



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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October 29, 2025

Miles Stagemeyer, Chairperson
Verdigris Township Holt County
P.O. Box 124
Page, NE 68766

Dear Chairperson Stagemeyer:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Verdigris Township Holt County (Township) for the fiscal year ending 2025. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Supp. 2025), 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.

Comments and Recommendations

1. Lack of Oversight for Aid Payments

During review of the Township's bank statements obtained as part of the audit waiver request, the APA noted that the Township makes an annual aid payment of \$2,500 to the Page Cemetery Association. According to the Township, this money is used to maintain Page Cemetery and the road that leads to the cemetery.

No documentation could be provided to support that these aid payments are being used both for an allowable governmental purpose and as intended by the Township Board (Board). The only documentation received by the Board was a letter signed by the President of the Page Cemetery Association on June 30, 2025. An excerpt of this letter is shown below:

Page Cemetery Association
Page, NE 68766

Verdigris Township Board,

The Page Cemetery Association Board sincerely appreciates your yearly check. These monies go towards mowing expenses, fence upkeep, millings and gradings for our roads through the cemetery, and other general expenses to keep our cemetery a place of pride.

Good internal controls require procedures to ensure that Township aid payments are used both for an allowable governmental purpose and as intended by the Board. Without such procedures, there is an increased risk for the loss or misuse of Township funds.

A similar issue was identified by the APA in prior reviews and was disclosed to the Township in the APA's letters dated November 17, 2023, and November 19, 2024, which can be found on the APA's website. However, this issue does not appear to have been corrected after the APA's notification.

We recommend the Township Board implement procedures to ensure that aid payments are used both for an allowable governmental purpose and as intended by the Board.

2. Payment of Claims Prior to Board Approval

During our comparison of the Township's bank account details to claims approved by the Board, the APA noted that the following checks, totaling \$1,301, were issued before the underlying claims were approved by the Board.

Approval Date	Name/Vendor	Amount	Check #	Check Date	Days Paid Before Approval
3/27/2025	North Central Public Power District	\$ 94	ACH	3/17/2025	10
3/27/2025	Internal Revenue Service	174	ACH	3/5/2025	22
3/27/2025	Payroll	1,033	5186	3/26/2025	1
Total		\$ 1,301			

Nebraska law requires the Board to approve all claims against the Township. In particular, Neb. Rev. Stat. § 23-255 (Reissue 2022) 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 duty necessarily entails the Board's approval of all expenditures of Township funds prior to their 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 against the Township are approved prior to payment and are adequately documented in the minutes of the meeting during which they are approved.

3. Payments Not Approved

The APA obtained a copy of the March 27, 2025, meeting minutes for the Board. Those minutes fail to reflect the Board's approval of the following four electronic Township expenditures, totaling \$38:

Payment Date	Name/Vendor	Amount
3/3/2025	Pinnacle Bank	\$ 8
3/3/2025	Intuit	15
3/31/2025	Intuit	7
4/2/2025	Pinnacle Bank	8
Total		\$ 38

Nebraska law requires the Board to approve all claims against the Township. In particular, Neb. Rev. Stat. § 23-255 (Reissue 2022) 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 their actual disbursement.

As a public body, moreover, the Board is subject to the provisions of the Open Meetings Act, which is set out at Neb. Rev. Stat. §§ 84-1407 to 84-1414 (Reissue 2024; Supp. 2025). Per Neb. Rev. Stat. § 84-1413(1) (Reissue 2024) public bodies, including the Board, are required to "keep minutes of all meetings," showing, among other things, "the substance of all matters discussed."

Furthermore, a good internal control plan and sound business practices require procedures to ensure that the Board approves all expenditures and business transactions of the Township prior to payment. Those same procedures should ensure also that the Board documents such approval in its meeting minutes, specifying the name of each payee, the exact amount of any disbursement, and the specific purpose of the payment.

Without such procedures, there is an increased risk for not only failure to comply with State statute but also loss or misuse of public funds.

A similar issue was identified by the APA in a prior review and was disclosed to the Township in the APA's letter dated November 19, 2024, which can be found on the APA's website. However, this issue does not appear to have been corrected after the APA's notification.

We recommend the implementation of procedures to ensure the Board approves all expenditures of Township funds prior to payment, and such approval is documented adequately in the Board's meeting minutes.

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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,

A handwritten signature in black ink, appearing to read "Mark Avery", with a long, sweeping horizontal line extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor