



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
**DEPARTMENT OF AUDIT**  
DIVISION OF LOCAL GOVERNMENT AUDIT  
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June 24, 2014

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, 2013



The attached report summarizes for the year ended June 30, 2013, (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](http://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, 2013**

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**Exhibit A**

**TENNESSEE COUNTY GOVERNMENTS  
SUMMARY OF CENTRALIZED BUDGETING,  
ACCOUNTING, AND PURCHASING SYSTEMS  
FOR THE YEAR ENDED JUNE 30, 2013**

|  |           |
|--|-----------|
| <b>Number of Counties With Some Variation of Centralization:</b> | <b>57</b> |
| <b>Number of Counties With No Centralized Accounting:</b>        | <b>44</b> |
| <b>Number of Counties With No Centralization:</b>                | <b>38</b> |

**INCLUDES ALL DEPARTMENTS AND AGENCIES:**

|                               | <u>Number of Counties</u> |                   |                   |
|-------------------------------|---------------------------|-------------------|-------------------|
| <u>Legislative Authority</u>  | <u>Budgeting</u>          | <u>Accounting</u> | <u>Purchasing</u> |
| 1957 Fiscal Control Act       | 5                         | 5                 | 4                 |
| 1981 Financial Management Act | 22                        | 22                | 22                |
| 1993 Budget Law               | 3                         | 0                 | 0                 |
| Private Act/Charter           | 3                         | 2                 | 5                 |
| <b>Total</b>                  | <b>33</b>                 | <b>29</b>         | <b>31</b>         |

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

|                               | <u>Number of Counties</u> |                   |                   |
|-------------------------------|---------------------------|-------------------|-------------------|
| <u>Legislative Authority</u>  | <u>Budgeting</u>          | <u>Accounting</u> | <u>Purchasing</u> |
| 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                 |
| <b>Total</b>                  | <b>20</b>                 | <b>22</b>         | <b>22</b>         |
| <b>Grand Total</b>            | <b>53</b>                 | <b>51</b>         | <b>53</b>         |

**TENNESSEE COUNTY GOVERNMENTS  
CENTRALIZED BUDGETING, ACCOUNTING,  
AND PURCHASING SYSTEMS BY COUNTY  
FOR THE YEAR ENDED JUNE 30, 2013**

INCLUDES ALL DEPARTMENTS AND AGENCIES:

|  | <b>Population<br/>2010 Census</b> | <b>Budgeting</b> | <b>Accounting</b> | <b>Purchasing</b> |
|--|-----------------------------------|------------------|-------------------|-------------------|
| <b>A. 1957 Fiscal Control Act</b>                |                                   |                  |                   |                   |
| 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>B. 1981 Financial Management Act (Note A)</b> |                                   |                  |                   |                   |
| 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. Warren                                       | 39,839                            | X                | X                 | X                 |
| 21. Weakley                                      | 35,021                            | X                | X                 | X                 |
| 22. White  | 25,841                            | X                | X                 | X                 |
| <b>C. 1993 Budget Law</b>                        |                                   |                  |                   |                   |
| 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.)**

|   |                    | <u>Population</u><br>2010 Census | <u>Budgeting</u> | <u>Accounting</u> | <u>Purchasing</u> |
|---|--------------------|----------------------------------|------------------|-------------------|-------------------|
| <b>INCLUDES ALL DEPARTMENTS AND AGENCIES (Cont.):</b>   |                    |                                  |                  |                   |                   |
| <b>D. Private Act/Charter (Note B)</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                | -                 | -                 |
| <b>INCLUDES COUNTY MAYORS/HIGHWAY DEPARTMENTS ONLY:</b> |                    |                                  |                  |                   |                   |
| <b>A. 1957 Fiscal Control Act</b>                       |                    |                                  |                  |                   |                   |
| 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>B. 1981 Financial Management Act</b>                 |                    |                                  |                  |                   |                   |
| 1.  | Wilson (8)         | 113,993                          | X                | X                 | X                 |

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

|   | <b>Population<br/>2010 Census</b> | <b>Budgeting</b> | <b>Accounting</b> | <b>Purchasing</b> |
|---|-----------------------------------|------------------|-------------------|-------------------|
| <b>INCLUDES COUNTY MAYORS/HIGHWAY DEPARTMENTS ONLY (Cont.):</b> |                                   |                  |                   |                   |
| <b>C. Private Act/Charter</b>                                   |                                   |                  |                   |                   |
| 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                 | -                 |
| <b>D. County Resolution</b>                                     |                                   |                  |                   |                   |
| 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) Union County implemented 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, 2013.

**EXHIBIT C**

**TENNESSEE COUNTIES ACHIEVING THE  
CERTIFICATE OF ACHIEVEMENT FOR  
EXCELLENCE IN FINANCIAL REPORTING  
FOR THE YEAR ENDED JUNE 30, 2013**

County

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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, 2013**

|                |                |                |
|----------------|----------------|----------------|
| 1. Anderson    | 31. Hamilton   | 61. Morgan     |
| 2. Bedford     | 32. Hancock    | 62. Obion      |
| 3. Benton      | 33. Hardeman   | 63. Overton    |
| 4. Bledsoe     | 34. Hardin     | 64. Perry      |
| 5. Blount      | 35. Hawkins    | 65. Pickett    |
| 6. Bradley     | 36. Haywood    | 66. Polk       |
| 7. Campbell    | 37. Henderson  | 67. Putnam     |
| 8. Cannon      | 38. Henry      | 68. Rhea       |
| 9. Carroll *   | 39. Hickman    | 69. Roane      |
| 10. Carter     | 40. Houston    | 70. Rutherford |
| 11. Cheatham   | 41. Humphreys  | 71. Scott      |
| 12. Chester    | 42. Jackson    | 72. Sequatchie |
| 13. Claiborne  | 43. Jefferson  | 73. Sevier     |
| 14. Clay       | 44. Johnson    | 74. Smith      |
| 15. Cocke      | 45. Knox       | 75. Stewart    |
| 16. Coffee     | 46. Lauderdale | 76. Sullivan * |
| 17. Crockett   | 47. Lawrence   | 77. Sumner *   |
| 18. Cumberland | 48. Lewis      | 78. Tipton     |
| 19. Davidson   | 49. Lincoln    | 79. Unicoi     |
| 20. DeKalb     | 50. Loudon     | 80. Union      |
| 21. Dickson    | 51. Madison    | 81. Van Buren  |
| 22. Dyer       | 52. Marion     | 82. Warren     |
| 23. Fayette    | 53. Marshall   | 83. Washington |
| 24. Fentress   | 54. Maury      | 84. Wayne      |
| 25. Franklin   | 55. McMinn     | 85. Weakley    |
| 26. Giles      | 56. McNairy    | 86. White      |
| 27. Grainger   | 57. Meigs      | 87. Williamson |
| 28. Greene     | 58. Monroe     | 88. Wilson     |
| 29. Grundy     | 59. Montgomery |                |
| 30. Hamblen    | 60. Moore      |                |

\* Centralized through the General Purpose School Fund