

Audit Highlights

Comprehensive Annual Financial Report
Perry 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 Perry County as of and for the year ended June 30, 2003.

Results

Our report on Perry County's financial statements was qualified because the statements did not include a General Fixed Assets Account Group.

Our audit resulted in 14 findings and recommendations, which we have reviewed with Perry 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 COUNTY EXECUTIVE:

- ◆ The office did not issue purchase orders for most applicable purchases, sometimes issued purchase orders after purchases were made, did not have invoices to support several purchases, paid several invoices without documentation that goods had been received or services had been rendered, and did not solicit competitive bids for catered meals for the county jail.
- ◆ The office had deficiencies concerning a roofing project at the Perry County Nursing Home.
- ◆ Expenditures exceeded appropriations in several major appropriation categories of the General Fund.
- ◆ The County Commission had not adopted guidelines for credit card use.

OFFICE OF HIGHWAY SUPERINTENDENT:

- ◆ The office did not issue purchase orders for some applicable purchases and sometimes issued purchase orders after purchases were made.

OFFICE OF DIRECTOR OF SCHOOLS:

- ◆ The School Federal Projects Fund had a cash overdraft.
 - ◆ The office paid several invoices without documentation that goods had been received or services had been rendered and did not maintain quotations for audit inspection.
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OFFICE OF TRUSTEE:

- ◆ The trustee did not require a depository holding county funds to pledge securities sufficient to protect funds that exceeded Federal Deposit Insurance Corporation coverage.
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OFFICE OF REGISTER:

- ◆ The register did not obtain a letter of agreement or court decree to authorize deputy hires.
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OFFICE OF SHERIFF:

- ◆ The sheriff did not deposit funds within three days of collection, as required by state statute.
 - ◆ The sheriff did not obtain a letter of agreement or court decree to authorize deputy hires.
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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*

