ATTESTATION REPORT
OF THE
NEBRASKA EQUAL OPPORTUNITY COMMISSION

APRIL 1, 2011 THROUGH MARCH 31, 2012

This document is an official public record of the State of Nebraska, issued by the Auditor of Public Accounts.

Modification of this document may change the accuracy of the original document and may be prohibited by law.

Issued on June 18, 2012
The Nebraska Auditor of Public Accounts Office was created by the first territorial Legislature in 1855. The Auditor was the general accountant and revenue officer of the territory. The duties have expanded and evolved over the decades as modern accounting theory has been implemented. The office of the Auditor of Public Accounts is one of six offices making up the executive branch of Nebraska State Government. Mike Foley was elected November 2006 and re-elected November 2010 as the Nebraska Auditor of Public Accounts. He was sworn into office on January 4, 2007, as Nebraska’s 24th State Auditor.

The mission of the Nebraska Auditor of Public Accounts’ office is to provide independent, accurate, and timely audits, reviews, or investigations of the financial operations of Nebraska State and local governments.

We will provide this information, as required by statute, to all policymakers and taxpayers through written reports and our Internet based Budget and Audit databases.

We will maintain a professionally prepared staff, utilizing up to date technology, and following current Government Auditing Standards.

Audit Staff Working On This Examination
Don Dunlap, CPA, Assistant Deputy Auditor
Acacia Crist, CFE, ACDA, Auditor II
Daniela Myers, Auditor
Larry Anderson, Auditor

Copies of the Auditor of Public Accounts’ reports are free. You may request them by contacting us at:

Nebraska Auditor of Public Accounts
State Capitol, Suite 2303
P.O. Box 98917
Lincoln, Nebraska 68509
Phone: 402-471-2111

Additionally, our reports can be found in electronic format at:
http://www.auditors.nebraska.gov
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Background Information Section</td>
<td></td>
</tr>
<tr>
<td>Background</td>
<td>1</td>
</tr>
<tr>
<td>Mission Statement</td>
<td>1</td>
</tr>
<tr>
<td>Organizational Chart</td>
<td>2</td>
</tr>
<tr>
<td>Comments Section</td>
<td></td>
</tr>
<tr>
<td>Exit Conference</td>
<td>3</td>
</tr>
<tr>
<td>Financial Section</td>
<td></td>
</tr>
<tr>
<td>Independent Accountant’s Report</td>
<td>4 - 5</td>
</tr>
<tr>
<td>Schedule of Revenues, Expenditures, and Changes in Fund Balances</td>
<td>6</td>
</tr>
<tr>
<td>Notes to the Schedule</td>
<td>7 - 10</td>
</tr>
<tr>
<td>Supplementary Information</td>
<td></td>
</tr>
<tr>
<td>Total Monetary Relief Obtained</td>
<td>11</td>
</tr>
<tr>
<td>Case Activity Breakdown</td>
<td>12</td>
</tr>
<tr>
<td>Case Activity and Case Disposition</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>14</td>
</tr>
</tbody>
</table>
BACKGROUND

The Nebraska Equal Opportunity Commission was created in 1965 and consists of seven members appointed by the Governor to three-year terms. The Commission enforces compliance with the Nebraska Fair Employment Practice Act, Equal Pay Act of Nebraska, Nebraska Age Discrimination in Employment Act, Nebraska Fair Housing Act, and the Civil Rights Act of 1969 relating to housing and public accommodations.

Pursuant to investigation by the staff of the Commission, the Commission rules on complaints of discrimination in employment, housing, and public accommodations. The Commission has offices in Lincoln, Omaha, and Scottsbluff.

MISSION STATEMENT

The mission of the agency is to receive, investigate, and make decisions on charges of unlawful employment, housing, and public accommodations practices occurring within the boundaries of the State of Nebraska. The agency principles include: 1) Dealing with all Nebraska citizens in a respectful and timely manner; 2) Recognizing that the government has a role to play in guaranteeing equal opportunity and treatment of all Nebraska citizens in the employment, housing, and public accommodations arenas; 3) Ensuring accurate and up-to-date information is disseminated to the public; and 4) Providing quality service to the public.
NEBRASKA EQUAL OPPORTUNITY COMMISSION

ORGANIZATIONAL CHART

Governor

Commissioners

Executive Director: Barbara Albers

Public Relations & Case Processing Unit
Unit Director: Gretchen Eure
Investigators: Valerie Beck

Omaha Office Support
Staff Assistant: Jason Kussman

Housing Unit
Lead Investigator III: Lisa Murphy
Investigators: Cindy King, Teresa Perez

Intake & Case Processing Unit
Executive Director: Barbara Albers
Lead Investigator III: Shelly Foss
Intake Investigators: Steven Damrow, Patti Hoage, Valerie Kimble, Mary Laustrop, Michelle Leo, Bobbie Nazarens, Rhonda Pittman
Staff Assistant: Cat Souliere

Conciliation, Mediation & Case Processing Unit
Unit Director: Paula Gardner
Investigators: Collin Baer, Lance Knapp, Deb Neukirch, Kathee Sanchez, M J Sullivan, Cathy Tallon

Finance/Personnel/IT
Business Manager: Kathy Bogenreif

Lincoln Office Support
Staff Assistant: Toni Fletcher

Program Statistical Support
Staff Assistant: Sheryl Hunt

Revised 11-1-11
EXIT CONFERENCE

An exit conference was held June 5, 2012, with the Commission to discuss the results of our examination. Those in attendance for the Nebraska Equal Opportunity Commission were:

<table>
<thead>
<tr>
<th>NAME</th>
<th>TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barbara Albers</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Kathleen Bogenreif</td>
<td>Business Manager</td>
</tr>
<tr>
<td>Sheryl Hunt</td>
<td>Staff Assistant II</td>
</tr>
</tbody>
</table>

Draft copies of this report were furnished to the Commission to provide them an opportunity to review the report.
NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

NEBRASKA EQUAL OPPORTUNITY COMMISSION

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Equal Opportunity Commission
Lincoln, Nebraska

We have examined the accompanying schedule of revenues, expenditures, and changes in fund balances of the Nebraska Equal Opportunity Commission (Commission) for the year ended March 31, 2012. The Commission’s management is responsible for the schedule of revenues, expenditures, and changes in fund balances. 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 schedule of revenues, expenditures, and changes in fund balances 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 schedule referred to above presents, in all material respects, the revenues, expenditures, and changes in fund balances of the Commission for the year ended March 31, 2012, based on the accounting system and procedures prescribed by the State of Nebraska Director of the Department of Administrative Services 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 schedule of revenues, expenditures and changes in fund balances 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 schedule of revenues, expenditures, and changes in fund balances is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the schedule of revenues, expenditures, and changes in fund balances or on compliance and other matters; accordingly we express no such opinions. Our examination disclosed no findings that are required to be reported under Government Auditing Standards.

- 4 -
This report is intended solely for the information and use of management, others within the Commission, and the appropriate Federal and regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

SIGNED ORIGINAL ON FILE

June 5, 2012

Mike Foley
Auditor of Public Accounts
### REVENUES:

- **Appropriations**
  - State General Fund 10000: $1,171,437
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): $1,171,437

- **Intergovernmental**
  - State General Fund 10000: -
  - Equal Employment Opportunity Grant Fund 46730: 461,950
  - Housing and Urban Development Grant Fund 46740: 199,891
  - Totals (Memorandum Only): 661,841

- **Sales & Charges**
  - State General Fund 10000: 411
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): 411

- **Miscellaneous**
  - State General Fund 10000: 25
  - Equal Employment Opportunity Grant Fund 46730: 17,041
  - Housing and Urban Development Grant Fund 46740: 6,501
  - Totals (Memorandum Only): 23,567

**TOTAL REVENUES**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,171,873</td>
<td>478,991</td>
<td>206,392</td>
<td>1,857,256</td>
</tr>
</tbody>
</table>

### EXPENDITURES:

- **Personal Services**
  - State General Fund 10000: 873,670
  - Equal Employment Opportunity Grant Fund 46730: 406,602
  - Housing and Urban Development Grant Fund 46740: 168,869
  - Totals (Memorandum Only): 1,449,141

- **Operating**
  - State General Fund 10000: 258,083
  - Equal Employment Opportunity Grant Fund 46730: 327
  - Housing and Urban Development Grant Fund 46740: 2,963
  - Totals (Memorandum Only): 261,373

- **Travel**
  - State General Fund 10000: 13,968
  - Equal Employment Opportunity Grant Fund 46730: 4,149
  - Housing and Urban Development Grant Fund 46740: 5,978
  - Totals (Memorandum Only): 24,095

- **Capital Outlay**
  - State General Fund 10000: 25,716
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): 25,716

**TOTAL EXPENDITURES**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,171,437</td>
<td>411,078</td>
<td>177,810</td>
<td>1,760,325</td>
</tr>
</tbody>
</table>

**Excess of Revenues Over Expenditures**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>436</td>
<td>67,913</td>
<td>28,582</td>
<td>96,931</td>
</tr>
</tbody>
</table>

### OTHER FINANCING SOURCES (USES):

- **Sales of Assets**
  - State General Fund 10000: 3,900
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): 3,900

- **Deposit to General Fund**
  - State General Fund 10000: (4,336)
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): (4,336)

**TOTAL OTHER FINANCING SOURCES (USES)**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(436)</td>
<td>-</td>
<td>-</td>
<td>(436)</td>
</tr>
</tbody>
</table>

**Net Change in Fund Balances**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>67,913</td>
<td>28,582</td>
<td>96,495</td>
</tr>
</tbody>
</table>

### FUND BALANCES:

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,291</td>
<td>$619,186</td>
<td>$314,842</td>
<td>$936,319</td>
</tr>
</tbody>
</table>

### FUND BALANCES CONSIST OF:

- **General Cash**
  - State General Fund 10000: $934,028
  - Equal Employment Opportunity Grant Fund 46730: $619,186
  - Housing and Urban Development Grant Fund 46740: $314,842
  - Totals (Memorandum Only): $936,319

- **Deposits with Vendors**
  - State General Fund 10000: 2,307
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): 2,307

- **Due to Fund**
  - State General Fund 10000: (16)
  - Equal Employment Opportunity Grant Fund 46730: -
  - Housing and Urban Development Grant Fund 46740: -
  - Totals (Memorandum Only): (16)

**TOTAL FUND BALANCES**

<table>
<thead>
<tr>
<th>Fund 10000</th>
<th>Fund 46730</th>
<th>Fund 46740</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,291</td>
<td>$619,186</td>
<td>$314,842</td>
<td>$936,319</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the schedule.
1. **Criteria**

The accounting policies of the Nebraska Equal Opportunity Commission (Commission) are on the basis of accounting as prescribed by the State of Nebraska Department of Administrative Services (DAS).

Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2008), the State of Nebraska Director of the Department of Administrative Services duties include “The keeping of general accounts and the adoption and promulgation of appropriate rules, regulations, and administrative orders designed to assure a uniform and effective system of accounts and accounting, the approval of all vouchers, and the preparation and issuance of warrants for all purposes.”

In accordance with Neb. Rev. Stat. § 81-1111(1) (Reissue 2008), The State Accounting Administrator has prescribed the system of accounts and accounting to be maintained by the State and its departments and agencies and has developed necessary accounting policies and procedures. The prescribed accounting system currently utilizes EnterpriseOne to maintain the general ledger and all detailed accounting records. Policies and procedures are detailed in the Nebraska State Accounting Manual published by DAS State Accounting Division (State Accounting) and are available to the public. The financial information used to prepare the schedule of revenues, expenditures, and changes in fund balances was obtained directly from the general ledger and fund balance information maintained on EnterpriseOne. As transactions occur, the agencies record the accounts receivables and accounts payable in the general ledger. As such, certain revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. The expenditures and related accounts payables recorded in the general ledger as of March 31, 2012, include only those payables posted in the general ledger before March 31, 2012, and not yet paid as of that date. The amount recorded as expenditures as of March 31, 2012, **does not** include amounts for goods and services received before March 31, 2012, which had not been posted to the general ledger as of March 31, 2012.

Other liabilities are recorded in accounts titled Due to Fund for the Commission. The assets in these funds are being held by the State as an agent and will be used to pay those liabilities to other funds. The recording of those liabilities reduces the fund balance/equity.

The Commission had no accounts receivable at March 31, 2012. Liabilities for accrued payroll and compensated absences are not recorded in the general ledger.

The fund types established by the State that are used by the Commission are:

**10000 – General Fund** – accounts for activities funded by general tax dollars and related expenditures and transfers.
1. **Criteria** (Continued)

**40000 – Federal Funds** – accounts for the financial activities related to the receipt and disbursement of funds generated from the federal government as a result of grants and contracts. Expenditures must be made in accordance with applicable federal requirements.

The major revenue account classifications established by State Accounting used by the Commission are:

- **Appropriations** – Appropriations are granted by the Legislature to make expenditures and to incur obligations. The amount of appropriations reported as revenue is the amount of expenditures.

- **Intergovernmental** – Revenue from other governments in the form of grants, entitlements, shared revenues, payments in lieu of taxes, or reimbursements.

- **Sales & Charges** – Income derived from sales of merchandise and commodities, compensation for services rendered, and charges for various licenses, permits, and fees.

- **Miscellaneous** – Revenue from sources not covered by other major categories, such as investment income.

The major expenditure account classifications established by State Accounting used by the Commission are:

- **Personal Services** – Salaries, wages, and related employee benefits provided for all persons employed by the Commission.

- **Operating** – Expenditures directly related to a program’s primary service activities.

- **Travel** – All travel expenses for any state officer, employee, or member of any commission, council, committee, or board of the State.

- **Capital Outlay** – Expenditures which result in the acquisition of or an addition to capital assets. Capital assets are resources of a long-term character, owned or held by the government.

Other significant accounting classifications and procedures established by State Accounting and used by the Commission include:

- **Assets** – Resources owned or held by a government that have monetary value. Assets include cash accounts and deposits with vendors. Cash accounts and deposits with vendors are also included in fund balance and are reported as recorded in the general ledger.
1. **Criteria** (Concluded)

   **Liabilities** – Legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. Accounts payable transactions are recorded as expenditures resulting in a decrease to fund balance. Other liabilities recorded in the general ledger for the Commission’s funds at March 31, 2012, included amounts recorded in Due to Fund. The activity of this account is not recorded through revenue and expenditure accounts on the Schedule of Revenues, Expenditures, and Changes in Fund Balances.

   **Other Financing Sources** – Proceeds from the sale of assets and deposits to the State General Fund.

2. **Reporting Entity**

   The Nebraska Equal Opportunity Commission is a State agency established under and governed by the laws of the State of Nebraska. As such, the Commission is exempt from State and Federal income taxes. The schedule includes all funds of the Commission included in the general ledger.

   The Nebraska Equal Opportunity Commission is part of the primary government for the State of Nebraska.

3. **Totals**

   The Totals "Memorandum Only" column represents an aggregation of individual account balances. The column is presented for overview informational purposes and does not present consolidated financial information because interfund balances and transactions have not been eliminated.

4. **General Cash**

   General cash accounts are under the control of the State Treasurer or other administrative bodies as determined by law. All cash deposited with the State Treasurer is initially maintained in a pooled cash account. On a daily basis, the State Treasurer invests cash not needed for current operations with the State’s Investment Council that maintains an operating investment pool for such investments. Interest earned on those investments is allocated to funds based on their percentage of the investment pool.
5. **Capital Assets**

Capital assets include land, buildings, equipment, improvements to buildings, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Under State Accounting policies, expenditures for such capital assets are not capitalized as an asset in the funds used to acquire or construct them. Rather, costs of obtaining the capital assets are reflected as expenditures in the general ledger and are reported as such on the Schedule.

However, State Accounting does adjust such expenditures and reports the capital assets as assets for the State of Nebraska in the Comprehensive Annual Financial Report (CAFR). In addition, the Commission takes an annual inventory and accounts for all equipment that has a cost of $1,000 or more at the date of acquisition or equipment that is highly susceptible to theft (i.e. electronic equipment) in the State Accounting System.

For the CAFR, the State requires the Commission to value all capital assets at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Generally, equipment that has a cost of $5,000 or more at the date of acquisition and has an expected useful life of two or more years is capitalized. Depreciation expenses are reported in the CAFR in the funds used to acquire or construct them for the State of Nebraska. The cost of normal maintenance and repairs that does not add to the value of the asset or extend the asset’s life is not capitalized.

Equipment is depreciated in the CAFR using the straight-line method with estimated useful lives of three to ten years.

Capital asset activity of the Commission recorded in the State Accounting System for the year ended March 31, 2012, was as follows:

<table>
<thead>
<tr>
<th>Capital Assets</th>
<th>Beginning Balance</th>
<th>Increases</th>
<th>Decreases</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$ 93,915</td>
<td>$ 25,716</td>
<td>$ 44,615</td>
<td>$ 75,016</td>
</tr>
<tr>
<td>Less accumulated depreciation* for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>$ 54,100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total capital assets, net of depreciation $ 20,916

*Note: The accounting system generated depreciation noted in the table above through February 29, 2012.
SUPPLEMENTARY INFORMATION

Our examination was conducted for the purpose of forming an opinion on the schedule of revenues, expenditures, and changes in fund balances. Supplementary information is presented for purposes of additional analysis. Such information has not been subjected to the procedures applied in the examination of the schedule of revenues, expenditures, and changes in fund balances, and, accordingly, we express no opinion on it.
### Nebraska Equal Opportunity Commission

#### Total Monetary Relief Obtained

Fiscal Years Ended June 30, 2007 through 2011

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Determination Settlements</td>
<td>$145,378</td>
<td>$248,087</td>
<td>$162,688</td>
<td>$432,873</td>
<td>$151,305</td>
</tr>
<tr>
<td>Mediation</td>
<td>$108,550</td>
<td>$242,935</td>
<td>$154,925</td>
<td>$302,692</td>
<td>$126,363</td>
</tr>
<tr>
<td>Withdrawals with Settlement*</td>
<td>$115,385</td>
<td>$221,450</td>
<td>$93,360</td>
<td>$40,272</td>
<td>$78,736</td>
</tr>
<tr>
<td>Conciliation</td>
<td>$383,480</td>
<td>$125,791</td>
<td>$219,569</td>
<td>$281,486</td>
<td>$122,000</td>
</tr>
<tr>
<td>Public Hearing</td>
<td>$202,997</td>
<td>$73,946</td>
<td>$78,745</td>
<td>$-</td>
<td>$23,502</td>
</tr>
<tr>
<td>Litigation**</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$2,400</td>
<td>$-</td>
</tr>
</tbody>
</table>

*The benefits on some of the Commission's withdrawals with settlement are not known. The parties keep the terms of the settlement confidential.

**These settlements were achieved by the Attorney General's Office on cases sent to their office for civil action/litigation.

Note: Monetary relief obtained is not represented in the Financial Schedule, money goes to the complainant from the respondent and is not deposited with NEOC.

Source: NEOC Annual Reports
NOTE: Because a person can file under multiple laws, this is not a total of cases received but how many charges are filed under the different laws.

FEPA - Fair Employment Practice Act
Age - Nebraska Age Discrimination in Employment Act
EQ Pay - Equal Pay Act of Nebraska
Housing - Nebraska Fair Housing Act
Public Accom. - Nebraska Civil Rights Act of 1969 (Public Accommodations)

Source: NEOC Annual Reports
Nebraska Equal Opportunity Commission
Case Activity
Fiscal Years Ended June 30, 2007 through 2011

Conciliation is a process whereby the parties attempt to reach a settlement agreement as a result of the Commission issuing a Reasonable Cause determination.

P.D.S. - Pre-Disposition Settlement

NOTE: Source for both graphs - NEOC Annual Reports