



STATE OF TENNESSEE COMPTROLLER OF THE TREASURY

DEPARTMENT OF STATE

Performance Audit Report

August 2016

Justin P. Wilson, Comptroller



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Performance and Compliance Section**

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August 8, 2016

The Honorable Ron Ramsey
Speaker of the Senate
The Honorable Beth Harwell
Speaker of the House of Representatives
and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243
and
The Honorable Tre Hargett
Secretary of State
State Capitol
Nashville, Tennessee 37243

Ladies and Gentlemen:

We have conducted a performance audit of selected programs and activities of the Department of State for the period July 1, 2014, through June 30, 2016.

Our audit disclosed one finding, which is detailed in the Objectives, Methodologies, and Conclusions section of this report. Management of the Department of State has responded to the audit finding; we have included the responses following the finding. We will follow up the audit to examine the application of the procedures instituted because of the audit finding.

Sincerely,

Deborah V. Loveless, CPA
Director

DVL/gg
16/195

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Performance Audit
Department of State
August 2016

AUDIT SCOPE

We have audited the Department of State for the period July 1, 2014, through June 30, 2016. Our audit scope included a review of internal control and compliance with laws, regulations, and provisions of contracts or grant agreements in the areas of information systems; administrative procedures, conflict-of-interest statements, and billable hours when on leave; the Tennessee State Library and Archives; and revenue. Management of the Department of State is responsible for establishing and maintaining effective internal control and for complying with applicable laws, regulations, and provisions of contracts and grant agreements.

For our sample design, we used nonstatistical audit sampling, which was the most appropriate and cost-effective method for concluding on our audit objectives. Based on our professional judgment, review of authoritative sampling guidance, and careful consideration of underlying statistical concepts, we believe that nonstatistical sampling provides sufficient, appropriate audit evidence to support the conclusions in our report. We present more detailed information about our methodologies in the individual report sections.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

CONCLUSIONS

AUDIT FINDING

For the second consecutive audit, the department did not provide adequate internal controls in two specific areas*

The Department of State did not design and monitor internal controls in two specific areas. Ineffective implementation of internal controls increases the likelihood of errors, data loss, and the inability to continue operations (page 8).

OBSERVATION

The following topic did not warrant a finding but is included in this report because of its effect on the operations of the Department of State and the citizens of Tennessee: the department did not ensure Administrative Procedures Division employees completed Disclosure of Personal Interest forms annually (page 10).

*This finding is repeated from the prior audit.

Performance Audit Department of State

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Performance Audit Department of State

INTRODUCTION

POST-AUDIT AUTHORITY

This is the report on the performance audit of the Department of State. Section 8-4-109, *Tennessee Code Annotated*, states the following:

The comptroller of the treasury is hereby authorized to audit any books and records of any governmental entity created under and by virtue of the statutes of the state of Tennessee which handles public funds when such audit is deemed necessary or appropriate by the comptroller of the treasury. The comptroller of the treasury shall have the full cooperation of officials of the governmental entity in the performance of such audit or audits.

The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which requires the Department of Audit to audit all accounts and financial records of any state department, institution, office, or agency in accordance with both generally accepted auditing standards and procedures established by the Comptroller. An audit may include any or all of the following elements: financial, compliance, economy and efficiency, program results, or program evaluations.

BACKGROUND

The Secretary of State is one of the three constitutional officers provided by Tennessee's Constitution and is elected by the General Assembly for a four-year term. The Secretary of State, according to the constitution, is to maintain a register of the official acts and proceedings of the Governor and is to be prepared to present them before the General Assembly. Additional functions of the Secretary of State are outlined in the state statutes and regulations.

The Secretary of State is the chief executive officer of the Department of State. The Department of State keeps all acts and resolutions adopted by the General Assembly, proclamations of the Governor, executive orders, and oaths of office. The department is also required by statute to keep other records as such as the receipt and recording of corporate charters and annual reports; the receipt of trademarks; the execution of notary commissions; and the receipt of state administrative rules and regulations.

The office of the Secretary of State is located on the first floor of the state capitol and employs numerous positions that support the direction, coordination, and supervision of the various operating divisions within the Department of State.

The department is also organized into ten major divisions: Fiscal and Administrative Services, Human Resources and Organizational Development, Information Systems, Administrative Procedures, Business Services, Charitable Solicitations and Gaming, Elections, State Library and Archives, Publications, and Records Management.

Fiscal and Administrative Services Division

The Fiscal and Administrative Services Division provides the general administrative services necessary to support the department. These include budgeting, accounting, procurement, payroll, and other administrative and financial services.

Human Resources and Organizational Development Division

The Human Resources and Organizational Development Division is responsible for the department's human resources activities. These activities include the management of staffing benefits, employee relations, policies, and compliance.

Information Systems Division

The Information Systems Division is responsible for all information technology services necessary to support the Department of State. These responsibilities include information systems and technology planning, project development and implementation, technical support, network and telephone administration, and procurement assistance.

Administrative Procedures Division

The Administrative Procedures Division provides administrative judges to conduct contested cases between citizens and governmental agencies in an impartial manner by adhering to uniform rules of procedures and the Uniform Administrative Procedures Act (Title 4, Chapter 5, *Tennessee Code Annotated*) while conducting these hearings. The administrative judge also conducts mediation.

Business Services Division

The Business Services Division executes the processing and recordkeeping duties of the Secretary of State relating to the following areas: apostilles and authentications, athlete agent registration, corporations, general partnerships, limited liability companies, limited liability partnerships, limited partnerships, mine foreman certificates, motor vehicle temporary liens, nonresident fiduciary appointments, service of process, state deeds and leases, trademarks, Uniform Commercial Code, and workers' compensation exemption registrations. The Business Services Division assists approximately 9,500 persons per month, processing on average 46,875 documents per month. Additionally, Business Services maintains certain business information on its searchable databases. Some of this information includes business names, principal office addresses, registered agents, and business statuses. Its databases are most often used by businesses, citizens, and the law enforcement community. Documents may be filed by mail, in person, or online.

Charitable Solicitations and Gaming Division

The Charitable Solicitations and Gaming Division is responsible for the registration and regulation of charitable organizations, charitable gaming events, professional solicitors, and professional fundraising counsels, who solicit contributions for the benefit of charitable organizations. The division reviews annual gaming event applications, determines qualifying applicants for annual gaming events for approval by the General Assembly, and regulates those annual events. The division also regulates catastrophic illness trusts established in Tennessee. The division assists and protects Tennessee citizens by informing them about charities seeking their contributions. The division does this through the following activities:

- requiring certain types of charitable organizations who solicit contributions to register their activities with the division;
- requiring professional solicitors and fundraisers to register with the division;
- reviewing applications of qualifying 501(c)(3) and 501(c)(19) charitable organizations who wish to hold an annual gaming fundraising event, such as a raffle or a reverse raffle; and
- requiring those who raise money to pay for the medical or related expenses of an individual with a catastrophic illness to establish a trust, and to file written notice to the division about the trust.

The division seeks to make the information obtained from the above activities available to citizens to assist them in making decisions about their charitable giving. Citizens can find a large amount of useful information on the Secretary of State's website to assist them in determining if a charitable organization that is fundraising is meeting the legal requirements to do so, and if the organization is one to which they wish to donate. The division also seeks to assist charitable organizations in meeting the legal requirements as they relate to charitable fundraising and it also enforces the laws relating to charitable fundraising. Organizations can find the applicable laws and definitions to assist them in fully complying with the law on the Secretary of State's website.

Elections Division

The Elections Division is responsible for coordinating the activities of county election commissions and the uniformity of election procedures throughout the state. The coordinator interprets questions of the law for the benefit of all election officials, reviews election law legislation, and prepares the election manual and election handbooks for use by election officials.

State Library and Archives Division

The Tennessee State Library and Archives Division (TSLA) collects and preserves books and records of historical, documentary, and reference value and encourages and promotes library development throughout the state. Through its Regional Library System, TSLA provides assistance to local public libraries. The TSLA Regional Library System is composed of nine

multi-county regions serving 211 small and medium-sized public libraries throughout the state of Tennessee. The nine multi-county regional libraries are

- Buffalo River Regional Library, Columbia;
- Clinch River Regional Library, Clinton;
- Falling Water River Regional Library, Cookeville;
- Hatchie River Regional Library, Jackson;
- Holston River Regional Library, Johnson City;
- Obion River Regional Library, Martin;
- Ocoee River Regional Library, Athens;
- Red River Regional Library, Clarksville; and
- Stones River Regional Library, Murfreesboro.

Membership in the Regional Library System is voluntary. The four metropolitan library systems (Memphis Public Library, Knox County Library, Nashville Public Library, and the Chattanooga-Hamilton County Bicentennial Public Library) are considered single-county regions. State assistance received by local public libraries through the Regional Library System is intended to supplement local appropriations for libraries.

Publications Division

The Publications Division publishes the *Tennessee Blue Book*, *Public and Private Acts of the General Assembly*, *Tennessee Administrative Register*, *Tennessee Open Appointments Vacancy Report*, *Rules and Regulations of the State of Tennessee*, and other documents for which the Secretary of State is responsible. This division is also responsible for the creation and maintenance of the department's website.

Records Management Division

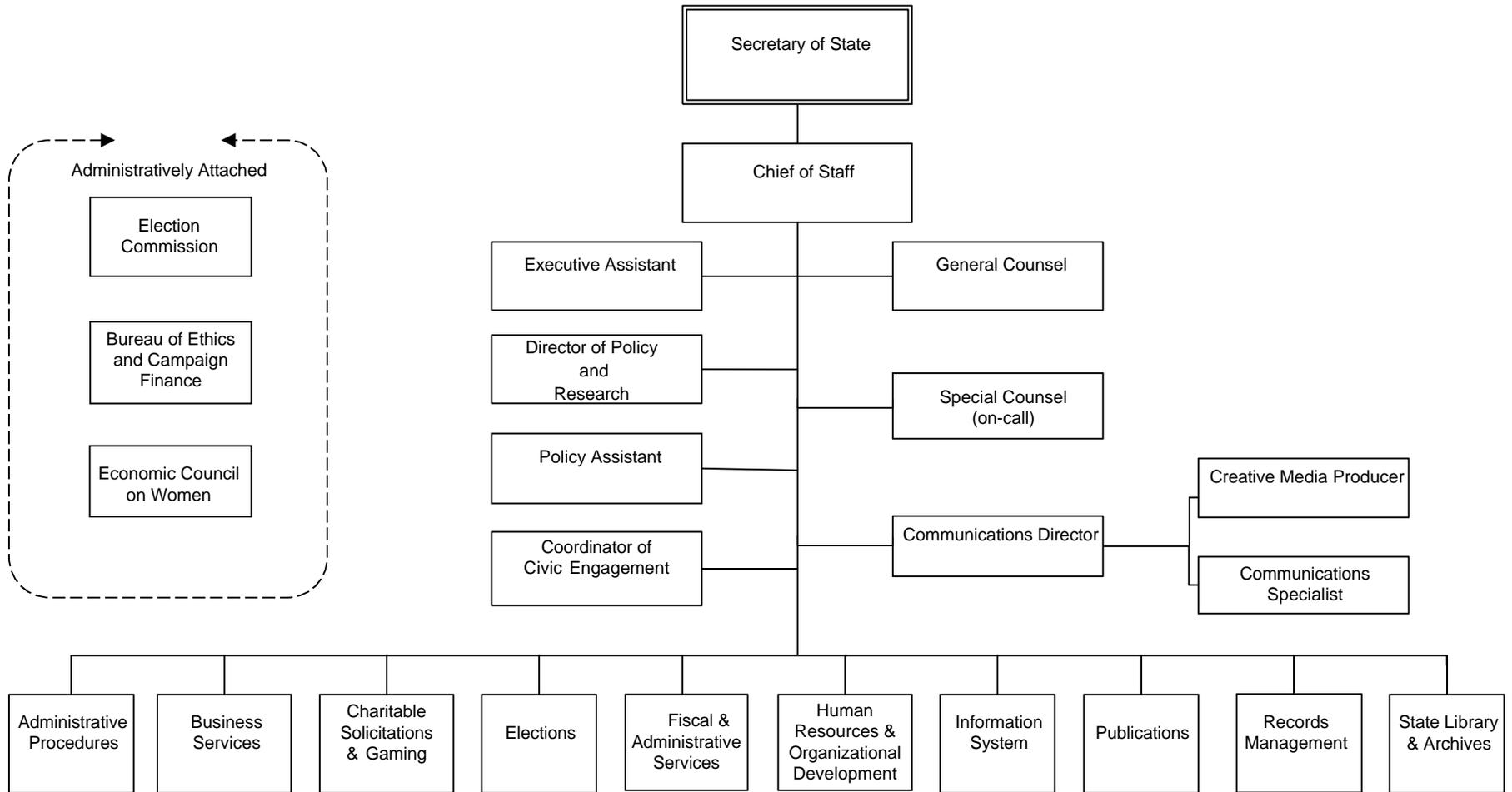
The Records Management Division was established by Section 10-7-303, *Tennessee Code Annotated*, to assist state agencies in establishing systematic controls for the efficient use and sound preservation of state records. The division serves as the primary records management agency for the state of Tennessee and provides professional consultative and analytical records management leadership to agencies. This guidance aids in the appropriate development, utilization, disposition, retention, and destruction of records. The division is further directed by the Public Records Commission (PRC) to serve as administrative liaison between state agencies and the PRC; to establish procedural guidelines for paper and electronic records oversight and retention; and to coordinate efforts supporting the state's Paperwork Reduction and Simplification Act of 1976 (Section 4-25-101, *Tennessee Code Annotated*).

Administratively Attached Entities

The department also provides administrative support to the State Election Commission, the Tennessee Economic Council on Women, and the Bureau of Ethics and Campaign Finance for all matters relating to receipts, disbursements, expense accounts, budgets, audits, and other related items.

An organization chart of the Department of State is on the following page.

Department of State Organizational Chart As of July 21, 2016



AUDIT SCOPE

We have audited the Department of State for the period July 1, 2014, through June 30, 2016. Our audit scope included a review of internal control and compliance with laws, regulations, and provisions of contracts or grant agreements in the areas of information systems; administrative procedures, conflict-of-interest statements, and billable hours when on leave; the Tennessee State Library and Archives; and revenue. Management of the Department of State is responsible for establishing and maintaining effective internal control and for complying with applicable laws, regulations, and provisions of contracts and grant agreements.

For our sample design, we used nonstatistical audit sampling, which was the most appropriate and cost-effective method for concluding on our audit objectives. Based on our professional judgment, review of authoritative sampling guidance, and careful consideration of underlying statistical concepts, we believe that nonstatistical sampling provides sufficient, appropriate audit evidence to support the conclusions in our report. We present more detailed information about our methodologies in the individual report sections.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

PRIOR AUDIT FINDING

Section 8-4-109, *Tennessee Code Annotated*, requires that each state department, agency, or institution report to the Comptroller of the Treasury the action taken to implement the recommendations in the prior audit report. The prior audit report was dated December 2014. The Department of State filed its report with the Department of Audit on April 30, 2015. A follow-up on the prior audit finding was conducted as part of the current audit.

REPEATED AUDIT FINDING

The prior audit report dated December 2014 contained a finding concerning the lack of information systems controls, which resulted in an increased risk of data loss. This finding has not been resolved and is repeated in the Information Systems section of this report.

OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

INFORMATION SYSTEMS

The Department of State relies on various information systems, databases, and applications to capture and maintain information that supports departmental activities. The Information Systems Division is responsible for maintaining the department's computer systems and applications.

The objective of our review of information systems was to determine if

- the department followed information systems' industry best practices for information systems security controls.

To determine whether management followed industry best practices, we interviewed key personnel, completed questionnaires about the department's procedures, and compared management's internal control activities to the industry's best practices.

Based on the procedures performed, we determined that management did not follow information systems' industry best practices relating to two specific areas (see Finding).

Finding – For the second consecutive audit, the department did not provide adequate internal controls in two specific areas

The Department of State did not design and monitor internal system controls in two specific areas. For these two areas, although management stated they implemented corrective action on April 1, 2015, we found internal control deficiencies related to two of the department's systems after this date.

Ineffective implementation of internal controls increases the likelihood of errors, data loss, and inability to continue operations. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. We provided the office with detailed information regarding the specific conditions we identified, as well as the related criteria, causes, and our specific recommendation for improvement.

Recommendation

Management should ensure that these conditions are remedied by promptly developing and consistently implementing internal controls in both areas. Management should implement effective controls to ensure compliance with applicable requirements; assign staff to be responsible for ongoing monitoring of the risks and mitigating controls; and take action if deficiencies occur.

Management's Comment

We concur. Policies and procedures that address the situation have been developed and implemented. Employees responsible for the implementation of these policies and procedures have been identified and informed of the importance of compliance.

ADMINISTRATIVE PROCEDURES, CONFLICT-OF-INTEREST STATEMENTS, AND BILLABLE HOURS WHEN ON LEAVE

The Administrative Procedures Division allows Administrative Law Judges (administrative judges) to impartially conduct contested case hearings between citizens and governmental agencies by adhering to uniform rules of procedures (see Rules and Regulation 1360-04-01) and the Uniform Administrative Procedures Act (Title 4, Chapter 5, *Tennessee Code Annotated*) while conducting these hearings. The administrative judge also conducts mediation. The department utilizes a formal conflict-of-interest statement and an Annual Disclosure of Personal Interests form for all employees, including employees in the Administrative Procedures Division.

The division also uses its Crystal Reports computer application to create two monthly reports that are used to bill agencies for services rendered. One monthly report provides a daily account of the number of hours an administrative judge charged to various cases. The administrative judge reviews this report to verify that the hours charged on the report are accurate. Once all administrative judges have initialed their reports, another report is generated that provides a daily account of the number of hours charged to cases for a particular agency. This report is provided to the Fiscal and Administrative Services Division which, in turn, uses the report to create and submit a billing to the relevant agency.

The objectives of our review were to determine if

- administrative judges complied with the Uniform Administrative Procedures Act and other relevant rules and regulations that govern hearing proceedings for contested cases;
- the division's staff members and administrative judges submitted their conflict of interest statements and Annual Disclosure of Personal Interest forms (disclosure forms) in a timely manner; and
- administrative judges submitted hours to be billed to other governmental entities when they took 7.5 hours or a full working day of leave.

Administrative Proceedings for Contested Cases

To gain an understanding of administrative proceedings governing contested cases, we interviewed key personnel and reviewed the Uniform Administrative Procedures Act and other relevant rules and regulation. In addition, we obtained a list of all 10,924 closed cases during the period of July 1, 2014, through March 22, 2016. From this list, we selected and tested a

nonstatistical, random sample of 25 closed cases. To determine whether the division followed applicable rules and regulations governing the proceedings, we reviewed the division's files for each sampled case.

Conflict-of-Interest Statements and Disclosure Forms

To determine if the conflict-of-interest statements and disclosure forms were submitted timely, we obtained and reviewed the latest conflict-of-interest statements and disclosure forms for all 23 administrative judges and staff who were employed by the division as of February 22, 2016. In addition, we reviewed the department's conflict-of-interest policy pertaining to collecting, retaining, and updating conflict-of-interest statements and disclosure forms; we then interviewed key personnel related to retention and collection of conflict-of-interest statements and disclosure forms.

Submission of Billable Hours When On Leave

To determine if administrative judges submitted billable hours on days when they reported a full working leave day, we interviewed key personnel and reviewed billing reports prepared by administrative judges and monthly attendance records obtained from the Fiscal and Administrative Services Division. From a population of 189 months, we selected and tested a nonstatistical, random sample of 25 months during the period of July 1, 2014, through February 29, 2016, to determine whether administrative judges submitted billable hours on days when 7.5 hours of leave was reported.

Based on procedures performed, we determined that

- administrative judges complied with the Uniform Administrative Procedures Act and other relevant rules and regulations that govern hearing proceedings for contested cases;
- conflict-of-interest statements were submitted in a timely manner; however, the division's staff and judges did not submit disclosure forms in a timely manner (see Observation); and
- administrative judges did not submit hours to be billed to other governmental entities when they took 7.5 hours of leave, with minor exceptions.

Observation – The department did not ensure Administrative Procedure Division employees completed Disclosure of Personal Interest forms annually

The Department of State requires its employees to disclose any potential conflicts of interest by

- completing a formal conflict-of-interest statement, which serves as an acknowledgement that the employee has read the department's conflict-of-interest policy; and

- signing an annual Disclosure of Personal Interests form (disclosure form) to ensure that the employee continually and frequently communicates any conflicts of interest.

The department's Administrative Procedures Division oversees Administrative Law Judges (administrative judges), whose main duty is to resolve disputes between government agencies and citizens in an impartial and independent manner. By requiring administrative judges and staff to sign the disclosure form, management has documented assurance that the administrative judges and staff have periodically considered possible personal conflicts that could hinder the performance of their duties.

We obtained a list of all 23 employees within the division as of February 22, 2016. The employee population consisted of 17 administrative judges and 6 support staff members. We requested signed conflict-of-interest statements and the latest disclosure forms for all 23 employees within our population. We noted that 2 employees who were hired in 2015 had signed both the department's conflict-of-interest policy and the disclosure form when hired. For the remaining 21 employees, we noted the following:

- Of the 21 employees, 20 (87%) did not complete disclosure forms in calendar year 2015. Of the 20 employees, we determined that 15 were administrative judges and 5 were support staff members within the division. We noted that the latest disclosure forms for all 20 of these employees had been submitted in 2014.
- One administrative judge tested (4%) was hired in calendar year 2015 and completed his disclosure form on April 20, 2016, two days after the auditor requested the form. When we inquired about this completion date, the Human Resources Director stated that she was unsure if this employee ever completed a disclosure form prior to the completion date.

According to the department's "Conflict of Interest Policy," Section 5, Part A, "All employees will sign and submit a Disclosure of Personal Interests annually." In addition, according to Supreme Court Rules, Rule 10, Canon 1.2, "A judge shall act at all times in a manner that promotes public confidence in the independence, integrity, and impartiality of the judiciary, and shall avoid impropriety and the appearance of impropriety." Periodically completing disclosure forms reminds judges to consider personal interests that could adversely impact or inhibit the public's perception of judicial rulings.

Based on discussion with the current Human Resources Director and the Fiscal and Administration Services Director, the issues noted above occurred due to a transition within the department's Human Resources Division in 2015. Since the previous Human Resources Director left in September 2015, we were unable to obtain an explanation as to why the disclosure forms were not completed in 2015. Furthermore, we noted that the department's conflict-of-interest policy does not establish an annual submission due date for signing and submitting disclosure forms.

If employees do not update their disclosure forms annually, management cannot properly identify possible conflicts of interest within the Administrative Procedures Division. Ensuring

the lack of conflicts of interest with administrative judges and staff is especially vital when considering the need for their impartiality and independence.

Management should establish an annual due date for the submission of disclosure forms for all employees under the existing conflict of interest policy. In addition, management should send all departmental employees a notification to submit their disclosure form by the established due date.

Update: Subsequent to Fieldwork

During our exit conference to discuss the results of our audit, the Fiscal and Administrative and Services Director informed us that administrative judges and support staff have completed their disclosure forms for calendar year 2016. We reviewed these disclosure forms and confirmed that all 23 administrative judges and support staff included in our sample completed a disclosure form in calendar year 2016.

TENNESSEE STATE LIBRARY AND ARCHIVES

The Tennessee State Library and Archives Division (the library and archives) collects and preserves books and records of historical, documentary, and reference value. The library and archives utilizes its integrated library system to catalog, track, and house these archival holdings. Via contracts between the department and subrecipients, the library and archives division provides funding received from federal and state grants to subrecipients, which include regional and local public libraries and archival entities throughout the state.

The objectives of our review were to determine if

- the library and archives' subrecipient contracts are appropriately monitored and are in compliance with applicable laws and regulations;
- appropriate procedures for receiving, cataloging, and archiving documents are in place; and
- archived documents are properly safeguarded.

To gain an understanding of the controls over the monitoring of subrecipient contracts, we interviewed key personnel; reviewed the department's subrecipient monitoring plans for federal fiscal years 2016, 2015, and 2014; and reviewed applicable rules, regulations, and subrecipient contracts.

We obtained a population of all 412 subrecipient contracts, totaling \$2,383,803, as of March 30, 2016, and tested a nonstatistical, random sample of 25 subrecipient contracts totaling \$53,176. To determine if the sampled subrecipient contracts were adequately monitored and in compliance with applicable policies and regulations, we reviewed grant contracts, subrecipient applications, subrecipient contracts, risk assessments in the fiscal monitoring plans, and all supporting documentation for expenditures charged to the subrecipient contracts tested.

We interviewed key personnel and conducted walkthrough procedures to gain an understanding of the department's procedures and controls for receiving, cataloging, physically safeguarding, and archiving documents. We obtained a population of all 1,214 archival holdings from the library and archives' integrated library system as of March 30, 2016, and tested a nonstatistical, random sample of 25 archival holdings. To determine if the sampled archived holdings were readily available and contained a unique identifier, we traced the items from our sample to the original holdings.

Based on procedures performed, we determined that

- the library and archives appropriately monitored subrecipient contracts by ensuring contracts were in compliance with governing laws and regulations;
- appropriate procedures for receiving, cataloging, and archiving documents are in place; and
- the controls to physically safeguard archived documents are sufficient.

REVENUE

The Department of State is responsible for registering, maintaining, and keeping record of various corporate filings. The department requires businesses and individuals to pay filing fees when they file documents related to apostles and authentications; athlete agent registration; corporations; general partnerships; limited liability companies and partnerships; mine foreman certificates; motor vehicle temporary liens; nonresident fiduciary appointments; service of process; state deeds and leases; trademarks; Uniform Commercial Code documents; and workers' compensation exemption registrations. The Business Services Division processes the filing documents and collects the revenue through various methods. Payers may submit their fees to the department in person at the department's main office, by mail, or online. The Business Services staff record all documents in the Tennessee Business Entity and Annual Reporting system, and the Fiscal and Administrative staff use iNovah, the state's cash receipting system to record the revenue in Edison (the state's accounting system).

The objectives of our review were to gain an understanding of the department's controls over the collecting, securing, recording, and depositing of revenue collections and to assess these controls for deficiencies.

To gain an understanding of the department's controls over securing, recording, and depositing revenue collections, we reviewed applicable laws and regulations, interviewed key personnel, made observations during walkthroughs, and reviewed supporting documents.

Based on our interviews, reviews, and observations, we identified no significant deficiencies related to controls over the collecting, securing, recording, and depositing of revenue.

APPENDICES

APPENDIX 1 Business Unit Codes

The following is a list of business unit codes within the Department of State:

- 305.01 Secretary of State
- 305.02 State Election Commission
- 305.03 Public Documents
- 305.04 State Library and Archives
- 305.05 Regional Libraries
- 305.06 Library Construction
- 305.07 Bureau of Ethics and Campaign Finance
- 305.08 Economic Council on Women
- 305.09 Charitable Solicitations and Gaming
- 305.10 Help America Vote Act
- 305.12 Community Enhancement Grants
- 305.13 Records Management

APPENDIX 2 Boards and Commissions

The Secretary of State (SOS) is by statute a member of the following boards, commissions, and committees:

	<u><i>Tennessee Code Annotated</i></u>
• Baccalaureate Education System Trust*	49-7-804
• Board of Claims*	9-8-101
• Board of Equalization**	4-3-5101
• Chairs of Excellence Trust*	49-7-501
• Public Records Commission*	10-7-302
• Tennessee Consolidated Retirement System**	8-34-302
• Tennessee Higher Education Commission**	49-7-204
• Tennessee Housing Development Agency*	13-23-106
• Tennessee Local Development Agency*	4-31-103
• Tennessee State School Bond Authority*	49-3-1204
• State Building Commission**	4-15-101
• State Capitol Commission**	4-8-301
• State Funding Board**	9-9-101
• State Trust of Tennessee*	9-4-806

* The SOS staff may designate a proxy to vote on his behalf.

** SOS only, no proxy.

The SOS is also considered an ex-officio board member for the Tennessee Parks and Greenway Foundation but, as of 2014, has opted to not serve on this board.

APPENDIX 3 Title VI and Other Information

Title VI of the Civil Rights of 1964 states that “no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.” See below for a breakdown of the Department of State staff positions by gender and ethnicity.

We did not audit, sample, or test the information; the procedures used to determine the information; or the controls over the validity of the information.

Department of State Staff Positions by Gender and Ethnicity As of June 30, 2016

Title	Gender		Ethnicity			
	Male	Female	White	African American	Hispanic	Other
ACCOUNTING MANAGER-NE		2	2			
ACCOUNTING TECHNICIAN 2-NE		2	2			
ADMIN ASSISTANT 2-NE		2	2			
ADMIN ASSISTANT 3-NE		1	1			
ADMIN ASSISTANT 4-NE		9	7	2		
ADMIN LAW JUDGE	11	6	14	2		1
ADMIN PROCEDURES ASST		1	1			
ADMIN PROCEDURES DIRECTOR	1		1			
ADMIN SERVICES ASSISTANT 2*-NE		1	1			
ADMIN SERVICES ASSISTANT 3-NE		9	8	1		
ADMIN SERVICES ASSISTANT 4-NE		4	3	1		
ADMIN SERVICES MANAGER-NE		3	3			
ADMIN SUPPORT TECHNICIAN 2-	2		1	1		
AES SYSTEM ADMINISTRATOR	1		1			
ARCHIVAL ASSISTANT 3	1	6	6	1		
ARCHIVAL ASSISTANT 4	2	2	4			
ARCHIVIST 1	2	2	3	1		
ARCHIVIST 2		4	4			
ARCHIVIST 3	1		1			
ASSISTANT FISC COORDINATOR-NE		1	1			

Title	Gender		Ethnicity			
	Male	Female	White	African American	Hispanic	Other
ASSISTANT STATE ELECTIONS		1		1		
AUDIT MANAGER-NE	1		1			
BECF - COMPLIANCE OFFICER	1	1	2			
BECF - EXECUTIVE DIRECTOR	1		1			
BECF - LEGAL COUNSEL	1		1			
BUSINESS SERVICES DIRECTOR	1			1		
CAMPAIGN FINANCE SPECIALIST		1	1			
CHAR SOL SYSTEMS	1		1			
DIGITAL TECHNICIAN	1			1		
ECONOMIC CSL ON WOMEN EXEC		1		1		
ELECTIONS ATTORNEY	1		1			
ELECTIONS SPECIALIST		1	1			
FISC & ADMIN SERVICES ASST DIR		1	1			
FISC & ADMIN SERVICES DIRECTOR		1				
HAVA ATTORNEY		1	1			
LBPH DIRECTOR		1	1			
LEG RECORDING COORDINATOR	1		1			
LIBRARIAN/ARCHIVIST 1	1		1			1
LIBRARY ASSISTANT 2		1		1		
LIBRARY ASSISTANT 3	5	3	6	1		
LIBRARY ASSISTANT 4		6	6			
MACHINE ASSOCIATE	1		1			
MATERIALS HANDLER 2	1		1			
MICROGRAPHICS IMAGING		2	1	1		1
MICROGRAPHICS TECHNICIAN	1		1			
PHOTO MACHINE OPERATOR 3-NE		1	1			
PHOTOGRAPHER-NE		1	1			
PUBLIC SERVICES DIRECTOR	1		1			
PUBLICATIONS ASST DIRECTOR	1		1			
PUBLICATIONS DIRECTOR	1		1			
PUBLICATIONS SPECIALIST	1	1	2			
RESEARCH SERVICES A DIRECTOR	1		1			
SECRETARY OF STATE	1		1			
SERVICES ASSISTANT DIRECTOR	1		1			
SOS ACCOUNTING SPECIALIST 1		4	3	1		
SOS ACCOUNTING SPECIALIST 2		1	1			
SOS ADMIN SECRETARY	1	1	1	1		
SOS ARCH 1/ ELECTRONIC REC ARC		1	1			
SOS ARCHIVAL TCL SERVICES DIR		1	1			
SOS ARCHIVIST 2 EXHIBIT COORDI		1	1			
SOS ARCHIVIST 3 SUPERVISOR	1		1			
SOS ASSISTANT DIRECTOR-LBPH	1		1			

Title	Gender		Ethnicity			
	Male	Female	White	African American	Hispanic	Other
SOS ASSISTANT REGIONAL DIR	2	7	8	1		
SOS ASSISTANT STATE ARCHIVIST	1		1			
SOS BOARD MEMBER	5	1	5	1		
SOS BOARD MEMBER CHAIRMAN		1	1			
SOS BSO/CASH COUNTER REP		4	3	1		
SOS BUSI SERV SUPPORT ANALYST		1	1			
SOS BUSINESS SERVICES OFFICER1	4	5	6	2		1
SOS BUSINESS SERVICES OFFICER2	1	16	9	8		
SOS BUSINESS SERVICES OFFICER3	1	9	6	4		
SOS BUSINESS SERVICES SUPV	1	5	5	1		
SOS BUSINESS SERVICES TRAINER		1	1			
SOS CHAR SOL & GAMING LGL		1	1			
SOS CHARITABLE SOL & GAMING	1		1			
SOS CHIEF OF STAFF	1		1			
SOS COMMUNICATIONS DIRECTOR	1					1
SOS COMPLIANCE ANALYST	4	3	3	4		
SOS COMPUTER OPS SPECIALIST 1		1		1		
SOS CONSERVATION MANAGER		1	1			
SOS CONSERVATION TECHNICIAN	1		1			
SOS CONTENT ACCESS SPECIALIST		1	1			
SOS COOR TRI-STAR CHRON PROJ	1		1			
SOS COORDINA CIVIC		1	1			
SOS CREATIVE MEDIA PRODUCER	1		1			
SOS CUSTODIAL WORKER 2	3		1	2		
SOS DIGITAL LIBRARIAN 3 SUPERV		1	1			
SOS DIR PRESRVTN & DIGITIZTN		1	1			
SOS DOCKET MANAGER		1	1			
SOS ELECTIONS SUPPORT SPEC		1	1			
SOS ELECTRONIC IMAGING SPEC		2	2			
SOS EMPLOYEE RELATIONS SPEC		1	1			
SOS EXECUTIVE ASSISTANT		1	1			
SOS FACILITY DIRECTOR	1		1			
SOS GENERAL COUNSEL		1	1			
SOS HR & ORG DEV DIRECTOR		1	1			
SOS HR COORDINATOR		1	1			
SOS INFO SYSTEMS COORDINATOR	1		1			
SOS INFO SYSTEMS DIRECTOR	1	1	2			
SOS INFO TECHNOLOGY ASST DIR	1		1			
SOS INVEST/CS&G COMMUN SPEC	1		1			
SOS INVESTIGATOR	2		2			
SOS LBPH OUTREACH LIBRARIAN		1	1			
SOS LEAD BUSINESS ANALYST		1	1			

Title	Gender		Ethnicity			
	Male	Female	White	African American	Hispanic	Other
SOS LEG COM RESEARCH ANALYST		1	1			
SOS LEG HISTORY COORDINATOR	1		1			
SOS LIBRARIAN 1		3	3			
SOS LIBRARIAN 2		2	2			
SOS LIBRARIAN 3 SUPERVISOR	1		1			
SOS LIBRARY INFO SYSTEMS SPEC	6	3	9			
SOS LIBRARY PLANNING & DEV DIR		1	1			
SOS LIBRARY TCL SERVICES DIR		1	1			
SOS MICROGRAPHICS MANAGER	1		1			
SOS NETWORK SERVICES CONS	1	3	4			
SOS NETWORK SERVICES		1	1			
SOS PARALEGAL	1		1			
SOS POLICY & RESEARCH	1		1			
SOS PROGRAM DEVELOPER	1		1			
SOS PUBIC LIB DATA COORD, P & D		1	1			
SOS PUBLICATIONS ASSISTANT		4	4			
SOS PUBLICATIONS NOTARY SPEC		1	1			
SOS RECORDS ANALYST 3		3	1	1		1
SOS RECORDS MANAGEMENT	1		1			
SOS REGIONAL LIBRARIES DIR		1	1			
SOS REGIONAL LIBRARY DIR	1	8	9			
SOS SECURITY RECEPTIONIST	3		3			
SOS SPECIAL COUNSEL		1	1			
SOS SPECIAL PROJECTS MANAGER	1		1			
SOS STATE LIBRARIAN ADMIN ASST		1	1			
SOS STOREKEEPER 1	1			1		
SOS STOREKEEPER 2	1			1		
SOS TECHNICAL SERVICES ASSIST		9	9			
SOS TECHNICAL SERVICES COOR		1	1			
SOS TECHNICAL SUPPORT SPECIALI	1		1			
SOS TEL ADMINISTRATOR		1	1			
STATE ELECTIONS COORDINATOR	1		1			
STATE LIB & ARCHIVIST	1		1			
UCC SYSTEM ADMINISTRATOR		1	1			
Totals	108	207	263	46	0	6