



TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

REPORT ON THE AUDIT OF THE RECEIVER'S OFFICE FUNCTIONS

JANUARY 2023

OVERALL CONCLUSION

We concluded that the Receiver's Office controls are generally effective in ensuring that payments and cash received are appropriately accepted, deposited, and managed in compliance with agency policies. The audit determined that:

- Cash and check deposits were accurately recorded, reviewed, and processed.
- Safe audits¹ were appropriately conducted and received management review and approval.
- Receipt books, maintained by agency program areas, were appropriately collected, distributed (at the end of each fiscal year), and received management review upon reconciliation.
- Procedures for identifying gaps in mailroom receipt book receipt numbers were developed and implemented during the audit.

The Receivers Office provided adequate oversight of its functions. There were no reportable findings or recommendations resulting from the audit. Additional opportunities to strengthen internal controls were identified but did not meet the criteria for inclusion in this report. These areas were presented to management in a separate communication.

ACKNOWLEDGMENTS

We appreciate the assistance and cooperation provided to us by the management and staff of the Financial Management – Cash Management and Cash Receipts sections reviewed during this audit. For questions about this report, please contact Tracey Hall at (512)463-6078.

Tracey Hall, CPA, CISA, Chief Auditor

January 25, 2023
Date

¹ Physical reviews/audits of both the Receiver's and Archives & Records safes are routinely conducted by staff of the Financial Management - Cash Management section.

BACKGROUND INFORMATION

The Cash Management section of the Financial Management division manages the receipt and disbursement of cash. It ensures the accurate and timely recording of cash-related transactions to the agency's accounting system. The division follows agency policies, accounting standards, federal and state laws (Texas Government Code 404 and Natural Resources Code 31), and regulations including, but not limited to, the Prompt Payment Act.

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OBJECTIVE

To determine if the Receiver's Office for the Texas General Land Offices, has established effective controls to ensure that payments and cash received are appropriately accepted, deposited, and managed in compliance with agency policies.

SCOPE & METHODOLOGY

The project's scope involved reviewing policies, procedures, documents, and activities associated with the Receiver's Office processes for cash receipts, safe audits, petty cash verifications, and receipt book maintenance for FY 2021 through FY 2022.

The methodology consisted of observing processes, interviewing knowledgeable staff, reviewing process flow charts for cash management functions, collecting information, performing tests, and analyzing and evaluating the data.

The audit was conducted in accordance with *Government Auditing Standards* and *International Standards for the Professional Practice of Internal Auditing*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

DISTRIBUTION LIST

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