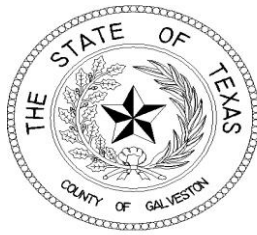


GALVESTON COUNTY



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 16, 2020

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 of the FY2020 Property Tax Refunds Review that covered the period October 1, 2019 through September 30, 2020. Also attached is the response letter from Honorable Cheryl E. Johnson, dated November 2, 2020.

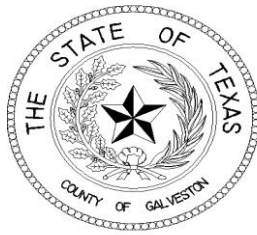
Sincerely,

Randall Rice CPA
County Auditor

cc: Honorable Cheryl E. Johnson

Attachment: FY2020 Property Tax Refunds Review Report
Response Letter, Tax Assessor-Collector Cheryl E. Johnson

GALVESTON COUNTY



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722 Moody Ave 4th Floor, Galveston, TX 77550

October 30, 2020

To: Honorable Cheryl Johnson
Tax Assessor-Collector

From: Randall Rice
Galveston County Auditor

Re: FY2020 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. 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, 2019 through September 30, 2020, our office reviewed refunds consisting of 5,533 checks totaling \$4,567,869.61. There were 4,899 refunds totaling \$4,868,891.05 issued in the prior year. Accordingly there has been a 12.94% (634) increase in the number of refunds issued and a 6.18% (-\$301,021.44) decrease 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: 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 2, 2020

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

Re: FY 2020 Property Tax Refunds Review

Dear Mr. Rice:

I am in receipt of the above referenced audit. For more than 11 years, the property tax refund audit has been without findings and I am pleased to once again receive your audit reflecting the same for this past year.

The successes we have enjoyed would not have been possible without a great Property Tax Department team, the daily, monthly and quarterly audits we perform internally along with the assistance and high level of expertise provided by your team.

Once again, I wish to express my appreciation to you and your team. Every County Tax Office should develop a partnership with their County Auditor as we have done for the last 16 years. The improvement in accountability and process reflects well on all and the beneficiaries are, of course, the property owners and other Galveston County stakeholders including partner governments.

Please extend my appreciation to Ms. McWhirter and Kristin Bulanek along with other members of your team who assisted with this audit.

Sincerely,

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

Cheryl E. Johnson

cc: Lori McWhirter, Internal Audit Manager

Kristin Bulanek, CIA, First Assistant County Auditor
Erma Evans, PCC, Chief Deputy Property Tax & Administration