

# ***Audit Highlights***

Annual Financial Report  
Putnam County, Tennessee  
For the Year Ended June 30, 2003

## ***Scope***

We have audited the financial statements of each major fund and the aggregate remaining fund information of Putnam County as of and for the year ended June 30, 2003.

## ***Results***

Our report on Putnam County's financial statements expresses an adverse opinion because government-wide financial statements are not presented in accordance with Governmental Accounting Standards Board Statement No. 34.

Our audit resulted in nine findings and recommendations, which we have reviewed with Putnam County management. Detailed findings, recommendations, and management's responses are included in the Single Audit Report.

The following are summaries of the audit findings:

### **PUTNAM COUNTY:**

- ◆ Government-wide financial statements were not presented in accordance with generally accepted accounting principles, resulting in an adverse opinion.
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### **OFFICE OF COUNTY EXECUTIVE:**

- ◆ Some purchase orders were issued after the purchases were made.
  - ◆ The Solid Waste Disposal Department collections posted to the department's accounting records were not reconciled with collections deposited with the county trustee.
  - ◆ In several instances, employees did not sign their time sheets.
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### **OFFICE OF HIGHWAY SUPERINTENDENT:**

- ◆ Supervisors and employees did not always sign time sheets.
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### **OFFICE OF COUNTY CLERK:**

- ◆ The office did not report and remit juvenile collections of \$30,810 to the county and various cities within the county.
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## **OFFICE OF CIRCUIT COURT CLERK:**

- ◆ The clerk did not require a depository to adequately collateralize funds that exceeded FDIC coverage. Funds on deposit exceeded FDIC coverage by \$90,015 at June 30, 2003.
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## **OTHER FINDINGS:**

- ◆ Duties were not segregated adequately among the officials and employees in the Offices of Highway Superintendent, Trustee, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff.
- ◆ County officials had not adopted a central system of accounting, budgeting, and purchasing.