



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov

PO Box 98917

State Capitol, Suite 2303

Lincoln, Nebraska 68509

402-471-2111, FAX 402-471-3301

auditors.nebraska.gov

December 17, 2025

Dr. Brian Maher, Commissioner
Nebraska Department of Education
P.O. Box 94987
Lincoln, Nebraska 68509-4987

Dear Dr. Maher:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Nebraska (State), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 17, 2025. In planning and performing our audit of the financial statements, we considered the State's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

In connection with our audit described above, we noted certain internal control or compliance matters related to the activities of the Nebraska Department of Education (Department) or other operational matters that are presented below for your consideration. These comments and recommendations, which have been discussed with the appropriate members of the Department's management, are intended to improve internal control or result in other operating efficiencies.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Comments #1 (Tax Equity and Educational Opportunity Support Act (TEEOSA) Calculation Errors), #2 (Special Education Expense Reimbursement Errors), and #3 (Financial Statement Errors) to be significant deficiencies.

These comments will also be reported in the State of Nebraska's Statewide Single Audit Report Schedule of Findings and Questioned Costs.

Draft copies of this management letter were furnished to the Department to provide 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 management letter. *Government Auditing Standards* require the auditor to perform limited procedures on the responses. The responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next audit.

The following are our comments and recommendations for the year ended June 30, 2025.

1. Tax Equity and Educational Opportunity Support Act (TEEOSA) Calculation Errors

The Department is responsible for the accurate calculation of school State Aid funding under the TEEOSA. In simplified terms, the TEEOSA formula compares a school district's formula needs to its formula resources. If a school district's resources exceed its needs, the district will not receive any Equalization Aid. If the opposite is true, the district will receive Equalization Aid for the amount that formula needs exceed formula resources. This Equalization Aid is then added to four additional aid types, such as Foundation Aid, to calculate the total State Aid received. The calculation of each school district's formula needs consists of 18 different components, and each district's formula resources consists of 6 different components as provided by statute.

During our review of the calculation of school State Aid for 26 schools completed in August 2025, we noted the Department lacked procedures to ensure that these calculations were complete and accurate. Errors were noted associated with multiple components of the State Aid calculation, including the poverty allowance, the calculation of the general fund operating expenditure (GFOE), the transportation allowance, verification of annual financial report data, variances in average daily membership audits, and various documentation errors. These are described in detail below.

Poverty Allowance Error

One component of a school district's formula needs is the poverty allowance. The poverty allowance, governed by Neb. Rev. Stat. § 79-1007.06 (Reissue 2024), includes multiple calculations involving the number of low-income and free lunch and milk students compared to the school's formula students. The lesser of the amount calculated and the amount of funding requested by the school district is then used in the final calculation of formula needs.

We noted the poverty allowance calculation was not completed in compliance with State statute. As shown below, in relevant part, Neb. Rev. Stat. § 79-1003(18) (Reissue 2024) provides a definition of free lunch and free milk calculated students, which is used in the poverty allowance calculation:

(b) for schools that provided free meals to all students pursuant to the community eligibility provision, the greater of the number of students in such school who individually qualified for free lunch or free milk using the most recent school fiscal year for which the school did not provide free meals to all students pursuant to the community eligibility provision or one hundred ten percent of the product of the students who qualified for free meals at such school pursuant to the community eligibility provision multiplied by the identified student percentage calculated pursuant to such federal provision, except that the free lunch and free milk calculated students for any school pursuant to subdivision (18)(b) of this section shall not exceed one hundred percent of the students qualified for free meals at such school pursuant to the community eligibility provision[.]

(Emphasis added.) The Department failed to multiply the number of students times the identified student percentage for all 21 school districts participating in the community eligibility program. While this error was caught by the Auditor of Public Accounts (APA) during the fiscal year 2025 audit, similar errors would have been made in prior year State Aid calculations for any school district participating previously in the community eligibility provision.

After receiving confirmation from the Department that this portion of the statute had not been considered, we requested additional information to help determine the impact of such error on the State Aid payments. Despite an explanation from the Department that the error was “a technical error at the state Department of Education after a report that was changed wasn’t caught by the person doing the calculation for Omaha’s funding,” the Department was unable to provide the APA with complete information to recalculate the poverty allowance at the time of fieldwork. (<https://www.1011now.com/2025/11/21/pillen-calls-education-funding-overhaul-after-30m-overpayment-omaha-schools/>)

The Department did provide a listing of schools and their identified student percentage; however, that report contained enrollment data on a different day than used in the State Aid calculation and, therefore, the total enrolled students used in one part of the calculation did not agree to a different part. At the time of fieldwork, the Department was unable to explain how this report would be used in the calculation, rendering us unable to determine the impact of this error on the State Aid calculation.

In November 2025, Omaha Public Schools released a statement regarding an error made by the Department in the calculation of the Poverty Allowance and noted an overpayment for the year tested of \$30 million. We requested information on how this calculation was completed – because, as previously noted, the relevant data was not available at the time of fieldwork. The Department provided a spreadsheet with only a portion of the calculation related to the students multiplied by the identified student percentage and explained that the Department “worked through the data with the Nutrition team and were able to come up with the [identified student percentages] used/approved by the Feds for the different groups as applied to free lunch reimbursements. We believe it makes the most sense to use the approved grouping/approved [identified student percentage] for this calculation.” The reported error of \$30 million has not been verified during our testing and will be subject to review in a future Department audit.

The Department lacked sufficient procedures to catch errors of this nature. As explained by the Education Commissioner, their procedures, amongst others, include “the funding assessments are released to school districts for their review. And if mistakes aren’t caught during that round, the final step is a review by the state auditor’s office, which caught these overpayment errors.” (<https://nebraskapublicmedia.org/es/news/news-articles/state-ed-board-member-says-overpaid-districts-stole-money-after-overpayment-mistakes/>).

The Commissioner appears to misunderstand the purpose of the APA’s **external** audit – which cannot be considered part of the Department’s internal control procedures. In fact, the definition of a deficiency in internal control exists when the design or operation of a control **does not allow management or employees, in the normal course of performing their assigned functions**, to prevent, or detect and correct, misstatements on a timely basis. The Department is solely responsible for the \$1.1 billion in State Aid payments and all necessary control procedures related to the accurate calculation, certification, and distribution of aid to each district.

Additionally, a member of the Board of Education stated, the following:

Board member Deborah Neary, who represents a district that overlaps with the Omaha Public Schools district, defended the mistakes made by the department, saying employees have been consistent in clean audits in the past, and that they’re allowed mistakes.

“As a matter of fact, we have always had one of the cleanest audits of any of the state agencies for many, many years,” Neary said. “I’m really proud of our finance team. They’re allowed a mistake once in a while. This is a mistake – and Dr. Maher can’t say this, but I can – that could have been caught on the other end as well. There’s many ways this could have been stopped, but actually, the system worked exactly the way it’s supposed to work, which is, it was found during the audit, which is what an audit is all about.”

(<https://nebraskapublicmedia.org/es/news/news-articles/state-ed-board-member-says-overpaid-districts-stole-money-after-overpayment-mistakes/>)

Similar to the Commissioner, this Board member has the mistaken belief that the external audit is part of the Department’s internal control system. The system did not work the way it was supposed to work because the Department lacked necessary procedures to identify and correct the error prior to the aid certification. The Board member also believes the Department has had “one of the cleanest audits of any of the state agencies for many, many years.” In reality, since 2021, the Annual Comprehensive Financial Report (ACFR) audits noted the following significant financial statement accounting errors identified by the APA:

Fiscal Year	\$ Amount of Financial Statement Errors
2021	\$ 6,187,991
2023	\$ 6,891,971
2024	\$ 281,351,290
2025	\$ 55,311,855

See Comment #3 (Financial Statement Errors) for details on the 2025 amount.

Additionally, as indicated by the above quotation, the Board appears to lay some blame with the school district for not catching this error. The Department’s own guidance document related to the Certification of State Aid for TEEOSA fails to include any information regarding the community eligibility provision or the identified student percentage. In fact, it states that the source of information used to calculate students eligible for free lunch and free milk is taken from the Nutrition Services lunch report, which does not contain the identified student percentage. Unless expectations are that each school district should be well versed in the State statutes pertaining to TEEOSA, the failure to provide the appropriate information appears to fall solely on the Department. This, coupled with the amount of interrelated components between the formula resources and needs, makes it difficult, at best, for any school district to ensure the amount certified is accurate. It is also important to remember that Omaha Public Schools did not receive a sudden windfall of an extra \$30 million. The Department’s calculation has been incorrect since Omaha Public Schools began participation in the community eligibility provision. The relevant portions of the guidance document relating to the Poverty Allowance are shown below:

<u>POVERTY ALLOWANCE</u>	
The Poverty Allowance is the lesser of:	
<input type="checkbox"/>	The amount the District designates they will spend on poverty for the 2024/25 school year.
<input type="checkbox"/>	The sum of the statewide average general fund operating expenditures per student multiplied by graduated percentages then multiplied by student weightings based on free lunch/milk students or students under 19 or residing in homes with adjusted gross income in 2022 tax year and 2022/23 school year equal to or less than the maximum household income that would allow a student to be a free lunch or free milk student during the 2022/23 school year.

On the more detailed pages of the same guidance, the Department provides the following:

POVERTY ALLOWANCE

Poverty Student = number of low income students or the number of students who are free lunch and free milk students whichever is greater + (poverty students – 3 year average of poverty students) if greater than 0.

Low Income Students = number of low income children within the local system X ratio of formula students/total children under 19.

Low Income Child = a child under 19 living in a household having an annual adjusted gross income in 2022 tax year 2022/23 school year equal to or less than the maximum household income for a household of that size that would have allowed the child to meet the income qualifications to be a free lunch and free milk student during the 2022/23 school year.

2024/25 Statewide Average General Fund Operating Expenditures per Formula Student = 13,023.25

The lesser of: Maximum Poverty Allowance designated by the school district OR

Poverty Adjustment Calculation

Local System Formula Students = (Stu)

Poverty Students = (Poverty)

Poverty Adjustment (Povadj)

Stu X .05 = a

Stu X .10 = b

Stu X .15 = c

Stu X .20 = d

Stu X .25 = e

Stu X .30 = f

- If (Poverty) is less than or equal to a, then (Povadj) = 0
- If (Poverty) is greater than a, and (Poverty) is less than or equal to b, then $((\text{Poverty}) - a) \times (.0375 \times \text{Statewide Average GFOE per formula student}) = (\text{Povadj})$
- If (Poverty) is greater than b, and (Poverty) is less than or equal to c, then $((b-a) \times (.0375 \times \text{Statewide Average GFOE per formula student})) + (((\text{Poverty}) - b) \times (.075 \times \text{Statewide Average GFOE per formula student})) = (\text{Povadj})$
- If (Poverty) is greater than c, and (Poverty) is less than or equal to d, then $((b-a) \times (.0375 \times \text{Statewide Average GFOE per formula student})) + ((c-b) \times (.075 \times \text{Statewide Average GFOE per formula student})) + (((\text{Poverty}) - c) \times (.1125 \times \text{Statewide Average GFOE per formula student})) = (\text{Povadj})$
- If (Poverty) is greater than d, and (Poverty) is less than or equal to e, then $((b-a) \times (.0375 \times \text{Statewide Average GFOE per formula student})) + ((c-b) \times (.075 \times \text{Statewide Average GFOE per formula student})) + ((d-c) \times (.1125 \times \text{Statewide Average GFOE per formula student})) + (((\text{Poverty}) - d) \times (.15 \times \text{Statewide Average GFOE per formula student})) = (\text{Povadj})$
- If (Poverty) is greater than e, and (Poverty) is less than or equal to f, then $((b-a) \times (.0375 \times \text{Statewide Average GFOE per formula student})) + ((c-b) \times (.075 \times \text{Statewide Average GFOE per formula student})) + ((d-c) \times (.1125 \times \text{Statewide Average GFOE per formula student})) + ((e-d) \times (.15 \times \text{Statewide Average GFOE per formula student})) + (((\text{Poverty}) - e) \times (.1875 \times \text{Statewide Average GFOE per formula student})) = (\text{Povadj})$
- If (Poverty) is greater than f, then $((b-a) \times (.0375 \times \text{Statewide Average GFOE per formula student})) + ((c-b) \times (.075 \times \text{Statewide Average GFOE per formula student})) + ((d-c) \times (.1125 \times \text{Statewide Average GFOE per formula student})) + ((e-d) \times (.15 \times \text{Statewide Average GFOE per formula student})) + ((f-e) \times (.1875 \times \text{Statewide Average GFOE per formula student})) + (((\text{Poverty}) - f) \times (.225 \times \text{Statewide Average GFOE per formula student})) = (\text{Povadj})$

DATA SOURCES:

- ✓ Low income student count is from the 2022 Nebraska Income Tax Returns, Department of Revenue website
- ✓ Students on free lunch and free milk is taken from the October 2022 Lunch Report, Department of Education, Nutrition Services

It must be noted that nowhere in the description above does the Department refer to either community eligibility provision or the identified student percentage.

Lastly, the Department has stated on multiple occasions that this money will be reallocated to all the school districts. Upon inquiry, the Department referenced Neb. Rev. Stat. § 79-1015.01 (Reissue 2024) to support such reallocation of the full amount certified. Our understanding, however, is that the purpose of this statute is primarily to correct any errors arising from the change in the number of students enrolled at each school, not to address situations in which the initial certification was incorrect. As noted throughout the above comment, this error did not result from enrollment changes; instead, it was due to the failure of the Department to certify accurately to the Nebraska Legislature (Legislature) the actual amount of school funding needed. We question not only the logic of reallocating funds that should not have been paid out in the first place, effectively giving school districts a windfall for two years, but also the specific authority for doing so. We recommend the Department seek formal guidance from the Nebraska Attorney General (Attorney General) regarding this unique situation, as well as work with the Legislature, both to determine if State Aid should be redistributed when the original certified amount is subsequently found to have been incorrect and to implement measures for addressing or, better yet, preventing similar occurrences in the future.

GFOE Errors

The GFOE calculation, as governed by Neb. Rev. Stat. § 79-1003(22) (Reissue 2024), is not directly included in the State Aid calculation; however, it is an essential element used in the calculation of 11 components of formula needs and 2 components of formula resources. GFOE consists of each school district's annual reported total general fund operating expenditures less funds associated with several categories laid out in State statute, including "summer school tuition" and "tuition paid to other school districts, [and] tuition paid to postsecondary institutions for college credit."

The Department failed to exclude all statutory items from the calculation of GFOE. We noted the following errors:

- One receipt code related to the Medicaid Administrative Activities (MAAPS) was included in the GFOE calculation as a reduction; however, this receipt should not have reduced the total expenditures because it is not noted as a reduction in State statute, resulting in errors in the amount of State Aid paid for 147 school districts, totaling \$3,669,200, with the largest underpayments attributed to the Lincoln Public Schools totaling \$883,692 and Millard Public Schools totaling \$487,047. See **Exhibit A** herein for a listing of underpayments by school district. The APA did not review whether this error was corrected by the Department in its \$30 million adjustment to Omaha Public Schools, as reported by the various media outlets. This will be reviewed in a future audit.
- One expenditure code related to tuition paid to other organizations was included in the GFOE calculation as a reduction; however, this expenditure code is comingled with items that are not eligible as a reduction of GFOE. We noted \$6,361,410 coded to this expenditure code; however, as it is comingled, we were unable to determine how much recorded was in error. Any amounts adjusted from this expenditure code would have a similarly widespread effect as the error noted in the bullet above.
- For one school district, Winside Public Schools, the Department failed to include costs, totaling \$2,655, related to Summer School Tuition to Postsecondary Schools as a reduction of GFOE. This failure to calculate accurately the GFOE caused an overcalculation of the Basic Funding need component of \$156. Because the formula needs did not exceed formula resources for this school district, there was no impact on the amount of State Aid paid.

Transportation Allowance Error

One component of a District's formula need is the transportation allowance. Governed by Neb. Rev. Stat. § 79-1007.12 (Reissue 2024), the transportation allowance is included in the State Aid calculation at the lesser of the following: 1) the school district's general fund transportation expenditures, excluding special education transportation and any "other expenditures previously excluded from" GFOE; or 2) the number of miles traveled times 400% of the mileage rate.

As noted above, § 79-1007.12(1) requires "other expenditures previously excluded from" GFOE to be excluded from the calculation; however, the Department failed to exclude all such items. Included in the Department's guidance document related to TEEOSA, the GFOE calculation excludes any amounts paid for an "Increase in Retirement Contribution," but such items were not adjusted by the Department in the calculation of the transportation allowance. Copied below is the relevant page from the guidance document:

GENERAL FUND OPERATING EXPENDITURES	
<input type="checkbox"/> Each district's General Fund Operating Expenditures for the most recently available complete data year. <input type="checkbox"/> Calculated from the 2022/23 Annual Financial Report (AFR) as follows:	
Total General Fund Expenditures.....	01-2-20400-000
	Minus
Tuition Paid..... 1-2-011xx-xxx and 01-2-012xx-xxx with object codes 561, 565, 569 and 01-2-013xx-xxx and 1-2-21xx-xxx with object codes 561	
Adult Education.....	01-2-01400-000
Transfers from Other Funds.....	01-1-05200-000
Community Services.....	01-2-03300-000
Redemption of General Fund Debt Service Principal.....	01-2-05000-805, 807 & 831
Transportation Paid to Other Districts.....	01-2-02710-511, 01-2-02711-511, 01-2-02712-511, 01-2-02713-511, 01-2-02714-511 & 01-2-02715-511
Categorical Grants from Corporations & Other Private Interest.....	01-2-03400-000
State Categorical Programs.....	01-2-035xx-000
Retirement Incentive Plan.....	01-2-02290-287
Staff Development Assistance.....	01-2-02290-288
Transfers to Bond Fund.....	01-2-08000-914
Tuition Received from Other Educational Entities (Distance Education).....	01-1-01315-000
Summer School Tuition and Fees.....	01-1-01312-000
Preschool Tuition and Fees.....	01-1-01370-000
Contributions and Donations.....	01-1-01920-000
Textbook Loan.....	01-1-03155-000
Medicaid Administrative Activities (MAAPS).....	01-1-04709-000
Impact Aid.....	01-1-04305-000
Johnson O'Malley.....	01-1-04306-000
Legal Services (in excess of .0015 of the 2022/23 formula need).....	01-2-02330-000
Levy Override Receipts .99 ((Total General Fund Levy - \$1.05) x (Assessed Value/100)).....	(Calculated Amt)
Increase in Retirement Contribution.....	Object Code 237 Functions (1xxx, & 2xxx)
Voluntary Termination (per statute).....	Object Code 238 Functions (1xxx, & 2xxx)
Lobbyist Fees and Expenses.....	1-2-2310-314, 1-2-2320-314 & 1-2-2510-314
DATA SOURCE: 2022/23 Annual Financial Report	

Because the amount to be included in the State Aid calculation is the lesser of two figures, as noted above, only 4 of the 26 school districts tested were affected by this error, with an overcalculated allowance totaling \$16,897. One of those district's final State Aid was impacted by this error, resulting in an overpayment of \$2,054 for that district.

Additionally, we noted that the Department had no documented review process or verification for the accuracy of miles traveled reported by school districts. A process requiring supporting documentation was implemented for the 2025-2026 school year, and such process will be reviewed during next year's audit. For the remaining 22 of 26 school districts tested, the miles traveled was used to calculate the Transportation Allowance included in the final State Aid calculation. We noted 2,144,931 miles traveled with a calculated allowance of \$5,747,156 that would be unsupported.

Lack of Verification of Annual Financial Report Data

Each school district reports its annual financial data to the Department annually by November 1st for the previous school year using account codes prescribed by the Department. This annual financial data, which is not audited nor has any independent assurance provided on its accuracy, is then used in the following: 1) the calculation of GFOE, which is then used throughout various components, as noted above; 2) seven formula needs components; and 3) one formula resource component.

Each school is also audited annually by an independent accounting firm. The audited financial statements use broad categories of receipts and disbursements, such as regular instruction disbursements or special education disbursements. The Department compares the audited financial statements to the annual financial data for these broad categories of receipts and disbursements.

The State Aid calculation uses more specific categories than those included in the audited financial statements. For example, "increased retirement contributions" is included in the transportation allowance calculation, as noted above; however, this detailed line item would comprise only a portion of the audited total for regular instruction disbursements. Therefore, this specific amount used in the State Aid calculation cannot be considered audited or verified.

Similarly, for 25 of the 26 school districts tested, 24 specific financial statement categories could not be considered audited or verified, as noted below:

- Eleven accounts related to the calculation of GFOE were not verified. The amount reported by the school districts on the annual financial report related to those 11 accounts was \$6,547,272.
- Seven accounts related to the calculation of formula needs were not verified. The amount reported by the school districts on the annual financial report related to those seven accounts was \$24,166,715.
- Six accounts related to the calculation of formula resources were not verified. The amount reported by the school districts on the annual financial report related to those six accounts was \$46,062.

Variances in Average Daily Membership Audits

Each school district uses software to record student membership and attendance data. This data interfaces to the Department software used in the calculation of State Aid. The Department requires each school district to have an independent annual audit of these records to ensure enrollment and attendance data agree between the two systems.

Title 92 of Nebraska Administrative Code requires this independent audit to include tests for compliance with the calculation of Average Daily Membership (ADM), which is used in the school district's formula students calculation. The formula students calculation is then used in 11 formula needs components and 3 formula resources components.

The Department reviewed these ADM audits; however, if variances in the number of students are noted, the Department failed to take appropriate action to ensure the formula students calculation was accurate. During our review of 26 ADM audits tested, we noted six school districts that reported variances between their attendance records and the amounts recorded in the Department's records. The Department did not appear to make any adjustments for these variances in the State Aid calculation.

School District Tested	Days Over (Under) Department Records
Winside Public Schools	(503)
Centennial Public Schools	63
Humphrey Public Schools	10,593
Columbus Public Schools	24,446
Madison Public Schools	3,295
Riverside Public Schools	Exact amounts not reported

The Department lacks any procedures to ensure these variances are updated in time for the recertification of State Aid. The Department explained that these amounts cannot be used in the initial calculation due to timing of when the State Aid calculation needs to be certified and when the audits are received. The Department currently pulls the data in late July of each year to start the prior year correction on August 1, while the audit reports are not received until November. The Department explained further that “reasonableness checks which is the best that can be done. The whole State Aid formula is designed to use the best data available which is what we do but was never designed to be absolute perfect as many of the numbers are estimates that get checked in a lot of different ways but many can’t be verified to perfect.”

While the APA sympathizes with the Department’s workload, the prior year correction is a part of the certification that is required to be completed by March 1 of each year and is intended to be a “true-up” for any variances between the estimated State Aid and actual State Aid owed. Further, the explanation provided related to timing appears to be wholly inaccurate. The ADM audits used in the fiscal year 2025 recertification payment calculation were due by November 2023 and November 2024; however, the prior year correction calculation that would utilize this information would not be completed until August 2025. The Department could not provide any information as to if, or when, these errors were corrected to ensure the accuracy of the State Aid calculation performed after the audits were received.

Other Documentation Errors

As noted throughout the above comment, membership data for each school district is used by the Department in the State Aid calculation. For two school districts tested, we noted that the documentation in the Department’s system did not support the calculation completed by the Department, as follows:

- For Columbus Public Schools, the Fall Membership from 2023-2024 used in the calculation of Formula Students could not be verified to support and had a variance of one student. Assuming the accuracy of the supporting documentation, this variance of one formula student would cause a \$9,703 overpayment of State Aid.
- For Ralston Public Schools, the Fall Membership from 2021-2022 used in the calculation of Formula Students could not be verified to support and had a variance of one student. Assuming the accuracy of the supporting documentation, this variance of one formula student would cause a \$510 overpayment of State Aid.
- For Ralston Public Schools, the Total Net Option Students could not be verified to support and had a variance of four students. Assuming the accuracy of the supporting documentation, this variance of four students would cause a \$40,422 overpayment of State Aid.

A good internal control plan requires adequate procedures for verifying all amounts used in the calculation of the various State Aid components – including dollar amounts, mileage, student membership/enrollment numbers, or exclusions from general fund operating expenditures – to ensure the State Aid components and, ultimately, the amount of State Aid to be provided to school districts is calculated properly. Such procedures should also include the following: 1) a comprehensive review of the various components to ensure that all calculations and reported data are in line with TEEOSA statutes; 2) adequate supporting documentation to support all figures used in the State Aid calculation; and 3) the correction of variances noted in any ADM audits, with the most accurate figures included in the State Aid calculation.

Without such procedures, there is a significant risk of the school districts not being paid the correct amount of State Aid.

We recommend the Department implement procedures to ensure the following: 1) all State Aid formula calculations are supported adequately, in compliance with State statute, and calculated accurately; 2) a comprehensive review is completed of all State Aid formula calculations for compliance with TEEOSA statutes; and 3) all financial and ADM audits are reviewed, and any issues noted are addressed appropriately. We recommend further that the Department work with both the Attorney General and the Legislature regarding the issue of redistributing State Aid to schools when the original certified amount was inaccurate.

Department Response: The NDE made all the noted changes in the 2025/26 TEEOSA Recalculation which was made public in November of 2025. NDE has reviewed our current TEEOSA calculation process and made updates to further improve the internal controls that were already in place.

NDE relies on statutorily required school district audits completed by independent auditors to test Annual Financial Report data. NDE verifies the audited information matches the Annual Financial Report data submitted.

APA Response: As stated in the management letter, we understand that the Department has a procedure to verify the audited information to the annual financial report; however, the audited information only contains broad financial categories and not the specific line items used in the State Aid calculation. While we agree that this process is a good initial control, we continue to recommend the Department consider a procedure to review the specific line items to ensure their accuracy.

2. Special Education Expense Reimbursement Errors

The Department is authorized to reimburse school districts from its General Fund and Education Future Fund appropriations for allowable excess costs for all special education (SPED) programs and support services. During the prior year, it was noted that the Department was noncompliant with the reimbursement of these costs at 80%. During the 2025 Legislative session, through LB 264 (2025), the new language in Neb. Rev. Stat. § 79-1142 (Supp. 2025) was adopted to authorize the Department to reimburse a pro-rata share based on the amounts appropriated, as follows:

*(3)(a) Except as provided in subsection (6) of this section, for special education and support services provided in each school fiscal year, the department shall reimburse each school district in the following school fiscal year **a pro rata amount** of the total allowable excess costs for all special education programs and support services as determined by the department pursuant to subdivision (3)(b) of this section. . . .*

*(b) The department shall reimburse the total allowable excess costs for all special education programs and support services from the General Fund and Education Future Fund appropriations approved by the Legislature for special education pursuant to section 79-1145, minus the amounts set aside pursuant to subsection (5) of this section, **on a pro rata basis at the maximum rate of reimbursement such appropriations will allow as determined by the department.***

(Emphasis added.) The Department failed to make payments based on the pro-rata share of the total amount appropriated, as provided by the revised statutory language, and lacked adequate procedures to ensure the Department's software was distributing these funds accurately. This error appeared to be related partially to a full reliance by Department staff on the Department's Special Education software and a lack of understanding of how that software was making distributions. Such errors caused all 247 school districts to be paid the incorrect amount of special education reimbursements during fiscal year 2025, ranging from a \$5,142,285 overpayment to Omaha Public Schools to a \$994,863 underpayment to Lincoln Public Schools. See **Exhibit B** herein for full listing by school district.

A good internal control plan requires procedures to ensure that the reimbursement of special education expenses is calculated accurately and distributed in accordance with State statute.

Without such procedures, there is an increased risk of not only school districts receiving the incorrect amount of funding but also the Department being noncompliant with State statute.

We recommend the Department implement procedures to ensure the reimbursement to school districts for special education expenses is calculated in accordance with State statute.

Department Response: The Department updated the SPEDFRS system to correctly apply the pro rata reimbursement methodology required by statute and corrected the miscalculations in the current year to ensure reimbursements align with the revised statutory language. The Department is revising and formalizing internal procedures to verify SPEDFRS reimbursement calculations. The system has already been updated and additional verification steps will be completed during the final payment to ensure accuracy

3. **Financial Statement Errors**

The Department is responsible for recording accurately financial transactions in the State’s accounting system and providing additional financial information, including various accounts receivable and payable entries, to the Department of Administrative Services – State Accounting Division (State Accounting) for proper financial statement and footnote presentation.

The Department failed to report accurately values related to interagency billings, multiple grants payables, and the special education expense reimbursement payable. See below for more information.

The table below details over \$54.7 million in errors made by the Department that, after APA inquiry, were proposed and adjusted by State Accounting to ensure the State’s financial statements were materially correct:

Description	Amount
As noted in Comment #2 (“Special Education Expense Reimbursement Errors”) herein, the Department makes payments to school districts for reimbursement of special education costs. The reimbursement for special education transportation costs is on a one-year lag; therefore, it is calculated and reported to State Accounting for inclusion as a payable. As noted in the prior year, the Department used only the unspent General Fund appropriations in determining the payable; however, as a portion of this funding is paid from the Education Future Fund, this procedure was neither reasonable nor reflected the actual amount of the payable. The Department underreported its special education transportation payable by \$16,424,343 due to this error.	\$ 16,424,343
The Department is party to multiple Federal grants. Due to the number of expenses for these grants that occur after the fiscal year, the Department has created a procedure to calculate the expected payables rather than attempt to record them all as a prior period adjustment in the State’s accounting system. This payable is then compared to transactions that were actually recorded as a prior period adjustment in the State’s accounting system to ensure the expected payable and amounts reported as a prior period adjustment are not duplicated. State Accounting then records the net amount. The Department failed to report accurately the Federal payables for nine grants due to errors in this calculation, as follows:	
<ul style="list-style-type: none"> Every Student Succeeds Act Grant – The Department incorrectly reduced the payable for 2023-2024 expenses that had not yet been paid out, totaling \$18,555,571, resulting in an understatement of payables. 	\$ 18,555,571
<ul style="list-style-type: none"> Early Childhood Sixpence Project – The Department failed to identify only transactions recorded as prior period adjustments in its calculation and instead reduced the expected payable by fiscal year 2026 transactions, which understated the payable by \$4,370. 	\$ 4,370

Description	Amount
<ul style="list-style-type: none"> Discretionary Project Fund Grants – Multiple errors were noted with these grants because the Department failed to do the following: 1) identify all fiscal year 2025 transactions related to these grants, which would overstate the payable; 2) use the accurate total grant award amount for one grant tested, which would understate the payable; and 3) identify only transactions recorded as prior period adjustments in the calculation and instead reduced the payable by fiscal year 2026 transactions, which would understate the payable. The net impact of these errors was a \$330,161 overstatement of the payable. 	\$ (330,161)
<ul style="list-style-type: none"> The Department failed to adjust the expected payable by any prior period adjustments: <ul style="list-style-type: none"> Early Childhood TEACH grants overstated the payable by \$86,728. CDA Navigator grants overstated the payable by \$51,970. Quality Enhancement – Child Care Development Fund grants overstated the payable by \$14,440. Nurturing Healthy Behaviors grants overstated the payable by \$10,127. 	\$ (163,265)
<ul style="list-style-type: none"> Individuals with Disabilities Education Act Grant – Similar to the Every Student Succeeds Act grant, the Department incorrectly reduced the payable for 2023-2024 expenses that had not yet been paid out, totaling \$9,016,549. When completing its procedure for comparing the expected payables to the amounts recorded as a prior period adjustment in the State’s accounting system, the Department failed to include this grant on the spreadsheet, which resulted in an overstatement of \$9,076,310. The net effect of these errors was a \$59,761 overstatement of the payable. 	\$ (59,761)
<ul style="list-style-type: none"> Rural and Low Income Schools Grant – The Department incorrectly projected 100% of this grant to be recorded as a payable; however, this grant was awarded through September 30, 2025, and, therefore, only 89% of the grant expenditures would have been incurred prior to the fiscal year end. This error resulted in a \$25,526 overstatement of the payable. 	\$ (25,526)
<ul style="list-style-type: none"> The total of all above Grants also caused a \$17,981,228 understatement in the associated Federal receivable. 	\$ 17,981,228
The Department failed to void several interagency transactions that were rebilled. This error resulted in the interagency revenue and receivable being recorded twice for a \$2,380,858 overstatement.	\$ 2,380,858
Total Adjusted Errors	\$ 54,767,657

Additionally, we identified over \$500,000 in other accounting issues and financial statement errors that did not require formal adjustments to the financial statements, as described in the table below:

Description	Amount
Payments made after the end of each fiscal year but for the prior fiscal year are recorded in the State’s accounting system as a prior period adjustment, and an adjustment to the beginning balance in the relevant fund is made by State Accounting. The Department inappropriately recorded \$938,920 in expenditures as prior period adjustments, resulting in \$938,920 of expenses recorded as a beginning balance adjustment in error.	\$ 938,920
Similar issues as reported in the table above were noted for Department grants paid with State funds, as follows:	
<ul style="list-style-type: none"> The Department failed to identify only transactions recorded as prior period adjustments in its calculation for three grants and instead reduced the expected payable by fiscal year 2026 transactions. <ul style="list-style-type: none"> State CTE grants understated the payable by \$150,000. Early Childhood project grants understated the payable by \$22,400. Discretionary Project grants understated the payable by \$512. 	\$ 172,912

Description	Amount
<ul style="list-style-type: none"> The Department failed to adjust the expected payable by any prior period adjustments: <ul style="list-style-type: none"> Early Childhood Education Expansion grants overstated the payable by \$537,696. TEACH – Step Up to Quality grants overstated the payable by \$29,938. 	\$ (567,634)
Total Unadjusted Errors	\$ 544,198

A proper system of internal control requires procedures to ensure complete and accurate financial information is entered into the State's accounting system and reported to State Accounting at year-end for proper financial statement presentation.

Without such procedures, there is an increased risk of material misstatements occurring and remaining undetected.

A similar finding was noted in the previous audits.

We recommend the Department implement procedures to ensure the accuracy of financial information entered into the State's accounting system and reported to State Accounting.

Department Response: The Department agrees with the finding. The understatement of the special education transportation payable occurred because the accrual calculation relied solely on unspent General Fund appropriations rather than estimating the full reimbursement obligation supported by both the General Fund and the Education Future Fund. The FY year-end accrual has been corrected to reflect the total obligation based on the Department's three-year average methodology.

The Department will update written procedures and implement an independent review and reasonableness check during year-end close to verify accuracy and funding source completeness.

The Department agrees with the finding. The misstatements in Federal payables resulted from manual processes and inconsistent identification of prior period adjustments and current-year activity. The affected grant payables and related receivables have been corrected for year-end reporting. To strengthen accuracy, the Department is transitioning its ACFR preparation from manual methods to an automated, formula-based process with embedded edit checks. Beginning with the next cycle, all Federal payable calculations will undergo a structured three-level review: peer/group review, verification by the Central Accounting Director, and final review and approval by the Assistant Administrator of Budget & Grants Management and the Finance Officer. These improvements will ensure consistent, accurate reporting of Federal payables going forward.

* * * * *

It should be noted that this letter is critical in nature, as it contains only our comments and recommendations and does not include our observations on any strengths of the Department.

Our audit procedures were designed primarily to enable us to form an opinion on the Basic Financial Statements. Our audit procedures were also designed to enable us to report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* and, therefore, may not bring to light all weaknesses in policies or procedures that may exist. Our objective is, however, to use our knowledge of the Department and its interaction with other State agencies and administrative departments gained during our work to make comments and suggestions that we hope will be useful to the Department.

The purpose of this letter is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control over financial reporting or compliance.

This communication is intended solely for the information and use of management, the Governor and State Legislature, others within the Department, Federal awarding agencies, pass-through entities, and management of the State of Nebraska and is not suitable for any other purposes. However, this communication is a matter of public record, and its distribution is not limited.

A handwritten signature in blue ink that reads "Kris Kucera". The signature is written in a cursive style with a large initial 'K'.

Kris Kucera, CPA, CFE
Assistant Deputy Auditor

**General Fund Operating Expenditure Calculation Errors
By School District
Payments Made in FY2025**

Exhibit A

District #	School District Name	Original State Aid Calculated	APA Calculated State Aid	Underpayment
55-0001-000	LINCOLN PUBLIC SCHOOLS	\$ 72,974,146	\$ 73,857,838	\$ 883,692
28-0017-000	MILLARD PUBLIC SCHOOLS	64,231,083	64,718,130	487,047
77-0027-000	PAPILLION LA VISTA COMMUNITY SCHS	21,053,217	21,301,867	248,650
40-0002-000	GRAND ISLAND PUBLIC SCHOOLS	68,970,126	69,171,125	200,999
77-0001-000	BELLEVUE PUBLIC SCHOOLS	50,746,695	50,944,566	197,871
77-0037-000	GRETNA PUBLIC SCHOOLS	17,158,538	17,311,265	152,727
27-0001-000	FREMONT PUBLIC SCHOOLS	21,616,697	21,731,819	115,122
59-0002-000	NORFOLK PUBLIC SCHOOLS	10,896,284	10,996,270	99,986
71-0001-000	COLUMBUS PUBLIC SCHOOLS	16,380,852	16,474,376	93,524
28-0059-000	BENNINGTON PUBLIC SCHOOLS	14,056,646	14,149,183	92,537
22-0011-000	SO SIOUX CITY COMMUNITY SCHS	28,819,854	28,911,390	91,536
56-0001-000	NORTH PLATTE PUBLIC SCHOOLS	9,345,814	9,431,451	85,637
01-0018-000	HASTINGS PUBLIC SCHOOLS	20,824,777	20,900,606	75,829
79-0032-000	SCOTTSBLUFF PUBLIC SCHOOLS	18,477,438	18,552,005	74,567
24-0001-000	LEXINGTON PUBLIC SCHOOLS	25,313,653	25,381,042	67,389
76-0002-000	CRETE PUBLIC SCHOOLS	12,580,512	12,643,045	62,533
34-0015-000	BEATRICE PUBLIC SCHOOLS	5,850,234	5,911,617	61,383
19-0123-000	SCHUYLER COMMUNITY SCHOOLS	3,642,494	3,694,882	52,388
79-0016-000	GERING PUBLIC SCHOOLS	9,551,172	9,600,627	49,455
28-0066-000	WESTSIDE COMMUNITY SCHOOLS	30,256,911	30,298,804	41,893
13-0001-000	PLATTSMOUTH COMMUNITY SCHOOLS	4,456,881	4,492,674	35,793
73-0017-000	MC COOK PUBLIC SCHOOLS	5,571,913	5,605,648	33,735
66-0111-000	NEBRASKA CITY PUBLIC SCHOOLS	4,810,037	4,842,135	32,098
07-0006-000	ALLIANCE PUBLIC SCHOOLS	2,637,097	2,668,409	31,312
17-0001-000	SIDNEY PUBLIC SCHOOLS	5,068,332	5,092,361	24,029
24-0011-000	COZAD COMMUNITY SCHOOLS	2,636,449	2,655,813	19,364
40-0082-000	NORTHWEST PUBLIC SCHOOLS	10,359,111	10,376,257	17,146
66-0501-000	PALMYRA DISTRICT O R 1	3,664,829	3,681,610	16,781
90-0560-000	WAKEFIELD PUBLIC SCHOOLS	2,044,174	2,056,649	12,475
10-0002-000	GIBBON PUBLIC SCHOOLS	897,961	909,720	11,759
55-0148-000	MALCOLM PUBLIC SCHOOLS	3,227,512	3,238,925	11,413
28-0054-000	RALSTON PUBLIC SCHOOLS	10,698,127	10,709,477	11,350
78-0009-000	YUTAN PUBLIC SCHOOLS	2,244,232	2,254,701	10,469
78-0107-000	CEDAR BLUFFS PUBLIC SCHOOLS	3,869,712	3,879,407	9,695
81-0003-000	HAY SPRINGS PUBLIC SCHOOLS	1,615,758	1,622,637	6,879
65-0011-000	SUPERIOR PUBLIC SCHOOLS	1,015,193	1,021,872	6,679
87-0013-000	WALTHILL PUBLIC SCHOOLS	3,330,119	3,336,461	6,342
89-0003-000	FORT CALHOUN COMMUNITY SCHS	4,344,880	4,351,159	6,279
61-0049-000	PALMER PUBLIC SCHOOLS	1,806,034	1,811,900	5,866
54-0501-000	NIOBRARA PUBLIC SCHOOLS	1,955,020	1,960,776	5,756
67-0001-000	PAWNEE CITY PUBLIC SCHOOLS	963,378	968,156	4,778
16-0030-000	CODY-KILGORE PUBLIC SCHS	1,338,825	1,343,523	4,698
23-0071-000	CRAWFORD PUBLIC SCHOOLS	559,911	564,383	4,472
22-0031-000	HOMER COMMUNITY SCHOOLS	2,008,739	2,013,157	4,418
14-0101-000	WYNOT PUBLIC SCHOOLS	1,451,145	1,455,514	4,369
56-0037-000	HERSHEY PUBLIC SCHOOLS	2,787,275	2,791,432	4,157

**General Fund Operating Expenditure Calculation Errors
By School District
Payments Made in FY2025**

Exhibit A

District #	School District Name	Original State Aid Calculated	APA Calculated State Aid	Underpayment
10-0019-000	SHELTON PUBLIC SCHOOLS	460,869	465,001	4,132
45-0044-000	STUART PUBLIC SCHOOLS	1,542,391	1,546,402	4,011
56-0007-000	MAXWELL PUBLIC SCHOOLS	1,862,368	1,865,497	3,129
88-0021-000	ARCADIA PUBLIC SCHOOLS	1,352,096	1,354,858	2,762
77-0046-000	SPRINGFIELD PLATTEVIEW COMMUNITY SCHOOLS	3,213,883	3,216,326	2,443
10-0119-000	AMHERST PUBLIC SCHOOLS	1,673,855	1,676,212	2,357
89-0024-000	ARLINGTON PUBLIC SCHOOLS	2,267,616	2,269,973	2,357
41-0002-000	GILTNER PUBLIC SCHOOLS	1,430,624	1,432,853	2,229
26-0001-000	PONCA PUBLIC SCHOOLS	1,639,726	1,641,762	2,036
47-0103-000	ELBA PUBLIC SCHOOLS	1,144,074	1,146,088	2,014
55-0160-000	NORRIS SCHOOL DIST 160	4,902,861	4,904,854	1,993
71-0005-000	LAKEVIEW COMMUNITY SCHOOLS	2,447,940	2,449,933	1,993
34-0034-000	FREEMAN PUBLIC SCHOOLS	1,693,913	1,695,863	1,950
62-0063-000	BRIDGEPORT PUBLIC SCHOOLS	1,727,046	1,728,954	1,908
69-0055-000	LOOMIS PUBLIC SCHOOLS	1,241,343	1,243,100	1,757
48-0303-000	MERIDIAN PUBLIC SCHOOLS	1,140,550	1,142,243	1,693
93-0083-000	MC COOL JUNCTION PUBLIC SCHS	1,165,607	1,167,257	1,650
28-0015-000	DOUGLAS CO WEST COMMUNITY SCHS	2,847,471	2,849,014	1,543
59-0005-000	BATTLE CREEK PUBLIC SCHOOLS	1,573,746	1,575,246	1,500
27-0595-000	NORTH BEND CENTRAL PUBLIC SCHS	1,632,298	1,633,777	1,479
48-0300-000	TRI COUNTY PUBLIC SCHOOLS	1,332,832	1,334,268	1,436
07-0010-000	HEMINGFORD PUBLIC SCHOOLS	1,243,678	1,245,092	1,414
91-0074-000	BLUE HILL COMMUNITY SCHOOLS	1,114,137	1,115,551	1,414
13-0097-000	ELMWOOD-MURDOCK PUBLIC SCHOOLS	1,407,982	1,409,311	1,329
78-0072-000	MEAD PUBLIC SCHOOLS	1,055,990	1,057,297	1,307
20-0020-000	BANCROFT-ROSALIE COMM SCHOOLS	1,008,806	1,010,070	1,264
64-0023-000	JOHNSON-BROCK PUBLIC SCHOOLS	1,136,986	1,138,229	1,243
01-0090-000	ADAMS CENTRAL PUBLIC SCHOOLS	2,246,370	2,247,571	1,201
32-0046-000	MAYWOOD PUBLIC SCHOOLS	860,558	861,759	1,201
87-0001-000	PENDER PUBLIC SCHOOLS	1,214,201	1,215,380	1,179
93-0012-000	YORK PUBLIC SCHOOLS	2,917,804	2,918,962	1,158
51-0006-000	PAXTON CONSOLIDATED SCHOOLS	845,567	846,703	1,136
90-0595-000	WINSIDE PUBLIC SCHOOLS	919,264	920,400	1,136
50-0501-000	AXTELL COMMUNITY SCHOOLS	1,013,283	1,014,376	1,093
41-0091-000	HAMPTON PUBLIC SCHOOL	789,040	790,112	1,072
72-0032-000	SHELBY - RISING CITY PUBLIC SCHOOLS	1,135,713	1,136,785	1,072
70-0002-000	PIERCE PUBLIC SCHOOLS	1,586,142	1,587,171	1,029
71-0067-000	HUMPHREY PUBLIC SCHOOLS	986,546	987,553	1,007
56-0006-000	BRADY PUBLIC SCHOOLS	741,253	742,239	986
27-0594-000	LOGAN VIEW PUBLIC SCHOOLS	1,391,224	1,392,167	943
80-0005-000	MILFORD PUBLIC SCHOOLS	1,733,090	1,734,033	943
06-0001-000	BOONE CENTRAL SCHOOLS	1,443,624	1,444,545	921
17-0009-000	POTTER-DIX PUBLIC SCHOOLS	655,811	656,647	836
67-0069-000	LEWISTON CONSOLIDATED SCHOOLS	675,030	675,866	836
47-0100-000	CENTURA PUBLIC SCHOOLS	1,091,248	1,092,020	772

**General Fund Operating Expenditure Calculation Errors
By School District
Payments Made in FY2025**

Exhibit A

District #	School District Name	Original State Aid Calculated	APA Calculated State Aid	Underpayment
21-0015-000	ANSELMO-MERNA PUBLIC SCHOOLS	721,239	721,989	750
54-0096-000	CROFTON COMMUNITY SCHOOLS	952,717	953,467	750
24-0004-000	OVERTON PUBLIC SCHOOLS	758,653	759,382	729
33-0021-000	CAMBRIDGE PUBLIC SCHOOLS	757,668	758,375	707
02-0018-000	ELGIN PUBLIC SCHOOLS	627,029	627,715	686
36-0100-000	BURWELL PUBLIC SCHOOLS	751,355	752,041	686
91-0002-000	RED CLOUD COMMUNITY SCHOOLS	728,179	728,865	686
10-0009-000	ELM CREEK PUBLIC SCHOOLS	839,780	840,423	643
15-0010-000	CHASE COUNTY SCHOOLS	1,346,284	1,346,927	643
25-0095-000	SOUTH PLATTE PUBLIC SCHOOLS	666,832	667,475	643
04-0001-000	BANNER COUNTY PUBLIC SCHOOLS	515,922	516,543	621
18-0002-000	SUTTON PUBLIC SCHOOLS	949,004	949,625	621
20-0030-000	WISNER-PILGER PUBLIC SCHOOLS	979,019	979,619	600
24-0020-000	GOTHENBURG PUBLIC SCHOOLS	1,614,142	1,614,742	600
34-0100-000	DILLER-ODELL PUBLIC SCHOOLS	676,335	676,935	600
76-0082-000	WILBER-CLATONIA PUBLIC SCHOOLS	1,232,649	1,233,249	600
03-0500-000	ARTHUR COUNTY SCHOOLS	447,781	448,359	578
13-0032-000	LOUISVILLE PUBLIC SCHOOLS	1,384,081	1,384,638	557
24-0101-000	SUMNER-EDDYVILLE-MILLER SCHS	578,309	578,866	557
76-0044-000	DORCHESTER PUBLIC SCHOOL	592,441	592,934	493
19-0039-000	LEIGH COMMUNITY SCHOOLS	622,208	622,658	450
46-0001-000	MULLEN PUBLIC SCHOOLS	460,676	461,105	429
75-0100-000	ROCK COUNTY PUBLIC SCHOOLS	537,213	537,642	429
74-0056-000	FALLS CITY PUBLIC SCHOOLS	1,462,183	1,462,590	407
90-0017-000	WAYNE COMMUNITY SCHOOLS	1,812,898	1,813,284	386
01-0003-000	KENESAW PUBLIC SCHOOLS	598,619	598,983	364
31-0506-000	FRANKLIN PUBLIC SCHOOLS	624,137	624,501	364
57-0501-000	STAPLETON PUBLIC SCHOOLS	404,256	404,577	321
85-0060-000	DESHLER PUBLIC SCHOOLS	514,575	514,875	300
30-0054-000	SHICKLEY PUBLIC SCHOOLS	369,457	369,735	278
72-0015-000	CROSS COUNTY COMMUNITY SCHOOLS	726,565	726,843	278
56-0565-000	WALLACE PUBLIC SCH DIST 65 R	383,104	383,361	257
86-0001-000	THEDFORD PUBLIC SCHOOLS	308,599	308,856	257
54-0576-000	WAUSA PUBLIC SCHOOLS	431,483	431,675	192
17-0003-000	LEYTON PUBLIC SCHOOLS	318,825	318,997	172
73-0179-000	SOUTHWEST PUBLIC SCHOOLS	545,937	546,109	172
21-0089-000	ARNOLD PUBLIC SCHOOLS	381,021	381,171	150
33-0018-000	ARAPAHOE PUBLIC SCHOOLS	548,763	548,913	150
54-0583-000	VERDIGRE PUBLIC SCHOOLS	298,001	298,130	129
66-0027-000	SYRACUSE-DUNBAR-AVOCA SCHOOLS	1,332,755	1,332,884	129
82-0015-000	LITCHFIELD PUBLIC SCHOOLS	234,964	235,093	129
05-0071-000	SANDHILLS PUBLIC SCHOOLS	189,382	189,489	107
26-0070-000	ALLEN CONSOLIDATED SCHOOLS	278,508	278,615	107
38-0011-000	HYANNIS AREA SCHOOLS	284,138	284,245	107
08-0051-000	BOYD COUNTY SCHOOLS	539,566	539,652	86
45-0137-000	CHAMBERS PUBLIC SCHOOLS	239,958	240,044	86

General Fund Operating Expenditure Calculation Errors
By School District
Payments Made in FY2025

Exhibit A

District #	School District Name	Original State Aid Calculated	APA Calculated State Aid	Underpayment
54-0013-000	CREIGHTON COMMUNITY PUBLIC SCHS	542,279	542,365	86
56-0055-000	SUTHERLAND PUBLIC SCHOOLS	496,434	496,520	86
59-0080-000	ELKHORN VALLEY SCHOOLS	758,395	758,459	64
70-0542-000	OSMOND COMMUNITY SCHOOLS	336,255	336,319	64
60-0090-000	MC PHERSON COUNTY SCHOOLS	104,082	104,125	43
83-0500-000	SIOUX COUNTY PUBLIC SCHOOLS	160,079	160,122	43
84-0003-000	STANTON COMMUNITY SCHOOLS	678,901	678,944	43
06-0075-000	RIVERSIDE PUBLIC SCHOOLS	376,390	376,411	21
45-0007-000	O'NEILL PUBLIC SCHOOLS	1,296,257	1,296,278	21
28-0010-000	ELKHORN PUBLIC SCHOOLS	20,391,748	20,391,750	2
Totals		\$ 732,324,273	\$ 735,993,473	\$ 3,669,200

Source: Prepared by APA

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
28-0001-000	OMAHA PUBLIC SCHOOLS	\$ 5,142,285
13-0056-000	CONESTOGA PUBLIC SCHOOLS	\$ 168,709
46-0001-000	MULLEN PUBLIC SCHOOLS	\$ 65,108
79-0016-000	GERING PUBLIC SCHOOLS	\$ 32,013
15-0536-000	WAUNETA-PALISADE PUBLIC SCHS	\$ 18,852
13-0032-000	LOUISVILLE PUBLIC SCHOOLS	\$ 8,314
34-0001-000	SOUTHERN SCHOOL DISTRICT 1	\$ 7,562
00-0001-000	EDUCATIONAL SERVICE UNIT 01	\$ (292)
05-0071-000	SANDHILLS PUBLIC SCHOOLS	\$ (1,451)
60-0090-000	MC PHERSON COUNTY SCHOOLS	\$ (1,452)
52-0100-000	KEYA PAHA COUNTY SCHOOLS	\$ (1,554)
86-0001-000	THEDFORD PUBLIC SCHOOLS	\$ (1,626)
82-0015-000	LITCHFIELD PUBLIC SCHOOLS	\$ (1,804)
92-0045-000	WHEELER CENTRAL SCHOOLS	\$ (1,821)
81-0003-000	HAY SPRINGS PUBLIC SCHOOLS	\$ (2,049)
03-0500-000	ARTHUR COUNTY SCHOOLS	\$ (2,116)
47-0103-000	ELBA PUBLIC SCHOOLS	\$ (2,142)
58-0025-000	LOUP COUNTY PUBLIC SCHOOLS	\$ (2,156)
83-0500-000	SIOUX COUNTY PUBLIC SCHOOLS	\$ (2,279)
45-0137-000	CHAMBERS PUBLIC SCHOOLS	\$ (2,314)
32-0046-000	MAYWOOD PUBLIC SCHOOLS	\$ (2,361)
21-0084-000	SARGENT PUBLIC SCHOOLS	\$ (2,485)
00-0013-000	EDUCATIONAL SERVICE UNIT 13	\$ (2,547)
38-0011-000	HYANNIS AREA SCHOOLS	\$ (2,560)
90-0595-000	WINSIDE PUBLIC SCHOOLS	\$ (2,715)
67-0069-000	LEWISTON CONSOLIDATED SCHOOLS	\$ (2,803)
45-0044-000	STUART PUBLIC SCHOOLS	\$ (2,851)
17-0003-000	LEYTON PUBLIC SCHOOLS	\$ (2,860)
56-0565-000	WALLACE PUBLIC SCH DIST 65 R	\$ (2,871)
64-0023-000	JOHNSON-BROCK PUBLIC SCHOOLS	\$ (2,952)
43-0079-000	HAYES CENTER PUBLIC SCHOOLS	\$ (2,998)
29-0117-000	DUNDY CO STRATTON PUBLIC SCHS	\$ (3,004)
57-0501-000	STAPLETON PUBLIC SCHOOLS	\$ (3,011)
16-0030-000	CODY-KILGORE PUBLIC SCHS	\$ (3,050)
88-0021-000	ARCADIA PUBLIC SCHOOLS	\$ (3,130)
19-0039-000	LEIGH COMMUNITY SCHOOLS	\$ (3,132)
27-0062-000	SCRIBNER-SNYDER COMMUNITY SCHS	\$ (3,222)
21-0089-000	ARNOLD PUBLIC SCHOOLS	\$ (3,293)
48-0303-000	MERIDIAN PUBLIC SCHOOLS	\$ (3,315)
32-0095-000	EUSTIS-FARNAM PUBLIC SCHOOLS	\$ (3,323)
54-0583-000	VERDIGRE PUBLIC SCHOOLS	\$ (3,333)
24-0004-000	OVERTON PUBLIC SCHOOLS	\$ (3,337)
69-0055-000	LOOMIS PUBLIC SCHOOLS	\$ (3,396)
59-0013-000	NEWMAN GROVE PUBLIC SCHOOLS	\$ (3,437)
14-0101-000	WYNOT PUBLIC SCHOOLS	\$ (3,448)
49-0033-000	STERLING PUBLIC SCHOOLS	\$ (3,483)
21-0044-000	ANSLEY PUBLIC SCHOOLS	\$ (3,515)

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
41-0091-000	HAMPTON PUBLIC SCHOOL	\$ (3,581)
04-0001-000	BANNER COUNTY PUBLIC SCHOOLS	\$ (3,740)
78-0072-000	MEAD PUBLIC SCHOOLS	\$ (3,803)
26-0070-000	ALLEN CONSOLIDATED SCHOOLS	\$ (3,811)
37-0030-000	ELWOOD PUBLIC SCHOOLS	\$ (3,830)
36-0100-000	BURWELL PUBLIC SCHOOLS	\$ (3,933)
21-0015-000	ANSELMO-MERNA PUBLIC SCHOOLS	\$ (3,935)
32-0125-000	MEDICINE VALLEY PUBLIC SCHOOLS	\$ (3,939)
51-0006-000	PAXTON CONSOLIDATED SCHOOLS	\$ (3,991)
85-2001-000	BRUNING-DAVENPORT UNIFIED SYS	\$ (4,013)
23-0071-000	CRAWFORD PUBLIC SCHOOLS	\$ (4,044)
13-0022-000	WEeping WATER PUBLIC SCHOOLS	\$ (4,091)
24-0101-000	SUMNER-EDDYVILLE-MILLER SCHS	\$ (4,144)
19-0070-000	HOWELLS-DODGE CONSOLIDATED SCHOOLS	\$ (4,299)
41-0002-000	GILTNER PUBLIC SCHOOLS	\$ (4,338)
54-0013-000	CREIGHTON COMMUNITY PUBLIC SCHOOLS	\$ (4,372)
56-0006-000	BRADY PUBLIC SCHOOLS	\$ (4,464)
72-0075-000	HIGH PLAINS COMMUNITY SCHOOLS	\$ (4,486)
75-0100-000	ROCK COUNTY PUBLIC SCHOOLS	\$ (4,512)
26-0561-000	EMERSON-HUBBARD PUBLIC SCHOOLS	\$ (4,516)
79-0002-000	MINATARE PUBLIC SCHOOLS	\$ (4,655)
02-0018-000	ELGIN PUBLIC SCHOOLS	\$ (4,662)
44-0070-000	HITCHCOCK CO SCH SYSTEM	\$ (4,664)
14-0045-000	RANDOLPH PUBLIC SCHOOLS	\$ (4,680)
34-0034-000	FREEMAN PUBLIC SCHOOLS	\$ (4,790)
50-0001-000	WILCOX-HILDRETH PUBLIC SCHOOLS	\$ (4,803)
34-0100-000	DILLER-ODELL PUBLIC SCHOOLS	\$ (4,854)
61-0049-000	PALMER PUBLIC SCHOOLS	\$ (4,875)
54-0576-000	WAUSA PUBLIC SCHOOLS	\$ (4,895)
76-0044-000	DORCHESTER PUBLIC SCHOOL	\$ (4,901)
21-0180-000	CALLAWAY PUBLIC SCHOOLS	\$ (4,910)
10-0009-000	ELM CREEK PUBLIC SCHOOLS	\$ (4,942)
25-0095-000	SOUTH PLATTE PUBLIC SCHOOLS	\$ (5,000)
73-0179-000	SOUTHWEST PUBLIC SCHOOLS	\$ (5,113)
56-0007-000	MAXWELL PUBLIC SCHOOLS	\$ (5,131)
01-0003-000	KENESAW PUBLIC SCHOOLS	\$ (5,171)
30-0001-000	EXETER-MILLIGAN PUBLIC SCHOOLS	\$ (5,201)
17-0009-000	POTTER-DIX PUBLIC SCHOOLS	\$ (5,213)
53-0001-000	KIMBALL PUBLIC SCHOOLS	\$ (5,297)
56-0055-000	SUTHERLAND PUBLIC SCHOOLS	\$ (5,327)
54-0586-000	BLOOMFIELD COMMUNITY SCHOOLS	\$ (5,523)
33-0018-000	ARAPAHOE PUBLIC SCHOOLS	\$ (5,525)
10-0119-000	AMHERST PUBLIC SCHOOLS	\$ (5,573)
20-0020-000	BANCROFT-ROSALIE COMM SCHOOLS	\$ (5,643)
69-0054-000	BERTRAND PUBLIC SCHOOLS	\$ (5,872)
19-0058-000	CLARKSON PUBLIC SCHOOLS	\$ (5,891)
00-0005-000	EDUCATIONAL SERVICE UNIT 05	\$ (5,912)

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
06-0017-000	ST EDWARD PUBLIC SCHOOLS	\$ (5,937)
48-0300-000	TRI COUNTY PUBLIC SCHOOLS	\$ (5,944)
76-0068-000	FRIEND PUBLIC SCHOOLS	\$ (5,970)
30-0054-000	SHICKLEY PUBLIC SCHOOLS	\$ (6,015)
25-0025-000	CREEK VALLEY SCHOOLS	\$ (6,050)
35-0001-000	GARDEN COUNTY SCHOOLS	\$ (6,097)
33-0021-000	CAMBRIDGE PUBLIC SCHOOLS	\$ (6,098)
68-0020-000	PERKINS COUNTY SCHOOLS	\$ (6,154)
06-0075-000	RIVERSIDE PUBLIC SCHOOLS	\$ (6,155)
10-0019-000	SHELTON PUBLIC SCHOOLS	\$ (6,226)
72-0019-000	OSCEOLA PUBLIC SCHOOLS	\$ (6,271)
10-0105-000	PLEASANTON PUBLIC SCHOOLS	\$ (6,282)
62-0021-000	BAYARD PUBLIC SCHOOLS	\$ (6,363)
70-0005-000	PLAINVIEW PUBLIC SCHOOLS	\$ (6,383)
70-0542-000	OSMOND COMMUNITY SCHOOLS	\$ (6,411)
72-0015-000	CROSS COUNTY COMMUNITY SCHOOLS	\$ (6,749)
56-0037-000	HERSHEY PUBLIC SCHOOLS	\$ (6,754)
26-0001-000	PONCA PUBLIC SCHOOLS	\$ (6,774)
54-0096-000	CROFTON COMMUNITY SCHOOLS	\$ (6,903)
01-0123-000	SILVER LAKE PUBLIC SCHOOLS	\$ (6,920)
31-0506-000	FRANKLIN PUBLIC SCHOOLS	\$ (7,078)
90-0560-000	WAKEFIELD PUBLIC SCHOOLS	\$ (7,196)
78-0009-000	YUTAN PUBLIC SCHOOLS	\$ (7,440)
72-0032-000	SHELBY - RISING CITY PUBLIC SCHOOLS	\$ (7,455)
15-0010-000	CHASE COUNTY SCHOOLS	\$ (7,461)
22-0031-000	HOMER COMMUNITY SCHOOLS	\$ (7,469)
63-0001-000	FULLERTON PUBLIC SCHOOLS	\$ (7,562)
08-0051-000	BOYD COUNTY SCHOOLS	\$ (7,645)
85-0070-000	THAYER CENTRAL COMMUNITY SCHS	\$ (7,647)
59-0005-000	BATTLE CREEK PUBLIC SCHOOLS	\$ (7,715)
33-0540-000	SOUTHERN VALLEY SCHOOLS	\$ (7,732)
11-0020-000	LYONS-DECATUR NORTHEAST SCHS	\$ (7,741)
91-0002-000	RED CLOUD COMMUNITY SCHOOLS	\$ (7,874)
79-0031-000	MITCHELL PUBLIC SCHOOLS	\$ (7,879)
55-0148-000	MALCOLM PUBLIC SCHOOLS	\$ (7,891)
78-0107-000	CEDAR BLUFFS PUBLIC SCHOOLS	\$ (7,963)
47-0100-000	CENTURA PUBLIC SCHOOLS	\$ (7,975)
54-0501-000	NIOBRARA PUBLIC SCHOOLS	\$ (7,985)
50-0501-000	AXTELL COMMUNITY SCHOOLS	\$ (8,116)
59-0080-000	ELKHORN VALLEY SCHOOLS	\$ (8,180)
18-0002-000	SUTTON PUBLIC SCHOOLS	\$ (8,192)
71-0067-000	HUMPHREY PUBLIC SCHOOLS	\$ (8,280)
85-0060-000	DESHLER PUBLIC SCHOOLS	\$ (8,309)
93-0083-000	MC COOL JUNCTION PUBLIC SCHS	\$ (8,337)
84-0003-000	STANTON COMMUNITY SCHOOLS	\$ (8,448)
63-0030-000	TWIN RIVER PUBLIC SCHOOLS	\$ (8,458)
40-0126-000	DONIPHAN-TRUMBULL PUBLIC SCHS	\$ (8,485)

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
91-0074-000	BLUE HILL COMMUNITY SCHOOLS	\$ (8,487)
06-0001-000	BOONE CENTRAL SCHOOLS	\$ (8,678)
13-0097-000	ELMWOOD-MURDOCK PUBLIC SCHOOLS	\$ (8,729)
62-0063-000	BRIDGEPORT PUBLIC SCHOOLS	\$ (9,017)
20-0030-000	WISNER-PILGER PUBLIC SCHOOLS	\$ (9,148)
74-0070-000	HUMBOLDT TABLE ROCK STEINAUER	\$ (9,150)
47-0001-000	ST PAUL PUBLIC SCHOOLS	\$ (9,170)
45-0239-000	WEST HOLT PUBLIC SCHOOLS	\$ (9,175)
02-0009-000	NELIGH-OAKDALE SCHOOLS	\$ (9,204)
14-0054-000	LAUREL-CONCORD-COLERIDGE SCHOOL	\$ (9,475)
66-0501-000	PALMYRA DISTRICT O R I	\$ (9,604)
81-0010-000	GORDON-RUSHVILLE PUBLIC SCHS	\$ (9,715)
09-0010-000	AINSWORTH COMMUNITY SCHOOLS	\$ (9,787)
11-0014-000	OAKLAND CRAIG PUBLIC SCHOOLS	\$ (9,870)
02-0115-000	SUMMERLAND PUBLIC SCHOOLS	\$ (9,905)
07-0010-000	HEMINGFORD PUBLIC SCHOOLS	\$ (9,928)
59-0001-000	MADISON PUBLIC SCHOOLS	\$ (9,929)
70-0002-000	PIERCE PUBLIC SCHOOLS	\$ (9,942)
88-0005-000	ORD PUBLIC SCHOOLS	\$ (9,988)
80-0567-000	CENTENNIAL PUBLIC SCHOOLS	\$ (10,186)
87-0013-000	WALTHILL PUBLIC SCHOOLS	\$ (10,773)
14-0008-000	HARTINGTON NEWCASTLE PUBLIC SCHS	\$ (10,974)
79-0011-000	MORRILL PUBLIC SCHOOLS	\$ (11,028)
76-0082-000	WILBER-CLATONIA PUBLIC SCHOOLS	\$ (11,220)
20-0001-000	WEST POINT PUBLIC SCHOOLS	\$ (11,231)
82-0001-000	LOUP CITY PUBLIC SCHOOLS	\$ (11,332)
87-0001-000	PENDER PUBLIC SCHOOLS	\$ (11,373)
40-0083-000	WOOD RIVER RURAL SCHOOLS	\$ (11,571)
67-0001-000	PAWNEE CITY PUBLIC SCHOOLS	\$ (11,629)
65-0011-000	SUPERIOR PUBLIC SCHOOLS	\$ (11,930)
11-0001-000	TEKAMAH-HERMAN COMMUNITY SCHS	\$ (12,264)
27-0595-000	NORTH BEND CENTRAL PUBLIC SCHS	\$ (12,374)
89-0003-000	FORT CALHOUN COMMUNITY SCHS	\$ (12,517)
49-0050-000	JOHNSON CO CENTRAL PUBLIC SCHS	\$ (12,912)
54-0505-000	ISANTI COMMUNITY SCHOOL	\$ (12,924)
18-0011-000	HARVARD PUBLIC SCHOOLS	\$ (12,992)
66-0027-000	SYRACUSE-DUNBAR-AVOCA SCHOOLS	\$ (13,090)
39-0060-000	CENTRAL VALLEY PUBLIC SCHOOLS	\$ (13,733)
93-0096-000	HEARTLAND COMMUNITY SCHOOLS	\$ (13,866)
27-0594-000	LOGAN VIEW PUBLIC SCHOOLS	\$ (14,380)
45-0007-000	O'NEILL PUBLIC SCHOOLS	\$ (14,387)
23-0002-000	CHADRON PUBLIC SCHOOLS	\$ (14,631)
80-0005-000	MILFORD PUBLIC SCHOOLS	\$ (14,642)
24-0011-000	COZAD COMMUNITY SCHOOLS	\$ (15,137)
17-0001-000	SIDNEY PUBLIC SCHOOLS	\$ (15,317)
50-0503-000	MINDEN PUBLIC SCHOOLS	\$ (15,382)
89-0024-000	ARLINGTON PUBLIC SCHOOLS	\$ (16,318)

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
30-0025-000	FILLMORE CENTRAL PUBLIC SCHS	\$ (16,384)
74-0056-000	FALLS CITY PUBLIC SCHOOLS	\$ (16,411)
24-0020-000	GOTHENBURG PUBLIC SCHOOLS	\$ (16,525)
10-0069-000	RAVENNA PUBLIC SCHOOLS	\$ (16,703)
90-0017-000	WAYNE COMMUNITY SCHOOLS	\$ (17,145)
21-0025-000	BROKEN BOW PUBLIC SCHOOLS	\$ (17,554)
78-0001-000	ASHLAND-GREENWOOD PUBLIC SCHS	\$ (18,490)
71-0005-000	LAKEVIEW COMMUNITY SCHOOLS	\$ (18,505)
65-2005-000	SOUTH CENTRAL NEBRASKA UNIFIED 5	\$ (18,959)
12-0056-000	DAVID CITY PUBLIC SCHOOLS	\$ (20,678)
42-0002-000	ALMA PUBLIC SCHOOLS	\$ (20,863)
77-0046-000	SPRINGFIELD PLATTEVIEW COMMUNITY SCHOOLS	\$ (21,020)
64-0029-000	AUBURN PUBLIC SCHOOLS	\$ (21,295)
01-0090-000	ADAMS CENTRAL PUBLIC SCHOOLS	\$ (22,127)
69-0044-000	HOLDREGE PUBLIC SCHOOLS	\$ (22,385)
78-0039-000	WAHOO PUBLIC SCHOOLS	\$ (22,415)
87-0016-000	UMO N HO N NATION PUBLIC SCHS	\$ (22,548)
48-0008-000	FAIRBURY PUBLIC SCHOOLS	\$ (22,555)
12-0502-000	EAST BUTLER PUBLIC SCHOOLS	\$ (22,563)
28-0015-000	DOUGLAS CO WEST COMMUNITY SCHS	\$ (22,743)
19-0123-000	SCHUYLER COMMUNITY SCHOOLS	\$ (23,106)
55-0160-000	NORRIS SCHOOL DIST 160	\$ (24,518)
61-0004-000	CENTRAL CITY PUBLIC SCHOOLS	\$ (24,662)
51-0001-000	OGALLALA PUBLIC SCHOOLS	\$ (24,840)
10-0002-000	GIBBON PUBLIC SCHOOLS	\$ (24,931)
66-0111-000	NEBRASKA CITY PUBLIC SCHOOLS	\$ (25,185)
41-0504-000	AURORA PUBLIC SCHOOLS	\$ (26,590)
55-0161-000	RAYMOND CENTRAL PUBLIC SCHOOLS	\$ (27,975)
16-0006-000	VALENTINE COMMUNITY SCHOOLS	\$ (28,828)
80-0009-000	SEWARD PUBLIC SCHOOLS	\$ (29,817)
07-0006-000	ALLIANCE PUBLIC SCHOOLS	\$ (30,572)
76-0002-000	CRETE PUBLIC SCHOOLS	\$ (32,764)
13-0001-000	PLATTSMOUTH COMMUNITY SCHOOLS	\$ (33,256)
89-0001-000	BLAIR COMMUNITY SCHOOLS	\$ (33,768)
40-0082-000	NORTHWEST PUBLIC SCHOOLS	\$ (33,810)
87-0017-000	WINNEBAGO PUBLIC SCHOOLS DISTRICT 17	\$ (34,300)
93-0012-000	YORK PUBLIC SCHOOLS	\$ (35,382)
73-0017-000	MC COOK PUBLIC SCHOOLS	\$ (35,852)
34-0015-000	BEATRICE PUBLIC SCHOOLS	\$ (40,655)
55-0145-000	WAVERLY SCHOOL DISTRICT 145	\$ (43,515)
56-0001-000	NORTH PLATTE PUBLIC SCHOOLS	\$ (50,913)
28-0054-000	RALSTON PUBLIC SCHOOLS	\$ (54,725)
24-0001-000	LEXINGTON PUBLIC SCHOOLS	\$ (57,884)
71-0001-000	COLUMBUS PUBLIC SCHOOLS	\$ (72,948)
59-0002-000	NORFOLK PUBLIC SCHOOLS	\$ (80,731)
79-0032-000	SCOTTSBLUFF PUBLIC SCHOOLS	\$ (82,078)

**Special Education Expense Reimbursements
By School District**

Exhibit B

District #	School District Name	Over/(Under) Payment
22-0011-000	SO SIOUX CITY COMMUNITY SCHS	\$ (85,689)
27-0001-000	FREMONT PUBLIC SCHOOLS	\$ (86,326)
28-0059-000	BENNINGTON PUBLIC SCHOOLS	\$ (87,383)
01-0018-000	HASTINGS PUBLIC SCHOOLS	\$ (87,768)
10-0007-000	KEARNEY PUBLIC SCHOOLS	\$ (103,528)
77-0037-000	GRETNA PUBLIC SCHOOLS	\$ (109,433)
28-0010-000	ELKHORN PUBLIC SCHOOLS	\$ (167,621)
28-0066-000	WESTSIDE COMMUNITY SCHOOLS	\$ (175,852)
40-0002-000	GRAND ISLAND PUBLIC SCHOOLS	\$ (193,859)
77-0001-000	BELLEVUE PUBLIC SCHOOLS	\$ (197,509)
77-0027-000	PAPILLION LA VISTA COMMUNITY SCHOOLS	\$ (226,356)
28-0017-000	MILLARD PUBLIC SCHOOLS	\$ (310,847)
55-0001-000	LINCOLN PUBLIC SCHOOLS	\$ (994,863)

Source: Prepared by APA