



Douglas County Internal Audit

August 2, 2013

Douglas County Board of Commissioners
1819 Farnam Street, Suite LC2
Omaha, NE 68183

Attention: Mary Ann Borgeson, Mike Boyle, Clare Duda, Marc Kraft, PJ Morgan,
Chris Rodgers and Pam Tusa

Roger Morrissey, Douglas County Assessor
1819 Farnam St
Omaha, NE 68183

Dear Commissioners and Mr. Morrissey:

I have completed an audit of Douglas County Certified Assessment Corrections. The purpose of the audit was to assess the adequacy and effectiveness of the control processes used to make changes to property valuations and related tax adjustments. The audit revealed that controls were adequately designed and worked effectively for the processes tested. Details related to the testing appear below.

Background

As part of the fiscal year audit plan, Douglas County Internal Audit performs internal control testing for the Douglas County external audit firm, Hayes and Associates, LLC. The external auditor uses the test data provided by Internal Audit to formulate a professional opinion about the County's year-end financial statements. Below are the details related to tests of the controls for processing real and personal property assessment and tax changes.

Objectives

The objectives of the audit were to determine that:

- Changes to assessed property values and associated taxes are properly authorized by the County Board.
- Certified Assessment/Tax Corrections are properly approved by the Assessor.
- Revenues and receivables for property taxes pertain to the appropriate entity, and are recorded in the proper period, for the correct amount, and in the correct fund.

Scope and Methodology

The audit included a review of thirty randomly chosen Certified Assessment/ Tax Corrections generated through the Assessor’s office from July 1, 2012 through June 30, 2013. The sample included eighteen real and twelve personal property corrections. The corrections were reviewed to see that the County Board approved the changes through board resolutions and that the Assessor’s office had approved the corrections. The corrections were traced to the Treasurer’s system to see that the appropriate value was properly posted and that payments made agreed to the corrected tax amounts.

Findings

There were no issues identified.

Audit Standards

Internal Audit conducted this audit in accordance with generally accepted government auditing standards. Those standards require that the audit is planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for its findings and conclusions based on the audit objectives.

Internal Audit has reviewed this information with the County Assessor Chief Office Deputy. Internal Audit appreciates the excellent cooperation provided by management and staff. If you have any questions or wish to discuss the information presented in this report, please contact Mike Dwornicki at (402) 444-4327.

Sincerely,

Mike Dwornicki
Internal Audit Director

- cc: Paul Tomoser
- Trent Demulling
- Joni Davis
- Donald Stephens
- Mike Goodwillie
- Thomas Cavanaugh
- Kathleen Hall

Patrick Bloomingdale
Joe Lorenz
Diane Carlson
Mark Rhine