NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

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

September 29, 2026

Dave Lutton, Chairman
Saunders County Board of Supervisors
433 N Chestnut
Wahoo, NE 68066

Dear Mr. Lutton:

As you may know, the Nebraska Auditor of Public Accounts (APA) has received concerns regarding out-of-state travel by Saunders County (County) employees. As a result, the APA began limited preliminary planning work to determine if a full financial audit or attestation would be warranted. Pursuant thereto, the APA obtained financial records and other relevant documentation from the County. Based on the outcome of this preliminary planning work, including an analysis of the information obtained, the APA has determined that a separate financial audit or attestation is unnecessary at this time, as the County is audited on an annual basis.

Nevertheless, during the course of the preliminary planning work, the APA noted a certain issue that merits corrective action.

Background Information

The County is a political subdivision established under and governed by the laws of the State of Nebraska. The County Board of Supervisors (Board) is the governmental body responsible for exercising financial accountability and control over activities relevant to the operations of the County. Board members are elected by the public and have broad decision-making authority, including the power to levy taxes, the ability to exert significant influence over all County operations, and the primary responsibility for related fiscal matters.

The following comment and recommendation, which has been discussed with the appropriate members of the County and its management, is intended to improve internal control or result in other operating efficiencies.

Comment and Recommendation

Questionable Conference Trip Expenses

The APA received concerns regarding out-of-state travel payments made for County employees who attended the Motorola Solutions, Inc., Summit 2026 (Summit) held at the Walt Disney World Swan Resort in Lake Buena Vista, Florida, from April 19, 2026, through April 22, 2026. The Summit agenda is summarized in the image below:

Monday, April 20, 2026	**Tuesday, April 21, 2026**	**Wednesday, April 22, 2026**
Session 1: 10:15 a.m. to 11:15 a.m.	Session 6: 8:15 a.m. to 9:15 a.m.	Session 13: 8:15 a.m. to 9:15 a.m.
Session 2: 11:30 a.m. to 12:30 p.m.	Session 7: 9:30 a.m. to 10:30 a.m.	Session 14: 9:30 a.m. to 10:30 a.m.
[Lunch: 12:30 p.m. to 1:30 p.m.]	Session 8: 10:45 a.m. to 11:45 a.m.	Session 15: 10:45 a.m. to 11:45 a.m.
Session 3: 1:30 p.m. to 2:30 p.m.	[Lunch: 11:45 a.m. to 1:30 p.m.]	[Lunch: 11:45 a.m. to 1:00 p.m.]
Session 4: 2:45 p.m. to 3:45 p.m.	Session 9: 1:00 p.m. to 2:00 p.m.	Session 16: 1:00 p.m. to 2:00 p.m.
Session 5: 4:00 p.m. to 5:00 p.m.	Session 10: 2:15 p.m. to 3:15 p.m.	Session 17: 2:15 p.m. to 3:15 p.m.
	Session 11: 3:30 p.m. to 4:30 p.m.	
	Session 12: 4:45 p.m. to 5:45 p.m.	

The APA observed County-approved Resolution No. 20-1993 (effective July 7, 1993), which states that, from the date of approval, "no [County] funds will be allowed or expended for out of state [sic] conventions, conferences, workshops, etc." However, upon examination of the documentation, the APA noted the following payments related to the out-of-state Summit attended by four County employees:

Transaction Type	Date	Payee	Amount	Payment Explanation
County Credit Card	3/5/2026	American Airlines	$486.40	Airplane ticket for Employee 3.
County Credit Card	3/5/2026	American Airlines	$14.21	Seat upgrade for Employee 3's flight.
County Credit Card	3/5/2026	Walt Disney World Swan Resort	$387.00	Hotel room down payment for Employee 1.
County Credit Card	3/5/2026	Walt Disney World Swan Resort	$387.00	Hotel room down payment for Employee 3.
Expense Reimbursement	3/24/2026	Employee 1	$474.37	Airfare expenses.
Expense Reimbursement	3/24/2026	Employee 2	$572.40	Airfare expenses.
Claim Payment	3/24/2026	Motorola Solutions, Inc.	$3,600.00	Registration costs for Employees 1 - 3.
Petty Cash	4/17/2026	Employee 1	$222.60	Travel per diem.
Petty Cash	4/17/2026	Employee 2	$216.80	Travel per diem.
Petty Cash	4/17/2026	Employee 3	$152.76	Travel per diem.
Petty Cash	4/17/2026	Employee 4	$178.86	Travel per diem.
Expense Reimbursement	6/2/2026	Employee 1	$1,329.42	Lodging and transportation expenses.
Expense Reimbursement	6/2/2026	Employee 2	$1,548.04	Lodging expenses.
Expense Reimbursement	6/2/2026	Employee 3	$1,196.04	Lodging and transportation expenses.
Expense Reimbursement	6/2/2026	Employee 4	$35.00	Airport parking expenses.
Total			**$10,800.90**	

Note: *Employee 4's registration, lodging, and airfare expenses were covered by the Summit.*

County representatives informed the APA that, to their knowledge, no subsequent revisions or other resolutions have superseded Resolution No. 20-1993 prior to August 31, 2026. Therefore, the APA questions whether it was appropriate for the County to have approved a total of $10,800.90 in travel expenses for attendance at the April 2026 Summit in Florida. In addition to the above payments, these four employees received normal payroll wages during this period.

Further, the APA learned that the Board did not formally authorize the employees' travel. The travel expenses were paid, therefore, with the County employees' personal funds and a County-issued credit card without prior Board approval to attend the Summit. Consequently, when submitted to the Board for approval, the employees' expense reimbursement forms were adjusted according to subsequent determinations regarding the reasonableness of the amounts claimed.

Since the payments at issue, a new County employee travel policy has been implemented, and was adopted formally at the Board's September 1, 2026, meeting. The policy establishes procedures for transportation, lodging, meals, miscellaneous and disallowable expenses, payment of wages while in travel status, registration costs, reimbursement of travel-related costs, and County credit card usage while travelling.

Good internal controls require procedures to ensure that all travel-related expenditures are reasonable, necessary, and made in compliance with County policies.

Without such procedures, there is an increased risk for not only the loss, theft, or misuse of County funds but also noncompliance with County policies.

> We recommend the Board implement procedures to ensure that all travel-related expenditures are reasonable, necessary, and made in compliance with County policies.

County Response:

Saunders County has enacted a Travel Policy effective September 22, 2026.

* * * * * *

Our audit procedures are designed primarily on a test basis and, therefore, may not bring to light all weaknesses in policies or procedures that may exist. Our objective is, however, to use the knowledge gained during our work to make comments and recommendations that we hope will be useful to the County.

Draft copies of this letter were furnished to the County to provide its management with an opportunity to review and to respond to the comment and recommendation contained herein. Any formal response received has been incorporated into this letter. Such response has been objectively evaluated and recognized, as appropriate, in the letter. A response that indicates corrective action has been taken was not verified at this time.

This communication is intended solely for the information and use of the County and its management. It is not intended to be, and should not be, used by anyone other than these specified parties. However, this communication is a matter of public record, and its distribution is not limited.

If you have any questions regarding the above information, please contact our office.

Audit Staff Working on this Examination:
Craig Kubicek, CPA, CFE – Deputy Auditor
Mason Culver – Auditor-In-Charge
Destini Morales – Auditor II

Sincerely,

Craig Kubicek, CPA, CFE
Deputy Auditor
Auditor of Public Accounts
Room 2303, State Capitol
Lincoln, NE 68509
Phone (402) 471-3686
craig.kubicek@nebraska.gov