

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 20, 2017

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 2017 Property Tax Refunds Review that covered the period October 1, 2016 through September 30, 2017. Also attached is the response letter from Honorable Cheryl E. Johnson, dated October 30, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rice CPA".

Randall Rice CPA
County Auditor

cc: Honorable Cheryl E. Johnson

Attachment: FY 2017 Property Tax Refunds Review Report
Response Letter, Tax Assessor-Collector Cheryl E. Johnson

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October 26, 2017

To: Honorable Cheryl Johnson
Tax Assessor-Collector

From: Lauren Ramsey
Compliance and Procedures Analyst

Re: FY 2017 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, 2016 through September 30, 2017, our office reviewed refunds consisting of 4,089 checks totaling \$3,866,378.15. There were 4,930 refunds totaling \$4,921,403.39 issued in the prior year. Accordingly there has been a 17.1% (841) decrease in the number of refunds issued and a 21.4% (\$1,055,025.24) decrease in the dollar amount of refunds issued.

Of the refunds reviewed by Internal Audit, no 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



October 30, 2017

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

Re: FY 2017 Property Tax Refunds Review

Dear Ms. Ramsey:

I am in receipt of the above referenced audit and am once again pleased with the results. Property tax refund audit findings have been the same for at least eight years now and both the Property Tax Department team and our partnership with the County Auditor's Office the cause. Policies and procedures created in partnership with your office over 12 years ago and the Property Tax team's compliance has been essential in fulfillment of this accomplishment.

Once again, I wish to express my appreciation to you and the entire County Auditor's Office team for the partnership we have enjoyed for the last 13 years as we have worked to improve accountability and processes in the Galveston County Tax Office.

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