

Audit Highlights

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

Results

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

Our audit resulted in seven findings and recommendations, which we have reviewed with Union 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 had not established a formal purchase order system.
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OFFICE OF HIGHWAY SUPERINTENDENT:

- ◆ The Highway Department had not established a formal purchase order system.
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OFFICE OF GENERAL SESSIONS COURT CLERK:

- ◆ The office had a cash shortage of \$250 at June 30, 2002. The shortage resulted from an overpayment to a litigant and was liquidated by the clerk subsequent to June 30, 2002.
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OFFICE OF SHERIFF:

- ◆ The office had a cash shortage of \$1,372 at August 31, 2002, due to the failure to account for certain collections. The sheriff liquidated the cash shortage by remitting personal funds to the office account. It appears that the Sheriff's Office has collections in addition to the cash shortage of \$1,372 that were not brought into accounting. However, we have not charged the sheriff with any additional cash shortage since we are unable to determine the additional amount of funds not brought into accounting.
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OTHER FINDINGS:

- ◆ 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.
- ◆ 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.

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