

Audit Highlights

Comprehensive Annual Financial Report
Hardeman County, Tennessee
For the Year Ended June 30, 2003

Scope

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of Hardeman County as of and for the year ended June 30, 2003.

Results

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

Our audit resulted in five findings and recommendations, which we have reviewed with Hardeman 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:

- ◆ Expenditures exceeded appropriations approved by the County Commission in the Solid Waste/Sanitation Fund. Also, expenditures exceeded appropriations in two major categories of the General Fund.

OFFICES OF COUNTY EXECUTIVE AND HIGHWAY SUPERINTENDENT:

- ◆ General ledger payroll deduction accounts for the General Fund and the Highway/Public Works Fund were not reconciled with subsidiary payroll records on a monthly basis.
- ◆ The county executive and highway superintendent did not issue purchase orders for purchases under \$5,000.

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 and budgeting.

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