

# *Audit Highlights*

Comprehensive Annual Financial Report

Chester County, Tennessee

For the Year Ended June 30, 2002

## *Scope*

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of Chester County as of and for the year ended June 30, 2002.

## *Results*

Our report on Chester County's financial statements was qualified because the statements did not include a General Fixed Assets account group and did not include one Special Revenue Fund and one component unit whose financial statements were not available at the date of this report.

Our audit resulted in eight findings and recommendations, which we have reviewed with Chester County management. Detailed findings and recommendations 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 in all applicable instances, and in several instances, invoices were paid without documentation that goods had been received or services had been rendered.

### **OFFICE OF ROAD SUPERVISOR:**

- ◆ The office did not issue purchase orders in all applicable instances, and in several instances, invoices were paid without documentation that goods had been received or services had been rendered.

### **OFFICE OF DIRECTOR OF SCHOOLS:**

- ◆ In some instances, purchase orders were issued after invoices were received.
- ◆ The office did not solicit competitive bids for ten computers costing \$10,500.

### **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.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Circuit and General Sessions Courts Clerk, Clerk and Master, and Sheriff.
- ◆ Chester County officials did not require an audit of the county library.

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