



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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September 11, 2019

Brian Rowse, Chairperson
Village of Chambers
P.O. Box 143
Chambers, NE 68725

Dear Chairperson Rowse:

As you know, the Nebraska Auditor of Public Accounts (APA) has approved the fiscal year 2018 audit waiver for the Village of Chambers (Village).

However, the Village's amount of disbursements for the fiscal year ending September 30, 2018, did exceed our normal threshold (\$300,000) for granting a waiver of the audit requirement. Due to the Village's submission of supporting documentation, we judged the Village's financial activity for fiscal year 2018 to be sufficiently low risk to allow the audit waiver request. If disbursements for the fiscal year ending September 30, 2019, are similar to or greater than those for the prior year, though, an audit for 2019 may be required. This information is only for your consideration in planning for fiscal year 2019 and forward.

Additionally, while performing our review to determine whether to approve the audit waiver, the APA noted certain internal control or compliance matters, or other operational issues, within the Village. The following information is intended to improve internal controls or result in other operational efficiencies.

Comment and Recommendation

Payment of Unapproved Claims

During our comparison of the Village's bank account details to claims approved by the Village Board (Board), the APA identified one check, totaling \$20,000, which was paid but not included on the claims listing to be approved by the Board, see below:

Name	Amount	Check #	Cleared Date
Wastewater Account	\$ 20,000.00	4834	9/28/2018

Good internal control requires procedures to ensure that all claims are approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in which they are approved.

Without such procedures, there is an increased risk for the loss or misuse of Village funds.

We recommend the Board implement procedures to ensure all claims are approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in which they are approved.

Village Response: This all started in March of 2017. We were not as clear as we should have been in the minutes.

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The preliminary planning work that resulted in this letter was designed primarily on a test basis and, therefore, may not bring to light all existing weaknesses in the Village's policies or procedures. Nevertheless, our objective is to use the knowledge gained during the performance of that preliminary planning work to make comments and suggestions that we hope will prove useful to the Village.

Draft copies of this letter were furnished to the Village to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. Any formal responses received have been incorporated into this letter. Such responses have been objectively evaluated and recognized, as appropriate, in the letter. Any response indicating that corrective action has been taken was not verified at this time.

This communication is intended solely for the information and use of the Village and its management. It is not intended to be, and should not be, used by anyone other than those specified parties. However, this letter is a matter of public record, and its distribution is not limited.

If you have any questions regarding the above information, please contact our office.

Sincerely,



Mary Avery
Special Audits and Finance Manager
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cc: Jo Harkins, Village Clerk