



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 6, 2026

Chris Shipley, Chairperson
Village of Bee
PO Box 27
Bee, NE 68314

Dear Chairperson Shipley:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Bee (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. Lack of Formal Policy Regarding Use of Village Equipment

During our review, we noted that the Village lacked a formal policy governing the use of Village-owned equipment. Such omission leaves open the possibility for misuse, abuse, or potential damage of Village property and does not provide clear measures for safeguarding of Village assets.

Neb. Rev. Stat. § 49-14,101.01(2) (Reissue 2021) of the Nebraska Political Accountability and Disclosure Act places the following restriction upon the use of property under the “official care and control” of a public official or public employee:

A public official or public employee shall not use or authorize the use of personnel, resources, property, or funds under his or her official care and control other than in accordance with prescribed constitutional, statutory, and regulatory procedures or use such items, other than compensation provided by law, for personal financial gain.

Good internal control procedures require adequate controls over Village assets, including an approved Village equipment policy that outlines procedures for the allowable use of Village equipment, who is authorized to use such equipment, and disciplinary action for misuse of such equipment.

In the absence of such policy and procedures, there is an increased risk that Village assets could be misused for personal benefit without authorization from the Board leading to an increased liability for the Village, and possible noncompliance with applicable law and regulations.

We recommend the Village implement controls over Village assets, including an approved Village equipment policy that outlines procedures for the allowable use of Village equipment, who is authorized to use such equipment, and disciplinary action for misuse of such equipment.

2. Negative Fund Balances

On Exhibit A of the Village’s audit waiver request form, the APA noted that the Street, Ballroom, and Water funds had deficit balances of \$264,618, \$22,565, and \$4,210, respectively, as of September 30, 2025. As February 19, 2026, the Village has no plan of action to resolve these deficit fund balances.

Good internal control and sound accounting practices require procedures to ensure that Village fund balances are sufficient to cover fully all disbursements and transfers approved by the Board. Those same procedures should ensure also that the Board is apprised regularly of each Village fund balance and, therefore, placed in a position to take necessary action to resolve any deficits therein.

Without such procedures, there is an increased risk of not only insufficient Village fund balances but also the resultant inability to cover fully all disbursements and transfers approved by the Board.

We recommend the Village Board implement procedures to ensure the Board is apprised regularly of each Village fund balance and, therefore, placed in a position to take necessary action to resolve any deficits therein.

3. 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 3, 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.

Good internal control requires procedures to ensure that the Village’s annual job and wage publication is published between July 15 and August 15 annually, as required by law.

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.

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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 that reads "Mark Avery". The signature is written in a cursive style with a long, sweeping tail on the "y".

Mark Avery, CPA
Assistant Deputy Auditor