



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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January 12, 2022

Darrell Fischer, Chairperson  
Ogallala Rural Fire Protection District  
727 Christine Drive  
Ogallala, NE 69153

Dear Chairperson Fischer:

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

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

### Comment and Recommendation

#### Audit Waiver Activity and Balance

The APA obtained the monthly bank statements for the District's bank accounts from its fiscal year 2021 audit waiver request. From those statements, the APA noted that the total receipts, expenditures, and the ending balance on the fiscal year 2021 audit waiver did not reconcile to the bank activity deposits, withdrawals, or bank balance, respectively. The original filing included \$20,456.34 in receipts, and \$26,478.67 in expenditures not included on the bank statements, resulting in the ending balance on the waiver request being understated by \$6,022.33. The District was unable to explain these variances or provide an accurate June 30, 2021, reconciliation.

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 not only an increased risk for the loss or misuse of District funds but also a lack of transparency regarding the District's financial activity and the denial of the District's audit waiver request due to deficiencies noted in the content of the request form submitted.

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

\* \* \* \* \*

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