



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

Charlie.Janssen@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

January 4, 2022

Gary Fuchser, Chairperson
Gordon Rural Fire District
2125 610th Road
Gordon, NE 69343

Dear Chairperson Fuchser:

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

Payments to Cash

During our review of the bank statements accompanying the District's audit waiver request, the APA noted that the District wrote one check in the amount of \$1,250 to "Cash", as shown below.

GORDON RURAL FIRE PROTECTION DISTRICT
GORDON, NE 69343

5-11 2021 7602781041

5811

Pay to the Order of Cash \$1,250.00

On Demand This Check Is Not Valid Without Your Signature

First National Bank of Gordon
134 N. Main St. - P.O. Box 250
Gordon, NE 69343
Ph. 402-252-0450

FOR Cash Five Hundred and 25/100

5811

5811 - \$1,250.00 - 5/13/2021

According to the District, the District paid five volunteer firefighters each \$250 to cover expenses associated with attending fire school; however, the District was unable to provide documentation (e.g. school registration, lodging receipts, fuel receipts, etc.) to support that the funds disbursed pursuant thereto were indeed used for fire school and other associated costs.

Good internal controls require procedures to ensure that any expenditure of funds by the District, whether directly or through a designated recipient thereof, is not only for a statutorily allowable purpose but also in accordance with the underlying objective of that disbursement. Those same internal controls require the District ensure adequate supporting documentation is obtained and on file with the District. Thus, when a firefighter – or, for that matter, any other entity or person – receives such funds, the District should have procedures for documenting their appropriate use.

Without such procedures, there is an increased risk for the improper use of District funds.

We recommend the District implement procedures for documenting the expenditure of public funds by it, whether directly or otherwise, to ensure the proper use of those monies. Such documentation should be obtained and on file with the District.

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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,



Mark Avery, CPA
Assistant Deputy Auditor