



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 19, 2026

Mark Thompson, Chairperson
Village of Nickerson
PO Box 7
Nickerson, NE 68044

Dear Chairperson Thompson:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Nickerson (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. Mandatory Continuing Education Reporting Noncompliance

During our review of the Village's audit waiver request, the APA examined the annual continuing education hours completed and reported by the Village Treasurer for the calendar year 2025. The calendar year 2025 continuing education hours were required to be reported to the APA by January 31, 2026, and it was noted that the Village Treasurer failed to complete the required continuing education hours for the 2025 calendar year.

On March 6, 2026, as required by Neb. Rev. Stat. § 84-304(13) (Supp. 2025), the APA notified the Attorney General, County Attorney, and Village Board of Trustees of the Village Treasurer's noncompliance with the required annual continuing education program.

Legislative Bill 781 (2020) was approved by the Governor on August 15, 2020, which required the APA to approve a continuing education program. The program established by the APA, effective January 1, 2021, requires all county, city, and village treasurers to complete eight (8) hours of APA-approved continuing education during each calendar year (January 1 through December 31), with a reduction to four (4) hours allowed for any municipality with less than \$100,000 of expenditures during the previous fiscal year. Continuing education hours for the calendar year are required to be filed no later than January 31 subsequent to the reporting calendar year.

Further, Neb. Rev. Stat. § 17-606(3) (Reissue 2022) states the following:

The city treasurer or village treasurer shall annually complete continuing education through a program approved by the Auditor of Public Accounts, and proof of completion of such program shall be submitted to the Auditor of Public Accounts.

A proper system of internal control requires procedures to ensure the Village Treasurer completes the minimum required continuing education hours for the reporting calendar year, and those hours are submitted to the APA by January 31 subsequent to the reporting calendar year. Without such procedures, there is an increased risk of statutory noncompliance and noncompliance with the required annual continuing education program.

We recommend the Village Board and Village Treasurer implement procedures to ensure the Village Treasurer completes the minimum required continuing education hours for the reporting calendar year, and those hours are submitted to the APA by January 31 subsequent to the reporting calendar year.

2. 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 \$1,208.49, 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 #
NE Dept. of Revenue	4/22/25	\$ 829.81	EFT
Internal Revenue Service	4/30/25	378.68	EFT
Total		\$ 1,208.49	

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.

The APA identified a similar issue in a prior review and disclosed it to the Village in a letter dated February 11, 2025, 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 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.

3. 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 one Village check, totaling \$761.88, was issued before the underlying claim was approved by the Board.

The table below provides a summary of the premature payment:

Name/Vendor	Amount	Approval Date	Cleared Date	Days Paid Before Approval
Tina Doughty	\$ 761.88	4/14/25	3/21/25	24

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.

The APA identified a similar issue in a prior review and disclosed it to the Village in a letter dated February 11, 2025, 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 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.

4. 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. However, the publication was done on December 11, 2025.

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.

The APA identified a similar issue in a prior review and disclosed it to the Village in a letter dated February 11, 2025, 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 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.

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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,

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

Mark Avery, CPA
Assistant Deputy Auditor