



State of Tennessee

Justin P. Wilson, State Comptroller

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Audit Uncovers Numerous Accounting Problems in Polk County

Polk County has numerous flaws in its accounting and record-keeping practices that need to be addressed, a report by the Comptroller's Division of County Audit has revealed.

The annual audit, which was released today, has 19 findings and recommendations for improvement. Some involve basic safeguards needed to protect against fraud, waste and abuse.

The Offices of County Executive and Director of Accounts and Budgets had the highest number of findings, with a total of 14.

For example, the offices spent more money than the Polk County Commission had approved. Also, accrued vacation leave balances for employees of the offices exceeded the maximum amount of leave allowed under the county's personnel policy.

The Office of Director of Schools also spent more than approved by the county commission.

In eight different offices within Polk County government, responsibilities for money collection, handling and record-keeping were not properly separated. Best practices dictate that those responsibilities should be assigned to different employees so no single employee controls all aspects of financial transactions and has unrestricted access to public funds.

In four different offices, multiple employees operated out of the same cash drawers. Failure to assign each employee a separate cash drawer reduces accountability if money is lost or stolen.

"As is the case in medicine, preventative practices in accounting can head off serious problems," Comptroller Justin P. Wilson said. "When basic accounting principles are ignored or improperly applied, then it creates an environment where waste, fraud or abuse of public funds can occur. I strongly encourage Polk County officials to follow the recommendations contained in our audit so they aren't confronted with a situation down the road where they're unable to explain why taxpayer dollars have come up missing."

To view the report online, go to:

<http://www.comptroller1.state.tn.us/ca/CountyAudits.asp?C=70>

If you suspect waste, fraud or abuse in local or state government, call the Comptroller's hotline at 1-800-232-5454. Tips to the hotline are treated confidentially.

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