the PERS office within five (5) days of re-employment of a PERS service retiree.

Cause:

The school district failed to implement a system to ensure that rehired retirees were not paid more than statutorily allowed and that PERS Forms 4B were filed with the PERS office within five (5) days of re-employment of a PERS service retiree.

This report is intended solely for the information and use of the school board and management, entities with accreditation oversight, and federal awarding agencies, the Office of the State Auditor and pass-through entities 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.

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**Jackson, Mississippi
March 22, 2024**

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JACKSON PUBLIC SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

Section I Summary of Auditor's Results

Financial Statements:

- | | |
|--|-------------------------|
| 1. Type of auditor's report issued | Unmodified |
| 2. Internal control over financial reporting | |
| a. Material weakness(es) identified? (Yes/No) | No |
| b. Significant deficiency(ies) identified? (Yes/None reported) 4 | In None reported |
| 3. Noncompliance material to financial statements noted? (Yes/No) | No |

Federal Awards:

- 4. Internal control over major programs:**

JACKSON PUBLIC SCHOOL DISTRICT



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AUDITEE'S CORRECTIVE ACTION PLAN

The table area is almost entirely obscured by heavy black redaction bars. Only faint horizontal lines and some illegible fragments of text are visible through the redaction.



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PRIOR YEAR AUDIT FINDINGS FOLLOW-UP

As required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Jackson Public School District has prepared and hereby submits the following summary schedule of prior audit findings as of June

Finding ID	Description	Status
2022-001		Resolved
2022-002		Repeated 2023-001

2022-001
2022-002

Resolved
Repeated 2023-001