



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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February 23, 2023

Shawn Kotik, Chairperson  
Village of Winslow  
PO Box 157  
Winslow, NE 68072

Dear Chairperson Kotik:

The Nebraska Auditor of Public Accounts (APA) has reviewed the audit waiver request received from the Village of Winslow (Village) for the fiscal year ending 2022. **That request has been approved.**

While performing, pursuant to Neb. Rev. Stat. § 84-304 (Cum. Supp. 2022), 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 Dual Signatures

The APA obtained the bank statements for the Village's accounts from its fiscal year 2022 audit waiver request. From these statements, the APA noted that one of the Village checks written during the examination period contained only one signature. This check is shown below.

Village of Winslow  
208 Main St  
Winslow, Ne 68072  
villageofwinslow@firstneb.com

First Northeast  
BANK OF NEBRASKA  
76-294/1049

7084

7/12/2022

PAY TO THE ORDER OF One Call Concepts \$6.18

Six and 18/100 DOLLARS

One Call Concepts  
7223 Parkway Dr  
Hanover, MD  
21076

MEMO

11/23/2022  
11/23/2022  
11/23/2022

Jeremy Wood

AUTHORIZED SIGNATURE

State statute requires Village checks to be signed by both the Board Chairperson and the Village Clerk. Specifically, Neb. Rev. Stat. § 17-711 (Reissue 2022) provides the following:

*All warrants drawn upon the city treasurer of a city of the second class or village treasurer must be signed by the mayor or chairperson of the village board of trustees and countersigned by the city clerk or village clerk, stating the*

*particular fund to which the same is chargeable, the person to whom payable, and for what particular object. No money shall be otherwise paid than upon such warrants so drawn. Each warrant shall specify the amount included in the adopted budget statement for such fund upon which it is drawn and the amount already expended of such fund.*

Good internal control and sound accounting practices require procedures to ensure that Village checks contain the statutorily required endorsements. Without such procedures, there is an increased risk of not only failure to comply with State statute but also the loss and/or misuse of Village funds.

We recommend the Board implement procedures to require dual signatures, from the Board Chairperson and the Village Clerk, on all Village checks, as required by law.

## **2. Lack of Approved Claims Listing**

During our review of the fiscal year 2022 audit waiver request, the APA observed the Village's copy of the meeting minutes, dated July 13, 2022, and noted that the Board's official proceedings lacked a listing of approved claims. A listing of the claims approved was only created and provided to the APA upon the APA's request on January 11, 2023, six months after the date of the meeting.

Neb. Rev. Stat. § 19-1102 (Reissue 2022) requires publication of the Board's official proceedings, which must include, among other things, the name of the claimant, the amount to be paid, and the purpose of each claim allowed, as follows:

*It shall be the duty of each city clerk or village clerk in every city or village having a population of not more than one hundred thousand inhabitants as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census to prepare and publish the official proceedings of the city council or village board of trustees within thirty days after any meeting of the city council or village board of trustees. The publication shall be in a legal newspaper in or of general circulation in the city or village, shall set forth a statement of the proceedings of the meeting, and shall also include the amount of each claim allowed, the purpose of the claim, and the name of the claimant, except that the aggregate amount of all payroll claims may be included as one item. 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. The charge for the publication shall not exceed the rates provided for in section 23-122.*

(Emphasis added.) Good internal control and sound accounting practices require procedures to ensure that the Board's official proceedings include a listing of the claims approved, with each claim stating the name of the claimant, the amount to be paid, and the purpose of the claim.

Without such procedures, there is a lack of transparency regarding the nature of public expenditures.

A similar issue was identified by the APA in a prior review and was disclosed to the Village in the APA's letter dated March 23, 2022, which can be found on the APA's website. However, it does not appear this issue was corrected after the APA's notification.

We recommend the Board implement procedures to ensure that the Board's official proceedings include a listing of the claims approved, with each claim stating the name of the claimant, the amount to be paid, and the purpose of the claim.

\* \* \* \* \*

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.

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](mailto:dakota.christensen@nebraska.gov)**.

Sincerely,

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

Mark Avery, CPA  
Assistant Deputy Auditor