

STATE OF NEBRASKA AUDITOR OF PUBLIC ACCOUNTS



P.O. Box 98917
State Capitol, Suite 2303
Lincoln, NE 68509
402-471-2111, FAX 402-471-3301
www.auditors.state.ne.us

October 2, 2006

Kate Witek
State Auditor
Kate.Witek@apa.ne.gov

Senator Ron Raikes
Nebraska Legislature
Room 1110, State Capitol
Lincoln, NE 68509

Deann Haeffner, CPA
Deputy State Auditor
Deann.Haeffner@apa.ne.gov

Dear Senator Raikes:

Don Dunlap, CPA
Asst. Deputy Auditor
Don.Dunlap@apa.ne.gov

We have completed our evaluation of Class I questioned payments as requested. Enclosed is the Summary of Class I School Questioned Payments for the period July 2005 through August 2006.

Pat Reding, CPA
Asst. Deputy Auditor
Pat.Reding@apa.ne.gov

If you have any questions, please feel free to contact our office.

Tim Channer, CPA
Asst. Deputy Auditor
Tim.Channer@apa.ne.gov

Sincerely,

A handwritten signature in cursive script that reads "Mary Avery".

Mary Avery
SAE/Finance Manager
Mary.Avery@apa.ne.gov

Mary Avery
Special Audits and Evaluations Manager

Dennis Meyer, CGFM
Subdivision Budget
Coordinator
Dennis.Meyer@apa.ne.gov

Mark Avery, CPA
Subdivision Audit
Review Coordinator
Mark.Avery@apa.ne.gov

Perry Pirsch, JD, MPA
Legal Counsel
Perry.Pirsch@apa.ne.gov

SUMMARY OF CLASS I SCHOOL QUESTIONED PAYMENTS
JULY 2005 THROUGH AUGUST 2006

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Modification of this document may change the accuracy of the original document and may be prohibited by law.

Issued on October 2, 2006

APA Summary of Evaluation Procedures

The Auditor of Public Accounts (APA) was requested by Senator Ronald Raikes, Chairman of the Education Committee of the Nebraska Legislature to examine payments made by Class I school districts. The period covered by our evaluation included payments made between July 2005 and August 2006. Our evaluation included the following procedures regarding payments made by Class I school districts:

1. On July 3, 2006, a letter, signed by State Auditor, Kate Witek, and the Commissioner of Education, Doug Christensen, was sent to school districts who received the Class I schools that were dissolved (receiving school districts). The letter recommended the receiving school district carefully review the records of the Class I School Districts and to contact their attorney to address any legal action that may be necessary.
2. On July 21, 2006, Deann Haeffner, Deputy State Auditor, sent an email to all receiving school districts inquiring about payments to Class I's United, Nebraskans for Local Schools, or other questionable payments made by the Class I School Districts. Responses were requested by August 9, 2006.
3. We summarized the information obtained from the school districts as documented in **Exhibit A**.

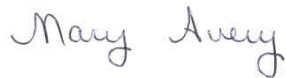
APA Summary of Evaluation Results

The overall summary of our evaluation, as listed in **Exhibit A**, noted:

1. The total payments made to Class I's United were \$149,113. These payments consisted of dues, \$22,275; legal fees, \$39,500; donations, \$67,058; and payments for unknown purposes, \$20,280.
2. We also noted several other questioned payments, as follows:
 - South Akron Public School paid for a limousine as transportation of students from Albion to a Hastings museum. Two checks were written in April and May of 2006 totaling \$1,349.27.
 - Stull Public School entered into a contract with a teacher in June 2006 in excess of \$100,000.
 - District 505 - Colfax County wrote two checks to Class I's United on a cooperative account each in the amount of \$5,000 dated July 15, 2005 and February 21, 2006.
 - A \$12,000 check was written from Custer County Cooperative on behalf of Berwyn School on June 9, 2006 to Class I's United.
 - Payments made to Class I's United were made from the Custer County Cooperative in the amount of \$10,000. This information was not made available to the receiving school district.
 - Class I District 044 - Dawson County paid 3 individuals \$700 each (a total of \$2,100) for "Pre-pay transportation 06-07".
 - Ashby Public School (Class I) made a \$150 payment for secretary fees. A portion of the payment was for July and August 2006 when the school was no longer in existence.
 - Good Cheer Public School (59-0048) wrote 2 checks for July and August to the district bookkeeper totaling \$337.48. These pre-payments were for services to be provided after the dissolution of the school. Any such services needed after June 15, 2006 would have been the responsibility of the Class III school that absorbed all of Good Cheer's assets.
 - Funk Public School District 74 made payments to Buffalo County Class I Cooperative in the amount of \$21,975.80. Of this amount, \$1,000 went to Class I's United for legal expenses.
 - Phelps District R 4 (69-0504) paid Recknor, Albert & Associates Law firm \$523 for phone conferences. An individual was also paid \$500 for an LB126 Forum.
 - Standard Public School (78-0023) made several payments to Recknor, Albert & Associates Law firm totaling \$1,636. The Class I auctioned off all its assets including computers and digital cameras for \$1,080.
 - In the response to our request, the Superintendent indicated he felt that Prairie View School District had excessive charges for a field trip experience for three students. We requested the additional information related to these trips; however, we were not provided with additional information.
 - Glen Public School (83-0002) wrote several checks to the teacher, which was above and beyond her monthly wages. The checks totaled \$41,069.53 and included

- payments of \$14,223 for a field trip to Hawaii, over \$7,500 for History Day/Glen Day, and other various payments including over \$5,000 in payments with no explanation.
- Buffalo County Class I Cooperative paid \$500 in Dues and \$2,000 in additional contributions to Class I's United. Dawson County Cooperative paid \$100 to Class I's United.
3. Based on the Districts that responded regarding Class I questions, we noted a total of \$337,033 that was placed in various escrow accounts by the Class I schools before they were dissolved by LB 126.

If you have any questions regarding the above information, please contact:



Mary Avery
Special Audits and Evaluation Manager
Auditor of Public Accounts
Room 2303, State Capitol
Lincoln, NE 68509
402-471-3686
Mary.Avery@apa.ne.gov

**Summary of Class I School Questioned Payments
July 2005 Through August 2006**

EXHIBIT A

CO-DIST	DISTRICT NAME	CLASS I DIST#	Class I School Name	No Records Received from the Class I School	District Did Not Respond to APA Request	Nothing Noted	Payments to Class I 's United								Other Questionable Payments	Money in Escrow
							Dues	Date of Check	Donations	Date of Check	Legal Fees	Date of Check	Other	Date of Check		
01-0090	ADAMS CENTRAL PUBLIC SCHOOLS	01-0001	Juniata Elementary School			X										
01-0090	ADAMS CENTRAL PUBLIC SCHOOLS	01-0015	Dist 015 - Adams County				\$ 4,500	6/5/2006								
01-0090	ADAMS CENTRAL PUBLIC SCHOOLS	01-0033	Tri-View Public School			X										
01-0090	ADAMS CENTRAL PUBLIC SCHOOLS	01-0053	Ayr Public School			X										
01-0090	ADAMS CENTRAL PUBLIC SCHOOLS	01-0060	Wallace Public School			X										
01-0123	SILVER LAKE PUBLIC SCHOOLS	01-0011	Holstein Public School						\$ 5,000	6/13/2006						
02-0009	NELIGH-OAKDALE SCHOOLS	02-0004	Valley View Public School			X										
02-0009	NELIGH-OAKDALE SCHOOLS	02-0035	Sunnyside Public School			X										
03-0500	ARTHUR COUNTY HIGH	03-0032	Arthur Elementary School			X										
06-0001	BOONE CENTRAL SCHOOLS	06-0057	Shell Creek Public School			X										
06-0001	BOONE CENTRAL SCHOOLS	06-0060	South Akron Public School				\$ 350	12/12/2005							(1)	\$ 1,349.27
06-0006	CEDAR RAPIDS PUBLIC SCHOOLS	63-0008	Belgrade Public School				\$ 350	9/2005								
07-0006	ALLIANCE PUBLIC SCHOOLS	07-0025	Eastpoint Public School				\$ 4,000	3/14/2006 6/13/2006								
07-0006	ALLIANCE PUBLIC SCHOOLS	07-0039	Dist 039 - Box Butte County									\$ 1,850	11/8/2005 3/6/2006 6/7/2006			
07-0006	ALLIANCE PUBLIC SCHOOLS	07-0042	Dist 042 - Box Butte County				\$ 1,425	11/8/2005 12/14/2006 3/14/2006								
07-0006	ALLIANCE PUBLIC SCHOOLS	07-0044	Dist 044 - Box Butte County				\$ 350	11/2005			\$ 750	12/2005 4/2006				
07-0010	HEMINGFORD PUBLIC SCHOOLS	23-0070	Cottonwood Public School									\$ 350	10/11/2005			
08-0036	LYNCH PUBLIC SCHOOLS	45-0003	Redbird Public School			X										
09-0010	AINSWORTH COMMUNITY SCHOOLS	09-0003	Raven Public School			X										
09-0010	AINSWORTH COMMUNITY SCHOOLS	09-0007	Highland Grove Public School			X										
09-0010	AINSWORTH COMMUNITY SCHOOLS	09-0017	Buffalo Flats Public School			X										
10-0007	KEARNEY PUBLIC SCHOOLS	10-0012	Odessa Public School								\$ 2,000	3/8/2006				
10-0007	KEARNEY PUBLIC SCHOOLS	10-0015	Riverdale Public School			X										
10-0007	KEARNEY PUBLIC SCHOOLS	10-0016	Pleasant Hill Public School			X										
10-0007	KEARNEY PUBLIC SCHOOLS	10-0028	Center Public School						\$ 37,958	6/12/2006	\$ 2,500	3/8/2006 6/12/06				
10-0007	KEARNEY PUBLIC SCHOOLS	10-0036	Stone Public School								\$ 25,000	3/8/2006 6/14/06				\$73,551.26
10-0069	RAVENNA PUBLIC SCHOOLS	10-0065	Dist 065 - Buffalo County						\$ 2,500	5 or 6/2006						
10-0069	RAVENNA PUBLIC SCHOOLS	82-0032	Hazard Public School			X										
11-0020	LYONS-DECATUR NORTHEAST SCHOOLS	11-0031	Elm Creek Public School													
12-0056	DAVID CITY PUBLIC SCHOOLS	12-0025	Abie Public School			X										
12-0502	EAST BUTLER PUBLIC SCHOOLS	78-0111	Touhy Public School			X										
12-0502	EAST BUTLER PUBLIC SCHOOLS	78-0115	North Star Public School			X										
13-0001	PLATTSMOUTH COMMUNITY SCHOOLS	13-0028	Stull Public School												(2)	\$100,000.00
13-0022	WEEPING WATER PUBLIC SCHOOLS	13-0096	Manley Public School				\$ 100	11/3/2005	\$ 75	12/21/2005						
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0001	Valentine City schools			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0004	Kewanee Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0005	Simeon Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0007	Wood Lake Public School				\$ 500	6/5/2006			\$ 500	6/5/2006				
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0016	Crookston Public School									\$ 3,000	3/7/2006			

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CO-DIST	DISTRICT NAME	CLASS I DIST#	Class I School Name	No Records Received from the Class I School	District Did Not Respond to APA Request	Nothing Noted	Payments to Class I 's United								Other Questionable Payments	Money in Escrow
							Dues	Date of Check	Donations	Date of Check	Legal Fees	Date of Check	Other	Date of Check		
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0045	Dist 045 - Cherry County				\$ 500	6/8/2006								
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0053	Evergreen Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0071	Sparks Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0083	Dist 083 - Cherry County			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0101	Elsmere Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0127	Goose Creek Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0128	Willow Valley Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0134	Hart Lake Public School								\$ 75	1/23/2006				
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0167	Boardman Creek Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0170	Carver Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0178	Ballard Marsh Public School			X										
16-0006	VALENTINE COMMUNITY SCHOOLS	16-0180	Cutcomb Lake Public School			X										
17-0001	SIDNEY PUBLIC SCHOOLS	17-0033	Lorenzo Public School										\$ 425	11/20/2005		
17-0003	LEYTON PUBLIC SCHOOLS	17-0077	Dist 077 - Cheyenne County			X								12/20/2005		
17-0003	LEYTON PUBLIC SCHOOLS	62-0128	Broadwater Public School			X										
19-0039	LEIGH COMMUNITY SCHOOLS	71-0033	Dist 033 - Platte County			X										
19-0058	CLARKSON PUBLIC	19-0505	Dist 505 - Colfax County												(3)	\$10,000.00
19-0123	SCHUYLER COMMUNITY SCHOOLS	12-0003	Garfield Public School				\$ 350	N/A								
19-0123	SCHUYLER COMMUNITY SCHOOLS	19-0001	Richland Public School				\$ 700	N/A								
19-0123	SCHUYLER COMMUNITY SCHOOLS	19-0002	Schuyler Grade Schools			X										
19-0123	SCHUYLER COMMUNITY SCHOOLS	19-0024	Fisher's Public School				\$ 500	N/A								
19-0123	SCHUYLER COMMUNITY SCHOOLS	19-0504	Dist 504 - Colfax County			X										
20-0001	WEST POINT PUBLIC SCHOOLS	20-0055	Beemer Public School			X										
21-0015	ANSELMO-MERNA PUBLIC SCHOOLS	21-0523	Gates Public School	X												
21-0025	BROKEN BOW PUBLIC SCHOOLS	21-0164	Round Hill Public School										\$ 2,500	6/5/06		
21-0025	BROKEN BOW PUBLIC SCHOOLS	21-0234	Berwyn Public School												(4)	\$12,000.00
21-0180	CALLAWAY PUBLIC SCHOOLS	21-0256	Oconto Public School												(5)	\$10,000.00
23-0002	CHADRON PUBLIC SCHOOLS	23-0003	Alpha Public School										\$ 500	6/12/2006		
23-0002	CHADRON PUBLIC SCHOOLS	23-0041	Table Center Public School			X										
23-0002	CHADRON PUBLIC SCHOOLS	23-0049	Trunk Butte Public School								\$ 2,000	3/2006				
23-0002	CHADRON PUBLIC SCHOOLS	23-0062	Whitney Public School					\$ 6,000	4/6/2006							
23-0002	CHADRON PUBLIC SCHOOLS	23-0069	Prairie Home Public School			X										
23-0071	CRAWFORD PUBLIC SCHOOLS	23-0028	Valley Star Public School			X										
23-0071	CRAWFORD PUBLIC SCHOOLS	23-0039	Belmont Public School			X										
24-0001	LEXINGTON PUBLIC SCHOOLS	24-0017	Dist 017 - Dawson County			X										
24-0001	LEXINGTON PUBLIC SCHOOLS	24-0025	Dist 025 - Dawson County										\$ 500	6/13/2006		
24-0011	COZAD CITY SCHOOLS	24-0013	Dist 013 - Dawson County			X										
24-0011	COZAD CITY SCHOOLS	24-0016	Dist 016 - Dawson County				\$ 500	6/9/2006			\$ 1,000	6/9/2006				
24-0011	COZAD CITY SCHOOLS	24-0022	Dist 022 - Dawson County				\$ 500	6/3/2006								
24-0011	COZAD CITY SCHOOLS	24-0029	Dist 029 - Dawson County			X										
24-0011	COZAD CITY SCHOOLS	24-0044	Dist 044 - Dawson County				\$ 500	5/31/2006	\$ 5,000	6/12/2006				(6)	\$2,100.00	\$27,191.25
24-0020	GOTHENBURG PUBLIC SCHOOLS	21-0153	New Hope Public School			X										
24-0020	GOTHENBURG PUBLIC SCHOOLS	24-0081	Dist 081 - Dawson County			X										
24-0020	GOTHENBURG PUBLIC SCHOOLS	24-0100	Dist 100 - Dawson County				\$ 500	6/6/2006								
26-0001	PONCA PUBLIC SCHOOLS	22-0004	Jackson Public School			X										
27-0001	FREMONT PUBLIC SCHOOLS	78-0011	Platteville Public School			X										
30-0025	FILLMORE CENTRAL	30-0036	Strang Public School			X										
35-0001	GARDEN COUNTY HIGH SCHOOL	35-0010	Garden County Elementary			X										

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July 2005 Through August 2006

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CO-DIST	DISTRICT NAME	CLASS I DIST#	Class I School Name	No Records Received from the Class I School	District Did Not Respond to APA Request	Nothing Noted	Payments to Class I 's United									Other Questionable Payments	Money in Escrow
							Dues	Date of Check	Donations	Date of Check	Legal Fees	Date of Check	Other	Date of Check			
36-0100	BURWELL PUBLIC SCHOOLS	36-0014	Richland Public School														\$17,738.89
36-0100	BURWELL PUBLIC SCHOOLS	36-0015	Burwell Elementary School			X											
36-0100	BURWELL PUBLIC SCHOOLS	36-0070	Dist 070 - Garfield County														\$43,551.78
37-0030	ELWOOD PUBLIC SCHOOLS	24-0015	Dist 015 - Dawson County			X											
38-0011	DISTRICT 11 AREA SCHOOLS	16-0143	Redmill Public School			X											
38-0011	DISTRICT 11 AREA SCHOOLS	38-0001	Hyannis Elementary School			X											
38-0011	DISTRICT 11 AREA SCHOOLS	38-0002	Vinton School			X											
38-0011	DISTRICT 11 AREA SCHOOLS	38-0005	Dist 005 - Grant County			X											
38-0011	DISTRICT 11 AREA SCHOOLS	38-0007	Ashby Public School				\$ 850	11/8/2005									
38-0011	DISTRICT 11 AREA SCHOOLS	81-0119	Ellsworth Public School			X		6/13/06			\$ 2,000	6/13/2006	\$ 500	2/14/2006	(7)	\$150.00	
40-0082	NORTHWEST PUBLIC SCHOOLS	40-0003	Cedar Hollow Public School			X											
40-0082	NORTHWEST PUBLIC SCHOOLS	40-0501	Dist 501 - Hall County				\$ 150	N/A									
40-0082	NORTHWEST PUBLIC SCHOOLS	47-0118	St Libory Elementary School			X											
40-0082	NORTHWEST PUBLIC SCHOOLS	61-0009	Chapman - Dist 9			X											
40-0083	WOOD RIVER PUBLIC SCHOOLS	40-0008	Wood River Elementary School			X											
40-0083	WOOD RIVER PUBLIC SCHOOLS	40-0012	Alda Public School			X											
40-0083	WOOD RIVER PUBLIC SCHOOLS	40-0016	Plainview Public School			X											
45-0007	ONEILL PUBLIC SCHOOLS	45-0002	Page Public School				\$ 500	6/14/2006	\$ 100	3/10/2006							
45-0007	ONEILL PUBLIC SCHOOLS	45-0020	Emmet Public School			X											
45-0007	ONEILL PUBLIC SCHOOLS	45-0030	Inman Public School				\$ 350	1/3/2006									
45-0007	ONEILL PUBLIC SCHOOLS	45-0049	Starview Public School				\$ 350	N/A									
45-0007	ONEILL PUBLIC SCHOOLS	45-0060	Opportunity Public School			X											
45-0007	ONEILL PUBLIC SCHOOLS	45-0090	Dist 090 - Holt County			X											
47-0001	ST PAUL PUBLIC SCHOOLS	47-0067	Farwell Public School								\$ 500	3/12/2006					
48-0300	TRI COUNTY PUBLIC SCHOOLS	76-0163	Western Public School			X											
49-0032	TECUMSEH PUBLIC SCHOOLS	49-0010	Elk Creek Public School			X											
51-0001	OGALLALA PUBLIC SCHOOLS	51-0012	Keystone Public School			X											
52-0100	KEYA PAHA COUNTY SCHOOLS	52-0001	Pleasant View Public School			X											
52-0100	KEYA PAHA COUNTY SCHOOLS	52-0003	Mills Public School				\$ 350	12/5/2005									
52-0100	KEYA PAHA COUNTY SCHOOLS	52-0056	Spring View Public School			X											
55-0001	LINCOLN PUBLIC SCHOOLS	55-0069	Haines Branch Public School			X											
55-0148	MALCOLM PUBLIC SCHOOLS	55-0013	Oak Valley Public School			X											
55-0160	NORRIS SCHOOL DIST 160	55-0152	Rokeyby Public School			X											
55-0160	NORRIS SCHOOL DIST 160	55-0153	Cheney Public School			X											
56-0001	NORTH PLATTE PUBLIC SCHOOLS	56-0005	Hall Public School			X											
56-0001	NORTH PLATTE PUBLIC SCHOOLS	56-0044	Lake Maloney Public School			X											
56-0037	HERSHEY PUBLIC SCHOOLS	56-0008	Platte Valley Public School			X											
56-0037	HERSHEY PUBLIC SCHOOLS	56-0082	Rosedale Public School										\$ 150	2/15/2006			
59-0001	MADISON PUBLIC SCHOOLS	59-0048	Good Cheer Public School				\$ 500	N/A							(8)	\$337.48	\$30,000.00
59-0001	MADISON PUBLIC SCHOOLS	59-0097	Kalamazoo Public School			X											
59-0002	NORFOLK PUBLIC SCHOOLS	59-0003	Sunny Meadow Public School			X											
59-0002	NORFOLK PUBLIC SCHOOLS	59-0020	Winter Public School			X											
59-0002	NORFOLK PUBLIC SCHOOLS	59-0024	Dederman Public School				\$ 350	12/13/2005									
59-0002	NORFOLK PUBLIC SCHOOLS	59-0037	Reiche Public School				\$ 500	6/8/2006									
59-0005	BATTLE CREEK PUBLIC SCHOOLS	59-0025	Warnerville Public School			X											
59-0013	NEWMAN GROVE PUBLIC SCHOOLS	59-0095	Cloverleaf Public School			X											
60-0090	MCPHERSON COUNTY SCHOOLS	60-0004	Tryon Public School			X											
60-0090	MCPHERSON COUNTY SCHOOLS	60-0026	Daly Public School			X											
60-0090	MCPHERSON COUNTY SCHOOLS	60-0028	Starr Public School			X											

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July 2005 Through August 2006**

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CO-DIST	DISTRICT NAME	CLASS I DIST#	Class I School Name	No Records Received from the Class I School	District Did Not Respond to APA Request	Nothing Noted	Payments to Class I's United									Other Questionable Payments	Money in Escrow
							Dues	Date of Check	Donations	Date of Check	Legal Fees	Date of Check	Other	Date of Check			
62-0063	BRIDGEPORT PUBLIC SCHOOLS	62-0041	Angora Public School			X											
63-0030	TWIN RIVERS	62-0002	Shady Nook Public School			X											
64-0029	AUBURN PUBLIC SCHOOLS	64-0032	Locust Grove Public School			X											
66-0027	SYRACUSE-DUNBAR-AVOCA SCHOOLS	66-0011	Smallfoot Public School		X												
66-0027	SYRACUSE-DUNBAR-AVOCA SCHOOLS	66-0020	Unadilla Public School		X												
69-0044	HOLDREGE PUBLIC SCHOOLS	69-0074	Funk Public School												(9)	\$21,975.80	
69-0044	HOLDREGE PUBLIC SCHOOLS	69-0504	Phelps District R 4				\$ 500	5/31/2006	\$ 10,000	5/31/2006				(10)	\$1,023.00	\$115,000.00	
69-0044	HOLDREGE PUBLIC SCHOOLS	69-0507	Phelps District R 7			X											
70-0002	PIERCE PUBLIC SCHOOLS	70-0015	Hadar Public School			X											
73-0017	MC COOK PUBLIC SCHOOLS	73-0008	Fitch Public School			X											
73-0017	MC COOK PUBLIC SCHOOLS	73-0041	Dist 041 - Red Willow County			X											
74-0056	FALLS CITY PUBLIC SCHOOLS	74-0047	Maple Grove Public School			X											
75-0100	ROCK COUNTY PUBLIC SCHOOLS	75-0018	Newport Public School			X											
75-0100	ROCK COUNTY PUBLIC SCHOOLS	75-0030	Pony Lake Public School				\$ 500	6/7/2006									
75-0100	ROCK COUNTY PUBLIC SCHOOLS	75-0055	Pleasant Hill Public School			X											
75-0100	ROCK COUNTY PUBLIC SCHOOLS	75-0072	Rose Public School			X											
75-0100	ROCK COUNTY PUBLIC SCHOOLS	75-0074	Bassett Grade School			X											
76-0002	CRETE PUBLIC SCHOOLS	55-0158	Olive Branch Public School			X											
76-0002	CRETE PUBLIC SCHOOLS	76-0018	Valley View Public School				\$ 850	9/14/05 5/30/06			\$ 750	10/28/2005					
76-0002	CRETE PUBLIC SCHOOLS	76-0031	Diamond Public School			X											
78-0001	ASHLAND-GREENWOOD PUBLIC SCHOOLS	78-0003	Clear Creek Public School								\$ 1,000	3/11/2006					
78-0039	WAHOO PUBLIC SCHOOLS	78-0023	Standard Public School											(11)	\$2,716.00		
78-0039	WAHOO PUBLIC SCHOOLS	78-0036	Malmo Public School			X											
78-0039	WAHOO PUBLIC SCHOOLS	78-0050	Ithaca Public School						\$ 100	3/13/2006							
78-0039	WAHOO PUBLIC SCHOOLS	78-0070	South Center Public School			X											
79-0011	MORRILL PUBLIC SCHOOLS	79-0013	Wheatland Public School			X											
79-0016	GERING PUBLIC SCHOOLS	79-0020	Haig Public School						\$ 300	N/A							
79-0016	GERING PUBLIC SCHOOLS	79-0060	Cedar Canyon Public School								\$ 350	10/10/2005					
79-0032	SCOTTSBLUFF PUBLIC SCHOOLS	79-0005	Highland Public School			X											
79-0032	SCOTTSBLUFF PUBLIC SCHOOLS	79-0064	Lake Minatare Public School			X											
79-0032	SCOTTSBLUFF PUBLIC SCHOOLS	79-0065	Lake Alice Public School				\$ 500	6/8/2006			\$ 1,000	12/23/2005					
80-0005	MILFORD PUBLIC SCHOOLS	55-0038	Middle Creek Public School			X											
81-0003	HAY SPRINGS PUBLIC SCHOOLS	23-0044	Antelope Public School			X											
81-0003	HAY SPRINGS PUBLIC SCHOOLS	81-0030	Mirage Flats Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	16-0026	Pioneer Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	16-0070	Merriman Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	16-0078	Irwin Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0012	Gordon-Rushville K-8 Schools			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0022	Prairie View Public School											(12)			
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0026	Clinton Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0035	Banner Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0083	Fieldside Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0129	Extension Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0131	Sheridan County Sch Dist #131			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0132	Boiling Springs Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0010	Golden Rule Public School			X											
81-0010	GORDON-RUSHVILLE PUBLIC SCHOOLS	81-0091	Lakeside Public School				\$ 500	6/10/2006									
82-0015	LITCHFIELD PUBLIC SCHOOLS	21-0169	Mason City Public School			X											
83-0500	SIOUX COUNTY PUBLIC SCHOOLS	83-0002	Glen Public School											(13)	\$41,069.53		

**Summary of Class I School Questioned Payments
July 2005 Through August 2006**

EXHIBIT A

CO-DIST	DISTRICT NAME	CLASS I DIST#	Class I School Name	No Records Received from the Class I School	District Did Not Respond to APA Request	Nothing Noted	Payments to Class I's United							Other Questionable Payments	Money in Escrow	
							Dues	Date of Check	Donations	Date of Check	Legal Fees	Date of Check	Other			Date of Check
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0006	Bodarc Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0007	Harrison Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0012	Curly Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0043	Pink Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0051	Hillview Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0068	Panhandle Public School			X										
83-0500	SIoux COUNTY PUBLIC SCHOOLS	83-0073	Chalk Butte Public School										\$ 4,000	6/14/2006		
84-0003	STANTON COMMUNITY SCHOOLS	84-0055	Duffy Public School										\$ 5,005	6/14/2006		
86-0001	THEDFORD RURAL HIGH SCHOOL	16-0052	Brownlee Public School			X										
86-0001	THEDFORD RURAL HIGH SCHOOL	86-0004	Thedford Elementary Schools			X										
87-0001	PENDER PUBLIC SCHOOLS	20-0082	Dist 082 - Cuming County			X										
88-0005	ORD PUBLIC SCHOOLS	88-0010	Valleyside Public School										\$ 500			\$15,000.00
88-0005	ORD PUBLIC SCHOOLS	88-0023	Vinton Public School										\$ 500			
88-0005	ORD PUBLIC SCHOOLS	88-0026	Fairplay Public School			X										
88-0005	ORD PUBLIC SCHOOLS	88-0063	Elyria Public School										\$ 500			\$15,000.00
TOTAL							\$ 22,275		\$ 67,058		\$ 39,500		\$ 20,280		\$ 202,721.08	\$ 337,033.18

Total payments to Class I's United were \$ 149,113

- (1) South Akron Public School paid for a limousine as transportation of students from Albion to a Hastings museum. Two checks were written in April and May of 2006 totaling \$1,349.27.
- (2) Stull Public School entered into a contract with a teacher in June 2006 in excess of \$100,000.
- (3) District #505 - Colfax County wrote two checks to Class I's United on a cooperative account each in the amount of \$5,000 dated July 15, 2005 and February 21, 2006.
- (4) A \$12,000 check was written from Custer County Cooperative on behalf of Berwyn School on June 9, 2006 to Class I's United.
- (5) Payments made to Class I's United were made from the Custer County Cooperative in the amount of \$10,000. This information was not made available to the receiving school district.
- (6) Class I District 044 - Dawson County paid 3 individuals \$700 each (a total of \$2,100) for "Pre-pay transportation 06-07"
- (7) Ashby Public School (Class I) made a \$150 payment for secretary fees. A portion of the payment was for July and August 2006 when the school was no longer in existence.
- (8) Good Cheer Public School (59-0048) wrote 2 checks for July and August to the district bookkeeper totaling \$337.48. These pre-payments were for services to be provide after the dissolution of the school. Any such services needed after June 15, 2006 would have been the responsibility of the Class III school that absorbed all of Good Cheer's assets.
- (9) Funk Public School District 74 made payments to Buffalo County Class I Cooperative in the amount of \$21,975.80. Of this amount, \$1,000 went to Class I's United for legal expenses.
- (10) Phelps District R 4 (69-0504) paid Recknor, Albert & Associates Law firm \$523 for phone conferences. An individual was also paid \$500 for an LB126 Forum.
- (11) Standard Public School (78-0023) made several payments to Recknor, Albert & Associates Law firm totaling \$1,636. The Class I auctioned off all its assets including computers and digital cameras for \$1,080.
- (12) In the response to our request, the Superintendent indicated he felt that Prairie View School District had excessive charges for a field trip experience for three students. We requested the additional information related to these trips; however, we were not provided with additional information.
- (13) Glen Public School (83-0002) wrote several checks to the teacher, which was above and beyond her monthly wages. The checks totaled \$41,069.53 and included payments of \$14,223 for a field trip to Hawaii, over \$7,500 for History Day/Glen Day, and other various payments including over \$5,000 in payments with no explanation.

Note: It was noted that Buffalo County Class I Cooperative paid \$500 in Dues and \$2,000 in additional contributions to Class I's United. Dawson County Cooperative paid \$100 to Class 1's United.