



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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February 23, 2023

Chris Ibsen, Chairperson
Village of Roca
PO Box 69
Roca, NE 68430

Dear Chairperson Ibsen:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Roca (Village) for the fiscal year ending 2022. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Cum. Supp. 2022), 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. Payment of Unapproved Claims

During our comparison of the Village's bank account details to claims approved by the Board, the APA identified the following checks, totaling \$764.56, 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	Amount	Check #
In The Voice News	06/02/22	\$39.56	ACH
Capital City Refuse	06/03/22	\$25.00	ACH
Erik Weilage	06/21/22	\$700.00	ACH
Total		\$764.56	

Neb. Rev. Stat. § 17-614(1)(a) (Reissue 2022) 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.

A similar issue was identified by the APA in a prior review and was disclosed to the Village in the APA’s letter dated February 24, 2022, which can be found on the APA’s website. However, it does not appear this issue was corrected after the APA’s notification.

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.

2. Payment of Claims Prior to Board Approval

During our comparison of the Village’s bank account details to claims approved by the Board, the APA noted that the following payments, totaling \$5,518.45, were issued before the underlying claims were approved by the Board.

The table below provides a summary of the premature payments:

Name/Vendor	Amount	Approval Date	Check Date	Days Paid Before Approval
Aqua Systems	\$96.00	06/13/22	06/10/22	3
Lancaster Rural Water	\$1,527.00	06/13/22	06/10/22	3
NE Landscaping	\$178.42	06/13/22	05/10/22	34
Primetime Sporting	\$815.08	06/13/22	05/20/22	24
Bank of Table Rock	\$30.00	06/13/22	05/12/22	32
TCA Outdoor Power	\$107.94	06/13/22	05/16/22	28
VABA	\$200.00	06/13/22	05/13/22	31
Verizon	\$510.50	06/13/22	06/09/22	4
Jeff Kreifels	\$40.00	07/11/22	06/16/22	25
ACH File Origination	\$10.00	07/11/22	06/17/22	24
Gana Trucking and Excavating	\$2,003.51	07/11/22	06/24/22	17
Total	\$5,518.45			

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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 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.

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 **Dakota Christensen** at **402-499-8702** or **dakota.christensen@nebraska.gov**.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Avery". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor