

**Sandy Hill
County Auditor**

(903) 567-2171
(903) 567-4700



**FIRST ASSISTANT AUDITOR:
MICHELLE KENNY**

**ASSISTANT AUDITORS:
LISA HUTCHERSON
NICOLE NIX**

Van Zandt County Auditor

121 E Dallas Street, Room 102
Canton, TX 75103

October 20, 2022

Van Zandt County Tax Assessor
Attn: Misty Stanberry, Tax Assessor
24632 Hwy 64
Canton, TX 75103

Re: Internal Control Audit (modified)

The Van Zandt County Auditor's Office performed an internal control audit with Misty Stanberry, Tax Assessor, on October 19, 2022. I have attached our report for review.

The objective of this audit is to determine the adequacy of internal controls over receipting, depositing of funds, operational office controls and completeness of the audit trail.

We would like to thank Misty Stanberry who cooperated and assisted with this audit. She was very open in discussing the current office operations and willing to help resolve any issues that we discussed. We modified this audit since the Canton office is closed for flood repairs. We concentrated this audit on how internal receipting and banking controls are being handled at this time of transition.

We have a few recommendations in our attached report that we feel would help with dual control over deposit preparation during this time of additional hours at the substations. Overall, the department is keeping many security policies and procedures in place and is effectively completing them as a team.

We commend Tax Assessor, Misty Stanberry, and her staff for their flexibility and ability to adapt under these circumstances. Please let me know if you have any questions or concerns.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lisa Hutcherson".

Lisa Hutcherson
Assistant Auditor

Attachments

cc: District Judge – Chris Martin
Judge- Don Kirkpatrick
County Commissioners
Auditor- Sandy Hill



VZ County Tax Assessor
Misty Stanberry, Tax Assessor
24632 HWY 64
Canton, TX 75103

October 19, 2022
9:30 am

Due to the displacement of the Tax Office at this time, the Auditor's office conducted a modified Internal Control Audit and will follow up with the standard control audit in the months to come.

Internal Control Audit concentrating on operations during the emergency/water flood situation.

Describe the daily operating procedures during the closure of the Canton office because of the flood.

August 22, 2022, flood caused closing of the Canton Tax office building. Misty Stanberry, Tax Assessor, and Chief Deputy, Joanne Magallon, worked the first couple of weeks in the canton office. During this time, they were processing mail and web dealer transactions.

Misty has recently been issued a cell phone to forward all calls from the main number to the cell phone, which then goes to voice mail with information about how to get in touch with other sub-stations.

All FedEx/UPS packages are delivered to the courthouse.

All mail is going to the mailbox at the main Canton office – Joanne or Misty check this mailbox daily. The work from the mail is being processed at the Ben Wheeler location or Grand Saline.

State Training for clerks continues when required. New clerks (two started in July) are benefiting from the substation environment by working closely with a seasoned co-worker.

Social media page and county website are up to date with hours of substations and locations. Signage is also on windows and container at the Canton office to inform the public.

Misty is planning to buy stamps to be able to mail basic letter size mail from each location, rather than the items having to be brought to the Courthouse to be mailed.

Ben Wheeler - currently only open 1 day a week. Two stations – one is the main reporting system; this computer with the state system was moved from Canton location (with money going to TX. Bank and Trust) and the other a station for the public (with deposits going to First State Bank). Misty states she would like to be open more at this station but is prevented because of staff shortages.

Wills point – open 5 days a week, with two – three clerks (one being trained) only two workstations. Deposits go to American National bank as usual.

Grand Saline – Open Mon. – Fri. Two stations – one computer from Canton is used by the Tax Assessor for running reports and ACH payments to the TX Comptroller. That same Canton computer is utilized by Laura Curtis to process work for web dealer and dealer transactions. All other work done by the Tax Assessor is done from her home office. The other station is for the walk in public. Public deposits are deposited in Austin Bank as usual.

Canton - At this time, all inventory and supplies remain in the storage container provided by the County. To her knowledge construction has not started.

Is there any change in the daily deposit procedures? If any deposits are required from Canton work run at the Grand Saline office – clerk Myra, brings those to Texas Bank and Trust on her way home.

Are deposits being checked by another clerk? – We encouraged Misty to have a different clerk that prepared the deposit to sign off on the deposit with the preparing clerk. During this time of transition, safety/dual control is important. In addition, because of the displacement of the Chief Deputy Clerk, there is a delay in the printing of her reports and her double-checking the deposits.

Current Employees:

Misty Stanberry, VZC Tax Assessor 1/1/2021
Joanne Magallon, Chief Deputy Clerk, 11/16/2015
Bertha Ruiz, Deputy Clerk, 7/6/2020
Kristi Dennett, Deputy Clerk, 7/13/2020
Laura Curtis, Deputy Clerk, 4/7/2021
Heather Bowman, Deputy Clerk, 7/5/22
Myra Gamow, Deputy Clerk, 7/18/2022

List of where the employees are working.

Ben Wheeler (Wed.): - Joanne Magallon & Heather Bowman

****AS OF MONDAY, OCTOBER 24, 2022, the Ben Wheeler substation will be open Mon-Fri.**

Grand Saline (Mon-Fri.): Laura Curtis & Myra Gamow, Misty Stanberry for reports

Wills Point (Mon-Fri): Bertha Ruiz & Kristi Dennett

4 days of the week – Joanne Magallon delivers supplies, picks up packages from the courthouse, delivers outgoing mail and helps at the substations. She makes deposits for the Canton branch at Texas Bank and Trust – from the mail and substation work. However, starting Monday, October 24th Joanne will be working full time out of the Ben Wheeler substation.

How is local dealers' work being processed and picked up? All dealer work is processed at the Grand Saline office. Some dealers pick up their work and some are delivered as a courtesy to the local dealers.

If possible, their work/plates are being delivered to them as a clerk is on her way to another substation or home.

What are some of the challenges during the displacement period and what would make it easier?

Trying to put a plan in place to meet the public's needs in as short of time as possible. Making sure all bases are covered concerning, mail, deposits and relocation of the computers that process the State reports. Permission had to be granted from State to the relocate those computers.

Delivery issues of supplies from the State due to the Canton location shut down.

I have attached the documents that Misty supplied reflecting the amount of work that her office handles each month. In addition, the documents reflect, that September 2022, was a record high compared to the last 3 Septembers and most of the 2022 months. Misty commended her staff for their flexibility and hard work.

Are you fully staffed? No – one position open. Actively looking to hire a new employee and will have a plan in place to train them as best as possible at the substations.

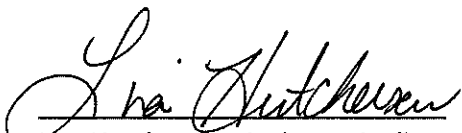
Misty Stanberry, Tax Assessor, met at our office and was very accommodating during our audit questions. We appreciate all her hard work and planning to keep her offices open and available to the public during this emergency situation.

RECOMMENDATIONS: Our main recommendation concerns dual control for deposits. We recommend that the deposits be initialed by the person preparing the deposit and an additional clerk. We encouraged her to utilize the substations as much as possible now and in the future.

Reviewed and approved by:


Sandy Hill, Auditor

Date: 10/24/2022


Lisa Hutcherson, Assistant Auditor


Nicole Nix, Assistant Auditor

All Fees Break Down and Transaction Report 2019 - September 2022

Month	2019	2020	2021	2022				
	2019 Transaction Report	2020 Transaction Report	2021 Transaction Report	2022 Transaction Report				
January	\$ 975,066.05	3336	\$ 896,436.99	6310	\$ 982,821.00	2681	\$ 1,088,002.41	4560
February	\$ 869,670.64	3425	\$ 820,230.33	3427	\$ 593,133.81	2403	\$ 840,304.00	4061
March	\$ 929,066.34	4058	\$ 857,845.67	2821	\$ 1,230,671.15	5296	\$ 1,083,461.28	6077
April	\$ 987,693.46	3282	\$ 556,607.41	944	\$ 1,226,843.76	5415	\$ 1,113,328.78	5643
May	\$ 1,066,059.84	3548	\$ 923,498.56	3145	\$ 1,141,949.12	5151	\$ 1,248,564.99	5787
June	\$ 884,484.69	3484	\$ 1,093,629.12	5259	\$ 1,080,806.30	5673	\$ 1,137,122.22	6117
July	\$ 975,251.22	4260	\$ 1,193,325.76	5052	\$ 1,030,830.33	5500	\$ 1,113,616.09	5542
August	\$ 1,050,925.96	3859	\$ 917,646.73	5088	\$ 1,027,334.37	5592	\$ 984,720.99	5212
September	\$ 914,117.82	3406	\$ 1,027,390.43	4883	\$ 1,148,807.96	5161	\$ 1,284,079.24	5074
October	\$ 951,839.03	3131	\$ 960,288.98	4699	\$ 953,006.18	4954	\$ -	5074
November	\$ 922,228.72	2376	\$ 656,940.00	2565	\$ 895,660.85	4495	\$ -	
December	\$ 826,379.74	3253	\$ 960,499.02	4432	\$ 885,432.60	4745	\$ -	
Total	\$ 11,352,783.51	41418	\$ 10,864,339.00	48624	\$ 12,197,297.43	57066	\$ 9,893,200.00	48073

YTD Transactions

2019	41418		
2020	48624	7206 ↑ from 2019	17.4% Increase
2021	57066	8442 ↑ from 2020	17.15% Increase
2022			

Growth Difference

Jan-May Transactions			
2019 Jan-May	17649		
2020 Jan-May	16647		
2021 Jan-May	20946		
2022 Jan-May	26128	5182 ↑ from 2021	24.73% Increase

Employee Transaction Report
2022

Staff Name:	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL:
Bertha	541	915	1086	960	1038	1389	1138	1118	672				8857
Christina	765	803	1268	857	620								4313
Joanne	222	13	64	123	68	44	40	371	268				1213
Kristi	641	385	896	1090	979	1050	941	1092	680				7754
Laura	801	470	724	673	949	1001	829	534	982				6963
Misty	12	9	15	11	10	32	8	12	13				122
. hillis	854	778	935	686	882	1068	534						5737
Stacy	724	688	1089	1243	1241	1533	1263						7781
Heather							655	1075	1194				2924
Myra							134	1010	1265				2409
MONTHLY	4560	4061	6077	5643	5787	6117	5542	5212	5074				48073