



Jason E. Mumpower, Comptroller of the Treasury

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Carter County Receives 2nd Consecutive Poor Audit

The latest audit of Carter County shows that much work is necessary to improve the financial management of the county government.

The annual audit for the fiscal year ended June 30, 2023, reveals material weaknesses, significant deficiencies, and noncompliance within Office of the Finance Director.

The audit contains 10 findings, six of which were also reported in the fiscal year 2022 audit report and had not been corrected. Two of the findings are related to Comptroller's Office investigations of the Carter County School and Solid Waste departments that were released last year.

The first finding in the audit shows that Carter County did not comply with its policy to develop a balanced budget for the 2023 fiscal year because the county budgeted to use fund balance instead of current revenues to support its operations.

Auditors also noted the Office of Finance Director failed to properly maintain accounting records; failed to hold spending within the limits authorized by the county commission; had deficiencies in the posting of journal entries; did not maintain capital asset records properly; and did not properly place amounts withheld from contractor payments in an escrow account.

"Carter County officials should recognize that these audit results are not acceptable," said Comptroller Mumpower. "The county had 11 findings last year and 10 this year, which is significantly more than the average Tennessee county. County Commissioners, the Financial Management Committee, and the Audit Committee should exercise their authority to provide oversight and accountability."

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