



COMMISSIONERS COURT  
COMMUNICATION

REFERENCE NUMBER CO#114477

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DATE: 1/15/2013

SUBJECT: **RECEIVE AND FILE THE 2012 AUDITOR'S REPORT OF THE TAX OFFICE  
AD VALOREM YEAR-END MANUAL RECEIPTS**

**\*\*\* CONSENT AGENDA \*\*\***

**COMMISSIONERS COURT ACTION REQUESTED:**

It is requested that the Commissioners Court receive and file the 2012 Auditor's Report of the Tax Office Ad Valorem Year-End Manual Receipts.

**BACKGROUND:**

In accordance with Local Government Code, the Auditor's Office reviewed ad valorem transactions that occurred from September 28 through October 4, 2012. At the end of each fiscal year, the Tax Office loads the new tax year database into TaxClient, the application used to record ad valorem tax transactions. During this time, the Tax Office staff cannot record transactions into TaxClient. The objective of the review was to determine whether payments received during this period were accurately recorded and deposited. The Auditor's Office found no exceptions.

**FISCAL IMPACT:**

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell  
APPROVED BY:



## TARRANT COUNTY

TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506

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FIRST ASSISTANT COUNTY AUDITOR  
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November 28, 2012

The Honorable Ron Wright, Tax Assessor-Collector  
The Honorable District Judges  
The Honorable Commissioners Court  
Tarrant County, Texas

Re: Auditor's Report – Ad Valorem Year End Manual Receipts, 2012

### SUMMARY

In accordance with Local Government Code, Subchapter A, Sect. 115.001, Examination of Records, and Section 115.002 Examination of Books and Reports, we determined whether ad valorem payments recorded on manual receipts during September 28 through October 4, 2012 were accurately deposited and recorded into *Tax Client*. Since it is not possible to verify that a manual receipt was prepared for every transaction, we cannot determine whether all monies collected during this period were deposited and recorded properly. Based on our testing, we found that the amounts recorded on the manual receipts reconciled to the Daily Collection Reports, bank deposits, the general ledger, and the amounts recorded to taxpayer accounts. We also communicated some minor issues observed during our review to Tax Office management.

We commend the Tax Office auditors for identifying and correcting other minor clerical errors made during the period prior to our review.

### BACKGROUND

At the end of each fiscal year, the Tax Office loads the new tax year database into *Tax Client*, the application used to record ad valorem tax transactions. During this time, the Tax Office staff cannot record transactions into *Tax Client*. Instead, Tax Office staff uses manual receipts to record payment-in-person transactions. When *Tax Client* becomes available, Tax Office staff uses the manual receipts to record payments to taxpayer accounts. Tax Office staff issued 504 manual receipts totaling approximately \$335,000.

**CLOSING REMARKS**

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

Sincerely,



S. Renee Tidwell, CPA  
County Auditor

*Attachment:*

Management's response letter

*Team:*

Kim Trussell, Audit Manager  
Dan Thompson, Senior Auditor

*Distribution:*

Tom Spencer, Tax Office Chief Deputy  
Anita El Sakhawy, Accounting Director  
Danny Nichols, Collections Manager



## TARRANT COUNTY TAX OFFICE

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taxoffice@tarrantcounty.com

**RON WRIGHT**  
Tax Assessor-Collector

December 21, 2012

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

**Subject: Auditor's Report – Review of Ad Valorem Manual Receipts**

The Tarrant County Tax Office appreciates the ongoing effort of the Auditor's Office to provide review and assessment of Tax Office operations.

The Tax Office has worked diligently to process receipts accurately during the changeover to the new tax year database. The results of this audit validate our effort. However, we recognize that issuing manual or paper receipts is problematic.

To address the problem, the Tax Office is writing specifications for a module within the existing software package that will allow processing of payments when the system is being updated for the new tax year. The software vendor, Spindlemedia, is involved and believes the change can be accommodated at no cost. It is expected that the change can be implemented prior to the beginning of tax year 2013.

We appreciate the effort of the Auditors to provide review and recommendations on Tax Office operations.

Should you have any questions, please don't hesitate to contact me.

Sincerely,



Ron Wright  
Tarrant County Tax Assessor-Collector