

Audit Highlights

Annual Financial Report
Obion County, Tennessee
For the Year Ended June 30, 2004

Scope

We have audited the basic financial statements of Obion County as of and for the year ended June 30, 2004.

Results

Our report on Obion County's aggregate discretely presented component units' financial information was qualified because the statements did not include a component unit whose financial statements were not available from other auditors at the date of this report.

Our audit resulted in seven findings and recommendations, which we have reviewed with Obion 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 MAYOR:

- ◆ The office used a mechanical warrant-signing machine to affix the signature of the county mayor. This machine did not have a counter to indicate the total number of warrants processed.

OFFICE OF HIGHWAY SUPERINTENDENT:

- ◆ The Highway Department did not have a system to account for materials used on certain types of road projects.

OFFICE OF TRUSTEE:

- ◆ The office did not have written policies and procedures for routine computer operations, such as system startup/shutdown, application access, system access security, and other functions.
- ◆ The office did not store computer system backups off site. Also, a back-up log was not maintained showing label descriptions, date of creation, contents, and storage location.

OTHER FINDINGS:

- ◆ An employee of the Obion County Board of Education was also a member of the county's Board of Equalization, violating state statute.
- ◆ 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; Circuit, General Sessions, and Juvenile Courts Clerk; Clerk and Master; Register; and Sheriff.