



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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February 25, 2021

Dale Sprague, Chairperson
Village of Huntley
1425 Lock Road
Huntley, NE 68971

Dear Chairperson Sprague:

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

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Cum. Supp. 2020), the preliminary examination necessary to determine whether the audit waiver should be allowed or further audit work would be required, 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.

Comments and Recommendations

1. Payment of Unapproved Claims

During our comparison of the Village's bank account details to claims approved by the Board, the APA identified one check, totaling \$188.43, which was paid but not included on the claims listing to be approved by the Board.

Details of the unapproved payment are included in the table below:

Check Date	Name/Vendor	Amount	Check #	Cleared Date
1/9/2020	Black Hills Energy	\$ 188.43	6604	1/14/2020

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.

2. Payment of Claims Prior to Board Approval

During our comparison of the Village's bank account details to claims approved by the Board, the APA noted that seven Village checks, totaling \$524.65, were issued before the underlying claims were approved by the Board.

The table below provides a summary of the premature payments:

Approval Date	Name/Vendor	Amount	Check Written Date	Days Paid Before Approval
1/8/2020	TVPPD	\$ 154.65	12/14/2019	25
1/8/2020	Mike Duns	\$ 50.00	12/11/2019	28
1/8/2020	Korinna Nash	\$ 60.00	12/11/2019	28
1/8/2020	Lisa Howsen	\$ 60.00	12/11/2019	28
1/8/2020	Steve Platt	\$ 50.00	12/11/2019	28
1/8/2020	Dale Sprague	\$ 50.00	12/11/2019	28
1/8/2020	John Howschn	\$ 100.00	12/14/2019	25
Total		\$ 524.65		

Neb. Rev. Stat. § 17-614(1) (Cum. Supp. 2020) sets out the proper method for the appropriation or payment of money by the Village, as follows:

All ordinances and resolutions or orders for the appropriation or payment of money shall require for their passage or adoption the concurrence of a majority of all members elected to the city council in a city of the second class or village board of trustees

(Emphasis added.) 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.

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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.

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, please contact **Dakota Christensen at 402-499-8702 or dakota.christensen@nebraska.gov.**

Sincerely,



Mark Avery, CPA
Assistant Deputy Auditor