



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Jayne Ortgiesen, Chairperson
Village of Atlanta
1241 West Street
Atlanta, NE 68923

Dear Chairperson Ortgiesen:

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

As noted in **Comment and Recommendation Number 1** (“Audit Waiver Filing”) below, the Village’s audit waiver request was not filed within the time constraints set by the APA to allow for an adequate review. **To be considered for an audit waiver for the fiscal year ended September 30, 2021, the Village must file its audit waiver request by December 31, 2021. If the request is not filed by then, the APA will deny any requests filed thereafter.** The Village then will be required to have an audit conducted for fiscal year 2021, and that audit will be required to be filed with the APA by March 31, 2022. Costs of such audit will be the responsibility of the Village.

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. Audit Waiver Filing

The Village’s audit waiver request was filed with the APA on February 23, 2021, almost five months after the fiscal year end and almost two months after the APA’s deadline of December 31, 2020. To ensure adequate time to review the village waiver requests, the APA required all villages filing an audit waiver to have those filing submitted with the APA by December 31, 2020.

Good internal control requires procedures to ensure the forms required to be filed with the APA are submitted within the time constraints set out by State statute and by the APA. Without such procedures, there is an increased risk of not only noncompliance with State statute but also an increased chance of the Village’s audit waiver being denied or forfeited funds due to noncompliance of such filings.

We recommend the Village implement procedures to ensure forms required to be filed with the APA are submitted within the time constraints set out by the APA.

2. Lack of Claim Purpose

During our comparison of the Village’s bank account details to claims approved by the Board, the APA noted that the claims listed in the Board’s official proceedings lacked descriptions of their respective purposes.

The following is an example of the approved claims listing provided by the Village for January 8, 2020:

<p>GENERAL FUND: SNPPD \$386.00; Kimberly Tax Service \$280.00; Noelle Ortgiesen \$120.05; Janice Ludeke \$3.55; Holdrege Daily Citizen \$61.05; CenturyLink \$88.08; Village Road Fund \$633.43; Connie Dahlin \$79.13; NE Rural Water \$100.00; US Treasury \$1,305.36; NE Dept Rev \$70.86; NE UC Fund \$68.53; NE Dept of Revenue \$347.76; Chase \$15,000.00; Chase \$1,715.00.</p> <p>SEWER FUND: SNPPD \$133.00.</p> <p>WATER FUND: SNPPD \$433.00; Village of Atlanta Sewer \$527.43; Sargent Drilling Co \$9,583.28 .</p> <p>ROAD FUND: SNPPD \$431.00.</p>

Neb. Rev. Stat. § 19-1102 (Cum. Supp. 2020) requires publication of the Board’s official proceedings, which must include, among other things, the purpose of each claim allowed, as follows:

It shall be the duty of each city clerk or village clerk in every city or village having a population of not more than one hundred thousand inhabitants as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census to prepare and publish the official proceedings of the city council or village board of trustees within thirty days after any meeting of the city council or village board of trustees. The publication shall be in a legal newspaper in or of general circulation in the city or village, shall set forth a statement of the proceedings of the meeting, and shall also include the amount of each claim allowed, the purpose of the claim, and the name of the claimant, except that the aggregate amount of all payroll claims may be included as one item. Between July 15 and August 15 of each year, the employee job titles and the current annual, monthly, or hourly salaries corresponding to such job titles shall be published. Each job title published shall be descriptive and indicative of the duties and functions of the position. The charge for the publication shall not exceed the rates provided for in section 23-122.

(Emphasis added.) Good internal control and sound accounting practices require procedures to ensure that the Board’s official proceedings describe the purpose of each claim allowed. Without such procedures, there is an increased risk of not only failure to comply with statutory publication requirements but also a lack of transparency regarding the nature of public expenditures.

We recommend the Board implement procedures to ensure the purpose of each claim allowed is included in the Board’s official proceedings and published in accordance with State statute.

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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