

Audit Highlights

Comprehensive Annual Financial Report
Franklin 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 Franklin County as of and for the year ended June 30, 2002.

Results

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

Our audit resulted in nine findings and recommendations, which we have reviewed with Franklin 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 FINANCE DIRECTOR:

- ◆ The office did not issue purchase orders for all applicable purchases, issued purchase orders after the purchases had been made, and paid invoices without documentation that goods had been received and/or services had been rendered.
- ◆ Expenditures and encumbrances exceeded appropriations approved by the County Commission in ten of 25 major appropriation categories in the General Purpose School Fund in amounts ranging from \$224 to \$99,072.

OFFICE OF DIRECTOR OF SCHOOLS:

- ◆ Assets were not labeled as property of the School Department.

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK:

- ◆ Some funds were not deposited to the office bank account within three days of collection in the Office of Juvenile Court Clerk.
- ◆ The court software did not have adequate application controls. Users could reset receipt numbers.

OFFICE OF CLERK AND MASTER:

- ◆ The court software did not have adequate application controls. Users could reset receipt numbers.
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OFFICE OF SHERIFF:

- ◆ Some funds were not deposited to the office bank account within three days of collection.
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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.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Finance Director; Trustee; County Clerk; Circuit, General Sessions, and Juvenile Courts Clerk; Clerk and Master; Register; and Sheriff.

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