



State of Mississippi

OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

February 26, 2007

LIMITED INTERNAL CONTROL AND COMPLIANCE REVIEW MANAGEMENT REPORT

Members of the Board of Supervisors
Leake County, Mississippi

In planning and performing our audit of the financial statements of Leake County, Mississippi for the year ended September 30, 2005, we considered Leake County, Mississippi's internal control to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control. Our opinions on the financial statements have been previously submitted to you in a separately issued document dated May 10, 2006.

In addition, for areas not considered material to Leake County, Mississippi's financial reporting, 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. The fieldwork for these review procedures and tests was completed on June 28, 2006. Our procedures and tests 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. This report does not affect our report dated May 10, 2006, on the financial statements of Leake County, Mississippi.

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. In accordance with Section 7-7-211, Miss. Code Ann. (1972), the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

The results of our review procedures and compliance tests identified an instance of noncompliance with state laws and regulations. Our finding and recommendation and your response are disclosed below:

Tax Assessor-Collector.

Finding

Section 27-1-7, Miss. Code Ann. (1972), requires the Tax Assessor-Collector to execute a bond in a penalty equal to 5% of the sum of all the state and county taxes shown on the assessment rolls and the levies to have been collectible in the year prior to the commencement of the term of office, not to exceed \$100,000. The Tax Assessor-Collector has not been bonded since January, 2004. Failure to execute a bond as required could limit recovery in the event of a loss of public funds.

Recommendation

The Tax Assessor-Collector should ensure that she is bonded immediately.

Tax Assessor-Collector's Response

The bonding company failed to notify me of the bond expiration. The bond has now been reinstated.

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



PHIL BRYANT
State Auditor



WILLIAM R. DOSS, CPA
Director, Financial and Compliance Audit Division