

**ATTESTATION REPORT
OF
SALINE COUNTY COURT
JULY 1, 2013 THROUGH JUNE 30, 2015**

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the Auditor of Public Accounts.**

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Issued on September 24, 2015

SALINE COUNTY COURT

TABLE OF CONTENTS

	<u>Page</u>
<u>Comments Section</u>	
Summary of Comments	1
Comments and Recommendations	2 - 10
<u>Financial Section</u>	
Independent Accountant's Report	11 - 12
Financial Schedules:	
Schedule of Changes in Assets and Liabilities Arising from Cash Transactions - Agency Funds - For the Fiscal Year Ended June 30, 2015	13
Schedule of Changes in Assets and Liabilities Arising from Cash Transactions - Agency Funds - For the Fiscal Year Ended June 30, 2014	14
Notes to Financial Schedules	15
Attachment A – First State Bank Confirmation – Lincoln Branch	16
Attachment B – First State Bank Confirmation – Wilber Branch	17

SALINE COUNTY COURT

SUMMARY OF COMMENTS

During our examination of the Saline County Court, we noted certain deficiencies and other operational matters that are presented here.

These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the following areas:

1. ***Segregation of Duties:*** One individual was capable of handling all phases of a transaction from beginning to end.
2. ***Alleged Fraud:*** A County Court employee is alleged to have written a check to herself and not deposited all money received. These actions appear to have been concealed by falsifying bank records.
3. ***Overdue Balances:*** The County Court did not review its overdue balances on an ongoing, timely basis to ensure collection and/or resolution of such balances.
4. ***Review of Trust Balances:*** The County Court did not review its trust balances on an ongoing, timely basis to ensure such balances were complete and accurate.
5. ***Investment Interest:*** The County Court was not receipting interest for an investment account in a consistent and timely manner.

More detailed information on the above items is provided hereafter. It should be noted that this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any accounting strengths of the County Court.

Draft copies of this report were furnished to the County Court to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. All formal responses received have been incorporated into this report. Responses have been objectively evaluated and recognized, as appropriate, in the report. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next examination.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

1. Segregation of Duties

Good internal control includes a plan of organization, procedures, and documentation designed to safeguard assets and provide reliable financial records. A system of internal control should include a proper segregation of duties, so no one individual is capable of handling all phases of a transaction from beginning to end.

We noted the office of the County Court lacked a segregation of duties. Specifically, one person was capable of handling all aspects of processing transactions from beginning to end. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost. Further, personnel are under the direction of both the Nebraska State Court Administrator and the Presiding Judge. We have included this comment in previous examinations. We consider this to be a material weakness.

We recommend the County Court and the Nebraska State Court Administrator review this situation. As always, the cost of hiring additional personnel versus the benefit of a proper segregation of duties must be weighed.

County Court's Response: Based upon the staffing numbers of this office, a complete segregation of duties would be extremely difficult. However, steps have been taken to remedy this as best as possible. Staff will take on various duties that will rotate on a monthly or quarterly basis (at the suggestion of the State Auditor's Office) to ensure that one individual is not continually doing the same job and to allow for oversight by other employees. Additionally, the Court will continue to use its Financial Specialist to oversee all balancing and accounts on a monthly basis.

2. Alleged Fraud

On August 13, 2015, two employees from the Auditor of Public Accounts (APA), along with an investigator with the Nebraska Attorney General's Office (AG), traveled to the Saline County Court (Court) to question Jodi Rezabek, Assistant Clerk of the Court, regarding a suspected fraudulent check in the amount of \$15,500. At that time, Ms. Rezabek confessed to having taken \$15,500 from the Court in order to pay off a contractor who had performed work at her residence. She also admitted to altering the Court bank statements in an attempt to conceal having made this \$15,500 check payable to her.

The following is a copy of the allegedly fraudulent check that Ms. Rezabek confessed to having written.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS (Continued)

2. Alleged Fraud (Continued)

May 29, 2015, Court Bank Statement as Reflected in the Court's Accounting System

MINIMUM BALANCE	45,132.18	LAST STATEMENT 04/30/15	71,369.23
AVERAGE BALANCE	56,679.08	48 CREDITS	25,310.84
		26 DEBITS	34,969.64
		THIS STATEMENT 05/29/15	61,710.43

In her confession to the APA and AG representatives, Ms. Rezabek admitted to taking the \$15,500 and using the signature stamp of the Clerk Magistrate, Joshua McDougall, to sign the check. She admitted also to altering the bank statements for May, June, and July 2015 by printing out those documents, manually adjusting the balances, and then running the falsified records through the Court's scanner. When asked about the case designated on the check, Ms. Rezabek acknowledged having selected a random case number to make the check resemble any other payment issued by the Court.

During the interview, Ms. Rezabek provided the APA employees with a copy of her personal Farmers & Merchants bank statement, dated June 10, 2015, highlighting a \$15,500 deposit into her personal account on May 20, 2015. The following is a copy of that document.

*****00000000000000000000*****

Farmers & Merchants Bank
Main Office
PO Box E, Milford, NE 68455-0665 402-760-7600
Branches: 402-332-2101 Lincoln 402-701-1340 Jensen 402-332-2101 Kearney 402-735-2012
Palmira 402-700-1793 Panama 402-700-2700 Superior 402-879-1284 Weeping Water 402-246-2285 Wilber 402-821-2211

ACCOUNT: [REDACTED] PAGE: 1
DOCUMENTS: 2 06/10/2015

JODI L REZABEK 10
623 COUNTY ROAD R 1
TOBIAS NE 68453 1

OUR INTERNET AND MOBILE BANKING TERMS AND CONDITIONS HAVE RECENTLY CHANGED. PLEASE REVIEW THE TERMS AND CONDITIONS ON THE INTERNET BANKING LOGIN PAGE PRIOR TO USING INTERNET OR MOBILE BANKING. YOUR CONTINUED USE OF INTERNET AND MOBILE BANKING CONSTITUTES ACCEPTANCE OF SUCH CHANGES.

eACCESS ACCOUNT [REDACTED]

LAST STATEMENT 05/08/15 5.86
1 CREDITS 15,500.00
14 DEBITS 15,471.79
THIS STATEMENT 06/10/15 34.07

DEPOSITS

REF #	DATE	AMOUNT	REF #	DATE	AMOUNT	REF #	DATE	AMOUNT
	05/20	15,500.00						

CHECKS

CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
	05/20	14,806.00						

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

2. **Alleged Fraud** (Continued)

Per her confession, Ms. Rezabek then obtained a \$14,806 cashier's check on the same day to pay off the contractor. This check is also noted in the above personal bank statement. When asked why she wrote the allegedly fraudulent Court check in the amount of \$15,500, Ms. Rezabek explained that the original check from her account had bounced, so she wanted enough money to cover any insufficient fund fees charged by the bank.

The APA discovered that Astro Building, Inc. filed a \$34,804.00 complaint in the Court against the Rezabek's on August 17, 2015, for both an insufficient fund check and non-payment of the services and products provided. The Rezabeks' bounced check had been written on May 1, 2015. The civil action brought against the Rezabeks by Astro Building, Inc. (Case # CI-15-404) was dismissed on August 19, 2015.

In uncovering this alleged fraud, the APA worked closely with the Attorney General, the Nebraska Supreme Court, and the Court. Ms. Rezabek was immediately placed on investigative leave without pay. On August 17, 2015, theft charges under Neb. Rev. Stat. § 28-511(1) (Reissue 2008) were filed in the Saline County District Court against Ms. Rezabek (Case # D22CR150000033). Per Neb. Rev. Stat. § 28-518 (Cum. Supp. 2014), theft involving five thousand dollars or more constitutes a Class IIA felony, which is punishable by up to 20 years imprisonment. The case is currently ongoing.

The APA also questioned First State Bank regarding the source of the numbers on the July 2, 2015, confirmation. See **Attachment B**. The bank was uncertain where the information came from, as the records indicate the correct information was disclosed on the July 16, 2015, confirmation. Additionally, the bank disclosed that the individual who signed for the bank was a part-time employee; however, she had not been working on July 2, 2015, so there was a question as to whether this was a falsified document.

During the audit process for the Court, the APA and Clerk Magistrate discovered that two additional checks, numbers 16629 and 16630, were missing. These checks do not appear to have cleared that bank as of August 15, 2015, and the Court has made note to watch closely for any activity regarding those two numbers.

Additionally, after examining the actual bank statements for an investment account being held by the Court, it was discovered that Ms. Rezabek had drawn a \$62,529.39 cashier's check from the account on May 22, 2015. However, the same cashier's check was deposited back into the account on June 29, 2015. The Court could not explain – as well as lacked any supporting documentation – why such a transaction had occurred. The result of this transaction was a loss of \$14.56 in interest, per First State Bank. Below are copies of the withdrawal slip, cashier's check, deposit slip, and note from the bank regarding the lost interest.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

2. Alleged Fraud (Continued)

CHECKING/SAVINGS TRANSACTION TICKET - First State Bank Nebraska

CUSTOMER NAME State of NE/ Johnson Investment DATE 5-22-2015

SIGNATURE [Signature] CHECKING DEBIT SAVINGS DEBIT PREPARED BY Ruth

654 - PHONE 155 - PHONE
058 - IN PERSON WITHDRAWAL 172 - IN PERSON WITHDRAWAL
070 - CLOSING WITHDRAWAL 185 - CLOSING WITHDRAWAL

DESCRIPTION \$62,529.39 - cashier's ck. # 017751 (1/2 of Balance)
ACCOUNT NUMBER [Redacted] T/C AMOUNT 62529.39
056

CASHIER'S CHECK 017751

REMITTER State of Nebraska
Saline County Court
Johnson Investment
PAY TO THE ORDER OF Saline County Court

NOT VALID AFTER 180 DAYS DATE May 22, 2015 76-953/1049 21020001

62,529.39 DOLLARS

THE SUM 62529 DOLLARS 39 CTS

First State 4915 Old Cheney Road
BANK NEBRASKA Lincoln, NE 68516
877.303.9737
www.1stb.com
Member FDIC

NON-NEGOTIABLE REGISTER-COPY

DATE PAID [Signature]
DAILY TOTAL [Signature]

017751 104909531 21020001 400

DATE 6-29-15

ACCOUNT NAME Saline County Court

AMOUNT 62529.39

CHECK # 017751

FOR CASH BACK X

BE SURE TO FILL IN YOUR ACCT. NO. [Redacted]

012

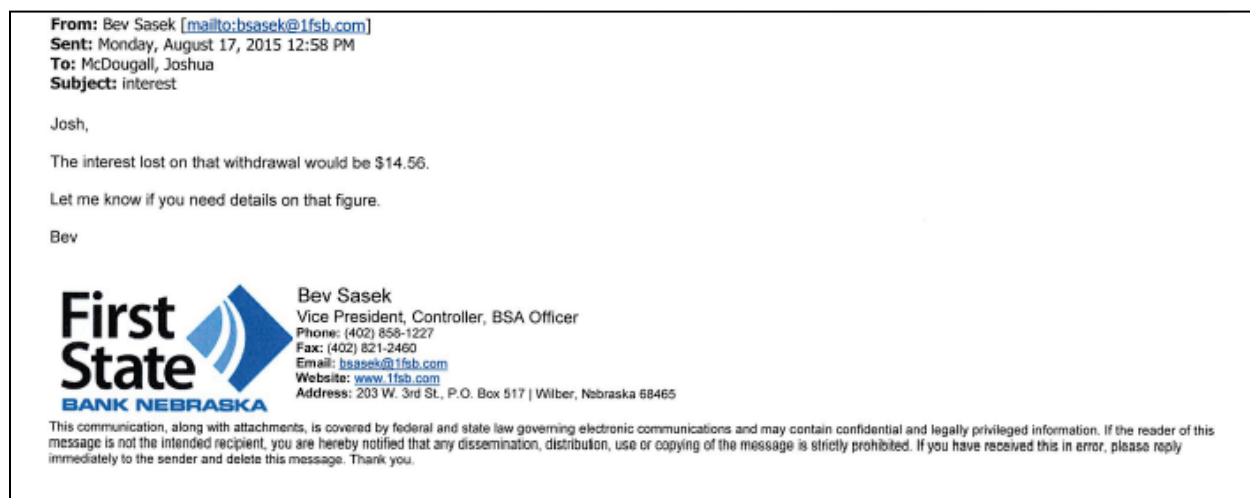
\$62,529.39 - 06/29/2015

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

2. Alleged Fraud (Continued)



Through additional audit work aimed at verifying that Court receipts were deposited timely and financial records of the court were balanced up to date, the APA discovered what appears to have been a lapping of cash deposits or late deposits. As a result, the Court was still missing cash in the amount of \$1,119.00 on August 30, 2015. Below is summary of some of the lapping that has occurred since May 2014.

Receipt Date	Bank Deposit Date	Cash	Checks/Money Orders	Bank Deposit Total
5/20/2014	7/1/2014	\$ 700.00	\$ 1,046.00	\$ 1,746.00
6/27/2014	9/15/2014	\$ 553.00	\$ 185.25	\$ 738.25
9/9,10,11/2014	11/6/2014	\$ 582.00	\$ 622.00	\$ 1,204.00
10/27/2014	11/6/2014	\$ 263.00	\$ 1,184.00	\$ 1,447.00
10/28/2014	11/6/2014	\$ 145.00	\$ 303.00	\$ 448.00
5/26/2015	See 7/27/2015	\$ 971.65	\$ 1,332.00	\$ 2,303.65
6/23/2015	See 7/27/2015	\$ 148.00	\$ 256.00	\$ 404.00
7/27/2015	Deposit only Checks for 5/26/2015 & 6/23/2015		-\$ 1,588.00	\$ 1,588.00
8/20/2015	APA witnessed \$.65 taped to 5/26/2015 printout of receipts that was still in Jodi's desk and had not been deposited. Thus, it was on hand.	\$.65		
8/20/2015	Result is there is still Outstanding Cash Deposit, which was not on hand at the Court. Missing 8/20/2015	\$ 1,119.00		

On August 20, 2015, the APA returned to the Court to conduct a count of all cash on hand. While the \$.65 was found taped to the receipts for May 26, 2015, the rest of the cash for May 26, 2015, and June 23, 2015, totaling \$1,119.00, was not located and remains missing.

Neb. Rev. Stat. § 28-924 (Reissue 2008) addresses “official misconduct” by a public servant as follows:

(1) A public servant commits official misconduct if he knowingly violates any statute or lawfully adopted rule or regulation relating to his official duties.

(2) Official misconduct is a Class II misdemeanor.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

2. Alleged Fraud (Concluded)

Good internal controls require procedures to ensure that no one person is in a position both to perpetrate and to conceal errors or irregularities. Lack of such controls increases the risk for fraud or abuse of public funds.

The following table sets out the County Court's total losses from the alleged theft by Ms. Rezabek and her apparent failure to handle cash receipts and investments appropriately.

Missing/Unaccounted	Date	Amount
Check 16628	5/21/2015	\$ 15,500.00
Cash Receipts	5/26/2015 & 6/23/2015	\$ 1,119.00
Interest on investment	5/22/2015 to 6/29/2015	\$ 14.56
Total Missing/Alleged Theft from Court		\$ 16,633.56

We recommend the County Court and the Nebraska Court Administrator collaborate to implement procedures to prevent one person from being in a position both to perpetrate and to conceal errors or irregularities. We recommend also the County Court and the Nebraska Court Administrator continue to work with the proper authorities regarding Ms. Rezabek's confession and the apparent theft of public funds relating thereto. The County Court will need to recover or resolve the \$16,633.56 in missing funds.

County Court's Response: This action was discovered via a regular audit by the State Auditor's Office. As noted above, this office has already taken steps to correct the situation. Added oversight through a better Segregation of Duties, as well as the oversight by Financial Specialists will assist with supervision of accounts. Prior to any reconciliation, all bank statements will be verified with the bank and checked for accuracy. Check numbers will continue to be monitored and deposits will be done daily with frequent review by the Clerk Magistrate and Financial Specialist to ensure that deposits are made according to Statute.

3. Overdue Balances

Good internal control and sound business practices require overdue balances of the County Court to be reviewed on an ongoing, timely basis to determine what action should be taken to collect and/or otherwise resolve those balances.

During testing of 15 overdue balances, 8, totaling \$6,215, did not have subsequent action taken by the County Court to ensure collection and/or resolution of the balances, such as the issuance of warrants and/or suspensions or declaration of certain overdue balances as uncollectible. As of July 31, 2015, overdue balances, excluding restitution judgments, totaled \$75,193.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

3. **Overdue Balances** (Concluded)

Without a regular review of overdue case balances, there is an increased risk overdue balances may either not have proper follow-up action taken or have been previously resolved and should no longer be reflected as being overdue.

We recommend the County Court implement an ongoing, timely review of its Overdue Case Account reports to ensure timely collection and/or resolution of overdue balances.

County Court's Response: The Court would contest this deficiency. While this report may be lengthy, for almost three years this report has been worked on a monthly basis, as time allows, to update this report. This report has been provided to the County Attorney as well. Currently there is a proposed standing order with the Court which is being followed. It states, fines, costs, and restitution must be over 15 years old in order to be determined uncollectable and thus removed from the Overdue account balance report. When amounts beyond 15 years appear on the report efforts are made to correct the report and/or deem the amounts uncollectable per the order. Additionally, the Court has even requested that the Overdue balance report be create twice per month in order for it to be current and reviewed more than once each month.

APA Response: The 8 overdue balances noted by the auditor were all less than 15 years old, so the standing order at the Court would not be applicable.

4. **Review of Trust Balances**

During review of the County Court's fiscal year end trust balances, we noted 3 of the 41 balances tested, totaling \$590, did not have current activity. Without adequate controls in place to ensure the complete, accurate, and timely resolution of trust balances, there is an increased risk of loss, theft, misuse, or improper payment of monies held by the County Court.

Good internal control includes procedures to ensure the County Court performs periodic, detailed reviews of trust balances reflected on the County Court's monthly financial reports.

We recommend the County Court implement procedures to ensure trust balances are reviewed timely for completeness, accuracy, and proper disposition.

County Court's Response: The Court would note that Trust Balances are reviewed with each monthly report that is generated. It is always review and worked whenever amounts appear on the Trust Report. Bonds however, do not appear in the trust report. This court was unaware that Bonds were documented on a separate "Bonds Held" report, rather than being noted on the Trust Balance report. As soon as this court was made aware of the Bonds Held Report, it was reviewed and corrected to ensure that it is current and accurate. Additionally, this court notified Business Analysts with the Administrative Office of the Courts that the Bonds Held report was not being imaged to the monthly reports that are reviewed by the Clerk Magistrate. The Analysts with the AOC made changes to have this report generated monthly and thus properly reviewed to now ensure its accuracy on a regular basis.

SALINE COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Concluded)

5. Investment Interest

Despite receiving monthly bank statements for an investment account, the County Court did not record receipts for interest earned in a consistent, timely manner. We noted the following interest amounts were not receipted as of June 30, 2015:

<u>Monthly Interest Earned</u>	<u>Amount</u>
March 2014	\$ 1.00
September 2014	19.91
November 2014	12.38
January 2015	13.41
May 2015	13.88
June 2015	5.83
Total	<u>\$ 66.41</u>

Good internal controls require that procedures be in place to insure interest earned on bank accounts is recorded timely in the accounting records to ensure an accurate accounting of all assets. Without good internal controls, there is a higher risk of loss or misuse of funds.

We recommend the County Court implement procedures to insure interest is recorded monthly when bank statements are received.

County Court's Response: Investment interest was being receipted, however, as noted it was not being done on a regular basis. Since the audit, the Court has worked with business analysts to ensure that the proper amount of interest is reflected in the investment account for the entire duration of the investment. Additionally, a step has been added to the monthly account balancing to review interest and make sure that it is properly noted and applied. This will be reviewed by the Clerk Magistrate as well as the Financial Specialist on a monthly basis moving forward.



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SALINE COUNTY COURT

INDEPENDENT ACCOUNTANT'S REPORT

We have examined the accompanying Schedules of Changes in Assets and Liabilities Arising from Cash Transactions of the Saline County Court as of and for the fiscal years ended June 30, 2015, and June 30, 2014. The County Court's management is responsible for the Schedules. Our responsibility is to express an opinion based on our examination.


Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Schedules referred to above present, in all material respects, the assets and liabilities arising from cash transactions of the Agency Funds of the Saline County Court, as of June 30, 2015, and June 30, 2014, and the related activity for the fiscal years then ended, based on the accounting system and procedures prescribed by the Nebraska Supreme Court, as described in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Schedules and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Schedules are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the Schedules or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards*, and those findings, along with the views of management, are described in the Comments Section of the report.

This report is intended solely for the information and use of management, the Supreme Court, others within the County Court, and the appropriate Federal and regulatory agencies, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

August 20, 2015


Deann Haeffner, CPA
Assistant Deputy Auditor

SALINE COUNTY COURT
WILBER, NEBRASKA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
ASSETS				
Cash and Deposits	\$ 189,267	\$ 424,965	\$ 413,212	\$ 201,020
LIABILITIES				
Due to State Treasurer:				
Regular Fees	\$ 5,435	\$ 66,748	\$ 67,091	\$ 5,092
Law Enforcement Fees	430	4,672	4,680	422
State Judges Retirement Fund	1,466	17,925	17,628	1,763
Court Administrative Fees	2,208	29,868	29,593	2,483
Legal Services Fees	1,573	17,539	17,570	1,542
Due to County Treasurer:				
Regular Fines	11,418	123,640	126,062	8,996
Overload Fines	2,000	6,450	7,450	1,000
Regular Fees	635	10,176	10,460	351
Petty Cash Fund	200	-	-	200
Due to Municipalities:				
Regular Fines	937	6,250	6,887	300
Regular Fees	-	-	-	-
Trust Fund Payable	162,965	141,697	125,791	178,871
Total Liabilities	\$ 189,267	\$ 424,965	\$ 413,212	\$ 201,020

The accompanying notes are an integral part of the schedule.

SALINE COUNTY COURT
WILBER, NEBRASKA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
ASSETS				
Cash and Deposits	\$ 357,354	\$ 395,636	\$ 563,723	\$ 189,267
LIABILITIES				
Due to State Treasurer:				
Regular Fees	\$ 4,135	\$ 63,606	\$ 62,306	\$ 5,435
Law Enforcement Fees	352	4,512	4,434	430
State Judges Retirement Fund	1,374	17,436	17,344	1,466
Court Administrative Fees	2,478	26,556	26,826	2,208
Legal Services Fees	1,374	17,209	17,010	1,573
Due to County Treasurer:				
Regular Fines	9,445	121,821	119,848	11,418
Overload Fines	-	4,125	2,125	2,000
Regular Fees	5,199	10,121	14,685	635
Petty Cash Fund	200	-	-	200
Due to Municipalities:				
Regular Fines	327	6,571	5,961	937
Regular Fees	-	-	-	-
Trust Fund Payable	332,470	123,679	293,184	162,965
Total Liabilities	\$ 357,354	\$ 395,636	\$ 563,723	\$ 189,267

The accompanying notes are an integral part of the schedule.

SALINE COUNTY COURT
NOTES TO FINANCIAL SCHEDULES
For the Fiscal Years Ended June 30, 2015, and June 30, 2014

1. Criteria

A. Reporting Entity

The Saline County Court is established by State statute and is administratively operated through the Court Administrator's Office of the Nebraska Supreme Court, which is part of the State of Nebraska reporting entity. The Schedules of Changes in Assets and Liabilities Arising from Cash Transactions of the County Court reflect only the Agency Funds activity of the County Court, including the receipts and their subsequent disbursement to the appropriate entities for which they were collected. The Schedules do not reflect the personal services expenses of the County Court, which are paid by the Nebraska Supreme Court, or the operating expenses, which are paid by Saline County.

B. Basis of Accounting

The accounting records of the County Court Agency Funds are maintained, and the Schedules of Changes in Assets and Liabilities Arising from Cash Transactions have been prepared, based on the accounting system and procedures prescribed by the Nebraska Supreme Court. Under this system of accounting, fines, fees, and receipts relating to trust funds are shown as additions to assets and as an increase in the related liability when received. Likewise, disbursements are shown as deductions to assets and as a decrease in the related liability when a check is written.

2. Deposits and Investments

Funds held by the County Court are deposited and invested in accordance with rules issued by the Supreme Court, as directed by Neb. Rev. Stat. § 25-2713 (Reissue 2008). Funds are generally consolidated in an interest-bearing checking account; however, the County Court may order certain trust funds to be invested separately. Any deposits in excess of the amount insured by the Federal Deposit Insurance Corporation are required by Neb. Rev. Stat. § 77-2326.04 (Reissue 2009) to be secured either by a surety bond or as provided in the Public Funds Deposit Security Act.

SALINE COUNTY COURT
FIRST STATE BANK CONFIRMATION – LINCOLN BRANCH
For the Fiscal Years Ended June 30, 2015, and June 30, 2014

07-16-'15 15:31 FROM- FBS-Operations

4024216496

T-173 P0002/0010 F-780

**CONFIRMATION FORM TO REQUEST ACCOUNT(S) AND
BALANCE INFORMATION UTILIZING THE STATE OF NEBRASKA
FEDERAL TAX IDENTIFICATION NUMBER (FTIN)**

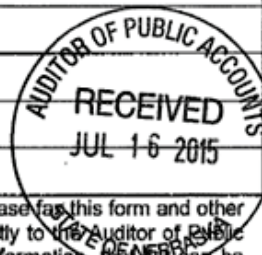
Nebraska State Treasurer, Don Stenberg
FTIN - 47-0491233

First State Bank Nebraska
4915 Old Cheney Road
Lincoln, NE 68516

We would appreciate the following information as of the
close of business on **June 30, 2015** regarding deposit
balances for bank accounts utilizing the State of Nebraska FTIN
47-0491233.

1. At the close of business on June 30, 2015, our records indicated the following account and deposit balances(s):

Account Name or Owner	Routing Number	Account Number	Balance at June 30, 2015
State of Nebraska Saline County Court			59,449.45
State of Nebraska Dept. of Admin. Services			505.33
State of Nebraska Subson Investments			125,078.48



For any bank account listed, please provide a copy of the authorizing signature card. Please fax this form and other documentation to (402) 471-3301 or use the enclosed envelope to return the form directly to the Auditor of Public Accounts. If your bank has the ability to print a list of accounts with the requested information, that list can be attached in place of filling in the account information above. Attach additional pages for listing accounts as needed.

The account information presented above is in agreement with our records.

Mike Hupfel
(Financial Institution Authorized Signature)

7-16-15
(Date)

VP Cashier
(Title)

Don Stenberg
(Customer's Authorized Signature)

July 8, 2015
(Date)

Don Stenberg, Nebraska State Treasurer
(Title)

EXCEPTIONS AND/OR COMMENTS

--

Please return this form directly to our accountants:

Auditor of Public Accounts
State Capitol, Room 2303
Lincoln, Nebraska 68509

SALINE COUNTY COURT
FIRST STATE BANK CONFIRMATION – WILBER BRANCH
For the Fiscal Years Ended June 30, 2015, and June 30, 2014

**STANDARD FORM TO CONFIRM ACCOUNT
BALANCE INFORMATION WITH FINANCIAL INSTITUTIONS**

Saline County Court
CUSTOMER NAME

First State Bank
203 W 3rd Street
Wilber, NE 68465

We have provided to our accountants the following information as of the close of business on June 30, 2015, regarding our deposit and loan balances. Please confirm the accuracy of the information noting any exceptions to the information provided. If the balances have been left blank, please complete this form by furnishing the balance in the appropriate space below.* Although we do not request nor expect you to conduct a comprehensive, detailed search of your records, if during the process of completing this confirmation additional information about other deposit and loan accounts we may have with you comes to your attention, please include such information below. Please use the enclosed envelope to return the form directly to our accountants.

1. At the close of business on the date listed above, our records indicated the following deposit balances(s):

Account Name	Account Number	Interest Rate	Balance*
Saline County Court		.05%	\$74,949.45
Johnson Investment		.20%	125512.01

2. We were directly liable to the financial institution for loans at the close of business on the date listed above as follows:

Account No./ Description	Balance*	Date Due	Interest Rate	Date Through Which Interest is Paid	Description of Collateral
None	N/A	N/A	N/A	N/A	N/A

x Joshua K. Mays
(Customer's Authorized Signature)

x 7-1-15
(Date)

The information presented above by the customer is in agreement with our records. Although we have not conducted a comprehensive, detailed search of our records, no other deposit or loan accounts have come to our attention except as noted below:

Kim Morden
(Financial Institution Authorized Signature)

7-2-15
(Date)

Customer Service
(Title)

EXCEPTIONS AND/OR COMMENTS

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Please return this form directly to our accountants:

Auditor of Public Accounts
P.O. Box 98917
Lincoln, Nebraska 68509-8917

*Ordinarily, balances are intentionally left blank if they are not available at the time the form is prepared.
BANK.DOC

6/30/15