



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Ben Laun, Chairperson
Village of Table Rock
PO Box 123
Table Rock, NE 68447

Dear Chairperson Laun:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Table Rock (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 \$315.84, which was paid but not included on the claims listing to be approved by the Board.

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

Check Date	Name/Vendor	Amount	Check #	Cleared Date
1/29/2020	Matt Kuhlmann	\$ 315.84	6763	1/31/2020

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.

A similar issue was identified by the APA in a prior review and was disclosed to the Village in the APA's letter dated September 23, 2019, which can be found on the APA's website.

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. Negative Fund Balance

On Exhibit A of the Village’s audit waiver request form, the APA noted that the Sewer Fund has a deficit balance of \$54,377.05 as of September 30, 2020. The Village Board is aware of the deficit balance; however, they have no plan to bring this deficit balance back up to a positive number.

Good internal control and sound accounting practices require procedures to ensure that Village fund balances are sufficient to cover fully all disbursements and transfers approved by the Board. Those same procedures should also ensure that the Board is apprised regularly of each Village fund balance and, therefore, placed in a position to take any action needed to resolve deficits therein.

Without such procedures, there is an increased risk of not only insufficient Village fund balances, but also the resultant inability to cover fully all disbursements and transfers approved by the Board.

We recommend the Village Board implement procedures to ensure the Board is apprised regularly of each Village fund balance and, therefore, placed in a position to take any action needed to resolve deficits therein.

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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