



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

February 15, 2005

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

To the County Mayor and County Commissioners:

In conjunction with the annual audit of Campbell County, we have performed a limited review of the information systems in the Offices of Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Register, and Director of Finance as of January 7, 2005. This letter transmits the results of our review.

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

A brief summary of the reportable condition is presented below:

TRUSTEE

1. The office did not fully use its automated accounting system.

Campbell County Mayor and
Board of County Commissioners
February 15, 2005
Page 2

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 Campbell County, Tennessee.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard V. Norment". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard V. Norment
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Monty Bullock, Trustee
The Honorable Don Nance, County Clerk
The Honorable Bobby Vann, Circuit and General Sessions Courts Clerk
The Honorable Dormas Miller, Register
Mr. Jeffery Marlow, Director of Finance
Mr. Clifford Tucker, East Tennessee Audit Manager

**CAMPBELL COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION SYSTEM
OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF JANUARY 7, 2005**

The review of controls over the information system in the Office of Trustee indicated a need for improvement. The following finding and recommendation have been made to aid this office in the implementation of controls to better secure its computer system and the information contained therein. We reviewed this matter 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 TRUSTEE

**THE OFFICE DID NOT FULLY USE ITS AUTOMATED ACCOUNTING
SYSTEM**

1. FINDING

The Office of Trustee did not fully use its automated accounting system to maintain financial information. Although the office used the automated system to perform all receipting and warrant reconciliation functions, the system was not used to maintain the cash journal or generate financial statements for the office. The automated cash journal capabilities were installed, and the office paid a maintenance charge for these capabilities.

RECOMMENDATION

Management should use the automated cash journal functions to generate the office's financial statements.

PRIOR AUDIT RECOMMENDATIONS NOT IMPLEMENTED

(Ref: Review of Internal Controls Regarding Information System Operations as of
July 24, 2002)

OFFICE OF TRUSTEE

Finding Number	Page Number	Subject
---------------------------	------------------------	----------------

2	1	The Office Did Not Fully Use Its Automated Accounting System
---	---	--

PRIOR AUDIT RECOMMENDATIONS IMPLEMENTED

(Ref: Review of Internal Controls Regarding Information System Operations as of
July 24, 2002)

OFFICE OF TRUSTEE

Finding Number	Page Number	Subject
1	1	The Office Did Not Implement Adequate Controls to Protect Its Information Resources