

**ATTESTATION REPORT
OF THE
NEBRASKA COMMISSION ON INDIAN AFFAIRS
JULY 1, 2018, THROUGH DECEMBER 31, 2019**

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Issued on May 8, 2020

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NEBRASKA COMMISSION ON INDIAN AFFAIRS

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NEBRASKA COMMISSION ON INDIAN AFFAIRS

BACKGROUND

The Commission on Indian Affairs (Commission), established in 1971, monitors legislation and coordinates activities among tribes, organizations, and State and Federal agencies. Its members serve to promote Indian rights and address problems common to Nebraska Indians. The Commission consists of 14 American Indians living in Nebraska appointed by the governor to four-year terms. Members come from the following reservations, cities or districts: two from the Omaha Tribal reservation; two from the Winnebago Tribal reservation; two from the Santee Sioux Tribal reservation; two from the Ponca Tribe; one from Lincoln; two from Omaha; one from the district that includes Box Butte, Dawes, Sheridan and Sioux counties; one from the district that includes Banner, Cheyenne, Deuel, Garden, Kimball, Morrill and Scotts Bluff counties; and an at-large member. The governor selects each appointee from nominees submitted by the tribe or area to be represented. The Commission also may have nonvoting, ex officio members, appointed by the Commission, who do not have to be Indian.

The Commission meets four times a year. Members are paid \$50 a day when conducting Commission business and are reimbursed for expenses.

The Commission hires and sets the pay of an executive director. The director is a Nebraska Indian tribal member or Nebraska resident of Indian descent.

Source: 2018-2019 Nebraska Blue Book

NEBRASKA COMMISSION ON INDIAN AFFAIRS

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Nebraska Commission on Indian Affairs

<u>Name</u>	<u>Represents</u>	<u>Title</u>	<u>Term Ending</u>
Larry Wright Jr.	Ponca Tribe	Chairperson	September 2, 2019
Steve Laravie	Ponca Tribe		September 2, 2019
Darren Wolfe	Omaha Tribe		September 2, 2019
Jason Sheridan	Omaha Tribe		September 2, 2019
Stuart Red Wing	Santee Sioux Tribe		January 21, 2022
Derek LaPointe	Santee Sioux Tribe		September 2, 2019
Roland Warner	Winnebago Tribe		September 2, 2021
Thelma Whitewater	Winnebago Tribe		September 2, 2023
Kirby Williams	City of Omaha		September 2, 2021
Dr. Rudi Mitchell	City of Omaha		January 21, 2022
Gabriel Bruguier	City of Lincoln		January 21, 2022
Arthur Harvey	Northern Panhandle		January 21, 2022
Georgiana Ausan	Member at Large		September 2, 2021
Vacant	Southern Panhandle		
Matt Reed		Ex-Officio	

Note: Five Commissioners had terms that expired during September 2019. These Commissioners are waiting to be reappointed by the Governor. If reappointed, their terms would end on September 2, 2023.

Nebraska Commission on Indian Affairs Staff

<u>Name</u>	<u>Title</u>
Judi gaiashkibos	Executive Director
Scott Shafer	Administrative Assistant II

Nebraska Commission on Indian Affairs
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NEBRASKA COMMISSION ON INDIAN AFFAIRS

SUMMARY OF COMMENTS

During our examination of the Nebraska Commission on Indian Affairs (Commission), we noted certain deficiencies and other operational matters that are presented here.

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

1. ***Native American Scholarship and Leadership Fund:*** The Commission irrevocably gifted \$31,433 from the Native American Scholarship and Leadership Fund to the Lincoln Community Foundation, Inc. By doing so, the Commission not only relinquished its statutory duty to administer and directly oversee the use of those monies but also denied the State Investment Officer the opportunity to invest the funds in accordance with Neb. Rev. Stat. § 81-2517 (Cum. Supp. 2018).
2. ***Contract Issues:*** The Commission entered into three contracts for services; however, these contracts were not entered properly into the State's accounting system and were not reported properly on the State Contracts Database. Additionally, we noted that three invoices tested were not paid within 45 days, as required by Neb. Rev. Stat. § 81-2403(1) (Reissue 2014).

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 Commission.

Draft copies of this report were furnished to the Commission to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. The formal responses received have been incorporated into this report. A response that indicates corrective action has been taken was not verified at this time, but it will be verified in the next examination.

NEBRASKA COMMISSION ON INDIAN AFFAIRS

COMMENTS AND RECOMMENDATIONS

1. Native American Scholarship and Leadership Fund

During the period tested, the Nebraska Commission on Indian Affairs (Commission) irrevocably gifted \$31,433 from the Native American Scholarship and Leadership Fund to the Lincoln Community Foundation, Inc. (Foundation). By doing so, the Commission not only relinquished its ability to administer and directly oversee the use of those monies but also denied the State Investment Officer the opportunity to invest the funds in accordance with Neb. Rev. Stat. § 81-2517 (Cum. Supp. 2018).

On April 27, 2017, the Governor approved Legislative Bill (LB) 263 (2017). Codified partially at Neb. Rev. Stat. § 60-3,235 (2019 Neb. Laws, LB 356, § 22), that bill allows individuals to apply for Native American Cultural Awareness and History license plates. A portion of the fees charged for the plates is credited to the Native American Scholarship and Leadership Fund, which was created by the same legislation. Per § 81-2517, that fund is to be administered by the Commission and used “to provide scholarships to Native Americans to attend a postsecondary educational institution in this state and to provide other leadership opportunities to Native Americans as determined by the commission.”

Section 81-2517 states the following:

The Native American Scholarship and Leadership Fund is created. The fund shall be administered by the Commission on Indian Affairs and shall consist of money credited to the fund pursuant to section 60-3,235. The commission shall use the fund to provide scholarships to Native Americans to attend a postsecondary educational institution in this state and to provide other leadership opportunities to Native Americans as determined by the commission. 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.

(Emphasis added.) On September 27, 2017, the Commission entered into a Scholarship Agreement (Agreement) with the Foundation, a Nebraska nonprofit corporation, for the purpose of creating, administering, and distributing a permanent endowment, the Chief Standing Bear Scholarship Fund. The Agreement lists certain terms and conditions, including the requirement that an applicant for a scholarship must be “an American Indian student enrolled in a tribe and able to provide proof of tribal affiliation,” a Nebraska resident, and a pupil at “any qualified, nonprofit 2- or 4-year college or university.” According to the terms of the Agreement, however, the amount provided by the Commission, totaling \$31,433, from the Native American Scholarship and Leadership Fund, was an irrevocable gift to the Foundation.

Per the Agreement, the Foundation enjoys “exclusive legal control over the contributed assets,” which appears inconsistent with the Commission’s statutory obligation to administer the money in the Native American Scholarship and Leadership Fund. Additionally, the Agreement specifies, “Final discretion concerning scholarship awards from this Fund will be exercised by the Foundation.” The Agreement authorizes the Foundation to act unilaterally, moreover, to “modify any restriction or condition stated in this agreement . . .” Both provisions appear to undermine even further the Commission’s statutory authority to administer the Native American Scholarship and Leadership Fund and to make determinations regarding the grant of awards from it.

Furthermore, the Agreement stipulates that the Foundation’s control of the contributed funds includes absolute authority over “the investment or reinvestment of gifts and the asset management of the Fund.” This particular provisions seems to conflict with the requirement in § 81-2517 that the State Investment Officer invest monies in the Native American Scholarship and Leadership Fund.

The Commission provided a financial statement from the Foundation for the Chief Standing Bear Scholarship Fund, which listed all revenues and expenses of the fund since its inception on September 27, 2017, through December 31, 2019. Upon reviewing the statement, we noted that \$137,035 in donations, interest, unrealized gains, realized gains, and transfers had been deposited into the fund by the Commission and other donors. At the same

NEBRASKA COMMISSION ON INDIAN AFFAIRS

COMMENTS AND RECOMMENDATIONS

(Continued)

1. Native American Scholarship and Leadership Fund (Concluded)

time, however, only \$1,667 had been distributed from the Chief Standing Bear Scholarship Fund for scholarships – while \$2,075 was paid out of the fund to the Foundation for administrative fees. Section 81-2517 directs the Commission to “use the fund to provide scholarships to Native Americans” Though such use might entail necessary administrative fees, there is no indication in the statutory language of those fees comprising the majority of the anticipated distributions.

Good internal control requires procedures to ensure the following regarding management of the Native American Scholarship and Leadership Fund: 1) The Commission does not relinquish its statutory authority to administer the fund and to make determinations about the grant of awards from it; 2) the State Investment Officer is able to invest monies in the fund, as required by State statute; and 3) distributions from the fund are proper, complying with apparent statutory intent.

Without such procedures, there is an increased risk of the Commission failing to comply with State statute and allowing money from the Native American Scholarship and Leadership Fund to be distributed inappropriately.

We recommend the Commission implement procedures – along with possible revision of the terms of the Agreement with the Foundation – to ensure that administration of the Native American Scholarship and Leadership Fund, including control over decisions regarding distributions from it, is proper. Those same procedures should ensure also that the State Investment Officer is able to invest monies in the fund, as required by State statute, and distributions from the fund are appropriate, complying with apparent statutory intent.

Commission Response: NCIA does not dispute the findings regarding the requirement that LB 263 Funds be overseen within an appropriate agency fund and business to allow the state investment officer to invest monies per 81-2517. Arrangements will be made with State Accounting to secure return of the funds to be deposited within the correct Fund and Business Unit. This transfer of funds will be documented within six months on the Auditor’s webpage as required by statute.

Findings indicate that administrative fees are greater than the scholarship funds awarded. At the time of the finding this is correct, however, two scholarship recipients were selected on May 4, 2020 and scholarships of \$5,000 will be awarded to Nebraska Native American Students this summer contingent upon receipt of proper documentation of registration as a full time student for fall semester of 2020. Therefore scholarship awards at that time will greatly exceed administrative fees.

2. Contract Issues

During testing, we noted that the Commission entered into three contracts for services; however, those contracts were not entered properly into the State’s accounting system or reported properly on the State Contracts Database. A similar finding was noted in previous reports.

Additionally, we noted that three invoices tested were not paid within 45 days of the date of receipt of the bill for services, as follows:

Vendor	Amount	Invoice Date	Date Paid	Days Late
Heartland Center for Leadership and Development	\$ 12,183	1/21/19	5/6/19	60
BVH Architecture	\$ 7,731	12/20/18	5/7/19	93
BVH Architecture	\$ 13,170	1/31/19	5/7/19	51

NEBRASKA COMMISSION ON INDIAN AFFAIRS

COMMENTS AND RECOMMENDATIONS

(Concluded)

2. Contract Issues (Concluded)

Neb. Rev. Stat. § 73-503(1) (Reissue 2018) states, in part, “All state agencies shall process and document all contracts for services through the state accounting system.”

Neb. Rev. Stat. § 84-602.04(1) (2019 Neb. Laws, LB 123, § 1; 2019 Neb. Laws, LB 302, § 176) states, in relevant part, “The State Treasurer shall develop and maintain a single, searchable web site with information on state receipts, expenditures of state funds, and contracts which is accessible by the public” Subsection (4)(a)(i) of that same statute requires the Treasurer’s web site to link to the web site of the Department of Administrative Services, which must contain a “data base that includes a copy of each active contract that is a basis for an expenditure of state funds, including any amendment to such contract and any document incorporated by reference in such contract.” That subsection also requires the following:

The data base shall be accessible by the public and searchable by vendor, by state entity, and by dollar amount. All state entities shall provide to the Department of Administrative Services, in electronic form, copies of such contracts for inclusion in the data base beginning with contracts that are active on and after January 1, 2014 . . . [.]

Neb. Rev. Stat. § 81-2403(1) (Reissue 2014) states the following:

Except as provided in subsection (2) of this section, each agency shall make payment in full for all goods delivered or services rendered on or before the forty-fifth calendar day after (a) the date of receipt by the agency of the goods or services or (b) the date of receipt by the agency of the bill for the goods or services, whichever is later, unless other provisions for payment are agreed to in writing by the creditor and the agency.

Good internal control requires procedures to ensure that the Commission’s contracts are entered properly into the State’s accounting system and reported on the State Contracts Database, and payments for goods or services are made timely and in accordance with State statute.

Without such procedures, there is an increased risk of the Commission not complying with State statute, valuable information not being made available to the Legislature or the public, and the Commission being charged late fees or penalties.

We recommend the Commission implement procedures to ensure its contracts are entered properly into the State’s accounting system and reported on the State Contracts Database, and payments for goods or services are made timely and in accordance with State statute.

Commission Response: NCIA does not dispute the finding of failure to enter contracts with BVH Architecture and Heartland Center for Leadership and Development. It would, however, note that the longer than normal turnaround time on payment to vendors was a result of a multi step process that started with NCIA receipt of vendor invoice, followed by NCIA submission of a report and vendor invoice to USDA grant administrators for review and request of payment. This constituted a time lag that was largely beyond the control of the agency. USDA grant funds were then received into the State Treasurers office and transferred into the proper NCIA agency fund and then paid out to the vendor. This process made a 30 day turnaround of payment almost impossible largely due to factors beyond the control of the agency.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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NEBRASKA COMMISSION ON INDIAN AFFAIRS

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Commission on Indian Affairs
Lincoln, Nebraska

We have examined the accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances of the Nebraska Commission on Indian Affairs (Commission) for the period July 1, 2018, through December 31, 2019. The Commission's management is responsible for the Schedule of Revenues, Expenditures, and Changes in Fund Balances 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, 2018, through December 31, 2019, is based on the accounting system and procedures prescribed by Nebraska's Director of Administrative Services, as set forth in Note 1, in all material respects.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Schedule of Revenues, Expenditures, and Changes in Fund Balances; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, 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 and report the views of management concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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*.

The purpose of this report is to express an opinion on the Schedule of Revenues, Expenditures, and Changes in Fund Balances, as described in paragraph one above. Accordingly, this report is not suitable for any other purpose. This report is a matter of public record, and its distribution is not limited.

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

May 4, 2020

Charlie Janssen
Auditor of Public Accounts
Lincoln, Nebraska

NEBRASKA COMMISSION ON INDIAN AFFAIRS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2018, through December 31, 2019

	General Fund 10000	Indian Affairs Cash Fund 27220	Designated Collection Fund 27610	Native American Scholarship and Leadership Fund 27620	USDA Planning Grant Fund 47620	Totals (Memorandum Only)
REVENUES:						
Appropriations	\$ 341,359	\$ -	\$ -	\$ -	\$ -	\$ 341,359
Intergovernmental	-	-	-	-	86,763	86,763
Sales & Charges	-	-	-	29,098	-	29,098
Miscellaneous	-	742	1	3,798	-	4,541
TOTAL REVENUES	341,359	742	1	32,896	86,763	461,761
EXPENDITURES:						
Personal Services	299,809	-	-	-	1,763	301,572
Operating	35,856	2,104	-	-	85,000	122,960
Travel	5,694	-	-	-	-	5,694
Government Aid	-	-	-	31,433	-	31,433
TOTAL EXPENDITURES	341,359	2,104	-	31,433	86,763	461,659
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,362)	1	1,463	-	102
OTHER FINANCING USES:						
Operating Transfers Out	-	-	-	(1,188)	-	(1,188)
TOTAL OTHER FINANCING USES	-	-	-	(1,188)	-	(1,188)
Net Change in Fund Balances	-	(1,362)	1	275	-	(1,086)
FUND BALANCES, July 1, 2018	147	20,262	10	4,469	-	24,888
FUND BALANCES, December 31, 2019	<u>\$ 147</u>	<u>\$ 18,900</u>	<u>\$ 11</u>	<u>\$ 4,744</u>	<u>\$ -</u>	<u>\$ 23,802</u>
FUND BALANCES CONSIST OF:						
General Cash	\$ -	\$ 18,900	\$ 11	\$ 4,744	\$ -	\$ 23,655
Deposits with Vendors	147	-	-	-	-	147
TOTAL FUND BALANCES	<u>\$ 147</u>	<u>\$ 18,900</u>	<u>\$ 11</u>	<u>\$ 4,744</u>	<u>\$ -</u>	<u>\$ 23,802</u>

The accompanying notes are an integral part of the schedule.

NEBRASKA COMMISSION ON INDIAN AFFAIRS

NOTES TO THE SCHEDULE

For the Period July 1, 2018, through December 31, 2019

1. Criteria

The accounting policies of the Nebraska Commission on Indian Affairs (Commission) are on the basis of accounting, as prescribed by Nebraska's Director of Administrative Services.

Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2014), the duties of the State of Nebraska's Director of the Department of Administrative Services (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 (Schedule) 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 Commission to record all accounts receivable and related revenues in EnterpriseOne; as such, the Commission'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, 2019, and not yet paid as of that date. The amount recorded as expenditures on the schedule, as of December 31, 2019, **does not** include amounts for goods and services received before December 31, 2019, which had not been posted to the general ledger as of December 31, 2019.

The Commission had no accounts receivable at December 31, 2019. Liabilities for accrued payroll and compensated absences are not recorded in the general ledger.

The following fund types are established by the State and used by the Commission:

10000 – General Fund – accounts for activities funded by general tax dollars and related expenditures and transfers.

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.

40000 – Federal Funds – account 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.

NEBRASKA COMMISSION ON INDIAN AFFAIRS

NOTES TO THE SCHEDULE

(Continued)

1. Criteria (Concluded)

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

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

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.

Government Aid – Payment of Federal and/or 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 Commission include the following:

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 included in fund balance and are reported as recorded in the general ledger.

Other Financing Sources – Operating transfers.

2. Reporting Entity

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

NEBRASKA COMMISSION ON INDIAN AFFAIRS

NOTES TO THE SCHEDULE

(Concluded)

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 Commission 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 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 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.

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

Capital asset activity of the Commission recorded in the State Accounting System for the period July 1, 2018, through December 31, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Equipment	\$ 400	\$ -	\$ -	\$ 400
Less accumulated depreciation for:				
Equipment				400
Total capital assets, net of depreciation				\$ -

NEBRASKA COMMISSION ON INDIAN AFFAIRS

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 COMMISSION ON INDIAN AFFAIRS
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2018, through June 30, 2019

Exhibit A

	General Fund 10000	Indian Affairs Cash Fund 27220	Designated Collection Fund 27610	Native American Scholarship and Leadership Fund 27620	USDA Planning Grant Fund 47620	Totals (Memorandum Only)
REVENUES:						
Appropriations	\$ 215,702	\$ -	\$ -	\$ -	\$ -	\$ 215,702
Intergovernmental	-	-	-	-	77,231	77,231
Sales & Charges	-	-	-	16,235	-	16,235
Miscellaneous	-	493	1	3,694	-	4,188
TOTAL REVENUES	<u>215,702</u>	<u>493</u>	<u>1</u>	<u>19,929</u>	<u>77,231</u>	<u>313,356</u>
EXPENDITURES:						
Personal Services	186,984	-	-	-	1,763	188,747
Operating	24,844	3	-	-	75,468	100,315
Travel	3,874	-	-	-	-	3,874
Government Aid	-	-	-	16,478	-	16,478
TOTAL EXPENDITURES	<u>215,702</u>	<u>3</u>	<u>-</u>	<u>16,478</u>	<u>77,231</u>	<u>309,414</u>
Deficiency of Revenues Under Expenditures	-	490	1	3,451	-	3,942
OTHER FINANCING SOURCES USES:						
Operating Transfers Out	-	-	-	(771)	-	(771)
TOTAL OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>(771)</u>	<u>-</u>	<u>(771)</u>
Net Change in Fund Balances	-	490	1	2,680	-	3,171
FUND BALANCES, July 1, 2018	<u>147</u>	<u>20,262</u>	<u>10</u>	<u>4,469</u>	<u>-</u>	<u>24,888</u>
FUND BALANCES, June 30, 2019	<u>\$ 147</u>	<u>\$ 20,752</u>	<u>\$ 11</u>	<u>\$ 7,149</u>	<u>\$ -</u>	<u>\$ 28,059</u>
FUND BALANCES CONSIST OF:						
General Cash	\$ -	\$ 20,752	\$ 11	\$ 7,149	\$ -	\$ 27,912
Deposits with Vendors	147	-	-	-	-	147
TOTAL FUND BALANCES	<u>\$ 147</u>	<u>\$ 20,752</u>	<u>\$ 11</u>	<u>\$ 7,149</u>	<u>\$ -</u>	<u>\$ 28,059</u>

NEBRASKA COMMISSION ON INDIAN AFFAIRS
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2019, through December 31, 2019

Exhibit B

	General Fund 10000	Indian Affairs Cash Fund 27220	Designated Collection Fund 27610	Native American Scholarship and Leadership Fund 27620	USDA Planning Grant Fund 47620	Totals (Memorandum Only)
REVENUES:						
Appropriations	\$ 125,657	\$ -	\$ -	\$ -	\$ -	\$ 125,657
Intergovernmental	-	-	-	-	9,532	9,532
Sales & Charges	-	-	-	12,863	-	12,863
Miscellaneous	-	249	-	104	-	353
TOTAL REVENUES	<u>125,657</u>	<u>249</u>	<u>-</u>	<u>12,967</u>	<u>9,532</u>	<u>148,405</u>
EXPENDITURES:						
Personal Services	112,825	-	-	-	-	112,825
Operating	11,012	2,101	-	-	9,532	22,645
Travel	1,820	-	-	-	-	1,820
Government Aid	-	-	-	14,955	-	14,955
TOTAL EXPENDITURES	<u>125,657</u>	<u>2,101</u>	<u>-</u>	<u>14,955</u>	<u>9,532</u>	<u>152,245</u>
Deficiency of Revenues Under Expenditures	-	(1,852)	-	(1,988)	-	(3,840)
OTHER FINANCING SOURCES USES:						
Operating Transfers Out	-	-	-	(417)	-	(417)
TOTAL OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>(417)</u>	<u>-</u>	<u>(417)</u>
Net Change in Fund Balances	-	(1,852)	-	(2,405)	-	(4,257)
FUND BALANCES, July 1, 2019	<u>147</u>	<u>20,752</u>	<u>11</u>	<u>7,149</u>	<u>-</u>	<u>28,059</u>
FUND BALANCES, December 31, 2019	<u>\$ 147</u>	<u>\$ 18,900</u>	<u>\$ 11</u>	<u>\$ 4,744</u>	<u>\$ -</u>	<u>\$ 23,802</u>
FUND BALANCES CONSIST OF:						
General Cash	\$ -	\$ 18,900	\$ 11	\$ 4,744	\$ -	\$ 23,655
Deposits with Vendors	147	-	-	-	-	147
TOTAL FUND BALANCES	<u>\$ 147</u>	<u>\$ 18,900</u>	<u>\$ 11</u>	<u>\$ 4,744</u>	<u>\$ -</u>	<u>\$ 23,802</u>

NEBRASKA COMMISSION ON INDIAN AFFAIRS
EXPENDITURES BY MAJOR ACCOUNT CATEGORY
 Fiscal Years Ended June 30, 2015, through 2019

Exhibit C

