



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER 0

PAGE 1 OF 4

DATE: 5/3/2011

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE TAX OFFICE AD VALOREM TAX ENTITY DISBURSEMENTS**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the Tax Office Ad Valorem Tax Entity Disbursements.

BACKGROUND:

In accordance with Local Government Code, Subchapter A, Sec. 115.001, Examination of Records, and Sec. 115.002, Examination of Books and Reports, the Auditor's Office reviewed the ad valorem tax disbursements made to taxing entities by the Tax Office for the month of December 2010. The objective of the review was to determine whether the Tax Office accurately processed the entity disbursements.

The Auditor's Office tested 100% of the disbursements made to entities during December 2010 and found that ad valorem tax payments recorded into Tax Office 2004 and the Tax Office general ledger systems were accurately disbursed. The scope of this review did not include testing to determine whether all monies collected from taxpayers were properly recorded into Tax Office systems and subsequently deposited.

Attached to this report is a written response from the Tax Assessor-Collector's Office.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY

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RONALD D. BERTEL, CPA
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April 14, 2011

The Honorable District Judges
The Honorable Commissioners Court
The Honorable Betsy Price, Tax Assessor-Collector
Tarrant County, Texas

RE: Auditor's Report – Tax Office Ad Valorem Tax Disbursements to Entities

SUMMARY

In accordance with Local Government Code, Subchapter A, §115.001, *Examination of Records*, and §115.002, *Examination of Books and Reports*, we reviewed the ad valorem tax disbursements made to taxing entities by the Tax Office for the month of December 2010. The objective of our review was to determine whether the Tax Office accurately processed the entity disbursements. We tested 100% of the disbursements made to entities during December 2010 and found that ad valorem tax payments recorded into Tax Office 2004 and the Tax Office general ledger systems were disbursed accurately. The scope of this review did not include testing to determine whether all monies collected from taxpayers were properly recorded into Tax Office systems and subsequently deposited.

BACKGROUND

The Tax Assessor-Collector assesses and collects ad valorem taxes on property for Tarrant County and other taxing entities. On October 5, 2010, the Commissioners Court approved contracts between the Tarrant County Tax Assessor-Collector and 55 entities to collect ad valorem taxes for the tax year 2010. The Tax Office processes all property tax entity disbursements via Automated Clearing House (ACH), mostly on a daily basis. During the months of October through December 2010, the Tax Office collected property tax revenues in excess of \$1.4 billion dollars. Of this amount, the Tax Office disbursed approximately \$1.2 billion, or 81%, to the taxing entities in the month of December alone.

CLOSING REMARKS

We appreciate the cooperation of the Tax Office staff during our review. Please call me if you have any questions regarding the contents of this report.

Sincerely,

A rectangular area of the document is redacted with a solid grey fill, obscuring the signature of the County Auditor.

S. Renée Tidwell, CPA
County Auditor

Attachment:
Management Response from the Tax Office

Distribution:
Tom Spencer, Tax Office Chief Deputy
Anita El Sakhawy, Tax Office Accounting Director

Team:
Kim Trussell, Audit Manager
Maki Ogata, Senior Auditor



TARRANT COUNTY TAX OFFICE

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BETSY PRICE
Tax Assessor-Collector

April 20, 2011

Rene Tidwell, County Auditor
The Honorable District Judges
The Honorable Commissioner's Court

Subject: Auditor's Report – Review of Tax Office Ad Valorem Taxes Entity Disbursement

The Tarrant County Tax Office acknowledges the effort and results of the subject report.

The Tax Office has worked diligently to create systems and procedures that are accurate and secure. The result of this effort is the subject report where all entity disbursements over the period of study were complete and accurate.

We appreciate the ongoing effort of the Auditors in their review of Tax Office operations.


Tom Spencer, RTA
Chief Deputy

For

Betsy Price, RTA
Tax Assessor/Collector

TS:bhm