

# *Audit Highlights*

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

## *Results*

Our report on Rhea County's financial statements was unqualified.

Our audit resulted in three findings and recommendations, which we have reviewed with Rhea 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:

### **FINANCE DEPARTMENT:**

- ◆ Accounting deficiencies included not reconciling cash with trustee, not reflecting all interfund transactions, and not identifying receivables, payables, and encumbrances.

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### **OFFICE OF SHERIFF:**

- ◆ A cash shortage of \$12,769 resulted from the unauthorized use of telephone commission revenues.

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### **OTHER FINDING:**

- ◆ 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.

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