



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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AJ Reimers, Chairperson
Village of Rockville
P.O. Box 175
Rockville, NE 68871

Dear Chairperson Reimers:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Rockville (Village) for the fiscal year ended 2021. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Supp. 2021), 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. Questionable Debit Card Transactions

During the APA's review of the fiscal year 2021 audit waiver request for the Village, the APA followed up on concerns regarding the personal use of the Village's debit card by the former Village Clerk, Amanda Green. From the Village's bank statements for fiscal year 2021, the APA identified 15 debit card charges, totaling \$2,609, as summarized below.

Transaction Date	Vendor	Amount
11/13/2020	Amazon	\$ 168.41
11/13/2020	Amazon	\$ 168.78
12/1/2020	Kuszak Hardware	\$ 57.95
12/3/2020	Uline	\$ 81.78
12/3/2020	Uline	\$ 196.43
12/7/2020	Amazon	\$ 42.19
12/14/2020	Office Max	\$ 83.98
12/29/2020	Amazon	\$ 31.64
12/30/2020	Office Max	\$ 428.88*
1/5/2021	Office Depot	\$ 81.96
1/18/2021	Office Max	\$ 251.40
4/20/2021	Champlin Tire Recycling	\$ 848.12
4/21/2021	Amazon	\$ 59.67
9/7/2021	Amazon	\$ 78.04
9/8/2021	Amazon	\$ 29.53
Total		\$ 2,608.76

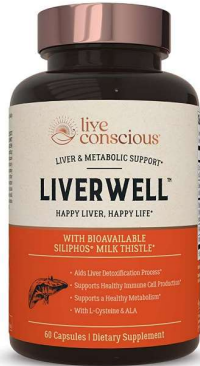
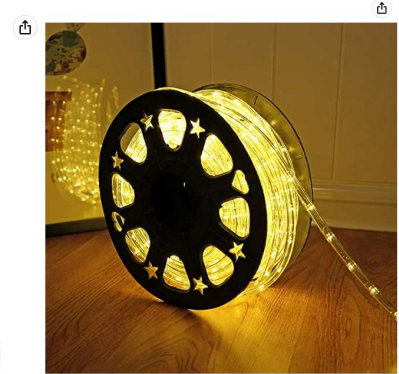
*The APA asked the Village to provide documentation supporting this charge. However, the Village was unable to provide such documentation.

Amazon Purchases

The APA subpoenaed Amazon.com, Inc., (Amazon) for copies of purchase orders or a line-item detail transaction listing for the purchases listed above from that vendor. The information provided by Amazon showed that the following items were purchased:

Order Date	Order Time	Customer Email	Customer Name	Item Description	Quantity	Price	Tax	Subtotal
11/12/2020	11:00 AM	blueyezmt11@gmail.com	Mandy	Winsome Wood Halifax Storage/Organization, Black	1	\$ 159.63	\$ 8.78	\$ 168.41
11/12/2020	1:04 PM	blueyezmt11@gmail.com	Mandy	Tribesigns 2-Drawer Lateral File Cabinets Legal Size, Large Vintage Mobile Filing Cabinet Printer Stand with Wheels and Open Storage Shelves for Study, Home Office (Rustic Brown)	1	\$ 159.98	\$ 8.80	\$ 168.78
12/4/2020	11:57 AM	blueyezmt11@gmail.com	Mandy	50ft 360 LED Waterproof Rope Lights,110V Connectable Indoor Outdoor Led Rope Lights for Deck,Patio,Pool,Back yard,Camping,Indoor Bedroom,Landscape Lighting and Christmas Tree Decorations (Warm White)	1	\$ 39.99	\$ 2.20	\$ 42.19
12/25/2020	12:16 AM	blueyezmt11@gmail.com	Mandy	LiverWell Liver Cleanse & Detox, Regeneration, Metabolic Support - Highly Bioavailable Patented Milk Thistle Extract + N-Acetyl Cysteine + Alpha Lipoic Acid + Zinc + Selenium	1	\$ 29.99	\$ 1.65	\$ 31.64
4/19/2021	2:47 PM	blueyezmt11@gmail.com	Mandy	Hamilton Beach Brew Station Summit 12-Cup Dispensing Drip Coffeemaker (48463)	1	\$ 56.56	\$ 3.11	\$ 59.67
9/3/2021	11:55 AM	blueyezmt11@gmail.com	Mandy	TOPESEL 10 Pack 32GB Bulk USB 2.0 Flash Drives Memory Stick Thumb Drive (5 Mixed Colors: Black Blue Green Red Silver)	2	\$ 73.98	\$ 4.06	\$ 78.04
Totals						\$ 520.13	\$ 28.60	\$ 548.73

As shown in the chart above, the metabolic support tablets were purchased by Ms. Green on Christmas Day. The images below illustrate the items purchased:



According to the information provided by Amazon, each of these items was shipped to 430 N. Ley St. in Rockville, NE, which the Sherman County Assessor lists as the personal residence of the former Village Clerk. Per discussion with Village representatives, only the “Winsome Wood Halifax Storage/Organization, Black,” the “Hamilton Beach Brew Station Summit 12-Cup Dispensing Drip Coffeemaker (48463),” and the “TOPESEL 10 Pack 32GB Bulk USB 2.0 Flash Drives Memory Stick Thumb Drive (5 Mixed Colors: Black Blue Green Red Silver)” items were able to be located in the Village’s office. The other three items could not be located in the Village’s office and do not appear to be in the possession of the municipality.

Uline Purchases

In addition, the Village provided invoices showing what was purchased for the Uline, Inc. (Uline) transactions listed in the table above, as well as one additional Uline purchase, totaling \$72.01, that was made during fiscal year 2020.

The following table details the items purchased:

Invoice Date	Invoice #	Item Description	Quantity	Price	Tax	Shipping	Subtotal
1/29/2020	116505060	Indoor Standard Drop Box - 12 X 5 X 15"	1	\$ 50.00	\$ 3.75	\$ 18.26	\$ 72.01
8/26/2020	123623997	Ball Wide Mouth Glass Canning Jars - 32 Oz	60	\$ 96.00	\$ 14.93	\$ 91.50	\$ 286.43
		Ball Glass Canning Jars - 32 Oz	60	\$ 84.00			
8/27/2020	123683737	Standard Canning Jar Lids - Regular Mouth	25	\$ 60.00	\$ 4.26	\$ 17.52	\$ 81.78
Totals				\$ 290.00	\$ 22.94	\$ 127.28	\$ 440.22

According to the invoices, all of the items were ordered prior to the beginning of the Village’s fiscal year 2021, or October 1, 2020. The payment for invoice #116505060 was made through a check (#3668) issued on February 17, 2020, out of the Village’s general fund bank account. However, the payments for two of the invoices (#123623997 and #123683737) were made using the Village’s debit card on December 3, 2020. In addition, it appears that only \$196.43 of Village funds was paid towards invoice #123623997, leaving a remainder of \$90. The APA did not observe any further payments to Uline from the Village’s bank accounts.

The images below show examples of what was purchased:



Again, according to Village representatives, none of these items purchased from Uline could be found in the Village’s office or appear to be in the possession of the municipality. With the exception of the Indoor Standard Drop Box (Invoice # 116505060), all of the Uline items were shipped directly to the former Village Clerk’s personal residence.

Additionally, according to Village representatives, none of the 15 purchases made by the former Village Clerk with the municipal debit card, as listed in the table above, were authorized or approved by the Village Board of Trustees (Board).

A Village employee or official who makes unauthorized purchases – in this case, it appears, for personal gain – with a municipal purchasing card does so at the risk of violating certain criminal statutes, including the following:

Neb. Rev. Stat. § 28-512 (Reissue 2016) provides, in relevant part, the following:

A person commits theft if he obtains property of another by deception. A person deceives if he intentionally:

** * * **

(4) Uses a credit card, charge plate, or any other instrument which purports to evidence an undertaking to pay for property or services delivered or rendered to or upon the order of a designated person or bearer (a) where such instrument has been stolen, forged, revoked, or canceled, or where for any other reason its use by the actor is unauthorized, or (b) where the actor does not have the intention and ability to meet all obligations to the issuer arising out of his use of the instrument.

Neb. Rev. Stat. § 28-924 (Reissue 2016) creates the offense of “official misconduct” by a public servant, as follows:

(1) A public servant commits official misconduct if he knowingly violates any statute or lawfully adopted rule or regulation relating to his official duties.

(2) Official misconduct is a Class II misdemeanor.

Furthermore, Neb. Rev. Stat. § 49-14,101.01(2) (Reissue 2021) of the Nebraska Political Accountability and Disclosure Act, restricts the use of resources under the “official care and control” of a public official or public employee, as follows:

A public official or public employee shall not use or authorize the use of personnel, resources, property, or funds under his or her official care and control other than in accordance with prescribed constitutional, statutory, and regulatory procedures or use such items, other than compensation provided by law, for personal financial gain.

Per subsection (7) of that same statute, “[A]ny person violating this section shall be guilty of a Class III misdemeanor”

Neb. Rev. Stat. § 13-610(1) (Reissue 2012) authorizes political subdivisions in Nebraska to establish a purchasing card program, as follows:

A political subdivision, through its governing body, may create its own purchasing card program. The governing body shall determine the type of purchasing card or cards utilized in the purchasing card program and shall approve or disapprove those persons who will be assigned a purchasing card. Under the direction of its governing body, any political subdivision may contract with one or more financial institutions, card-issuing banks, credit card companies, charge card companies, debit card companies, or third-party merchant banks capable of operating the purchasing card program on behalf of the political subdivision. Expenses associated with the political subdivision's purchasing card program shall be considered, for purposes of this section, as an administrative or operational expense.

Subsection (2) of that same statute requires a political subdivision's purchasing card to be used for the exclusive benefit of that governmental entity:

Any political subdivision may utilize its purchasing card program for the purchase of goods and services for and on behalf of the political subdivision.

In addition, § 13-610(6) explicitly prohibits the unauthorized use of such purchasing card, stating the following:

No officer or employee of a political subdivision shall use a political subdivision purchasing card for any unauthorized use as determined by the governing body.

Furthermore, § 13-610(4) provides the following:

An itemized receipt for purposes of tracking expenditures shall accompany all purchasing card purchases. In the event that a receipt does not accompany such a purchase, purchasing card privileges shall be temporarily or permanently suspended in accordance with rules and regulations adopted and promulgated by the political subdivision.

(Emphasis added.) Despite the above-highlighted language, the Village had no formal, written policy specifying either allowable users or purchases, among other things, for its purchasing card.

It should be noted also that the Village's use of a debit card, as opposed to a credit card, increases dramatically the risk of an unrecoverable loss of funds due to fraud. This is because debit card expenditures may occur prior to, or even without, Board approval – as such a card does not function like a credit card, for which monthly billings are received and paid only upon review and acceptance by the Board. While a debit card purchase results in an immediate transfer of funds requiring no prior supervisory approval, payment on a municipal credit card billing necessitates not only Board authorization but also, per Neb. Rev. Stat. § 17-711 (Cum. Supp. 2020), the signatures of both the Board Chairperson and the Village Clerk.

Finally, good internal controls require procedures to ensure that one person is not in a position both to perpetrate and to conceal financial errors or irregularities. Those same procedures should ensure also that the Village's purchasing card program is subject to adequate oversight and management, including a formal, written policy that specifies both the allowable users and purchases, among other things, for the card.

Without such procedures, there is an increased risk for not only misuse of the Village's purchasing card, as well as violation of State statute pertaining thereto, but also fraud or the misappropriation of municipal funds.

We recommend the Village implement procedures to prevent one person from being in a position both to perpetrate and to conceal financial errors, irregularities, or fraud. We also recommend the Village determine if a purchasing card is necessary and, if so, not only utilize a card with credit capability to increase protection against fraud but also promulgate formal, written policies for the proper use of such card. Finally, because this comment gives rise to concerns regarding possible violations of law, we are forwarding the information herein to the Nebraska Attorney General, the Sherman County Attorney, and the Nebraska Accountability and Disclosure Commission for further review. The APA will also provide the details of this matter to the Nebraska Department of Revenue and the U.S. Internal Revenue Service.

Village Response: The Village has tried to get receipts for these purchases. A Certified Letter was sent to then Village Clerk Amanda Green asking for receipts. Amanda texted Chairperson AJ Reimers, stating that she sent the receipts with the then Chairman Mike Becker. Chairman Becker assured the Board that he did not receive any packets of receipts. Chairperson Reimers was able to get a few receipts from U-Line. After visiting with the past two Chairpersons, along with the maintenance person, they all agree that the Village drop box was purchased for the Village. When Chairperson Reimers took over as Chairperson in February 2022, the issues were already in site. The Village Board instantly adopted Ordinance 2022-12 in regard to the use of the Debit Card. All Debit Card purchases will be put on the Claims List for the Board to review, along with all ACH Transactions. If we receive the receipts, and they are Village business-related, we will vote to pay them.

2. Timeliness of Deposits

While reviewing the fiscal year 2021 audit waiver request for the Village, the APA received allegations regarding the former Village Clerk’s untimely deposit of utility customer payments.

As a result, the APA obtained information and documentation regarding the former Village Clerk’s deposit activity. Specifically, the Village provided images of 14 utility customer checks that were deposited on December 10, 2020.

Those deposited checks are detailed in the table below:

Name	Amount	Date Paid	Date Cleared	Days to Deposit
Customer 1	\$ 69.00	10/7/2020	12/10/2020	64
Customer 2	\$ 72.19	10/7/2020	12/10/2020	64
Customer 3	\$ 60.43	10/8/2020	12/10/2020	63
Customer 4	\$ 71.07	10/9/2020	12/10/2020	62
Customer 5	\$ 71.78	10/10/2020	12/10/2020	61
Customer 6	\$ 76.16	10/10/2020	12/10/2020	61
Customer 7	\$ 84.37	10/10/2020	12/10/2020	61
Customer 8	\$ 117.22	10/10/2020	12/10/2020	61
Customer 9	\$ 123.10	10/10/2020	12/10/2020	61
Customer 10	\$ 209.97	10/10/2020	12/10/2020	61
Customer 11	\$ 60.00	10/14/2020	12/10/2020	57
Customer 12	\$ 103.00	10/14/2020	12/10/2020	57
Customer 13	\$ 171.11	10/20/2020	12/10/2020	51
Customer 14	\$ 100.00	12/10/2020	12/10/2020	0
Total	\$ 1,389.40			

The information received by the APA revealed that only 1 of the 14 checks was deposited in a timely manner. In fact, 10 of the checks were held for over two months before being deposited.

Furthermore, a review of the Village’s bank account statements showed that the deposits of two checks received from Sherman County subsequent to the end of the fiscal year were unreasonably delayed.

The following table summarizes the untimely deposits of the Sherman County checks to the Village’s bank account:

Month	Amount	Date Check Required to be Written	Deposit Date
October 2021	\$ 416.66	11/15/2021	3/18/2022
November 2021	\$ 263.35	12/15/2021	3/18/2022
Total	\$ 680.01		

Per Neb. Rev. Stat. § 23-1601(4)(a) (Sup. 2021), the County Treasurer is required to pay to the Village all funds collected for the municipality by no later than the 15th day of each month. Therefore, it would be reasonable to expect that these County Treasurer disbursement checks would be received and deposited by the former Village Clerk at the very least within the end of the month. However, as the table above clearly shows, the amounts received by the Village were not deposited for over three months for the October 2021 remittance, and over four months for the November 2021 remittance.

It should be noted also that the deposits of the two checks were delayed for so long that the Sherman County Treasurer designated them both as “lost” and issued replacement checks to the Village on March 8, 2022. Another 10 days passed before the former Village Clerk finally deposited those reissued checks.

Good internal controls require procedures to ensure that all monies received by the Village Clerk are deposited in the municipality’s bank account in a timely manner.

Without such procedures, there is an increased risk for the loss or misuse of Village funds.

We recommend the Village implement procedures to ensure all deposits of municipal receipts are made in a timely manner.

Village Response: During the Fiscal Year 2021, Covid was still a major part in our lives. The Village was trying to switch over to a new Water Program, and Tech Support was very limited. Amanda Green was trying to work through this issue, and with her being new with little training at this part, the billings were extremely late. When Chairperson Reimers took over as Chairperson in February 2022, the Board was already trying to find a solution. Amanda Green was no longer employed with the Village, and the Board hired a new Clerk. The Village Board instantly adopted Ordinance 2022-10, stating that the Water Commissioner will read the meters every month and that the bills will go out monthly. Resolution 2022-10 was adopted stating that all funds will be deposited on a weekly basis.

3. Improper Payment of Sales Tax

The APA noted that the Village made improper payments of Nebraska sales taxes, totaling \$52, on municipal purchases. Nebraska sales taxes were paid for the Village debit card purchases at Amazon and Uline, as previously noted in **Comment and Recommendation Number 1**.

Per Neb. Rev. Stat. § 77-2704.15(1)(a) (Reissue 2018), purchases made by the State or its political subdivisions are exempt from sales tax, as follows:

Sales and use taxes shall not be imposed on the gross receipts from the sale, lease, or rental of and the storage, use, or other consumption in this state of purchases by the state, including public educational institutions recognized or established under the provisions of Chapter 85, or by any county, township, city, village . . .

Good internal controls require procedures to ensure sales taxes are not paid on municipal purchases. Without such procedures, there is an increased risk for the loss of public funds.

We recommend the Village implement procedures to ensure sales taxes are not paid on municipal purchases.

Village Response: The Village is looking at all purchasing receipts now and making sure Form 13 is filled out and given to Vendor.

4. Possible Conflict of Interest

The APA received Village Board (Board) meeting minutes and the accompanying claims listing for January 18, 2021. From this listing, the APA identified a potential conflict of interest involving the actions of Board member Tim Kusek.

According to the meeting minutes, Board member Tim Kusek appears to have failed to abstain from voting on the following claims:

Claim Date	Name/Vendor	Description	Amount	Check #	Cleared Date
1/18/2021	Tim Kusek	Contract Labor	\$ 288.40	2066	2/18/2021
1/18/2021	Tim Kusek	Contract Labor	\$ 216.30	1424	2/18/2021
1/18/2021	Tim Kusek	Contract Labor	\$ 216.30	2718	2/18/2021
Total			\$ 721.00		

An excerpt from the January 18, 2021, Board minutes is provided below:

12. Nesiba made the motion to approve Kuseks salary for the month and Cook
 Seconded. Yea – All. Motion approved. 5-0.

The apparent failure of Board member Tim Kusek to abstain from voting on the motion above gives rise to concerns regarding possible violations of the Nebraska Political Accountability and Disclosure Act (Act), which is set out at Neb. Rev. Stat. § 49-1401 (Reissue 2021) et seq.

To start, Neb. Rev. Stat. § 49-14,101.01(1) (Reissue 2021) states the following:

A public official or public employee shall not use or authorize the use of his or her public office or any confidential information received through the holding of a public office to obtain financial gain, other than compensation provided by law, for himself or herself, a member of his or her immediate family, or a business with which the individual is associated.

The penalty for violating the above-cited conflict of interest statute is set out in subsection (7) thereof, as follows:

[A]ny person violating this section shall be guilty of a Class III misdemeanor, except that no vote by any member of the Legislature shall subject such member to any criminal sanction under this section.

Furthermore, Neb. Rev. Stat. § 49-1499.03(2) (Reissue 2021) provides the following related to claims not associated with a contract:

(a) Any person holding an elective office of a city or village not designated in section 49-1493 and any person holding an elective office of a school district who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall take the following actions as soon as he or she is aware of such potential conflict or should reasonably be aware of such potential conflict, whichever is sooner:

(i) Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict;

(ii) Deliver a copy of the statement to the person in charge of keeping records for the city, village, or school district who shall enter the statement onto the public records of the city, village, or school district; and

(iii) Except as otherwise provided in subsection (3) of this section, abstain from participating or voting on the matter in which the person holding elective office has a conflict of interest.

(b) The person holding elective office may apply to the commission for an opinion as to whether the person has a conflict of interest.

(Emphasis added.) Furthermore, Neb. Rev. Stat. § 49-14,103.01 (Reissue 2021) provides the following, in relevant part for claims associated with a contract:

(1) For purposes of sections 49-14,103.01 to 49-14,103.06, unless the context otherwise requires, officer means . . .
(c) a member of any board or commission of any county, school district, city, or village which spends and administers its own funds, who is dealing with a contract made by such board or commission, (d) any elected county, school district, educational service unit, city, or village official

(2) Except as provided in section 49-1499.04 or 70-624.04, no officer may have an interest in any contract to which his or her governing body, or anyone for its benefit, is a party. . . .

* * * *

(4) The prohibition in this section shall apply only when the officer or his or her parent, spouse, or child (a) has a business association as defined in section 49-1408 with the business involved in the contract or (b) will receive a direct pecuniary fee or commission as a result of the contract.

(5) The prohibition in this section does not apply if the contract is an agenda item approved at a board meeting and the interested officer:

(a) Makes a declaration on the record to the governing body responsible for approving the contract regarding the nature and extent of his or her interest prior to official consideration of the contract;

(b) Does not vote on the matters of granting the contract, making payments pursuant to the contract, or accepting performance of work under the contract, or similar matters relating to the contract, except that if the number of members of the governing body declaring an interest in the contract would prevent the body with all members present from securing a quorum on the issue, then all members may vote on the matters; and

(c) Does not act for the governing body which is party to the contract as to inspection or performance under the contract in which he or she has an interest.

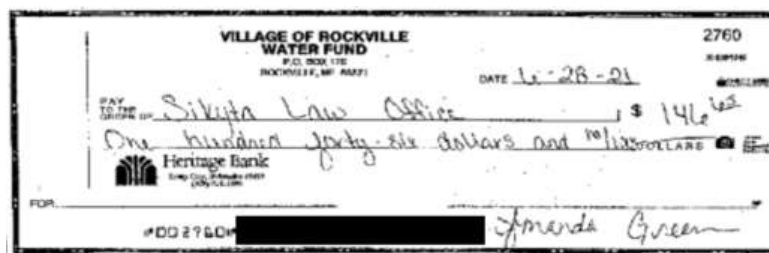
(Emphasis added.) Good internal control requires procedures to ensure compliance with the applicable provisions of the Act. Without such procedures, there is an increased risk for both statutory violations and the loss of Village funds.

We recommend the Board implement procedures to ensure compliance with the applicable provisions of the Act. Because the issue addressed herein constitutes a possible violation of the Act, we are forwarding this information to the Nebraska Accountability and Disclosure Commission.

Village Response: Kusek's wages are on a separate Item Line, and the Minutes will be read more closely for errors.

5. Lack of Dual Signatures

The APA obtained the bank statements for the Village's accounts from its fiscal year 2021 audit waiver request. From these statements, the APA noted that eight of the Village checks written during the examination period contained only one signature. An example of such checks is shown below.



07/06/2021 2760 \$146.63

State statute requires Village checks to be signed by both the Board Chairperson and the Village Clerk. Specifically, Neb. Rev. Stat. § 17-711 (Cum. Supp. 2020) provides the following:

All warrants drawn upon the city treasurer of a city of the second class or village treasurer must be signed by the mayor or chairperson of the village board of trustees and countersigned by the city clerk or village clerk, stating the particular fund to which the same is chargeable, the person to whom payable, and for what particular object. No money shall be otherwise paid than upon such warrants so drawn. Each warrant shall specify the amount included in the adopted budget statement for such fund upon which it is drawn and the amount already expended of such fund.

Good internal control and sound accounting practices require procedures to ensure that Village checks contain the statutorily required endorsements. Without such procedures, there is an increased risk of not only failure to comply with State statute but also the loss and/or misuse of Village funds.

We recommend the Board implement procedures to require dual signatures, from the Board Chairperson and the Village Clerk, on all Village checks, as required by law.

Village Response: Chairperson Reimers asked the bank if they could change the policy to require two signatures, and they said their policy was only requiring one. The Chairperson and Village Clerk will both look checks over before mailing them out.

6. Payment of Unapproved Claims

During our comparison of the Village’s bank account details to claims approved by the Board, the APA identified nine checks, totaling \$2,673.36, which were paid but not included on the claims listing to be approved by the Board.

Details of the unapproved payments are included in the table below:

Name/Vendor	Check Date	Check #	Amount
Officemax\OfficeDEPT KS	1/4/2021	POS	\$ 81.96
Office Depot #1099 Delray Beach FL	1/15/2021	POS	\$ 251.40
Menards	1/4/2021	3739	\$ 533.44
US Treasury	1/29/2021	3766	\$ 18.32
NE. Dept. of Revenue	1/29/2021	3767	\$ 7.88
Menards	1/4/2021	1430	\$ 560.12
Menards	1/4/2021	2059	\$ 560.12
Menards	1/5/2021	2712	\$ 560.12
Dept. of Environment and Energy	1/28/2021	2726	\$ 100.00
Total			\$ 2,673.36

Neb. Rev. Stat. § 17-614(1) (Supp. 2021) sets out the proper method for the appropriation or payment of money by the Village, as follows:

All ordinances and resolutions or orders for the appropriation or payment of money shall require for their passage or adoption the concurrence of a majority of all members elected to the city council in a city of the second class or village board of trustees.

(Emphasis added.) 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.

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.

Village Response: The Village is trying to find receipts for these purchases, and if they are found, they will be voted on to be accepted. Our procedure is to have ALL Claims on the Claim list, including Debit Card and ACH purchases as well.

* * * * *

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.

Draft copies of this letter were furnished to the Village to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. Any formal response received has been incorporated into this letter. Such response has been objectively evaluated and recognized, as appropriate, in the letter. A response that indicates corrective action has been taken was not verified at this time.

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 our office.

Audit Staff Working on this Examination:

Craig Kubicek, CPA, CFE – Deputy Auditor
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Sincerely,



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Nebraska Attorney General
Sherman County Attorney
Nebraska Department of Revenue
U.S. Internal Revenue Service