

Audit Highlights

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

Results

Our report on Van Buren 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 eight findings and recommendations, which we have reviewed with Van Buren County 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 COUNTY EXECUTIVE:

- ◆ The Ambulance Service Fund had a fund deficit of \$24,795, and the Solid Waste/Sanitation Fund had a fund deficit of \$613 at June 30, 2002.
- ◆ Several deficiencies were noted in the Ambulance Service operations. Bank statements were not reconciled with the general ledger. Collections were not deposited within three days of collection. Trip tickets were not reconciled with amounts billed to the accounts receivable records. Collections were not reconciled with receipts, deposits, and amounts remitted to the county trustee. The Ambulance Service did not write off uncollectible accounts. System backups were not performed for computer operations.
- ◆ Purchase orders were not issued for some purchases. Also, in several instances in which purchase orders were issued, the purchase orders were issued after the purchases were made. In addition, some invoices were not cancelled when they were paid.
- ◆ Inventory records were not maintained, as required by generally accepted accounting principles.

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 County Executive, Highway Superintendent, Director of Schools, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff.
- ◆ The county executive's bookkeeper and a deputy in the Circuit and General Sessions Courts Clerk's Office were not bonded.