

# HUMPHREYS COUNTY MISSISSIPPI

## COMPLIANCE REPORT

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Compliance Special Reports

For the year ended *September 30, 2019*

**SHAD WHITE**

**State Auditor**

**Stephanie C. Palmertree, CPA, CGMA**

Director, *Financial and Compliance Audit Division*

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Director, *Compliance Audit Division*



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**HUMPHREYS COUNTY**

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## HUMPHREYS COUNTY

### **SPECIAL REPORTS**



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR**

**Shad White  
AUDITOR**

February 28, 2020

**INDEPENDENT ACCOUNTANT'S REPORT ON CENTRAL PURCHASING SYSTEM,  
INVENTORY CONTROL SYSTEM AND PURCHASE CLERK SCHEDULES  
(REQUIRED BY SECTION 31-7-115, MISSISSIPPI CODE ANNOTATED (1972))**

Members of the Board of Supervisors  
Humphreys County, Mississippi

We have examined Humphreys County, Mississippi's (the County) compliance with establishing and maintaining a central purchasing system and inventory control system in accordance with *Sections 31-7-101 through 31-7-127, Mississippi Code Annotated (1972)* and compliance with the purchasing requirements in accordance with bid requirements of *Section 31-7-13, Mississippi Code Annotated (1972)* during the year ended September 30, 2019. The Board of Supervisors of Humphreys County, Mississippi, is responsible for the County's compliance with those requirements.

Our examination does not provide a legal determination on the County's compliance with specified requirements. The Board of Supervisors of Humphreys County, Mississippi, has established centralized purchasing for all funds of the County and has established an inventory control system. The objective of the central purchasing system is to provide reasonable, but not absolute, assurance that purchases are executed in accordance with state law.

Because of inherent limitations in any central purchasing system and inventory control system, errors or irregularities may occur and not be detected. Also, projection of any current evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The results of our procedures disclosed certain instances of noncompliance with the aforementioned code sections. Our findings, recommendations, and your responses are disclosed below:

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**Board of Supervisors.**

**Finding 1:** Public Officials Should Ensure Compliance with State Law over Receiving Purchases.

**Applicable State Law:** *Section 31-7-101, Mississippi Code Annotated (1972)*, states that the Receiving Clerk and his assistants shall be solely responsible for the delivery of all equipment, heavy equipment, machinery, supplies, commodities, material, and services purchased by the County.

**Finding Detail:** Receiving reports were signed by an employee other than the Receiving Clerk for eleven (11) of twenty-five (25) transactions tested. Failure to ensure all purchases are received by employees bonded as Receiving Clerk could result in the loss of public funds.

**Recommendation:** The Board of Supervisors implement procedures to ensure all receiving reports are signed by the Receiving Clerk .

**Official Response:** None.

**Auditor's Note:** The Board President refused to respond to findings until he speaks with his attorney. The finding was issued on February 17, 2020. As of the date of this report, we have still not received a response.

**Repeat Finding:** No.

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**Finding 2:** Public Officials Should Ensure Compliance with State Law over the Duties of the Inventory Clerk.

**Applicable State Law:** *Section 31-7-107* states, “each county shall establish and maintain an inventory control system pursuant to requirements prescribed by the State Department of Audit under the authority of Section 7-7-211 and in accordance with Section 31-7-113; provided, however, that not more than a sixty (60) day inventory of supplies, commodities and materials shall be kept on hand unless otherwise approved by the board of supervisors. The inventory control clerk shall be employed or designated in the same manner and by the same entity which employs or designates the purchase clerk. The inventory control clerk shall be responsible for the maintenance of such system and such other personnel as may be required for the efficient operation of the inventory control system and shall not be a member of the board of supervisors. No person shall serve as inventory control clerk who, within one (1) year after his appointment, does not receive certification from the State Auditor as having successfully completed the professional education program offered for inventory control clerks pursuant to *Section 19-3-77*.”

**Finding Detail:** During our review of the Humphrey County Inventory Clerk, we noted the following non-compliance:

- The Inventory Clerk was not certified within one (1) year of being appointed; and
- The Inventory Clerk did not present the year-end inventory report to the Board for approval.

Failure to follow *Mississippi Code Section 31-7-107* resulted in the County not being in compliance.

**Recommendation:** We recommend the Board of Supervisors ensure that the Inventory Clerk is properly certified within one (1) year of being appointed and present the year-end inventory report for approval to the Board of Supervisors.

**Official Response:** I became employed with the county on February 6, 2018. Shortly afterward, the enrollment for the training course was scheduled. I did not complete the enrollment paperwork in a timely matter, plus I did not have adequate means of transportation.

**Repeat Finding:** No.

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**Finding 3:** Public Officials Should Ensure Compliance with State Law over Purchasing Schedules.

**Applicable State Law:** *Section 31-7-115, Mississippi Code Annotated (1972)*, states, “The State Auditor, or certified public accounts employed by the State Auditor, shall, upon the close of the fiscal year of the county, make an audit of the books, records, supporting documents and other data of the county purchase clerk and the inventory control clerk. The Auditor shall review the county’s compliance with *Section 31-7-13(d), (k) and (m)*. The audit report shall include a schedule of purchases not made from the lowest bidder under the authority of *Section 31-7-13(d)*, with the reasons given

therefor. The audit report shall include a schedule of emergency purchases made under the authority of 31-7-13(k). The audit report shall include a schedule of purchases made noncompetitively from a sole source under the authority of Section 31-7-13(m)..."

**Finding Detail:** During our review of the County's Purchasing Department, we noted the Purchase Clerk did not prepare the 2019 purchase schedule as required by law. Failure to prepare the purchase schedule resulted in noncompliance with Mississippi Code Section 31-7-115.

**Recommendation:** We recommend the Board of Supervisor strengthen procedures to ensure that the annual purchase schedules are properly recorded and document all purchases, as required by law.

**Official Response:** None.

**Auditor's Note:** The finding was delivered to the Board President on February 17, 2020. The former Purchase Clerk, who is also the former Chancery Clerk, failed to provide an official response, nor has he responded to other requests or phone calls.

**Repeat Finding:** No.

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**Finding 4:** Public Officials Should Ensure Compliance with State Law over Purchasing Document Requirements.

**Applicable State Law:** Section 31-7-103, Mississippi Code Annotated (1972), requires a requisition, purchase order and receiving report for all purchases except for those items enumerated by the Office of the State Auditor under the authority of Section 31-7-113, Mississippi Code Annotated (1972), and except for purchases of not more than \$1,500.

**Finding Detail:** During the testing of twenty-five (25) Central Purchasing, we noted the following non-compliance issues:

- One (1) instance in which there was no invoice documented for the purchase with Double S. Inc. totaling **\$103,140**;
- Two (2) instances in which there were no dates on the purchase requisitions, purchase orders, and/or receiving reports totaling **\$8,591**; and
- Ten (10) instances in which there was no purchase order, purchase requisition or receiving reports evidence to support purchases totaling **\$276,570**.

Failure to ensure the required purchase documents are completed could result in unauthorized purchases and the misappropriation of public funds.

**Recommendation:** We recommend the Board of Supervisor implement procedures to ensure all required documents are present and completed before purchases are made.

**Official Response:** None.

**Auditor's Note:** The finding was delivered to the Board President on February 17, 2020. The former Purchase Clerk, who is also the former Chancery Clerk, failed to provide an official response. Also, he has not responded to other requests or phone calls.

**Repeat Finding:** No.

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**Finding 5:** Public Officials Should Ensure Compliance with State Law over Purchases.

**Applicable State Laws:** *Section 31-7-13(b), Mississippi Code Annotated (1972)*, states that purchases which involve an expenditure of more than \$5,000 but not more than \$50,000, maybe made without publishing or posting advertisement for bids, provided at least two competitive written bids have been obtained.

*Section 31-7-13(c), Mississippi Code Annotated (1972)*, states that purchases which involve expenditures more than \$50,000, may be made with publishing or posting advertisement for competitive bids for two (2) consecutive weeks.

**Finding Detail:** The Purchase Clerk failed to obtain two written bids for the purchase of a 2015 Ford Police Interceptor for **\$18,950**. Also, the Purchase Clerk failed to publish an advertisement for the purchase of a 2018 Ford Type II Ambulance totaling **\$60,487**. Failure to obtain two written bids or advertise for competitive bids when required could result in the County paying more than necessary.

**Recommendation:** We recommend the Board of Supervisors implement procedures to ensure two written quotes are obtained and documented for all purchases over \$5,000 but not over \$50,000. Also, the Board of Supervisors should implement procedures to ensure that purchases over \$50,000 are advertised for competitive bids.

**Official Response:** None.

**Auditor's Note:** The finding was delivered to the Board President on February 17, 2020. The former Purchase Clerk, who is also the former Chancery Clerk, failed to provide an official response. In addition, he has not responded to other requests or phone calls.

**Repeat Finding:** No.

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#### **Board of Supervisors, Chancery Clerk, and Purchase Clerk.**

**Finding 7:** Public Officials Should Ensure Compliance with State Law over Credit Card Use.

**Applicable State Law:** *Section 19-3-68, Mississippi Code Annotated (1972)*, states, "The board of supervisors of any county may acquire one or more credit cards which may be used by members of the board of supervisors and county employees to pay expenses incurred by them when traveling in or out of the state in the performance of their official duties. The chancery clerk or county purchase clerk shall maintain complete records of all credit card numbers and all receipts and other documents relating to the use of such credit cards. The supervisors and county employees shall furnish receipts for the use of such credit cards each month to the chancery clerk or purchase clerk who shall submit a written report monthly to the board of supervisors. The report shall include an itemized list of all expenditures and use the credit cards for the month, and such expenditures may be allowed for payment by the county in the same manner as other items on the claims docket."

**Finding Detail:** During the testing of fifteen (15) credit card purchases, we noted the following instances:

- There was no itemized report of credit card expenditures submitted to the Board to be paid each month; and
- Six (6) credit card expenditures totaling **\$1,229** were not used for official Board approved travel.

Failure to follow state laws regarding the use of the County's credit card resulted in unauthorized and unallowable expenditures.

**Recommendation:** We recommend the Board of Supervisors, Chancery Clerk, and Purchase Clerk implement procedures to ensure an itemized list of expenses are submitted to the Board monthly, and all purchases are for the approved travel for County Employees.

**Official Responses:**



**Board of Supervisors:** The Board President refused to respond to finding until he speaks with his attorney.

**Chancery Clerk:** None.

**Purchase Clerk:** None.

**Auditor's Note:** The finding was delivered to the Board President on February 17, 2020. The former Purchase Clerk, who is also the former Chancery Clerk, failed to provide an official response. Also, he has not responded to other requests or phone calls.

**Repeat Finding:** No.

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The accompanying schedules of (1) Purchases Not Made from the Lowest Bidder, (2) Emergency Purchases and (3) Purchases Made Noncompetitively from a Sole Source are presented in accordance with *Section 31-7-115, Mississippi Code Annotated (1972)*.

Humphreys County's responses to the findings included in this report were not audited, and accordingly, we express no opinion on them.

This report is intended for use in evaluating Humphreys County, Mississippi's compliance with the aforementioned requirements, and is not intended to be and should not be relied upon for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,

STEPHANIE C. PALMERTREE, CPA, CGMA  
Director, Financial and Compliance Audit  
Office of the State Auditor

HUMPHREY COUNTY

Schedule 1

Schedule of Purchases Not Made from the Lowest Bidder

For the Year Ended September 30, 2019

Our tests did not identify any purchases made from other than the lowest bidder.

HUMPHREY COUNTY  
Schedule of Emergency Purchases  
For the Year Ended September 30, 2019

Schedule 2

Our tests did not identify any emergency purchases.

HUMPHREY COUNTY

Schedule 3

Schedule of Purchases Made Noncompetitively From a Sole Source  
For the Year Ended September 30, 2019

Our tests did not identify any purchases from a sole source.

HUMPHREY COUNTY				
Schedule of Surety Bonds for County Officials				
For the Year Ended September 30, 2019				
UNAUDITED				
Name	Position	Company		Bond
James Bankhead	Supervisor District 1	Travelers		\$100,000
Richard Stevens	Supervisor District 2	Not Located		\$100,000
Woodrow Johnson	Supervisor District 3	Not Located		\$100,000
Delrick Henderson	Supervisor District 4	Not Located		\$100,000
Roy Broomfield	Supervisor District 5	Western Surety Company		\$100,000
Lawrence Browder	County Administrator	Not Located		\$100,000
Lawrence Browder	Chancery Clerk	Travelers		\$100,000
Lawrence Browder	Purchase Clerk	Western Surety Company		\$75,000
Calvin Ball	Receiving Clerk	Western Surety Company		\$75,000
Jeanette Randle	Inventory Control Clerk	Not Located		\$75,000
Andrew Lee Dent	Constable	Western Surety Company		\$50,000
Bruce Williams	Constable	Not Located		\$50,000
Tamika Jones	Circuit Clerk	Western Surety Company		\$100,000
JD Roseman	Sheriff	Not Located		\$100,000
Shirley Cummins	Justice Court Judge	Western Surety Company		\$50,000
Abraham Gates	Justice Court Judge	Travelers		\$50,000
Sandra Overton	Justice Court Clerk	Travelers		\$50,000
Akeitha Smith	Deputy Justice Court Clerk	Travelers		\$50,000
Alecia Tolar	Deputy Justice Court Clerk	Western Surety Company		\$50,000
Margaret Parks	Tax Assessor-Collector	Western Surety Company		\$100,000
Calvin Ball	Deputy Tax Assessor	None Located		\$10,000
Lunda Nutall	Deputy Tax Assessor	None Located		\$10,000
Shardell Dent	Deputy Tax Collector	None Located		\$50,000
April Morgan	Deputy Tax Collector	Western Surety Company		\$50,000
Teresa Kirkwood	Deputy Tax Collector	Western Surety Company		\$50,000
Norma Quinn	Deputy Tax Collector	Western Surety Company		\$50,000



**STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
Shad White  
AUDITOR**

**LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT**

Members of the Board of Supervisors  
Humphreys County, Mississippi

In accordance with *Section 7-7-211, Mississippi Code Annotated (1972)*, the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions to ensure compliance with legal requirements. The scope of our review covered the 2019 Fiscal Year.

We have performed some additional limited internal control and state legal compliance review procedures, as identified in the state legal compliance audit program issued by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County's compliance with these requirements. Accordingly, we do not express such an opinion.

Due to the reduced scope, these review procedures and compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. Also, our consideration of internal control would not necessarily disclose all matters within the internal control that might be weaknesses.

The results of our review procedures and compliance tests identified certain areas that are opportunities for strengthening internal controls and operating efficiency. Our findings, recommendations, and your responses are disclosed below:

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**Board of Supervisors.**

**Finding 1:** Public Officials Should Ensure Compliance with State Law over Publication of Bids for Its Depository.

**Applicable State Law:** *Section 27-105-305, Mississippi Code Annotated (1972)*, requires the County to advertise for bids at least every two years for depositories.

**Finding Detail:** During the review of the Board minutes, we noted the Board of Supervisors had not advertised for bids since March 2016. Failure to advertise for the County's depository resulted in non-compliance with *Mississippi Code Section 27-105-305*.

**Recommendation:** We recommend the Board of Supervisors ensure publication of bids for the County's depository every two years as required by State Law.

**Official Response:** We will comply.

**Repeat Finding:** No.

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**Finding 2:** Public Officials Should Ensure Compliance with State Law over the Four-Year Road Plan.

**Applicable State Law:** *Section 65-7-117, Miss. Code Ann. (1972)*, states, “Each member of the board of supervisors shall inspect every road, bridge, and ferry in each district at least annually, at times to be fixed by the board, and shall file with the clerk of the board a report, under oath, of the condition of the several roads, bridges, and ferries inspected by him, with such recommendations as are needful, which reports shall be presented to the board of supervisors and kept on the file for three (3) years.”

**Finding Detail:** During the review of the Board minutes, we noted the Board of Supervisors did not adopt a Four-Year Road plan and spread upon its minutes. Failure to adopt a Four-Year Road Plan could result in the lack of funding for the County’s Road and Bridge Funds.

**Recommendation:** We recommend the Board of Supervisors inspect all roads, bridges, and ferries in each district and adopt a Four-Year Road Plan annually as required by state law.

**Official Response:** We will comply.

**Repeat Finding:** No.

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**Finding 3:** Public Officials Should Establish a Written Credit Card Policy.

**Internal Control Deficiency:** An effective system of internal control includes a written policy over the use of credit cards.

**Finding Detail:** During the testing of expenses, we noted the Board of Supervisors had not established a credit card policy for the County. Without a written credit card policy, there are no guidelines for procedures to follow regarding the use of the County’s credit card.

**Recommendation:** We recommend the Board of Supervisors ensure a written policy governing the use of the County credit card is implemented.

**Official Response:** We will comply.

**Repeat Finding:** No.

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### **Board of Supervisors and Chancery Clerk.**

**Finding 4:** Public Officials Should Ensure Compliance with State Law over Payroll Reimbursement

**Applicable State Law:** *Section 9-5-133, Mississippi Code Annotated (1972)*, states, “The Clerk of the Chancery Court shall have power, with the approbation of the court, or of the judge in vacation, to appoint one or more deputies, who shall take the oath of office, and who thereupon shall have power to do and perform all the acts and duties of which their principal may lawfully do.” *Section 9-1-43* states that the deputy clerks are employees of the Chancery Clerk. All salaries are to be paid by the Clerk.

**Finding Detail:** During procedures performed in the Chancery Clerk’s office, we noted the Chancery Clerk Deputy Clerks’ salaries were paid from the County’s Youth Fund for the 2019 audit year, which was not repaid monthly totaling **\$69,281**. The clerk should reimburse the County **\$69,280** for the Deputy Clerks, who are deemed to be employees of the

Chancery Clerk based on oaths, job duties, and titles. The lack of reimbursement is equivalent to an interest-free loan to the Chancery Clerk, and is a violation of state law.

**Recommendation:** We recommend the Board of Supervisors ensure that the Chancery Clerk reimburses the County's Youth Court Fund each month and kept current with payroll reimbursements to the County. Also, the Board of Supervisors should ensure that the Chancery Clerk reimburse the Youth Court Fund immediately **\$69,280**.

**Official Response:** None.

**Auditor's Note:** This finding was issued on February 14, 2020, to the Board President; however, he refuses to respond to the finding until he has consulted with his attorney. As of the date of this report, he has still not responded. If the amount has not been reimbursed to the county within 30 days of the date of this report, this matter will be referred to the Investigative Division of the Office of the State Auditor for possible civil demand.

**Repeat Finding:** No.

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**Finding 5:** Public Officials Should Ensure Compliance with State Laws over Restoration Contracts.

**Applicable Law:** *Section 19-15-1, Mississippi Code Annotated (1972)*, states, "The county may contract with the Chancery Clerk for the preservation of any record deemed by the board of supervisors to be essential to the operation of government or containing information necessary to protect the rights and interests of persons or to establish and affirm the powers and duties of governments in the resumption of operations after the damage or destruction of the original records. There must be a contract with the Chancery Clerk which specifies the duties to be performed. The preservation of records must be in accordance with a records control schedule approved by the Local Government Records Committee as provided in *Section 25-60-1*."

**Finding Detail:** During the testing of the Chancery Clerk's payroll, we noted the Chancery Clerk was paid **\$13,500** for the preservation of records; however, there is no Board-approved contract on file for such services within the County. Also, documents showed that the Board of Supervisors paid the Valley Information System Association for record preservation services.

The Chancery was paid for the preservation of records without a valid contract and without performing the service. Failure to have a valid contract on file within the County resulted in the Chancery Clerk being overpaid for the preservation of records for the audit year and non-compliance with *Mississippi Code Section 19-15-1*.

**Recommendation:** We recommend the Chancery Clerk implement procedures to ensure a valid and approved contract is on file with the Board of Supervisors for the preservation of records. Additionally, the Chancery Clerk should repay the **\$13,500** for the preservation of records to the County.

**Official Response:** None.

**Auditor's Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor's Office. As of the date of this report, he has still not responded. If the amount has not been reimbursed to the county within 30 days of the date of this report, this matter will be referred to the Investigative Division of the Office of the State Auditor for possible civil demand.

**Repeat Finding:** No.

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**Chancery Clerk.**



**Finding 6:** Public Officials Should Ensure Compliance with State Laws over the County's Synopsis.

**Applicable State Law:** *Section 7-7-221 Mississippi Code Annotated (1972)*, "requires the clerk of the board of supervisors shall deliver a copy of the aforesaid synopsis to some newspaper published in the county, and, if no newspaper is published in the county, then to a newspaper having a general circulation therein, to be published."

**Finding Detail:** During the review of the Board minutes, we noted the Chancery Clerk did not file the synopsis of annual audit reports as required by statute. Failure to publish the synopsis following the annual audit reports resulted in non-compliance with *Mississippi Code Section 7-7-221*.

**Recommendation:** We recommend the Chancery Clerk ensure the publication of the synopsis following each annual audit report, as required by State Law.

**Official Response:** None.

**Auditor's Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor's Office.

**Repeat Finding:** No.

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**Finding 7:** The Chancery Clerk Should Strengthen Controls and Ensure Compliance with State Laws over the Fee Journal.

**Internal Control Deficiency:** An effective system of internal control over the collection, recording, and disbursement of cash should include maintaining a fee journal monthly. The Chancery Clerk must maintain an accounts receivable accounting system. At the end of each month, all subsidiary accounts must be posted to the fee journal.

**Applicable State Law:** *Section 7-7-211(j), Mississippi Code Annotated (1972)*, states, "In any instances in which the State Auditor is or shall be authorized or required to examine or audit, whether preaudit or postaudit, any books, ledgers, accounts, or other records of the affairs of any public hospital owned or owned and operated by one or more political subdivision or parts thereof or any combination... it shall be sufficient compliance therewith, in the discretion of the State Auditor..."

**Finding Detail:** During the testing of the Chancery Clerk's fee journal, we noted all documentation for the 2019 fee journal was not ready and available for testing and review. The Chancery Clerk's CPA did not have the fee journal completed until January 30, 2020; therefore, the revenues and expenses were not recorded monthly. Failure to correctly record expenses and revenue in the fee journal monthly could result in the misappropriation of public funds and lack of documentation being ready and available for review and testing by the State Auditors.

**Recommendation:** We recommend the Chancery Clerk strengthen controls to ensure documentation regarding the fee journal is ready and available. Additionally, the Chancery Clerk should record monthly revenues and expenses in the fee journal.

**Official Response:** None.

**Auditor's Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor's Office.

**Repeat Finding:** No.

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**Finding 8:** Public Officials Should Ensure Compliance with State Laws over Attending Board Meeting.

**Applicable State Law:** *Section 25-7-9(1)(f), Mississippi Code Annotated (1972)*, states, “(For each day’s attendance on the Board of Supervisors, for himself and one (1) deputy, \$20 each (\$40 per day total), **provided the Clerk and the deputy actually attend the meeting.**”

**Finding Detail:** During the testing of the Chancery Clerk’s payroll, we noted the Clerk was overpaid **\$366** for attending board meetings. The Clerk was paid for attending Board meetings with a Deputy; however, no Deputy attended the Board meetings. The Chancery Clerk is not in compliance with *Mississippi Code Section 25-7-9(1)(f)*.

**Recommendation:** We recommend the Chancery Clerk implement procedures to ensure the Clerk is properly paid for Board meetings attended. We also recommend Chancery Clerk repay the County **\$366** for the 2019 audit year.

**Official Response:** None.

**Auditor’s Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor’s Office. As of the date of this report, he has still not responded. If the amount has not been reimbursed to the county within 30 days of the date of this report, this matter will be referred to the Investigative Division of the Office of the State Auditor for possible civil demand.

**Repeat Finding:** No.

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**Finding 9:** Public Officials Should Ensure Compliance with State Laws over Allowed Expenses and Settlement of Excess CAP Funds.

**Applicable State Law:** *Section 9-1-43, Mississippi Code Annotated (1972)*, limits the compensation of the Chancery Clerk to \$94,500 after making deductions for employee salaries and related salary expenses and expenses allowed as deduction by Schedule C of the Internal Revenue Code. A business expense must be both ordinary and necessary to be deductible. All fees received in excess of this amount, less any allowable expenses, are to be paid to the County’s General Fund on or before April 15<sup>th</sup> for the preceding calendar year.

**Finding Detail:** The Chancery Clerk is responsible for ensuring that all expenditures allowed under the IRS Schedule C expenses are documented and adequately supported. During the testing of the Chancery Clerk’s expenses, we noted the following disallowed expenses for the 2019 audit year:

- There were \$7,361 in salaries paid to fulltime employees as contract workers.
- There were \$1,397 in office expenses paid to individuals without documentation.
- There were \$775 in transport fees paid to individuals without documentation.

Also, we noted the Chancery Clerk made a **\$10,000** payment to the County for excess fees over the CAP received in the prior audit years on November 20<sup>th</sup>, 2019. The Chancery Clerk did not settle the excess funds to the County in the prior year on or before April 15<sup>th</sup> each year. Failure to properly settle amounts in excess of the salary CAP by April 15<sup>th</sup> of each year resulted in noncompliance with *Mississippi Code Section 9-1-43*.

**Recommendation:** We recommend the Chancery Clerk ensure all expenses are allowed, invoiced, and documented. Also, **\$9,533** in expenses will not be included in the 2019 annual report as a deduction. Also, the Chancery Clerk should ensure all excess fees over the CAP be settled to the County on or before April 15<sup>th</sup>.

**Official Response:** None.

**Auditor's Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor's Office. As of the date of this report, he has still not responded. If the amount has not been reimbursed to the county within 30 days of the date of this report, this matter will be referred to the Investigative Division of the Office of the State Auditor for possible civil demand.

**Repeat Finding:** No.

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**Finding 10:** Public Officials Should Ensure Compliance with State Laws over Land Redemption Receipts and Settlements.

**Applicable State Laws:** *Mississippi Code Sections 27-45-5, 27-45-1, and Attorney General Opinion 2006 WL 3147012*, states, "It shall be the duty of the chancery clerk of each county in the state to immediately deposit in the county depository of this county all sums of money paid to him by any person for the redemption of land sold for taxes in his county; all such funds are hereby declared to be public funds, and shall be secured by the county depository, as other public funds are required to be secured by law. The board of supervisors of each county shall provide the clerk with printed checks in the forms of vouchers, with proper blanks, bound in book form with a sufficient blank margin to be used in drawing redemption funds out of the county depository; all such checks shall be numbered in numerical order, and it shall be the duty of the clerk to draw on such funds upon such checks as herein provided in payment of all amounts due the officers and purchasers out of said funds. He shall first pay the officers entitled to their costs, fees, and damages which are allowed to said officers by law; and he shall then pay to the purchasers at any such tax sale, the full amount due him as provided by law. It shall be the duty of the state auditor of public account to audit such account of each clerk, as other public funds are audited; and he shall include in said audit a special report to the board of supervisors of his county setting out in detail the amounts collected, and the disposition of such funds, and the balance on hand, and attest to the correctness thereof... The clerk shall make his redemption settlements within twenty (20) days after the end of each month and shall make a complete report thereof to the board of supervisors, a true copy of which he shall file with the State Auditor. For a failure so to report or to pay over the sum to the parties entitled thereto as herein required, he shall be liable on his official bond to a penalty of one percent (1%) per month on the amount withheld.... Since there are insufficient funds in the account from which these payments are supposed to be paid, we are of the opinion that said payments must be made from any available county funds after first being lawfully transferred into the land redemption fund by the board of supervisors..."

**Finding Detail:** During the testing of the Chancery Clerk's land redemption receipts, we noted the following:

- Three (3) of fifteen (15) receipts could not be found as being deposited in the land redemption's bank account;
- All fifteen (15) land redemption receipts tested could not be traced to the land redemption settlements, because the settlements for 2019 were not made available to the State Auditors; and
- Outstanding land redemption receipts totaling **\$37,036** not deposited in the land redemption bank account as of December 2019.

Failure to properly receipt funds and maintain land redemption settlement reports could result in the misappropriation of public funds and a violation of State Law.

**Recommendation:** We recommend the Chancery Clerk ensure all funds collected from taxpayers during the land redemption process are correctly and immediately deposited in the land redemption's bank account. Additionally, the Chancery Clerk should ensure to deposit the funds for the outstanding receipts totaling **\$37,036**. Settlement reports should be maintained within the office at all times.

**Official Response:** None.

**Auditor's Note:** This finding was delivered to the Board President; therefore, the County has been made fully aware of the issue. The former Chancery Clerk failed to provide an official response, nor has he responded to other requests or phone calls from the State Auditor's Office. As of the date of this report, he has still not responded. If the amount has not

been reimbursed to the county within 30 days of the date of this report, this matter will be referred to the Investigative Division of the Office of the State Auditor for possible civil demand.

**Repeat Finding:** No.

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#### **Circuit Clerk.**

**Finding 11:** Public Officials Should Strengthen Controls and Ensure Compliance with State Laws over Fee Journal.

**Internal Control Deficiency:** An effective system of internal control over the collection, recording, and disbursement of cash should include maintaining a fee journal monthly. The Circuit Clerk must maintain an accounts receivable accounting system. At the end of each month, all subsidiary accounts must be posted to the fee journal.

**Applicable State Law:** *Section 7-7-211(j), Mississippi Code Annotated*, states, “In any instances in which the State Auditor is or shall be authorized or required to examine or audit, whether preaudit or postaudit, any books, ledgers, accounts, or other records of the affairs of any public hospital owned or owned and operated by one or more political subdivision or parts thereof or any combination... it shall be sufficient compliance therewith, in the discretion of the State Auditor...”

**Finding Detail:** During the testing of the Circuit Clerk’s fee journal, we noted all documentation for the 2019 fee journal was not ready and available for testing and review. The Circuit Clerk’s CPA did not have the fee journal completed until January 30, 2020; therefore, the revenues and expenses were not recorded monthly.

Failure to properly record expenses and revenue in the fee journal monthly could result in the misappropriation of public funds and lack of documentation being ready and available for review and testing by the State Auditors.

**Recommendation:** We recommend the Circuit Clerk strengthen controls to ensure documentation regarding the fee journal is ready and available. Additionally, the Circuit Clerk should record monthly revenues and expenses in the fee journal.

**Official Response:** It will be completed as required upon the 1099’s and other taxing documentation are completed.

**Auditor’s Note:** The fee journal was not ready and available because the Circuit Clerk was not recording revenues and expenses monthly.

**Repeat Finding:** No.

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**Finding 12:** Public Officials Should Ensure Compliance with State Laws over Contracts for Conducting Elections.

**Applicable State Law:** *Section 23-15-301, Mississippi Code (1972)*, provides that all expenses of printing the tickets or primary election ballots, for necessary stationary, and for paying the managers, clerks, and returning officer of every primary election authorized by this chapter held in any county shall be paid by the board of supervisors of such county out of the general funds of the county.

*Mississippi Attorney General Opinion 2006 WL 1966801*, states, “... Since we have said that programming DRE units are the equivalent of printing ballots and is an expense to be borne by the county under *Section 23-15-301*, we are of opinion that a circuit clerk or election commissioner who enters such an agreement with the executive committee would be entitled to compensation in an amount agreed upon by the two parties and approved by the board of supervisors.”

**Finding Detail:** During the testing of the Circuit Clerk’s payroll, we noted the Circuit was paid **\$26,440** for conducting elections; however, there was no contract between the Board and the Circuit Clerk with an agreed amount and services to be performed.

Failure of the Circuit Clerk to enter into a contract with the Board of Supervisors for conducting an election or programming machines is a violation of the *Mississippi Code Section 23-15-301* and *Mississippi Attorney General Opinion 2006 WL 1966801*.

**Recommendation:** We recommend the Circuit Clerk ensure there is a contract with the Board of Supervisors for the conducting of elections.

**Official Response:** The contacts are attached in my findings and will now always be recorded in the Board of Supervisors meetings. The approval was spread upon the minutes, but the actual contract will be recorded as well.

**Auditor's Note:** The Board of Supervisors believed the Executive Party's contract with the Circuit Clerk was all that was required.

**Repeat Finding:** No.

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**Finding 13:** Public Officials Should Ensure Compliance with State Laws over Statutorily-Imposed Limits Salary as County Registrar.

**Applicable State Law:** *Section 23-15-225(h), Mississippi Code Annotated (1972)*, states, "For counties with a total population of more than six thousand (6,000) and not more than ten thousand (10,000), an amount not to exceed Eleven Thousand Five Hundred Dollars (\$11,500.00), but not less than Eight Thousand Fifty Dollars (\$8,050.00)."

**Finding Detail:** During the testing of the Circuit Clerk's payroll, we noted the Circuit was overpaid **\$2,300** as the County Registrar. The Circuit Clerk did not use the 2010 Census population calculation for Humphrey County. Failure to use the 2010 Population resulted in the Circuit Clerk being overpaid as the County Register for 2019.

**Recommendation:** We recommend the Circuit Clerk strengthen procedures to ensure to use the correct Census numbers for her County to figure the salary as County Registrar and repay the County **\$2,300** for the overpayment for 2019.

**Official Response:** I will reimburse the overpayment due.

**Auditor's Note:** The Circuit Clerk repaid the **\$2,300** to the General Depository on February 24<sup>th</sup>, 2020 receipt #13011.

**Repeat Finding:** No.

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**Finding 14:** Public Officials Should Strengthen Controls over the Collection of Restitution Monies and Other Cash Collections.

**Internal Control Deficiency:** Management is responsible for ensuring that assets of the County funds are safeguarded, and transactions are properly documented and recorded. A critical aspect of internal controls is the depositing and receipting of all monies collected in the Circuit Clerk's office.

**Finding Detail:** During the testing of the Circuit Clerk's bank statements, we noted **\$53,450** recorded as 'undeposited receipts'. Per inquiry of the Circuit, it was stated the Circuit Clerk was holding restitution funds and failed to deposit the monies since 2012. No documentation could be provided that the funds were ever deposited or disbursed from the Circuit Clerk's office.

Failure to properly deposit restitution funds could result in abuse and misappropriation of public funds.

**Recommendation:** We recommend the Circuit Clerk implement procedures to ensure restitution funds are deposited and receipted daily. As well, the Circuit Clerk should reimburse the County **\$53,450** for the un-deposited funds received.

**Official Response:** This was a practice that has cited. The corrections were made from the investigation completed. The changes were being corrected in our system to show the proper disbursements as opposed to receipts received. We no longer record the funds through the Criminal receipt but produce an affidavit signed by the receiver of the payments/ and by mailing a check in the mail.

**Auditor's Note:** Per review of the bank deposit slip, the Circuit Clerk deposited the funds for the un-deposited receipts totaling \$53,450 on July 20, 2020.

**Repeat Finding:** No.

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**Finding 15:** Public Officials Should Strengthen Internal Controls over Deposits, Cash Journals, and Settlements.

**Internal Control Deficiency:** An effective system of internal controls should include monitoring of the maintenance and reconciliation of records documenting revenue collections. Also, the deposits should be made in a timely manner. Settlements should be made monthly and timely.

**Finding Detail:** During the testing of the Circuit Clerk's receipts and settlements, we noted the following:

- Thirteen (13) of fifteen (15) deposits were not made in a timely manner;
- The settlements for January 2019 to August 2019, were not made until November 14, 2019; and
- The settlements for September 2019 to December 2019 were not made until January 17, 2020.

Failure to make timely deposits and monthly settlements could result in the misappropriation of public funds.

**Recommendation:** We recommend the Circuit Clerk strengthen controls to ensure deposits are made daily, and settlements are submitted to the County monthly.

**Official Response:** The settlements have been completed and now turned into the County for reporting. Corrections are now in place.

**Repeat Finding:** No.

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**Finding 16:** Public Officials Should Strengthen Internal Controls over the Reconciliation of Bank Statements and Fee Journals.

**Internal Control Deficiency:** An effective system of internal controls over cash should include maintaining a fee journal and reconciling the bank statements monthly to the fee journal.

**Finding Detail:** During the testing of the Circuit Clerk's 2019 bank statements and fee journal, we noted the bank statements and fee journal were not reconciled monthly. The Circuit Clerk did not have the necessary controls in place over cash. Failure to reconcile the bank statements to the fee journal could result in the loss or misappropriation of public funds.

**Recommendation:** We recommend the Circuit Clerk strengthen controls to ensure the bank statements are reconciled to the fee journal monthly.

**Official Response:** I will comply.

**Repeat Finding:** No.

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## **Sheriff.**

**Finding 17:** The Sheriff Clerk Should Ensure Compliance with State Laws over Meals Served to Non-Inmate Individuals.

**Applicable Law:** *Attorney General Opinion 1997 WL 612747*, states, "... that a jailer may meals at the jail with cost thereof being reimbursed. While the Board of Supervisors may need to eat a meal as part of their inspection of the jail, all other non-inmate individuals who eat at the jail should reimburse the county for the cost of their meals."

*Attorney General Opinion 1983 WL 43195*, states, "There is no requirement that the county pay for the jailer's meals although if the Board of Supervisors made a finding of fact, consistent with the particular factual situation, as to need, etc., 1) such could be authorized as part of the jailer's remuneration, or 2) the market value of the meals could be deducted from the jailer's salary. The details could be dealt with in the Board's delineation of the jailer's job description."

**Finding Detail:** During the procedures performed in the Sheriff Department and inquiry of County personnel, we noted the deputies, jailers, County personnel, etc. receive meals from the County Jail; however, the meals are not paid for by each individual. The Sheriff did not collect revenue from all non-inmate individuals.

Failure to collect revenue from non-inmate individuals resulted in a violation of both *Attorney General Opinions 1997 WL 612747* and *1983 WL 43195*. Additionally, it could result in the County overpaying for supplies for meals for prisoners. Failure to reconcile the bank statements to the fee journal could result in the loss or misappropriation of public funds.

**Recommendation:** We recommend the Sheriff implement procedures to ensure all non-inmate individuals pay for all meals eaten from the jail.

**Official Response:** There were people eating at the jail, but I had the jail administrator to stop people from eating there. They did not like that the jail administrators.

**Repeat Finding:** No.

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**Finding 18:** The Sheriff Should Ensure Compliance with State Laws over the Presentation of Meal Logs to the Board of Supervisors.

**Applicable Law:** *Section 19-25-74, Mississippi Code Annotated (1972)*, states the sheriff shall maintain a log of prisoners being fed daily, which will include the prisoner's name, date, and time of incarceration and release, and number of meals served to prisoners at each mealtime and hours of day. This logs must be filed monthly with the Board of Supervisors. In addition, the Board is not allowed to pay claims for food expenses if this report has not been filed.

**Finding Detail:** During the review of the Board minutes, we noted the Sheriff did not present the meal logs to the Board monthly; however, the Board paid all meal claims. Because the meal logs were not presented to the Board monthly, yet vendor claims were paid, the Sheriff and the Board of Supervisors are in violation of *Mississippi Code Section 19-25-74*.

Failure to present the meal log to the Board of Supervisors for payment monthly could result in the misappropriation of public funds for an incorrect number of meals.

**Recommendation:** The Sheriff should ensure the meal logs are presented to the Board of Supervisors monthly before all vendor claims are paid.

**Official Response:** **Sheriff:** Because I was told to do meal log each day, but keep them and have them ready for the auditors at the end of the year. That is what I did.

**Board of Supervisors:** We will comply.

**Auditor's Note:** Although the meal logs were maintained in the Sheriff office; they should also be presented to the Board of Supervisors monthly before all vendor payments are paid for the feeding of the prisoners in the County's jail.

**Repeat Finding:** No.

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**Finding 19:** Public Officials Should Strengthen Internal Controls over Deposits, Cash Journals, and Settlements.

**Internal Control Deficiency:** An effective system of internal controls includes monitoring of the maintenance and reconciliation of records documenting revenue collections. The Sheriff should maintain on daily basis receipts and expenditures as they occur along with the date, receipt, or check number, payor or payee, and amount. Also, the deposits should be made in a timely manner.

**Finding Detail:** During the testing of the Sheriff Department's receipts and settlements, we noted the following:

- Fifteen (15) deposits were not made in a timely manner;
- Nine (9) settlements were not made monthly; and
- Seven (7) jail cash journals were not maintained.

The Sheriff did not make timely deposits, make settlements monthly, and maintain a jail cash journal.

Failure to make timely deposits, submit monthly settlements, and maintain a jail cash journal could result in the misappropriation of public funds.

**Recommendation:** We recommend the Sheriff strengthen controls to ensure deposits are made daily, settlements are submitted monthly, and jail cash journals are maintained.

**Official Response:** On the deposits, we did not then have a lot of money on hand. The Deposit was and should have been deposited weekly. On settlements, two of them were waiting on the bank statements to come. The other individual did not have the cash journals. In the cash journal, all was done but was not given to worker 2. I found that out later when I asked her for a copy of them. One individual was the one doing them. They were when I signed the checks.

**Repeat Finding:** No.

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#### **Tax Collector/Assessor.**

**Finding 20:** The Tax Collector/Assessor Should Ensure Compliance with State Laws over Tax Collecting Agreements with Municipalities.

**Applicable Law:** *Section 25-3-3(6), Mississippi Code Annotated (1972)*, provides that "The Tax Assessor or Tax Collector, or both, shall be paid additional compensation when there is a contract between the county and one or more municipalities for the assessor and/or collector to assess and/or collect taxes for the municipality or municipalities. This additional compensation shall be any amount allowed by the county and/or the municipality or municipalities for performing those services."

**Finding Detail:** During the review of the Tax Collector's payroll, we noted the Tax Collector was paid and additional \$3,500 for the collecting taxes from motor vehicles; however, the Tax Collector was already compensated for the collection of motor vehicle taxes within the inter-local agreement with the City of Isola. The Tax Collector was overpaid. Failure to ensure additional salary payments are according to the contractual agreements resulted in the overpayment to the Tax Collector.

**Recommendation:** We recommend the Tax Collector ensure all additional salary payments are according to contractual agreements and comply with *Mississippi Code Section 25-3-3(6)*.



**Official Response:** During the MACA Conference, we were informed that county Tax Assessor/Collectors should be compensated for collecting municipal motor vehicle ad valorem. I was unaware that the compensation was based on an Inter-Local agreement to collect all of the municipality's ad valorem. I will repay the \$3,500 to the county.

**Auditor's Note:** The Tax Assessor/Collector submitted the overpayment for \$3,500 to the Board of Supervisors on February 20, 2020, receipt # 13011.

**Repeat Finding:** No.

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**Board of Supervisors, Chancery Clerk, Constables, Coroner,**

**Finding 21:** Public Officials Should Ensure Compliance with State Laws over the Filing of a Statement of Economic Interest Annually.

**Applicable Law:** *Section 25-4-25, Mississippi Code Ann. (1972)*, provides that "Each of the following individuals shall file a statement of economic interest with the commission in accordance with the provisions of this chapter: a) Persons elected by popular vote..."

*Section 25-4-29, Mississippi Code Ann. (1972)*, provides that "1)Required statements hereunder shall be filed as follows: a) Every incumbent public official required....to file a statement of economic interest shall file such statement with the commission on or before May 1 of each year that such official holds office, regardless of duration.....2) Any person who fails to file a statement of economic interest within thirty (30) days of the date of the statement is due shall be deemed delinquent by the commission...a fine of Fifty Dollars (\$50.00) per day, not to exceed a total fine of One Thousand Dollars (\$1,000.00) shall be assessed against the delinquent filer for each day thereafter in which the statement of economic interest is not properly filed. The commission shall enroll such assessment as a civil judgment with the circuit clerk in the delinquent filer's county of residence..."

**Finding Detail:** During the review of the Statement of Economic Interest, we noted the following elected officials had not filed their forms by May 1<sup>st</sup>:

- Two Board of Supervisors;
- Chancery Clerk;
- Coroner; and
- Constable.

Failure to file the required Statement could result in the assessment of fines and enrollment of civil judgment against all non-compliant elected officials.

**Recommendation:** We recommend the Board of Supervisors, Chancery Clerk, Constable, and Coroner, should file a Statement of Economic Interest each year as required by *Section 25-4-25*.

**Official Responses:**

**Board of Supervisors' Response:** We will comply.

**Former Chancery Clerk's Response:** Failed to Respond.

**Constable:** I will comply.

**Corner Response:** I will comply with the state requirement.

**Repeat Finding:** No.

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**Board of Supervisors, Chancery Clerk, Circuit Clerk, Comptroller, Tax Assessor/Collector, Justice Court Clerk, Purchase Clerk, Receiving Clerk, Inventory Clerk, Sheriff, Justice Court Judge.**

**Finding 22:** Public Officials and Employees Should Ensure Compliance with State Law over Surety Bonding Requirements.

**Applicable Law:** *Section 25-1-15(2), Mississippi Code Ann. (1972)*, requires public employs that are required to give individual bond to obtain a new bond at least every four years concurrent with the County's normal election cycle.

*Section 25-1-19, Mississippi Code Annotated (1972)*, requires all bonds for public employees should be approved by the Board of Supervisors, and these bonds should be filed and recorded in the Chancery Clerk's Office; however, the Chancery Clerk's bond should be filed in the Circuit Clerk's office.

*Section 19-3-5, Mississippi Code Annotated (1972)*, requires the Board of Supervisors' bond should not to exceed \$100,000.

*Section 19-4-9, Mississippi Code Annotated (1972)*, requires the County Administrator's bond should not exceed \$100,000.

*Section 31-7-124, Mississippi Code Annotated (1972)*, requires the Inventory Clerk should be bonded for no less than \$75,000.

*Section 19-19-3, Mississippi Code Annotated (1972)*, requires the Constables should be bonded for no less than \$50,000.

*Sections 27-1-1 and 27-1-9(a), Mississippi Code Annotated (1972)*, requires Deputy Tax Collectors and Deputy Tax Assessors be bonded no less than \$50,000.

*Section 19-25-5, Mississippi Code Annotated (1972)*, requires the Sheriff to be bonded no less than \$100,000.

**Finding Detail:** During the procedures performed on surety bonds, we noted the following non-compliance:

- Two (2) Bard of Supervisors, Chancery Clerk, Purchasing Clerk, Receiving Clerk, Justice Court Clerk, Deputy Justice Court Clerk, Tax Collector/Assessor, and one (1) Deputy Circuit Clerk bonds did not cover the full 2019 year; and
- There was no evidence of bonds for three (3) Board of Supervisors, One (1) Constable, Two Deputy Tax Collector, Two Deputy Tax Assessors, Inventory Clerk, and Sheriff.

A Continuation Certificate is a document that extends the life of the original surety bond and covers only the current period rather than both the current and previous periods. The bonds of the following County officials and employees were either with a Continuation Certificate or issued for an indefinite time:

- All five (5) Board of Supervisors;
- Chancery Clerk;
- Justice Court Clerk; and
- Tax Assessor/Collector;

Failure to have a bond in place for a specific term could limit the amount of available for recovery if a loss occurred over multiple terms, as well as the current term.

**Recommendation:** We recommend the Board of Supervisors implement procedures to ensure that County officials and employees' bonds meet the requirements of State Laws.

**Official Responses:**

**Board of Supervisors' Response:** We will comply.

**Former Chancery Clerk's Response:** Failed to Respond.

**Constable:** I will comply.

**Corner Response:** I will comply with the state requirement.

**Inventory Clerk:** I will comply

**Justice Court Clerk and Justice Court Deputies:** I was unaware that the bonds were supposed to be updated yearly. I had a copy of my bond and the bonds of my clerks. I was under the impression that the bonds were correct and valid. Now, that I have been made aware of this situation, I have been working diligently with the Chancery Court Clerk, Mack Liddell Jr. to resolve this issue.

**Tax Assessor/Collector, Deputy Tax Collectors, and Deputy Tax Assessors:** The Tax Assessor/Collector was not aware or informed that surety bonds were required to be filed in the Chancery Clerk's office. Moving forward, the practice of filing will be implemented by the Tax Office.

**Sheriff:** I will comply.

**Repeat Finding:** No.

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#### **Board of Supervisors, Tax Assessor/Collector, and Sheriff**

**Finding 23:** Public Officials Should Ensure Compliance with State Laws over Appropriations for the Sheriff and Tax Assessor/Collector.

**Applicable State Law:** *Section 19-25-13, Mississippi Code Annotated (1972)*, states, "The board of supervisors shall, at its first meeting of each quarter beginning on October 1, January 1, April 1 and July 1, appropriate a lump sum for the sheriff for the expenses of his office during the current quarter. The quarterly appropriation shall be one-fourth (1/4) of the amount approved in the annual budget unless the sheriff requests a different amount..."

*Section 27-1-9 (c), Mississippi Code Annotated (1972)*, states, "The board of supervisors shall, at its first meeting of each quarter beginning on October 1, January 1, April 1, and July 1, appropriate a lump sum for the assessor and tax collector for the expenses of his office during the current quarter. The quarterly appropriation shall be one-fourth (1/4) of the amount approved in the annual budget unless the assessor and tax collector requests a different amount."

**Finding Detail:** During the review of the Board minutes, we noted the Board of Supervisors did not spread upon its official minutes the approved appropriations for both the Sheriff and Tax Assessor/Collector for office expenses during the current quarter. Since the Board did not approve both appropriations and spread upon the minutes, the County is not in compliance with the above State Laws. Failure to spread upon the official minutes the approved appropriations for both the Sheriff and Tax Assessor/Collector's offices violates *Mississippi Code Sections 19-25-13 and 27-1-9(c)*.

**Recommendation:** We recommend the Board of Supervisors spread upon its official minutes at the first meeting each quarter the appropriations for both the Sheriff and Tax Assessor/Collector's offices.

#### **Official Responses:**

**Board of Supervisors:** We will comply.

**Tax Assessor/Collector:** Moving forward, the Tax Assessor/Collector will implement Section 27-1-9.

**Sheriff:** I will comply.

**Repeat Finding:** No.

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## **Board of Supervisors and Payroll Clerk.**

**Finding 24:** Public Officials Should Ensure Compliance with State Laws over Reemployment of Retired Public Employees.

**Applicable Law:** *Section 25-11-127(4), Mississippi Code Annotated (1972)*, states, “Notice shall be given in writing to the executive director, setting forth the facts upon which the employment is being made, and the notice shall be given within five (5) days from the date of employment and also from the date of termination of the employment.”

*PERS Board Regulation 34, Section 105*, states, “To lawfully employ a PERS service retiree under *Section 103*, the employer must notify PERS in writing of the terms of the eligible employment within five (5) days from the date of employment and also from the date of termination on a form prescribed by the Board.

**Finding Detail:** During the review of the Humphrey County’s PERS Form 4Bs, we noted the Chancery Clerk had not submitted a Form 4B to the Payroll Clerk; however, the Clerk was receiving partial retirement and later full retirement without proper documentation. Failure to timely notify PERS may result in the assessment of a \$300 penalty per occurrence payable by the employer.

**Recommendation:** We recommend the Board of Supervisors ensure compliance with state laws by completing the required Form 4Bs, properly paying salaries, and submitting the forms to PERS within five (5) days from the date of reemployment.

**Official Response:** This will be done by the new Clerk.

**Repeat Finding:** No.

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## **Election Commissioners.**

**Finding 25:** Public Officials Should Ensure Compliance with State Laws over Obtaining Election Training Certificates.

**Applicable Law:** *Section 23-15-211(5), Mississippi Code Annotated (1972)*, reads, “Each participant shall receive a certificate from the Secretary of State indicating that the named participant has received the elections training seminar instruction and satisfactorily completed the skills assessment provided for in Section 23-15-213. Election commissioners shall annually file the certificate with the chancery clerk. If any election commissioner shall fail to file the certificate by April 30 of each year, his or her office shall be vacated, absent exigent circumstances as determined by the board of supervisors and consistent with the facts. The vacancy shall be declared by the board of supervisors and the vacancy shall be filled in the manner described by law. Before declaring the office vacant, the board of supervisors shall give the election commissioner notice and the opportunity for a hearing.”

**Finding Detail:** During the review of the Humphrey County’s Election Commissioners, we noted the Election Commissioner’s certificates were not filed with the Chancery Clerk’s office on or before April 30<sup>th</sup> of 2019. Failure to file the current year’s certificates resulted in non-compliance with *Mississippi Code Section 23-15-211(5)*.

**Recommendation:** We recommend the Election Commissioners ensure that certificates are filed by April 30<sup>th</sup> each fiscal year with the Chancery Clerk’s office.

**Official Response:** We will comply.

**Repeat Finding:** No.

Humphreys County's responses to the findings included in this report were not audited, and accordingly, we express no opinion on them. Minor grammatical changes may have been made to responses in order to provide clarity. These changes did not change the substance of the Official Response.

This report is intended solely for the information and use of management, the Board of Supervisors, and others within the County and is not intended to be and should not be used by anyone other than these parties. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,

STEPHANIE C. PALMERTREE, CPA, CGMA  
Director, Financial and Compliance Audit  
Office of the State Auditor