

State of Mississippi

AUDIT EXCEPTIONS REPORT

Fiscal Year 2013

MISSISSIPPI



Stacey E. Pickering
State Auditor

Office of the State Auditor



Office of the State Auditor

**Financial and Compliance Division
Investigations Law Enforcement Division
Performance Audit Division
Property Division**

A legally mandated account of misappropriated or misspent public funds and the actions taken by the Office of the State Auditor for their recovery and their return to the appropriate entities in Fiscal Year 2013.

AUDIT EXCEPTIONS REPORT FISCAL YEAR 2013

**PUBLISHED IN ACCORDANCE WITH
THE REQUIREMENTS OF
SECTIONS 7-7-77, 7-7-79, 7-7-217 AND 7-7-219
MISSISSIPPI CODE ANNOTATED (1972)**

**STACEY E. PICKERING
STATE AUDITOR**

The Office of the State Auditor does not discriminate on the basis of race, religion, national origin, sex, age or disability.



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

July 31, 2013

Honorable Phil Bryant, Governor
Honorable Tate Reeves, Lieutenant Governor
Honorable Lynn Fitch, Treasurer
Honorable Philip Gunn, Speaker of the House
Honorable Terry W. Brown, President Pro Tempore of the Senate
Honorable Greg Snowden, Speaker Pro Tempore of the House
Members of the Mississippi State Legislature

Dear Ladies and Gentlemen:

As you are aware, it is my duty to report to you the specific exceptions taken by the Office of the State Auditor during Fiscal Year 2013, as required by Sections 7-7-77, 7-7-79, 7-7-217 and 7-7-219, Mississippi Code Annotated (1972). This letter is a summary of the Special Report on Audit Exceptions for Fiscal Year 2013. The full report can be accessed on the internet at <http://www.osa.state.ms.us/documents/investigative/inv2013.pdf>.

An audit “*exception*” indicates that a violation of the law or an accounting error has resulted in a misappropriation or an incorrect expenditure of public funds. As a result, the money must be repaid.

The “*exceptions*” included in this report may refer to disallowed expenditures by officials who assumed the responsibility of reimbursing the appropriate entity when an audit exception was taken by the Office of the State Auditor. To those officials who cooperated with this effort we are sincerely grateful. Both the taxpayers and this agency benefited from their willingness to assure accountability in government.

The County Audit Section recovered disallowed expenditures totaling **\$304,388.11**. These exceptions involved officials exceeding the fee cap and miscellaneous disallowed expenditures by chancery clerks and circuit clerks and are recorded as “paid in full and settled to the appropriate fund directly.”

The Investigations Law Enforcement Division issued eighteen formal demands for \$1,429,132.23 and two informal demands for a total of \$3,086.37 and recovered misspent or embezzled funds totaling **\$2,297,215.50**.

The Performance Audit Division recovered funds totaling **\$7,693,374.72** in improper fees.

The Property Division recovered funds totaling **\$15,132.48**. These incidents involved missing equipment and are recorded as “paid in full and settled to the appropriate entity.”

The total amount of funds recovered by the Office of the State Auditor for Fiscal Year ending June 30, 2013 was **\$10,310,110.81**.

The Office of the State Auditor continues to serve as a watchdog organization to ensure that tax dollars are protected, and we pledge to perform our jobs with integrity, honesty and a commitment to excellence. We continue to protect the public’s trust through evaluations of accounting practices and aggressive investigations of alleged wrongdoing. We believe the taxpayers of Mississippi deserve no less.

Serving Mississippi Together,



Stacey E. Pickering
State Auditor



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**EXCEPTIONS TAKEN BY THE
COUNTY AUDIT SECTION**



ATTALA COUNTY**COUNTY OFFICIAL**

Circuit Clerk, Wanda Fancher **\$431.00**
Exceeded Fee Cap

Status: Paid in full and settled to the appropriate fund directly.

BENTON COUNTY**COUNTY OFFICIAL**

Circuit Clerk, Kathy Graves **\$100.00**
Overpayment of Revenue

Status: Paid in full and settled to the appropriate fund directly.

CLARKE COUNTY**COUNTY OFFICIAL**

Chancery Clerk, Angie Chisholm **\$9,806.00**
Exceeded Fee Cap

Status: Paid in full and settled to the appropriate fund directly.

GEORGE COUNTY**COUNTY OFFICIAL**

Chancery Clerk, Cammie Byrd **\$4,750.00**
Disallowed Expenses

Status: Paid in full and settled to the appropriate fund directly.

Chancery Clerk, Cammie Byrd **\$21,871.05**
Unreimbursed Payroll

Status: Paid in full and settled to the appropriate fund directly.

Chancery Clerk, Cammie Byrd **\$23,887.23**
Excess Fees Not Remitted

Status: Paid in full and settled to the appropriate fund directly.



LINCOLN COUNTY**COUNTY OFFICIAL****Chancery Clerk, Tillmon Bishop**
Unreimbursed Payroll**\$126,902.73****Status:** Paid in full and settled to the appropriate fund directly.**PANOLA COUNTY****COUNTY OFFICIAL****Chancery Clerk, James Pitcock**
Disallowed Expenses**\$210.00****Status:** Paid in full and settled to the appropriate fund directly.**PONTOTOC COUNTY****COUNTY OFFICIALS****Circuit Clerk, Tracy Robinson**
Disallowed Expenses**\$10,451.00****Status:** Paid in full and settled to the appropriate fund directly.**Chancery Clerk, Reggie Collums**
Disallowed Expenses**\$12,640.00****Status:** Paid in full and settled to the appropriate fund directly.**Chancery Clerk, Reggie Collums**
Failure to Reimburse Salaries**\$239.00****Status:** Paid in full and settled to the appropriate fund directly.**MARSHALL COUNTY****COUNTY OFFICIALS****Chancery Clerk, C.W. "Chuck" Thomas**
Undocumented Expenses**\$11,218.00****Status:** Paid in full and settled to the appropriate fund directly.**Circuit Clerk, Lucy Carpenter**
Exceeded Fee Cap**\$78,159.00****Status:** Paid in full and settled to the appropriate fund directly.



OKTIBBEHA COUNTY**COUNTY OFFICIAL****Chancery Clerk, Monica W. Banks**
Exceeded Fee Cap**\$13,607.00**

Status: Paid in full and settled to the appropriate fund directly. This amount was settled during the 2012 Fiscal Year, but was not included in the 2012 Annual Exception Report.

WAYNE COUNTY**COUNTY OFFICIAL****Circuit Clerk, Rose M. Bingham**
Disallowed Expenses**\$405.50**

Status: Paid in full and settled to the appropriate fund directly.

WINSTON COUNTY**COUNTY OFFICIALS****Sheriff, Randy Thomas**
Exceeded Salary**\$910.53**

Status: For Fiscal Year 2013, payment in the amount of \$500.00 has been received, leaving a balance of \$410.53.

Circuit Clerk, Kim Taylor Ming
Exceeded Salary**\$2,817.60**

Status: Paid in full and settled to the appropriate fund directly.



**EXCEPTIONS TAKEN AND CRIMINAL
CHARGES FILED BY THE
INVESTIGATIONS
LAW ENFORCEMENT DIVISION**



ALCORN COUNTY**CROSSROADS ARENA & CONVENTION CENTER****Former Manager, Reggie Churchwell****\$34,678.29**

Missing Funds

Status: A written formal demand in the amount of \$34,678.29 was issued on October 20, 2011. For Fiscal Year 2013, payment from his bond in the amount of \$34,678.29 has been received and returned to the appropriate deserving entity.

CHICKASAW COUNTY**HOUSTON SCHOOL DISTRICT****Former Secretary, Kathy Neal****\$25,550.63**

Embezzlement

Status: A written formal demand in the amount of \$25,550.63 was issued on July 30, 2007. For Fiscal Year 2013, payment from her bond in the amount of \$24,550.63 has been received and returned to the appropriate deserving entity.

CLAY COUNTY**COUNTY OFFICIAL****Former Circuit Clerk, Bobbie C. Davis****\$88,938.14**

Missing Funds

Status: A written formal demand in the amount of \$88,938.14 was issued on December 2, 2010. For Fiscal Year 2013, a negotiated settlement of \$69,220.86 was received from her bond and returned to the appropriate deserving entity.

DESOTO COUNTY**COUNTY OFFICIAL****Former Mayor, Greg Davis****\$181,815.66**

Misuse of Public Funds

Status: A written formal demand in the amount of \$170,782.28 was issued on November 2, 2011. A second formal demand was issued on April 20, 2012, for an additional \$11,033.38. For Fiscal Year 2012, payment in the amount of \$96,000.00 was received, and \$11,900.39 credit for receipts was given, leaving a balance of \$73,915.27. On December 18, 2012, Davis was indicted on two counts of Embezzlement by a Public Official and One Count of False Pretense. A civil case has been tried for two days in January, 2013 and five days in May, 2013. The civil trial will continue in October 2013.



DESOTO COUNTY cont'd**MUNICIPALITY OF OLIVE BRANCH****Former Collections Clerk, Anita Cowan**
Misuse of Public Funds**\$66,885.78**

Status: On June 11, 2013, payment from her bond in the amount of \$66,885.78 was returned to the appropriate deserving entity and the balance paid in full.

FRANKLIN COUNTY**FRANKLIN COUNTY SCHOOL DISTRICT****Former Business Manager, Ramona Mullins**
Embezzlement**\$86,285.36**

Status: A written formal demand in the amount of \$86,285.36 was issued on September 4, 2012. On December 12, 2012, Mullins was sentenced to serve three years in the Mississippi Department of Corrections and restitution in the amount of \$86,285.36. For Fiscal Year 2013, a negotiated settlement in the amount of \$75,000.00 has been received from her bond and returned to the appropriate deserving entity.

MUNICIPALITY OF ROXIE**Former Bookkeeper, Ramona Mullins**
Embezzlement**\$24,950.69**

Status: A written formal demand in the amount of \$24,950.69 was issued on September 4, 2012. On December 12, 2012, Mullins was sentenced to serve six years in the Mississippi Department of Corrections. After serving three years, said sentence shall be suspended and placed on post-release supervision for the remaining three years. Mullins was also ordered to pay restitution in the amount of \$24,950.69. For Fiscal Year 2013, payment from her bond in the amount of \$24,950.69 was received and returned to the appropriate deserving entity.



GREENE COUNTY**COUNTY OFFICIALS****Supervisor, Earnest Holder****\$130,673.03**

Misuse of Public Funds

Status: A formal written demand in the amount of \$130,673.03 was issued on May 23, 2011. One June 23, 2011, Holder was convicted and sentenced to seventy-eight months for Bribery-Receiving Federal Funds; Count II: Conspiracy to Commit Bribery and Count III: sixty months for Perjury; Count V: thirty-six months for Filing a False Tax Return. Counts II, III, V are to run concurrent with Count I. Holder was also ordered to pay restitution in the amount of \$18,480 to the IRS, and a fine of \$125,000. For Fiscal Year 2013, a negotiated settlement of \$86,628.32 was received from his bond and returned to the appropriate deserving entity.

Former Chancery Clerk, Latricia Cornelson**\$6,000.00**

Embezzlement

Status: On February 13, 2013, Cornelson was indicted on nine counts of Embezzlement. On November 26, 2012, Cornelson was sentenced to 10 years, suspended in custody of MDOC, four years probation, court costs, plus \$2,000.00 in fines and restitution in the amount of \$6,000.00. She also agreed to never work in a city, county or state job in the future. For Fiscal Year 2013, payments in the amount of \$1,600.00 towards court fines and costs.

GRENADA COUNTY**COUNTY OFFICIAL****Former Deputy Tax Collector, Ann B. Parks****\$17,948.75**

Embezzlement

Status: On January 29, 2009, Ann B. Parks pled guilty to four counts of Embezzlement. Parks was sentenced to eight years, suspended, five years probation and was ordered to pay restitution in the amount of \$11,703.36. Formal written demand in the amount of \$17,948.75 was issued on February 10, 2009, and transmitted to the Office of the Attorney General on March 10, 2009. For Fiscal Year 2013, payments in the amount of \$3,000.00 have been received, leaving a balance of \$1,779.60.



HANCOCK COUNTY

COUNTY OFFICIAL

Former Road Supervisor, Roger Ladner
Embezzlement

\$1,134,538.00

Status: On December 13, 2012, Ladner was sentenced to sixty months in federal prison; three years supervised release after prison; fined \$25,000.00; forfeit the thirty-four bank checks recovered in a raid May 2010, totaling \$1,250,000.00, of which \$1,134,538.00 was returned to the appropriate deserving entities, FEMA and MEMA.

HARRISON COUNTY

MISSISSIPPI DEPARTMENT OF MARINE RESOURCES, FOUNDATION

President, Dr. William Walker
Misuse of Public Funds

\$296,096.60

Status: In a negotiated settlement, the Office of the State Auditor received two yachts on DMR's behalf from the Marine Resources Foundation. DMR spent \$804,013.44 restoring and upgrading the yachts and purchased equipment valued at \$169,982.55. These yachts were exchanged in lieu of a \$1,074,519.97 demand. The assets were insured at \$350,000.00 and \$284,000.00. The equipment was removed and the yachts were sold by sealed bids for a total of \$126,114.05, which makes the total recovery \$296,096.60.

HINDS COUNTY

MUNICIPALITY OF UTICA

Former Municipal Court Clerk, Jessica Bates
Misuse of Public Funds

\$1,552.99

Status: A formal written demand in the amount of \$1,552.99 was issued on October 1, 2012.

MISSISSIPPI AGRIBUSINESS COUNCIL

Former Contractor, Glenn Patterson
Money Laundering

\$71,421.63

Status: On March 28, 2005, Glenn Patterson pled guilty to money laundering, was sentenced to serve eighteen months, and was ordered to pay restitution in the amount of \$36,736.00. Formal written demand in the amount of \$71,421.63 was issued on August 1, 2005 and transmitted to the Office of the Attorney General on September 1, 2005. For Fiscal Year 2013, payments in the amount of \$4,961.00 have been received and returned to the appropriate deserving entity.

**HINDS COUNTY cont'd**

Former Contractor, Michael Walters **\$132,385.13**
Money Laundering

Status: On March 28, 2005, Michael Walters pled guilty to money laundering, was sentenced to serve eighteen months, and was ordered to pay restitution in the amount of \$82,174.75. Formal written demand in the amount of \$132,385.13 was issued on August 1, 2005 and transmitted to the Office of the Attorney General on September 1, 2005. For Fiscal Year 2013, payments in the amount of \$1,200.00 have been received, leaving a balance of \$121,785.13.

HOLMES COUNTY**COUNTY OFFICIALS**

Former District 1 Supervisor, Norman Cobbins, Jr. **\$45,077.95**
Embezzlement

Status: On March 6, 2012, Cobbins was indicted on three counts: Federal Mail Fraud, embezzlement, lying to a federal officer. On October 26, 2012, Cobbins was sentenced on Count II of the indictment, Cobbins resigned prior to being sentenced. The sentence for this count was six months in the custody of the U.S. Federal Bureau of Prisons. Upon release, Cobbins is to serve three years of supervised probation including seven months of house arrest. A formal written demand in the amount of \$45,077.95 was issued on November 26, 2012. Payment in the amount of \$25,000.00 has been received from his bond, leaving a balance of \$20,077.95.

Former District 2 Supervisor, James Young **\$3,620.23**
Work on Private Property

Status: A formal written demand in the amount of \$3,620.23 was issued on July 24, 2012. Payment in the amount of \$3,620.23 has been received and returned to the appropriate deserving entity.

JACKSON COUNTY**COUNTY OFFICIAL**

Former Tax Clerk, Nedra Wells **\$11,161.76**
Embezzlement

Status: On January 18, 2013, Wells pled guilty to two counts of Embezzlement. Wells was sentenced to ten years suspended, placed on probation for five years under supervision of the MDOC, and ordered to pay restitution for the principal amount of \$7,235.15.

**JACKSON COUNTY cont'd****OCEAN SPRINGS SCHOOL DISTRICT****Former Bookkeeper, Linda Dickerson Smeby**
Embezzlement**\$14,314.36**

Status: On May 10, 2013, Smeby pled guilty to four counts of Embezzlement. Smeby was sentenced to ten years suspended, placed on probation for five years under supervision of the MDOC, and ordered to pay restitution for the principal amount of \$9,113.85.

JEFFERSON COUNTY**COUNTY OFFICIAL****Former Circuit Clerk, Burnell Harris**
Misappropriation of Funds**\$857,966.42**

Status: A formal written demand in the amount of \$857,966.42 was issued on October 17, 2007. On October 17, 2007, Harris was found guilty for Theft of Federal Funds, Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity, and Tax Evasion. Harris was sentenced to seventy-two months in prison, supervised release for three years after imprisonment, and restitution to the Office of the State Auditor in the amount of \$447,086.07. For Fiscal Year 2013, payment in the amount of \$616.27 has been received, leaving a balance of \$550,350.15.

JEFFERSON DAVIS COUNTY**MUNICIPALITY OF BASSFIELD****Former Police Chief, Walter Earl Bullock (Deceased)**
False Pretense**\$12,863.57**

Status: On October 27, 2011, twenty guns, one Taser, and approximately 10,286 rounds of ammunition that were the property of Bassfield were seized from the home of Bullock. On December 11, 2012, seventeen guns and one Taser was returned to the City of Bassfield in accordance with a court order, and three fully automatic weapons were retained by the Office of the State Auditor.



JEFFERSON DAVIS COUNTY cont'd

Former Fire Chief, Billy Matthews
Former City Clerk, Brenda Saulters **\$40,400.00**
False Pretense

Status: The Office of the State Auditor recovered twenty-two items of surplus equipment that was illegally obtained by city employees of Bassfield. Items included eight travel trailers, three boats, two bush hogs, one tractor, one airplane tug, and other miscellaneous items of surplus property for a recovery value of \$40,400.00. On April 15, 2013, both Matthews and Saulters pled guilty to False Pretense, Embezzlement, and Conspiracy to Commit False Pretense and were sentenced to ten years, ten years suspended, five years probation, and \$1,000.00 fine plus court cost. No restitution was ordered since surplus items were returned to Mississippi Surplus Property.

MUNICIPALITY OF PRENTISS

Former City Clerk, Gail Glenda Williams **\$115,786.81**
Embezzlement

Status: On March 12, 2013, Williams was indicted by the Jefferson Davis County Grand Jury for one count of Embezzlement. On April 15, 2013, Williams was arrested and released on \$10,000.00 bond.

JONES COUNTY**JONES COUNTY JUNIOR COLLEGE**

Former Accounting Assistant, Tracy Laird **\$109,407.96**
Embezzlement

Status: A formal written demand in the amount of \$109,407.96 was issued on September 9, 2009 and transmitted to the Office of the Attorney General on October 19, 2009. On January 20, 2010, Tracy Laird pled guilty to embezzlement and was sentenced to ten years, with five years to serve and five years post release supervision, completion of Community Service Program, and restitution of \$109,407.96. For Fiscal Year 2013, payments in the amount of \$64,210.84 have been received and returned to the appropriate deserving entity, leaving a remaining balance of \$18,718.16.

**LAMAR COUNTY****ROCK HILL VOLUNTEER FIRE DEPARTMENT**

Former Fire Chief, William Leroy King **\$4,678.53**
Embezzlement

Status: On December 20, 2011, King was arrested for embezzlement. On August 21, 2012, the Lamar County Grand Jury indicted King on one count of Embezzlement for converting to his own use the property of Tires Plus Inc. and one count of Embezzlement for converting to his own use the property of Pine Belt Oil Company. King is currently awaiting trial and recovery costs.

ROCK HILL VOLUNTEER FIRE DEPARTMENT

Former President and Treasurer, Gregory Steven Myers **\$1,800.00**
Misuse of Funds

Status: For Fiscal Year 2013, payment in the amount of \$1,800.00 has been received and returned to the appropriate deserving entity.

MUNICIPALITY OF LUMBERTON

Former Chief of Police, Daren Dennis Hobson **\$948.00**
Misuse of Public Property

Status: For Fiscal Year 2013, payment in the amount of \$948.00 has been received and returned to the appropriate deserving entity.

LAUDERDALE COUNTY**COUNTY OFFICIAL**

Former Deputy Justice Court Clerk, Victoria Nealy **\$3,236.27**
Embezzlement

Status: On February 3, 2012, Nealy was sentenced to ten years, with three years to serve, seven years suspended and five years supervised probation. She is ordered to pay restitution in the amounts of \$1,549.00 and \$138.27 to Lauderdale County Justice Court and \$1,549.00 to the Office of the State Auditor, plus fines and court costs. A written formal demand in the amount of \$3,236.27 was issued on September 24, 2012. For Fiscal Year 2013, payments in the amount of \$3,236.27 have been received and returned to the appropriate deserving entity.

**LAUDERDALE COUNTY cont'd****MERIDIAN PUBLIC SCHOOL DISTRICT****Former Principal, Judy Radcliff****\$287,277.10**

Embezzlement

Status: On December 2, 2005, Radcliff was sentenced to serve thirty months, ordered to be on three years supervised release, ordered to pay a special assessment fee of \$100.00, and make restitution of \$217,505.68. A written formal demand in the amount of \$287,277.10 was issued on December 2, 2005. For Fiscal Year 2013, payments in the amount of \$281.54 have been received, leaving a balance of \$235,993.96.

Employee, Sandra Todd**\$59,014.55**

Embezzlement

Status: A written formal demand in the amount of \$59,014.55 was issued on December 9, 2005. Todd was sentenced on December 9, 2005, in Federal Court to serve twelve months and one day in prison. Upon release from prison, Todd shall be placed on supervised release for three years, and ordered to pay a special assessment fee of \$100.00 and ordered to pay restitution of \$89,651.58. For Fiscal Year 2013, payment in the amount of \$232.73 has been received, leaving a balance of \$50,300.03

Former Consultant, Joycelyn Wilson**\$64,120.09**

Embezzlement

Status: Jocelyn Wilson was sentenced to serve five months in prison, five months on home confinement, and ordered to be on three years supervised release. Wilson was also ordered to pay restitution in the amount of \$48,178.20. A written formal demand in the amount of \$64,120.09 was issued on December 2, 2005. For Fiscal Year 2013, payments in the amount of \$517.27 have been received, leaving a balance of \$38,725.92.

LAWRENCE COUNTY**MUNICIPALITY OF MONTICELLO****Former City Court Clerk, Mary Nell Jenkins****\$12,576.27**

Embezzlement

Status: On July 25, 2008, Mary Nell Jenkins pled guilty to embezzlement. Her plea was accepted, but adjudication was withheld for five years pending completion of probation terms of the Court, which includes payment of restitution in the amount of \$12,576.27. Formal written demand in the amount of \$12,576.27 was issued on November 4, 2008, and transmitted to the Office of the Attorney General on December 4, 2008. For Fiscal Year 2013, payments in the amount of \$600.00 were received, balanced paid in full and returned to the appropriate deserving entity.



LEAKE COUNTY**MUNICIPALITY OF WALNUT GROVE****Former Mayor, Grady Sims****\$31,530.29**

Misuse of Public Funds

Status: A formal written demand in the amount of \$31,530.29 was issued on October 25, 2011. On April 24, 2012, Sims was sentenced to seven months in federal prison, six months house arrest, and two years probation. For Fiscal Year 2013, payment in the amount of \$8,670.11 has been received, leaving a balance of \$22,860.18.

LEE COUNTY**LEE COUNTY SCHOOL DISTRICT****Former Business Manager, Randy Thweatt****\$12,961.28**

Work on Private Property

Status: On September 5, 2012, Thweatt pled guilty and was sentenced on Count I: ten years in MDOC and one year house arrest; Count II: ten years in MDOC, suspended; and ordered to pay restitution in the amount of \$5,060.00 to Lee County School District and \$7,901.28 to the Office of the State Auditor. For Fiscal Year 2013, payments in the amount of \$12,961.28 were received and the balance paid in full and returned to the appropriate deserving entity.

LINCOLN COUNTY**BROOKHAVEN SCHOOL DISTRICT****Former Maintenance Worker, Laron Smith****\$6,297.00**

Theft

Status: On May 4, 2012, Smith was indicted for Grand Larceny. On May 16, 2012, Smith was arrested for Grand Larceny and Possession of Marijuana. On May 6, 2013, Smith entered the Pretrial Intervention Program. Smith was ordered to pay restitution to the Brookhaven School District beginning June 1, 2013 and continuing on the first of each month until paid in full.



LOWNDES COUNTY**LOWNDES COUNTY TAX ASSESSOR****Former Employee, Miracle Taylor****\$7,344.34**

Misuse of Public Funds

Status: Taylor took \$7,344.34 from the Tax Assessor's office while employed. The money was paid back and Taylor is no longer employed at the Tax Assessor's Office.

LOWNDES COUNTY BOARD OF SUPERVISORS**Former District IV Supervisor, James Terry****\$7,031.68**

Misuse of Public Funds

Status: In November 2007, James Terry was convicted at trial and sentenced to thirteen months in MDOC with five years post-release supervision. While a county elected supervisor, Terry used his official vehicle for personal use. The sentence was appealed, but was upheld by the Mississippi Supreme Court. On February 28, 2011, the bonding company paid full restitution in the amount of \$6,931.68. For Fiscal Year 2013, payment in the amount of \$1,942.71 was received and returned to the appropriate deserving entity.

MARSHALL COUNTY**HOLLY SPRINGS SCHOOL DISTRICT****Former Secretary, Denise Gleeton****\$7,735.47**

Embezzlement

Status: On August 5, 2010, Denise Gleeton pled guilty to Embezzlement. The Court withheld acceptance of the plea, placed her on five years supervised probation, and ordered her to pay restitution of \$7,735.47. A formal written demand in the amount of \$7,735.47 was issued on September 1, 2010 and transmitted to the Office of the Attorney General on October 1, 2010. For Fiscal Year 2013, payments in the amount of \$2,101.53 were received and the balance paid in full and returned to the appropriate deserving entity.



NOXUBEE COUNTY**MUNICIPALITY OF BROOKSVILLE****Former City Clerk, Alvina DeLoach****\$93,801.68**

Embezzlement

Status: On September 18, 2008, Alvina DeLoach pled guilty to Embezzlement. On March 13, 2009, she was sentenced to ten years, and was placed on house arrest for two years, supervised probation for three years, and the remainder of the sentence was suspended. DeLoach was ordered to pay restitution in the amount of \$60,873.87. Formal written demand in the amount of \$93,801.68 was issued on April 30, 2009 and transmitted to the Office of the Attorney General on May 29, 2009. For Fiscal Year 2013, payment in the amount of \$900.00 has been received, leaving a balance of \$29,209.18.

OKTIBBEHA COUNTY**COUNTY OFFICIAL****Chancery Clerk, Monica Banks****\$11,391.00**

Exceeded Fee Cap

Status: A county audit revealed Banks exceeded fee caps for years 2007-2010. In 2007, Banks exceeded the fee cap by \$6,357.00; in 2008, Banks exceeded the fee cap by \$728.00; in 2009, Banks exceeded the fee cap by \$3,984.00; in 2010, Banks exceeded the fee cap by \$322.00; (For Fiscal Year 2012, \$13,607.00 was previously reported by County Audit Section). A credit of \$550.00 was given to Banks for her disallowed expenses, leaving a balance of \$10,841.00. For Fiscal Year 2013, payments in the amount of \$10,841.00 were received and the balance paid in full and returned to the appropriate deserving entity.

PANOLA COUNTY**MUNICIPALITY OF SARDIS****Former City Clerk, Odessa Johnson****\$36,281.24**

Misuse of Public Funds

Status: On January 28, 2010, the Panola County Grand Jury issued a one count indictment on Johnson for Embezzlement in the amount of \$28,033.95 from the City of Sardis. On November 8, 2012, Johnson was sentenced to serve a term of two and one-half years incarceration in the MDOC. Upon release, Johnson is to be placed under five years of post-release supervision, with two years of reporting post-release supervision, and three years of non-reporting post release supervision. In addition, Johnson was ordered to pay restitution beginning sixty days after release from custody at a rate of \$350/month. A formal written demand in the amount of \$36,281.24 was issued on November 8, 2012.



PEARL RIVER COUNTY

PEARL RIVER COUNTY JUSTICE COURT **\$17,265.90**
County Attorney, Aaron Russell, Jr.
Alteration of Court Records

Status: On October 12, 2012, Russell was arrested for Alteration of Records. Russell surrendered \$750.00 of the \$17,265.90.

MUNICIPALITY OF PICAYUNE **\$281.25**
Former Building Inspector, Donald A. Kellar, Jr.
Misuse of Public Funds

Status: For Fiscal Year 2013, payment in the amount of \$281.25 has been received, and the balance paid in full and returned to the appropriate deserving entity.

PERRY COUNTY

COUNTY OFFICIAL **\$2,502.13**
Former Deputy Chancery Clerk, Jennifer Phillips
Embezzlement

Status: A formal written demand in the amount of \$2,502.13 was issued on October 31, 2012. On June 6, 2013, Phillips pled guilty to Embezzlement and was sentenced to a term of five years in the custody of MDOC, pay a fine of \$2,500.00, and make restitution to the Office of the state Auditor for \$877.47. Phillips was also ordered to serve eighteen months of said sentence in custody of MDOC and upon completion of the service, the remaining eighteen month sentence be suspended pursuant to conformity with the post-release supervision for a period of three years. For Fiscal Year 2013, payment in the amount of \$2,502.13 was received, and the balance paid in full and returned to the appropriate deserving entity.

SOIL AND WATER CONSERVATION DISTRICT **\$2,861.24**
Former Clerk, Melanie Nobles
Embezzlement

Status: On August 25, 2011, Melanie Nobles pled guilty to one count of Embezzlement. She was sentenced to five years suspended, five years of probation, and restitution to the State Auditor's Office in the amount of \$2,861.24. For Fiscal Year 2013, payments in the amount of \$1,199.36 were received, leaving a balance of \$1,202.38.



PONTOTOC COUNTY

MUNICIPALITY OF ECRU

Former Mayor, Thomas Todd

\$2,325.10

Work on Private Property

Status: An informal demand was issued on July 16, 2012, in the amount of \$2,325.10. For Fiscal Year 2013, payment in the amount of \$2,325.10 was received, and the balance paid in full and returned to the appropriate deserving entity.

Former Town Clerk, Gretchen Moody

\$761.27

Work on Private Property

Status: An informal demand was issued on July 16, 2012 in the amount of \$761.27. For Fiscal Year 2013, payment in the amount of \$761.27 was received, and the balance paid in full and returned to the appropriate deserving entity.

PRENTISS COUNTY

COUNTY OFFICIAL

Former Justice Court Clerk, Rita Collette Ivy

\$82,391.14

Embezzlement

Status: On April 22, 2005, the Prentiss County Grand Jury issued a four count indictment on Ivy. On June 30, 2005, Ivy was sentenced to sixteen years, with eight years to serve, and eight years suspended, with five years post-release supervision. She was ordered to make restitution in the amount of \$82,391.14. For Fiscal Year 2013, payments in the amount of \$4,200.00 have been received, leaving a balance of \$24,250.00.

SHARKEY COUNTY

MUNICIPALITY OF ANGUILLA

Former Town Clerk, Manika Kelly

\$141,026.30

Embezzlement

Status: A written formal demand in the amount of \$141,026.30 was issued on September 18, 2012. On August 20, 2012, Kelly was indicted on one count of Embezzlement. For Fiscal Year 2013, payments from her bonds in the amount of \$108,000.00 have been received, and returned to the appropriate deserving entity.



SIMPSON COUNTY

MUNICIPALITY OF MENDENHALL

Former Chief of Police, Donald Bruce Barlow

\$36,309.17

Missing Funds

Status: A written formal demand in the amount of \$36,309.17 was issued on April 10, 2013. In March 2013, Barlow was arrested by the FBI in connection with missing funds from the City of Mendenhall Police Department and was indicted on eight counts in U.S. District Court.

STONE COUNTY

STONE COUNTY BOARD OF SUPERVISORS

Former Road Foreman, Florian Hickman

\$863.86

Work on Private Property

Status: A written formal demand in the amount of \$863.86 was issued on January 18, 2013. For Fiscal Year 2013, payment in the amount of \$863.86 was received, and the balance paid in full and returned to the appropriate deserving entity.

SUNFLOWER COUNTY

MUNICIPALITY OF INDIANOLA

Former Deputy Municipal Court Clerk, Tina Parker

\$66,118.18

Missing Funds

Status: On February 11, 2013, the Court accepted Parker's guilty plea and withheld adjudication for a period of seven years, provided Parker complete five years of supervised probation, followed by two years unsupervised probation. Parker was also ordered to pay restitution in the amount of \$35,000.00 to the City of Indianola in monthly payments of \$200.00 beginning March 4, 2013. In addition, Parker shall pay \$2,500 from her income tax return each year for seven years. A written formal demand in the amount of \$66,118.18 was issued on February 15, 2013.

TALLAHATCHIE COUNTY

MUNICIPALITY OF TUTWILER

Former Employee, Britt Brown

\$11,824.48

Misappropriation of Funds

Status: For Fiscal Year 2013, payment in the amount of \$11,824.48 was received and returned to the appropriate deserving entity.



TISHOMINGO COUNTY**COUNTY OFFICIAL****Former Chancery Clerk, Richard Hayden Ables****\$228,804.46**

Misappropriation of Funds

Status: A written formal demand in the amount of \$228,804.46 was issued on July 11, 2012. For Fiscal Year 2013, a negotiated settlement in the amount of \$107,304.02 was received and returned to the appropriate deserving entity.

UNION COUNTY**PARKS CHEVROLET COMPANY****Former Employee, Margaret Parks McLennan****\$148,575.14**

Mail Fraud

Status: On September 20, 2007, Margaret Parks McLennan pled guilty to mail fraud, and was sentenced to five years suspended, with five years supervised probation. McLennan was ordered to pay restitution in the amount of \$148,575.00. Formal written demand was issued on September 20, 2007, in the amount of \$148,575.14, and transmitted to the Office of the Attorney General on October 22, 2007. For Fiscal Year 2013, payments in the amount of \$2,500.00 have been received, leaving a balance of \$118,575.14.

WALTHALL COUNTY**COUNTY OFFICIAL****Justice Court Clerk, Sandra Schilling****\$58,497.31**

Missing Funds

Status: A written formal demand in the amount of \$58,497.31 was issued on July 24, 2012.

WARREN COUNTY**COUNTY OFFICIALS****Circuit Clerk, Shelly Ashley-Palmertree****\$661,751.75**

Excess Fees

Status: A written formal demand in the amount of \$661,751.75 was issued on March 5, 2013. A lawsuit is pending in Hinds County Chancery Court. This investigation is ongoing.

**WARREN COUNTY cont'd****MUNICIPALITY OF VICKSBURG****Former Deputy City Clerk, Katrina McCloud****\$ 24,421.17**

Misuse of Public Funds

Status: For Fiscal Year 2013, payment in the amount of \$24,421.17 has been received, and the balance paid in full and settled to the appropriate deserving entities.

WASHINGTON COUNTY**GREENVILLE PORT COMMISSION****Former Bookkeeper, Nedra Pittman****\$89,881.97**

Embezzlement

Status: On September 25, 2006, Nedra Pittman pled guilty to embezzlement. She was sentenced to ten years with two years in the Intensive Supervision Program, with the remaining eight years suspended, and ordered to make restitution of \$89,881.97. A formal written demand in the amount of \$89,881.97 was issued on October 13, 2006 and transmitted to the Office of the Attorney General on November 10, 2006. For Fiscal Year 2013, payments in the amount of \$1,490.00 were received, leaving a balance of \$77,229.38.

GREENVILLE PUBLIC SCHOOLS**Former Superintendent, Dr. Harvey Franklin, Sr.****\$1,400,000.00***

Fraud

Status: On May 29, 2010, the State Auditor's Office notified the Mississippi Department of Education of a serious financial condition at the Greenville Public School District. Ten OSA and OIG Special Agents interviewed Greenville Public School District staff and teachers on February 22, 2012. On May 15, 2012, Dr. Franklin resigned as the Superintendent of Education for the Greenville Public School District. On June 27, 2012, the State Auditor notified MDE that the Greenville Public School District was no longer facing the serious financial condition. On August 2, 2012, Dr. Franklin pled guilty in Federal Court to two counts of Accepting a Bribe and one count of Embezzlement, for which the Government sought forfeiture of a 2010 Ford F-150 and Real Property identified as 930 South Washington, Greenville, Washington County, Mississippi, 38701 and as Parcel #15444400000 in the Washington County, Mississippi Tax Assessor records.

* This amount is not included in the 2013 Fiscal Year collection totals.

**WEBSTER COUNTY****COUNTY OFFICIAL****Former Deputy Sheriff, Danny Pittman****\$3,337.19**

Abuse of Office and Work on Private Property

Status: A formal written demand in the amount of \$3,337.19 was issued on February 21, 2013.

WINSTON COUNTY**NANIH WAIYA SCHOOL****Former Bookkeeper, Lori Young****\$28,917.15**

Embezzlement

Status: A written formal demand in the amount of \$28,917.15 was issued on April 5, 2013. On March 26, 2013, Young was indicted on one count of embezzlement. The case is pending.

YAZOO COUNTY**MISSISSIPPI DEPARTMENT OF TRANSPORTATION****Former Employee, Clarence Shelton****\$4,217.51**

Embezzlement and Conspiracy

Status: On March 19, 2010, Clarence Shelton pled guilty to embezzlement and conspiracy and was sentenced to five years suspended on both counts, two years house arrest, a fine of \$7,500 and restitution of \$4,217.51. For Fiscal Year 2013, payment in the amount of \$125.00 has been received, leaving a balance of \$3,366.01.

YAZOO COUNTY CHAMBER OF COMMERCE**Former Administrative Manager, Carolyn Coates****\$39,517.38**

Embezzlement

Status: On August 23, 2010, Carolyn Coates pled guilty to embezzlement and was ordered to make restitution in the amount of \$13,546.40. The bond has already paid \$25,970.98. For Fiscal Year 2013, payments in the amount of \$2,570.00 have been received, leaving a balance of \$8,976.40.

**YAZOO COUNTY cont'd****YAZOO COUNTY CONVENTION AND VISITORS BUREAU****Former Executive Director, Karen Smith****\$37,587.51**

Embezzlement

Status: On August 13, 2010, Karen Smith pled guilty to embezzlement. On March 22, 2011, Smith was sentenced to ten years suspended, with five years supervised probation and five years unsupervised probation, and was ordered to make restitution of \$37,587.51. For Fiscal Year 2013, payments in the amount of \$6,050.00 have been received, leaving a balance of \$23,111.40.



**EXCEPTIONS TAKEN BY THE
PERFORMANCE AUDIT DIVISION**

**HINDS COUNTY****MICROSOFT LITIGATION**

Improper Fees

\$10,000,000.00

Status: On May 24, 2012, the Mississippi Supreme Court ruled that the fees paid to outside counsel as part of a contingency fee contract with the Mississippi Attorney General are public funds. The court also ruled that outside counsel's fees must be either appropriated by the Mississippi Legislature or paid through the Attorney General's contingency fund. On November 6, 2012, the law firm of Susman Godfrey, LLP was paid \$3,875,763.33 and the law firm of Boies Schiller & Flexner, LLP was paid \$3,817,611.39 through the Attorney General's contingency fund.



**EXCEPTIONS TAKEN BY THE
PROPERTY DIVISION**



BOLIVAR COUNTY

MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Delta State University

Delta State University Foundation	\$6,866.06
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

FORREST COUNTY

MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

University of Southern Mississippi

Irene Dearman	\$24.61
Eddie Holloway	\$47.24
Jason Gray	\$18.38
Chris Campbell	\$21.88
Royal Walker	\$75.78
Richard Rawls	\$26.73
USM Foundation	\$508.48
USM Foundation	\$499.00
USM Foundation	\$354.70
USM Foundation	\$300.66
USM Foundation	\$44.59
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

HINDS COUNTY

MISSISSIPPI DEPARTMENT OF EDUCATION

Brierfield Insurance Company	\$355.52
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.



HINDS COUNTY cont'd**MISSISSIPPI DEPARTMENT OF HUMAN SERVICES**

Kellie Caldwell	\$63.00
Jennifer Darby	\$61.33
Daniel Duckworth	\$84.10
Annette Sandifer	\$70.30
Marcelene Thompson	\$19.00
Jacqueline Woods	\$258.56
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

MISSISSIPPI DEPARTMENT OF NARCOTICS

Steven Maxwell	\$31.89
Anthony Powell	\$14.18
Wayne Fowler	\$201.65
Artis Thomas	\$108.51
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

MISSISSIPPI DEPARTMENT OF WILDLIFE, FISHERIES & PARKS

Glenn Hartfield	\$24.59
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

University of Mississippi Medical Center Foundation	\$4,432.24
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

OFFICE OF THE ATTORNEY GENERAL

Trey Rogers	\$2.78
Charles Moore	\$73.98
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.



LEFLORE COUNTY**MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING**

Mississippi Valley State University

Elbert Netters	\$8.10
G. Flaggs	\$8.16
Horace Lyons	\$18.88
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

OKTIBBEHA COUNTY**MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING**

Mississippi State University

Zhengu Lin	\$27.23
Anthony Bland	\$2.59
Michael Newman	\$10.24
Robert C. Cooper, Jr.	\$13.45
Joe Massey	\$33.75
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

RANKIN COUNTY**MISSISSIPPI EMERGENCY MANAGEMENT AGENCY**

Mike Abney	\$18.00
Monica Bonner	\$13.83
Kimberly Smith	\$34.65
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.

SUNFLOWER COUNTY**MISSISSIPPI DEPARTMENT OF CORRECTIONS**

MAPC	\$353.86
Repayment for Missing Equipment	

Status: Paid in full and settled to the appropriate entity.



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Adams	None	Itawamba.....	None	Pike	None
Alcorn	11	Jackson.....	15	Pontotoc	8, 24
Amite.....	None	Jasper.....	None	Prentiss.....	24
Attala.....	7	Jefferson.....	16	Quitman.....	None
Benton	7	Jefferson Davis.....	16	Rankin	35
Bolivar.....	33	Jones.....	17	Scott	None
Calhoun	None	Kemper.....	None	Sharkey	24
Carroll	None	Lafayette	None	Simpson.....	25
Chickasaw	11	Lamar	18	Smith.....	None
Choctaw	None	Lauderdale.....	18	Stone	25
Claiborne.....	None	Lawrence.....	19	Sunflower.....	25, 35
Clarke.....	7	Leake.....	20	Tallahatchie.....	25
Clay.....	11	Lee.....	20	Tate	None
Coahoma	None	Leflore.....	35	Tippah	None
Copiah.....	None	Lincoln	8, 20	Tishomingo	26
Covington.....	None	Lowndes.....	21	Tunica	None
Desoto	11	Madison.....	None	Union.....	26
Forrest	33	Marion.....	None	Walthall.....	26
Franklin.....	12	Marshall	8, 21	Warren.....	26
George.....	7	Monroe.....	None	Washington	27
Greene.....	13	Montgomery.....	None	Wayne	9
Grenada.....	13	Neshoba.....	None	Webster	28
Hancock	14	Newton.....	None	Wilkinson.....	None
Harrison.....	14	Noxubee	22	Winston.....	9, 28
Hinds.....	14, 31, 33, 34	Oktibbeha.....	9, 22, 35	Yalobusha	None
Holmes	15	Panola.....	8, 22	Yazoo	28
Humphreys.....	None	Pearl River	23		
Issaquena.....	None	Perry.....	23		



FY2013 EXCEPTIONS REPORT



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