

**ATTESTATION REPORT
OF THE
NEBRASKA ENVIRONMENTAL TRUST BOARD
JULY 1, 2019, THROUGH DECEMBER 31, 2020**

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Issued on July 21, 2021

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NEBRASKA ENVIRONMENTAL TRUST BOARD

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NEBRASKA ENVIRONMENTAL TRUST BOARD

BACKGROUND

The Nebraska Blue Book (2020-21) (pg. 708) contains the following information regarding both the Nebraska Environmental Trust Board (Board) and its governing legislation, the Nebraska Environmental Trust Act (Act):

The Nebraska Environmental Trust Act of 1992 authorized a portion of proceeds from the State lottery to be placed in a fund “for the purpose of conserving, enhancing and restoring the natural, physical and biological environment of the state.” After voters approved the lottery in November 1992, legislation governing the lottery and distribution of proceeds was re-enacted in 1993 under LB 138.

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.

The 14-member Nebraska Environmental Trust Board manages the Environmental Trust Fund and carries out the goals of the trust. The Board leverages private funds to support short- and long-term environmental goals and provides funding for proposals according to the priorities of habitat, surface and groundwater, recycling and waste management, air quality, and soil management.

The re-enacting legislation specified that land easements obtained through the trust fund may be acquired only on a willing-seller basis.

Board membership includes nine members of the public appointed by the governor, with legislative approval, to six-year terms. Other members include the directors of the Department of Agriculture, Department of Environment and Energy, Department of Natural Resources, Department of Health and Human Services Regulation and Licensure, and Game and Parks Commission. Three appointees are chosen from each congressional district. Each citizen member must have demonstrated experience and interest in the State’s environment, and at least two citizen members must have experience in private financing of public-purpose projects. The Game and Parks Commission provides administrative support to the Board through contract.

The Board meets at least four times a year. Members are not paid but are reimbursed for expenses.

Per its own databases, the Board has distributed trust funds over the years totaling \$43,205,929 to acquire land or easements and \$25,655,969 to acquire equipment.

Revolving Fund

Neb. Rev. Stat. § 81-15,173(8) (Reissue 2014) of the Act authorizes the Board to do the following:

Sponsor or assist environmental proposals pertaining to the environmental categories of the board, including issuing grants to agencies, organizations, and persons engaged in the purposes of the trust[.]

Neb. Rev. Stat. § 81-15,174 (Reissue 2014) creates the Nebraska Environmental Trust Fund, a cash fund established “to carry out the purposes of the Nebraska Environmental Trust Act” Neb. Rev. Stat. § 81-15,175(1) (Cum. Supp. 2020) of the Act provides the following, in relevant part:

The board shall make annual allocations from the Nebraska Environmental Trust Fund and may make annual allocations each fiscal year from the Nebraska Environmental Endowment Fund for projects which conform to the environmental categories of the board established pursuant to section 81-15,176 and to the extent the board determines those projects to have merit. The board shall establish a calendar annually for receiving and evaluating proposals and awarding grants. To evaluate the economic, financial, and technical feasibility of proposals, the board may establish subcommittees, request or contract for assistance, or establish advisory groups.

NEBRASKA ENVIRONMENTAL TRUST BOARD

BACKGROUND

(Continued)

Subsection (2) of that same statute requires the Board to “establish rating systems for ranking proposals which meet the board’s environmental categories and other criteria.”

These statutory provisions, along with others in the Act, clearly vest the Board with responsibility for determining how best to expend money in the Nebraska Environmental Trust Fund, utilizing specific criteria to ensure that such money is spent to subsidize qualifying environmental projects.

During testing of two grant awards to Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture, the Auditor of Public Accounts found that three projects (# 06-120-3 – Wetland Habitat Restoration, Enhancement; # 02-144-3 – Acquisition of Critical Habitats in the Rainwater Basin Using a Revolving Fund Approach; # 06-120 – Wetland Habitat Restoration, Enhancement) involved the use of a specially created “Revolving Land Restoration and Protection Fund” from which money is to be expended, without further Board approval, for additional environmental projects.

The project description for Project # 02-144-3 explains that strategy as follows:

Opportunities for fee-title acquisition of critical wetland habitat are often lost due to the inability to financially and/or procedurally react in a timely manner. This proposal seeks to find an innovative solution through the creation of a Revolving Land Restoration and Protection Fund (RLRPF). The foundation of the revolving fund is to allow the Rainwater Basin Joint Venture additional flexibility to address the needs of willing sellers, while increasing the efficiency, rate, and success of habitat acquisitions and restorations. In this approach, Ducks Unlimited purchases the land in fee-title, restores the wetlands and grasslands, re-sells the land to a public agency or places a conservation easement on the property to protect the habitat in perpetuity and re-sells to a private conservation buyer. Proceeds from the sale of the land and easements will be deposited back into a revolving account to fund additional priority acquisitions.

Almost a decade ago, Senator Tyson Larson introduced LB 857 (2012), which proposed amending § 81-15,174 with the following language:

Any person receiving a grant from the Nebraska Environmental Trust Fund who purchases real property with funds from such grant and subsequently sells or otherwise transfers an ownership interest in such real property shall repay to the board the amount of the grant used to purchase the real property. The repayment shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund.

The Natural Resources Committee indefinitely postponed that legislation, however. Consequently, there continues to be no statute requiring money from the sale of real property purchased with a Nebraska Environmental Trust Fund grant to be returned to the State.

Although not expressly prohibited by statute, the use of the revolving fund appears to risk constituting essentially a delegation to Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture of the Board’s own authority to select and fund appropriate environmental projects. No Board approval appears to be required for any projects financed by the revolving fund, and Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture do not appear to be bound by any of the statutory criteria that governs the Board’s project designations. In short, there appear to be no specific restrictions upon the use of the money in the revolving fund.

Likewise, no provision appears to have been made for outside oversight – by either the Board or any other independent entity – of the money in the revolving fund to ensure its proper management and expenditure. Regarding the Nebraska Environmental Trust Fund, for instance, § 81-15,174 says, “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.” No comparable requirement for the investment of revolving fund monies appears to exist. More concerning yet, there appears to be no provision for returning the revolving fund monies to the State, even if Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture should cease operations or be determined an untrustworthy steward of the revolving fund.

NEBRASKA ENVIRONMENTAL TRUST BOARD

BACKGROUND

(Concluded)

The Board exercises sole authority over the Nebraska Environmental Trust Fund, which is comprised largely of State lottery revenues. It is our assumption, therefore, that sound legal advice was obtained prior to authorizing proceeds from the use of those public monies – through the resale of real property purchased with grant funds – to be relegated to the revolving fund for unsupervised expenditure by Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture. Nevertheless, upon approving the original land acquisition funded by the initial grant, as well as the subsequent resale of that same property, the Board effectively surrenders control over how any financial gains realized from those former lottery proceeds will be used in the future, allowing Ducks Unlimited, Inc., and the Rainwater Basin Joint Venture to utilize the money as they so choose.

NEBRASKA ENVIRONMENTAL TRUST BOARD

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Nebraska Environmental Trust Board Members

Name	Title	Term Ending
Jeff Kanger, Board Chairman	District 1	March 2025
Jim Hellbusch	District 1	March 2027
John Orr	District 1	March 2023
Felix B. Davidson	District II	March 2025
Paul Dunn	District II	March 2023
Mark Quandahl	District II	March 2027
Rod Christen	District III	March 2027
Quentin Bowen	District III	March 2023
Josh Andersen	District III	March 2025
Jim Douglas	Director, Nebraska Game and Parks Commission	
Steve Wellman	Director, Nebraska Department of Agriculture	
Jim Macy	Director, Nebraska Department of Environment and Energy	
Tom Riley	Director, Nebraska Department of Natural Resources	
Dr. Gary Anthone	Director, Division of Public Health Nebraska Department of Health and Human Services	

Nebraska Environmental Trust Board Executive Management

Name	Title
Mark Brohman	Executive Director
Holly Adams	Grants Administrator (Effective October 12, 2020)
Marilyn Tabor	Former Grants Administrator (Through August 4, 2020)

Nebraska Environmental Trust Board
700 S 16th Street
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Lincoln, NE 68509-4913
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NEBRASKA ENVIRONMENTAL TRUST BOARD

SUMMARY OF COMMENTS

During our examination of the Nebraska Environmental Trust Board (Board), 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 #1, “Grants Monitoring,” 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. ***Grants Monitoring:*** The Board did not perform required periodic financial audits or site visits. Additionally, grant payments were not supported or in compliance with grant agreements, and grant processes were not documented adequately.
2. ***Unallowed Endowment Transfer:*** The Board transferred approximately \$630,000 of unallowable funds from the Nebraska Environmental Endowment Fund.

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 Board.

Draft copies of this report were furnished to the Board 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. **Grants Monitoring**

Pursuant to State statute, the Nebraska Environmental Trust Board (Board) receives annual proceeds from the Nebraska Lottery in order to provide grants to individuals, private organizations, and public entities for the benefit of habitat, surface and ground water, waste management, air quality, and soil management. Grants are awarded on an annual basis and can last for a period of one to three years. From July 1, 2019, through December 31, 2020, the Board made over \$24 million in grant payments to environmental projects across Nebraska.

As shown by the several inadequacies detailed below, the Board did not monitor these grants sufficiently.

Aid Payment Testing

During review of 11 grant payments to different grantees, totaling \$5.76 million, we noted the following:

- The Board did not perform periodic financial audits for any of the 11 projects, as required per Title 137 of the Nebraska Administrative Code (NAC), to ensure that grant funds were used appropriately. Additionally, the Board performed site visits for only two of the projects. Despite being required only upon completion of a project, a site visit is an important monitoring procedure that assists periodic financial audits with ensuring that grant funds are used properly and work is performed in accordance with terms of the grant contract and the grantee's application. Of the nine projects without site visits, six were completed; therefore, the site visits were required.
- Per discussion with the Board Chairman, his signature was obtained one time and has been electronically placed on multiple documents without the Board Chairman's knowledge and/or consent. Grant agreements had his signature affixed without his review of the documents.
- Grant documents were automatically signed electronically by the Grant Portal system, increasing the risk that the documents were not reviewed. According to Board staff, the Executive Director thoroughly reviews all grant documentation; however, given that his signature was applied automatically, there may be some room to doubt that assertion.
- There was not adequate supporting documentation on file for a \$95,568 payment to the University of Nebraska - Lincoln. The documentation provided was merely a printout of the University's accounting system and did not include invoices or detailed payroll information.
- One payment to the Nebraska Community Energy Alliance included \$45,830 for expenditures that occurred prior to the grant period. The amount was for an invoice dated July 19, 2018; however, the grant period was for April 8, 2019, through June 30, 2020.
- Final grant reports for two projects were due on January 31, 2021, but those reports had not been received as of fieldwork on June 8, 2021.
- The Board did not formally establish and approve the environmental categories determined for the five-year period July 1, 2020, through June 30, 2025. Per the Executive Director, the Board did not make changes to the categories from the previous five years, but this was not formally documented.

Other Grant Inadequacies

- Additionally, during review of expenditures, we noted that one grantee received three advance payments of grant funds for two different projects from July 1, 2019, through December 31, 2020, totaling \$260,000. Such prepayments are prohibited by the grant agreement, which says, "The Trust will reimburse the Sponsor for these costs following receipt of the statements and reports The Trust will transfer the funds specified in this contract to the Sponsor following receipt and audit of required documentation"

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

1. Grants Monitoring (Continued)

- Grant funds were transferred to other grants instead of being forfeited, as required by the grant agreement. We noted that three grants had the remaining balances of \$117,317, \$61,872, and \$26,419 transferred to other grants for that same project instead of being forfeited. The grant agreement stated specifically, “Funds not expended within this period shall be immediately forfeited by the Sponsor without action by the Trust.”
- The Board did not have the required insurance documentation on file for six of nine equipment purchases tested. The six pieces of equipment were paid with \$796,209 of the Board’s grant funds.
- One grant required prior Board approval for a land sale or transfer if the land was not transferred via a land swap. Despite confirming that the transfer did not occur through a land swap, the Board could not provide documentation of its prior approval for the transfer of the land, which had been purchased with \$81,000 in grant funds.

Neb. Rev. Stat. § 81-15,176(1) (Reissue 2014) states the following:

Subject to subsection (3) of this section, the board shall establish environmental categories of projects eligible for funding by the trust. The board, after allowing opportunity for public comment, shall designate as categories those environmental goals which most affect the natural physical and biological environment in Nebraska, including the air, land, ground water and surface water, flora and fauna, prairies and forests, wildlife and wildlife habitat, and areas of aesthetic or scenic values. In designating environmental categories, the board shall attempt to focus on the areas which promise the greatest opportunities for effective action to achieve and preserve the future environmental quality in the state. The board shall establish categories for five-year periods beginning July 1, 1995. The board may establish annual priorities within the five-year categories. The board shall provide for public involvement in developing the categories for such five-year periods and any priorities within these categories, including, but not limited to, public meetings in each of the three congressional districts.

Title 137 NAC 9-014 (October 25, 1996) 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.

The Adopted Policies of the Nebraska Environmental Trust (August 2019), Section VII: Post-Completion Procedure and Report, contains the following:

C. After receipt of the final report for the grantee, the Trust will undertake the following:

* * * *

3. Ensure that a site visit is made to the project site, if appropriate. The site visit shall establish that,

i. Grant funds appear to have been expended as documented in reports filed by the grantee and

ii. The project has been executed as described in the applications and approved by the Trust Board in the grant award, and any subsequent modifications.

* * * *

H. Projects involving real property modification and improvements. Staff is to conduct one site visit on completion of any project of this type to verify the contents of periodic reports submitted by grantees during project implementation.

I. Projects involving the acquisition of personal property Monitoring is conducted primarily by correspondence to ascertain possession and condition of equipment, with random site visits.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

1. Grants Monitoring (Continued)

Board grant agreements contain the following language:

The Sponsor agrees to purchase and maintain property insurance at its own expense to insure all equipment valued at \$1,000 or more which is purchased in whole or in part with funds received from the Trust . . . Evidence of current coverage will be requested annually by the Trust office.

The grant agreement for Project 10-172 states the following:

The Grantee and the proposed acquisition partner, Ducks Unlimited, Inc. agree that the preferred method of transferring the Morgan tract to the U.S. Fish & Wildlife Service will be through a land trade with the U.S. Fish & Wildlife Service involving an existing Service property . . . In the event that a land trade can not be successfully negotiated with the U.S. Fish & Wildlife Service, the Grantee and Ducks Unlimited will secure prior approval from the Nebraska Environmental Trust prior to disposing of the property through any other method.

A good internal control plan requires procedures to ensure: 1) site visits and periodic financial audits are performed on grantees; 2) expenditures are supported adequately and comply with grant agreements; 3) required reports are received timely; and 4) grant documentation is signed appropriately after being thoroughly reviewed.

A similar finding was noted in the previous report.

Without such procedures, there is an increased risk of grant funds being used for inappropriate and unallowed expenditures and grant documents not being reviewed adequately.

We recommend the Board implement procedures to ensure the following:

- Periodic financial audits and site visits of grantees are performed.
- Expenditures of grant funds are both documented adequately and compliant with the terms of grant agreements, including prohibiting advance payments and grant transfers.
- Required reports are received timely.
- Grant documents are reviewed sufficiently, especially when electronic signatures are applied thereto automatically.
- Environmental categories established by the Board are adequately documented.
- Required insurance documentation is obtained for equipment purchased with grant funds.

Board Response:

1. *Electronic use of the Board Chairman's signature had been a standard operating procedure used by staff and will be discontinued.*
2. *Upon request the University of Nebraska will provide invoices. The Trust has required UNL to upload invoices for larger requests. We will be working with the University of Nebraska-Lincoln in their documentation, making sure hours and rate are listed.*
3. *This was an error in the creation of the invoice by the Nebraska Community Energy Alliance. They listed the date of July 19, 2018, instead of July 19, 2019. The invoice was actually paid on 1/14/2020, which was within the grant period (April 8, 2019, through June 30, 2020).*

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Continued)

1. Grants Monitoring (Concluded)

4. *There were delays in the two reports due to COVID-19. There were e-mails sent to Adam Hohensee (Auditor's Office) explaining the situation on 6/8/21. One of the final reports was submitted (6/7/21) during the audit.*
5. *It is unclear in Title 137 or statutes if the Board must approve environmental categories if no changes were made from the previous five years. The Trust Board will make a formal motion at the next Board Meeting, August 3, 2021, to approve the existing environmental categories.*
6. *The practice of "advanced payments" or payments made for eligible expenditures before the contracts are signed is being addressed by the Trust Board at the next Board Meeting, August 3, 2021. Even though this has been a standard operating procedure of the Trust in the past, the Trust Board is eliminating this practice.*
7. *It has been a standard operating procedure to transfer the remaining balance of a grant to the same grantee when they are awarded a continuous grant for the same purposes. The Trust Board has indicated they do not want staff to continue this practice and funds will no longer be transferred to a continuous grant.*
8. *Documenting required insurance coverage is a duty of the Grants Administrator Assistant. This position was vacant from November 2020 through March 2021. Prior to that the Grants Administrator Assistant was filling in for the vacant Grants Administrator position from August 2020 through October 2020, so insurance documentation has been delayed. Staff is continuing to file coverage and follow-up.*
9. *The grant agreement stated that the land would be transferred, but formal board approval was not obtained.*

APA Response: Per an email from the Board on June 8, 2021, the final reports were not submitted. An email was provided after this date with one of the reports; however, this is still significantly later than when the report was due.

2. Unallowed Endowment Transfer

The Board has a long-term endowment fund, the Nebraska Environmental Endowment Fund (Endowment Fund), which allows for investment income to be used for the general expenditures of the Board. This is done in accordance with both current State law and an Attorney General's opinion issued more than a decade ago, Op. Att'y Gen. No. 07003 (2007).

In May 2020, the Board transferred \$700,000 from the Endowment Fund; of that amount, approximately \$630,000 was not allowable. The error occurred because the Board lacked adequate procedures for tracking the amount of spendable investment income, versus realized capital gains, in order to determine how much money could be spent. Based on the balance of long-term investments at April 30, 2020, totaling \$1,303,050, the Board believed it had adequate investment income to make the transfer. However, the balance included capital gains, which were unallowable.

The Department of Administrative Services (DAS) recorded the investment income in the State's accounting system using bank statements from the State's custodial bank, State Street Bank (SSB). DAS recorded the investment income and capital gains, along with various other income types, to separate revenue accounts in the accounting system. It would be reasonable to assume that the Board could have used the accounting system to approximate the amount available to be spent. However, as these entries are not performed based on the distributable income they would need to analyze each line of the bank statement and receive support from the Nebraska Investment Council.

From the accounting system, the Auditor of Public Accounts calculated the amount of net spendable investment income earned over the life of the Endowment Fund to be approximately \$320,000. Of this amount, \$250,000 was transferred out of the fund in December 2014, leaving a balance of only \$70,000.

NEBRASKA ENVIRONMENTAL TRUST BOARD

COMMENTS AND RECOMMENDATIONS

(Concluded)

2. **Unallowed Endowment Transfer** (Concluded)

Neb. Rev. Stat. § 81-15,174.01 (Reissue 2014) states, as is relevant, “Any interest income earned by the Nebraska Environmental Endowment Fund shall be available for allocation by the board as provided in section 81-15,175.”

Additionally, Op. Att’y Gen. No. 07003 (2007) provides the following analysis:

All sources of investment income of the Endowment Fund are reinvested subject to allocation of interest income by the Board for projects described in §§ 81-15,175 and 81-15,176. In view of the express language of § 81-15,174.01 that allocations from the Trust Fund shall not be reallocated, except interest income, the Legislature has manifested its intent that only the interest income may be allocated for environmental projects . . . That is, only interest income may be allocated by the Trust Board under the express provisions of § 81-15,174.01.

A good internal control plan requires procedures to ensure that only interest income is permitted to be allocated from the Endowment Fund.

Without such procedures, there is an increased risk for not only loss or misuse of funds but also statutory noncompliance.

We recommend the Board work with DAS and NIC to implement procedures for:
1) determining the correct amount that was allowed to be allocated from the Endowment Fund, returning the unallowed amount and any capital gains that would have been earned thereon; and 2) developing a tracking mechanism for ensuring that the amount of interest income available for allocation is readily known.

Board Response: Opinion Attorney General No. 05001, January 12, 2005, requested by the Trust noted, “The Trust Board may allocate earnings of the Endowment Fund which are not interest income, but instead are capital gains or dividends.” This was reversed by Opinion Attorney General No. 07003 (February 8, 2007) requested by the State Investment Officer. The Trust Board will transfer the \$700,000 back into the Nebraska Environmental Endowment Fund from the Nebraska Environmental Trust Fund by the Trust Board action at the next scheduled Trust Board Meeting, August 3, 2021. Of the 9 State endowment accounts, seven have taken quarterly pay-outs in recent years and were made aware of this more recent Attorney General’s Opinion, but the Trust was not one of those seven.



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 (Board) for the period July 1, 2019, through December 31, 2020. The Board'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, 2019, through December 31, 2020, is based on the accounting system and procedures prescribed by the 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; noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the Schedule of Revenues, Expenditures, and Changes in Fund Balances; fraud that is material, either quantitatively or qualitatively, to the Schedule of Revenues, Expenditures, and Changes in Fund Balances; and any other instances that warrant the attention of those charged with governance. 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 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.

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. J. Janssen", with a long horizontal flourish extending to the right.

Charlie Janssen
Auditor of Public Accounts
Lincoln, Nebraska

July 16, 2021

NEBRASKA ENVIRONMENTAL TRUST BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2019, through December 31, 2020

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	(846)	3	-	(843)
Miscellaneous	1,048,073	29,653	107,687	1,185,413
TOTAL REVENUES	1,047,227	29,656	107,687	1,184,570
EXPENDITURES:				
Personal Services	512,882	-	-	512,882
Operating	258,914	20,697	2,851	282,462
Travel	5,465	3	-	5,468
Capital Outlay	29,064	4,840	-	33,904
Government Aid	24,559,337	-	-	24,559,337
TOTAL EXPENDITURES	25,365,662	25,540	2,851	25,394,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,318,435)	4,116	104,836	(24,209,483)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	28,553,457	-	-	28,553,457
Operating Transfers Out	-	-	(700,000)	(700,000)
TOTAL OTHER FINANCING SOURCES (USES)	28,553,457	-	(700,000)	27,853,457
Net Change in Fund Balances	4,235,022	4,116	(595,164)	3,643,974
FUND BALANCES, JULY 1, 2019	36,125,095	256,971	1,756,924	38,138,990
FUND BALANCES, DECEMBER 31, 2020	\$ 40,360,117	\$ 261,087	\$ 1,161,760	\$ 41,782,964
FUND BALANCES CONSIST OF:				
General Cash	\$ 40,360,139	\$ 261,087	\$ 4,151	\$ 40,625,377
Long-Term Investments	-	-	1,157,609	1,157,609
Due to Vendors	(22)	-	-	(22)
TOTAL FUND BALANCES	\$ 40,360,117	\$ 261,087	\$ 1,161,760	\$ 41,782,964

The accompanying notes are an integral part of the schedule.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE

For the Period July 1, 2019, through December 31, 2020

1. Criteria

The accounting policies of the Nebraska Environmental Trust Board (Board) 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 Board to record all accounts receivable and related revenues in EnterpriseOne; as such, the Board'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, 2020, and not yet paid as of that date. The amount recorded as expenditures on the schedule, as of December 31, 2020, **does not** include amounts for goods and services received before December 31, 2020, which had not been posted to the general ledger as of December 31, 2020.

The Board had no accounts receivable at December 31, 2020. Liabilities for accrued payroll and compensated absences are not recorded in the general ledger.

The following fund type is established by the State and used by the Board:

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.

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

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, gain or loss of investment, and rental income.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE

(Continued)

1. **Criteria** (Concluded)

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

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

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 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 Board include the following:

Assets – Resources owned or held by a government that have monetary value. Assets include cash accounts and long-term investments (investments). Cash accounts are also included in fund balance and are reported as recorded in the general ledger. 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 Vendors transactions are recorded as expenditures, resulting in a decrease to fund balance.

Other Financing Sources – Operating transfers.

2. **Reporting Entity**

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

The Board 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.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE

(Continued)

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 Annual Comprehensive Financial Report (ACFR). In addition, the Board takes an annual inventory, recording in the State Accounting System all equipment that has a cost of \$5,000 or more at the date of acquisition.

For the ACFR, the State requires the Board 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 ACFR 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 ACFR using the straight-line method with estimated useful lives of 3 and 5 years.

Capital asset activity of the Board recorded in the State Accounting System for the period July 1, 2019, through December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Equipment	\$ 36,503	\$ 29,064	\$ -	\$ 65,567
Less accumulated depreciation for:				
Equipment				\$ 36,936
Total capital assets, net of depreciation				\$ 28,631

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 ACFR.

NEBRASKA ENVIRONMENTAL TRUST BOARD

NOTES TO THE SCHEDULE

(Concluded)

7. Transfers

The Nebraska Lottery (Lottery) transfers monies to the Board pursuant to Neb. Rev. Stat. § 9-812 (Cum. Supp. 2020), 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, including the Nebraska Environmental Trust Fund. According to that statute, the first \$500,000 of the money available to the beneficiary funds is to be transferred to the Compulsive Gamblers Assistance Fund. Then, 44.5% of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund must be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act. For the period July 1, 2019, through December 31, 2020, the Lottery transferred \$27,726,592 to the Environmental Trust Fund (\$18,648,007 for the fiscal year ended June 30, 2020, and \$9,078,585 for the six-month period July 1, 2020, through December 31, 2020).

8. Related Party

Neb. Rev. Stat. § 81-15,170 (Cum. Supp. 2020) establishes the following State agency personnel as Board members: the Director of Environment and Energy, 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 do – apply for and receive significant funding for projects funded by the Board. Neb. Rev. Stat. § 81-15,170.01 (Reissue 2014) states, in part, “Any member of the board who is also a director of a state agency shall abstain from voting on applications which would provide funding primarily to his or her agency.”

9. Pending Litigation/Investigation

The Board and its members are defendants in a pending court case pertaining to the process of awarding grants. The case is ongoing in Lancaster County District Court. Additionally, the Board has been notified that there is an ongoing investigation into a Board grant recipient. Although the outcome of this case or investigation is not presently determinable, the Board believes the resolution of these matters will not have a materially adverse effect on the financial condition of the Board.

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; accordingly, we express no opinion on it.

NEBRASKA ENVIRONMENTAL TRUST BOARD
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2019, through June 30, 2020

Exhibit A

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	54	3	-	57
Miscellaneous	765,146	22,567	23,002	810,715
TOTAL REVENUES	765,200	22,570	23,002	810,772
EXPENDITURES:				
Personal Services	341,929	-	-	341,929
Operating	171,002	12,016	2,208	185,226
Travel	5,167	3	-	5,170
Capital Outlay	-	2,450	-	2,450
Government Aid	17,746,065	-	-	17,746,065
TOTAL EXPENDITURES	18,264,163	14,469	2,208	18,280,840
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,498,963)	8,101	20,794	(17,470,068)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	18,735,222	-	-	18,735,222
Operating Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	18,735,222	-	-	18,735,222
Net Change in Fund Balances	1,236,259	8,101	20,794	1,265,154
FUND BALANCES, JULY 1, 2019	36,125,095	256,971	1,756,924	38,138,990
FUND BALANCES, JUNE 30, 2020	<u>\$ 37,361,354</u>	<u>\$ 265,072</u>	<u>\$ 1,777,718</u>	<u>\$ 39,404,144</u>
FUND BALANCES CONSIST OF:				
General Cash	\$ 37,361,354	\$ 265,072	\$ 702,699	\$ 38,329,125
Long-Term Investments	-	-	1,075,019	1,075,019
Due to Vendors	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 37,361,354</u>	<u>\$ 265,072</u>	<u>\$ 1,777,718</u>	<u>\$ 39,404,144</u>

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

Exhibit B

For the Period July 1, 2020, through December 31, 2020

	Nebraska Environmental Trust Fund 23290	Ferguson House Fund 23295	Nebraska Environmental Endowment Fund 23430	Totals (Memorandum Only)
REVENUES:				
Sales & Charges	(900)	-	-	(900)
Miscellaneous	282,927	7,086	84,685	374,698
TOTAL REVENUES	282,027	7,086	84,685	373,798
EXPENDITURES:				
Personal Services	170,953	-	-	170,953
Operating	87,912	8,681	643	97,236
Travel	298	-	-	298
Capital Outlay	29,064	2,390	-	31,454
Government Aid	6,813,272	-	-	6,813,272
TOTAL EXPENDITURES	7,101,499	11,071	643	7,113,213
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,819,472)	(3,985)	84,042	(6,739,415)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	9,818,235	-	-	9,818,235
Operating Transfers Out	-	-	(700,000)	(700,000)
TOTAL OTHER FINANCING SOURCES (USES)	9,818,235	-	(700,000)	9,118,235
Net Change in Fund Balances	2,998,763	(3,985)	(615,958)	2,378,820
FUND BALANCES, JULY 1, 2020	37,361,354	265,072	1,777,718	39,404,144
FUND BALANCES, DECEMBER 31, 2020	<u>\$ 40,360,117</u>	<u>\$ 261,087</u>	<u>\$ 1,161,760</u>	<u>\$ 41,782,964</u>
FUND BALANCES CONSIST OF:				
General Cash	\$ 40,360,139	\$ 261,087	\$ 4,151	\$ 40,625,377
Long-Term Investments	-	-	1,157,609	1,157,609
Due to Vendors	(22)	-	-	(22)
TOTAL FUND BALANCES	<u>\$ 40,360,117</u>	<u>\$ 261,087</u>	<u>\$ 1,161,760</u>	<u>\$ 41,782,964</u>

Nebraska Environmental Trust 2020 Final Rank Order List

Exhibit C

Rating	Sponsor Name	App ID	Project Name	2020 Award	Intent Yr 2	Intent Yr 3
178.33	Middle Niobrara NRD	20-104	Long Pine Creek Watershed Restoration - Phase 3	\$485,000.00	\$0.00	\$0.00
177.33	The Nature Conservancy	20-127	Increase Fire Capacity & Rangeland Impact - Sandhills	\$60,388.00	\$60,388.00	\$60,388.00
174.83	Sandhills Task Force	20-204	Sandhills Conservation Partnerships-Grassland & Wetland	\$330,000.00	\$66,000.00	\$24,000.00
172.50	BOR-UNL	20-139	Improving statewide performance of conservation investments on Eastern redcedar invasions	\$77,000.00	\$79,310.00	\$81,690.00
160.83	Quail Forever	20-124	Mobile Prescribed Burn Unit and Education Outreach	\$104,500.00	\$0.00	\$0.00
160.33	Conservation Blueprint	20-176	Pollinator and Wildlife Habitat Education	\$9,800.00	\$9,800.00	\$0.00
158.17	Ducks Unlimited, Inc.	20-181	Platte River Watershed Conservation	\$0.00	\$0.00	\$0.00
158.00	NE Community Found-RWBJV	20-128	Partnering for Wetlands - Helping address flooding, water quality, water quantity, and habitat in the Rainwater Basin Landscape	\$333,333.00	\$333,332.00	\$0.00
157.60	Lower Big Blue NRD	20-162	Turkey Creek Watershed & Source Water Protection	\$50,000.00	\$75,000.00	\$75,000.00
156.83	Pheasants Forever, Inc.	20-125	Pathway for Wildlife and Working Lands	\$80,200.00	\$0.00	\$0.00
156.67	Platte River Whooping Crane	20-148	Big Bend of the Platte River Partnership for Habitat Preservation	\$342,675.00	\$1,675.00	\$1,675.00
156.17	Spring Creek Prairie Audubon	20-179	Launching Spring Creek Prairie as a Demonstration Site for Tallgrass Prairie Conservation - Denton Hills	\$337,121.00	\$117,421.00	\$112,171.00
155.67	Upper Elkhorn NRD	20-106	Development and Implementation of Residual Soil Nitrate Sampling in the Upper Elkhorn NRD for Groundwater Nitrate Reduction	\$23,750.00	\$0.00	\$0.00
155.67	Conservation NE	20-151	Common Ground Education Program	\$67,000.00	\$0.00	\$0.00
155.50	Omaha	20-192	Thomas Creek Improvements - Phase I	\$20,000.00	\$280,000.00	\$0.00
155.50	National Wild Turkey Fed.	20-219	Forest Stand Restoration on Pine Ridge WMA	\$75,643.00	\$75,643.00	\$75,643.00
155.40	Central Platte NRD	20-146	Richard Plautz Crane Viewing Site Restoration	\$50,000.00	\$0.00	\$0.00
154.83	Northern Prairies Land Trust	20-153	Extending the Tallgrass Prairie Partnership	\$275,000.00	\$170,000.00	\$50,000.00
154.50	Pheasants Forever, Inc.	20-132	Grassland Improvement Program	\$130,000.00	\$130,000.00	\$0.00
154.17	Iain Nicolson Audubon- Rowe	20-194	Embarking on another 50 years of conservation	\$69,890.00	\$82,975.00	\$0.00
154.00	Lower Elkhorn NRD	20-134	Establish Baseline Vadose Zone Sampling - Pierce Co.	\$8,750.00	\$8,750.00	\$0.00
153.33	NE Academy of Sciences, Inc.	20-103	Nebraska Environmental Public Information and Education Minigrant Program	\$60,580.00	\$60,580.00	\$60,580.00
153.17	Ducks Unlimited, Inc.	20-178	Restoring Wetlands of the North Platte River Valley	\$0.00	\$0.00	\$0.00
152.50	BOR-UNL	20-141	Dev Comprehensive & Efficient Recycling Operation	\$199,962.00	\$0.00	\$0.00
152.17	NE Recycling Council	20-145	Recycling Equipment Grants and Consultation	\$290,016.00	\$290,016.00	\$0.00
151.67	Pheasants Forever, Inc.	20-131	Corners For Wildlife	\$293,800.00	\$293,800.00	\$0.00

Nebraska Environmental Trust 2020 Final Rank Order List

Exhibit C

Rating	Sponsor Name	App ID	Project Name	2020 Award	Intent Yr 2	Intent Yr 3
151.60	NE Game & Parks Commission	20-171	Rainwater Basin Wetland Management	\$75,000.00	\$75,000.00	\$75,000.00
151.33	Ducks Unlimited, Inc.	20-214	Eastern Rainwater Basin Environmental & Habitat Imp.	\$0.00	\$0.00	\$0.00
150.50	Lincoln - StarTran	20-215	Lincoln Electric Bus Fleet Replacement Project	\$387,569.00	\$0.00	\$0.00
150.17	NLT	20-119	Pines and Buttes/ Ranch Protection Project	\$0.00	\$0.00	\$0.00
149.33	Trailblazer RC&D	20-116	Electronics Recycling Events	\$5,950.00	\$40,750.00	\$43,150.00
149.17	Chadron State College	20-107	Math Science Building Initiative	\$75,000.00	\$0.00	\$0.00
149.00	NE State Irrigation Association	20-101	Water Leaders Academy in Nebraska	\$93,223.00	\$94,459.00	\$56,854.00
148.83	Lower Loup NRD	20-111	Cover Crop Utilization and Nutrient Management	\$45,000.00	\$45,000.00	\$35,000.00
148.33	Lewis and Clark NRD	20-175	Bow Creek Watershed Project	\$132,425.00	\$85,195.00	\$44,345.00
147.83	Lincoln	20-112	Eastern Saline Wetlands Project - 2020	\$0.00	\$0.00	\$0.00
147.17	BOR-UNL	20-165	Transforming Manure and Cedar Mulch from "Waste" to "Worth" – Part II	\$59,813.00	\$81,949.00	\$0.00
146.67	BOR-UNL	20-168	Direct removal of groundwater nitrate coupling water treatment and algae growth	\$240,187.00	\$216,775.00	\$0.00
146.33	Five Rivers RC&D	20-220	Southeast NE Household Hazardous Waste Collection	\$75,512.00	\$0.00	\$0.00
146.20	National Grazing Lands Coalition	20-160	National Grazing Lands Summer Tour 2020	\$27,037.00	\$0.00	\$0.00
146.00	Beyond School Bells	20-174	Nebraska Youth Conservation Initiative	\$33,340.00	\$33,330.00	\$33,330.00
145.80	NE Game & Parks Commission	20-191	Treehouse Classroom and Interactive Stream: Engaging Nebraskans in Conservation Education	\$300,000.00	\$1,325,000.00	\$0.00
145.33	Middle Niobrara NRD	20-150	Sandhills Interactive Natural Resources Education Complex (SINREC)	\$288,015.00	\$154,000.00	\$158,000.00
145.33	NE Community Energy Alliance	20-185	Connection NE Communities Driving America's Fuel!	\$533,604.00	\$0.00	\$0.00
145.17	Keep Alliance Beautiful	20-117	2020-2021 Recycling Center Operations & Education	\$83,828.00	\$0.00	\$0.00
144.80	NE Community Energy Alliance	20-190	Connection NE Communities Driving America's Fuel!	\$556,555.00	\$0.00	\$0.00
144.67	Lied Lodge & Conference Center	20-167	Prairie, Restoration & Conservation Trail	\$22,000.00	\$35,000.00	\$0.00
144.33	Lincoln Electric System	20-108	Electric Vehicle Public Engagement and Rebate	\$120,000.00	\$0.00	\$0.00
144.17	Omaha Public Power District	20-130	OPPD BRIGHT (Battery Research Innovation Guided by High-Potential Technologies)	\$525,000.00	\$75,000.00	\$0.00
144.00	Soil Dynamics Composting Farm	20-161	Mitigating Compost Malodors Utilizing TAP Technology	\$87,800.00	\$0.00	\$0.00
142.83	Trailblazer RC&D	20-143	Household Hazardous Waste Collection & Recycling	\$35,950.00	\$38,050.00	\$40,350.00
142.50	Girl Scouts Spirit of NE	20-184	Walnut Creek Bank Restoration at Camp Catron	\$45,000.00	\$0.00	\$0.00
142.33	Keep Keith County Beautiful	20-170	Western Nebraska Regional Education Program	\$66,845.00	\$0.00	\$0.00
142.17	Gr. Island Area Clean Community	20-129	Regional Household Hazardous Waste Facility	\$168,900.00	\$172,035.00	\$0.00
142.17	BOR-UNL	20-183	StreamNet: Building capacity to improve water quality	\$307,730.00	\$172,794.00	\$11,202.00
141.33	Omaha	20-164	Oma-Gro Compost Turner	\$499,000.00	\$0.00	\$0.00

Nebraska Environmental Trust

2020 Final Rank Order List

Exhibit C

Rating	Sponsor Name	App ID	Project Name	2020 Award	Intent Yr 2	Intent Yr 3
141.33	Lower Big Blue NRD	20-186	Improving Nitrogen & Irrigation Best Management Practices in Beatrice & Dewitt Wellhead Protection	\$98,900.00	\$93,900.00	\$0.00
141.00	The Nature Conservancy	20-135	Upper Big Blue Soil Health Project	\$69,603.00	\$137,064.00	\$0.00
140.83	Lower Big Blue NRD	20-187	Improving Irrigation Best Management Practices in the Odell and Diller Wellhead Protection Areas	\$122,500.00	\$88,900.00	\$0.00
140.67	BOR-UNL	20-157	Detecting Atrazine Dissipation and Evaluating Herbicide Programs without Atrazine for Weed Control in Corn and their Environmental Impact Quotient: Research and Extension	\$49,979.00	\$49,041.00	\$47,154.00
140.17	Twin Valley WMA	20-136	Eastern Republican & Little Blue Watershed Improvement	\$205,000.00	\$0.00	\$0.00
140.00	Green Recycling Enterprises	20-122	Recycling on the Go!	\$143,000.00	\$140,000.00	\$0.00
139.50	BOR-UNL	20-121	Improving Water Quality and Surveying Fish populations using eDNA in Nebraska	\$75,000.00	\$75,000.00	\$0.00
139.33	Northeast NE RC&D	20-115	Early Detection & Integrated Management of Invasives	\$38,740.00	\$38,740.00	\$39,040.00
139.00	BOR-UNL	20-189	NE Farmers and Farmland Owners Attitudes of Targeted Conservation	\$104,971.00	\$109,999.00	\$42,448.00
138.50	Angels on Wheels	20-212	Electronic Recycling	\$159,452.00	\$0.00	\$0.00
138.00	UNMC	20-193	Healing Local Landscapes: Turf Conversion Utilizing Native Prairie Plantings	\$13,700.00	\$7,000.00	\$0.00
137.50	High Plains WMA	20-142	North Platte River Invasive Species Control Project	\$311,000.00	\$189,000.00	\$0.00
137.50	BOR-UNL	20-182	Eastern Redcedar Design-Build Microdwelling	\$28,412.00	\$6,500.00	\$0.00
137.17	BOR-UNL	20-188	Developing Statewide Community Tree Canopy Map	\$51,057.00	\$44,218.00	\$0.00
136.67	BOR-UNL	20-123	Improving Soil Health Using Heat-Treated Manure	\$105,552.00	\$90,314.00	\$0.00
136.50	Lincoln	20-159	Lincoln's Hazardous Waste Center - Expanded Operations to Safeguard the Environment & Health	\$150,000.00	\$0.00	\$0.00
136.50	South Sioux City	20-133	ChargePoint DC & Charger 2 Electric Vehicle Stations	\$30,481.00	\$0.00	\$0.00
136.50	Southwest WM	20-105	Western Republican River Basin Riparian Habitat	\$141,500.00	\$0.00	\$0.00
135.83	Heartland Bike Share	20-154	B-cycle to ORBT: Connecting Bike Share to BRT	\$289,446.00	\$0.00	\$0.00
135.67	Five Rivers RC&D	20-195	Saving our Native Grasslands from Invasive Species	\$87,572.00	\$0.00	\$0.00
135.67	The Groundwater Foundation	20-114	GREAT: Groundwater Education and Training	\$113,640.00	\$43,500.00	\$0.00
133.80	Green Plains Inc. & NDEE	20-137	Nebraska Renewable Fuels & Air Quality Program	\$1,465,408.00	\$1,514,386.00	\$20,206.00
133.17	BOR-UNL	20-144	Surface Water Nutrient Removal in Eutrophic Ponds Using Floating Treatment Wetlands in Nebraska	\$0.00	\$0.00	\$0.00
133.17	ABC Recycling	20-217	Sustaining Residential Recycling Throughout Western NE	\$0.00	\$0.00	\$0.00

Nebraska Environmental Trust 2020 Final Rank Order List

Exhibit C

Rating	Sponsor Name	App ID	Project Name	2020 Award	Intent Yr 2	Intent Yr 3
133.17	NE Statewide Arboretum	20-169	Rare Tree Conservation	\$0.00	\$0.00	\$0.00
132.83	The Nature Conservancy	20-149	Nature's Benefits for Urban Residents	\$0.00	\$0.00	\$0.00
132.00	NE Center for Workforce Dev	20-216	Nebraska Green Corps	\$0.00	\$0.00	\$0.00
131.50	BOR-UNL	20-140	Water Reuse for Agriculture & Industry in Rural Western Nebraska	\$0.00	\$0.00	\$0.00
131.00	Bee & Butterfly Habitat Fund	20-177	The Seed A Legacy Program	\$0.00	\$0.00	\$0.00
130.83	BOR-UNL	20-120	Increasing soil nutrient and water retention due to application of iron coated biochar	\$0.00	\$0.00	\$0.00
130.17	BOR-UNL	20-173	Assessment of Greenhouse Gas Sequestration Resources in the Nebraska Panhandle to Improve Carbon Management Opportunities in Nebraska	\$0.00	\$0.00	\$0.00
128.17	Literacy Council of Grand Island	20-113	Environmental Literacy	\$0.00	\$0.00	\$0.00
126.50	BOR-UNO	20-213	Development of NE Environmental DNA Center: Protecting Statewide Biodiversity and Environment	\$0.00	\$0.00	\$0.00
126.00	Yanney Heritage Park	20-200	Botanical Gardens	\$0.00	\$0.00	\$0.00
125.17	BOR-UNL	20-210	Quantifying water quality in rural Nebraska counties with elevated incidence of pediatric cancers	\$0.00	\$0.00	\$0.00
124.83	Firstar Fiber, Inc.	20-102	Instate market for plastics	\$0.00	\$0.00	\$0.00
124.83	BOR-UNL	20-205	Evaluation of Per- and Poly-fluoroalkyl Substances in Leachate and Groundwater of Nebraska Landfills	\$0.00	\$0.00	\$0.00
124.33	BOR-UNL	20-163	A buried sensor network for soil nitrate and ammonium monitoring	\$0.00	\$0.00	\$0.00
123.17	Benson Plant Rescue	20-211	Building Our National Outreach	\$0.00	\$0.00	\$0.00
122.67	Habitat for Humanity- Sarpy Co	20-126	Habitat Truck	\$0.00	\$0.00	\$0.00
122.67	UNO	20-199	Maverick Solar Pavilion and Virtual Classroom	\$0.00	\$0.00	\$0.00
122.00	BOR-UNL	20-172	Improvement of Recycled Concrete Aggregates (RCA) Properties with CO2 Treatment for Reusing Construction and Demolition (C&D) Wastes in NE	\$0.00	\$0.00	\$0.00
121.00	BOR-UNL	20-138	Blooms for Habitat (Flores Para El Habitat): Nebraskans transforming landscapes to help pollinators and to improve community landscapes	\$0.00	\$0.00	\$0.00
120.83	BOR-UNL	20-198	Co-gasification of waste tires and biomass for hydrogen-rich gas production	\$0.00	\$0.00	\$0.00
119.17	Omaha Children's Museum	20-218	Sustainable Energy Efficient Roof Replacement	\$0.00	\$0.00	\$0.00
119.00	BOR-UNL	20-201	Nebraska Agricultural Water Management Network	\$0.00	\$0.00	\$0.00

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Rating	Sponsor Name	App ID	Project Name	2020 Award	Intent Yr 2	Intent Yr 3
117.50	Blue Lincoln Recycling	20-158	Material Processing Facility Equipment	\$0.00	\$0.00	\$0.00
116.00	NE State Historical Society	20-109	Alkali Station Historic Prairie Preservation	\$0.00	\$0.00	\$0.00
115.67	Keep NE Beautiful	20-196	Food Waste Reduction Program	\$0.00	\$0.00	\$0.00
112.67	BOR-UNL	20-206	Assessing Landfill Gas Dispersion through Innovative Cover System in Urban and Rural Areas in Nebraska	\$0.00	\$0.00	\$0.00
111.67	Food Bank of Lincoln, Inc.	20-147	Food Rescue and Distribution	\$0.00	\$0.00	\$0.00
110.80	C.C. Global Inc.	20-197	Nebraska Urban Wood	\$0.00	\$0.00	\$0.00
110.67	Center for Rural Affairs	20-155	Highlighting Conservation Practices on Wetlands, Prairie, and Working lands	\$0.00	\$0.00	\$0.00
110.50	Keep North Platte & Lincoln Co.	20-180	Alternative Recycling Project	\$0.00	\$0.00	\$0.00
102.83	Best Buy Signs	20-152	Environmental Public Awareness Campaigns	\$0.00	\$0.00	\$0.00
101.50	Oshkosh	20-110	Deconstruction of former Midwec Building	\$0.00	\$0.00	\$0.00
99.00	Boy Scouts of America	20-118	Camping Green & Clean	\$0.00	\$0.00	\$0.00
WITHDRAWN	Grant Lions Club	20-156	Electronic Waste recycling	\$0.00	\$0.00	\$0.00
INELIGIBLE	BOR-UNL	20-166	Nebraska extreme weather and climate information system for resilient small communities	\$0.00	\$0.00	\$0.00
INELIGIBLE	Nebraskensis	20-202	Integrating Healthy Biolgical Transformation of Avian Habitat with Human Appreciation Experience	\$0.00	\$0.00	\$0.00
INELIGIBLE	Nebraskensis	20-203	Project Workbench - Saratoga Satellite Office	\$0.00	\$0.00	\$0.00
INELIGIBLE	Nebraskensis	20-207	Establishment of Windmill Teams	\$0.00	\$0.00	\$0.00
INELIGIBLE	Nebraskensis	20-208	All is Good - The Jane Goodall and Clayton Anderson Documentary Series	\$0.00	\$0.00	\$0.00
INELIGIBLE	Nebraskensis	20-209	Project Sower - Enhancing State Identity with Wildflower Plantings and Weed Control Measures	\$0.00	\$0.00	\$0.00
STATEMENT OF INTENTS 2018 and 2019						
-	NDNR	18-107-3	Integrated Water Management Action Initiative	\$3,300,000.00	\$0.00	\$0.00
-	BOR-UNL	19-101-2	Student Integrated Forest & Prairie Management at Cedar Point Biological Station	\$13,842.00	\$14,794.00	\$0.00
-	NE Pharmacists Association	19-104-2	Preventing Poisoning, Pollution and Prescription Drug Overdose for a Healthier Nebraska!	\$200,000.00	\$100,000.00	\$0.00
-	The Save Our Monarchs	19-105-2	OPPD 'Prairies in Progress' Pollinator Habitat	\$57,000.00	\$0.00	\$0.00
-	NE Grazing Lands Coalition	19-107-2	Conservation of Nebraska Grazing Resource Through Control-Eastern Red Cedar & Other Invasive Species	\$109,000.00	\$109,000.00	\$0.00
-	Northeast NE RC&D	19-110-2	Household Hazardous Waste Collections	\$13,471.00	\$14,142.00	\$0.00
-	NE Public Power District	19-111-2	Battery Energy Storage System	\$120,000.00	\$0.00	\$0.00

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-	NE Community Found-RWBJV	19-114-2	Western Basin Restorations; Improving Waterfowl Habitat, Recharging the Aquifer,& Improving Water	\$162,750.00	\$0.00	\$0.00
-	Lower Loup NRD	19-115-2	Integrated Management Data Acquisition Program	\$25,000.00	\$25,000.00	\$0.00
-	NE Recycling Council	19-116-2	Feedlot Composting Planning Project	\$145,900.00	\$0.00	\$0.00
-	Lewis and Clark NRD	19-122-2	Investigation of Groundwater for the Lewis and Clark N+D166RD and Cedar Knox Rural Water Project	\$40,000.00	\$0.00	\$0.00
-	The Nature Conservancy	19-123-2	Fire Training Exchange in Nebraska	\$41,000.00	\$41,000.00	\$0.00
-	Ducks Unlimited	19-126-2	Steer Creek Habitat Improvement	\$10,000.00	\$0.00	\$0.00
-	Lower Platte North NRD	19-127-2	Aquifer Vulnerability Mapping and Analysis	\$37,600.00	\$0.00	\$0.00
-	Ducks Unlimited, Inc.	19-131-2	North Platte River Restoration	\$74,000.00	\$0.00	\$0.00
-	The Xerces Society	19-132-2	Nebraska Bumble Bee Atlas	\$137,279.00	\$34,581.00	\$0.00
-	Bird Conservancy of the Rockies	19-133-2	Expanding Environmental Literacy & Stewardship through Outreach & Education in the NE Panhandle	\$38,206.00	\$0.00	\$0.00
-	NE Community Found-RWBJV	19-136-2	Happy Cows; Happy Wetlands	\$139,480.00	\$25,620.00	\$0.00
-	BOR-UNL	19-138-2	Developing a decision-support tool for the successful incorporation of cover crops into Nebraska cropping	\$41,530.00	\$41,180.00	\$0.00
-	Lincoln - Parks & Recreation	19-139-2	Prairie Corridor on Haines Branch - Phase III	\$350,000.00	\$100,000.00	\$0.00
-	Platte Valley WMA	19-142-2	Platte River Management and Enhancement	\$173,250.00	\$174,500.00	\$0.00
-	Friends of Heron Haven, Inc.	19-145-2	Nature Education & Capital Improvements	\$7,430.00	\$7,800.00	\$0.00
-	Bazile Groundwater Management Area	19-146-2	Development of Research and Demonstration Sites in the BGMA for Groundwater Nitrate Reduction	\$209,500.00	\$209,500.00	\$0.00
-	Upper Loup NRD	19-147-2	Assessing the drought resilience-South Loup River	\$46,000.00	\$42,000.00	\$0.00
-	Habitat for Humanity of Omaha	19-150-2	Deconstruction Project	\$0.00	\$231,000.00	\$0.00
-	Lower Niobrara NRD	19-151-2	Lower Niobrara Observation Well Network	\$61,000.00	\$50,500.00	\$0.00
-	Pheasants Forever, Inc.	19-155-2	Conservation Ag, Urban and Working Lands	\$217,300.00	\$0.00	\$0.00
-	BOR-UNL	19-159-2	Low-cost Biological Odor Treatment Using an Adsorption/Desorption Concentrator Unit for Reducing Sulfur Emission in Nebraska	\$97,662.00	\$0.00	\$0.00
-	BOR-UNL	19-162-2	Protecting the terns and plovers of Nebraska and mentoring the next generation	\$21,355.00	\$21,884.00	\$0.00
-	Council of Independent NE Colleges	19-164-2	Sustainability Learning Lab	\$130,000.00	\$0.00	\$0.00
-	Creighton University	19-165-2	The Nebraska Sandhills: An Interdisciplinary Study of Place Through Ecology, Culture, and Film	\$95,536.00	\$0.00	\$0.00
-	NE Big Game Society	19-167-2	Solar Water Well Equipment Water Catchments	\$15,000.00	\$0.00	\$0.00
-	AFAN	19-169-2	Leopold Conservation Award Video Project	\$15,000.00	\$15,000.00	\$0.00

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-	NE Game & Parks Commission	19-170-2	Grassland Enhancement Initiative	\$250,000.00	\$0.00	\$0.00
-	Ducks Unlimited, Inc.	19-172-2	Northeast Nebraska Wetland Restorations	\$30,000.00	\$0.00	\$0.00
-	BOR-UNL	19-173-2	Delivery of Watershed Science Education to Decision Makers - A Multi-Agency Collaboration	\$71,751.00	\$78,601.00	\$0.00
-	Four Corners Health Dept.	19-175-2	Household Hazardous Waste Events	\$29,250.00	\$29,250.00	\$0.00
-	BOR-UNL	19-184-2	The Master Naturalist Program: Expanding Conservation Capacity	\$49,179.00	\$0.00	\$0.00
-	BOR-UNL	19-186-2	Water Use & Soil-Water Storage Effect of Individual & Mixed Cover Species-Impacts on Soil Quality Variables	\$153,026.00	\$87,884.00	\$0.00
-	NCORPE	19-189-2	NCORPE Re-seeding Project	\$159,486.00	\$9,783.00	\$0.00
-	NE Game & Parks Commission	19-191-2	Nebraska's Natural Legacy Project: New Approaches to Biodiversity Conservation	\$315,000.00	\$200,000.00	\$0.00
-	BOR-UNL	19-192-2	Beneficial impact of injected air into a subsurface drip irrigation system on plant growth and uptake of emerging antibiotics using runoff from a feedlot	\$104,847.00	\$0.00	\$0.00
-	Middle Niobrara NRD	19-198-2	Expansion of Water Quality and Quantity Monitoring	\$61,358.00	\$0.00	\$0.00
-	Habitat for Humanity of Lincoln	19-200-2	Scrub Day: Spring Cleaning Donation Drive	\$6,400.00	\$6,450.00	\$0.00
-	BOR-UNL	19-202-2	Milkweed in the Classroom	\$18,069.00	\$19,259.00	\$0.00
-	BOR-UNL.	19-205-2	Citizen Science: A valuable approach for monitoring groundwater quality in the Bazile Groundwater MA	\$86,939.00	\$0.00	\$0.00
Grand Totals				\$20,000,000.00	\$9,095,317.00	\$1,187,226.00