

GALVESTON COUNTY



Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

December 6, 2016

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

Honorable Mark A. Henry and Members of the Court:

Attached for your consideration is the internal audit report of the FY 2016 Property Tax Refunds Review that covered the period October 1, 2015 through September 30, 2016. Also attached is the response letter from Honorable Cheryl E. Johnson, dated November 19, 2016.

Sincerely,

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

Randall Rice CPA
County Auditor

cc: Honorable Cheryl E. Johnson

Attachment: FY 2016 Property Tax Refunds Review Report
Response Letter, Tax Assessor-Collector Cheryl E. Johnson

GALVESTON COUNTY



Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

November 2, 2016

To: Honorable Cheryl Johnson
Tax Assessor-Collector

From: Lauren Ramsey
Compliance and Procedures Analyst

Re: FY 2016 Property Tax Refunds Review

The Galveston County Auditor's Office is required by statute to review property tax refunds. Internal Audit reviews refunds on a quarterly basis after refunds have been issued. We performed testing on a judgmental sample of the refunds submitted.

Our testing included verifying the accuracy of the calculated refund amount as well as ensuring the refund is being issued to the correct payee at the proper payee address. The reviews performed by both the Tax Office and the Auditor's Office are critical to preventing/detecting fraud and minimizing incorrect payments to property owners/voters. Since the review is not a detailed examination of all transactions, there is some risk that errors and fraud may not always be detected. The official retains the responsibility for the accuracy and completeness of the financial information.

During the fiscal period October 1, 2015 through September 30, 2016, our office reviewed refunds consisting of 4,930 checks totaling \$4,921,403.39. There were 4,562 refunds totaling \$4,920,415.21 issued in the prior year. Accordingly there has been an 8.1% (368) increase in the number of refunds issued and a .02% (\$988.18) increase in the dollar amount of refunds issued.

Of the refunds reviewed by Internal Audit, no material exceptions were found. The Tax Office staff continues to follow established processing procedures regarding property tax refunds.

We wish to thank Cheryl Johnson and her staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor



Cheryl E. Johnson, PCC
Galveston County Tax Assessor/Collector
722 Moody, Galveston, Texas 77550
cheryl.e.johnson@co.galveston.tx.us
1-409-766-2260



November 19, 2016

Ms. Lauren Ramsey, Compliance and Procedures Analyst
Galveston County Auditor's Office
722 Moody Avenue
Galveston, Texas 77550

Re: FY 2016 Property Tax Refunds Review

Dear Ms. Ramsey:

I am in receipt of the above referenced audit and wish to again express my appreciation to you and the entire County Auditor's team for the partnership we have enjoyed for the last 12 years as we have worked to improve accountability and processes in the Galveston County Tax Office.

I am pleased that, for at least the last seven years, the results of the annual audit have been the same – that no material exceptions have been found and that my team continues to follow the established processing procedures regarding property tax refunds issued.

On behalf of my team and the taxpayers of Galveston County, please extend my appreciation to Mr. Rice and Ms. Bulanek for supporting our partnership and any other members of the Auditor's team who may have assisted you with this audit.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl E. Johnson".

Cheryl E. Johnson

cc: Randall Rice, CPA, County Auditor
Kristin Bulanek, CIA, First Assistant, Director of Auditing
Rachael Crider, PCC, CTA, Chief Deputy Property Tax