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Honorable John R. Ames, CTA
Tax Assessor - Collector
Dallas, Texas

RE: FINAL AUDIT REPORT **Tax Office - Financial Administration Audit FY2025**

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period October 1, 2024, through September 30, 2025.

The objectives of the engagement were to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verify the accuracy and completeness of reporting
4. Review controls over safeguarding of assets

Overall Results

The review of the Dallas County Tax Office's fiscal year 2025 accounting processes identified delays in reconciling the department's bank accounts.

We appreciate the cooperation of the department and the staff during our review. If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

Timothy J. Hicks, CPA

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ISSUED: 2/20/2026
RELEASED: MARCH 16, 2026

REPORTABLE FINDINGS

26-IA-TAXFA-204.01 Monthly Bank Reconciliations:

A review of the Dallas County Tax Office's fiscal year 2025 monthly bank reconciliations identified that seven Property Tax reconciliations and three SIT Escrow account reconciliations were completed in excess of 60 days after month-end.

Suggested Actions

- Establish and enforce a formal month-end bank account reconciliation timeline to ensure all accounts are reconciled in a timely manner.

Management Action Plan

In late 2023, the Tax Office assumed responsibility of the proof of cash process that was historically done by the Auditor's Office. As a result, the Accounting division underwent a restructuring that adjusted leadership, staffing, and duties.

The deadlines established by the Tax Office are as follows:

- Recon Team completes all account reconciliations by the 10th of the month, except for account 710, which is due by the 15th of the month: submits to Recon Manager for review.
- Recon Manager reviews all recons by the 20th of the month and submits them to the Accounting Director/Assistant Director for review.
- Accounting Director or Assistant Director signs off on reconciliations within five business days of receipt from Recon Manager; returns to Recon Manager for submission to Audit.
- Recon Manager is responsible for ensuring that the reconciliations and all supporting backup are submitted to Audit within five business days of the Director/Assistant Director sign-off.

While the Tax Office has had to establish processes and train staff to complete this process, the transition has been slower than anticipated, due to leadership absences, and staff turnover. This caused delays in consistently meeting the deadlines that we had internally set. Fifteen of the accounts were reconciled and submitted timely, and two accounts were not submitted within 60 days, as identified by the Audit team. However, the goal of the Tax Office is to always meet established goals and deadlines.

Moving forward, the Tax Office is confident that we have stabilized the team needed for this process, have completed the necessary training, and plan to consistently meet our internal deadline of reconciling all accounts each month and on time.

cc: Darryl Martin, County Administrator