

Audit Highlights

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

Results

Our report on Lincoln County's financial statements was unqualified.

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

- ◆ The Finance Department did not deposit retainage withheld from contractor payments into an escrow account, as required for contracts of \$500,000 or more.

OFFICE OF TRUSTEE:

- ◆ The office did not develop a disaster recovery plan to assist in re-creating its data processing environment in the event of a disaster.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:

- ◆ The court software application did not provide a record of changes to previously issued receipts.

OTHER FINDING:

- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff.

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