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December 22, 2004

Mr. Pat Cole  
Game and Parks Commission  
State of Nebraska  
P.O. Box 30370  
Lincoln, Nebraska 68503-0370

Dear Mr. Cole:

We have audited the basic financial statements of the State of Nebraska (the State) for the year ended June 30, 2004, and have issued our report thereon dated December 22, 2004. In planning and performing our audit, we considered the State's internal controls in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

In connection with our audit described above, we noted certain internal control matters related to the activities of the Game and Parks Commission (the Agency) and other operational matters that are presented below for your consideration. These comments and recommendations, which have been discussed with the appropriate members of Agency management, are intended to improve internal control or result in other operating efficiencies.

Our consideration of internal control included a review of prior year comments and recommendations. To the extent the situations that prompted the recommendations in the prior year still exist, they have been incorporated in the comments presented for the current year. All other prior year comments and recommendations have been satisfactorily resolved.

Our comments and recommendations for the year ended June 30, 2004 are shown on the following page.



*State of Nebraska  
Game and Parks Commission  
Mr. Pat Cole  
December 22, 2004*

### **Input of Fixed Assets**

Certain capital expenditures were posted to the system with an incorrect acquisition date, which resulted in depreciation being computed incorrectly for the asset. We recommend that Agency personnel review a NIS report of posted fixed assets on a regular basis in order to detect such errors, and that this function be performed by personnel other than those responsible for the input of asset information.

\* \* \* \* \*

Our audit procedures are designed primarily on a test basis and, therefore, may not bring to light all weaknesses in policies or procedures that may exist. Our objective is, however, to use our knowledge of the Game and Parks Commission and its interaction with other State agencies and administrative departments gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This report is intended solely for the information and use of the Auditor of Public Accounts, the Governor and members of the Legislature, Game and Parks Commission, and management of the State of Nebraska, and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate and thank all of the Game and Parks Commission employees for the courtesy and cooperation extended to us during our audit.

Very truly yours,

**KPMG LLP**