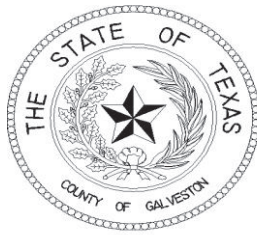


GALVESTON COUNTY



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 4th Floor, Galveston, TX 77550

May 15, 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 Quarterly Audit Report for the Sheriff's Office Tax Sale Division. The audit covered the period from January 2023 through March 2023.

Sincerely,

Randall Rice CPA

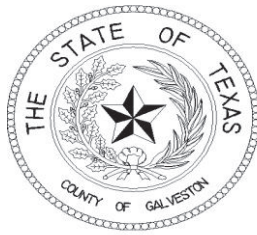
Digitally signed by Rice, Randall
Date: 2023.05.09 15:05:00
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Randall Rice CPA
County Auditor

cc: Henry Trochesset, Galveston County Sheriff

Attachment: Quarterly Audit Report, Sheriff's Office Tax Sale Division

GALVESTON COUNTY



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722 Moody Ave 4th Floor, Galveston, TX 77550

April 26, 2023

Henry Trochesset
Galveston County Sheriff
601 W. 54th Street
Galveston, TX 77551

Sheriff Trochesset:

The Galveston County Auditor's Office has examined the financial records and administrative procedures related to the fees collected by the Sheriff's Office Tax Sale Division for the months of January 2023 through March 2023. The objectives of the examination were to (1) verify all proceeds from the tax sale were deposited in the bank and recorded accurately and completely in Odyssey and (2) all proceeds were distributed in accordance with Tax Code (TC) §34.02 Distribution of Proceeds and TC §34.06 Distribution of Proceeds of Resale. No errors were detected in the deposit and distribution of proceeds from the Sheriff's Office Tax Sale Division during the audit period.

Management of Collections

A bank reconciliation properly performed and adequately supported is one of the best methods of cash management available to any official. The reconciliation process identifies any discrepancies in the tax sale account and assists in preventing the misuse of funds. The bank reconciliation process compares the Odyssey payment report and check register to the bank statements. Any discrepancies are noted on the bank reconciliation as adjustments. Internal Audit reviewed the bank reconciliations for the audit period.

Finding: The beginning book balance was incorrect for the January, February and March 2023 bank reconciliations. There are 3 outstanding adjustments from the May 2021, July 2022 and August 2022 tax sales that were not included on the bank reconciliations, which caused the discrepancy in the beginning book balance.

Recommendation SOTX-23-02: The Sheriff's Office Tax Sale bank reconciliations must include all outstanding adjustments until the issues are addressed and resolved.

This report will be submitted to Commissioners Court on May 1, 2023. Please contact Lori McWhirter, Internal Audit Manager, if you have any questions or comments regarding this report.

Sincerely,

Randall Rice CPA

Digitally signed by Rice, Randall
Date: 2023.05.09 15:04:19 -05'00'

Randall Rice CPA
County Auditor