



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

June 29, 2016

Limited Internal Control and Compliance Review Management Report

Jamie Miller, Executive Director
Mississippi Department Marine Resources
1141 Bayview Ave
Biloxi, Mississippi 39530

Dear Mr. Miller:

Enclosed for your review is the Limited Internal Control and Compliance Review Finding for the Mississippi Department of Marine Resources for the Fiscal Year 2015. In this finding, the Auditor's Office recommends the Mississippi Department of Marine Resources:

1. Ensure all expenditures are in compliance with State Purchasing Laws.

Please review the recommendation and submit a plan to implement it by July 13, 2016. The enclosed finding contains more information about our recommendation.

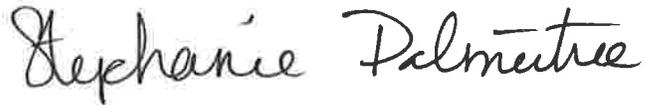
During future engagements, we may review the findings in this management report to ensure procedures have been initiated to address this finding.

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.

Mississippi Department of Marine
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I hope you find our recommendation enables the Mississippi Department Marine Resources to carry out its mission more efficiently. I appreciate the cooperation and courtesy extended by the officials and employees of the Mississippi Department of Marine Resources throughout the review. If you have any questions or need more information, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Palmertree". The signature is written in a cursive, flowing style.

Stephanie C. Palmertree, CPA, CGMA
Director, Department of Audit
Enclosures

The Office of the State Auditor has completed its limited internal control and compliance review of the Mississippi Department of Marine Resources for the year ended June 30, 2015. The Office of the State Auditor's staff members participating in this engagement included Donna Parmegiani, CPA, Alan Jarrett, Rick Kinnard, Jeremy Miller, J.T. Newell, and Elevia Tate.

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, Miss. Code Ann. (1972), 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.

In performing our review, we noted one instance of noncompliance that requires the attention of management. This matter is noted under the heading **INSTANCE OF NONCOMPLIANCE WITH STATE LAW**.

INSTANCE OF NONCOMPLIANCE WITH STATE LAW

Agency Should Ensure Compliance with State Purchasing Laws

Finding

During our review of 20 commodities expenditures at the Mississippi Department of Marine Resources, we noted the following problem:

- One instance in which the agency did not obtain two competitive written bids prior to purchase of goods.

Section 31-7-13, Miss. Code Ann. (1972), requires purchases which involve an expenditure of more than Five Thousand Dollars (\$5,000.00) but not more than Fifty Thousand Dollars (\$50,000.00), to be made to the lowest and best bidder without publishing or posting advertisement for bids, provided at least two (2) competitive written bids have been obtained.

Recommendation

We recommend the Mississippi Department of Marine Resources ensure all expenditures are in compliance with State Purchasing Laws.

End of Report



STATE OF MISSISSIPPI

Phil Bryant
Governor

MISSISSIPPI DEPARTMENT OF MARINE RESOURCES

Jamie M. Miller, Executive Director

COMPLIANCE AUDIT FINDINGS

June 11, 2016

Honorable Stacey E. Pickering, State Auditor
Office of the State Auditor
State of Mississippi
P. O. Box 956
Jackson, MS 39205-0956

Dear Mr. Pickering:

We have reviewed the audit finding below in reference to the Mississippi Department of Marine Resources 2015 fiscal year compliance audit. Listed below is our individual response and plan for corrective action:

Audit Finding: One instance in which the agency did not obtain two competitive written bids prior to purchase of goods.

Response: The agency concurs with this finding.

Corrective Action: Management notes this matter was isolated to a period in which the Agency was undergoing restructuring. Management has strengthened internal controls over procurement and other areas during the year to establish a more stringent procurement process. Our staff obtains multiple quotes even for items less than \$5,000. We have also been establishing internal policies and procedures in the Finance group that ensure compliance with the State Purchasing Laws as well as additional MDMR desired parameters.

Should you have any questions regarding our response or corrective action plan, please feel free to contact Kacey Williams at 228.523.4169.

Sincerely,

A handwritten signature in blue ink that reads "Jamie M. Miller".

Jamie Miller
Executive Director
State of Mississippi