



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF COUNTY AUDIT  
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February 15, 2005

Benton County Mayor and  
Board of County Commissioners  
Benton County, Tennessee

To the County Mayor and County Commissioners:

In conjunction with the annual audit of Benton County, we have performed a limited review of the information systems in the Offices of County Mayor, Road Supervisor, Director of Schools, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, and Register as of January 18, 2005. This letter transmits the results of our review.

Our audit of Benton County is required to be conducted in accordance with standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards specify that we perform general and application control reviews of computer-based accounting and information systems to determine whether an entity's existing procedures and controls provide adequate assurance of data accuracy and financial and operating statement reliability.

Because of inherent limitations in any internal control structure, errors, irregularities, or control weaknesses may exist and may not be detected. However, our information system reviews performed in the Offices of Road Supervisor, Director of Schools, Trustee, County Clerk, Clerk and Master, and Register did not reveal any matters that we considered to be a reportable condition. Reportable conditions were identified in the Offices of County Mayor and Circuit and General Sessions Courts Clerk. These reportable conditions may be included in the annual financial report of Benton County. These matters are also presented in detail in the enclosed Review of Internal Controls Regarding Information System Operations — Findings and Recommendations.

A brief summary of the reportable conditions by office is presented below:

**COUNTY MAYOR**

1. The office did not develop a disaster recovery plan.

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**CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

1. Adequate inventory records were not maintained.

Please contact Penny Austin, our Information Systems Audit Manager, or me if you have any questions regarding our review of the information systems in the aforementioned offices of Benton County, Tennessee.

Sincerely,



Richard V. Norment  
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Ray Douglas, Road Supervisor  
The Honorable Randall Robertson, Director of Schools  
The Honorable Sherry Beasley, Trustee  
The Honorable Rosanne Ward, County Clerk  
The Honorable Terry Hudson, Circuit and General Sessions Courts Clerk  
The Honorable Timothy Burrus, Clerk and Master  
The Honorable Debra Hargis, Register  
Mr. Norm Norment, West Tennessee Audit Manager

**BENTON COUNTY, TENNESSEE**  
**REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION SYSTEM**  
**OPERATIONS - FINDINGS AND RECOMMENDATIONS**  
**AS OF JANUARY 18, 2005**

The review of controls over the information systems in the Offices of County Mayor and Circuit and General Sessions Courts Clerk indicated a need for improvement. The following findings and recommendations have been made to aid these offices in the implementation of controls to better secure their computer systems and the information contained therein. We reviewed these matters with management to provide an opportunity for their response. Management offered oral responses to these items but did not submit written responses. We did not include the oral responses in this report.

**OFFICE OF COUNTY MAYOR**

**THE OFFICE DID NOT DEVELOP A DISASTER RECOVERY PLAN**

**1. FINDING**

The office did not develop a disaster recovery plan to assist in re-creating its data processing environment in the event of a disaster. Without a formal, written plan, critical computerized applications could be disrupted indefinitely until the system could be repaired or a back-up facility could be found and made operational.

**RECOMMENDATION**

Management should develop and regularly update a disaster recovery plan defining procedures for personnel to follow in the event of a major hardware or software failure, or temporary or permanent destruction of facilities. The plan should contain provisions for a contingency operations site, as well as the adequate backup of data files, system programs, user documentation, supplies, and computer hardware so that operations could continue as normally as possible. A copy of the plan should be kept in a secure area within the office, as well as at a secure, off-site location.

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**OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

**ADEQUATE INVENTORY RECORDS WERE NOT MAINTAINED**

**1. FINDING**

The office did not maintain adequate inventory records of tangible assets. Generally accepted accounting principles require accountability for all county assets such as vehicles, furniture, and computer equipment. Inadequate inventory records may result in a loss of control over assets.

**RECOMMENDATION**

Inventory records should be established and maintained to properly account for assets, as required by generally accepted accounting principles. Furthermore, personnel who are independent of maintaining the inventory records should periodically verify inventories.

**PRIOR AUDIT RECOMMENDATIONS NOT IMPLEMENTED**

(Ref: Review of Internal Controls Regarding Information System Operations as of  
February 6, 2003)

**OFFICE OF COUNTY MAYOR**

<b>Finding Number</b>	<b>Page Number</b>	<b>Subject</b>
1	1	The Office Did Not Develop a Disaster Recovery Plan