



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen  
State Auditor

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November 25, 2020

Shane Parshall, Chairperson  
Plattsmouth Rural Fire District  
P.O. Box 511  
Plattsmouth, NE 68048

Dear Chairperson Parshall:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Plattsmouth Rural Fire District (District) for the fiscal year ending 2020. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (2020 Neb. Laws, LB 781, § 8), the preliminary examination necessary to determine whether further audit work would be required or the audit waiver should be allowed, the APA noted certain internal control or compliance matters, or other operational issues, within the District.

The following information is intended to improve internal controls or result in other operational efficiencies.

### Comment and Recommendation

#### Lack of Dual Signatures

The APA obtained the monthly statements for the District's bank accounts from its fiscal year 2020 audit waiver request. From those statements, the APA noted 10 District checks, totaling \$68,094, written during the examination period contained only one signature. An example of such checks is shown below.

PLATTSMOUTH RURAL FIRE DEPARTMENT  
3117 MYNARD ROAD  
PLATTSMOUTH, NE 68048

PSB Plattsmouth State Bank  
Your Personal Service Bank - Plattsmouth, Nebraska

001223

DATE June 3, 2020

FOR THE ORDER OF City of Plattsmouth \$ 48,055.53

FOURTYEIGHT THOUSAND FIFTYFIVE AND 53/100 DOLLARS

Invoice #'s 404, 405, 406, 407, 408, 409, 410, 411 & 412

Sh Parshall

Nebraska law requires both the Secretary-Treasurer and the President of the District to sign all checks approved by the Board. In particular, Neb. Rev. Stat. § 35-511 (Reissue 2016) states that those checks “shall bear the signature of the secretary-treasurer and the countersignature of the president of such district.”

In addition, good internal controls and sound accounting practices require procedures to ensure that District checks contain the statutorily required endorsements.

Without such procedures, there is an increased risk for not only failure to comply with State statute but also loss or misuse of public funds.

We recommend the Board implement procedures to require dual signatures, from both the Secretary-Treasurer and the President, on all District checks, as required by law.

\* \* \* \* \*

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 District'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 District.

This communication is intended solely for the information and use of the District 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, please contact **Dakota Christensen** at **402-499-8702** or **dakota.christensen@nebraska.gov**.

Sincerely,

A handwritten signature in black ink that reads "Mark Avery". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark Avery, CPA  
Assistant Deputy Auditor