



**THE COUNTY OF GALVESTON**  
COUNTY AUDITOR'S OFFICE  
P.O. Box 1418  
GALVESTON, TEXAS 77553

**County Auditor**  
**Randall Rice CPA**  
CITP CISA CIO CBM DABFA CGMA

**Kristin Bulauck**  
First Assistant, Director of Auditing

**Jeff Modzelewski CPA**  
First Assistant, Director of Accounting

February 16, 2016

Honorable Judge Mark A. Henry and  
Members of the Commissioners' Court

Honorable Judge and Members of the Court:

Attached for your consideration is the internal audit report on the cash count of the Tax Office's Texas City, League City, Crystal Beach, Galveston, Friendswood and Santa Fe branch locations. Also attached is the response letter from Honorable Cheryl E. Johnson, dated January 26, 2016.

Sincerely,

A handwritten signature in blue ink that reads "Rice CPA".

Randall Rice CPA  
County Auditor

cc: Honorable Cheryl E. Johnson

Attachment: Internal Audit Report – Tax Office: Texas City, League City, Crystal Beach, Galveston,  
Friendswood, and Santa Fe Branch Locations  
Response Letter, Honorable Cheryl E. Johnson



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January 20, 2016

**To:** Honorable Cheryl E. Johnson  
Galveston County Tax Assessor/Collector

**From:** Randall Rice CPA  
Galveston County Auditor

**Re:** Cash Count of the Tax Office's Texas City, League City, Crystal Beach, Galveston, Friendswood and Santa Fe Branch Locations

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A surprise cash count of the Tax Office's Texas City, League City, Crystal Beach, Galveston, Friendswood and Santa Fe branch locations was conducted from December 9, 2015 through January 14, 2016. The objectives of the cash count were to (a) determine if all collections had been accounted for at the time of the cash count, and (b) determine if the collections were properly handled and deposited in a timely manner.

**Collections Accounted For**

At the time of the surprise cash count, all collections were accounted for at all branch locations, including \$16,200.00 in change funds.

**Collections Handled Properly**

It is a very important control for collections to be properly handled and deposited in a timely manner. For collections to be handled properly they must be safeguarded against loss; therefore, all negotiable instruments must be kept secured at all times and deposited on a daily basis.

Collections are handled properly and all negotiable instruments were secured and deposited on a daily basis.

**Deposited in a Timely Manner**

Collections are being deposited in a timely manner (daily), minimizing exposure to loss.

**Efficiency of Closeout Process**

The time it takes the branch locations to perform the daily closeouts has continued to improve. We believe it is partially due to staff continuing to follow and improve upon established closeout policies and procedures.

**Conclusion**

At the time of the surprise cash count, all collections were accounted for at the Texas City, League City, Crystal Beach, Galveston, Friendswood and Santa Fe branch locations. Cash drawers not in use were locked and stored in a locked safe at all times.

We would like to commend the Tax Assessor/Collector and her staff for their continuous effort to ensure efficiency of the close out process and security of collections.

We would like to thank the Tax Assessor/Collector and her staff for their cooperation and assistance.

cc: Kristin Bulanek CIA, Director of Internal Audit

## **Bulanek, Kristin**

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**From:** Johnson, Cheryl E  
**Sent:** Tuesday, January 26, 2016 2:44 PM  
**To:** Rice, Randall  
**Cc:** Bulanek, Kristin; Swift, Sheryl; Hall, Kimberly; Johnson, Cheryl E  
**Subject:** Response to Cash Count Audit

Good afternoon.

Thank you for continuing the partnership with my office to insure standards of best practices are in place and being adhered to in the Galveston County Tax Office.

In response to the December 9, 2015 through January 14, 2016, in which you reflect that collections are accounted for, handled timely and that our closeout process is efficient, I thank you for the review.

We will continue to work to preserve the assets of Galveston County as it pertains to the functions of my office.

**Cheryl E. Johnson, PCC**  
Galveston County Tax Assessor Collector  
409-765-3277 (office)  
409-392-5457 (mobile)

*"...be the change you want to see in the world."*

Gandhi