



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Bryan Cornett, Chairperson
Village of Oakdale
PO Box 10
Oakdale, NE 68761

Dear Chairperson Cornett:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Oakdale (Village) 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 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 \$3,353.95, 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 #
Intuit QuickBooks	4/8/25	\$ 1,053.95	EFT
BOKF Financial	4/8/25	2,300.00	11757
Total		\$ 3,353.95	

Neb. Rev. Stat. § 17-614(1)(a) (Cum. Supp. 2024) 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 elected members of 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 authorized 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 Village funds.

We recommend the Board implement procedures to ensure all claims are authorized by the Board prior to payment and are adequately documented in the minutes of the meeting during which they are approved.

2. Job and Wage Publication

The APA noted that the Village failed to publish its annual job and wage publication between July 15, 2025, and August 15, 2025, as required by State statute. No publication was made by the Village.

Neb. Rev. Stat. § 19-1102 (Reissue 2022) states, in relevant part, the following:

Between July 15 and August 15 of each year, the employee job titles and the current annual, monthly, or hourly salaries corresponding to such job titles shall be published. Each job title published shall be descriptive and indicative of the duties and functions of the position.

(Emphasis added.) The Internal Revenue Service (IRS) guidance “Tax Withholding for Government Workers” (last updated October 2, 2025), which appears on the IRS website, states the following, as is relevant:

Internal Revenue Code section 3401(c) indicates that an “officer, employee, or elected official” of government is an employee for income tax withholding purposes.

* * * *

The courts generally define “public official” and “public officer” to mean anyone who exercises significant authority pursuant to public laws. This includes any official who administers or enforces public laws whether the public elected the individual or an office appointed them.

(Emphasis added.) Good internal control requires procedures to ensure that the Village’s annual job and wage publication is completed between July 15 and August 15 annually, as required by law. Such newspaper publication, not posting, should include all Village positions, such as Clerk, Treasurer, and Board positions even if that position receives no compensation.

Without such procedures, there is an increased risk of not only statutory noncompliance but also lack of transparency and loss or misuse of funds.

We recommend the Board implement procedures to ensure the Village’s annual job and wage publication is published between July 15 and August 15 annually, as required by law, and such newspaper publication, not posting, should include all Village positions, such as Clerk, Treasurer, and Board positions even if that position receives no compensation.

3. Unclaimed Property

During our review of the Village’s bank reconciliation as of September 30, 2025, we noted that the Village had the following checks, totaling \$981.30, as outstanding.

Name/Vendor	Check Date	Amount	Check #
State of Nebraska	6/9/19	\$ 755.00	EFT
Vincent L Kallhoff	10/9/20	23.09	10104
Vincent L Kallhoff	12/21/20	23.09	10209
Dalton Stoltz	10/30/23	100.00	18584
Rob Starkey	10/30/23	80.12	18647
Total		\$ 981.30	

However, subsequent to the fiscal year, these checks were voided, and the funds were still being held by the Village. However, these funds would still be owed to the payee and possibly due to the State Treasurer as unclaimed property.

The Uniform Disposition of Unclaimed Property Act (Act) is set out at Neb. Rev. Stat. §§ 69-1301 to 69-1329 (Reissue 2018, Cum. Supp. 2024, Supp. 2025). Neb. Rev. Stat. § 69-1307.01 (Reissue 2018) of the Act states the following:

Except as otherwise provided by law, all intangible personal property held for the owner by any court, public corporation, public authority, or public officer of this state, or a political subdivision thereof, that has remained unclaimed by the owner for more than three years is presumed abandoned.

Neb. Rev. Stat. § 69-1310 (Cum. Supp. 2024) provides the following, in relevant part:

(a) Every person holding funds or other property, tangible or intangible, presumed abandoned under the Uniform Disposition of Unclaimed Property Act shall report to the State Treasurer with respect to the property as hereinafter provided.

* * * *

(d) The report shall be filed before November 1 of each year as of June 30 next preceding The property must accompany the report unless excused by the State Treasurer for good cause. The State Treasurer may postpone the reporting date upon written request by any person required to file a report. . . .

Good internal controls require procedures to ensure that unclaimed funds are properly remitted to the State Treasurer in accordance with the Act. Additionally, good internal controls require procedures to ensure that reconciling items are appropriate and reasonable. Without such procedures, there is an increased risk for not only the loss or misuse of funds but also noncompliance with State statute.

We recommend the Village implement procedures to ensure that unclaimed funds are properly remitted to the State Treasurer in accordance with State statute. We further recommend the Village implement procedures to ensure that reconciling items are appropriate and reasonable.

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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 offer 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,



Mark Avery, CPA
Assistant Deputy Auditor