



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

OSA CIRCULAR No. 12

**OFFICE OF THE STATE AUDITOR
OFFICIAL REGULATIONS
CONTRACTS WITH PRIVATE COLLECTION AGENTS**

The following regulations are established by the Office of the State Auditor to be followed when the governing authority of any municipality contracts with private attorneys or private collection agents or agencies to collect delinquent payments. These regulations are effective March 24, 1993.

1. Any such contract may be entered into by negotiation.
2. Any such contract may provide for payment contingent upon successful collection.
3. Payment may be based upon a percentage of all delinquent payments collected.
4. Any private attorney or private collection agent or agency contracting with the municipality under the provisions of this act shall give bond or surety to the municipality in such amount as the governing board deems sufficient.
5. Any private attorney with whom the municipality contracts must be a member in good standing of the Mississippi Bar Association.
6. Any private collection agent or agency with whom the municipality contracts must meet all licensing requirements for doing business in the State of Mississippi.
7. The contract shall state neither the municipality nor any officer or employee of the municipality shall be liable, civilly or criminally, for any wrongful or unlawful act or omission of any person or business with whom the municipality has contracted under the provisions of this act.
8. The entire amount of delinquent payment collected shall be remitted to the municipality and shall not be reduced by any collection fees.
9. Delinquent payments collected shall be settled to the office or authority which had authority and responsibility to collect such fees and fines originally.
10. An itemized claim for any collection fee must be presented to the governing authority for its consideration for payment.