



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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February 24, 2021

Gary Hayes, Chairperson
Village of Shubert
PO Box 83
Shubert, NE 68437

Dear Chairperson Hayes:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Shubert (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.

Comment and Recommendation

Lack of Claim Purpose

During our comparison of the Village's bank account details to claims approved by the Board, the APA noted that most 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 6, 2020:

Name	Amount
Sapp Bros. Inc.	-210.76
Dearborne National	-20.64
NPPD - Fire Barn	-34.21

Jennifer Buchner	-600.27
Darnell Glass Co.	-191.44
Falls City Journal	-24.03
Gary Hays	-98.90
Sapp Bros. Inc.	-349.47
Sapp Bros. Inc.	-304.70
United States Treasury	-202.74
Village of Shubert - Community Building	-51.00
Home Lumber Company	-14.44
Sapp Bros. Inc.	-199.54
Aue & Company	-175.00
United States Treasury	0.00
HTRS School	-10.00
NPPD - Community Building	-50.12
NPPD - Library	-34.21
NPPD - Weather Siren	-34.21
NPPD	-34.21
JEO	-600.00
Sapp Bros. Inc.	-357.83
NPPD -Streets	-405.31
Borrego, Tom	-160.00
Aaron Davis	-207.79
Tracy Milke	-415.57
Tracy Milke	-61.28
Aaron Davis	-50.00
Village of Shubert - USDA Account	-906.00
Surman, Will	-25.66
Midwest Labs	-56.75
Falls City Sanitation Service	-852.00
State of Nebraska PHEL	-62.00
State of Nebraska PHEL	-365.00
Southeast Telephone Company	-51.74
Village of Stella	-15.00
One Call Concepts	-4.60
NPPD - Sewer	-458.87
NPPD - Wells	-409.48

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,

A handwritten signature in black ink, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor