

Audit Highlights

Comprehensive Annual Financial Report
Lauderdale County, Tennessee
For the Year Ended June 30, 2001

Scope

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of Lauderdale County as of and for the year ended June 30, 2001.

Results

Our report on Lauderdale County's financial statements was qualified because the statements did not include a General Fixed Assets account group and did not include two component units and two special revenue funds whose financial statements were not available at the date of this report.

Our audit resulted in 16 findings and recommendations, which we have reviewed with Lauderdale County management. Detailed findings, recommendations, and management's responses are included in the Single Audit Section of this report.

The following are summaries of the audit findings:

OFFICE OF COUNTY EXECUTIVE:

- ◆ The office did not issue purchase orders for all applicable purchases, and in most instances when the office issued purchase orders, the dollar amount of the purchase was not listed on the purchase order.
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OFFICE OF HIGHWAY COMMISSIONER:

- ◆ Purchase orders were not issued.
 - ◆ The Highway Department did not reconcile gasoline usage with gasoline purchases.
 - ◆ The Highway Department did not have a system to account for the use of materials on some types of road projects.
 - ◆ A list of all county roads was not prepared and submitted to the County Commission for its approval.
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OFFICE OF TRUSTEE:

- ◆ The trustee did not file delinquent 1999 taxes with a delinquent tax attorney, as required by state statute.
 - ◆ Collections were not deposited intact to the office bank account, and checks were not restrictively endorsed at the time of collection.
 - ◆ The office's depository deducted warrants from the office's bank account before the bank presented the warrants to the trustee for payment.
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OFFICE OF COUNTY CLERK:

- ◆ The general ledger software did not have adequate application controls.
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OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:

- ◆ The execution docket trial balance did not reconcile with cash journal accounts.
 - ◆ The office did not develop a disaster recovery plan.
 - ◆ The office did not have formal policies and procedures for computer operations.
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OFFICE OF CLERK AND MASTER:

- ◆ The clerk and master did not determine the unpaid balance of each year's delinquent tax aggregate on file in Chancery Court and therefore could not reconcile the unpaid balance with amounts collected and adjusted.
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OFFICE OF SHERIFF:

- ◆ Duties were not segregated adequately among office employees.
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OTHER FINDINGS:

- ◆ The county did not inventory, value, and record its general fixed assets, as required by generally accepted accounting principles.
- ◆ County officials had not adopted a central system of accounting, budgeting, and purchasing.

*State of Tennessee
Comptroller of the Treasury
Department of Audit
Division of County Audit*