



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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August 27, 2007

Fentress County Executive and
Board of County Commissioners
Fentress County, Tennessee

To the County Executive and County Commissioners:

In conjunction with the annual audit of Fentress County, we have performed a limited review of the information systems in the Offices of Trustee, Register, and Finance Director as of August 24, 2007. This letter transmits the results of our review.

Our audit of Fentress 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 Register and Finance Director did not reveal any matters that we considered to be a significant deficiency. A significant deficiency was identified in the Office of Trustee. This deficiency may be included in the annual financial report of Fentress 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 significant deficiency is presented below:

TRUSTEE

1. The office had deficiencies in computer system back-up procedures.

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Please contact Penny Austin, Assistant Director, or me if you have any questions regarding our review of the information systems in the aforementioned offices of Fentress County, Tennessee.

Sincerely,



Richard V. Norment
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Jerry Roysden, Trustee
The Honorable Loyce Faye Stephens, Register
Ms. Joyce Crabtree, Finance Director
Mr. Carl Lowe, Mid-East Tennessee Audit Manager

FENTRESS COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION SYSTEM
OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF AUGUST 24, 2007

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

OFFICE OF TRUSTEE

THE OFFICE HAD DEFICIENCIES IN COMPUTER
SYSTEM BACK-UP PROCEDURES

1. FINDING

System backups were not stored off site on a routine basis. In the event of a disaster, all back-up data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process.

RECOMMENDATION

Weekly backups should be rotated off site on a weekly basis. 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.