



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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January 17, 2007

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

To the County Mayor and Board of County Commissioners:

In conjunction with the annual audit of Rutherford County, we have performed a limited review of the information systems in the Offices of County Mayor; County Clerk; Circuit, General Sessions, and Juvenile Courts Clerk; Clerk and Master; Register; Sheriff; and Director of Finance as of December 15, 2006. This letter transmits the results of our review.

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

A brief summary of the reportable conditions by office is presented below:

COUNTY MAYOR

1. The Ambulance Service did not have formal policies and procedures for computer operations.
2. The Ambulance Service did not develop a disaster recovery plan.

CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

1. Sufficient user documentation for the court software application was not maintained.

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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 Rutherford County, Tennessee.

Sincerely,



Richard V. Norment
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Georgia Lynch, County Clerk
The Honorable Eloise Gaither, Circuit, General Sessions, and Juvenile Courts Clerk
The Honorable John Bratcher, Clerk and Master
The Honorable Jennifer Gerhart, Register
The Honorable Truman Jones, Sheriff
Ms. Lisa Nolen, Director of Finance
Mr. Jeff Bailey, Middle Tennessee Audit Manager

RUTHERFORD COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION
SYSTEM OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF DECEMBER 15, 2006

The review of controls over the information systems in the Offices of County Mayor, and Circuit, General Sessions, and Juvenile Courts Clerk indicated a need for improvement. It should be noted that this was the first information system review performed at the Ambulance Service which is under the supervision of the Office of County Mayor. The following finding and 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 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 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.

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

SUFFICIENT USER DOCUMENTATION FOR SOFTWARE APPLICATION WAS NOT MAINTAINED

1. FINDING

The office did not maintain formal user documentation pertaining to the court software. This documentation is necessary to provide users with information regarding system maintenance, system inputs, application processing requirements, output definitions, and system recovery. Inadequate documentation may result in inaccurate and inefficient processing of applications.

RECOMMENDATION

The office should maintain user documentation for the court software. The county's agreement with the software vendor explicitly states that the vendor will provide the county with a user's manual and related documentation. Therefore, management should contact their vendor and obtain current user documentation for the court software.

PRIOR AUDIT RECOMMENDATIONS NOT IMPLEMENTED

(Ref: Review of Internal Controls Regarding
Information System Operations as of April 27, 2004)

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

Finding Number	Page Number	Subject
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1	1	Sufficient user documentation for the software application was not maintained
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PRIOR AUDIT RECOMMENDATIONS IMPLEMENTED

(Ref: Review of Internal Controls Regarding
Information System Operations as of April 27, 2004)

OFFICE OF DIRECTOR OF FINANCE

Finding Number	Page Number	Subject
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1	1	The office had deficiencies involving its warrant-signing machine
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