



# CONTROLLER'S OFFICE

COUNTY OF BUCKS

Administration Building  
55 East Court Street, Doylestown, PA 18901-4318  
(215) 348-6435 • Fax (215) 348-6107

April 25, 2018

Commissioner Robert G. Loughery, Chairman  
County of Bucks  
Commissioners' Office  
55 East Court Street  
Doylestown, PA 18901

Re: Audit of Jennifer Yori, Lower Southampton Township Tax Collector

Dear Chairman Loughery:

Enclosed is the report for the audit of the Settlement of Duplicates for the Bucks County real estate taxes of the Lower Southampton Township Tax Collector, Jennifer Yori, for the tax years ended January 15, 2017 and 2016. The January 15<sup>th</sup> dates reflect the settlement dates for the two tax years included in the audit period. The section of the report titled Report to Management includes our findings and recommendations.

This examination was made in order to ascertain that Bucks County real estate tax collections were properly processed, that adequate and accurate financial records were maintained by the Tax Collector to reflect compliance to the *Tax Collector's Manual*, the *Local Tax Collection Law* and County policies and that the said collections were properly forwarded to the County. The audit was conducted in accordance with U.S. generally accepted auditing standards and included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We express our appreciation for the courtesies extended to our auditors and acknowledge the cooperative assistance we received from the Tax Collector.

Should you have any questions regarding this audit, please call us at (215) 348-6556 between 7:00 a.m. and 5:00 p.m.

Sincerely,

Neale Dougherty  
Bucks County Controller

17-17  
ND/mkw

cc: Jennifer Yori, Lower Southampton Township Tax Collector  
Brian Hessenthaler, CPA, Chief Operating Officer, Commissioners' Office, County of Bucks  
David P. Boscola, Director, Finance Department, County of Bucks

COUNTY OF BUCKS  
JENNIFER YORI  
LOWER SOUTHAMPTON TOWNSHIP TAX COLLECTOR  
For the Period  
January 16, 2015 through January 15, 2017

County of Bucks  
Jennifer Yori  
Lower Southampton Township Tax Collector  
For the Period January 16, 2015 through January 15, 2017

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## INDEPENDENT AUDITORS' REPORT

To Commissioner Robert G. Loughery, Chairman  
County of Bucks  
Commissioners' Office  
55 East Court Street  
Doylestown, PA 18901

We have audited the accompanying Settlement of Duplicates – cash basis, applicable to Bucks County (County) real estate taxes of the Lower Southampton Township Tax Collector (Tax Collector), for the tax years ended January 15, 2017 and 2016, and the related notes to the Settlement of Duplicates.

### **Management's Responsibility for the Settlement of Duplicates**

The Tax Collector is responsible for the preparation and fair presentation of the Monthly Report to Taxing Districts (MRTD) sheets, which are the basis for the preparation of the Settlement of Duplicates in accordance with the cash basis of accounting described in Note 1.D. The Tax Collector is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Settlement of Duplicates that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Settlement of Duplicates based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Settlement of Duplicates are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Settlement of Duplicates. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Settlement of Duplicates, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tax Collector's preparation and fair presentation of the Settlement of Duplicates in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Tax Collector, if any, as well as evaluating the overall presentation of the Settlement of Duplicates.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Continued...*

## Opinion

In our opinion, the Settlement of Duplicates referred to in the first paragraph present fairly, in all material respects, the total amount the Tax Collector is responsible to collect and the total amount reported by the Tax Collector, for the tax years ended January 15, 2017 and 2016, in accordance with the cash basis of accounting as described in Note 1.D.

## Emphasis of Matter and Basis of Accounting

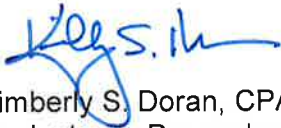
We draw attention to Note 1.C. to the Settlement of Duplicates, which describes that the settlement is prepared to present a reconciliation between the amount of County real estate taxes the Tax Collector is responsible to collect and the reported collection, liened and non-lienable amounts, and is not intended to be a complete presentation of the Tax Collector's financial activities. The County has accepted the Settlement of Duplicate format as a means for presenting this reconciliation.

We also draw attention to Note 1.D. to the Settlement of Duplicates, which describes the basis of accounting. The Settlement of Duplicates are prepared on the cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles.

Our opinion is not modified with respect to either matter.

## Restriction on Use

This report is intended solely for the information and use of the Tax Collector and the County. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Kimberly S. Doran, CPA, Bucks County Deputy Controller  
Doylestown, Pennsylvania

April 11, 2018  
17-17

County of Bucks  
Lower Southampton Township Tax Collector

Settlement of Duplicate  
For the Tax Year Ended January 15, 2017  
Tax Year 2016  
(Cash Basis)

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Amount the Tax Collector is Responsible to Collect

Amount to be Collected in Current Year:

Total Carried Forward from Prior Year	\$ 3,302
2016 Tax Year - Original Duplicate	4,951,015
2016 Tax Year - Interim Billings	17,547
2015 Tax Year - Interim Billings	<u>1,780</u>
Total Amount the Tax Collector is Responsible to Collect	<u>\$ 4,973,644</u>

Amount Reported by Tax Collector

Amount Collected from Taxpayers as Reported to the County	\$ 4,778,545
Add: Discounts taken by Taxpayers	87,798
Less: Penalties paid by Taxpayers	<u>(14,962)</u>
Amount Collected at Face Value of Tax Bills	\$ 4,851,381
Unpaid Taxes to be Liened as Reported to the County:	
2016 Tax Year - Original Duplicate/Interim Billings	118,604
2015 Tax Year - Interim Billings	<u>1,838</u>
Total Unpaid Taxes before Lien Removals	120,442
Less: Lien Removals from January 16, 2017 to April 11, 2018	<u>( - )</u>
Net Unpaid Taxes to be Liened as Reported to the County	120,442
Less: Refunds at Face Value made by Finance Department from January 16, 2016 to April 11, 2018	( - )
Total Non-Lienables Carried Forward:	
2016 Tax Year - Interim Billings	<u>1,821</u>
Total Amount Reported by Tax Collector	<u>\$ 4,973,644</u>
Variance - Net Amount Under/(Over) Reported to the County	<u>\$ -</u>

See Notes to the Settlement of Duplicates.

County of Bucks  
Lower Southampton Township Tax Collector

Settlement of Duplicate  
For the Tax Year Ended January 15, 2016  
Tax Year 2015  
(Cash Basis)

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Amount the Tax Collector is Responsible to Collect

Amount to be Collected in Current Year:

Total Carried Forward from Prior Year	\$ 4,913
2015 Tax Year - Original Duplicate	4,924,356
2015 Tax Year - Interim Billings	15,649
2014 Tax Year - Interim Billings	<u>2,468</u>

Total Amount the Tax Collector is Responsible to Collect \$ 4,947,386

Amount Reported by Tax Collector

Amount Collected from Taxpayers as Reported to the County	\$ 4,723,662	
Add: Discounts taken by Taxpayers	86,313	
Less: Penalties paid by Taxpayers	<u>(13,697)</u>	
Amount Collected at Face Value of Tax Bills		\$ 4,796,278
Unpaid Taxes to be Liened as Reported to the County:		
2015 Tax Year - Original Duplicate/Interim Billings	145,093	
2014 Tax Year - Interim Billings	<u>2,713</u>	
Total Unpaid Taxes before Lien Removals	147,806	
Less: Lien Removals from January 16, 2016 to April 11, 2018	<u>( - )</u>	
Net Unpaid Taxes to be Liened as Reported to the County		147,806
Less: Refunds at Face Value made by Finance Department from January 16, 2015 to April 11, 2018		( - )
Total Non-Lienables Carried Forward:		
2015 Tax Year - Interim Billings		<u>3,302</u>
Total Amount Reported by Tax Collector		<u>\$ 4,947,386</u>
Variance - Net Amount Under/(Over) Reported to the County		<u>\$ -</u>

See Notes to the Settlement of Duplicates.

NOTES TO THE SETTLEMENT OF DUPLICATES

**1. Summary of Significant Accounting Policies**

The major accounting principles and practices followed by the Tax Collector and the County are presented below to assist the reader in understanding the Settlement of Duplicates. The accounting principles and practices are presented in conformity with a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

A. Nature of Operations

The Tax Collector is an elected official designated to collect County real estate taxes as well as other taxes. In this jurisdiction, the Tax Collector is an elected official that serves a four (4) year term.

B. Reporting Entity

The accompanying Settlement of Duplicates are presented from only the financial transactions/records directly related to the County real estate taxes handled by the Tax Collector. The financial transactions consist primarily of real estate taxes collected, discounts taken and penalties paid. The Settlement of Duplicates do not present the financial activities of the Tax Collector or the County taken as a whole.

C. Basis of Presentation

The County requires Tax Collectors to settle County real estate taxes on or before January 15<sup>th</sup> (or by the next business day if the 15<sup>th</sup> falls on a weekend or legal holiday) of the succeeding year. As such, the County accepted the Settlement of Duplicate format to reflect the activities associated with the settlement of County real estate tax duplicates in the Tax Collector's possession during the period under audit. Specifically, the Settlement of Duplicate presents a reconciliation between the amount of County real estate taxes the Tax Collector is responsible to collect and the collection, lien and non-lienable amounts reported by the Tax Collector.

Section 25 (Collection and Payment Over of Taxes) of the *Local Tax Collection Law* requires the Tax Collector to report the monthly real estate tax activities to the County on a standardized form commonly known as the MRTD sheet. Except for the "Refunds at Face Value made by Finance Department" amount, the amounts presented under the "Amount Reported by Tax Collector" section of the Settlement of Duplicate is an accumulation of information reported on the MRTD sheets for the given tax year.

D. Basis of Accounting

The Tax Collector prepares the required MRTD sheets in accordance with the financial reporting provisions prescribed by the Pennsylvania Department of Community and Economic Development, which is essentially the cash basis of accounting. Since the accompanying Settlement of Duplicates are primarily summaries of amounts reported on the MRTD sheets for the given tax years, the Settlement of Duplicates are prepared and presented on the same basis. Under the cash basis, the only asset recognized is

*Continued...*



NOTES TO THE SETTLEMENT OF DUPLICATES

**1. Summary of Significant Accounting Policies (Continued)**

**D. Basis of Accounting (Continued)**

cash, and no liabilities are recognized. Unless otherwise noted, the County portion of the real estate tax revenue collected and disbursed by the Tax Collector during a given tax year is presented on the accompanying Settlement of Duplicates as the "Amount Collected from Taxpayers as Reported to the County". The cash basis differs from U.S. generally accepted accounting principles primarily because the effects of accounts receivable and accounts payable are not reflected in the accompanying Settlement of Duplicates. The cash basis of accounting is an acceptable basis of accounting for the Settlement of Duplicates.

**E. Amount to be Collected**

Upon successful settlement of a prior year duplicate, on February 1<sup>st</sup> of each year the County issues to the Tax Collector the current year's tax duplicate, which represents County real estate taxes to be collected. In addition to the duplicate, the County may issue, throughout the year, interim adjustments. Therefore, the total amount of County real estate taxes to be collected in a tax year is the duplicate amount plus and/or minus any interim adjustment amounts.

**F. Cash**

Deposits in the banking institutions are insured by the Federal Deposit Insurance Corporation and/or are fully collateralized by a pledge or assignment of assets pursuant to Act No. 72 of the General Assembly.

**G. Original Duplicate/Interim Billings**

The Original Duplicate and, if applicable, the Interim Billings amounts presented under the "Amount the Tax Collector is Responsible to Collect" on the accompanying Settlement of Duplicates represent the total original duplicate plus and/or minus all applicable interim adjustments issued for the period indicated.

**H. Date of Management's Review**

The Tax Collector has evaluated subsequent events through April 11, 2018, the date on which the Settlement of Duplicates were available to be issued. No events have taken place that affect the Settlement of Duplicates or require disclosure.

**2. Remittances to the County**

The \$4,723,662 reported on the accompanying Settlement of Duplicate for the tax year ended January 15, 2016 as the "Amount Collected from Taxpayers as Reported to the County" is derived from the MRTD sheets submitted by the Tax Collector to the County. A comparison of the amount reported to be collected to the amount actually disbursed to the County disclosed that the Tax Collector actually disbursed \$4,723,401, which resulted in a variance of \$261. In February 2016, the Tax Collector forwarded an additional \$261 to the County that was applicable to the tax year 2015 Original Duplicate/Interim Billings collections. After consideration of this additional disbursement, the Tax Collector's remittances equaled the amount reported.



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## REPORT ON SIGNIFICANT DEFICIENCIES AND MATERIAL WEAKNESSES

To Commissioner Robert G. Loughery, Chairman  
County of Bucks  
Commissioners' Office  
55 East Court Street  
Doylestown, PA 18901

In planning and performing our audit of the Settlement of Duplicates, for the tax years ended January 15, 2017 and 2016, in accordance with U.S. generally accepted auditing standards, we considered the Tax Collector's internal control over the financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Settlement of Duplicates, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management's override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Tax Collector's Settlement of Duplicates will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in F1. of the Internal Control, F1. of the Cash – Bank Analysis, and F1. of the Compliance sections of the Report to Management to be significant deficiencies.

*Continued...*

The Tax Collector's written response to the findings identified in our audit and presented in the Report to Management was not subjected to the audit procedures applied in the audit of the Settlement of Duplicates and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Tax Collector and the County. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Kimberly S. Doran, CPA, Bucks County Deputy Controller  
Doylestown, Pennsylvania

April 11, 2018  
17-17

REPORT TO MANAGEMENT

COVER LETTER

We have audited the Settlement of Duplicates, applicable to County real estate taxes of the Tax Collector, for the tax years ended January 15, 2017 and 2016. Professional standards require that we provide the Tax Collector with information about our responsibilities under U.S. generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to the Tax Collector dated May 12, 2017. Professional standards also require that we communicate the following information related to our audit.

Audit Findings Overview

*Qualitative Aspects of Accounting Practices*

The Tax Collector is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Tax Collector are described in Note 1 to the Settlement of Duplicates. No new accounting policies were adopted and the application of existing policies was not changed during the audit period. We noted no transactions entered into by the Tax Collector during the audit period for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the Settlement of Duplicates in the proper period.

The Settlement of Duplicate disclosures are neutral, consistent and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with the Tax Collector in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. As a result of the audit procedures, we did not detect any misstatements that were not trivial applicable to the Settlement of Duplicate for the tax year ended January 16, 2016. However, the Settlement of Duplicate section of the Report to Management provides details of the uncorrected misstatement to the Settlement of Duplicate for the tax year ended January 15, 2017. The Tax Collector has determined that the effect of the uncorrected misstatement is immaterial, both individually and in the aggregate, to the Settlement of Duplicate taken as a whole for that tax year.

*Disagreements with the Tax Collector*

For purposes of this letter, a disagreement with the Tax Collector is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the Settlement of Duplicates or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Continued...*

REPORT TO MANAGEMENT

COVER LETTER

*Representations from the Tax Collector*

We have requested certain representations from the Tax Collector that are included in the management representation letter dated April 11, 2018.

Purpose

In reviewing this report, it is important to remember that this letter addresses those conditions that we believe should be brought to the attention of the Tax Collector, and accordingly, does not recite certain controls that presently exist. Furthermore, our suggestions should not be construed as a criticism of or a reflection on the integrity of the Tax Collector.

Report Distribution

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REPORT TO MANAGEMENT

FINDINGS AND RECOMMENDATIONS

Legend:

F – Finding

R – Recommendation

The Tax Collector's Office consisted of one (1) Tax Collector, one (1) Deputy Tax Collector and two (2) Assistants.

During our audit, we became aware of significant deficiencies in internal control that have been identified as such in the separate report titled "Report on Significant Deficiencies and Material Weaknesses" dated April 11, 2018. The Internal Control, Cash – Bank Analysis and Compliance sections of the Report to Management detail the significant deficiencies noted in the Tax Collector's control environment and our recommendations for improvement. The Report to Management does not affect our "Independent Auditors' Report" dated April 11, 2018, on the Tax Collector's Settlement of Duplicates.

Internal Control

A review of the internal control environment disclosed the following:

- F1. A review of the financial transactions recorded and the procedures performed by the Tax Collector revealed that there was a general lack of segregation of duties among the authorization, execution and recording of the County real estate tax transactions and the related assets.
- R1. Although the small size of the office staff limits the extent of separation of duties, certain steps should be taken to separate incompatible duties. The basic premise to any internal control structure is that no one (1) individual should have access to both physical assets and the related accounting records or to all phases of a transaction.

Auditee's Response:

- F1. Although the small size of the office limits the extent of separation of duties, certain steps are taken to separate non compatible duties. As an internal control, the receipts, deposits and disbursements are performed by the Tax Collector, and the bookkeeping and bank reconciliations are performed by the bookkeeper, as a review of the Tax Collector's work.

Cash – Bank Analysis

Included within the audit were procedures to verify, through random selection of monthly bank statements, that the Tax Collector made only appropriate disbursements, maintained up-to-date checkbook balances, prepared monthly bank reconciliations and utilized the account for only tax collection activities.

*Continued...*

REPORT TO MANAGEMENT

FINDINGS AND RECOMMENDATIONS

Cash – Bank Analysis (Continued)

- F1. In order to determine whether the Tax Collector maintained adequate accounting records to support the source of funds that made up the \$27,814 and \$1,369 adjusted bank statement balances as of January 15, 2017 and 2016, respectively, we reviewed documents and inquired as to the composition of these balances. This analysis disclosed that the Tax Collector could not determine the source of \$242 and \$203 of the adjusted bank statement balances, respectively.
- R1. If this condition still exists, the Tax Collector should immediately take the necessary steps to determine the composition of the bank statement balance.
- F2. The analysis of the service charges assessed to the bank account utilized for County real estate tax activities disclosed that \$362 of unreimbursed charges had accumulated as of the end of the audit period. It should be noted that on January 17, 2017, the Tax Collector made a \$240 deposit into the bank account using personal funds to reimburse the account for a portion of these charges.
- R2. All bank service charge fees should be offset either through a reversal by the bank or a reimbursement by the Tax Collector using personal funds within a reasonable time period not to exceed sixty (60) days.
- F3. As a part of the audit, non-sufficient fund (NSF) transactions were randomly sampled from the bank statements to determine whether the Tax Collector was properly handling the replacement of NSF check payments or the subsequent lien of the affected parcels. This analysis disclosed that although the Tax Collector properly collected or liened the affected parcels, the tax records were not adjusted to reflect the actual payment date in 67% of the three (3) applicable repayments examined.
- R3. In accordance with Section X of the *Tax Collector's Manual*, "Acceptance of a check from a taxpayer is at most only a conditional payment of taxes; the taxes are not considered fully paid until the check has cleared." Therefore, the Tax Collector should update the payment date information in the tax collection records to reflect both the NSF notification and the replacement payment dates.

Auditee's Response:

- F1. The residual funds in the tax collection account are a result of over/under payments and fees accumulated over twenty years of tax collection. Effort will be made to escheat any unidentified funds to the County.
- F2. Every reasonable effort will be made to ensure that bank fees are reimbursed in a timely manner.
- F3. Auditee did not respond.

Receipts Analysis

As a part of the audit, we reviewed a sample of paid tax notices and deposits to determine whether payments were properly recorded and deposited intact and in a timely manner.

*Continued...*

REPORT TO MANAGEMENT

FINDINGS AND RECOMMENDATIONS

Cash Receipts Analysis (Continued)

- F1. An analysis of a sample of County real estate tax payments paid by credit/debit cards through the Official Payments' website revealed that 67% of the six (6) applicable payments examined were not recorded by the Tax Collector in a timely manner.
- R1. All credit/debit card transactions should be processed, posted and reconciled within one (1) business day from the date it appears in the Tax Collector's bank account.

Auditee's Response:

- F1. On average, only about 25 credit card payments are received each tax cycle out of 7,230 payments. Credit card transactions are processed by a third party vendor and are offered only as a convenience to the tax payers.

Disbursements Analysis

As a part of the audit, we reviewed a sample of the disbursements from the bank account to determine the adequacy of the supporting documentation and the propriety of the check.

- F1. An analysis of the Tax Collector's refund procedures disclosed that one (1) refund check was not issued in a timely manner.
- R1. The Tax Collector should be reminded of the importance of refunding duplicate/over payments to the proper recipients within a reasonable time period not to exceed thirty (30) days.

Auditee's Response:

- F1. The majority of refunds are issued within 30 days. Effort will be made to ensure that all refunds adhere to this County standard.

Compliance

In order to determine whether the Tax Collector was in compliance with certain provisions of the *Tax Collector's Manual*, *Local Tax Collection Law* and County policies, we reviewed MRTD sheets, tax notices, disbursement practices and other appropriate documentation.

- F1. A review of the debit and credit interim adjustments, which are issued by the Board of Assessment, disclosed that the interim and adjusted tax notices were not issued in a timely manner in 74% of the nineteen (19) tax notices examined.
- R1. The Tax Collector should be reminded of the importance of issuing interim and adjusted tax notices in accordance with the guidelines established in the *Tax Collector's Manual*.
- F2. An analysis of disbursements made by the Tax Collector to the County disclosed that the final disbursement of real estate tax collections for a given month was more than thirty (30) days after the required due date in two (2) of the reporting months.
- R2. In accordance with Section 25 of the *Local Tax Collection Law*, "The collector shall pay over on or before the tenth day of each month...all monies collected as taxes during the previous month..."

*Continued...*



REPORT TO MANAGEMENT

FINDINGS AND RECOMMENDATIONS

Compliance (Continued)

Auditee's Response:

- F1. Effort will be made to ensure that all interim notices are sent in compliance with the guidelines.
- F2. Auditee did not respond.

Settlement of Duplicate

In order to determine whether the Settlement of Duplicates were accurately presented, we reviewed the MRTD sheets submitted to the Finance Department. The review included a verification of the cash collected, discounts taken, penalties paid and debit and credit interim adjustments, including lienable and non-lienable amounts.

- F1. An overall review of debit and credit interim adjustments issued to the Tax Collector disclosed that the Tax Collector did not utilize one (1) credit interim adjustment and improperly informed the Finance Department of the status, which lead to one (1) parcel being lienied at an increased amount. The effect of this condition on the accompanying Settlement of Duplicate for the tax year ended January 15, 2017 was a \$71 overstatement to the "Total Amount the Tax Collector is Responsible to Collect" amount, a \$143 overstatement to the "Net Unpaid Taxes to be Lienied" amount, and a \$71 understatement to the "Total Non-Lienables Carried Forward" amount.
- R1. The Tax Collector should be reminded of the importance of accurately reporting the status of all credit interim adjustments so taxpayers are not incorrectly lienied.

Auditee's Response:

- F1. Auditee did not respond.

SUMMARY OF THE EXIT CONFERENCE

An exit conference was not held. The Tax Collector chose to respond by email, which was received on April 11, 2018.