



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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November 10, 2021

Kathleen Buhr, Chairperson
Anderson Township Thurston County
3449 Q Ave.
Decatur, NE 68020

Dear Chairperson Buhr:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Anderson Township Thurston County (Township) for the fiscal year ending 2021. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (2021 Neb. Laws, LB 528, § 51), 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 Township.

The following information is intended to improve internal controls or result in other operational efficiencies.

Comment and Recommendation

Payment of Claims Prior to Board Approval

The APA obtained a copy of a set of minutes that documents the Board's approval of bills for fiscal year ended 2021 dated June 30, 2021 – meaning that any Township expenditures for the fiscal year ended 2021 were not approved by the Board prior to payment. A copy of this approval is shown below.

The following checks for fiscal year July 1, 2020 through June 30, 2021 have been
Approved by the Board of Anderson Township in Thurston County, Ne.

Check no	Payee	Amount	Note
601	Siebrandt Trk	3411.87	gravel for roads
602	James L Morgan	200.00	wages
603	Jean E Morgan	300.00	wages
604	K Buhr	300.00	wages
605	Sharon Maul	300	budget preparation fee
606?	VOIDED		VOIDED
607	Sturek Media	68.50	publication costs
608	Siebrandt Trucking LLC		gravel for Roads (\$8083.70)

Signed James L Morgan Date 6-30-2021
(Before 6/30/21)

The Township Board is required to approve claims against the Township as set out in Neb. Rev. Stat. § 23-255 (Reissue 2012), which states the following, in relevant part:

All claims and charges against the town, duly audited and allowed by the town board, shall be paid by order so drawn.

(Emphasis added.) Properly discharging the above statutory duties necessarily entails the Board's approval of all expenditures of Township funds prior to the actual disbursement.

Furthermore, good internal control requires procedures to ensure that all claims are approved by the Board prior to payment and are adequately documented in the minutes of the meeting during which they are approved.

Without such procedures, there is an increased risk for the loss or misuse of Township 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 minutes of the meeting during 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 Township'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 Township.

This communication is intended solely for the information and use of the Township 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