

**ATTESTATION REPORT
OF THE
NEBRASKA ENVIRONMENTAL TRUST BOARD
JULY 1, 2015, THROUGH DECEMBER 31, 2016**

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Issued on June 28, 2017

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NEBRASKA ENVIRONMENTAL TRUST BOARD

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NEBRASKA ENVIRONMENTAL TRUST BOARD

MISSION STATEMENT

On its own web site (<http://www.environmentaltrust.org/about/index.html>), the Nebraska Environmental Trust has provided the following Mission Statement:

The Nebraska Environmental Trust is established to conserve, enhance, and restore the natural environments of Nebraska. A prosperous future requires a sound natural environment. We must act dynamically, progressively, and systematically to ensure bountiful and thriving natural resources.

The Trust is to complement existing activities, stimulate private investment, and emphasize long-term gain. The Trust is to lead in the development of a vision of Nebraska's future environment. The Trust is to collaborate with public and private efforts to achieve that vision.

NEBRASKA ENVIRONMENTAL TRUST BOARD

BACKGROUND

In 1992, the Legislature established the Nebraska Environmental Trust Board (Agency) for the purpose of conserving, enhancing, and restoring the natural, physical, and biological environment of the State. The Agency administers funds to support short and long-term environmental goals and attempts to provide funding for proposals relating to habitat, surface and ground water, waste management, air quality, and soil management.

The Agency was created as “an entity of the executive branch” by Neb. Rev. Stat. § 81-15,170 (Reissue 2014). That statute provides, in relevant part, the following:

The [Environmental Trust] board consists of the Director of Environmental Quality, the Director of Natural Resources, the Director of Agriculture, the Secretary of the Game and Parks Commission, the Chief Executive Officer of the Department of Health and Human Services or his or her designee, and nine citizens appointed by the Governor with the approval of a majority of the Legislature. The citizen members shall begin serving immediately following notice of nomination and prior to approval by the Legislature. The citizen members shall represent the general public and shall have demonstrated competence, experience, and interest in the environment of the State. Two of the citizen appointees shall also have experience with private financing of public-purpose projects. Three appointees shall be chosen from each of the three congressional districts.

In particular, the Agency seeks to bring public and private partners together collaboratively to implement high-quality, cost-effective projects. The Agency values projects that leverage private investment in conservation and emphasize long-lasting results. Spending on approved projects is not to be a replacement for tax-funded projects or mandates and operations of government; it is used solely to carry out innovative ideas making Nebraska’s good life even better. Applicants for Nebraska Environmental Trust grants must meet tightly drawn criteria for eligibility to assure public benefit and substantial environmental gains.

There are no restrictions on applicants or project sponsors as long as the project falls within the eligibility criteria. Individuals, private organizations, and public entities are all welcome to apply. Private, for-profit organizations must demonstrate that the project results in public benefit and does not pay for private benefits. There are two types of grant applications: the General Grant application and the Recognition Grant application. The General Grant application is used for typical grant requests. The Recognition Grant application is used for funding requests less than \$15,000.

The Nebraska Lottery (Lottery) transfers monies to the Agency based on Neb. Rev. Stat. § 9-812 (Cum. Supp. 2016), which requires a portion of the dollar amount of lottery tickets sold on an annualized basis to be transferred to various beneficiary funds. Per subsection (2) of the statute, the dollar amount must equal “the greater of (a) the dollar amount transferred to the funds in fiscal year 2002-03 or (b) any amount which constitutes at least twenty-two percent and no more than twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis.” That subsection adds, “To the extent that funds are available, the Tax Commissioner and Director may authorize a transfer exceeding twenty-five percent of the dollar amount of the lottery tickets sold on an annualized basis.” Subsection (3)(e) of the statute directs forty-four and one-half percent of lottery proceeds to be put into the Environmental Trust Fund after prizes and operating expenses are paid, and subsection (3)(a) requires the first \$500,000 of proceeds to be paid to the Compulsive Gamblers Assistance Fund.

NEBRASKA ENVIRONMENTAL TRUST BOARD

BACKGROUND

(Concluded)

For administrative purposes only, the Agency is a part of the Nebraska Game and Parks Commission. Per § 81-15,170, the Commission provides “administrative support, including, but not limited to, payroll and accounting functions,” to the Agency.

NEBRASKA ENVIRONMENTAL TRUST BOARD

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Nebraska Environmental Trust Board Members

Name	Title	Term Ending
<u>1st District</u>		
Henry “Rick” Brandt	Chair – From July 13, 2014, to July 13, 2015, and Member	January 18, 2017**
James Hellbusch	Member	March 2021
Kevin Peterson	Member	March 2017
<u>2nd District</u>		
Paul Dunn	Member	March 2017
Robert Krohn	Member	March 2021
Gerry Lauritzen	Chair – From August 9, 2016, to Current and Member	March 2019
<u>3rd District</u>		
Sherry Vinton	Chair – From July 13, 2015, to August 9, 2016, and Member	March 2019
Rodney Christen	Member	March 2021
Gloria Erickson	Member	March 2017
<u>State Agency Representatives</u>		
Jim Douglas, Director Nebraska Game & Parks Commission	Vice Chair – From July 13, 2014, to July 13, 2015, and Member	
Courtney Phillips, CEO Acting Director, Division of Public Health Department of Health and Human Services	Member – From May 8, 2015, to October 31, 2016*	
Dr. Thomas Williams, Director Division of Public Health Department of Health and Human Services	Member – From Nov. 1, 2016, to Current *	
Jeff Fassett, P.E., Director Nebraska Department of Natural Resources	Member	
Greg Ibach, Director Nebraska Department of Agriculture	Vice Chair – From July 13, 2015, to August 9, 2016, and Member	
Jim Macy, Director NE Department of Environmental Quality	Vice Chair – From August 9, 2016, to Current and Member	

NEBRASKA ENVIRONMENTAL TRUST BOARD

KEY OFFICIALS AND AGENCY CONTACT INFORMATION (Concluded)

Nebraska Environmental Trust Board Members

*Courtney Phillips, CEO Acting Director, Division of Public Health, Department of Health and Human Services, was on the board for the period May 8, 2015, through October 31, 2016, when the position of Director of the Division of Public Health was vacant. This position was filled by Dr. Thomas Williams on November 1, 2016.

**Henry “Rick” Brandt resigned from the Agency effective January 18, 2017.

Nebraska Environmental Trust Board Executive Management

Name	Title
Mark Brohman	Executive Director
Marilyn Tabor	Grant Administrator

The Nebraska Environmental Trust Board
700 S 16th Street
P.O. Box 94913
Lincoln, NE 68509
mark.brohman@nebraska.gov

NEBRASKA ENVIRONMENTAL TRUST BOARD

SUMMARY OF COMMENTS

During our examination of the Nebraska Environmental Trust Board (Agency), we noted certain deficiencies and other operational matters that are presented here. The following comment is required to be reported in accordance with *Government Auditing Standards*: Comment Number 1, “Grant Payments,” which is considered to be a significant deficiency.

These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the following areas:

1. ***Grant Payments:*** The Agency grants millions of dollars annually to individuals, private organizations, and public entities for the benefit of habitats, surface and ground water, waste management, air quality, and soil management. For the period July 1, 2015, through December 31, 2016, the Agency received over \$27.5 million from the Nebraska Lottery and granted to grantees over \$33.8 million. In our review of the Agency’s monitoring procedures over grant expenditures made to grantees, we noted that documentation of the Agency’s monitoring procedures could be improved.
2. ***Rental-Related Expenditures Not Recorded in Cash Fund 23295:*** In our review of the activity of the Ferguson House Cash Fund, Fund 23295, we noted that the fund’s primary source of cash receipts is from the rental of space in the Ferguson House. We also noted that there was no rental-related expenditure recorded in this fund for the period July 1, 2015, through December 31, 2016, and the fund had a balance in excess of \$240,000 as of December 31, 2016.
3. ***Lack of Documentation to Support Rental Rates:*** The Agency did not have documentation to support how its rental rates were established, including documentation of costs associated with providing the rental services. The Agency received over \$33,000 in rental income for the period July 1, 2015, through December 31, 2016.
4. ***Receipts Not Collected or Deposited Timely:*** Rental income was not received in accordance with rental agreements, and receipts were not deposited in accordance with State statute.
5. ***Internal Control Over Receipts:*** There was a lack of segregation of duties, as one individual was able to perpetrate and/or to conceal errors or irregularities because initial control over the receipts received by the Agency was inadequate, and checks received by the Agency were not restrictively endorsed to the State Treasurer upon receipt.
6. ***Vehicle Travel Log:*** The travel log for a vehicle maintained by the Agency did not include the number of miles traveled or the start and finish time, and it did not always include the departure destination and the arrival destination, as well as the purpose of the trip. In addition, there was a lack of documentation of management’s review and approval of the log.

NEBRASKA ENVIRONMENTAL TRUST BOARD

SUMMARY OF COMMENTS

(Concluded)

7. **Expenditures:** During our testing of nine expenditure transactions, we noted that the Agency paid \$104.15 for meals of Agency family members. We also identified miscoding of expenditures and noted where controls over expenditures could be improved.
8. **Travel Testing:** During our testing of two Expense Reimbursement Request (ERR) documents by an Agency member and a staff person, we noted that the ERR documents did not include all of the required information, and some mileage claimed was not documented.
9. **Payables:** During our testing of nine transactions to determine if the Agency coded them properly in EnterpriseOne (E1), the State's accounting system, as a current year obligation or a prior year obligation (i.e. a payable), we noted that one \$400,000 transaction was coded as a current year obligation when it should have been coded as a prior year obligation (i.e. a payable).

More detailed information on the above items is provided hereinafter. It should be noted that this report is critical in nature, containing only our comments and recommendations on the areas noted for improvement and does not include our observations on any accounting strengths of the Agency.

Draft copies of this report were furnished to the Agency to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. All formal responses received have been incorporated into this report. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next examination.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

1. Grant Payments

Pursuant to State statute, the Environmental Trust Board (Agency) receives Nebraska Lottery proceeds annually to make grants to individuals, private organizations, and public entities for the benefit of habitats, surface and ground water, waste management, air quality, and soil management. Grants are given out on an annual basis and can last between one and three years. The Agency makes millions of dollars of grants annually to grantees. For the period July 1, 2015, through December 31, 2016, the Agency received over \$27.5 million from the Nebraska Lottery and granted over \$33.8 million to grantees.

During our review of the Agency's granting and monitoring procedures for 11 grant payment transactions for 9 different grantees, totaling \$11.3 million, we noted the following:

- Documentation of monitoring procedures was inadequate for all nine grantees tested, as follows:

Per discussion with Agency staff, a monitoring site visit is performed for most projects. Such visit would be done before the project is closed on most types of projects. Exceptions include projects that are simply educational seminars. Other exceptions are projects that involve only the printing of a brochure or other literature. In such cases, no physical visits would occur; instead, the grantees would simply provide outlines of the programs given or copies of the documents distributed.

During their monitoring site visits, Agency staff explained further, they meet with project sponsors and observe the project site, equipment, property, etc., and obtain information regarding implementation of the project. Staff members ensure that the grantees are doing what they said they would do in their grant applications. Staff also review the grantee budget and answer any administrative questions. The visits can last anywhere from 15 minutes to half a day. To document these monitoring site visits, staff print out any photos of the project that were taken for the grant file, as well as enter the monitoring site visit into their database. The documentation of the monitoring site visit in the database consists primarily of the date of the visit and who was visited. No site visit monitoring report is prepared. If no photos were taken, the only documentation of the monitoring site visit is the above-described notation in the database.

In addition, Title 137 NAC 9-014 of the Agency's own rules and regulations requires the following:

The Executive Director shall conduct periodic financial audits of all projects at a frequency as determined by the Executive Director. Audits shall be performed to ensure proper use of grant funds and to determine compliance with these regulations and with the grant agreement.

According to the Executive Director of the Agency, the financial records of a grantee may be reviewed, but no documentation of such review is kept unless problems are noted. The Agency does not have a documented audit process for conducting the required periodic financial audits of all projects.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

1. **Grant Payments** (Continued)

In addition, during our review of the grant records, we noted that the Agency lacked sufficient documentation to support that reimbursed amounts were actually paid. The only documentation provided was copies of invoices. The Agency did not request from the grantees, for example, cancelled checks for the amounts being reimbursed to document further, prior to reimbursement, that the amounts being reimbursed by the Agency were actually paid by the grantees.

Per Agency staff, between 200 and 300 active grantees are being monitored at any one time. As noted above, the only record of the monitoring site visits is documented in the Agency's database. A complete listing of active grantees, noting when a monitoring site visit had been performed, was not maintained to support more thoroughly when, or even if, a site visit had occurred. Given that the Agency has so many active grants at one time, it does not seem practical that a complete listing of grantees is not kept to record when a monitoring site visit is done. Nevertheless, under the current system, it would be difficult to keep track of whether a monitoring site visit had taken place and, if so, when it had occurred.

A good internal control plan would include further documentation of monitoring site visits. Such documentation might include a report on the monitoring site visit containing, for example, the following: 1) the date of the monitoring site visit; 2) the identity of the individual with whom the monitoring site visit was conducted; 3) what was to be accomplished during this monitoring site visit; 4) observations regarding whether the project objectives were met; 5) a review of the financial records; and 6) the overall results of the monitoring site visit.

In addition, financial audits should be performed and documented to ensure the proper use of grant funds, to determine compliance with both Agency regulations and the grant agreement, and to ensure compliance with Title 137 NAC 9-014. The plan might also include obtaining cancelled checks of the grantee's expenditures before reimbursement is made to provide more documentation to support the amount being reimbursed and maintaining a complete listing of every active grantee, noting when a site visit had been performed for each.

When site visits of grantees are not documented, audits are not being performed and documented in accordance with Title 137 NAC 9-014, cancelled checks of grantee expenditures are not obtained before reimbursement, and a complete listing of monitoring site visits for all grantees is not maintained, there is a greater risk that monitoring procedures will be inadequate to ensure that grantee performance is in accordance with the requirements of the grant contract and Agency regulations.

- For two transactions in which equipment was purchased in whole or in part with grant funds, we noted that the Agency had reimbursed grantees Prairieland Gold LLC for \$400,000 and Uribe Refuse Service, Inc., for \$394,050. It is the policy of the Agency to maintain an inventory record of all equipment valued at \$1,000 or more when purchased

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COMMENTS AND RECOMMENDATIONS

(Continued)

1. **Grant Payments** (Continued)

in whole or in part with grant funds. Doing so permits the Agency to monitor grantee compliance with the grant contract requirement that insurance be maintained on the property until it has been fully depreciated. During the time of our testing, however, the Agency had not yet included on its inventory record the equipment purchased by either Prairieland Gold LLC or Uribe Refuse Service, Inc. Consequently, the Agency could not monitor compliance with the grant contract insurance requirement for those items.

A good internal control plan would require the Agency to maintain an accurate and updated inventory record of all equipment valued at \$1,000 or more when purchased in whole or in part with grant funds. When equipment is not included on such inventory record at the time the Agency reimburses the grantee, it may not be possible for the Agency to monitor compliance with the grant contract insurance requirement.

- During our review of the Agency's grant files, it was noted that all forms containing an approval signature by the Executive Director were signed electronically. This signature was put on the forms by the grant system, usually by staff, when the form was printed out from the system. Per discussion with Agency staff, these forms are thoroughly reviewed by the Executive Director; however, aside from the electronic signature, this is not documented. Some of the key forms signed electronically by the Executive Director include the "Statement of Eligibility," "Rating Results," and the "Grant Contract." The Executive Director stated also that the forms are reviewed by the Agency's six-member Review Committee, as well as by all of the board members.

A good internal control plan would require all key grant forms to be signed by the Executive Director rather than being signed electronically.

When key grant documents are signed electronically, there is less assurance that those documents are actually approved by the Executive Director.

We recommend the following:

- Improving documentation of monitoring site visits. This might include a monitoring report documenting, for example, the date of the site visit, the individual with whom the site visit was conducted, what was to be accomplished on this site visit, such as observations made on whether the project objectives were met, a review of the financial records, and the overall results of the site visit.
- Performing and documenting a financial audit in accordance with the requirements of Title 137 NAC 9-014.
- Obtaining cancelled checks of the expenditure made by the grantee before reimbursement is made to provide more documentation to support that the amount being reimbursed was actually paid by the grantee.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

1. **Grant Payments** (Concluded)

- Preparing and maintaining a complete listing of active grantees, noting when a monitoring site visit had been performed.
- Including on the Agency's inventory record, at the time reimbursement is made, all equipment valued at \$1,000 or more when purchased in whole or in part with grant funds – thereby, permitting the Agency to monitor compliance with the grant contract insurance requirement.
- Requiring all key grant forms to be signed by the Executive Director rather than being signed electronically.

Agency Response: NET procedures include review financial records throughout the grant and as each grant closes. Record of site visits are entered into the database and are a part of final grant reports. Any follow-up requirements are addressed and included in the grant file. NET will adopt recommendations to include a monitoring report for site visits, itemizing items reviewed (review of bank statements, equipment location and condition, grant objectives, and/or field reviews, depending on the work funded). Paid invoices are verified at the site visit review.

A list of active grants is reviewed at each NET Board meeting and site visits are conducted and recorded prior to grant closing. NET will adopt recommendations to include a monitoring report for the site visit, itemizing items reviewed.

Equipment is recorded in the database when purchased. Recording Prairieland Gold and Uribe equipment was not an oversight. These are active grants and staff continues to work with both grantees as the equipment installation and operation moves forward.

NET will adopt the recommendation for the Director to initial and/or sign key grant documents.

2. **Rental-Related Expenditures Not Recorded in Cash Fund 23295**

During our review of the activity of the Ferguson House Cash Fund, Fund 23295, we noted that no rental-related expenditure was recorded in this fund for the period July 1, 2015, through December 31, 2016. We also noted that the fund had a balance in excess of \$240,000 as of December 31, 2016, and the fund's primary source of cash receipts is from the rental of space in the Ferguson House. Expenditures not recorded in this fund but incurred in providing rental services would be, for example, some share of the Ferguson House utility costs, some share of the charges that the Agency pays to the Department of Administrative Services – Building Division for the use of the Ferguson House, some related salary cost for personnel administering the rental activity, and other operating costs associated with the rental of space in the Ferguson House. All costs associated with renting space in the Ferguson House are currently being charged to the Agency's Trust Fund, Fund 23290.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

2. **Rental-Related Expenditures Not Recorded in Cash Fund 23295** (Concluded)

Neb. Rev. Stat. § 72-2401 (Reissue 2009) states the following:

The Ferguson House Fund is created. The fund shall be used by the Nebraska Environmental Trust Board only for the operation, administration, maintenance, restoration, and renovation of the Ferguson House and grounds. Revenue credited to the fund may consist of rental or other income related to the Ferguson House as well as gifts, grants, and bequests. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

A good internal control plan over cash funds would ensure that activity associated with the purpose of the fund is accounted for in that fund.

When expenditures associated with the purpose of a fund are not accounted for in that fund, there is not an accurate accounting of the fund activity, and the Agency is not in compliance with State statute.

We recommend the Agency record all rental-related expenditures of the Ferguson House to the Ferguson House Cash Fund to permit an accurate accounting over the fund's activity in accordance with State statute.

Agency Response: The NET Board directed expenditures to be paid from the Environmental Trust Cash Fund (23290) leaving the Ferguson House Cash Fund (23295) to accumulate in anticipation of major expenditures on the house. Work was completed on the Carriage House in 2016 and bids for work on the house have been reviewed this year. A determination was made to use 309 Task Force to provide funding for major work on the house. The NET Board directed staff to return to paying Ferguson House expenditures from the 23295 fund with continued review as repairs move forward.

3. **Lack of Documentation to Support Rental Rates**

The Agency rents space in the Ferguson House based on rental rates approved by the Nebraska Environmental Trust Board. While reviewing those rates, however, we noted that the Agency lacked documentation to support how they were established, including documentation of costs associated with providing the rental services. The Agency received over \$33,000 in rental income for the period July 1, 2015, through December 31, 2016.

A good internal control plan would ensure that the Agency has documentation to support how rental rates are established, including documentation of costs associated with providing the rental services.

A lack of such documentation increases the risk that rental rates will not be appropriately established to cover the costs of providing the rental services.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

3. **Lack of Documentation to Support Rental Rates** (Concluded)

We recommend the Agency develop and maintain documentation to support how rental rates are established, including an accurate accounting of the costs associated with providing the rental services. This should be done to ensure the rental rates are appropriately established to cover the costs of providing the rental services.

Agency Response: Rental rates are informally reviewed periodically. There are few facilities with the historic character of the Ferguson House available in the area for events. The Rodgers House B&B was contacted along with a review of other area facilities. Information is presented to the NET Board, keeping them updated about rates and expenditures. NET will adopt recommendations to document contacts and information gathered.

4. **Receipts Not Collected or Deposited Timely**

We tested four receipts on two deposit documents and noted the following:

- 1) The Agency rents space at the Ferguson House to outside entities. Two of the four receipts tested were for payments received for rental space at the Ferguson House. The lease agreement between the Agency and the entity renting this space states, "Monthly rental is payable in advance on the first day of each month commencing with the commencement of the term of this lease." One rental payment for the months of August, September, and October 2015 was recorded in EnterpriseOne (E1), the State's accounting system, as having been received in on October 13, 2015. Another rental payment was recorded in E1 on February 3, 2016, for the months of November and December 2015. Thus, the rental payments were not received in accordance with the express terms of the lease agreement.
- 2) Receipts were not deposited timely and in accordance with Neb. Rev. Stat. § 84-710 (Reissue 2014). For two of the four receipts tested, there was a lack of documentation to support when the receipt amounts were received. Thus, we were unable to determine if the receipts were deposited timely and in accordance with State statute. The amounts received for these two receipts were \$900 and \$600. Section 84-710 would require the deposit of these receipts within three business days of being received. For two receipts in the amount of \$85 and \$175, the deposits were made within 10 and 14 calendar days of receipt, which are 3 and 7 calendar days past the 7 days allowed by State statute.

Section 84-710 states, in relevant part, the following:

It shall be unlawful for any executive department, state institution, board, or officer acting under or by virtue of any statute or authority of the state, including the State Racing Commission, to receive any fees, proceeds from the sale of any public property, or any money belonging to the state or due for any service rendered by virtue of state authority without paying the same into the state treasury within three business days of the receipt thereof when the aggregate amount is five hundred dollars or more and within seven days of the receipt thereof when the aggregate amount is less than five hundred dollars.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

4. **Receipts Not Collected or Deposited Timely** (Concluded)

A good internal control plan would include procedures to ensure that Ferguson House rent is collected in accordance with terms of the rental agreement, documentation is maintained to support when receipts are received, and receipts are deposited timely and in accordance with State statute.

Without such procedures, there is an increased risk for misuse of State funds and non-compliance with State statute.

We recommend the Agency implement procedures to ensure rental receipts are received in accordance with the terms of Agency's rental agreements, the date receipts are received is documented, and receipts are deposited timely and in accordance with State statute.

Agency Response: The rent payment reviewed was outside normal procedures. The renters had communicated with NET staff to discuss payment timing and had received approval to make payments in arrears until grant funding was available. NET follows procedures in accordance with State statute. The renter has continued to make payments according to the rental agreement.

NET procedures follow State Statute. Staff has incorporated reference to Section 84-710 into procedures (within three business days of the receipt thereof when the aggregate amount is five hundred dollars or more and within seven days of the receipt thereof when the aggregate amount is less than five hundred dollars).

5. **Internal Control Over Receipts**

During our review of the Agency's receipting process, the following was noted:

- There was a lack of segregation of duties over receipts. Only one individual opened the mail containing receipts and prepared the deposit document. If so inclined, therefore, that one individual could have perpetrated and/or concealed any errors or irregularities because initial control over the receipts received by the Agency was inadequate. A good internal control plan would include establishing initial control over receipts by having two individuals open the mail and prepare and sign a receipt log. Further controls would also include a third person not involved in this process comparing the receipt deposit document and cash received to the receipt log to ensure that all receipts were deposited intact.
- Checks received by the Agency were not restrictively endorsed to the State Treasurer upon receipt by the Agency. A good internal control plan over receipts would require all checks received to be restrictively endorsed to the State Treasurer upon receipt by the Agency.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

5. **Internal Control Over Receipts** (Concluded)

The Agency received over \$33,000 in cash receipts for the period July 1, 2015, through December 31, 2016.

When two individuals do not open the mail and prepare and sign a log of all monies received, and when checks received are not restrictively endorsed to the State Treasurer upon receipt, there is less assurance that all receipts received by the Agency will be deposited and accounted for properly.

We recommend the Agency implement policies and procedures to ensure mail is opened by two individuals who also prepare and sign a receipt log. We further recommend a third person review and compare the deposit document and cash receipts to the receipt log to ensure receipts received are deposited intact. Finally, we recommend checks be restrictively endorsed to the State Treasurer upon receipt.

Agency Response: NET has adopted the recommendation to restrictively endorse checks upon receipt for deposit to the State Treasurer. Two staff are present when mail is opened and any checks are recorded and sent for deposit within the timeframes outlined in statutes and agency procedures. Each deposit is reviewed by the staff person involved in the transaction prior to funds being sent for deposit involved.

6. **Vehicle Travel Log**

The Agency maintains a 2010 Ford Explorer, which is used primarily for site visits. We reviewed the travel log for this vehicle for the 18-month period July 1, 2015, through December 31, 2016, to determine if the Agency's vehicle travel logs were maintained in accordance with both State statute and the policies and procedures of the Transportation Service Bureau (TSB) of the Department of Administrative Services.

Neb. Rev. Stat. § 81-1025 (Reissue 2014) provides the following:

Each operator of a bureau fleet vehicle shall report the points between which the bureau fleet vehicle traveled each time used, the odometer readings at such points, the time of arrival and departure, the necessity and purpose for such travel, the license number of such vehicle, and the department to which such vehicle is assigned.

Similarly, Section 7, "Official Travel Log," of the TSB's policies and procedures states the following:

State statutes mandate all travel in state-owned vehicles to be recorded and reported in detail (§81-1025). An entry is defined as a record of the following information required each time the vehicle is stopped and started: date, beginning and ending mileage, number of miles traveled, start time, finish time, from and to destinations, purpose of trip, and the driver's signature.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

6. **Vehicle Travel Log** (Concluded)

Finally, Neb. Rev. Stat. § 81-1024 (Reissue 2014) prohibits the personal use of State vehicles, as follows:

No officer or employee of the State of Nebraska shall use any motor vehicle owned by the State of Nebraska for any personal use whatsoever. Any officer or employee who violates any of the provisions of this section shall be deemed guilty of a Class V misdemeanor, and in addition thereto the officer or employee shall be deemed guilty of official misconduct in office for palpable omission of duty, and upon conviction thereof the court shall have the power to add to the judgment that any officer or employee so convicted shall be removed from office or employment.

Our review of the vehicle travel log for the above-referenced period noted the following:

- The log reflected the date, the beginning and ending mileage, and the driver's signature; however, it did not include the number of miles traveled and the start and finish times. Likewise, the log did not always have the "from and to destinations" and the purpose of the trip.
- In addition, the log is not in a form that requires documentation of who reviews and approves vehicle usage monthly to ensure that the vehicle is being used only for State business.

The Agency's vehicle was driven 18,721 miles for the 18-month period July 1, 2015, through December 31, 2016. Given the incomplete log information and lack of a documented monthly usage review and approval, however, it is not possible to determine whether the vehicle was used only for State business.

A good internal control plan would include procedures to ensure that vehicle travel logs are completed in accordance with both State statute and TSB policies and procedures and are subject to a documented monthly usage review and approval to ensure the vehicle is used only for State business.

Without such an internal control plan, there is an increased risk of not only failure to comply with State statute and TSB policies and procedures but also improper vehicle usage.

We recommend the Agency ensure its vehicle travel log is completed in accordance with both State statute and TSB policies and procedures. We recommend also the Agency develop a travel log that permits a monthly review and approval of vehicle usage by management to ensure the vehicle is being used only for State business.

Agency Response: NET has adopted the recommendation to include more detailed information in the vehicle log. A monthly log replaced a continuous use record. In addition to beginning and end destinations, interim stops are recorded and the Executive Director reviews the log each month.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

7. Expenditures

During our testing of nine expenditure transactions, we noted the following:

- 1) One transaction was miscoded in the accounting system between food expense, account code 533900, and lodging expense, account code 57100. This resulted in the food expense being overstated by \$344 and the lodging expense being understated by \$344. A good internal control plan would ensure that expenditure transactions are properly coded. When expenditure transactions are not properly coded, the financial records of the Agency will not be accurate.
- 2) For one transaction, the Executive Director attended an out-of-State conference and signed his own out-of-State travel request form. A good internal control plan would ensure that a person attending an out-of-State conference does not approve his or her own travel request form. Such internal control plan should require the Executive Director's out-of-State travel to be approved by a designated Board member. When the Executive Director approves his own out-of-State travel request form, there is an increased risk that the travel expense incurred will not be authorized by the Board.
- 3) For one transaction, a charge was not reasonable and proper for the Agency. Included in the meals purchased by the Agency during its third-quarter Board meeting were meals for five family members of Board members. The cost per meal was \$20.83, resulting in a total expenditure of \$104.15. Meals for Board members' families are not an allowable expense for the Agency. A good internal control plan would ensure that the Agency does not purchase meals for families of Board members. When purchasing meals for Board member families, the Agency is incurring unallowable personal expenses of the Board.
- 4) The Agency failed to maintain adequate documentation, including the original receipt, for one \$61.04 voyager fleet system charge. A good internal control plan would ensure that adequate documentation is maintained for all expenditures. Without such supporting documentation, there is a greater risk of unauthorized expenditures.
- 5) The Agency charges fuel and repair cost to the State's Voyager Fleet Card for a vehicle that it maintains. In our review of the processing of charges to this card, we noted that the Agency does not compare the receipt charges to subsequent billings to ensure that billed amounts are proper. A good internal control plan would ensure the Voyager billings are compared to the Voyager receipt charges to ensure the billed amounts are proper. Without such a comparison, there is a greater risk of inappropriate charges to the Agency.

We recommend the Agency implement internal controls to ensure the following: transactions are properly coded; the Executive Director's out-of-State travel is approved by the Board; the Agency does not purchase meals for families of Board members; supporting documentation is maintained for all expenditures; and Voyager Fleet Card receipt charges are compared to subsequent billings to ensure that amounts charged to the Agency are correct.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS (Continued)

7. **Expenditures** (Concluded)

Agency Response: NET corrected procedures last fall and NET Board members and staff are now aware of regulations not allowing the Trust to pay for family members. NET has adopted the recommendation for the Executive Director's out-of-state travel to be reviewed by the Chairperson. Fleet charges are reviewed monthly when the monthly travel log is checked.

8. **Travel Testing**

In our review of two Expense Reimbursement Request (ERR) documents by a Board member and a staff person, we noted the following:

- For a trip to a Board meeting at Fort Robinson State Park, the Board member did not complete all of the required information for the ERR document. The Board member did not note on the ERR document either his starting/stopping times or his starting location.
- A staff person did not complete her ERR document accurately and with all of the required information. She claimed reimbursement for travelling 643 miles – from Lincoln, NE, to Thedford, NE, and back – to participate in the Nebraska Grazing Lands Coalition's Summer Grazing & Birding Tour. On her ERR document, the staff person recorded only the starting and stopping times at Lincoln and Thedford. The Auditor of Public Accounts (APA) calculated the round trip between Lincoln to Thedford to be only 492 miles. Given a 10% variance in our calculation, we estimate the claimed excess mileage to be approximately 102 miles. To explain this excess mileage, the staff person stated that she made several site visits to monitor various projects funded by the Agency. Although claiming the visits to be part of her grant administrator duties, she did not include any of them on her ERR document. We also noted that one \$19.65 meal receipt submitted by her was not itemized, as required by State accounting policies.

Department of Administrative Services (DAS) Accounting Manual, AM-005, "Travel Expense Policies," Section 5, states, in relevant part, the following:

Substantiation of Expenses - Under our accountable plan, the Internal Revenue Service requires employees to substantiate the cost for travel, lodging, meals, and other expenses. To be reimbursed, the expense must be a necessary expense, incurred in the line of duty, reason/purpose of the expense must be clearly stated, all start/stop dates and times must be recorded, and the amount of the expense must be substantiated.

Adequate accounting generally requires the use of a documentation record such as an account book, expense diary or log, or similar record near the time of incurrence of the expense. Such log should list the date, amount, place (e.g. city) or description, and purpose for each expense or meal/food cost. A combination of receipts and detailed itemization is permitted. To satisfy the requirement of our accountable plan, the employee should complete the Expense Reimbursement Document correctly (see instructions) or utilize a documentation record to transfer cost information to the expense reimbursement form so reimbursement can be made.

In addition, a good internal control plan would require procedures to ensure that all ERR documents are completed accurately, and all expenses are reasonable and necessary and in compliance with DAS accounting policies.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS (Concluded)

8. **Travel Testing** (Concluded)

Without such procedures, there is an increased risk of loss and misuse of State funds.

We recommend the Agency develop controls to ensure that all ERR documents are properly completed, have adequate supporting documentation, and are calculated accurately. Reimbursement claims for mileage, lodging, and meals should be reviewed to verify that they are reasonable and agree to supporting documentation. All claims in ERR documents should be reviewed to verify compliance with DAS accounting policies.

Agency Response: NET has adopted the recommendations for more detailed travel records.

9. **Payables**

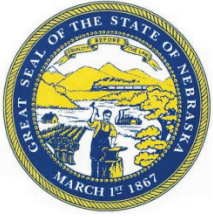
During our testing of nine transactions to determine if the Agency had coded them properly in EnterpriseOne (E1), the State's accounting system, as a current year obligation or a prior year obligation (i.e., a payable), we noted that one transaction was coded as a current year obligation when it should have been coded as a prior year obligation (i.e., a payable). When not recorded correctly as a current or prior year obligation, a transaction will not be properly recorded on the accrual basis for the Nebraska's Comprehensive Annual Financial Report (CAFR).

The miscoded transaction was a \$400,000 payment to reimburse Pairieland Gold LLC (Prairieland) for the cost of a LWR 85 Recovery System for the Wastewater Treatment Nutrient Recovery Project. Pairieland was billed from CG Commercial Finance for the equipment on an invoice dated June 25, 2016. Thus, the equipment was received by Pairieland prior to the fiscal year ended June 30, 2016, and became an obligation of the State at that time, in accordance with the grant agreement. The Agency reimbursed Pairieland in the amount of \$400,000, in accordance with the grant agreement, on September 6, 2016, during the fiscal year ended June 30, 2017, and coded the transaction in E1 as a current obligation. This transaction is recorded, therefore, as an expense for the fiscal year ended June 30, 2017; however, on the accrual basis, it should have been recorded in E1 as a prior year obligation and as an expense for the fiscal year ended June 30, 2016.

A good internal control plan would ensure that transactions are recorded properly in E1 for financial reporting purposes as a current or prior year obligations.

We recommend the Agency ensure procedures are in place to recorded expense transactions properly at fiscal year end as either a current or prior year obligation.

Agency Response: NET procedures are in alignment with the requirement for transaction coding based on the year of the obligation. NET has adopted the recommendation to work with Nebraska Game and Parks Commission to ensure payments have been processed correctly.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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NEBRASKA ENVIRONMENTAL TRUST BOARD

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Environmental Trust Board
Lincoln, Nebraska

We have examined the accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances of the Nebraska Environmental Trust Board for the period July 1, 2015, through December 31, 2016. The Nebraska Environmental Trust Board's management is responsible for the Schedule of based on the accounting system and procedures set forth in Note 1. Our responsibility is to express an opinion on the Schedule of Revenues, Expenditures, and Changes in Fund Balances 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule of Revenues, Expenditures, and Changes in Fund Balances is based on the accounting system and procedures set forth in Note 1, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule of Revenues, Expenditures, and Changes in Fund Balances. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule of Revenues, Expenditures, and Changes in Fund Balances, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balances for the period July 1, 2015, through December 31, 2016, is based on the accounting system and procedures prescribed by the State of Nebraska's Director of the Department of Administrative Services (DAS), as set forth in Note 1, in all material respects.

In accordance with *Government Auditing Standards*, we are required to report findings of significant deficiencies and material weaknesses in internal control; instances of fraud and noncompliance with provisions of laws or regulations that have a material effect on the subject matter or an assertion about the subject matter and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements that has a material effect on the subject matter or an assertion about the subject matter of the examination engagement; and abuse that has a material effect on the subject matter or an assertion about the subject matter of the examination engagement. 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 a certain finding that is required to be reported under *Government Auditing Standards*, and the finding, along with the views of management, is described in the Comments Section of the report.

This report is intended solely for the information and use of management, the Nebraska Environmental Trust Board, and the appropriate Federal and regulatory agencies, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in black ink, appearing to read "C. J. Janssen", with a long horizontal flourish extending to the right.

Charlie Janssen
Auditor of Public Accounts
Lincoln, Nebraska

June 23, 2017

NEBRASKA ENVIRONMENTAL TRUST BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2015, through December 31, 2016

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	\$ 66	\$ -	\$ -	\$ 66
Miscellaneous	1,041,201	42,585	51,571	1,135,357
TOTAL REVENUES	<u>1,041,267</u>	<u>42,585</u>	<u>51,571</u>	<u>1,135,423</u>
EXPENDITURES:				
Personal Services	475,802	-	-	475,802
Operating	191,154	-	-	191,154
Travel	13,085	-	-	13,085
Capital Outlay	1,008	-	-	1,008
Government Aid	33,794,372	-	-	33,794,372
TOTAL EXPENDITURES	<u>34,475,421</u>	<u>-</u>	<u>-</u>	<u>34,475,421</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(33,434,154)</u>	<u>42,585</u>	<u>51,571</u>	<u>(33,339,998)</u>
OTHER FINANCING SOURCES (USES):				
Sales of Assets	4	-	-	4
Operating Transfers In	27,574,114	-	-	27,574,114
TOTAL OTHER FINANCING SOURCES (USES)	<u>27,574,118</u>	<u>-</u>	<u>-</u>	<u>27,574,118</u>
Net Change in Fund Balances	(5,860,036)	42,585	51,571	(5,765,880)
FUND BALANCES, JULY 1, 2015	<u>35,956,319</u>	<u>197,788</u>	<u>1,425,181</u>	<u>37,579,288</u>
FUND BALANCES, DECEMBER 31, 2016	<u>\$ 30,096,283</u>	<u>\$ 240,373</u>	<u>\$ 1,476,752</u>	<u>\$ 31,813,408</u>
FUND BALANCES CONSIST OF:				
General Cash	\$ 30,390,878	\$ 240,373	\$ 2,348	\$ 30,633,599
Long-Term Investments	-	-	1,474,404	1,474,404
Due to Vendors	(294,595)	-	-	(294,595)
TOTAL FUND BALANCES	<u>\$ 30,096,283</u>	<u>\$ 240,373</u>	<u>\$ 1,476,752</u>	<u>\$ 31,813,408</u>

The accompanying notes are an integral part of the schedule.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE

For the Period July 1, 2015, through December 31, 2016

1. Criteria

The accounting policies of the Nebraska Environmental Trust Board (Agency) are on the basis of accounting, as prescribed by the State of Nebraska's Director of the Department of Administrative Services (DAS). Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2014), the duties of the State of Nebraska's Director of DAS 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 2014), 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, an accounting resource software, 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. EnterpriseOne is not an accrual accounting system; instead, accounts are maintained on a modified cash basis. As revenue transactions occur, the agencies record the accounts receivable and related revenues in the general ledger. As such, certain revenues are recorded when earned, regardless of the timing of related cash flows. State Accounting does not require the Agency to record all accounts receivable and related revenues in EnterpriseOne; as such, the Agency's schedule does not include all accounts receivable and related revenues. In a like manner, expenditures and related accounts payable are recorded in the general ledger as transactions occur. As such, the schedule includes those expenditures and related accounts payable posted in the general ledger as of December 31, 2016, and not yet paid as of that date. The amount recorded as expenditures on the schedule, as of December 31, 2016, **does not** include amounts for goods and services received before December 31, 2016, which had not been posted to the general ledger as of December 31, 2016.

The Agency had no accounts receivable at December 31, 2016. 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 Agency are:

20000 – Cash Funds – account for revenues generated by specific activities from sources outside of State government and the expenditures directly related to the generation of the revenues. Cash funds are established by State statutes and must be used in accordance with those statutes.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE
(Continued)

1. Criteria (Concluded)

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

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 and used by the Agency are:

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

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 that 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.

Government Aid – Payment of State money to governmental subdivisions, State agencies, local health and welfare offices, individuals, etc., in furtherance of local activities and accomplishment of State programs.

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

Assets – Resources owned or held by a government that have monetary value. Assets include cash accounts and long-term investments. Cash accounts are also included in fund balance and are recorded in the general ledger. Long-term investments (investments) are stated at fair value, based on quoted market prices. Law or legal instruments may restrict these investments. Investments are under the control of the State Treasurer or other administrative bodies, as determined by law.

Liabilities – Legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. Accounts payable/due to vendor transactions are recorded as expenditures, resulting in a decrease to fund balance.

Other Financing Sources – Operating transfers, and proceeds of fixed asset dispositions. See footnote 11 for further disclosure regarding operating transfers.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE (Continued)

2. Reporting Entity

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

The Agency 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, which 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 Agency takes an annual inventory, recording in the State Accounting System all equipment that has a cost of \$1,500 or more at the date of acquisition.

For the CAFR, the State requires the Agency 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 more than one year 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.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE (Continued)

5. Capital Assets (Concluded)

Equipment is depreciated in the CAFR using the straight-line method. Equipment is depreciated using estimated useful lives of 3-10 years.

Capital asset activity of the Agency recorded in the State Accounting System for the period of July 1, 2015, through December 31, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Equipment	\$ 38,512	\$ 1,008	\$ 4,242	\$ 35,278
Less accumulated depreciation*				34,437
Total capital assets, net of depreciation				\$ 841

*Accumulated depreciation is through November 30, 2016.

6. Investments

Long-Term Investments represent the balance reflected on EnterpriseOne. These investments are part of the Nebraska Environmental Endowment Fund. Additional information on the Environmental Endowment Fund can be found in the State of Nebraska's CAFR.

7. Transfers

The Nebraska Lottery (Lottery) transfers monies to the Agency based on Neb. Rev. Stat. § 9-812 (Cum. Supp. 2016) which requires a portion of the dollar amount of the lottery tickets that have been sold on an annualized basis, to be transferred to the beneficiary funds. The dollar amount transferred pursuant to this subsection shall equal the greater of (a) the dollar amount transferred to the funds in fiscal year 2002-03 or (b) any amount which constitutes at least twenty-two percent and no more than twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis. To the extent that funds are available, the Tax Commissioner and Director may authorize a transfer exceeding twenty-five percent of the dollar amount of the lottery tickets sold on an annualized basis. Forty-four and one-half percent of lottery proceeds are put into the Environmental Trust Fund after prizes and operating expenses are paid for and the first \$500,000 of proceeds are paid to the Compulsive Gamblers' Assistance Fund. For the period July 1, 2015, through December 31, 2016, the Lottery transferred \$27,574,114 to the Environmental Trust Fund (\$18,865,394 for the fiscal year ended June 30, 2016, and \$8,708,720 for the six-month period July 1, 2016, through December 31, 2016).

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE (Concluded)

8. Related Party

Neb. Rev. Stat. § 81-15,170 (Reissue 2014) establishes the following State Agency personnel as Board members of the Agency: the Director of Environmental Quality, the Director of Natural Resources, the Director of Agriculture, the Secretary of the Game and Parks Commission, and the Chief Executive Officer of the Department of Health and Human Services or his or her designee. Agencies of these board members can and some agencies do apply and have received significant funding for projects funded by the Board. When these agency applications are reviewed by the Board the agency board member of the agency in which the application is being considered is required by Neb. Rev. Stat. § 81-15,170.01 (Reissue 2014) to abstain from voting on applications which would provide funding primarily to his or her agency.

9. Subsequent Event

Neb. Rev. Stat. § 61-218 (7)(c) (Cum. Supp. 2016) directed the Department of Natural Resources (DNR) to apply for a \$3.3 million grant annually for the fiscal years ending June 30, 2015, 2016, and 2017 for projects funded by the Agency. The DNR annually applied and the Agency approved these grants for the three fiscal years ending June 30, 2017. During the 105th legislative session, with the passage and approval of LB 331, § 61-218 (7)(c) was amended to indicate that it was the intent of the legislature for the DNR to apply for an additional three-year grant from the Nebraska Environmental Trust fund that would begin in fiscal year 2017-18. Thus, this amendment of § 61-218 (7)(c) would require the DNR to apply to the Board for a \$3.3 million grant annually for the next three fiscal years for their consideration during their annual granting process.

NEBRASKA ENVIRONMENTAL TRUST BOARD

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 ENVIRONMENTAL TRUST BOARD
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Exhibit A

For the Period July 1, 2015, through June 30, 2016

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	\$ 51	-	\$ -	\$ 51
Miscellaneous	731,636	28,354	14,057	774,047
TOTAL REVENUES	<u>731,687</u>	<u>28,354</u>	<u>14,057</u>	<u>774,098</u>
EXPENDITURES:				
Personal Services	318,144	-	-	318,144
Operating	110,092	-	-	110,092
Travel	5,813	-	-	5,813
Capital Outlay	-	-	-	-
Government Aid	21,422,629	-	-	21,422,629
TOTAL EXPENDITURES	<u>21,856,678</u>	<u>-</u>	<u>-</u>	<u>21,856,678</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(21,124,991)</u>	<u>28,354</u>	<u>14,057</u>	<u>(21,082,580)</u>
OTHER FINANCING SOURCES (USES):				
Sales of Assets	4	-	-	4
Operating Transfers In	18,865,394	-	-	18,865,394
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,865,398</u>	<u>-</u>	<u>-</u>	<u>18,865,398</u>
Net Change in Fund Balances	(2,259,593)	28,354	14,057	(2,217,182)
FUND BALANCES, JULY 1, 2015	<u>35,956,319</u>	<u>197,788</u>	<u>1,425,181</u>	<u>37,579,288</u>
FUND BALANCES, JUNE 30, 2016	<u>\$ 33,696,726</u>	<u>\$ 226,142</u>	<u>\$ 1,439,238</u>	<u>\$ 35,362,106</u>
FUND BALANCES CONSIST OF:				
General Cash	\$ 33,696,726	\$ 226,057	\$ 2,325	\$ 33,925,108
Accounts Receivable Invoiced	-	85	-	85
Long-Term Investments	-	-	1,436,913	1,436,913
TOTAL FUND BALANCES	<u>\$ 33,696,726</u>	<u>\$ 226,142</u>	<u>\$ 1,439,238</u>	<u>\$ 35,362,106</u>

The accompanying notes are an integral part of the schedule.

NEBRASKA ENVIRONMENTAL TRUST BOARD
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Exhibit B

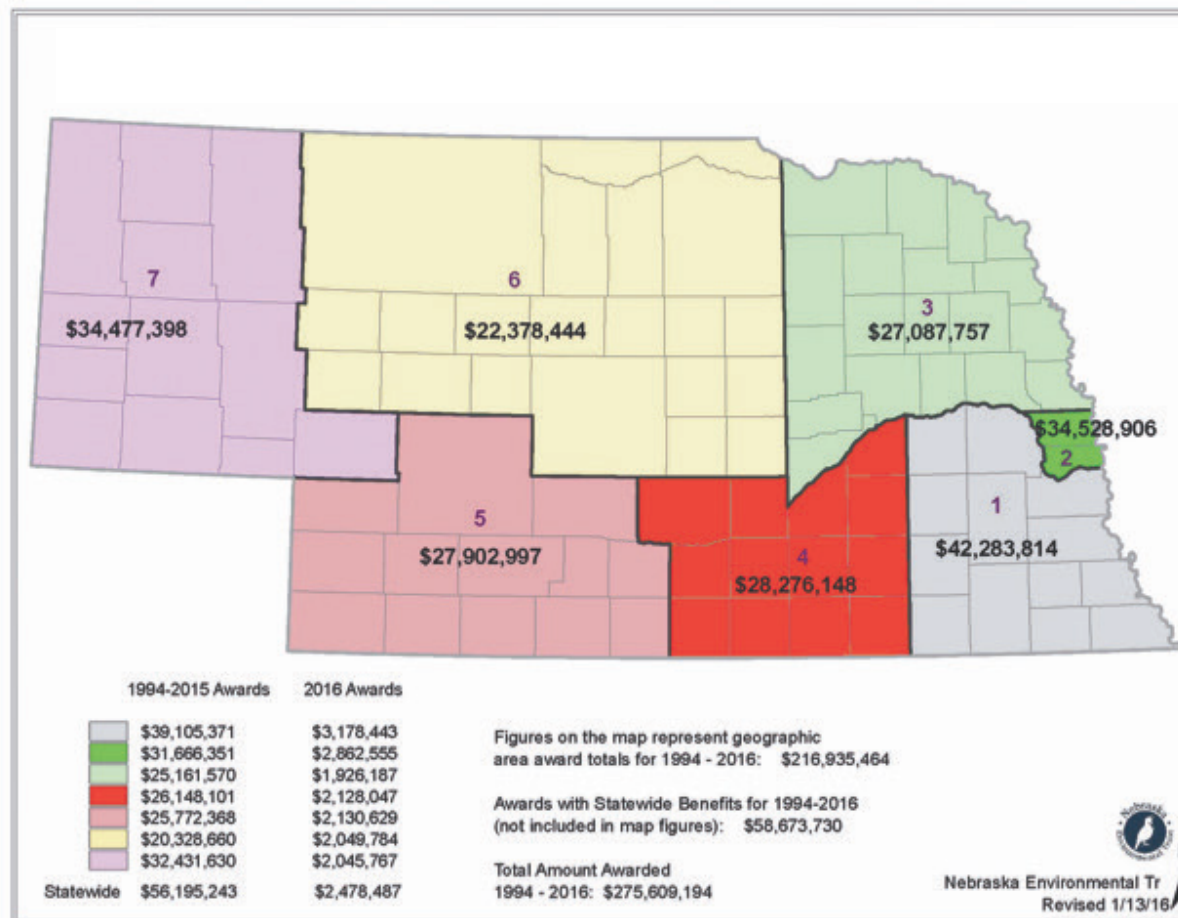
For the Period July 1, 2016, through December 31, 2016

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	\$ 15	-	\$ -	\$ 15
Miscellaneous	309,565	14,231	37,514	361,310
TOTAL REVENUES	309,580	14,231	37,514	361,325
EXPENDITURES:				
Personal Services	157,658	-	-	157,658
Operating	81,062	-	-	81,062
Travel	7,272	-	-	7,272
Capital Outlay	1,008	-	-	1,008
Government Aid	12,371,743	-	-	12,371,743
TOTAL EXPENDITURES	12,618,743	-	-	12,618,743
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (12,309,163)	 14,231	 37,514	 (12,257,418)
OTHER FINANCING SOURCES (USES):				
Sales of Assets	-	-	-	-
Operating Transfers In	8,708,720	-	-	8,708,720
TOTAL OTHER FINANCING SOURCES (USES)	8,708,720	-	-	8,708,720
 Net Change in Fund Balances	 (3,600,443)	 14,231	 37,514	 (3,548,698)
 FUND BALANCES, JULY 1, 2016	 33,696,726	 226,142	 1,439,238	 35,362,106
 FUND BALANCES, DECEMBER 31, 2016	 \$ 30,096,283	 \$ 240,373	 \$ 1,476,752	 \$ 31,813,408
FUND BALANCES CONSIST OF:				
General Cash	\$ 30,390,878	\$ 240,373	\$ 2,348	\$ 30,633,599
Long-Term Investments	-	-	1,474,404	1,474,404
Due to Vendors	(294,595)	-	-	(294,595)
TOTAL FUND BALANCES	\$ 30,096,283	\$ 240,373	\$ 1,476,752	\$ 31,813,408

The accompanying notes are an integral part of the schedule.

NEBRASKA ENVIRONMENTAL TRUST BOARD
GEOGRAPHIC DISTRIBUTION OF GRANT AWARDS
1994 – 2016

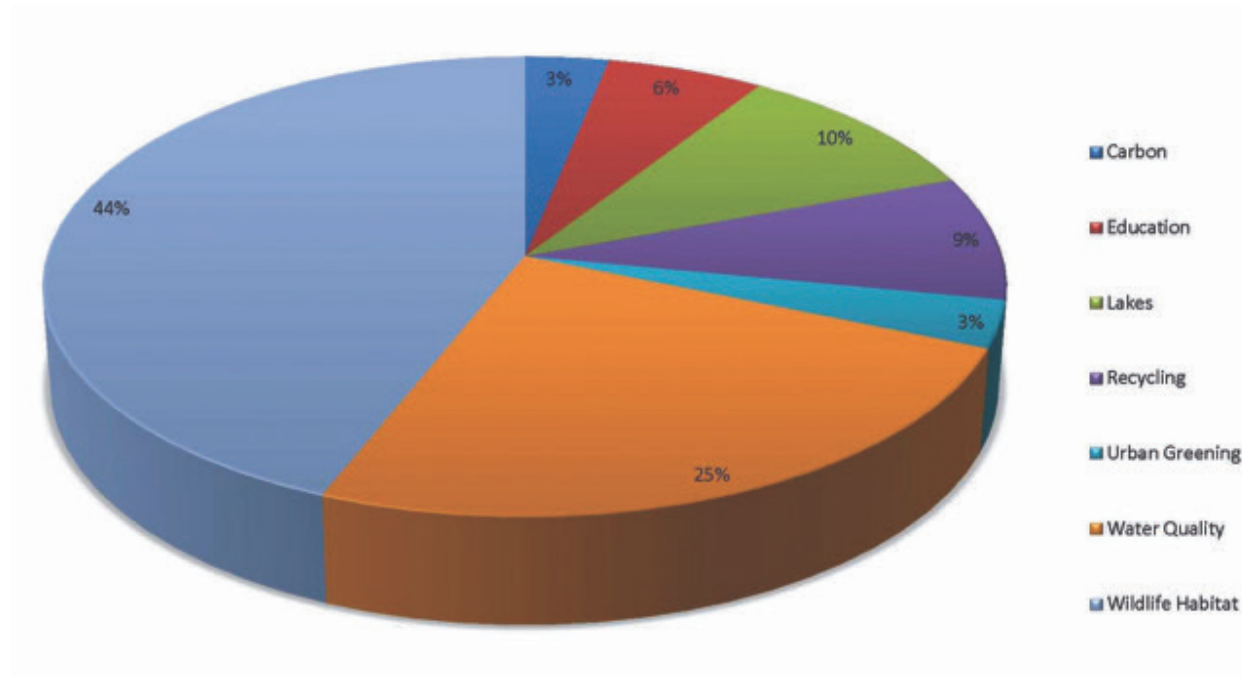
Exhibit C



Source: Nebraska Environmental Trust Board

NEBRASKA ENVIRONMENTAL TRUST BOARD
GRANT AWARDS BY CATEGORY
1994 – 2016

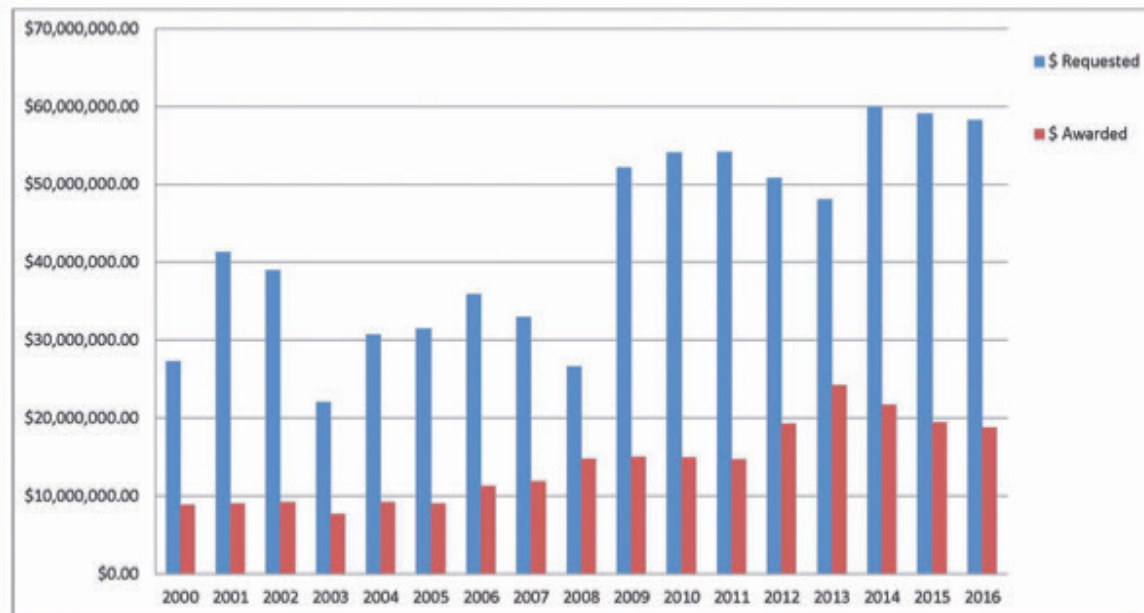
Exhibit D



Source: Nebraska Environmental Trust Board

NEBRASKA ENVIRONMENTAL TRUST BOARD
GRANT AWARDS AMOUNT REQUESTED
VS. AMOUNT AWARDED
2000 – 2016

Exhibit E



Source: Nebraska Environmental Trust Board

NEBRASKA ENVIRONMENTAL TRUST BOARD
2016 GRANT CYCLE
FINAL RANK ORDER LIST

Exhibit F

Rating	Sponsor	App Id	Project Name	Award Amount	Intent Yr. 2	Intent Yr. 3
212	Northern Prairies Land Trust	16-115	Expanding the Tallgrass Prairie Partnership	\$281,000.00	\$251,000.00	\$191,000.00
193	NE Game and Parks Commission	16-140	Nebraska Natural Legacy Plan: Terrestrial and Aquatic Implementation for Biodiversity Conservation	\$430,000.00	\$260,000.00	\$260,000.00
187	The Nature Conservancy	16-147	Fire Training Exchange in Nebraska	\$66,462.00	\$68,962.00	\$42,770.00
183	BOR-UNL	16-156	Living Soil: A New Exhibit at Raising Nebraska	\$250,000.00	\$0.00	\$0.00
162	Five Rivers RC&D	16-223	Native Grassland Protection Against Invasive Weeds III	\$56,579.00	\$56,579.00	\$56,580.00
162	Lied Lodge and Conference Center	16-145	Biomass Absorption Chiller and Fuel-wood Gallery	\$65,000.00	\$0.00	\$0.00
161	Nebraska Cattlemen	16-134	Leopold Conservation Award Video Project	\$10,000.00	\$10,000.00	\$10,000.00
159	Fontenelle Forest Association	16-212	Raptor Woodland Refuge	\$300,000.00	\$0.00	\$0.00
159	Upper Loup NRD	16-102	Groundwater Monitoring to Assess Water Development in Brown County	\$90,000.00	\$0.00	\$0.00
159	Lincoln, City of	16-117	Community-Driven Toxics Reduction: A Proposal to Construct a Household Hazardous Waste (HHW) and Small Business (CESQG) Hazardous Waste Facility	\$300,000.00	\$0.00	\$0.00
156	Mid-Nebraska Disposal	16-155	Regional Solid Waste Recyclables Sorting Hub	\$200,000.00	\$0.00	\$0.00
154	Nebraska Energy Office	16-205	Enhancing Access to Renewable Biofuels & Air Quality in NE	\$500,000.00	\$500,000.00	\$0.00
154	NE Game and Parks Commission	16-141	Rainwater Basin Wetland Management	\$75,000.00	\$75,000.00	\$75,000.00
152	Brownell Talbot School	16-225	EAB Science and Sustainable Urban Forestry Landscape	\$21,030.00	\$0.00	\$0.00
151	The Nature Conservancy	16-148	Making a Place for Monarchs	\$57,184.00	\$41,907.00	\$42,843.00
150	Iain Nicolson Audubon Center at Rowe Sanctuary	16-144	Integrating new core habitat	\$37,551.00	\$49,905.00	\$0.00
150	Friends of Heron Haven, Inc.	16-218R	Environmental Education at Heron Haven Wetland Sanctuary	\$7,290.00	\$2,700.00	\$2,700.00
150	Nebraska Pharmacists Association	16-173	Preventing Poisoning, Pollution and Prescription Drug Overdose for	\$280,000.00	\$0.00	\$0.00
150	Keep Alliance Beautiful	16-206	Recycling Center Operations and Education Program	\$81,189.00	\$0.00	\$0.00
149	Lower Platte North NRD	16-125	Implementation of the Wahoo Creek Watershed Plan	\$106,000.00	\$0.00	\$0.00
149	Boy Scouts of America - Longs Peak Council	16-163	Chadron State Park Tree Plant	\$15,000.00	\$15,000.00	\$15,000.00
149	Prairieland Gold LLC	16-175	Prairieland Wastewater Treatment & Nutrient Recovery	\$400,000.00	\$0.00	\$0.00
148	Nebraska State Recycling Association	16-210	Recycling Equipment Grant	\$292,800.00	\$292,800.00	\$0.00
148	Quail Forever	16-213	Mobile Prescribed Burn Unit & Education Outreach	\$136,400.00	\$0.00	\$0.00
148	BOR-UNL	16-190	Know Your Well: A Program for Agricultural Education & FFA	\$127,546.00	\$134,118.00	\$137,216.00
148	Five Rivers RC&D	16-222	Southeast NE Household Hazardous Waste Collections	\$54,446.00	\$54,446.00	\$54,446.00
147	NE Game and Parks Commission	16-127	Pollinator and Monarch Butterfly Habitat Restoration on the Cowboy Trail & State Park Areas	\$50,000.00	\$50,000.00	\$50,000.00
147	Upper Elkhorn NRD	16-135	Aerial Electromagnetic Survey of the Bazile Groundwater Management Area	\$250,000.00	\$0.00	\$0.00
147	Schmidt Transportation	16-209	Schmidt Transportation CNG Truck Deployment & South Sioux City CNG Station	\$450,000.00	\$0.00	\$0.00
147	Nemaha NRD	16-128	No-Till Grass Drill	\$22,500.00	\$0.00	\$0.00
145	Upper Niobrara - White NRD	16-109	No Till Drill in Northwest Nebraska	\$30,000.00	\$0.00	\$0.00
145	Scrap Central	16-193	Go Green Holidays	\$350,000.00	\$0.00	\$0.00
145	Hastings, City of - Utilities Department	16-113	Vadose Zone Nitrate Study for the City of Hastings, NE	\$100,000.00	\$0.00	\$0.00
144	Nebraska Grazing Lands Coalition	16-103	Soil Health/Water Conservation Through Grazing Cover Crops	\$99,066.00	\$99,066.00	\$99,066.00

Source: Nebraska Environmental Trust Board

NEBRASKA ENVIRONMENTAL TRUST BOARD
2016 GRANT CYCLE
FINAL RANK ORDER LIST

Exhibit F

Rating	Sponsor	App Id	Project Name	Award Amount	Intent Yr. 2	Intent Yr. 3
144	Rainwater Basin Joint Venture	16-112	Strategic Conservation of Rainwater Basin Wetlands and Upland Buffers	\$250,000.00	\$350,000.00	\$300,000.00
143	Nebraska Community Energy Alliance	16-123	Connecting Nebraska Communities Driving America's Fuel-II	\$490,030.00	\$0.00	\$0.00
143	Nebraska Wildlife Federation	16-138R	Urban Monarch and Pollinator Habitat Pilot Project	\$14,358.00	\$0.00	\$0.00
143	Live Well Omaha	16-219	Heartland B-cycle Transit Oriented Expansion	\$292,667.00	\$109,750.00	\$36,583.00
142	BOR-UNL	16-187	Field to Market - Nebraska Field Sustainability Assessment	\$15,587.00	\$15,185.00	\$15,510.00
142	Twin Valley Weed Management Area	16-119	Eastern Republican and Little Blue Riparian Improvement	\$125,000.00	\$0.00	\$0.00
142	Habitat for Humanity of Omaha, Inc.	16-149	Pilot Deconstruction Program	\$160,000.00	\$0.00	\$0.00
142	Grand Island Area Clean Community System	16-101	Household Hazardous Waste Facility	\$158,900.00	\$160,700.00	\$163,900.00
142	Nebraska Community Energy Alliance	16-124	Nebraska Flyway Community Solar	\$349,000.00	\$0.00	\$0.00
141	Auburn Public Schools	16-168	Auburn Public Schools Greenhouse and Outreach Center	\$220,021.00	\$0.00	\$0.00
141	Ducks Unlimited, Inc.	16-194	Platte River Ranch Protection and Restoration	\$130,000.00	\$0.00	\$0.00
141	Community Investments Opportunities, LLC	16-130	Environmental Improvement Demonstration Project	\$37,500.00		
141	Angels on Wheels, Inc	16-166	Electronic Collections Events	\$86,400.00	\$0.00	\$0.00
140	BOR-UNL - Omaha	16-131	Missouri River Research Station	\$146,916.00	\$0.00	\$0.00
140	Little Blue NRD	16-111	Puddles under the Pivots	\$208,865.00	\$208,865.00	\$208,870.00
139	Pheasants Forever, Inc.	16-217	Grassland Improvement Program	\$150,000.00	\$150,000.00	\$150,000.00
139	Pheasants Forever - Loup/Ringnecks Chapter	16-214	No-Till Grass Drill	\$27,500.00	\$0.00	\$0.00
139	Pheasants Forever - Lewis & Clark Chapter	16-216	No-Till Grass Drill	\$27,500.00	\$0.00	\$0.00
139	Alliance, City of	16-226	Recycling Collections Feasibility Study	\$52,318.00	\$0.00	\$0.00
138	Pyrtle Elementary PTO	16-146	Outdoor Enhancement Project	\$17,769.00	\$0.00	\$0.00
138	Central Platte NRD	16-167	Advanced Hydrogeologic Frameworks for Aquifer Management in Critical Sections of the Platte River Basin	\$305,100.00	\$364,900.00	\$0.00
138	Southwest Weed Management Area	16-169	Western Republican River Healthy Habitat Project	\$307,500.00	\$0.00	\$0.00
137	Lincoln, City of	16-116	Eastern Saline Wetlands Project- 2016	\$265,000.00	\$265,000.00	\$265,000.00
137	Ducks Unlimited, Inc.	16-196	Tub Springs Protection and Restoration	\$46,458.00	\$0.00	\$0.00
137	BOR-UNL	16-114	Natural Legacy Exhibits and Virtual Field Trip Outreach for Morrill Hall, Trailside, and Ashfall	\$233,000.00	\$591,000.00	\$175,000.00
137	Ducks Unlimited, Inc.	16-183	N Platte River Invasive Species Removal/Wetland Restoration	\$242,040.00	\$0.00	\$0.00
137	Lincoln, City of - Parks and Recreation Depart	16-122	Prairie Corridor Phase II	\$305,000.00	\$305,000.00	\$150,000.00
137	Ducks Unlimited, Inc.	16-159	Maxwell South Channel Wetland Restoration	\$137,000.00	\$0.00	\$0.00
137	Omaha, The Transit Authority	16-220	Upgrade of BRT Vehicles	\$150,000.00	\$300,000.00	\$0.00
136	Buffalo Co Historical Society- Trails & Rails Museum	16-150	Family History Center- Reaching Better Energy Efficiency	\$27,878.00	\$0.00	\$0.00
136	BOR-UNL	16-200	Integrating the vadose zone for improved management of Nebraska's ground water quality	\$146,600.00	\$130,213.00	\$107,414.00
136	Omaha Bikes	16-224	Omaha Metro Major Events Bike Parking	\$28,900.00	\$0.00	\$0.00
136	Omaha's Henry Doorly Zoo	16-136	Impact 1.7 Million: Zoo Produces Solar Electricity for the Public to Experience	\$100,000.00	\$0.00	\$0.00
136	BOR-UNL	16-189	Enhancing Soil Ecosystem Services with Cover Crops	\$84,607.00	\$83,039.00	\$84,825.00
135	North Platte NRD	16-176	DAMP Project	\$52,342.00	\$571,381.00	\$126,277.00
134	Ducks Unlimited, Inc.	16-203	North Platte River Habitat Protection for Public Use	\$0.00	\$0.00	\$0.00
134	BOR-UNL	16-188	Grazing Cover Crops Study	\$0.00	\$0.00	\$0.00
133	Save Our Monarchs Foundation	16-171	NPPD Right-of-Way Pollinator Habitat Restoration Program	\$0.00	\$0.00	\$0.00
132	Central Nebraska PPID	16-118	Jeffrey Lake Dredging & Aquatic Habitat Restoration	\$0.00	\$0.00	\$0.00

NEBRASKA ENVIRONMENTAL TRUST BOARD
2016 GRANT CYCLE
FINAL RANK ORDER LIST

Exhibit F

Rating	Sponsor	App Id	Project Name	Award Amount	Intent Yr. 2	Intent Yr. 3
132	No-till on the Plains	16-154	Beginning and New No-till Farmer Education Program	\$0.00	\$0.00	\$0.00
132	Nebraska Farmers Union	16-201	Landfill Food Waste Reduction through Vermicomposting	\$0.00	\$0.00	\$0.00
131	NE Game and Parks Commission	16-142	Wildlife Habitat Improvement Through Prescribed Grazing: A Private/Public Partnership	\$0.00	\$0.00	\$0.00
130	Bird Conservancy of the Rockies / RMBO	16-207	Grassland Bird and Habitat Conservation in Western NE	\$0.00	\$0.00	\$0.00
130	Omaha, The Transit Authority	16-221	Integration of CNG Transit Vehicles	\$0.00	\$0.00	\$0.00
130	Clean Energy	16-202	Clean Energy Gretna Public-Access CNG Fueling Station	\$0.00	\$0.00	\$0.00
129	Tri-Basin NRD	16-120	Rainwater Basin Watershed Restoration Initiative	\$0.00	\$0.00	\$0.00
128	Panhandle No-till Partnership	16-186	Conservation Agriculture and Soil Health	\$0.00	\$0.00	\$0.00
127	BOR-UNL - Omaha	16-182	Nebraska Battle of the Buildings	\$0.00	\$0.00	\$0.00
126	Pheasants Forever, Inc.	16-215	Habitat Share Partnership	\$0.00	\$0.00	\$0.00
126	WasteCap Nebraska	16-185	Zero Waste Community Planning Roadmap	\$0.00	\$0.00	\$0.00
125	Laurel Regional Recycling	16-211	Hub & Spoke Regional Recycling	\$0.00	\$0.00	\$0.00
125	Upper Republican NRD	16-227	URNRD Moisture Monitoring Program	\$0.00	\$0.00	\$0.00
124	BOR-UNL	16-106	The People, Terns and Plovers of NE Sharing the Sand	\$0.00	\$0.00	\$0.00
124	BOR-UNL	16-192	Improving the Adoption of Soil Moisture Monitoring Equipment for Irrigation and Nitrogen Management in West Central NE	\$0.00	\$0.00	\$0.00
124	NE Game and Parks Commission	16-143	Pollinators, Quail and Pheasants- The Bees and The Birds	\$0.00	\$0.00	\$0.00
123	Little Blue NRD	16-107	Little Blue River Environmental Restoration and Riparian Habitat Enhancement	\$0.00	\$0.00	\$0.00
123	EcoStores Nebraska	16-151	On-Site gypsum Drywall Recycling	\$0.00	\$0.00	\$0.00
122	Food Bank of Lincoln	16-180	Food for the Needy with Cleaner Natural Gas	\$0.00	\$0.00	\$0.00
118	NE Game and Parks Commission	16-126	Outdoor Venture Parks- Interactive Exploration Center	\$0.00	\$0.00	\$0.00
118	Nebraska Association of Resources Districts	16-129	Platte River Management and Enhancement	\$0.00	\$0.00	\$0.00
118	Ducks Unlimited, Inc.	16-184	Dawson County Wetland Revival	\$0.00	\$0.00	\$0.00
117	Ericson Lake Corporation	16-121	Aquatic Ecosystem Enhancement	\$0.00	\$0.00	\$0.00
117	Nebraska Weed Management Area Coalition	16-133	NEWMAC Counties Work Together on Invasive Sp. Control	\$0.00	\$0.00	\$0.00
117	Community CROPS	16-164	Regenerative Agriculture Education Program	\$0.00	\$0.00	\$0.00
116	BOR-UNL	16-199	Surface Parking Lot Green Infrastructure Retrofit	\$0.00	\$0.00	\$0.00
112	Ducks Unlimited, Inc.	16-181	North Bend Protected Land Restoration	\$0.00	\$0.00	\$0.00
109	Central City, City of	16-137	South Lake Excavation Project	\$0.00	\$0.00	\$0.00
107	Papio-Missouri River NRD	16-104	Solar Installation Demonstration and Public Awareness	\$0.00	\$0.00	\$0.00
106	Kansas State University	16-158	Identifying critical habitat needs for the state threatened southern flying squirrel	\$0.00	\$0.00	\$0.00
104	Wachiska Audubon Society	16-153	Fertig Prairie Acquisition Society	\$0.00	\$0.00	\$0.00
102	Lower Big Blue NRD	16-105	Cub Creek 12A Reservoir Water Quality Project	\$0.00	\$0.00	\$0.00
102	BOR-UNL	16-161	Fostering Resilience in Nebraska Communities	\$0.00	\$0.00	\$0.00
102	BOR-UNL	16-195	Water Information for Nebraska: A Statewide Infrastructure for Water Data and Education	\$0.00	\$0.00	\$0.00
100	Firstar Fiber, Inc.	16-198	Nebraska Energy Bag (NEB) Program	\$0.00	\$0.00	\$0.00
100	Little Blue NRD	16-152	Skinner Wetland Enhancement and Protection Project	\$0.00	\$0.00	\$0.00
100	Lower Platte River Corridor Alliance	16-162	Community Awareness, Monitoring and Action for Water Quality Improvement	\$0.00	\$0.00	\$0.00
99	NE Game and Parks Commission	16-139	Restoration of Our Public Marshes	\$0.00	\$0.00	\$0.00
99	BOR-UNL	16-204	Engaging Community Towards Smart and Sustainable Practices	\$0.00	\$0.00	\$0.00

NEBRASKA ENVIRONMENTAL TRUST BOARD
2016 GRANT CYCLE
FINAL RANK ORDER LIST

Exhibit F

Rating	Sponsor	App Id	Project Name	Award Amount	Intent Yr. 2	Intent Yr. 3
96	Sidney, City of	16-208	Ranch Nature Area and Pond	\$0.00	\$0.00	\$0.00
94	BOR-UNL	16-178	Improving soil health using biofertilizers	\$0.00	\$0.00	\$0.00
92	Aqua Systems of Nebraska	16-174	Mobile Hydration Services	\$0.00	\$0.00	\$0.00
91	Omaha, Dept of Parks, Rec and Public	16-165	Adams Park Wetlands and Educational Facility	\$0.00	\$0.00	\$0.00
89	Papio-Missouri River NRD	16-108	Elkhorn Crossing Recreation Area Enhancements	\$0.00	\$0.00	\$0.00
89	BOR-UNL - Omaha	16-157	Glacier Creek North Tract Initiative	\$0.00	\$0.00	\$0.00
88	Lower Platte River Corridor Alliance	16-160	Agriculture BMP Effectiveness and Assessment Tool	\$0.00	\$0.00	\$0.00
87	Nebraska Humane Society	16-191	Sustaining Animals and the Environment	\$0.00	\$0.00	\$0.00
87	BOR-UNL	16-177	Improving the efficiency of natural resource management with automated aerial technology	\$0.00	\$0.00	\$0.00
87	Groundwater Foundation, The	16-179	Recharging Groundwater: Tools for Engagement and Action	\$0.00	\$0.00	\$0.00
87	Nebraskans for Civic Reform	16-132	Grassroots for Grasslands: A Field Guide for Native Nebraska Prairies	\$0.00	\$0.00	\$0.00
80	Nebraskans for Peace	16-110	Nebraska Food System Coalition: A Healthy Future for Nebraska's People and Environment	\$0.00	\$0.00	\$0.00
78	BOR-UNL	16-172	Recycling and Reuse of nylon in waste carpets	\$0.00	\$0.00	\$0.00
77	Omaha by Design	16-197	Environmental Collaboration Project	\$0.00	\$0.00	\$0.00
76	Elster American Meter Company LLC	16-170	Cork Rubber Gasket Recycling	\$0.00	\$0.00	\$0.00
-	Central Platte NRD	15-107-2	Central Platte Grassland Conservation Project	\$259,245.00	\$259,245.00	\$0.00
-	Upper Loup NRD	15-113-2	Investigating the spatial and temporal characteristics of groundwater discharge in the Loup River Basin	\$95,000.00	\$110,000.00	\$0.00
-	BOR-UNL	15-116-2	Improving air quality by reducing methane emissions from cattle	\$110,074.00	\$69,800.00	\$0.00
-	Joslyn Castle Institute for Sustainable Communities	15-126-2	Sustaining the Conservation of Nebraska Environmental Resources (SCNER)	\$125,000.00	\$0.00	\$0.00
-	BOR-UNL	15-128-2	Spatial Index for the Leachability of Chemicals in Nebraska	\$90,348.00	\$0.00	\$0.00
-	The Nature Conservancy	15-129-2	Building a Learning Community at Niobrara Valley Preserve	\$164,277.00	\$0.00	\$0.00
-	Spencer Area Development Corporation	15-130-2	Spencer Pond Renovation Project	\$222,894.00	\$0.00	\$0.00
-	Nebraska Statewide Arboretum	15-132-2	Greener Nebraska Towns: Resilient, Sustainable, Biodiverse and Waterwise	\$277,081.00	\$0.00	\$0.00
-	Northeast Nebraska RC&D	15-133-2	Proper Recycling of HHW and E-Waste	\$20,705.00	\$22,410.00	\$0.00
-	NE Game and Parks Commission	15-135-2	Conestoga Reservoir WMA Wetland and Water Quality Enhancement	\$300,000.00	\$300,000.00	\$0.00
-	Nebraska Department of Natural Resources	15-138-2	Platte Basin Water Management Action Initiative	\$3,300,000.00	\$3,300,000.00	\$0.00
-	Cass County	15-139-2	Cass County Compressed Natural Gas (CNG) Motor Vehicle Fuel	\$150,000.00	\$150,000.00	\$0.00
-	Nebraska Grazing Lands Coalition	15-142-2	Rangeland Monitoring Program Enhancement of Soil Health and Water Conservation	\$100,000.00	\$100,000.00	\$0.00
-	Sandhills Task Force	15-145-2	Sandhills Wetland/Grassland Conservation Partnerships	\$128,000.00	\$64,000.00	\$0.00
-	Rainwater Basin Joint Venture	15-149-2	Development of Grazing Infrastructure to Support the Rainwater Basin Working Lands Initiative	\$102,480.00	\$102,480.00	\$0.00
-	BOR-UNL	15-150-2	Community as Habitat: Nebraska Communities Supporting Pollinators and Landscape Diversity Through Native Waterwise Plant Habitats	\$215,577.00	\$0.00	\$0.00
-	Central Nebraska Public Power & Irrigation District	15-155-2	Centralized Water Use Database for Irrigation Water Management in CNPPID	\$65,460.00	\$67,260.00	\$0.00
-	BOR-UNL	15-157-2	Improving Access to Social & Environmental Sustainability Resources for Nebraska Farmers	\$50,000.00	\$50,000.00	\$0.00

NEBRASKA ENVIRONMENTAL TRUST BOARD
2016 GRANT CYCLE
FINAL RANK ORDER LIST

Exhibit F

Rating	Sponsor	App Id	Project Name	Award Amount	Intent Yr. 2	Intent Yr. 3
-	Fontenelle Forest Association	15-168-2	Oak Woodland and Wildlife Habitat Restoration	\$99,000.00	\$108,000.00	\$0.00
-	Omaha, The Transit Authority of the City of Omaha	15-177-2	Central Omaha Bus Rapid Transit: Connecting the Dots	\$200,000.00	\$200,000.00	\$0.00
-	Pheasants Forever, Inc.	15-181-2	Corners for Wildlife	\$300,000.00	\$300,000.00	\$0.00
-	CLEAR Team	15-189-2	Community Lakes Enhancement and Restoration (CLEAR)	\$255,000.00	\$255,000.00	\$0.00
-	Nebraska State Irrigation Association	15-195-2	Water Leaders Academy	\$61,665.00	\$68,886.00	\$0.00
-	The Nebraska Land Trust Incorporated	15-201-2	Pines and Buttes Preservation Project	\$270,000.00	\$180,000.00	\$0.00
-	BOR-UNL	15-202-2	Working with rural students to document swift fox on Nebraska Ranches	\$60,670.00	\$62,277.00	\$0.00
-	Nebraska Association of Resources Districts	15-208-2	Divots in the Pivots	\$183,750.00	\$183,750.00	\$0.00
-	NE Game and Parks Commission	15-209-2	Statewide Grassland Enhancement Project	\$300,000.00	\$0.00	\$0.00
-	NE Game and Parks Commission	15-211-2	The Assessment and Demonstrated Management of Cold Water Streams in North Central Nebraska	\$100,000.00	\$100,000.00	\$0.00
-	Middle Niobrara NRD	15-216-2	Long Pine Creek Watershed- Phase I Implementation	\$62,600.00	\$0.00	\$0.00
-	Green Recycling Enterprises	15-217-2	Recycling on the Go!	\$147,275.00	\$142,800.00	\$0.00
-	Nebraska Academy of Sciences, Inc., The	14-101-3	Nebraska Environmental Public Information and Education Mini Grants	\$57,200.00	\$0.00	\$0.00
-	Grand Island Area Clean Community System	14-102-3	Household Hazardous Waste Collection Facility	\$55,000.00	\$0.00	\$0.00
-	Papio-Missouri River NRD	14-107-3	Platte/Missouri River Confluence Ecosystem Project	\$300,000.00	\$0.00	\$0.00
-	NE Game and Parks Commission	14-110-3	Trout in the Classroom	\$45,108.00	\$0.00	\$0.00
-	Nebraska Forest Service	14-111-3	Protecting, Rehabilitating and Restoring Nebraska's Pine Forest Ecosystems	\$344,834.00	\$0.00	\$0.00
-	NET Foundation for Television, Inc.	14-117-3	Imagining the Platte	\$40,868.00	\$0.00	\$0.00
-	Rainwater Basin Joint Venture	14-143-3	Watershed Restoration of Atlanta WPA	\$60,375.00	\$0.00	\$0.00
-	Rainwater Basin Joint Venture	14-145-3	Central Loess Hills Prescribed Fire Training Exchange	\$84,500.00	\$0.00	\$0.00
-	Lower Loup NRD	14-150-3	Irrigation Monitoring Program	\$57,050.00	\$0.00	\$0.00
-	Nebraska Department of Education	14-153-3	Educating the Next Generation of Nebraskans About Soil Conservation Using the Power Of GIS	\$29,627.00	\$0.00	\$0.00
-	BOR-UNL	14-158-3	Nebraska Master Naturalist Program: Statewide expansion and specialized training in habitat management	\$91,947.00	\$0.00	\$0.00
-	Live Well Omaha	14-169-3	Omaha B-cycle Expansion	\$30,000.00	\$0.00	\$0.00
-	South Platte NRD	14-172-3	Hydrogeology of Western Nebraska	\$200,000.00	\$0.00	\$0.00
-	Sandhills Journey Scenic Byway Visitor Center	14-181-3	Sandhills Journey Scenic Byway Birding Trail	\$20,300.00	\$0.00	\$0.00
-	Sandhills RC&D	14-182-3	Cedar Control in the Sandhills Region	\$16,966.00	\$0.00	\$0.00
-	Pheasants Forever, Inc.	14-185-3	Pollinator Habitat Program	\$39,815.00	\$0.00	\$0.00
-	Sarpy County	14-211-3	Fueling Sarpy County with Natural Gas	\$200,000.00	\$0.00	\$0.00
-	NE Game and Parks Commission	14-223-3	WILD Nebraska Program	\$90,000.00	\$0.00	\$0.00
-	NE Game and Parks Commission	14-224-3	Nebraska Oak Woodland Alliance	\$95,000.00	\$0.00	\$0.00
Grand Totals				\$18,799,900.00	\$11,762,424.00	\$2,820,000.00
-	Projects carried forward - previously rated					