



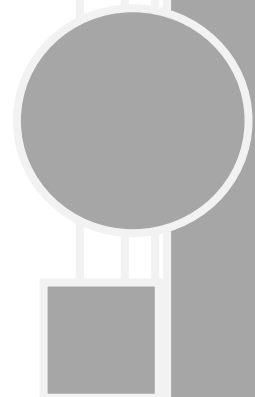
AUDIT REPORT

DALLAS COUNTY

TAX OFFICE AUDIT FISCAL YEAR 2017

Darryl D. Thomas
Dallas County Auditor

ISSUED: April 30, 2018
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TAX OFFICE AUDIT FISCAL YEAR 2017

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



DALLAS COUNTY
COUNTY AUDITOR

MANAGEMENT LETTER

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

Attached is the County Auditor's final report entitled "**Tax Office Audit Fiscal Year 2017**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

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,

A handwritten signature in blue ink that reads "Darryl D. Thomas".

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

We performed ongoing reviews on the financial records and operational processes of the Dallas County Tax Office for the fiscal year period ending September 30, 2017. The Tax Assessor-Collector collects ad valorem taxes, vehicle registration fees, vehicle surcharges, certificate of title fees, vehicle sales taxes, title service and runner license fees, beer and wine license fees, liquor fees, occupation sticker fees, scofflaw fees, and special inventory taxes. Approximately \$5.2 billion in receipts were collected and processed by the Tax Office during the fiscal year ending September 30, 2017. No irregularities or intentional misstatement or omission in fraudulent or misleading statements were identified during our review. However, we have identified processes with differing risk factors for consideration by management. Overall risks are considered normal or low unless otherwise noted.

Summary of Significant Observations:

- An estimated \$351,442 in Penalties and Interests waived on 691 delinquent accounts were non-compliant with Tax Code 33.011.
- 82 fraudulent checks totaling \$71,633 were processed and credited by BOA from the Motor Vehicle account without notifying the Auditor's office.
- The monthly bank reconciliation for major tax accounts was not prepared in a timely manner.
- A total of \$35,756.75 late correction penalty was not assessed in ACT for 23 accounts granted 25.25D correction.
- 19 Refund checks totaling \$299,731 were mailed to the taxpayer without proper review and approval.
- Return fee collected totaling \$24,904 was not transferred to the General Fund, and a total of \$17,790 in return items fees were waived by a Tax Office Representative.
- Five unprocessed manual corrections caused a \$286,930 difference in taxable value and a refund for \$7,945.44 due to the tax payer was not processed in ACT System until advised by Internal Audit.

Repeat observations from Previous Audits:

- SIT funds totaling \$145,391 were used for expenses not related to the administration of the Special Inventory Accounts.
- Unclaimed funds over three years old remain in the tax account for funds 710 and 718.

INTRODUCTION

Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

- Ensure compliance with statutory requirements
- Evaluate internal controls
- Verification of accuracy and completeness of reporting
- Review controls over safeguarding of assets

This audit covered the period of October 1, 2016 through September 30, 2017.

Internal control issues on operations are evaluated on an ongoing basis with exceptions briefed to key staff of the Tax Assessor-Collector and the County Auditor throughout the year. Controls are categorized and evaluated using risk assessment techniques. However, we are unable to perform transactions tests on the entire population of Property Tax and Non-Property Tax data. Without access to the data, we are unable to perform limited testing to sample relevant data to provide a higher quality of audit evidence in the following areas: **Levy correction and adjustment made, P&I assessed, Adding, Changing or Removing Special; Exemption, Payment made after Delinquent date, Delinquent Statues, Refund generated due to Levy adjustment, Tasks, Entitlement and jobs assignment ,Receipts Sequence and Voided Receipts, Dealer Filing Stats and Motor Vehicle Registration and Tile Transactions.** According to LBGS Contract with Dallas County " The County Auditor its assigns or any other authorized County personnel shall have the unrestricted right to audit all data or documentation related to this Contract".

DETAILS

SIT Expenditures

A review of SIT interest fund expenditures revealed that SIT funds were expended on travel, conference, training expenses, supplies, and equipment not related to the administration of the special inventory tax prepayment procedure. SIT funds were used to reimburse for travel, conference, and training expenses of motor vehicle employees. Per Attorney General Opinions JC-348(2001); JC-0149 (1999); and DM-398 (1996), interest earned may be used to defray the cost of administration of the prepayment procedure and may not be used for general office expenses of the assessor-collector unrelated to the cost of administering the program. As a result of management's noncompliance of written interpretation of statutes, SIT funds totaling \$145,391 were expended but not related to the operation of the special inventory tax prepayment process.

Recommendation

SIT Expenditure

Implement a Cost Allocation Plan according to the guide provided by Office of Management and Budget (OMB) Circular A-87. Include justification for all expenses reimbursed from SIT account. Consider processing all authorized payments relevant to the SIT administration through the escrow account maintained in the county's general ledger.

Management Action Plan

Consistent with past practices, all funds received related to SIT penalties and interest, as noted, are only used for expenses directly related to Tax Office Training, Development and Operations which strengthen the SIT collection program. It is the understanding and position of the Tax Assessor-Collector that SIT funds are to be used at the sole discretion of his office. For the sake of transparency, SIT expenditures continue to be briefed and reported to the Commissioner's Court.

Auditors Response

Per the Management Action plan, SIT funds, "are only used for expenses directly related to Tax office training, development, and operations which strengthen the SIT Collection Program". However, currently, the funds are also being used for expenses of motor vehicle employees which do not strengthen the SIT Collection Program in that SIT collections are performed by employees under the Property Tax section of the Tax Office.

Overpayment & Erroneous Refunds

A review of property tax refunds checks greater than \$5,000 issued for erroneous payments and overpayments identified 18 refunds which were not presented to the Auditor's office for review nor to Commissioners Court for approval. One refund was presented to the Auditor's office but the check was mailed prior to Commissioners Court approval. Property Tax Code Section 31.11(a) requires that overpayment and erroneous refunds exceeding \$5,000 be submitted to the Auditor's Office and Commissioners Court for approval. Incomplete account research and noncompliance with Property Tax Code Section 31.11(a) resulted in the issuance of 19 refunds totaling \$299,731 without proper review and approval.

Recommendation

Overpayment & Erroneous Refunds

Overpayment and erroneous refunds exceeding \$5,000 should be submitted to the Auditor's Office and Commissioners Court for approval in accordance with Property Tax Code Section 31.11(a). Management should train and supervise staff to follow refund processes and procedures as established by the Tax Office.

Management Action Plan

The Tax Office consistently strives to process all refund payments back to constituents and taxpayers timely and within the requirements of applicable and controlling authorities. Mindful of the requirements of Tax Code, SEC. 31.11 (a) , the subject refunds were made pursuant to Tax Code , Sec. 31.111, which statutory provision requires that the Tax Assessor-Collector process "duplicate payment refunds" as soon as practicable after discovery of the taxpayer error. Contrary to Tax Code, Sec. 31.11 (a), and particular to duplicate payments, this latter code provision does not mandate action by any person other than the Tax Assessor-Collector. Based on this section of the code, we believe these refunds were processed properly and this observation should be removed from this audit.

Auditors Response

Per the Management Action Plan, "the subject refunds were made pursuant to Tax code, Sec 31.111. However, in order for the refunds to fall under that section the duplicate payments must be because, "identical taxes were paid by another person". Several of the subject refunds were paid by the same person and others were not for identical taxes.

Subcontractor Bond

A review of subcontractor files identified one merchant bond not sufficient for the 27 locations conducting business on behalf of the Dallas County Tax Assessor- Collector in Dallas County. Per the signed subcontractor agreement, merchants must provide a bond payable to the Dallas County Tax Assessor-Collector in the amount \$15,000 for the first two locations and \$12,000 for each additional location. Current management oversight did not identify the error when the new bond for the subcontractor was received. Therefore, the subcontractor is conducting business on behalf of the Dallas County Tax Assessor-Collector without valid bonding requirements. As a result \$108,000 less than the required bond amount may not be recoverable in the event of theft or losses.

Recommendation

Subcontractor Bond

Bond requirements for subcontractors should be periodically reviewed and updated by management to ensure Dallas County is protected against possible losses related to the sales of motor vehicle stickers on behalf of the Dallas County Tax Assessor-Collector.

Management Action Plan

The Tax office regularly reviews its subcontractor bonds. It is the practice and the expectation that all subcontractors provide the appropriate bonds relative to the number of approved locations where they are authorized to do business on behalf of the Tax Assessor-Collector. The Tax Office will continue to monitor and review subcontractor relationships and related files to maintain compliances, and to verify that all documentations are up to date.

Auditors Response

None

Unclaimed Funds - Fund 710 & 718

An examination of the outstanding check lists as of September 30, 2017 revealed 120 checks issued prior to September 30, 2014 remain in Fund 718 SIT escrow account and 3,012 checks issued prior to September 30, 2014 remain on deposit in Fund 710 motor vehicle account. The outstanding check lists should be periodically reviewed and researched for checks that have been outstanding for three or more years in accordance with unclaimed property statutes, Property Code § 72 and § 76. Tax Office Accounting Staff does not have the adequate software and check details to research and disburse funds in accordance with unclaimed property statutes. Potential State inquiry and/or penalty regarding delinquent reporting of unclaimed funds for the checks issued between April 3, 1993 through September 30, 2014 totaling \$57,556.11 in Fund 718 and \$194,717.30 in Fund 710.

Recommendation

Unclaimed Funds

Expedited escheat analysis and stale dating of outstanding checks should be emphasized in accordance with unclaimed property statutes, Property Code, § 72 and § 76.

Management Action Plan

The Tax Office consistently monitors all of its active bank accounts to assure that funds on deposit are properly accounted for, available for meeting ongoing and anticipated business and payment obligations, and turned over to the appropriate authorities as dictated by law and business practices.

Auditors Response

None

Waiving Penalty and Interest

A review of property tax transactions posted to the ACT system after the delinquency date identified 691 property tax accounts with payments containing a modified receipt or due date to preclude the assessment penalty and interest. Tax Code §33.011 Waiver of Penalties and Interest outlines certain specific circumstances that may warrant the waiver of penalties and interest. However, the tax office does not have any established procedures to ensure that that all Tax Code requirements and deadlines are satisfied prior to waiving penalties and interest. Waivers are granted at the discretion of property tax representatives with limited supervisory

review. An estimated \$351,442 in penalties and interest was not assessed resulting in a loss of revenue for Dallas County.

Recommendation

Approval Process

Limit the waiver of penalties, interest, and collection fees to the specific conditions permitted by the Tax Code, particularly Sec. 33.011 WAIVER OF PENALTIES AND INTEREST.

Establish a written checklist, ensuring that all Tax Code conditions and deadlines are met before granting a waiver along with written managerial approval of the waiver. Ensure proper supporting documentation is maintained along with adequate notations in the ACT system.

Management Action Plan

The Tax Office only back dates property tax receipts where appropriate, consistent with controlling statutes and as dictated by the specific circumstances of each affected transaction. Routinely, there is an enormous seasonal in-flow of property tax payments received just at, or right before the statutory deadlines for making timely payments under state law. Directly related to this mass in-flow of last minute mail in and from the postal service, it is not uncommon that mail containing property tax payments are log-jammed, misdirected and otherwise delivered untimely. It is only in the instance where timely mailing can be confirmed by postmark that the benefit of backdating is afforded the taxpayer. Beyond the postal delivery challenges, the sheer mechanics of processing such as large volume of incoming payments by mail in a compressed time frame, utilizing limited resources, also necessitates other backdating. Tax Office staff are not authorized, nor allowed, to backdate receipts or payments without just cause.

Auditors Response

Although Tax Office staff may not be authorized to waive Penalty & Interest or return check fees "without just cause", they still have the ability to do so "without just cause" in the ACT system and it can go undetected if there is a lack of managerial review. In addition, Property Tax Code Chapter 33.011 (3) states that the governing body of a taxing unit may waive penalties and provide for the waiver of interest on a delinquent tax if the taxpayer submits evidence showing that (A) the taxpayer attempted to pay the tax before the delinquency date by mail; (B) the taxpayer mailed the tax payment to an incorrect address that in prior tax year was the correct address for payment the taxpayer's tax. However, audit staff are not able to validate that the required evidence was provided by the tax payer.

25.25D Penalty

An examination of §25.25D supplement corrections and penalty assessment in ACT identified 23 accounts granted the §25.25D correction per DCAD supplemental appraisal rolls were not assessed the 10% penalty. Additionally, two accounts with rendition penalty assessed but DCAD comments do not reference late filings per Property Tax Code §22.28A. Under Property Tax Code § 25.25 (d), if the appraisal roll is changed under this subsection the property owner must pay to each affected taxing unit a late-correction penalty equal to 10

percent of the amount of taxes as calculated on the basis of the corrected appraised value. Tax office uploads DCAD data to ACT without verification that the data is valid resulting in incomplete §25.25D supplemental penalty corrections uploaded to ACT system. A total of \$35,756.75 in late-correction penalties were not assessed in ACT.

Recommendation

Supervisory Review

Periodic review by supervisory personnel to determine the accuracy and completeness of Tax Code, § 25.25D 10% penalty assessments on monthly DCAD supplement roll corrections uploaded to the ACT system. Information processing controls must be continually updated and monitored to help ensure that transactions completed through computerized applications are valid, authorized, complete, and accurate. Document and communicate supplemental data file or system processing errors to the DCAD and/or ACT programming teams.

Management Action Plan

The Tax Office received approximately 125 supplements from appraisal districts each year. In each instance where supplements are received, the Tax office painstakingly strives to process them timely and accurately utilizing available resources. The Tax Office will continue to monitor each of the monthly supplements for accuracy, and process them accordingly. Particular attention will be directed to the review and processing of Sec. 25.25D assessments in accordance with statutory mandates.

Auditors Response

None

Void Manual Receipts

A review of voided manual receipts revealed that the triplicate copies of two voided manual receipts were not retained in the manual receipt book. Per audit recommendations and DCTO procedures, voided receipts (white, pink, and yellow copies) are to be retained in the receipt book. Tax Office representatives are not adhering to the established manual receipt procedures resulting decreased internal control over funds collected, which prevents potential assertion that monies were paid and refund due.

Recommendation

Properly Void Manual Receipts

All copies of a voided receipt retained, clearly marked "void" and affixed with reason for void in order to affix responsibility. Established procedures should be updated to require an explanation for void and to include a reference of the applicable system receipt number or deposit to enhance cash control.

Management Action Plan

Because the Tax office is overwhelmingly automated in regards to payment processing, it is extremely rare that Tax office representatives are required to use manual receipt books for

this purpose. We will continue to train and emphasize the importance of properly maintaining manual receipt books.

Auditors Response

None

Unprocessed Manual Supplemental Adjustments/Corrections

A review of manual DCAD supplement changes identified five manual DCAD supplement adjustments/corrections not processed by roll maintenance representatives. The corrections were processed after the Tax Office roll maintenance management was advised by Internal Audit. Manual adjustment supporting documentation showed evidence of random supervisory examination of the manual supplemental changes performed, 83 manual supplement changes were not reviewed by a supervisor. According to Property Tax Code, § 26.15 Correction of Tax Roll, the assessor shall enter on the tax roll the changes made in the appraisal roll and either: prepare and mail a supplemental tax bill (resulting from an increase of tax liability), or refund the difference between the tax paid and the tax legally due (resulting from a decrease of tax liability). Supplemental changes to the tax roll prior to the five most current tax years must be processed manually in ACT system by Roll Maintenance representatives. There is limited managerial review of manual supplemental adjustments to property tax accounts and there is no exception report that can identify taxable value variances by account between DCAD and ACT. Unprocessed manual adjustments/corrections result in potential uncollected property taxes or refunds not issued to taxpayers. The five unprocessed manual corrections caused a \$286,930 difference in taxable value and a refund for \$7,945.44 was not reflected until the manual DCAD corrections were performed in the ACT system.

Recommendation

Review of All Manual Supplemental Adjustments

Manual supplemental adjustments/corrections should be entered to ACT accurately, completely, and timely. Supervisory personnel/management should verify that all corresponding DCAD reports were located and perform a periodic review of all manual supplemental adjustments to verify the accurate and complete posting to ACT.

Management Action Plan

The five errors observed were from one account in the September 17, 2017 supplement. DCAD only maintains electronically in their system the previous five years data. For supplement changes impacting more than five years, Tax Office staff are required to manually retrieve and change the data in ACT. In this one instance, the Tax Office representative working this supplement removed the value for the year 2008, but failed to go back and remove the value for the period 2003-2007 as the result of human error. The Property Tax Management staff employs a random spot check method of confirming that manual supplemental changes are made appropriately. Limited resources prevent management from reviewing 100% of the manual transactions. This is especially true in regards to supplements during the period August through September each year when the Department's resources are fully tapped with manual corrections to the Certified Roll in

preparation for the mailing of Certified Statements. There is no ACT Report that can be used by management to reconcile all the manual changes performed by the roll maintenance representatives. The Property Tax Division's Management Team will continue to pursue means and methods to process these manual adjustments and corrections fully, timely, and accurately.

Auditors Response

None

Return Item Waiver

A review of 2,740 return items debited from Funds 710, 713, 714 and 718 revealed that a total of 593 return items fees were waived or not assessed by Tax Office staff. Return items fees collected for Fund 710 totaling \$23,584 and \$1,320 for Fund 718 have not been transferred to the General Fund. Local Government Code § 118.141 and § 118.142 allow the assessment of the \$30 return item fees and per § 118.145 the return check fees collected shall be deposited in the general fund of the county to the credit of the county treasurer fees of office account. Return item fees are waived at discretion of Tax Office staff due to lack of established written procedures identifying the conditions that must be met for a waiver. A total \$17,790 in return items fees was waived by Tax Office representatives and \$24,904 in return check fees collected (for FY2017 and prior year) is pending transfer to the Dallas County General Fund.

Recommendation

Return Item Collections

Assess fees for returned checks and dishonored credit card payments as allowed by statute. Establish written procedures identifying predetermined conditions that must be met for the handling of returned item fee waiver requests. Management review and approval should be reflected for waived returned item fees. Ensure delivery of written notice of nonpayment to the payees.

Management Action Plan

The Tax office routinely collects and accounts for fees relating to dishonored items. Related fees are waived only as appropriate considering the specific circumstances of each affected transactions. Given the enormous volume of checks and credit items processed by the Tax Office, the circumstances justifying waiver vary widely.

Auditors Response

Although Tax Office staff may not be authorized to waive Penalty & Interest or return check fees "without just cause", they still have the ability to do so "without just cause" in the ACT system and it can go undetected if there is a lack of managerial review.

Monthly Bank Reconciliations

The monthly bank reconciliations for major tax accounts were not prepared in a timely manner in FY 2017 (Refer to Memorandum issued dated October 13, 2017). Best practices require the timely preparation of monthly bank reconciliations for each bank account to ensure errors are identified and resolved. Monthly bank reconciliations were not timely prepared due to employee turnover and the subsequent lack of assignment of

the bank reconciliation preparation to accounting staff. All of the bank reconciliations were prepared by November 9, 2017; however, untimely preparation increases the potential of loss of funds due to undetected bank errors and processing errors and the subsequent corrections will be delayed.

Recommendation

Timely Bank Reconciliations

Best practices require the timely preparation of monthly bank reconciliations for each bank account. Financial controls require reconciliation of bank accounts to include review, research and resolution of reconciling items. Tax Office Accounting staff should be cross trained to ensure monthly bank reconciliations are completed.

Management Action Plan

As noted in our response dated October 17, 2017, this situation resulted from the unexpected resignation of a long term Tax Office Accounting Division employee following her extended absence for maternity leave. The subject matter was addressed timely upon discovering that the employee would not be returning to perform her routine duties, which included bank reconciliations. Further, and as a direct result of this occurrence, the Tax office has added an additional position, Accounting Manager, to further enhance the depth of the accounting staff.

Auditors Response

None

Fraudulent Check Activity

During the preparation of the Proof of Cash and review of checks cleared by the bank for Fund 710, the Internal Auditor noticed 82 fraudulent check debits. Tax Office Accounting did not inform Internal Audit when the bank notified the department of the fraudulent activity. Tax Office Accounting should inform Internal Audit when fraudulent bank activity is identified and of the subsequent resolution by the depository bank. Tax Office bank accounts have Positive Pay feature to detect fraudulent check activity. Potential fraudulent check scheme require monitoring and follow-up to prevent possible loss of funds if corrections are incomplete. The Auditors verified that Bank of America credited the bank account for the checks. A total of \$71,633.72 in fraudulent checks were debited from Fund 710 with no notification to the Auditor's Office by Tax Office Accounting. **Status: However, there is no loss to the county the bank credited the total amount subsequently.**

Recommendation

Notification to Auditor's Office

Tax Office Accounting should inform Internal Audit when fraudulent bank activity is identified and of the subsequent resolution by the depository bank.

Continue existing Positive Pay and ACH blocks processes on the applicable depository bank accounts. Tax Office Accounting staff should monitor bank account activity for inaccurate or inappropriate debits. Continue working with depository bank to update controls for increasing risk of ecommerce.

Management Action Plan

As noted, the subject attempted fraudulent activity did not result in any loss of funds to the Tax Office, Dallas County, or to any other entity on whose behalf the office collects or maintains funds, or processes financial transactions. While there is no statutory or codified provision that requires a specific protocol for reporting fraud attempts, the Tax Office has historically reported these efforts to law enforcement and prosecutors to no avail. The Tax office will continue to be proactive in regards to monitoring depository accounts for proper accounting and accuracy. It should also be noted that all banking measures have been put in place to detect and avoid this type of fraud, which was properly detected, as noted, not resulting in any loss.

Auditors Response

Dallas County Code Sec 74-692 "Out of balance conditions"; - The County Auditor's office will be notified immediately (within one day) of any out of balance conditions for purposes of identifying and substantiating any shortage which may subsequently require indemnification. Even though, there has been no loss to the County, the Tax Office administration should adhere to the Dallas County Code on Cash Collection and Reporting requirement accordingly.

Data Limitation

We are unable to perform transactions tests on the entire population of Property Tax and Non-Property Tax data. Without access to the data, we are unable to perform limited testing to sample relevant data to provide a higher quality of audit evidence in the following areas: **Levy correction and adjustment made, P&I assessed, Adding, Changing or Removing Special Exemption, Payment made after Delinquency date, Delinquency Statues, Refund generated due to levy adjustment, Tasks, Entitlements and jobs assignment, Receipts sequence and Voided Receipts, Motor Vehicle Registration and Title Transaction and Dealer Filing Status.** LBGS contract Paragraph C. **Access to All County Data and Information** states that "LGBS agrees that County, or many of its duly authorized representatives, has the right of timely and unrestricted access to all records, data and information, including the most current ones available to LGBS, or under LGBS control that are pertinent to the fulfillment of the requirement of the Contract and its Amendments, in order to audit, monitor, examine, or make excerpts, transcripts and copies of such records, data and information". Paragraph D. **Audit** states that "The County Auditor its assigns, or any other authorized County personnel shall have the unrestricted right to audit all data or documentation related this Contract". Because we have been unable to gain access to the unfiltered data within the ACT Databases for audit testing we could not state whether or not the data in total are accurate and accounted for. In addition, having access to this data would:

- Enable the teams to tailor the audit approach and deliver a higher quality audit with more relevant audit evidence.
- Perform transactions tests on entire population rather than limited sample testing to provide relevant data and higher quality of audit evidence.
- Evaluate and assess large volumes of information quickly to better underrating the tax office operation and the applicable systems.
- Perform more frequent testing at shorter intervals, rather than concentrating audit work around the year end.
- Engage in continuous testing and monitoring of data leads to better informed risk identification, more accurate control assessments and more timely and relevant audit reporting.

- Add value over and above the traditional audit and to provide unique opportunities to further insight into risk and control assessment.

Recommendation

Data Limitation

The Tax Office management should ensure that the Auditor's Office has access to the data needed to deliver a higher quality audit with more relevant evidence.

Management Action Plan

The Tax Office is in routine dialogue with the Auditor's Office in regards to how it may access the subject data in a manner that is not disruptive to Tax Office operations, and does not jeopardize the integrity of the data as maintained for its intended purposes.

Auditors Response

There has been dialogue with the Tax office regarding data access, but there has not been any significant progress in obtaining the requested data.

cc: Darryl Martin, Commissioners Court Administrator