

Audit Highlights

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

Results

Our report on Marion County's financial statements was qualified because the statements did not include a General Fixed Assets account group.

Our audit resulted in nine findings and recommendations, which we have reviewed with Marion 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 always issue purchase orders and sometimes paid invoices without documentation that goods had been received and/or services had been rendered.
- ◆ The office did not maintain inventory records for assets owned by the general county government.

OFFICE OF DIRECTOR OF SCHOOLS:

- ◆ Inventory records of assets were not updated, as required by generally accepted accounting principles.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:

- ◆ The execution dockets were not maintained properly.

OFFICE OF SHERIFF:

- ◆ The office cash journal was not maintained properly, and bank statements were not reconciled with cash journal accounts.
 - ◆ Funds were not deposited to the office bank account within three days of collection, as required by state statute.
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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.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of County Executive, Highway Superintendent, Director of Schools, 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*