

# ***Audit Highlights***

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

## ***Results***

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

Our audit resulted in nine findings and recommendations, which we have reviewed with Stewart 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 ENGINEER:**

- ◆ Descriptions and dollar amounts of purchases were not listed on purchase orders until the invoices were received from the vendors.
- ◆ The county engineer did not submit a list of county roads to the County Commission for approval, as required by state statute.

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### **OFFICE OF DIRECTOR OF SCHOOLS:**

- ◆ In several instances, purchase orders were issued after the purchase was made. In addition, dollar amounts on some purchase orders were completed after receipt of the invoice. Also, some purchase orders were not dated.

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### **OFFICE OF ASSESSOR OF PROPERTY:**

- ◆ Assessment records were changed during the year as property transfers were made, violating state statute.

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### **OFFICE OF SHERIFF:**

- ◆ The sheriff entered into a four-year contract with Evercom Systems, Inc., for inmate telephone service at the county jail without the required approval of the County Commission and without soliciting competitive bids.
  - ◆ The sheriff did not prepare an annual financial report, as required by state statute.
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**OTHER FINDINGS:**

- ◆ 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.
- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Trustee; County Clerk; Circuit, General Sessions, and Juvenile Courts Clerk; Clerk and Master; Register; and Sheriff.

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