



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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

July 23, 2019

Karl Szobody, Chairperson
Village of Bushnell
P.O. Box 67
Bushnell, NE 69128

Dear Chairperson Szobody:

As you know, the Nebraska Auditor of Public Accounts (APA) has approved the fiscal year 2018 audit waiver for the Village of Bushnell (Village). However, while performing our review to determine whether to approve the audit waiver, 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 Village Board (Board), the APA identified three debit card transactions, totaling \$434.66, which were paid but not included on the claims listing to be approved by the Board.

These unapproved disbursements are summarized in the table below:

Name/Vendor	Cleared Date	Amount
MNRD-Scottsbluff	9/17/2018	\$ 419.00
USPS	9/18/2018	\$ 7.83
USPS	9/18/2018	\$ 7.83
Total		\$ 434.66

Good internal control requires procedures to ensure that all claims are approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in 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 approved by the Board prior to payment and are adequately documented in the meeting minutes of the month in which they are approved.

2. Other Issues

On the Schedule of Outstanding Debt attached to the audit waiver request, the Village reported outstanding debt of \$145,890.54 as of September 30, 2018. However, debt service payments were not noted on Exhibit A of the audit waiver request.

Good internal control requires procedures to ensure that debt service payments are reported accurately on the Village's audit waiver request.

Without such procedures, there is increased risk of loss or misuse of Village money.

We recommend the Village implement procedures to ensure debt service payments are reported appropriately on the Village's audit waiver request.

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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 make comments and suggestions that we hope will prove useful to the Village.

Draft copies of this letter were furnished to the Village to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. The Village declined to respond.

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 regarding the above information, please contact our office.

Sincerely,



Mary Avery
Special Audits and Finance Manager
Phone (402) 471-3686
mary.avery@nebraska.gov

cc: Joyce A. Vrbka, Village Clerk