

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2007
(CONTINUED)

07-01 **Budgetary Control**

CRITERIA

The Official Code of Georgia Annotated (OCGA) Section 36-81-3(d)(1) states that any increase in appropriation at the legal level of control of the local government, whether accomplished through a change in anticipated revenues in any fund or through transfer of appropriations among departments, shall require the approval of the governing authority.

CONDITION

The County has not adequately monitored expenditure levels for the special revenue funds.

EFFECT

For the year ended December 31, 2007, the expenditures of the following special revenues funds exceeded their approved appropriations.

- Jail Fund - \$14,042
- Drug Education Fund - \$6,671
- Victims Assistance Fund - \$6,656
- Recreation Fund - \$34,510
- Law Enforcement Confiscation Fund - \$2,338
- Law Library Fund - \$7,347
- Senior Center Fund - \$19,078

CAUSE

Management has not exercised an adequate level of fiscal control to insure that special revenue funds operate within the limits of their approved appropriations.

RECOMMENDATION

Management should improve accountability within the special revenue funds and monitor expenditure levels throughout the fiscal year. Any expenditure in excess of budgeted limits at the special revenue fund level should be approved by a resolution of the County Commission.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management concurs with the finding and will implement the recommendations of the auditors.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2007
(CONTINUED)

07-03 Recreation Fund

CRITERIA

Internal controls should be designed to reconcile the subsidiary ledger accounts with the general ledger control accounts and any differences discovered should be resolved on a timely basis.

CONDITION

Controls over recreation funding are inadequate to insure the timely recording, reporting and control within the County's accounting system. In addition, the recreation department's computer was stolen during 2007 therefore losing what limited financial records that would have been available.

EFFECT

Failure to adequately monitor and reconcile recreation activity could increase the likelihood of misappropriation of funds. In addition, interim financial reports, which are used by management for fiscal-related decisions, could have been relied upon in error.

CAUSE

The material weakness is the result of the County not establishing adequate controls over the collection and reconciliation of recreation activity.

RECOMMENDATION

The County should consider having the Finance Office maintain the financial records for the recreation department.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management concurs with the finding and will implement the recommendations of the auditors.