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**Audit Report of the
Nebraska Foster Care Review Board
July 1, 1999 Through June 30, 2000**

Report Highlights

Comments and Recommendations

- Inadequate Disbursements Procedures
- Personal Phone Calls Not Reimbursed
- Cash Fund Not Used
- Computer Password Authorization
- Employee Leave Excesses
- Fixed Assets Procedures
- Federal Law Noncompliance
- Receipts Procedures
- Payables Procedures

The Foster Care Review Board is responsible for conducting periodic reviews which satisfy the requirements of the Federal Adoption Assistance and Child Welfare Act of 1980, selecting local foster care review board (Local Board) volunteer members, developing procedures and training programs for Local Boards, maintaining a central registry of all children in out-of-home care, and studying and distributing data on children in foster care.

The nine-member State Board reviews the activities of fifty Local Boards located in communities across the State. The five-member Local Boards review cases involving children who have been placed in out-of-home care.

Since 1997, Local Boards have reviewed more than 5,000 cases per year

Our report included nine Comments and Recommendations outlining various concerns. The Comments and Recommendations were based upon auditing standards relating to internal controls and compliance with State and Federal laws. Specific areas of concern included:

- ♦ Adequate documentation was not on file and/or noncompliance with State laws was noted for 23 of 39 (59%) disbursement documents tested. A similar finding was also noted in our prior audits in 1996 and 1998.
- ♦ The Executive Director did not reimburse the State for personal phone calls. This was also noted in our prior audits in 1996 and 1998.
- ♦ Fees collected and deposited to the cash fund in fiscal years 1997 through 2000 have not been used for administration costs as required by State Statute.
- ♦ The computer password for a terminated employee was used, allowing unauthorized access to payroll records.
- ♦ Unused vacation leave was not lapsed as required by State law, and advanced sick leave was not reimbursed to the Board.
- ♦ The Fixed Asset Listing had several inaccuracies, resulting in an increased risk of loss or misuse of State property.
- ♦ Case reviews did not include projections of the likely dates the children would have been returned home or placed for adoption, as required by Federal and State law.

- ♦ Documentation for a voided receipt was not adequate.
- ♦ Fiscal year 2000 obligations paid in fiscal year 2001 were not properly identified.

We have detailed our findings in the Comments and Recommendations section of the report. See our website at www.nol.org/home/auditor/index.html.



