



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7841

October 21, 2014

NOTIFICATION OF AUDIT RELEASE

Sequatchie County Official:

The Division of Local Government Audit will release the Annual Financial Report of Sequatchie County, Tennessee, for the year ended June 30, 2014, at 9:00 A.M. on October 23, 2014. A PDF file containing this report has been provided to the county executive, highway supervisor, and director of schools. Interested officials and citizens may obtain a copy of the PDF file from one of the officials noted above. Also, this report will be available for inspection at www.comptroller.tn.gov.

Auditors are available to meet with the county's Audit Committee to discuss all aspects of the audit upon the request of that committee. Requests should be made to the Mid-East Tennessee audit manager for available dates and times:

Mid-East Tennessee Audit Manager – Steve Reeder 931-526-4210 or steve.reeder@cot.tn.gov

Included with this notice is a copy of the Summary of Audit Findings.

Very truly yours,

James R. Arnette, Director

Media Contact:

John Dunn, Public Information Officer, john.dunn@cot.tn.gov 615-401-7755

Summary of Audit Findings

Annual Financial Report
Sequatchie County, Tennessee
For the Year Ended June 30, 2014

Scope

We have audited the financial statements of Sequatchie County as of and for the year ended June 30, 2014.

Results

Our report on Sequatchie County's financial statements is unmodified.

Our audit resulted in seven findings and recommendations, which we have reviewed with Sequatchie County management. Detailed findings, recommendations, and management's response are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY EXECUTIVE

- ◆ The General, Ambulance Service, and General Debt Service funds required material audit adjustments for proper financial statement presentation.
 - ◆ The General Fund had a deficit in unassigned fund balance.
 - ◆ General Debt Service Fund revenues were improperly transferred to the General Fund.
 - ◆ The office had deficiencies related to credit card transactions.
 - ◆ Numerous misclassifications were noted in the accounting records.
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OFFICE OF HIGHWAY SUPERVISOR

- ◆ Duties were not segregated adequately.
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OFFICE OF SHERIFF

- ◆ The office did not deposit some funds within three days of collection.

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Honorable Jeff Mackey
Sequatchie County Commissioner
7688 State Route 399
Dunlap, TN 37327

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