



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
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July 10, 2013

MEMORANDUM

TO: The Honorable Justin P. Wilson
Comptroller of the Treasury

FROM: Jim Arnette
Director of Local Government Audit

SUBJECT: Report of Centralized Budgeting, Accounting, and Purchasing Systems;
Report of Counties Attaining the GFOA Certificate of Achievement for
Excellence in Financial Reporting; and the Report of Counties with
Centralized Cafeteria Systems – for the Year Ended June 30, 2012



The attached report summarizes for the year ended June 30, 2012, (1) Tennessee counties with centralized budgeting, accounting, and purchasing systems; (2) counties attaining the Certificate of Achievement for Excellence in Financial Reporting awarded by the GFOA; and (3) counties with centralized cafeteria systems.

Please contact me if you have any questions regarding these reports.

Attachments

This report is available at www.comptroller.tn.gov

**REPORT OF CENTRALIZED BUDGETING, ACCOUNTING, AND
PURCHASING SYSTEMS; REPORT OF COUNTIES ATTAINING THE
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL
REPORTING; AND THE REPORT OF COUNTIES WITH CENTRALIZED
CAFETERIA SYSTEMS**

FOR THE YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS:

Summary of Centralized Budgeting, Accounting, and Purchasing Systems	Exhibit A
Report of Centralized Budgeting, Accounting, and Purchasing Systems	Exhibit B
Report of Counties Attaining the GFOA Certificate of Achievement for Excellence in Financial Reporting	Exhibit C
Report of Counties With Centralized Cafeteria Systems	Exhibit D

Exhibit A

**TENNESSEE COUNTY GOVERNMENTS
SUMMARY OF CENTRALIZED BUDGETING,
ACCOUNTING, AND PURCHASING SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2012**

Number of Counties With Some Variation of Centralization:	56
Number of Counties With No Centralized Accounting:	45
Number of Counties With No Centralization:	39

INCLUDES ALL DEPARTMENTS AND AGENCIES:

Legislative Authority	<u>Number of Counties</u>		
	Budgeting	Accounting	Purchasing
1957 Fiscal Control Act	5	5	4
1981 Financial Management Act	21	21	21
1993 Budget Law	3	0	0
Private Act/Charter	3	2	5
Total	<u>32</u>	<u>28</u>	<u>30</u>

**INCLUDES COUNTY MAYORS AND HIGHWAY
DEPARTMENTS ONLY:**

Legislative Authority	<u>Number of Counties</u>		
	Budgeting	Accounting	Purchasing
1957 Fiscal Control Act	9	10	12
1981 Financial Management Act	1	1	1
Private Act/Charter	8	9	8
County Resolution	2	2	1
Total	<u>20</u>	<u>22</u>	<u>22</u>
Grand Total	<u>52</u>	<u>50</u>	<u>52</u>

**TENNESSEE COUNTY GOVERNMENTS
CENTRALIZED BUDGETING, ACCOUNTING,
AND PURCHASING SYSTEMS BY COUNTY
FOR THE YEAR ENDED JUNE 30, 2012**

INCLUDES ALL DEPARTMENTS AND AGENCIES:

	Population 2010 Census	Budgeting	Accounting	Purchasing
A. 1957 Fiscal Control Act				
1. Anderson	75,129	X	X	X
2. Blount	123,010	X	X	X
3. Johnson (1) (2)	18,244	X	X	-
4. Loudon	48,556	X	X	X
5. Roane	54,181	X	X	X
B. 1981 Financial Management Act (Note A)				
1. Bedford	45,058	X	X	X
2. Campbell	40,716	X	X	X
3. Carter	57,424	X	X	X
4. Claiborne	32,213	X	X	X
5. Cumberland	56,053	X	X	X
6. Fentress	17,959	X	X	X
7. Franklin	41,052	X	X	X
8. Giles	29,485	X	X	X
9. Henderson	27,769	X	X	X
10. Hickman	24,690	X	X	X
11. Jefferson	51,407	X	X	X
12. Lincoln	33,361	X	X	X
13. Madison	98,294	X	X	X
14. McMinn	52,266	X	X	X
15. Monroe	44,519	X	X	X
16. Morgan	21,987	X	X	X
17. Rhea	31,809	X	X	X
18. Robertson	66,283	X	X	X
19. Scott	22,228	X	X	X
20. Weakley	35,021	X	X	X
21. White	25,841	X	X	X
C. 1993 Budget Law				
1. Decatur	11,757	X	-	-
2. Hardin	26,026	X	-	-
3. McNairy	26,075	X	-	-

**TENNESSEE COUNTY GOVERNMENTS
CENTRALIZED BUDGETING, ACCOUNTING,
AND PURCHASING SYSTEMS BY COUNTY (Cont.)**

	Population 2010 Census	Budgeting	Accounting	Purchasing
INCLUDES ALL DEPARTMENTS AND AGENCIES (Cont.):				
D. Private Act/Charter (Note B)				
1. DeKalb	18,723	-	-	X
2. Hardeman	27,253	-	-	X
3. Hawkins (2) (3)	56,833	-	-	X
4. Knox	432,226	X	X	X
5. Rutherford	262,604	X	X	-
6. Sullivan (2) (4)	156,823	-	-	X
7. Williamson (2) (5)	183,182	X	-	-
INCLUDES COUNTY MAYORS/HIGHWAY DEPARTMENTS ONLY:				
A. 1957 Fiscal Control Act				
1. Cheatham (2) (6)	39,105	X	X	-
2. Cocke	35,662	X	X	X
3. Coffee (2)	52,796	-	-	X
4. Dickson	49,666	X	X	X
5. Greene	68,831	X	X	X
6. Lawrence	41,869	X	X	X
7. Maury (2) (7)	80,956	-	-	X
8. Montgomery	172,331	X	X	X
9. Overton	22,083	X	X	X
10. Polk	16,825	-	-	X
11. Washington	122,979	X	X	X
12. Johnson (2)	18,244	-	-	X
13. Sullivan (2)	156,823	X	X	-
14. Williamson (2)	183,182	-	X	X
B. 1981 Financial Management Act				
1. Wilson (8)	113,993	X	X	X

**TENNESSEE COUNTY GOVERNMENTS
CENTRALIZED BUDGETING, ACCOUNTING,
AND PURCHASING SYSTEMS BY COUNTY (Cont.)**

	<u>Population</u> 2010 Census	<u>Budgeting</u>	<u>Accounting</u>	<u>Purchasing</u>	
INCLUDES COUNTY MAYORS/HIGHWAY DEPARTMENTS ONLY (Cont.):					
C. Private Act/Charter					
1.	Carroll	28,522	X	X	X
2.	Davidson	626,681	X	X	X
3.	Hamilton	336,463	X	X	X
4.	Marshall	30,617	X	X	X
5.	Maury (2)	80,956	X	X	-
6.	Meigs	11,753	X	X	X
7.	Shelby	927,644	X	X	X
8.	Sumner (9) (10)	160,645	X	X	X
9.	Cheatham (2)	39,105	-	-	X
10.	Hawkins (2)	56,833	-	X	-
D. County Resolution					
1.	Hamblen (11)	62,544	X	X	X
2.	Coffee (2)	52,796	X	X	-

Footnotes:

- (1) Purchasing is governed by the 1957 Fiscal Control Acts but only includes the Offices of County Mayor and Highway Department.
- (2) County is also listed in another section of this report.
- (3) Accounting is governed by a private act but only includes the Offices of County Mayor and Highway Department.
- (4) Accounting and budgeting are governed by the 1957 Fiscal Control Acts but only includes the Offices of County Mayor and Highway Department.
- (5) Accounting and purchasing are governed by the 1957 Fiscal Control Acts but only includes the Offices of County Mayor and Highway Department.
- (6) Purchasing is governed by a private act but only includes the Offices of County Mayor and Highway Department.
- (7) Accounting and budgeting are governed by a private act but only includes the Offices of County Mayor and Highway Department.

**TENNESSEE COUNTY GOVERNMENTS
CENTRALIZED BUDGETING, ACCOUNTING,
AND PURCHASING SYSTEMS BY COUNTY (Cont.)**

- (8) Effective July 1, 1995, the Wilson County School Department was removed from the provisions of the Financial Management Act of 1981.
- (9) Sumner County operates under a private act that provides for a centralized accounting, budgeting, and purchasing system for all funds administered by the Offices of County Mayor, Director of Schools, and Highway Superintendent. This act also provides that the School Department and/or Highway Department may perform any of the accounting, purchasing, or budgeting functions for their departments with the approval of the County Commission. The County Commission has approved for the School Department to perform their own accounting, budgeting, and purchasing and has approved the Highway Department to perform their own purchasing.
- (10) On June 18, 2012, Sumner County adopted Chapter 70, Private Acts of 2012, which provides for a central system of accounting, budgeting, and purchasing covering all funds of the county. However, the act states in part "...this 2012 Finance Act shall not serve as authorization to remove any purchasing activities or authority from the School System." Sumner County plans to fully implement the private act by June 18, 2016.
- (11) The county mayor and County Commission have entered into a formal contract establishing a centralized accounting, budgeting, and purchasing system under the direction of a Finance Office for all funds administered by the Offices of County Mayor and Highway Superintendent.

Notes:

- (A) Warren County implemented the 1981 Financial Management Act effective July 1, 2012, Union County plans to implement the 1981 Financial Management Act effective July 1, 2013.
- (B) The Metropolitan Charter of Moore County provides for a centralized system of purchasing; however, a centralized system had not been implemented as of June 30, 2012.

EXHIBIT C

**TENNESSEE COUNTIES ACHIEVING THE
CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING
FOR THE YEAR ENDED JUNE 30, 2012**

County

1. Anderson
2. Bedford
3. Bradley
4. Davidson
5. Hamilton
6. Knox
7. Rutherford
8. Shelby

Exhibit D

**ALPHABETICAL LIST OF COUNTIES
WITH CENTRALIZED CAFETERIA SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2012**

1. Anderson	31. Hardin	61. Polk
2. Bedford	32. Hawkins	62. Putnam
3. Benton	33. Haywood	63. Rhea
4. Bledsoe	34. Henderson	64. Roane
5. Blount	35. Henry	65. Rutherford
6. Bradley	36. Hickman	66. Scott
7. Campbell	37. Houston	67. Sequatchie
8. Cannon	38. Humphreys	68. Sevier
9. Carroll *	39. Jackson	69. Smith
10. Carter	40. Jefferson *	70. Stewart
11. Cheatham	41. Johnson	71. Sullivan *
12. Chester	42. Lauderdale	72. Sumner *
13. Clay	43. Lawrence	73. Tipton
14. Cocke	44. Lewis	74. Unicoi
15. Coffee	45. Lincoln	75. Union
16. Crockett	46. Loudon	76. Van Buren
17. Cumberland	47. McNairy	77. Warren
18. Dekalb	48. Madison	78. Wayne
19. Dickson	49. Marion	79. Weakley
20. Dyer	50. Marshall	80. White
21. Fayette	51. Maury	81. Williamson
22. Fentress	52. Meigs	82. Wilson
23. Franklin	53. Monroe	
24. Giles	54. Montgomery*	
25. Grainger	55. Moore	
26. Greene	56. Morgan	
27. Grundy	57. Obion	
28. Hamblen	58. Overton	
29. Hancock	59. Perry	
30. Hardeman	60. Pickett	

* Centralized through the General Purpose School Fund