STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. BLEDSOE STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-0269
PHONE (615) 401-7841

April 12, 2006

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

To the County Mayor and County Commissioners:

In conjunction with the annual audit of Bledsoe County, we have performed a limited review of the information systems in the Offices of County Mayor; Highway Superintendent; Director of Schools; Trustee; Circuit, General Sessions, and Juvenile Courts Clerk; and Register as of February 7, 2006. This letter transmits the results of our review.

Our audit of Bledsoe 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 Officies of County Mayor, Highway Superintendent, Trustee, Circuit, General Sessions, and Juvenile Courts Clerk, and Register did not reveal any matters that we considered to be a reportable condition. A reportable condition was identified in the Office of Director of Schools. This reportable condition may be included in the annual financial report of Bledsoe County. This matter is also presented in detail in the enclosed Review of Internal Controls Regarding Information Systems Operations – Findings and Recommendations.

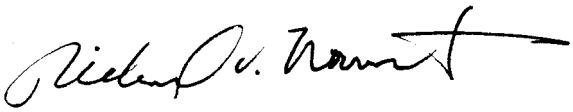
A brief summary of the reportable condition is presented below:

DIRECTOR OF SCHOOLS

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

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

Sincerely,



Richard V. Norment
Assistant to the Comptroller

RVN: nla

cc: The Honorable Thomas Frazier, Highway Superintendent
The Honorable Thad Colvard, Director of Schools
The Honorable Deanna Rains, Trustee
The Honorable Jamey Roberson, Circuit, General Sessions, and Juvenile Courts Clerk
The Honorable Emma Boynton, Register
Mr. Carl Lowe, Mid-East Tennessee Audit Manager

BLEDSOE COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION SYSTEM OPERATIONS
FINDINGS AND RECOMMENDATIONS
AS OF FEBRUARY 7, 2006

The review of controls over information system in the Office of Director of Schools indicated a need for improvement. The following finding and recommendation has been made in order to aid this office in the implementation of controls to better secure their computer systems and the information contained therein. We reviewed this matter with management to provide an opportunity for their response. Management offered an oral response to this item but did not submit a written response. We did not include the oral response in this report.

OFFICE OF DIRECTOR OF SCHOOLS

THE OFFICE DID NOT DEVELOP A DISASTER RECOVERY PLAN

1. **FINDING**

The Office of Director of Schools 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.

PRIOR AUDIT RECOMMENDATIONS NOT IMPLEMENTED

(Ref: Review of Internal Controls Regarding Information System Operations as of October 25, 2004)

OFFICE OF DIRECTOR OF SCHOOLS

Finding Number	Page Number	Subject
2	1	The office did not develop a disaster recovery plan

PRIOR AUDIT RECOMMENDATIONS IMPLEMENTED

(Ref: Review of Internal Controls Regarding Information System Operations as of October 25, 2004)

OFFICE OF DIRECTOR OF SCHOOLS

Finding Number	Page Number	Subject
1	1	The office did not have formal policies and procedures for computer operations

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

Finding Number	Page Number	Subject
1	2	The office had deficiencies in computer system back-up procedures
2	3	The office did not develop a disaster recovery plan
3	3	The office did not have formal policies and procedures for computer operations