



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

AT A GLANCE SUMMARY – COMPLIANCE AUDIT OF MISSISSIPPI AUCTIONEER COMMISSION

AUDIT RESULTS

The audit found multiple deficiencies and numerous instances of noncompliance with State Law. For detailed information regarding these findings, please refer to the full Compliance Report located on the Office of the State Auditor website (<http://www.osa.ms.gov/>). The most egregious examples of inadequate internal controls and failure to comply with law included:

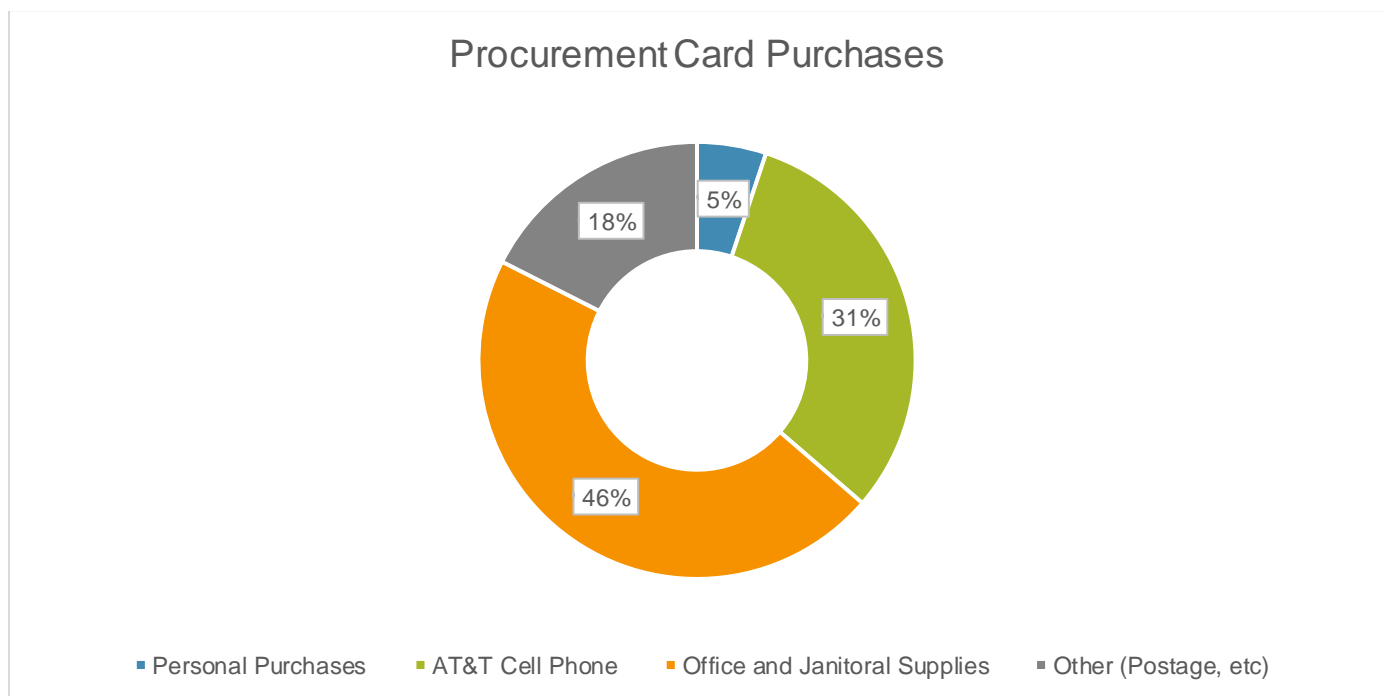
- Travel of the Executive Director did not appear to be necessary for the operations of Mississippi Auctioneer Commission (MAC) and is considered excessive. Over 10% of the overall expenditures of MAC were due to the Executive Director's in-state travel. Over a three year period the Executive Director was paid over \$38,000 in travel reimbursements.
- The Executive Director operates a private business and often advertised that she was available to meet clients during normal MAC business hours and often when she was in travel status with MAC. Additionally, the Executive Director's personal cell phone was paid 100% by MAC and it is the primary contact number for her private business.
- The Executive Director has not submitted personal or medical leave for any period during the three years audited. On multiple occasions she submitted documentation that she worked 8 hours for MAC while reporting on social media that she was attending personal events.
- The Executive Director's travel reimbursement requests often contradict her personal social media posts. For example, the reimbursement request might state that she was in one city but her social media reported that she was in a different city.
- Excessive purchases for janitorial supplies, office supplies and other consumables were made with MAC's procurement card. Personal purchases were also made with the procurement card multiple times during the years under audit. Personal purchases include 13 high powered velocity fans, personalized tumblers, iTunes purchases, speakers, etc.
- The Commission did not meet in accordance with State Law and did not maintain any oversight over the operations of MAC.
- Inadequate procedures over financial affairs resulted in incorrect and untimely financial reports filed with Department of Finance and Administration, untimely transfers of state funds, and lack of any receipt logs.

CONCLUSION

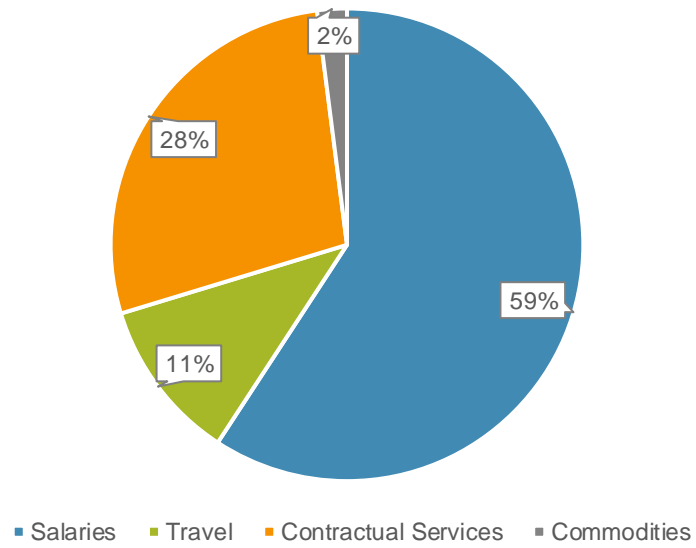
The lack of compliance with state law and adequate internal controls have resulted in fraud, waste and abuse at the Mississippi Auctioneer Commission. The findings mentioned in this summary and detailed in the full report have been turned over to the Investigative Division of the Office of the State Auditor to determine if there is any potential criminal activity. Additionally, the commissioners of the Mississippi Auctioneer Commission should review the full report and determine appropriate corrective action to ensure that the agency fulfills its obligations to be good stewards of the taxpayers of Mississippi's money and trust.

BACKGROUND

Under authority of Section 7-7-211 of the *Mississippi Annotated Code (1972)*, the Mississippi Office of the State Auditor (OSA) conducted an audit of compliance with Mississippi State Law and of internal control practices for the Mississippi Auctioneer Commission. The audit began May 2017 and was concluded in September 2017. The initial scope of the audit included only fiscal year 2015; however, due to pervasivethe deficiencies, the scope was expanded to include fiscal years 2016 and 2017. The Mississippi Auctioneer Commission (MAC) employs one full time staff as the Executive Director and is comprised of five Commissioners. MAC operates by authority of Title 73, Chapter 4 of the *Mississippi Annotated Code (1972)* and is funded by License Fees.



Expenditures by Type





April 25, 2016 · 🌐

The Crawfish Classic in Folsom, LA this weekend!! I will be available to band manes on Friday, April 29 and Saturday, April 30. Please message me or call me at 601.750.4909 to be added to my list. Hope to see you there!!! LQHA - Louisiana Quarter Horse Association

🔗 Share



June 30, 2015 · 🌐

I will be in Tunica for the Liberty Circuit on Thursday to band. If you would like to be added to my list , please let me know. 601.750.4909. See you there!!

🔗 Share

👍 26



March 8, 2016 · 🌐

I have a few spots available for banding at the MSU Bulldog Classic this weekend in Starkville , MS. Please let me know if you would like to be added to my list. See you there!!

🔗 Share



May 22, 2016 · 🌐

I will be available to start banding manes on Thursday in Tunica, MS for the Memorial Day show this weekend hosted by the Arkansas QHA. Please let me know if you would like to be added to my list. Text, PM , or call me at 601.750.4909. See you there!!

🔗 Share

👍 8

1 Share

TRAVEL WAS CLAIMED FOR PONTOTOC, MS FOR APRIL 29, 2016. PONTOTOC IS 315 MILES FROM FOLSOM.

PHONE NUMBER LISTED IS AUCTIONEER COMMISSION PHONE.

TRAVEL FOR "AROUND TOWN" IN JACKSON, MS WAS CLAIMED FOR THURSDAY, JULY 2, 2015.

PHONE NUMBER LISTED IS AUCTIONEER COMMISSION PHONE.

TRAVEL FOR "AROUND TOWN" IN JACKSON, MS WAS CLAIMED MARCH 10, 2016 AND MILEAGE WAS CLAIMED ON MARCH 11, 2016 FOR A SURPRISE INSPECTION.

BULLDOG CLASSIC WAS HELD MARCH 10TH - 13TH

TRAVEL TO PHILADELPHIA, MS WAS CLAIMED ON MAY, 26, 2016; "AROUND TOWN" TRAVEL WAS CLAIMED FOR MAY 27, 2016 AND TRAVEL TO AN AUCTION CHECK WAS CLAIMED FOR MAY, 28, 2016.

MEMORIAL DAY WEEKEND WAS MAY 27TH - MAY 30TH.



December 9, 2015 · 🌐

Are you going to the MAQHA Holiday Classic this weekend in Jackson, MS? I will be available to start banding tomorrow at noon. If you would like to be added to my list, call or message me at 601.750.4909. See you there!!

 Share

 17



December 27, 2015 · 🌐

I will be available to band at the Sugar Bowl Tuesday after lunch. Let me know if you would like to be added to my list. Call 601.750.4909 or message me. Feel free to share this with anybody going to the show!! See you there!!

 Share

 27



June 27, 2016 · 🌐

I will be available to band manes starting on Thursday at the Liberty Circuit in Tunica, MS. Please call or text me at 601.750.4909 if you would like to be added to my list. It will be a great show!!! See you there!!

 Share

 18

EXECUTIVE DIRECTOR
REPORTED AND RECORDED
NO LEAVE ON THURSDAY,
DECEMBER 10, 2015.

EXECUTIVE DIRECTOR
REPORTED AND RECORDED
NO LEAVE ON TUESDAY,
DECEMBER 29, 2015

EXECUTIVE DIRECTOR
REPORTED AND RECORDED
NO LEAVE ON THURSDAY,
JUNE 30, 2016.