



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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November 30, 2006

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

To the County Mayor and Board of County Commissioners:

In conjunction with the annual audit of Cumberland County, we have performed a limited review of the information systems in the Offices of County Mayor, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, Sheriff, and Finance Director as of November 17, 2006. This letter transmits the results of our review.

Our audit of Cumberland 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 Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Register, Sheriff, and Finance Director did not reveal any matters that we considered to be a reportable condition. Reportable conditions, however, were identified in the Office of County Mayor. These reportable conditions may be included in the annual financial report of Cumberland County. These matters are also presented in detail in the enclosed Review of Internal Controls Regarding Information Systems Operations – Findings and Recommendations.

A brief summary of the reportable conditions is presented below:

COUNTY MAYOR

1. The Ambulance Service and Solid Waste Office did not have formal policies and procedures for computer operations.
2. The Ambulance Service and Solid Waste Office did not develop a disaster recovery plan.
3. The Ambulance Service and Solid Waste Office had deficiencies in computer system back-up procedures.

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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 Cumberland County, Tennessee.

Sincerely,



Richard V. Norment
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Carolyn Turner, Trustee
The Honorable Jule Bryson, County Clerk
The Honorable Larry Sherrill, Circuit and General Sessions Courts Clerk
The Honorable Sue Tollett, Clerk and Master
The Honorable Judy Graham Swallows, Register
The Honorable Butch Burgess, Sheriff
Mr. Nathan Brock, Finance Director
Mr. Carl Lowe, Mid-East Tennessee Audit Manager

CUMBERLAND COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION
SYSTEM OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF NOVEMBER 17, 2006

The review of controls over the information systems in the Office of County Mayor indicated a need for improvement. It should be noted that this was the first information system review performed at the Ambulance Service and Solid Waste Office, which are under the supervision of the Office of County Mayor. The following 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

RECOMMENDATIONS

1. **MANAGEMENT SHOULD FORMALLY DOCUMENT POLICIES AND PROCEDURES FOR COMPUTER OPERATIONS**

Management of the Ambulance Service and Solid Waste Office should prepare a computer policies and procedures manual that defines policies and procedures for operations such as system startup/shutdown, application access, system access security, system backup and retention schedules, output distribution, hardware/software maintenance, and other general data processing functions. Upon completion, the manual should be distributed to all appropriate personnel.

2. **THE OFFICE SHOULD DEVELOP A DISASTER RECOVERY PLAN**

Management of the Ambulance Service and Solid Waste Office 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.

3. **SYSTEM BACK-UP PROCEDURES SHOULD BE IMPROVED**

Management of the Ambulance Service and Solid Waste Office should implement daily system back-up procedures. Backups should be rotated off site on a weekly basis. Year-end backups should also be stored off site and retained indefinitely. Some possibilities for an off-site storage location would be another county office building with a fireproof vault or a safe deposit box at a local bank. Furthermore, a current log of all backups that includes label descriptions, date of creation, contents, and storage location should be maintained.

PRIOR AUDIT RECOMMENDATIONS IMPLEMENTED

(Ref: Review of Internal Controls Regarding
Information System Operations as of January 14, 2005)

OFFICE OF SHERIFF

| Finding Number | Page Number | Subject |
|---------------------------|------------------------|---|
| 1 | 1 | Management should formally document policies and procedures for computer operations |
| 2 | 1 | System back-up procedures should be improved |
| 3 | 1 | The office should develop a disaster recovery plan |