

PEARL RIVER COUNTY MISSISSIPPI

COMPLIANCE REPORT

For the year ended *September 30, 2018*

SHAD WHITE

State Auditor

Stephanie C. Palmertree, CPA, CGMA

Director, Financial and Compliance Audit Division

Charlotte Duckworth

Director, Compliance Audit Division



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PEARL RIVER COUNTY

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PEARL RIVER COUNTY

SPECIAL REPORTS



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
Shad White
AUDITOR

**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
Pearl River County, Mississippi

We have examined Pearl River 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*, Miss. Code Ann. (1972) during the year ended September 30, 2018. The Board of Supervisors of Pearl River 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 the specified requirements. The Board of Supervisors of Pearl River 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 audit procedures disclosed certain instances on noncompliance with aforementioned code sections. Our findings and recommendations and your responses are disclosed below:

Board of Supervisors.

Finding 1: The Board of Supervisors Should Ensure Compliance with State Laws Over Surety Bonds.

Applicable State Law: *Section 31-7-124, Mississippi Code Annotated (1972)*, requires all Assistant Receiving Clerks to be bonded in a penalty not less than \$50,000.

Finding Detail: None of the five (5) Assistant Receiving Clerks employed in fiscal year 2018 were bonded. Failure to ensure the Assistant Receiving Clerks were properly bonded could result in the loss of public funds.

Recommendation: The Board of Supervisors should implement procedures to ensure that all Assistant Receiving Clerks are bonded for \$50,000.

Official Response: The Board of Supervisors is working with the insurance agent to ensure all employees required to be bonded are bonded.

Repeat Finding: No.

Inventory Control Clerk.

Finding 2: The Inventory Control Clerk Should Ensure Compliance with State Laws Over the Filing of Inventory Reports.

Applicable State Law: *Section 31-7-107, Mississippi Code Annotated (1972)*, requires the Inventory Control Clerk to perform a physical inventory of the county's assets on or before October 1 of each year and to file a written report of such inventory with the Board of Supervisors not later than October 15.

Finding Detail: The fiscal year 2018 inventory report was submitted to the Board of Supervisors on November 5, 2018. Failure to timely submit the annual inventory report to the Board could result in the undetected loss of county assets.

Recommendation: The Inventory Control Clerk should implement policies and procedures to ensure the annual inventory report is submitted to the Board of Supervisors no later than October 15 each year.

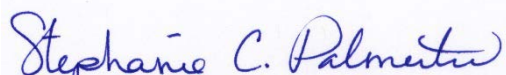
Official Response: Pearl River County Board of Supervisors will work with the Inventory Clerk to ensure the yearly report is placed in the minutes before October 15.

Repeat Finding: No.

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, Miss. Code Ann. (1972). The information contained on these schedules has been subjected to procedures performed in connection with our aforementioned examination of the purchasing system and is fairly presented when considered in relation to that examination.

Pearl River 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 Pearl River 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.



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

PEARL RIVER COUNTY

Schedule 1

Schedule of Purchases From Other Than the Lowest Bidder

For the Year Ended September 30, 2018

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

PEARL RIVER COUNTY
Schedule of Emergency Purchases
For the Year Ended September 30, 2018

Schedule 2

<u>Date</u>	<u>Item Purchased</u>	<u>Amount Paid</u>	<u>Vendor</u>	<u>Reason for Emergency Purchase</u>
3/27/2018	Bridge Repair Services	\$ 67,351	Holliday Construction, LLC	State Aid order to close bridges

PEARL RIVER COUNTY
Schedule of Purchases Made Noncompetitively From a Sole Source
For the Year Ended September 30, 2018

Schedule 3

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



**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
Pearl River County, Mississippi

In accordance with *Section 7-7-211*, Mississippi Code Annotated (1972), the Office of the State Auditor, when deemed necessary, may conduct procedures and tests of transactions to ensure compliance with legal requirements. The scope of our review covered the 2018 fiscal year.

We have performed 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:

Board of Supervisors

Finding 1: The Board of Supervisors Should Ensure Compliance with State Laws Over Inspections of County Roads and Bridges.

Applicable State Law: Concerning the inspection of county roads and bridges, *Section 65-7-117, Mississippi Code Annotated (1972)*, requires the following:

- a. Each member of the Board of Supervisors shall inspect every road and bridge in the county under the jurisdiction of the county not less than once each fiscal year.
- b. Each Supervisor is required to file with the Clerk of the Board a report, under oath, of the condition of the roads and bridges inspected by him with recommendations by him for a four-year plan for construction and major maintenance of such roads and bridges.
- c. The Board of Supervisors shall, on or before February 1 of year, adopt and spread upon its minutes a four-year plan for the construction and maintenance of county roads and bridges.

Finding Detail: We noted the following non-compliance:

- a. Nothing was recorded in the minutes of the Board of Supervisors' meetings to indicate that the required inspections were performed by the Supervisors.

- b. The required reports of the condition of the roads and bridges and the supervisor's recommendations were not filed with the Chancery Clerk.
- c. A four-year road plan was not adopted and spread upon the Board minutes as required.

Failure of the Board of Supervisors to comply with the requirements of *Section 65-7-117* concerning the inspection of county roads and bridges and the subsequent required actions resulted in a violation of state statute.

Recommendation: We recommend The Board of Supervisors ensure that:

- a. Each member inspects every road and bridge under the County's jurisdiction.
- b. The required reports of the condition of the roads and bridges are filed with the Chancery Clerk along with recommendations for a four-year plan.
- c. A four-year road plan is adopted and spread upon the Board's minutes by February 1 each year.

Official Response: The Board has completed the road inspections and adopted an updated four-year road plan. In the future the Board will file all inspection reports timely and update the four-year road plan every year.

Repeat Finding: No.

Finding 2: The Board of Supervisors Should Ensure Compliance with State Law Over the Public Depositors Annual Report.

Applicable State Law: *Section 27-105-5(5)(b), Mississippi Code Annotated (1972)*, requires the County to submit the Public Depositors Annual Report (PDAR) to the Office of the State Treasurer within thirty (30) days of fiscal year-end.

Finding Detail: The County's 2018 PDAR was received by the Office of the State Treasurer on December 3, 2018. The County's failure to file the 2018 PDAR within thirty (30) days of fiscal year-end could have resulted in the county's deposits being under-collateralized.

Recommendation: The County should implement procedures to ensure the Public Depositors Annual Report is filed within thirty (30) days of fiscal year-end as required by law.

Official Response: The Board of Supervisors will make sure that the Public Depositors Annual Report will be filed in a timely manner.

Repeat Finding: No.

Finding 3: The Board of Supervisors Should Ensure Compliance with State Laws Over Statements of Economic Interest.

Applicable State Law: *Section 25-4-25, Mississippi Code Annotated (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 Annotated (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 our review of the Statement of Economic Interest, we noted two (2) Supervisors did not file their statements by May 1, 2019, as required by State law. Failure to file the Statement of Economic Interest, as required by state law, results in non-compliance with *Section 25-4-25* and could result in fines being assessed and a civil judgment being enrolled against the delinquent filers, as allowed by *Section 25-4-29(2)*.

Recommendation: The Supervisors should file the Statement of Economic Interest annually, no later than May 1st of each year that such official holds office, regardless of the duration.

Official Response: All Board members in the future will complete the Statement of Economic Interest by the required date.

Repeat Finding: No.

Finding 4: The Board of Supervisors Should Ensure Compliance with State Laws Over the Publication of the Synopsis of the County Audit Report.

Applicable State Law: *Section 7-7-221, Mississippi Code Annotated (1972)*, requires publication of a synopsis of the annual audit of the fiscal and financial affairs of the County in a form prescribed by the State Auditor.

Section 31-7-115, Mississippi Code Annotated (1972), requires publication of the report of the annual audit of the books, records, supporting documents and other data of the County Purchase Clerk and the Inventory Control Clerk.

Finding Detail: Neither the financial audit synopsis nor the purchasing audit report for fiscal year 2016 were published as required. Therefore, the citizens of the County were not notified of the completion of the reports.

Recommendation: The County should implement policies and procedures to ensure all audit reports are published in accordance with state law.

Official Response: The Board of Supervisors will ensure that the audit synopsis is published as required by law.

Repeat Finding: No.

Chancery Clerk.

Finding 5: The Chancery Clerk Should Ensure Compliance with State Laws Over the Minutes of Board of Supervisors' Meetings.

Applicable State Law: *Section 19-3-27, Mississippi Code Annotated (1972)*, requires the Clerk of the Board of Supervisors to keep and preserve a complete and correct record of all proceedings and orders of the Board.

Finding Detail: During our testwork, we noted the following instances of non-compliance:

- a. The only information recorded in the minutes to identify the claims approved by the Board of Supervisors was the date of the claims docket. There was no identification of the fund(s), claim numbers or amount of the claims approved.
- b. The contract approved by the Board on February 21, 2018, was not included in the minutes.
- c. An interfund transfer in the amount of \$50,000 was approved by the Board on March 5, 2018. However, the fund from the funds were to be transferred was not included in the minutes.
- d. On June 20, 2018, the Board of Supervisors declared the "attached Pearl River County property" as surplus. However, neither the list of the property was nor the approved method of disposal of the surplus property was included in the minutes.

- e. On September 4, 2018, the Board awarded the bid for the purchase a new excavator to Mid-South Machinery, Inc. However, Mid-South Machinery submitted two (2) bids with two (2) different prices and the awarded bid was not specified in the minutes.

The lack of complete and detailed Board minutes makes the actions taken by the Board undeterminable and increases the likelihood of unlawful acts and the loss or misappropriation of public funds.

Recommendation: The Chancery Clerk should implement procedures to ensure that all details of Board actions are recorded.

Official Response: The Clerk will work with the County Administrator and the Board Attorney to ensure all attachments are scanned in the minutes and all motions are worded to include all information required by law.

Repeat Finding: No.

Finding 6: The Chancery Clerk Should Ensure Compliance with State Laws Over Monthly Budget Reports.

Applicable State Law: *Section 19-11-23, Mississippi Code Annotated (1972)*, requires the Clerk of the Board to submit to the Board of Supervisors a report showing the expenditures and liabilities incurred against each separate budget item during the preceding calendar month and for the fiscal year through the preceding month.

Finding Detail: We noted the following instances of noncompliance with the above requirements:

- a. The budget report for the month of January 2018 was submitted to the Board on March 21, 2018.
- b. The budget reports for the months of August 2018 and September 2018 were submitted to the Board on November 5, 2018.

Failure to timely submit the required budget reports is a violation of state statute.

Recommendation: The Chancery Clerk should implement procedures to ensure the monthly budget report is presented each month.

Official Response: The County Administrator prints the monthly reports and presents them to the Board. The Clerk will work with the Administrator to be sure the reports are submitted monthly.

Repeat Finding: No.

Finding 7: The Chancery Clerk Should Ensure Compliance with State Laws Over Fees for Attending Board Meetings.

Applicable State Law: *Section 25-7-9(1)(f), Mississippi Code Annotated (1972)*, authorizes the Chancery Clerk to charge \$20 for each day's attendance at meetings of the Board of Supervisors, for herself and one (1) deputy.

Finding Detail: The Clerk charged the County \$20 for the attendance of a deputy at Board of Supervisors meetings; however, the attendance of a deputy was not documented in the minutes of the Board meetings. The Clerk was overpaid \$580 in 2018.

Recommendation: The Clerk should implement policies and procedures to ensure the County is not charged for a deputy's attendance at meetings of the Board of Supervisors unless such attendance is documented in the minutes.

Official Response: I did not realize I had to actually document a deputy clerk's presence in the minutes. I pay the County Administrator's Administrative Assistant to do the minutes. I took office in 2016 and she was already doing the minutes for the previous clerk. I can: a) deputize her to do the minutes; or b) only charge for myself - \$20 per meeting. I will contact the Office of the State Auditor to get direction as to which option will be better.

As for being overpaid \$580 in 2018, I only took the salary cap of \$90,000 and turned \$270,908 to the County. Although that \$580 was paid through payroll, I took \$580 less in draw money. I will rectify this act of non-compliance in the new year.

Repeat Finding: No.

Auditor Note: The Clerk settled fees in excess of the salary cap to the County in the amount of \$270,908 for 2018. Accordingly, no additional repayment is due from the Clerk.

Finding 8: The Chancery Clerk Should Strengthen Internal Controls Over Bank Reconciliations.

Internal Control Deficiency: A critical aspect of internal control is reconciling the fee account bank account by adding outstanding deposits to and subtracting outstanding checks from the balance per the bank statement to reconcile to the cash balance per the fee account cash journal to the balance per the bank's records.

Finding Detail: During our testing of the Chancery Clerk's fee journal, we noted the fee account bank statements were not reconciled to the fee account cash journal. However, due to the Clerk maintaining two cash journals, we were unable to determine the amount and source of the errors. Failure to reconcile the bank account could result in misstatement of the Clerk's annual financial report, errors or fraud.

Recommendation: The Chancery Clerk should implement policies and procedures to ensure the fee account bank account is reconciled in a timely manner.

Official Response: Yes, we were expecting this finding because we did not have a mechanism in the Delta AS400 fee account package to clear checks and do reconciliations in the system. We were verifying that all deposits matched what was in the AS400 and made sure our checks cleared on bank statements. But it was not done formally in the AS400. We discovered in late January 2019, Delta had a MCFEE accounting package. We purchased it immediately, so we could perform in-system reconciliations. Rather than just beginning with my starting balance according to the bank statement; however, I made the decision to voluntarily go back and enter every transaction from 2016 forward into the new system. Hence, we began an internal audit of the account. It has been a long and tedious process this year. We are nearing the end of the project and have kept thorough records. Although, we are not complete with the audit; we feel good about it. Once, it is finished; we will be able to input the beginning bank balances into the MCFEE system to actually get accurate running numbers for the monthly reconciliations in the system. My desire is to make every year correct in the new system, not just the current year forward. I will remedy the monthly reconciliation issue beginning in 2020, the the MCFEE system.

Repeat Finding: No.

Circuit Clerk.

Finding 9: The Circuit Clerk Should Ensure Compliance with State Laws Over Recording and Depositing Fees.

Applicable State Law: *Section 9-1-43(3), Mississippi Code Annotated (1972)*, states that the Circuit Clerk is liable on her official bond for the proper deposit and accounting of all monies received by her office. *Subsection (5)* provides that the following monies paid to the Circuit Clerk are subject to the salary limitation prescribed under subsection (1): (a) all fees required by law to be collected for the filing, recording or abstracting of any bill petition, pleading or decree in any civil action in civil court; (b) copies of any documents; and (c) any other monies or commissions from private or governmental sources for statutory functions which are not to be held by the court in a trust capacity.

Finding Detail: During our testwork, we noted the following fees totaling \$17,321 were payable to the Clerk in 2018, but were not paid until 2019:

1. Per diem for attending the November terms of Circuit and County Court in the amount of \$6,564; and
2. Fees in the amount of \$10,757 collected during the November 2018 terms of Circuit and County Court.

The Clerk was underpaid a total of \$17,321 in 2018.

Recommendation: The Circuit Clerk should implement policies and procedures to ensure that all fees are paid in the correct calendar year.

Official Response: The Circuit Clerk's Office operates on the cash basis. The November 2018 settlements to the County and Circuit Clerk were not completed and paid until January 2, 2019. Any funds received over the statutory fee amount are returned to the County every year in April.

Repeat Finding: No.

Auditor Note: Although not settled until January 2019, the November 2018 settlement checks were dated November 30, 2018. For years in which the Clerk's fee cap increases, the receipt of amounts that should have been paid in the prior year could result in the Clerk receiving more than entitled to had the amounts been paid in the correct year.

Sheriff.

Finding 10: The Sheriff Should Strengthen Internal Controls Over Deposits and the Safekeeping of Monies.

Internal Control Deficiency: An effective system of internal controls for collecting, recording, and depositing cash in the Sheriff's office should include the separation of duties.

Finding Detail: During the audit, questionnaires revealed that the same personnel are allowed to receive and receipt cash payments, prepare deposit slips, post payments to the dockets, reconcile bank accounts, sign checks and maintain the cash journals for the Sheriff's Department. Failure to have strong internal controls of cash collections, recordings, and deposits can result in loss, theft, or misappropriation of public funds.

Recommendation: We recommend the Sheriff implement effective internal control policies to ensure there is a proper separation of duties surrounding monies collected, settled, and deposited within the Sheriff's office.

Official Response: I will get with the Bookkeeper to look at this and make the necessary changes.

Repeat Finding: No.

Tax Assessor/Collector.

Finding 11: The Sheriff Should Strengthen Internal Controls Over Deposits and the Safekeeping of Monies.

Internal Control Deficiency: An effective system of internal controls for collecting, recording, and depositing cash in the Sheriff's office should include the separation of duties.

Finding Detail: During the audit, questionnaires revealed that the same personnel are allowed to receive and receipt cash payments, prepare deposit slips, post payments to the dockets, reconcile bank accounts, sign checks and maintain the cash journals for the Sheriff's Department. Failure to have strong internal controls of cash collections, recordings, and deposits can result in loss, theft, or misappropriation of public funds.

Recommendation: We recommend the Sheriff implement effective internal control policies to ensure there is a proper separation of duties surrounding monies collected, settled, and deposited within the Sheriff's office.

Official Response: I will get with the Bookkeeper to look at this and make the necessary changes.

Repeat Finding: No.

Board of Supervisors, Chancery Clerk, Circuit Clerk, Tax Assessor/Collector

Finding 12: County Officials Should Ensure Compliance with State Laws Over Surety Bond Requirements.

Applicable State Law:

(a) *Section 9-11-29(2), Mississippi Code Annotated (1972)*, requires every person appointed as Justice Court Clerk to give bond in a penalty equal to \$50,000 before entering into the duties of the position.

(b) *Section 25-1-15, Mississippi Code Annotated (1972)*, requires public officers and employees to obtain a new bond at the beginning of each new term of office or at least every four (4) years, concurrent with the County's normal election cycle.

(c) *Section 25-1-19(1), Mississippi Code Annotated (1972)*, requires the Chancery Clerk to approve the bonds of the members of the Board of Supervisors; and the Board of Supervisors to approve the bonds of the Chancery Clerk, the Circuit Clerk, and all other county officers and employees. This section goes on to state that all of the bonds (except the Chancery Clerk's bond) are to be filed and recorded in the Chancery Clerk's Office.

(d) *Section 25-1-19(1), Mississippi Code Annotated (1972)*, also requires the original surety bond of the Chancery Clerk to be filed in the Circuit Clerk's Office.

(e) *Section 27-1-9(a), Mississippi Code Annotated (1972)*, requires **each** Deputy Tax Collector to give bond in an amount not less than \$50,000 for the faithful discharge of his duties; and each Deputy Assessor to give bond in an amount not less than \$10,000 for the faithful discharge of his duties as provided in *Section 27-1-3*. Furthermore, the Mississippi Attorney General's Opinion to Campbell, May 25, 2018, states that if a specific individual officer or appointee is required by statute to give bond, the persons holding these positions are required to give an individual bond.

Finding Detail:

(a) The Justice Court Clerk, who was appointed as such on August 13, 2012, was bonded as a Deputy Justice Court Clerk. Failure to have the Justice Court Clerk bonded as such could result in the loss of public funds.

(b) The documents recorded as bonds for one (1) Supervisor, the Receiving Clerk, the Road Manager, two (2) Constables, three (3) Deputy Justice Court Clerks, all eight (8) Deputy Circuit Clerks and the Tax Assessor/Collector were continuation certificates rather than new bonds. A continuation certificate is a document that extends the life of the original surety bond and provides coverage for the current bond period only, rather both the current and previous periods. Accordingly, the amount available for recovery would be limited if a loss occurred over multiple periods.

(c) Nothing was recorded in the minutes of the Board of Supervisors' meetings to indicate that the surety bonds were approved by the Board or Chancery Clerk as applicable. Furthermore, the bonds of two (2) Justice Court Judges, the Justice Court Clerk, and one (1) Deputy Justice Court Clerk were not filed or recorded in the Chancery Clerk's Office. Failure to approve all surety bonds and ensure all bonds are recorded and filed in the Chancery Clerk's Office could result in an employee or official not being bonded as required by law and thus the loss of public funds.

(d) The Chancery Clerk's original bond was not filed in the Circuit Clerk's Office. Failure to ensure the Chancery Clerk's surety bond was filed as required by law could have resulted in the Chancery Clerk not being bonded and the loss of public funds.

(e) None of the ten (10) Deputy Assessors employed during fiscal year 2018 were bonded as such. The fifteen (15) Deputy Tax Collectors employed at various times in fiscal year 2018 were covered by a blanket position bond.

Recommendation:

(a) The Board of Supervisors should implement policies and procedures to ensure that all individuals are bonded for the position to which they are appointed.

(b) The Board of Supervisors, the Circuit Clerk and the Tax Assessor/Collector should ensure that the form of all surety bonds complies with state law.

(c) The Board of Supervisors should implement policies and procedures to ensure that all surety bonds are approved by the appropriate official(s) and filed in the Chancery Clerk's Office.

(d) The Chancery Clerk should implement policies and procedures to ensure her surety bond is filed in the Circuit Clerk's office as required by state law.

(e) The Tax Assessor/Collector should implement policies and procedures to ensure that all deputies are bonded as required by state law.

Official Response:

Board of Supervisors: The Board of Supervisors is working with the insurance agent to be sure that new bonds will be issued for each official term and also that all employees required to be bonded are bonded.

Repeat Finding: No.

Pearl River 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 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.

A handwritten signature in blue ink that reads "Stephanie C. Palmertree". The signature is fluid and cursive, with the first name being the most prominent.

STEPHANIE C. PALMERTREE, CPA, CGMA
Director, Financial and Compliance Audit