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**Audit Report of the  
Nebraska Corn Development, Utilization, and Marketing Board  
July 1, 2001 through June 30, 2002**

**Report Highlights**

Issued May 2003

The Corn Development Program was created in 1978 to promote the production, marketing, and utilization of corn. A nine-member board, who each must be engaged in corn production, was created to administer, supervise, and operate the program. The Board became a separate State agency in fiscal year 1985-1986. Prior to that time, it was part of the Department of Agriculture. The primary intent and purpose of the Corn Development, Utilization, and Marketing Board is to develop, carry out and participate in programs of research, education, market development, and promotion on behalf of the corn producers of Nebraska. Research projects that consider new and industrial uses of corn are pursued. Education and promotion programs are developed for the benefit of both producers and consumers. Market development programs are both international and domestic in nature and are geared towards bulk corn sales and value-added products made from corn.

Our report included two Comments and Recommendations relating to internal controls and procedures. A summary of those comments follows:

**Contract Monitoring and Documentation:** The Board's process for monitoring contracts should be improved to ensure payments do not exceed the total contract amount. The Board made \$1,942,900 in contractual payments in fiscal year 2002. One of seven contracts tested exceeded the total contract amount by \$18,010. There was no addendum to the original contract for the additional expenses approved by the Board.

**Travel Expenses:** There was not adequate documentation to support mileage claimed for State-owned vehicles or to support the dates of travel claimed for a trip to North Carolina. Two expense reimbursement documents were not submitted each month as required.

We have detailed our findings and the Board's responses in the Comments and Recommendations section of the report, which can be found at [www.auditors.state.ne.us](http://www.auditors.state.ne.us).

**Schedule of Check-Off Received**

Fiscal Years 1999 and 2001 - Unaudited  
Fiscal Years 2000 and 2002 - Audited

