



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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January 5, 2021

Paul Reisig, Chairperson
Scottsbluff Rural Fire Protection District
4501 Cottonwood Avenue
Scottsbluff, NE 69361

Dear Chairperson Reisig:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Scottsbluff Rural Fire Protection 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

Audit Waiver Activity

The APA obtained the monthly bank statements for the District's bank accounts from its fiscal year 2020 audit waiver request. From those statements, the APA noted that the total receipts on the fiscal year 2020 audit waiver did not reconcile to the bank activity deposits, resulting in a variance of \$15,836 with more through the bank. The APA was informed the preparer utilizes the District Treasurer's reports for the activity and the bank statements for the ending balance; however, no reconciliation from the audit waiver activity to the activity through the bank was provided.

Sound accounting practice and good internal controls require procedures to ensure that activity and balances reported on the audit waiver request are accurate. Without such procedures, there is an increased risk of lack of transparency.

We recommend the District implement procedures ensure that activity and balances reported on the audit waiver request are accurate.

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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 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, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor