

# ***Audit Highlights***

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

## ***Scope***

We have audited the financial statements of each major fund and the aggregate remaining fund information of Marshall County as of and for the year ended June 30, 2003.

## ***Results***

Our report on Marshall County's financial statements expresses an adverse opinion because government-wide financial statements are not presented in accordance with Governmental Accounting Standards Board Statement No. 34.

Our audit resulted in nine findings and recommendations, which we have reviewed with Marshall County management. Detailed findings, recommendations, and management's responses are included in the Single Audit Report.

The following are summaries of the audit findings:

### **MARSHALL COUNTY:**

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.
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### **OFFICE OF COUNTY EXECUTIVE:**

- ◆ Competitive bids were not solicited for cleaning services (\$87,222) and four law enforcement vehicles (\$89,447). Also, documentation was not maintained to validate the rejection of the low bid for the purchase of an ambulance.
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### **OFFICE OF HIGHWAY SUPERINTENDENT:**

- ◆ The office did not obtain prior approval from the director of accounts and budgets for purchases exceeding \$200, as required by Chapter 69, Private Acts of 1965.
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### **OFFICE OF COUNTY CLERK:**

- ◆ The county clerk did not require a depository holding county funds to pledge securities to protect funds that exceeded Federal Deposit Insurance Corporation coverage.
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**OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:**

- ◆ The circuit and general sessions courts clerk prepared execution docket trial balances as of June 30, 2003; however, these trial balances did not reconcile with cash journal accounts by \$288,053 in Circuit Court and by \$676 in General Sessions Court.
  - ◆ The circuit court clerk did not require a depository holding county funds to pledge securities to protect funds that exceeded Federal Deposit Insurance Corporation coverage.
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**OFFICE OF REGISTER:**

- ◆ The register did not require a depository holding county funds to pledge securities to protect funds that exceeded Federal Deposit Insurance Corporation coverage.
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**OTHER FINDINGS:**

- ◆ Duties were not segregated adequately among the officials and employees in the Ambulance Service; Board of Public Utilities; and Offices of Trustee; Circuit, General Sessions, and Juvenile Courts Clerk; Clerk and Master; and Sheriff.
- ◆ County officials had not adopted a central system of purchasing.