

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF :)	
)	
AMERICAN LEGION)	Administrative Proceeding
DANIEL W. BIRD POST 26)	Number: <u>C-06-0341</u>
523 Highway 145 North)	
Aberdeen, Mississippi 39730)	
)	
<i>Respondent</i>)	

CONSENT ORDER

I.

The Business Regulation and Enforcement Division of the Mississippi Secretary of State's Office (hereinafter "Division") having the power to administer and to provide for the enforcement of all provisions of the Mississippi Charitable Solicitations Act (hereinafter "Act"), and Respondent AMERICAN LEGION DANIEL W. BIRD POST 26 do hereby enter into this Consent Order in resolution of the following allegations by the Division of violations of certain provisions of the Act.

1. Respondent is a "charitable organization" as defined in Miss. Code Ann. § 79-11-501(a)(1) (2001);
2. Respondent did not apply charitable contributions for its purpose or purposes as stated in documents filed with the Secretary of State in violation of Miss. Code Ann. § 79-11-519(4)(a).
3. Respondent failed to comply with the books and record keeping requirements in Miss. Code Ann. § 79-11-518 and Rule 213 of the Mississippi Charitable Solicitations Act Rules.

II.

Respondent, under the terms of this Consent Order and solely for the purpose of resolving the foregoing allegations, stipulates without a hearing to the matters set forth

above in Paragraph I and hereby consents to the issuance of this Consent Order and further consents to and agrees to the undertakings contained herein, with no formal administrative hearing and determination of wrongdoing. Furthermore, the undersigned agent for the Respondent acknowledges that she has been lawfully vested with the authority to enter into this Consent Order on behalf of the Respondent.

III.

THEREFORE, in consideration of a final resolution of the matters set forth herein, the Division and Respondent hereby agree and stipulate as follows:

1. Respondent stipulates to the jurisdiction of the Division as to all matters contained herein under the authority of the Act and acknowledges that the issuance of this Consent Order is solely for the purpose of resolving the matters set forth herein.
2. The Division shall impose a penalty upon the Respondent in the amount of two thousand five hundred dollars (\$2,500.00). Respondent shall remit payment to the Division, payable to the "Mississippi Secretary of State" upon execution of this Order.
3. Respondent agrees that only its members or members of any of Respondent's subsidiaries will conduct bingo operations. If, in the event, Respondent determines to use any non-members to conduct bingo operations, it must notify the Division, submit a registration application to the Division, and receive a certificate of registration from the Division prior to using any non-members to conduct bingo operations.
4. Respondent agrees to submit to the Division within twenty (20) days from the execution of this Order a list of all individuals that conduct bingo operations on behalf of Respondent. Respondent agrees also to submit within twenty (20) days from the execution of this Order a list of all individuals that are members of Respondent and/or members of Respondent's subsidiaries. Respondent shall also submit documents evidencing that any subsidiary is, in fact, a subsidiary of Respondent.
5. Respondent agrees that each check written on behalf of the organization must be signed by two (2) authorized officers of the organization.

6. Respondent agrees that it will undergo an independent audited financial review by a CPA firm approved by the Division covering the period of thirty six (36) months preceding the execution of this Order. Results of the audit must be submitted to the Division and the Mississippi Gaming Commission within seven (7) days of receipt thereof.
7. Respondent agrees to institute internal controls governing petty cash, income, and expenses. Respondent also agrees to implement all necessary internal controls designed to detect and prevent the misuse of funds. Respondent will provide a copy of all internal control policies to the Division within ninety (90) days from the execution of this Order by Respondent. The internal controls will be subject to review and approval of the Division.
8. Respondent agrees that at any such time as the Division desires, and without notice to Respondent, Respondent will submit to an examination of its records by the Division.
9. Respondent agrees to use all reasonable means to provide any materials requested by the Division within ten (10) business days from the date of the request issued by the Division.
10. Respondent will provide a current balance to the Division of funds on deposit in any and all accounts wherein Respondent is a party. This information will be provided on original bank stationery or by other means showing verification by the bank within thirty (30) days from the date of execution of this Order by Respondent.
11. This Consent Order is in resolution of the matters contained herein. As a result of this Consent Order, the matters contained herein cannot be used as a basis for action by the Division except in determining any penalty as may be imposed by the Division for any future violations of the Act committed by the Respondent and as set forth below.
12. Respondent agrees that it will comply with the provisions of the Mississippi Charitable Solicitations Act as currently in effect or as may be subsequently amended.

IV.

In the event Respondent fails or neglects to comply with any of the terms, stipulations or undertakings set forth in this Consent Order, the Division may, without

notice to the Respondent, unilaterally rescind this Order and institute any legal or administrative proceedings it deems appropriate including, but not limited to, proceedings to address the matters set forth herein.

ERIC CLARK
Secretary of State

By: 

JAMES O. NELSON, II
Assistant Secretary of State

Date: 11/30/06

AMERICAN LEGION DANIEL W. BIRD POST 26

Sign Name: Tammy Schrock

Print Name: TAMMY SCHROCK

Title: Commander