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To: Weston Wamp, County Mayor
Hamilton County Commissioners
Audit Committee

From: Chris McCollough, County Auditor

Date: April 1, 2026

Subject: Audit of Hamilton County's Disbursements

We performed an audit of Hamilton County's disbursements for the period July 1, 2024 through June 30, 2025. Our audit focused on testing samples of entries from the county's CentralSquare accounting system to ensure agreement, authorization, and compliance. The following represents a summary of our audit procedures performed and conclusions reached.

BACKGROUND

In conjunction with the external auditors' annual audits of Hamilton County Government, an audit of County-wide check disbursements is performed. This review focuses on expenditures processed through the CentralSquare accounting system, specifically checks written by and clearing through the Trustee's office. This audit serves to verify that internal controls are operating effectively, supporting the accuracy of the county's financial records and safeguarding assets.

Our test work did not incorporate any fee office transactions processed through their respective officer's fee accounts. (Those offices are audited separately by the county audit at the end of each fiscal year and include Circuit Court Clerk, Clerk & Master, County Clerk, Juvenile Court Clerk, Register, and Sheriff.)

Additionally, these tests do not include tests of disbursements by Procurement Cards, which are subjected to test during our tests of Procurement Card transactions.

AUDIT PROCEDURES/OBJECTIVES

Our audit procedures covered the period of July 1, 2024 through June 30, 2025 and included the following:

- Ensure compliance with Hamilton County policies and relevant regulations regarding cash disbursements.
- Verify that expenditures are supported by proper documentation (approved invoices, check requests, receiving reports).
- Confirm that expenditures are authorized by appropriate personnel.
- Validate the accuracy of account and fund distributions.
- Ensure that all checks written and cleared through the Trustee's office are accurately recorded.

AUDITORS' OPINION & FINDINGS

In our opinion:

- the county's disbursement process appears to be accomplishing its objective of establishing an internal control system over distributions so that Hamilton County's resources are safeguarded and accounted for.

However, our examination noted one violation and other controls that need improvement in the county's disbursement process. This exception and our recommendation are as follows:

Improper Payment

Observation – During the audit, we found that an Invoice for \$16,460 was paid, even though it exceeded the amount approved in the purchase order.

Recommendation – We recommend that purchase orders be amended if expenses change. Disbursements should not be issued without the proper approval for changes. Purchase orders should match invoices, which will ensure accurate tracking of financial commitments.

Management Response – All staff will be trained to identify and monitor these issues when posting payments against POs to ensure compliance and accuracy.

We appreciate the help of the Trustee's staff and accounting in assisting us during our audit. If there are any questions regarding this report, please call Austin Durall, Audit Manager, at 209-6211 or me at 209-6212.


Chris McCollough, County Auditor

Staff Assigned to Audit
Austin Durall, Audit Manager
Maricela Madera, Staff Auditor