

Audit Highlights

Comprehensive Annual Financial Report
Hartsville/Trousdale County Government, 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 Hartsville/Trousdale County Government as of and for the year ended June 30, 2003.

Results

Our report on Hartsville/Trousdale County Government's financial statements was qualified because the statements did not include a General Fixed Assets account group and did not include an Enterprise Fund and a component unit whose financial statements were not available at the date of this report.

Our audit resulted in ten findings and recommendations, which we have reviewed with Hartsville/Trousdale County Government's 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 HIGHWAY SUPERINTENDENT:

- ◆ The office did not issue purchase orders.

OFFICE OF DIRECTOR OF SCHOOLS:

- ◆ The office issued interfund loans that were not authorized or repaid in accordance with state statute.
- ◆ The office purchased a van without soliciting competitive bids.
- ◆ The office did not reconcile general ledger payroll liability accounts with payroll records and payments of insurance premiums.
- ◆ The office did not properly issue purchase orders for some purchases and paid invoices without documentation that goods had been received and/or services had been rendered.

OFFICE OF SHERIFF:

- ◆ The office did not enter into a service contract for commissary operations in compliance with state statutes.
- ◆ Deficiencies were noted in a capital lease for commissary equipment. The capital lease was not approved by the County Commission, the commissary equipment was not purchased on the basis of competitive bids, and a Report on Debt Obligation was not filed with the state director of Local Finance.

OTHER FINDINGS:

- ◆ The government did not inventory, value, and record its general fixed assets, as required by generally accepted accounting principles.
- ◆ Government officials had not adopted a central system of accounting, budgeting, and purchasing.
- ◆ Duties were not segregated adequately 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*