



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

April 1, 2005

Van Buren County Mayor and
Board of County Commissioners
Van Buren County, Tennessee

To the County Mayor and County Commissioners:

In conjunction with the annual audit of Van Buren County, we have performed a limited review of the information systems in the Offices of County Mayor, Director of Schools, and Register as of February 28, 2005. This letter transmits the results of our review.

Our audit of Van Buren 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 and Register did not reveal any matters that we considered to be a reportable condition. Reportable conditions were identified in the Office of County Mayor. These reportable conditions may be included in the annual financial report of Van Buren 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 is presented below:

COUNTY MAYOR

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

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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 Van Buren County, Tennessee.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard V. Norment". The signature is written in a cursive style with a horizontal line extending from the end.

Richard V. Norment
Assistant to the Comptroller

RVN: pa

cc: The Honorable Neal O'Neal, Director of Schools
The Honorable Linda Simmons, Register
Mr. Carl Lowe, Mid-East Tennessee Audit Manager

VAN BUREN COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION SYSTEM
OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF FEBRUARY 28, 2005

The review of controls over the information system 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, which is under the supervision of the Office of County Mayor. The following recommendations 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 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. 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.

2. 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.