

**ATTESTATION REPORT
OF
SCOTTS BLUFF COUNTY COURT
JANUARY 1, 2025, THROUGH DECEMBER 31, 2025**

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Issued on April 2, 2026

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SCOTTS BLUFF COUNTY COURT

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SCOTTS BLUFF COUNTY COURT

SUMMARY OF COMMENTS

During our examination of the Scotts Bluff County Court (County Court), we noted certain deficiencies and other operational matters that are presented here. The following comments are required to be reported in accordance with *Government Auditing Standards*: Comment #2 (“Improper or Untimely Action”), which is considered to be a significant deficiency, and Comment #1 (“Segregation of Duties”), which is considered to be a material weakness.

These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the following areas:

1. ***Segregation of Duties:*** County Court staff were capable of handling all phases of a transaction from beginning to end.
2. ***Improper or Untimely Action:*** For 26 transactions tested, the County Court failed to address in a timely manner the balances held or due or act in accordance with relevant State statutes.

More detailed information on the above items is provided hereinafter. It should be noted that this report is critical in nature, containing only our comments and recommendations on the areas noted for improvement and does not include our observations of any strengths of the County Court.

Draft copies of this report were furnished to the County Court to provide management with an opportunity to review and to respond to the comments and recommendations contained herein. All formal responses received have been incorporated into this report. Responses have been objectively evaluated and recognized as appropriate in this report. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next examination.

SCOTTS BLUFF COUNTY COURT

COMMENTS AND RECOMMENDATIONS

1. Segregation of Duties

The Judicial User System to Improve Court Efficiency (JUSTICE) application is the Supreme Court's case and financial management system for Nebraska trial courts.

The office of the Scotts Bluff County Court (County Court) and the JUSTICE application lacked a sufficient segregation of duties, as one person could handle all aspects of processing transactions from beginning to end.

The JUSTICE system contains an inherent lack of segregation of duties within the "Administrator," "Supervisor," and "Financial" user classes. These user classes are able to complete, at least, the following tasks in JUSTICE: 1) issue, adjust, and void receipts, including non-monetary receipts; 2) issue, adjust, reprint, and void checks; 3) enter citations and court orders; 4) change the dates that checks clear the bank; 5) adjust funds from one account to another on a receipt; and 6) adjust funds from one account to another on a check. Staff assigned to these user roles also have physical access to the cash and checks in the office.

Furthermore, within JUSTICE is a module, DOCKET, used to issue court orders affixed with the Judge's signature. The "Judge Staff" role in JUSTICE granted users the ability to create and issue Judge-signed court orders through DOCKET and was assigned to eight users of the County Court who were not Judges. As a result, these users were able to create and issue orders affixed with the Judge's signature without formal documentation to support the Judge's approval of the order. We noted further that County Court access had been given also to four other State employees who were not employees of the Supreme Court.

We noted four users with the "Judge Staff" role of the County Court who also have access to court receipts, which would allow them to record non-monetary transactions (e.g., waiving fines) in JUSTICE. Access to both the Judge's signature and court receipts significantly increases the risk of improper transactions, as one individual would be able to collect cash, record a non-monetary receipt in the system, create an authorization signed by the Judge to waive the fee, and not deposit the cash.

A proper system of internal control includes a plan of organization, procedures, and documentation designed to safeguard assets and provide reliable financial records. Such system of internal controls should include a proper segregation of duties, so no one individual is capable of handling all phases of a transaction from beginning to end. Further, a proper system of internal controls includes: 1) procedures to ensure system access is limited, being granted only to appropriate individuals, and documentation is properly approved and maintained for such access; and 2) court orders affixed with a Judge's signature by someone other than the Judge have formal documentation to support the Judge's approval of the order, and such documentation is maintained for subsequent review.

A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost. Further, personnel are under the direction of both the Nebraska State Court Administrator and the Presiding Judge.

We have noted this issue in previous examinations.

We recommend the County Court and the Nebraska State Court Administrator review this situation. As always, the cost of hiring additional personnel versus the benefit of a proper segregation of duties must be weighed. Where reasonably possible, the Nebraska State Court Administrator should work with the County Court to ensure adequate segregation of duties, as well as limit system access and ensure that such access is granted only to appropriate individuals. We also recommend the Nebraska State Court Administrator implement procedures to ensure that court orders affixed with a Judge's signature by someone other than the Judge have formal documentation to support the Judge's approval of the order, and such documentation is maintained for subsequent review.

SCOTTS BLUFF COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

1. **Segregation of Duties** (Concluded)

County Court’s Response:

Segregation of Duties

The Administrative Office of the Courts and Probation (AOC) accepts that there is a risk from one person having the authority to initiate and complete financial transactions. To reduce the risk of improper transactions, court financial specialists review court records and provide assistance to county courts if there are discrepancies. However, the Judicial Branch does not have financial and human resources to mitigate all risks related to segregation of duties sufficient to meet current audit guidelines. As a result, in order to fulfill all statutory obligations, the AOC has determined that all clerk magistrates will have authority to operate all financial functions of a court.

DOCKET

The Administrative Office of the Courts and Probation (AOC) understands that there is a risk related to the ability of someone other than the judge applying the judge’s signature to an order within the DOCKET subsystem of JUSTICE, the courts case management system. This level of access is granted only to employees who work directly with the judges in and outside of the courtroom and only with the judge’s approval and oversight. This electronic signature process is put into place to digitize and streamline the court process. The AOC has determined no further action will be taken at this time, based on an evaluation of the level of risk, current IT priorities and resources, and a review of compensating controls and practices.

Non-Judicial Branch Access to JUSTICE

Response from the AOC: Access by the four non-Judicial Branch Individuals was approved by the State Court Administrator and Deputy Director for Information Technology.

2. **Improper or Untimely Action**

We tested 26 transactions, totaling \$24,272, that were either not addressed in a timely manner or not handled in accordance with State statute, as follows:

- During testing of overdue case balances, 15 balances tested with liquidated damages, totaling \$21,631, did not have subsequent action taken by the County Court, such as the issuance of warrants and/or suspensions, as follows:

Case	Balance Due as of 2/27/2026	Date Liquidated Damages Assessed	Date of Last Action by the County Court
1	\$ 12,900	March 2022	March 2022
2	\$ 1,985	March 2017	May 2017
3	\$ 1,848	October 2012	December 2012
4	\$ 1,451	August 2004	October 2009
5	\$ 875	May 2004	August 2008
6	\$ 750	July 2007	August 2014
7	\$ 651	February 2016	July 2016
8	\$ 500	December 2007	December 2007
9	\$ 200	May 2010	August 2014
10	\$ 158	May 2010	September 2013
11	\$ 148	June 2004	December 2004
12	\$ 100	December 2002	July 2006

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SCOTTS BLUFF COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Continued)

2. **Improper or Untimely Action** (Continued)

Case	Balance Due as of 2/27/2026	Date Liquidated Damages Assessed	Date of Last Action by the County Court
13	\$ 25	July 2018	November 2019
14	\$ 20	December 2001	December 2001
15	\$ 20	May 2002	May 2006
	\$ 21,631		

*For these three cases, the County Court is sending periodic notice of payments due to the defendant. These are not reflected in the dates above.

- Eleven criminal cases tested applied a bond held to fines, totaling \$2,641; however, no support was on file to ensure the consent of the defendant prior to the application of the bond in compliance with Neb. Rev. Stat. § 29-2206(3) (Cum. Supp. 2024).

Section 29-2206(3) states the following, in relevant part:

As an alternative to a lump-sum payment or as an alternative or in conjunction with installment payments, the court or magistrate may, with the consent of the offender, deduct fines from a bond posted by the offender to the extent that such bond is not otherwise encumbered by a valid lien, levy, execution, or assignment to counsel of record or the person who posted the bond.

(Emphasis added.) Neb. Rev. Stat. § 37-613(3) (Cum. Supp. 2024) states the following:

Such damages [for violating the Game Law] may be collected by the commission by civil action. In every case of conviction for any of such offenses, the court or magistrate before whom such conviction is obtained shall further enter judgment in favor of the State of Nebraska and against the defendant for liquidated damages in the amount set forth in this section and collect such damages by execution or otherwise. Failure to obtain conviction on a criminal charge shall not bar a separate civil action for such liquidated damages. Damages collected pursuant to this section shall be remitted to the secretary of the commission who shall remit them to the State Treasurer for credit to the State Game Fund.

A proper system of internal control and sound accounting practices require procedures to ensure that proper action on balances held or due on cases is completed in a timely manner and in compliance with relevant State statutes.

Without such procedures, there is an increased risk of noncompliance with State statute and the loss or misuse of funds.

We have noted this issue in the previous examination.

We recommend the County Court implement procedures to ensure that proper action on balances held or due on cases is completed in a timely manner and in compliance with relevant State statutes.

County Court's Response:

Liquidated Damages

It is the position of the Administrative Office of the Courts and Probation (AOCP) that Neb. Rev. Stat. §37-613 does not create a duty for a court to enforce collection of liquidated damages. Courts will remit any funds received to the Nebraska Game and Parks Commission.

SCOTTS BLUFF COUNTY COURT

COMMENTS AND RECOMMENDATIONS

(Concluded)

2. Improper or Untimely Action (Concluded)

The Scotts Bluff County Court reviews Overdue Case Account Reports on a monthly basis to ensure the timely collection and/or resolution of overdue balances.

Bonds Held Applied to Fines

The Court ordered bond held to be applied to fines and costs. Consent was received and is contained in the court record.

APA Response: Pursuant to the plain language of § 37-613(3), the County Courts are required not only to enter judgment against the defendant for liquidated damages arising from a conviction for the illegal selling, purchasing, taking, or possessing of any wildlife but also to “collect such damages by execution or otherwise.” Both the entering of the judgment for liquidated damages and the collection thereof are statutorily mandated upon the County Court. Additionally, the cases tested with bonds applied to fines without consent, proof of such consent was not documented on the orders nor provided by County Court staff.



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SCOTTS BLUFF COUNTY COURT

INDEPENDENT ACCOUNTANT'S REPORT

Scotts Bluff County Court
Gering, Nebraska 69341

We have examined the accompanying Schedule of Changes in Assets and Liabilities Arising from Cash Transactions of the Scotts Bluff County Court as of and for the calendar year ending December 31, 2025. The County Court's management is responsible for the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions based on the accounting system and procedures set forth in Note 1. Our responsibility is to express an opinion on the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions is based on the accounting system and procedures set forth in Note 1, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions for the calendar year ending December 31, 2025, is based on the accounting system and procedures prescribed by the Nebraska Supreme Court, as set forth in Note 1, in all material respects.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions; fraud that is material, either quantitatively or qualitatively, to the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions; and any other instances that warrant the attention of those charged with governance. We performed our examination to express an opinion on whether the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions or on compliance and other matters;


accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards*, and those findings, along with the views of management, are described in the Comments Section of the report.

Government Auditing Standards also require us to perform limited procedures on the Scotts Bluff County Court's response to the findings identified in the Comments and Recommendations section of the report. The Scotts Bluff County Court's responses were not subjected to the other procedures applied in the attestation of the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions and, accordingly, we express no opinion on the responses.

The purpose of this report is to express an opinion on the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions, as described in paragraph one above. Accordingly, this report is not suitable for any other purpose. This report is a matter of public record, and its distribution is not limited.

Rachel Wittler

Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska


Mike Foley
Auditor of Public Accounts

April 1, 2026

SCOTTS BLUFF COUNTY COURT
GERING, NEBRASKA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
CUSTODIAL FUNDS

For the Calendar Year Ended December 31, 2025

	Balance January 1, 2025	Additions	Deductions	Balance December 31, 2025
ASSETS				
Cash and Deposits	\$ 256,858	\$ 1,835,024	\$ 1,770,826	\$ 321,056
LIABILITIES				
Due to State Treasurer:				
Regular Fees	\$ 15,767	\$ 167,448	\$ 165,346	\$ 17,869
Law Enforcement Fees	1,145	14,846	14,489	1,502
State Judges Retirement Fund	9,593	129,711	125,940	13,364
Court Administrative Fees	6,304	95,608	92,962	8,950
Legal Services Fees	4,862	63,074	61,689	6,247
Due to County Treasurer:				
Regular Fines	23,142	321,958	314,605	30,495
Overload Fines	-	850	850	-
Regular Fees	1,579	15,348	14,247	2,680
Petty Cash Fund	400	-	-	400
Municipality Fines	3,936	64,371	62,127	6,180
Due to Municipalities:				
Regular Fees	-	9,440	9,440	-
Trust Fund Payable	190,130	952,370	909,131	233,369
Total Liabilities	\$ 256,858	\$ 1,835,024	\$ 1,770,826	\$ 321,056

The accompanying notes are an integral part of the Schedule.

SCOTTS BLUFF COUNTY COURT
NOTES TO FINANCIAL SCHEDULE
For the Calendar Year Ending December 31, 2025

1. Criteria

A. Reporting Entity

The Scotts Bluff County Court is established by State statute and is administratively operated through the Court Administrator's Office of the Nebraska Supreme Court, which is part of the State of Nebraska reporting entity. The Schedule of Changes in Assets and Liabilities Arising from Cash Transactions of the County Court reflects only the Custodial Funds activity of the County Court, including the receipts and their subsequent disbursement to the appropriate entities for which they were collected. The Schedule does not reflect the personal services expenses of the County Court, which are paid by the Nebraska Supreme Court, or the operating expenses, which are paid by Scotts Bluff County.

B. Basis of Accounting

The accounting records of the County Court Custodial Funds are maintained, and the Schedule of Changes in Assets and Liabilities Arising from Cash Transactions has been prepared, based on the accounting system and procedures prescribed by the Nebraska Supreme Court. Under this system of accounting, fines, fees, and receipts relating to trust funds are shown as additions to assets and as an increase in the related liability when received or collected. Likewise, disbursements are shown as deductions to assets and as a decrease in the related liability when a check is written.

2. Deposits and Investments

Funds held by the County Court are deposited and invested in accordance with rules issued by the Supreme Court, as directed by Neb. Rev. Stat. § 25-2713 (Reissue 2016). Funds are generally consolidated in an interest-bearing checking account; however, the County Court may order certain trust funds to be invested separately. Any deposits in excess of the amount insured by the Federal Deposit Insurance Corporation are required by Neb. Rev. Stat. § 77-2326.04 (Reissue 2018) to be secured either by a surety bond or as provided in the Public Funds Deposit Security Act.