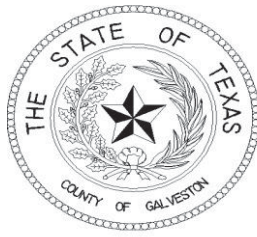


# GALVESTON COUNTY



## Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor  
Madeline Walker CPA CFE, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4<sup>th</sup> Floor, Galveston, TX 77550

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February 6, 2023

Honorable Mark A. Henry, County Judge, and  
Members of the Commissioners Court  
722 Moody Avenue  
Galveston, Texas 77550

Honorable Mark A. Henry and Members of the Court:

Attached to be received and filed is the internal audit report on the cash count of the Tax Office's Galveston, Santa Fe, Texas City, Crystal Beach, League City and Friendswood branch locations. Also attached is the response letter from Honorable Cheryl E. Johnson, dated January 25, 2023.

Sincerely,

*Randall Rice CPA*

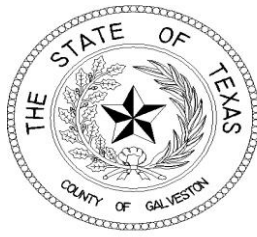
Digitally signed by Rice, Randall  
Date: 2023.01.25 12:44:25 -06'00'

Randall Rice CPA  
County Auditor

cc: Honorable Cheryl E. Johnson

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

# GALVESTON COUNTY



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January 10, 2023

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 Galveston, Santa Fe, Texas City, Crystal Beach, League City and Friendswood Branch Locations

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Surprise cash counts of the Tax Office's Galveston, Santa Fe, Texas City, Crystal Beach, League City and Friendswood branch locations were conducted from December 13, 2022 through January 4, 2023. The objectives of the cash counts 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 times of the surprise cash counts, all collections and change funds were accounted for at all branch locations, including \$17,000.00 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**

Local Government Code (LGC) §113.022 Time for Making Deposits states that money collected shall be deposited with the County Treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the office must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. All collections were deposited and in compliance with LGC §113.022.

January 10, 2023

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**Conclusion**

At the time of the surprise cash counts, all collections were accounted for at the Galveston, Santa Fe, Texas City, Crystal Beach, League City and Friendswood 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, and for their cooperation and assistance in the audit.

cc: Madeline Walker CPA CFE, First Assistant County Auditor



**Cheryl E. Johnson, PCC, CTOP**  
**Galveston County Tax Assessor/Collector**

722 Moody, Galveston, Texas 77550  
cheryl.e.johnson@co.galveston.tx.us  
1-409-766-2260



January 25, 2023

Mr. Randall Rice, CPA, CISA, CIO  
Galveston County Auditor  
722 Moody Avenue  
Galveston, Texas 77550

Re: Cash Counts of Branch & Satellite Offices

Dear Mr. Rice:

I am in receipt of the above referenced audit and have no response except to thank you and your team for working effectively with my office to ensure proper handling of the public's funds. Your team's audit revealed all collections were being handled properly, all negotiable instruments were secured and deposited daily and in compliance with the Local Government Code Section 113.022.

As you know, it is my opinion that the successes in the County Tax Office would not have been possible without a great Operations team whom are responsible for the work with the oversight and guidance of a very hands-on management and leadership team. Additionally, the assistance and high level of expertise provided by your team further ensures our success.

Please express my appreciation to your team. Our partnership over the last 18+ years has resulted in improved accountability within the Galveston County Tax Office and the property owners and government partners are beneficiaries of our combined effort.

Sincerely,

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

Cheryl E. Johnson

cc: Kathleen Moreno, PCC, Chief Deputy Business Services  
Heather Niblock, Branch Coordinator  
Celeste McGilberry, Internal Auditor, Galveston County Auditor's Office  
Lori McWhirter, Internal Auditor, Galveston County Auditor's Office  
Madeline Walker, CPA, CFE, First Assistant County Auditor