



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF COUNTY AUDIT  
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January 12, 2006

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

To the County Mayor and County Commissioners:

In conjunction with the annual audit of Greene County, we have performed a limited review of the information systems in the Offices of Director of Schools, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Director of Accounts and Budgets as of December 15, 2005. This letter transmits the results of our review.

Our audit of Greene 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 Director of Schools, Trustee, County Clerk, Clerk and Master, Register, and Director of Accounts and Budgets did not reveal any matters that we considered to be a reportable condition. A reportable condition, however, was identified in the Office of Circuit and General Sessions Courts Clerk. This reportable condition may be included in the annual financial report of Greene 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:

**CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

1. The office had deficiencies involving its check-signing machine.

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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 Greene County, Tennessee.

Sincerely,



Richard V. Norment  
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Joe Parkins, Director of Schools  
The Honorable Dan D. Walker, Trustee  
The Honorable Freddie Shaw, County Clerk  
The Honorable Gail Davis Jeffers, Circuit and General Sessions Courts Clerk  
The Honorable Kay Armstrong, Clerk and Master  
The Honorable Joy Rader, Register  
Mr. David Lawing, Director of Accounts and Budgets  
Mr. Clifford Tucker, East Tennessee Audit Manager

**GREENE COUNTY, TENNESSEE  
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION  
SYSTEM OPERATIONS — FINDINGS AND RECOMMENDATIONS  
AS OF DECEMBER 15, 2005**

The review of controls over the information system in the Office of Circuit and General Sessions Courts Clerk 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. The written response of the circuit and general sessions courts clerk is paraphrased in this report.

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

**THE OFFICE HAD DEFICIENCIES INVOLVING ITS  
CHECK-SIGNING MACHINE**

**1. FINDING**

The office used a mechanical check-signing machine to affix the official's signature. The mechanical counter on the machine could be reset; therefore, we could not ensure that the office accounted for all checks.

**RECOMMENDATION**

Adequate internal controls should be maintained over the use of the mechanical signature device. The machine should have a counter that cannot be reset indicating the total number of checks processed.

**MANAGEMENT'S RESPONSE**

This office keeps a log for all checks signed by the mechanical check-signing machine. This office will seek to purchase a check-signing machine that has a counter that cannot be reset as funds come available.