

**ATTESTATION REPORT
OF
PLATTE COUNTY COURT**

JULY 1, 2012 THROUGH JUNE 30, 2014

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Issued on April 6, 2015

PLATTE COUNTY COURT

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PLATTE COUNTY COURT

COMMENT AND RECOMMENDATION

During our examination of the Platte County Court, we noted a certain deficiency and other operational matters that are presented here.

This comment and recommendation is intended to improve the internal control over financial reporting or result in operational efficiencies in the following area:

Insufficient Pledged Collateral

Neb. Rev. Stat. § 77-2326.04 (Reissue 2009) states, in relevant part:

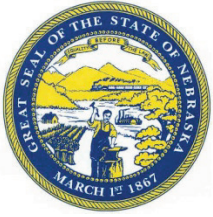
No deposits in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation [FDIC] shall be made to accumulate in any bank, capital stock financial institution, or qualifying mutual financial institution designated as a depository unless and until the county judge, clerk of the county court, or clerk of the district court, as the case may be, has received from such depository as security for the prompt repayment by the depository of his or her respective deposits in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation either a surety bond in form and with corporate sureties approved by the county judge or judges or by formal resolution of the county board, as the case may be, or in lieu thereof, the giving of security as provided in the Public Funds Deposit Security Act.

During the audit period, we noted four months where deposits of the County Court were not fully insured by the FDIC or additional securities. The uninsured amount ranged from \$2,110.23 to \$1,204,018.73.

We recommend the County Court ensure there is sufficient FDIC and/or pledged collateral for all bank deposits at all times.

It should be noted this report is critical in nature as it contains only our comment and recommendation on the area noted for improvement and does not include our observations on any accounting strengths of the County Court.

Draft copies of this report were furnished to the County Court to provide management an opportunity to review the report and to respond to the comment and recommendation included in this report. The County Court declined to respond.



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PLATTE COUNTY COURT

INDEPENDENT ACCOUNTANT'S REPORT

We have examined the accompanying Schedules of Changes in Assets and Liabilities Arising from Cash Transactions of the Platte County Court as of and for the fiscal years ended June 30, 2014, and June 30, 2013. The County Court's management is responsible for the Schedules. Our responsibility is to express an opinion 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 and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Schedules referred to above present, in all material respects, the assets and liabilities arising from cash transactions of the Agency Funds of the Platte County Court, as of June 30, 2014, and June 30, 2013, and the related activity for the fiscal years then ended, based on the accounting system and procedures prescribed by the Nebraska Supreme Court, as described in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to the Schedules and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Schedules are presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the Schedules or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed a certain finding that is required to be reported under *Government Auditing Standards*, and the finding, along with the views of management, is described in the Comments Section of the report.

This report is intended solely for the information and use of management, the Supreme Court, others within the County Court, and the appropriate Federal and regulatory agencies, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

March 18, 2015



Philip J. Olsen, CPA, CISA
Audit Manager

PLATTE COUNTY COURT
COLUMBUS, NEBRASKA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS

For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
ASSETS				
Cash and Deposits	\$ 168,799	\$ 2,321,724	\$ 2,354,452	\$ 136,071
LIABILITIES				
Due to State Treasurer:				
Regular Fees	\$ 11,972	\$ 145,270	\$ 145,726	\$ 11,516
Law Enforcement Fees	901	10,998	10,795	1,104
State Judges Retirement Fund	3,154	37,775	37,397	3,532
Court Administrative Fees	5,398	78,373	77,400	6,371
Legal Services Fees	3,387	40,225	39,708	3,904
Due to County Treasurer:				
Regular Fines	25,982	274,098	276,221	23,859
Overload Fines	-	8,200	7,050	1,150
Regular Fees	2,904	26,466	24,225	5,145
Petty Cash Fund	-	-	-	-
Due to Municipalities:				
Regular Fines	1,159	21,888	19,787	3,260
Regular Fees	-	9,257	9,257	-
Trust Fund Payable	113,942	1,669,174	1,706,886	76,230
Total Liabilities	\$ 168,799	\$ 2,321,724	\$ 2,354,452	\$ 136,071

The accompanying notes are an integral part of the schedule.

PLATTE COUNTY COURT
COLUMBUS, NEBRASKA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
AGENCY FUNDS

For the Fiscal Year Ended June 30, 2013

	<u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u>
	<u>July 1, 2012</u>			<u>June 30, 2013</u>
ASSETS				
Cash and Deposits	\$ 179,945	\$ 1,076,177	\$ 1,087,323	\$ 168,799
LIABILITIES				
Due to State Treasurer:				
Regular Fees	\$ 12,877	\$ 149,037	\$ 149,942	\$ 11,972
Law Enforcement Fees	1,088	11,751	11,938	901
State Judges Retirement Fund	3,910	40,601	41,357	3,154
Court Administrative Fees	7,796	84,083	86,481	5,398
Legal Services Fees	4,147	43,049	43,809	3,387
Due to County Treasurer:				
Regular Fines	31,308	328,877	334,203	25,982
Overload Fines	50	10,025	10,075	-
Regular Fees	4,679	34,290	36,065	2,904
Petty Cash Fund	-	-	-	-
Due to Municipalities:				
Regular Fines	1,480	23,779	24,100	1,159
Regular Fees	-	10,259	10,259	-
Trust Fund Payable	<u>112,610</u>	<u>340,425</u>	<u>339,093</u>	<u>113,942</u>
Total Liabilities	<u><u>\$ 179,945</u></u>	<u><u>\$ 1,076,176</u></u>	<u><u>\$ 1,087,322</u></u>	<u><u>\$ 168,799</u></u>

The accompanying notes are an integral part of the schedule.

PLATTE COUNTY COURT
NOTES TO FINANCIAL SCHEDULES
For the Fiscal Years Ended June 30, 2014, and June 30, 2013

1. Criteria

A. Reporting Entity

The Platte 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 Schedules of Changes in Assets and Liabilities Arising from Cash Transactions of the County Court reflect only the Agency Funds activity of the County Court, including the receipts and their subsequent disbursement to the appropriate entities for which they were collected. The Schedules do 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 Platte County.

B. Basis of Accounting

The accounting records of the County Court Agency Funds are maintained, and the Schedules of Changes in Assets and Liabilities Arising from Cash Transactions have 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. 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 2008). 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 2009) to be secured either by a surety bond or as provided in the Public Funds Deposit Security Act.