ATTESTATION REPORT
OF THE
NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

JULY 1, 2024, THROUGH DECEMBER 31, 2025

Issued on July 24, 2026

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NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

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NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

BACKGROUND

The Nebraska Commission on Law Enforcement and Criminal Justice (Commission) was created in 1967 by an executive order of the Governor and was established as a State government agency by the Nebraska Legislature in 1969.

The Commission was established to develop comprehensive plans and coordinate activities related to the improvement of criminal justice administration among State and local agencies. Since its inception, more statutory responsibilities have been assigned to the Commission, which now serves as an umbrella agency for many criminal and juvenile justice programs mandated by State and Federal law

The governing body of the Commission has 19 members, most of whom are appointed by the governor for six-year terms. Statute requires the governor, attorney general, superintendent of the State Patrol, director of the Department of Correctional Services, the chairperson of the Police Standards Advisory Council, and the chairperson of the Nebraska Coalition for Juvenile Justice to be Commission members. The Commission meets quarterly to review the activities of staff activities and conduct other business as required. The Commission's five standing committees are the Education, Research, and Planning Committee; the Grant Review Committee; the Crime Victim's Reparation's Committee; the Criminal Justice Information Systems Committee; and the Police Standards Advisory Council.

The Commission set up the following programs:

Juvenile Services (Programs 150 & 155): The Commission administered grants to communities to be used to implement and operate programs addressing such issues as the prevention of delinquent behavior, diversion and other alternatives to detention, detention programs, shelter care, intensive juvenile probation services, restitution, and family support services.

Central Administration (Program 198): This program included funding for programs such as Uniform Crime Reporting, Statistical Analysis Center, Sexual Assault Services, Nebraska Victims of Crime Alert Portal, etc.

Nebraska Law Enforcement Training Center (NLETC) (Program 199): The NLETC provided basic training for new officers, supervisor and management training courses, reserve officer training, highway safety courses, initial and in-service training for jail facility employees, in-service training for sheriffs, and various specialized schools.

Victim Witness Assistance (Program 201): These funds are intended to enhance or expand services. VOCA (Victims of Crimes Act) funds come from fines and penalties from defendants of Federal cases. The Commission provides technical assistance and training for victim/witness centers. The centers are also monitored to ensure the quality of services.

Crime Victim's Reparations (Program 202): The purpose of this statewide program is to assist individuals who become victims of crime within Nebraska, as well as Nebraska residents who are victims of acts of international terrorism. Regulated by an 11-member committee appointed by the Governor, which also serves to hear program appeals, the program helps victims cover medical/dental expenses, mental health counseling, loss of wages, loss of earning power, loss of support on behalf of minor child(ren), residential crime scene cleanup, and funeral bills in cases of homicide. The program is funded through a combination of general, cash, and Federal funds. Federal dollars are allocated through a formula grant as a match to state spending on aid, providing 75% of the non-Federal funds expended during the previous Federal fiscal year.

Jail Standards Board (Program 203): A twelve-member Jail Standards Board appointed by the Governor is responsible for the promulgation and enforcement of minimum standards for the maintenance, operation, and construction of adult and juvenile criminal detention facilities. In addition to conducting jail and juvenile detention inspections, the Jail Standards Division (Division) provides technical assistance to local jails and juvenile detention facilities in such areas as training, policy and procedure development, and facility planning. The Division maintained a statewide database pertaining to the number of inmates held in local jails.

BACKGROUND
(Concluded)

Office of Violence Prevention (OVP) (Program 204): The purposes of Office of Violence Prevention shall be to (1) reduction of street or gang violence, (2) reduction of homicides and injuries caused by firearms, (3) youth employment opportunities in high-crime areas. OVP consists of a director appointed by the Executive Director of the Commission and a six-member advisory council appointed by the Governor. The duties of the director shall include, but not be limited to, program fundraising, program evaluation, coordination of programs, and assistance with the administration and distribution of funds to violence prevention programs. The Advisory Council's duties included receiving applications for violence prevention funds from the Director, evaluating such applications, and making recommendations to the Commission regarding the merits of each application and the amount of any funds that should be awarded. If funds are awarded to a violence prevention program, the advisory council will receive updates on the Director's monitors on how such funds are being used, conducts periodic evaluations of the programs, assesses the progress and success regarding the stated goals of each program awarded funds, and recommends to the Commission any modification, continuation, or discontinuation of funding.

State Agency Byrne Grants (Program 210): The purpose of the Edward Byrne/Justice Assistance Block Grant Program (Byrne grant) is to assist states and units of local government by funding specific programs that offer a high probability of improving the criminal justice system in the areas of drug arrests, drug activity, and violent crime. There was no financial activity recorded in this program during the attestation period.

Criminal Justice Information System (CJIS) (Program 215): The primary purposes of CJIS are 1) to promote the sharing and availability of data among agencies; 2) to implement programs and systems that assist State and local agencies in the performance of their duties; and 3) to provide an interagency forum for issues. CJIS is now also being used as a hub for data transfer and a secure front end for online applications, such as Juvenile Case Management System (JCMS), Victim Case Management System (VCMS), Death in Custody Reporting, Use of Force Reporting, Uniform Crime Reporting, Traffic Stop Reporting, and CODIS, which is the State Patrol's DNA sample-tracking system.

Community Corrections Division (Program 220): The primary mandate of the Community Corrections Division is to support the continued development and implementation of a statewide network of community corrections programs as a means to reduce prison overcrowding.

Training Center Renovations (Program 903): This is a capital construction program that provides funding for renovations and infrastructure improvements at the Nebraska Law Enforcement Training Center to maintain and enhance facilities used for statewide law enforcement training and certification.

MISSION STATEMENT

To provide leadership and aid in the development, growth, and overall assessment of violence prevention programs throughout the State of Nebraska.

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Commission Members
(As of December 31, 2025)

Name	Position	Term Ending
Jim Pillen	Governor	Nonexpiring
Mike Hilgers	Attorney General	Nonexpiring
Bryan Waugh	Superintendent, State Patrol	Nonexpiring
Rob Jeffreys	Dir. Correctional Services	Nonexpiring
Steve Reeves	Police Standards Advisory Council Chair	Nonexpiring
Elain Menzel	Nebraska Coalition for Juvenile Justice Chair	Nonexpiring
Kevin Denney	Police Chief	December 31, 2029
Todd Schmaderer	Police Chief	December 31, 2029
Jeff Davis	County Sheriff	December 31, 2029
Aaron Hanson	County Sheriff	December 31, 2029
Tom McBride	Juvenile Justice Coalition	December 31, 2029
Kevin Spencer	City Administrator	December 31, 2029
Joe Hewgley	County Commissioner	December 31, 2027
Shawn Eatherton	County Attorney	December 31, 2029
James Clang	Public at Large	December 31, 2025
Candice Batton	Public at Large	December 31, 2027
Mike Jones	Public at Large	December 31, 2025
Weysan Dun	Public at Large	December 31, 2027
David Nelson	Public at Large	December 31, 2025
Steve Russell	Public at Large	December 31, 2029

Commission Executive Management

Name	Title
Bryan Tuma	Executive Director (Retired June 6, 2026)
Drew Bigham	Deputy Executive Director and Interim Executive Director as of June 6, 2026
Amanda Limbach	Director, Budget & Accounting
Amy Hoffman	Director, Justice and Youth Programs
Chris Carlile	Director, Office of Violence Prevention
Denny Macomber	Director, Jail Standards
Mark Stephenson	Director, Nebraska Law Enforcement and Training Center

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SUMMARY OF COMMENTS

During our examination of the Nebraska Commission on Law Enforcement and Criminal Justice (Commission), we noted certain deficiencies and other operational matters that are presented here. The following comments are required to be reported in accordance with *Government Auditing Standards*: Comments #2 ("Incorrect Recording of Transactions"), #3 ("Journal Entry Issues"), #4 ("State and Federal Government Aid Monitoring"), and #5 ("Commission Receipt Issues"), which are considered to be significant deficiencies, and Comment #1 ("Internal Control Deficiencies"), which is considered to be a material weakness.

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

1. ***Internal Control Deficiencies:*** Multiple issues were noted regarding the internal controls of the Commission, including the lack of review, lack of segregation of duties, and lack of formal policies.

2. ***Incorrect Recording of Transactions:*** The Commission recorded multiple transactions incorrectly throughout the audit. Most notably, $3.8 million in hiring and retention payments under the Law Enforcement and Retention (LEAR) Act were recorded incorrectly as operating expenditures instead of government aid expenditures. This resulted not only in an adjustment to the financial statements but also Internal Revenue Service (IRS) Form 1099s not being sent to recipients of the payments.

3. ***Journal Entry Issues:*** There were 183 journal entries, exceeding $2.2 million, to correct funds, programs, or accounts in the accounting system.

4. ***State and Federal Government Aid Monitoring:*** Several issues were identified related to the Commission's procedures to ensure government aid expenditures were allowable, supported by adequate documentation, or complied with grant agreements and State statutes.

5. ***Commission Receipt Issues:*** Multiple issues were found in our receipt testing – most prominently, the lack of review of documentation to verify the amounts deposited are accurate and complete and the lack of a reconciliation of the QuickBooks software used to record receipts at the Law Enforcement and Training Center to the State's accounting system.

6. ***Issues in Processing Expenditures:*** The Commission lacked agreements for two documents tested, totaling $14,000, and failed to pay nine invoices timely, totaling $331,123.

7. ***Travel Expenditure Issues:*** Several issues were identified during the testing of travel expenditures, including incomplete expense reimbursement requests, unreasonable reimbursements, and inadequate support for reimbursements.

8. ***Payroll Issues:*** The Commission lacked documentation of time worked on Federal activities by temporary employees and had issues with employees' withholdings being different than what the employees selected on various IRS forms.

9. ***Alcohol Inventory Procedures:*** The Commission lacked procedures for adequately tracking the purchase, consumption, and disposal of alcohol used for field sobriety training.

10. ***Contracts Not Entered into State's Accounting System and State Contracts Database:*** The Commission failed to upload several contracts to the State Contracts Database and the State's accounting system, as required by statute.

SUMMARY OF COMMENTS
(Concluded)

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 observation of any strengths of the Commission.

Draft copies of this report were furnished to the Commission to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. All formal responses received have been incorporated into this report. Responses have been objectively evaluated and recognized as appropriate in this report. Where no response has been included, the Commission declined to respond. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next examination.

COMMENTS AND RECOMMENDATIONS

1. Internal Control Deficiencies

The Nebraska Commission on Law Enforcement and Criminal Justice (Commission) generally lacked adequate internal control processes over most of its accounting functions, including ensuring a proper segregation of duties over its various accounting processes, appropriate review and pre-audit procedures, and implementing formalized policies, which are all detailed in the table below:

Financial Statement Item	Issue
Revenue	At both the Lincoln, NE, office and the Grand Island, NE, training center, the Commission lacked a proper segregation of duties over the process to record funds received to ensure that one individual cannot both perpetrate and conceal errors or irregularities. In Lincoln, mail is either routed to accounting staff or opened by administrative staff. In both instances, the mail is opened by one person. No initial control record of monies received was prepared by the administrative staff. Instead, funds were provided to the accounting staff. Checks received in Lincoln are not immediately stamped "for deposit only." The accounting staff recorded the funds received into a spreadsheet with the date, amount, check number, payee, and nature of the funds received. Another accountant records the deposit into the State's accounting system. There is no documented comparison of the deposit documents to the log of the monies received. In Grand Island, two individuals open the mail and enter the monies received into a check log. Those funds are then given to the accountant, who records the funds into QuickBooks and the State's accounting system. The same accountant prepares the deposit, takes the funds to the bank for the deposit, and compares the deposit document to the initial list of checks. However, the comparison is not documented. Once the funds are deposited in whichever location, there is no review of the general ledger report from the State's accounting system to ensure all monies received were deposited.
	As noted above, the Commission used QuickBooks at the Grand Island Training Center to record all training center-related activities, including the preparation of invoices to bill for training, the receipt of funds from those invoices, and to review the accounts receivable reports. One individual had the sole responsibility to record all activity into QuickBooks. There was no secondary approval of the invoices or the funds received and recorded to the system. The reviews of the Open Invoice Report and Account Receivable (AR) Aging Summary report were not documented. That same individual could void activity in QuickBooks without a proper review of the voided activity. The Commission recorded nearly $465,000 in receipts in Grand Island during the period July 1, 2024, through December 31, 2025, including over $34,000 that was incorrectly recorded to the State's General fund.
Expenditures	The Commission failed to document its review of the general ledger detail report from the State's accounting system to ensure its activity was processed correctly and that there were no unknown interagency postings.
	The Commission has a seemingly ineffective pre-audit procedure, as noted with the number of different issues that will be explained in detail below related to improper coding, unallowable travel expenditures, insufficient documentation, etc.
	The Commission's procedures to allocate its expenditures to multiple programs were not documented. Federal funding sources have specific requirements, including provisions to ensure the allocations are made in accordance with the benefit received for the programs.
	The Commission failed to mark invoices as paid to prevent duplicate payments.
	The Commission lacked adequate procedures to review its copy services billing to ensure amounts billed were reasonable and accurate.
	The Commission lacked a written policy for State cell phone usage.
	The Commission failed to implement a procedure to ensure its contracts or purchases did not exceed allotted amounts.
	The Commission did not properly track the use of its shared purchasing cards to be able to identify the purchaser of each transaction.

COMMENTS AND RECOMMENDATIONS
(Continued)

1. Internal Control Deficiencies (Continued)

Financial Statement Item	Issue
	The Commission failed to properly track rebates earned on purchases made at stores, such as Menards, to ensure the rebates were not used for personal purchases.
	The Commission lacked a written policy to properly document informal bids or direct purchases to ensure the best price was obtained.
	The Commission failed to review the global positioning system (GPS) data from the Nebraska Transportation Services Bureau (TSB) for its permanently assigned vehicle to determine if charges were accurate and the use of the vehicle was authorized and appropriate.
Payroll Expenditures	The Commission has an agreement with the Department of Administrative Services (DAS) Human Resources Share Services (Shared Services) to process its payroll. Shared Services is responsible for adding new employees to the accounting system, terminating and removing employees, processing biweekly payroll, calculating termination pay, and balancing leave earned and used, among other responsibilities. After payroll processing, Shared Services maintains various payroll reports; however, the Commission failed to obtain those reports to ensure, at the very least, the reasonableness of each payroll. The Auditor of Public Accounts (APA) identified other errors in some of the Shared Services processes, which are addressed in more detail later herein.
	The Commission has a few employees classified as discretionary non-classified, who serve at the pleasure of the employing agency. They are not covered by either a labor contract or State Personnel Rules and Regulations. Therefore, the Commission is required to set the policy for these employees. The Commission failed to implement a formal written policy covering its discretionary non-classified employees that would include wages and salary, work times, provisions for leave earnings and usage, etc. For example, one of the Commission's discretionary non-classified employees terminated on September 8, 2024, and received a vacation payout totaling nearly $6,000. This payout was not supported by an official policy covering that employee.
Capital Assets	The State's accounting system lacks an adequate segregation of duties over the recording and maintenance of capital assets. The Commission had one employee with system access to capital asset functions and the ability to perform all procedures, including adding and removing assets from the system. There was not a secondary review of the capital asset activity.
	The Commission lacked procedures for properly documenting its reviews of capital asset reports, including the Fixed Asset Integrity report, the Additions and Retirements report, and the Unposted Fixed Asset and the Fixed Asset (F/A) with No Cost reports. These reports identify assets added and removed as well as whether items were recorded in the proper object account based on the amount of the asset. Due to this lack of review, nine items on the Unposted Fixed Asset report, totaling $5,004, were coded to the incorrect account.

A proper system of internal control requires not only procedures to ensure an adequate segregation of duties, so one individual cannot both perpetrate and conceal errors or irregularities, but also formal policies pertaining to the proper reviews of financial processes.

Without such policies and procedures, there is an increased risk for loss, misuse, or theft of State funds in addition to errors being made and not detected.

As mentioned previously, the absence of these internal controls will be demonstrated by the specific comments and recommendations detailed throughout this report.

A similar finding was noted in our previous attestation report from calendar year ended December 31, 2015.

COMMENTS AND RECOMMENDATIONS
(Continued)

1. Internal Control Deficiencies (Concluded)

We recommend the Commission implement procedures to ensure a proper segregation of duties, the development of formalized policies, and proper reviews of financial reports. Such procedures would include the following:

- Involving two individuals in the mail opening process and the creation of an initial list of funds received for comparison to both the deposit document at the time of the deposit and to the general ledger once the deposits have been posted to the State's accounting system;
- The requirement to stamp all checks "for deposit only" immediately upon receipt;
- The addition of a second individual in the processing of QuickBooks activity – in reviewing and approving invoices, cash received and applied to invoices, and the outstanding accounts receivable reports;
- The creation of processes to document staff review of general ledger and other system reports as evidence the procedures were performed;
- A review and strengthening of the pre-audit process to identify errors addressed by this report, including those related to proper coding and sufficient documentation;
- The development of formal policies for the allocation of expenditures, for marking invoices paid to prevent duplication, for tracking the use of purchasing cards by multiple individuals, the tracking of rebates earned on State purchases, for documenting its informal bids or direct purchase considerations, for ensuring contracts do not exceed authorized amounts, for properly reviewing vehicle usage, to properly review all billings to ensure amounts billed are reasonable, and those covering discretionary non-classified employees;
- An adequate review of payroll processes to ensure the processing is reasonable and accurate; and
- Proper review of capital asset reports to ensure all amounts are properly recorded and added as assets when required.

2. Incorrect Recording of Transactions

Commission accounting staff are responsible for ensuring all transactions are properly recorded in the State's accounting system, using the proper fund, program, and object account. In all phases of the attestation, we identified undetected coding errors.

Most significantly, the Commission incorrectly recorded payments made to individuals under the Law Enforcement Attraction and Retention (LEAR) Act, which permits the payment of financial incentives in the form of retention payments and hiring bonuses for the purpose of attracting and retaining law enforcement officers. These incentives are paid directly to the individual officers and should be considered taxable income.

The State's accounting system has a mechanism to ensure proper income reporting occurs. In the case of the retention payments and hiring bonuses, the proper coding would be the use of a government aid account called 1099-Aid to/for Individuals.

During the period July 1, 2024, through December 31, 2025, $3.8 million in payments under the LEAR Act were improperly recorded by the Commission using an operating expenditure account, rather than the proper government aid expenditure account that would generate an Internal Revenue Service (IRS) Form 1099 for those individuals.

COMMENTS AND RECOMMENDATIONS
(Continued)

2. Incorrect Recording of Transactions (Continued)

The table below shows amounts exceeding $6.3 million that were not properly coded dating back to fiscal year 2023:

State Fiscal Year	Operating Expenditure	Aid Expenditure
2023	$ 2,213,250	$ 719,250
2024	$ 720,750	$ 12,750
2025	$ 3,433,000	$ 336,000
Total	**$ 6,367,000**	**$ 1,068,000**

The APA proposed and the Commission agreed to a financial statement adjustment to record the expenditures properly from July 1, 2024, through December 31, 2025. However, it is likely that the individuals who received these miscoded payments never received an IRS 1099 Form from the State and, therefore, did not properly report the payments as income.

Our testing also revealed other, less significant coding issues that are identified in the table below:

Financial Category	Description	Financial Statement Amount
Revenue	The Commission received over $1 million in fees assessed in either county or district courts related to the Law Enforcement Improvement Fund, Community Corrections Uniform Data Analysis Fund, and Victim's Compensation Fund. These funds were recorded to the miscellaneous revenue account – fines, forfeits, and penalties – which does not appear appropriate. It seems that the sales and charges revenue account – other licenses, permits, and fees – is more appropriate for the fees collected by the courts. The coding for these fees has been set for several years; however, the Commission should work with State Accounting to ensure the coding is appropriate.	$ 1,019,540
Expenditures	For some of its Federal expenditures, the Commission utilizes the State General fund for the initial payment, requests reimbursement of Federal funds from another State agency (in this case, the Nebraska Department of Transportation (NDOT)), records the receipt of the Federal funds in its own Federal fund, and then moves the expenditure from the State General fund to the Federal fund. For one such expenditure tested, the Commission paid $98,500 in October 2024 from the State General fund, with the intent of requesting reimbursement of Federal funds for the full amount paid. However, the payment was made nearly six months after the invoice date and the period of performance had expired for the Federal grant that had been intended to be used. Since the new Federal grant began on October 1, 2024, only a portion of the expenditure, $24,625, was able to be reimbursed with Federal funds. However, upon receipt of the reimbursement of $24,625 from NDOT, the Commission failed to move any of the expenditure from the State general fund to its Federal fund. Therefore, the entire amount was paid with State General funds.	$ 98,500
Revenue	The Commission incorrectly recorded receipts at the Grand Island, NE, training center to the State General fund rather than to the appropriate Law Enforcement Training Center Cash fund. For the period July 1, 2024, through December 31, 2025, $48,394 in training center receipts and $13,942 in training center refunds were recorded to the State General fund.	$ 34,452

COMMENTS AND RECOMMENDATIONS
(Continued)

2. <u>Incorrect Recording of Transactions</u> (Continued)

Financial Category	Description	Financial Statement Amount
Revenue	The Commission collected $59,654 from credit cards receipts at the Grand Island, NE, training center. All of the receipts were recorded as sales and services, even though some of the receipts were for lodging, which are normally recorded as miscellaneous revenue. The APA tested one credit card batch for $2,153 and found that it contained $100 in lodging costs that were not properly recorded.	$ 59,654
Expenditures	The Commission incorrectly recorded a $10,000 expenditure as an operating expenditure. The purchase of two vehicles for $5,000 each should have been recorded as capital outlay.	$ 10,000
Revenue	For one receipt tested at the Grand Island, NE, training center, the Commission incorrectly recorded a $320 receipt for training of six individuals as lodging costs instead of to the proper sales and services object account.	$ 320

Neb. Rev. Stat. § 81-1413.01 (Reissue 2024) requires the tuition and fees at the Law Enforcement Training Center to be paid as follows:

> *All receipts for tuition and fees paid to the Nebraska Law Enforcement Training Center shall be paid into the state treasury and by the State Treasurer credited to the Nebraska Law Enforcement Training Center Cash Fund.*

Neb. Rev. Stat. § 81-1429 (Reissue 2024) provides for the following fee to be distributed to the Commission:

> *A Law Enforcement Improvement Fund fee of two dollars shall be taxed as costs in each criminal proceeding, including traffic infractions and misdemeanors. . . .*

Similarly, Neb. Rev. Stat. § 47-633 (Reissue 2021) provides for another fee that is distributed to the Commission:

> *In addition to all other court costs assessed according to law, a uniform data analysis fee of one dollar shall be taxed as costs for each case filed in each county court, separate juvenile court, and district court. . . .*

Finally, Neb. Rev. Stat. § 33-157(1) (Reissue 2016) provides for yet another fee that is distributed to the Commission:

> *In addition to all other costs assessed according to law, an assessment of one dollar shall be assessed for each conviction of a person for any misdemeanor or felony in county court or district court and each affirmation on appeal.*

A proper system of internal control requires procedures to ensure all transactions are properly recorded in the State's accounting system to ensure the proper financial statement presentation and the accurate reporting of taxes for payments made to individuals. It also requires the timely payment of expenditures to ensure available Federal funds can be used when possible.

Without such procedures, there is an increased risk for financial statements to be materially misstated and Federal fund awards to expire. Additionally, without accurately charging all activity to the Law Enforcement Training Center Cash Fund, the Commission would be unable to set the proper fees for training and housing.

> We recommend the Commission strengthen the current procedures to ensure all financial transactions are recorded properly and timely. We also recommend the Commission work with DAS State Accounting to ensure coding of the court fees

COMMENTS AND RECOMMENDATIONS
(Continued)

2. Incorrect Recording of Transactions (Concluded)

is accurate and to determine the need for communication with individuals who received the hiring and retention bonuses but likely failed to receive the proper tax forms from the State.

Commission Response: The issue arose from a lack of communication between two systems, which has now been addressed to prevent the duplication of documentation.

3. Journal Entry Issues

The APA identified a number of issues related to the Commission's use of journal entries. Most significantly, we have concerns related to the amount of journal entries needed in the payroll object accounts. The Commission lacked procedures to ensure costs are reasonably allocated to the correct fund and program. For the period July 1, 2024, to December 31, 2025, we found 183 separate entries to correct funds, programs, or accounts. The total of these entries exceeded $2.2 million and excluded intra-agency batch transactions initiated by other agencies.

The table below includes examples of the errors noted in our testing of the Commission's journal entries:

Date	Description	Amount Tested
2/28/2025	In March and August 2022, the Commission sent duplicate payments, totaling $129,790, to two entities. In April and September 2022, the entities repaid those funds, and the Commission recorded the receipt of the overpaid funds. For some unknown reason, in February 2025, nearly two and a half years after the repayment was received, the Commission attempted to change the coding for the receipt of funds from the overpaid entities. However, since the original transaction occurred so long ago, the entry should not have been processed. The entry ended up incorrectly reducing both the revenues and the Federal expenditures for the period July 1, 2024, to December 31, 2025.	$ 129,790
3/14/2025	The Commission inappropriately recorded entries directly to a system used by the Department of Administrative Servies (DAS) to draw Federal funds instead of recording those entries through the State's accounting system. In January 2025, the Commission processed a $92,239 transaction directly from this system without recording the expenditures in the State's accounting system. Then, in February 2025, the Commission processed an expenditure in the accounting system using the Federal general fund, which resulted in a second or duplicate draw from the Federal government. At this point, the Commission's calculations showed $57,402 in excess funds drawn; however, the Commission failed to maintain the documentation supporting that amount. The APA determined that the Commission's calculations failed to include all activity from the grant, and no corrections were needed. Nonetheless, in March 2025, to correct the perceived amount overdrawn, the Commission processed another expenditure from the State's Federal general fund. That entry created another draw of Federal funds. A week later, the Commission attempted to correct the most recent entry by creating a journal entry using a negative revenue and a negative expenditure in the State's Federal general fund. After this journal entry processed, no correction to the original overdrawn amount had been made because the journal entry simply offset the original entry. After the attestation period, in January 2026, the Commission processed another direct entry, totaling $763,333, to the Federal system. Including that draw, the APA determined the correct amount that needed to be repaid to the Federal government was $395,042. The correct entry to return excess Federal funds would be the creation of a negative expenditure in the Federal general fund.	$ 57,402
2/28/2025	In May and October 2023, the Commission sent duplicate payments, totaling $53,337, to two entities. In June and November 2023, the entities repaid those funds, and the Commission recorded the receipt of the overpaid funds. In February 2025, over a year since the receipt of the repayment, the Commission attempted to change the coding of this transaction. However, since the original transaction occurred so long ago, the entry should not have been processed. The entry ended up incorrectly reducing both the revenues and Federal expenditures for the period July 1, 2024, through December 31, 2025.	$ 53,337

COMMENTS AND RECOMMENDATIONS
(Continued)

3. **<u>Journal Entry Issues</u>** (Continued)

Date	Description	Amount Tested
8/9/2024	This $23,569 journal entry was an attempt to correct the payroll costs for one employee. Federal funding for the Title II Formula Grant Program was effective June 1, 2024, but the Commission failed to set up the funding sources in the accounting system timely. Therefore, the employee's payroll costs from June 1, 2024, to July 28, 2024, had to be corrected. The intent was to record 50% of the employee's time to the Federal fund and 50% of the time to the State's General fund based on the employee's manual record of time worked. The Commission's calculation of the payroll costs was incorrect because it included the costs back to the employee's hire date in April 2024. Additionally, the Commission inadvertently set up the Federal funding source using the State's General fund; therefore, the Federal funds were never utilized. The Commission failed to realize this error in setting up the funding source until it was pointed out by the APA. The Commission also failed to maintain a manual record of the employee's time worked on the Federal program.	$ 23,569
2/5/2025	This journal entry also attempted to correct payroll costs and included three separate calculations for different employees and their funding sources. Commission employees use a separate system to record their time worked and leave used. The Commission allows employees to choose multiple activities in the system, which are tied to different funding sources. However, holiday pay can only be recorded to one funding source, so if multiple funding sources are used by employees, the Commission performs a manual calculation to reallocate holiday pay. The details for each part of the entry are included below:	
	1) In the first transaction, the employee incorrectly recorded 45 hours of vacation leave to the wrong funding source. When the Commission prepared the entry to reallocate 40 hours of holiday leave, it also reallocated the vacation hours. However, 16 hours of vacation in December 2025 were missed and not reallocated. Additionally, the Commission failed to calculate the benefits (retirement and taxes) on the vacation hours. So, the amount of the journal entry was not accurate. Additionally, this employee's time was supposed to be charged 50% to a Federal fund and 50% to a State matching fund. Because the Federal funding source was not set up properly, the payroll costs were not properly recorded.	$ 1,547
	2) This $15,934 entry is a correction of the August 9, 2024, entry above. As noted, that entry was incorrect because it went back to April 2024 instead of June 1, 2024. The APA agreed with the Commission's calculation of the amounts to be moved to fix the incorrect entry from above. However, there is still the issue that the Federal funding was not properly set up, and all of the time has been recorded to State General fund sources.	$ 15,934
	3) This $14,706 entry was to reallocate another employee's payroll costs related to the Federal Title II Formula Grant Program from July 2024 to December 2024. This employee also manually recorded the amount of time worked on the Federal program. The Commission's calculation was not accurate because it included time worked through January 12, 2025, and it used an inaccurate percent of time worked on the Title II Formula Grant Program compared to the total hours worked. The APA determined the employee worked 404 hours on the Title II program out of 825 total hours worked, for a total of 48.97%. The Commission calculated 35.94% using all hours worked and leave hours. The leave hours should be allocated using the percent of time worked on the program. Because of the error, the Commission failed to move $4,104 to the Federal fund for his payroll costs.	$ 14,706
6/24/2025	This journal entry is related to the reallocation of payroll costs for an individual. From July 1, 2024, through June 24, 2025, the individual had been paid from the State General fund and the Training Center Operations program. Because of limitations at the end of fiscal year June 30, 2025, $15,000 for one employee's payroll expenditures was moved to a Federal fund and program, without documentation to show the employee worked directly on that Federal grant. The movement of expenditures to a Federal funding source is not allowable without adequate documentation.	$ 15,000
10/23/2025	This journal entry is to repay the funds from another journal entry that moved payroll costs from the Law Enforcement Improvement Cash Fund for Training Center Operations to the State General Fund for County Juvenile Services Aid. The original entry was made because of limitations in the Law Enforcement Training Fund. Although this entry properly moved the money back to the original funds for the payroll costs, the APA is including this journal entry to show the number of payroll journal entries that are made because of insufficient funding in the programs.	$ 13,181
9/19/2024	This entry was also to correct payroll costs for one employee. According to the Commission, the employee was working on a project that had ended, so it was attempting to move the payroll costs from a Federal fund back to the State's General fund. However, the entry only moved the leave, taxes, and retirement expenditures. The regular salary and wage expenditures were not moved; therefore, a total of $9,247 remained in the Federal fund that should not have.	$ 9,247

COMMENTS AND RECOMMENDATIONS
(Continued)

3. <u>Journal Entry Issues</u> (Concluded)

Date	Description	Amount Tested
6/3/2025	This $8,300 entry is another entry to reallocate payroll costs related to the Federal Title II Formula Grant Program from January 2025 to March 2025. In addition to duplicating some hours from February 5, 2025, the Commission did not accurately calculate the percent of time worked on the Title II Formula Grant Program compared to the total hours worked. The APA determined the employee worked 180 hours on the Title II program out of 462 total hours worked, for a total of 38.96%. The Commission calculated 34.88% using all hours worked and leave hours. The leave hours should be allocated using the percent of time worked on the program. Because of the error, the Commission failed to move $923 to the Federal fund for his payroll costs.	$ 8,300
10/22/2025	This journal entry corrected a previous journal entry to move payroll costs from the Law Enforcement Training Center Cash Fund for Training Center Operations to the State General Fund for the County Juvenile Services Aid program. Although this entry properly moved the money back to the original funds for the payroll costs, the APA is including this in the finding to show the number of payroll journal entries that are made because of insufficient funding in the programs.	$ 7,816
9/5/2024	This entry was to reassign the payroll costs for the Commission's Director. On August 29, 2024, the Commission's Central Administration Program was over the authorized amount. Therefore, these funds were moved from the Central Administration Program to the Training Center Administration Program. Because these programs are separate and distinct and appropriated by the Legislature, the APA believes there should be documentation to support the payroll costs allocated to the individual programs.	$ 3,384
	Total	**$ 353,213**

Federal funds are guided by the Uniform Guidance. Specifically, 2 CFR § 200.405, "Allocable costs," states the following:

> *(a) Allocable costs in general. A cost is allocable to a Federal award or other cost objective <u>if the cost is assignable to that Federal award or other cost objective in accordance with the relative benefits received.</u> This standard is met if the cost satisfies any of the following criteria:*
>
> *(1) Is incurred specifically for the Federal award;*
>
> *(2) Benefits both the Federal award and other work of the recipient or subrecipient and can be distributed in proportions that may be approximated using reasonable methods; or*
>
> *(3) Is necessary to the overall operation of the recipient or subrecipient and is assignable in part to the Federal award in accordance with these cost principles.*

(Emphasis added.) A proper system of internal control requires the Commission to ensure that all activity is properly recorded in the State's accounting system and supported by adequate documentation to ensure that expenditures are allocated in accordance with the relative benefits received.

Without such procedures, there is an increased risk for inappropriate charges to Federal programs and an increased risk for misstated financial statements.

> We recommend the Commission implement procedures to ensure there is adequate documentation to allocate its expenditures to the various funds and programs. Federal funds should contain support showing there was a direct benefit for the Federal program. The Commission may want to consider whether its budgeting method is reasonable and supported based on the amount of journal entries that are needed due to lack of funding available in its various funds and programs.

4. <u>State and Federal Government Aid Monitoring</u>

The Commission paid nearly $30 million in government aid expenditures for the period July 1, 2024, through December 31, 2025. Those aid expenditures were a mix of State and Federal funding, as noted in the table below:

COMMENTS AND RECOMMENDATIONS
(Continued)

4. State and Federal Government Aid Monitoring (Continued)

Fund Type	Amount
Federal Funds	$ 14,781,084
State General	$ 14,183,386
Commission Cash	$ 613,922
Total	**$ 29,578,392**

The APA identified several issues in the Commission's procedures to ensure the government aid expenditures were allowable, supported by adequate documentation, and complied with the provisions of the grant agreements or State statutes.

The following issues were noted related to the payments made with Federal funds:

Grant	Grant Number	Payee	Issue	Amount Tested
FY23 Victims of Crime Act (VOCA) Grant	15POVC-23-GG-00454-ASSI	Friendship Home	The Commission paid the Friendship Home of Lincoln a reimbursement of expenditures for July through September 2024. The Commission failed to complete the financial monitoring of the entity in a timely manner. A desk review began on May 15, 2025, and as of May 2026 had yet to be completed. The APA also noted the Commission failed to obtain the housing unit coding in its grant agreement to ensure all costs are billed only to the agreed-upon units.	$ 141,636
FY20 Residential Substance Abuse Treatment (RSAT) for State Prisoners	2020-J2-BX-0019	Lancaster County	The Commission failed to question the purchase of a $200 Walmart "Charitable All in Basket" gift card that was included in the reimbursement for the period July through September 2025. Upon questioning, the Commission stated that the expenditure was unallowable and initiated procedures to recover the funds.	$ 108,513
FY22 Justice Assistance Grant (JAG)	15PBJA-22-GG-00629-JAGX	Douglas County	The payment to Douglas County was a reimbursement of expenditures from July through September 2024. For the one employee paid with grant funds, the Commission failed to obtain signed timesheets for September 2024, for which the employee was paid $11,506, including benefits. Additionally, the Commission failed to obtain support for $2,428 per month in health and dental insurance.	$ 34,548
FY23 Victims of Crime Act (VOCA) Grant	15POVC-23-GG-00454-ASSI	Bravebe Child Advocacy Center	The payment was for forensic medical examinations and facility fees using the State's Sexual Assault Payment Program. Statutes require that the Attorney General's Office employ the administrator of the Sexual Assault Payment Program, who shall coordinate payments from the Victim's Compensation Cash Fund. However, the Commission failed to document approval by the Attorney General's Office prior to payment of these VOCA funds.	$ 18,500

COMMENTS AND RECOMMENDATIONS
(Continued)

4. State and Federal Government Aid Monitoring (Continued)

Grant	Grant Number	Payee	Issue	Amount Tested
2022 STOP Violence Against Women Grant	15JOVW-22-GG-00438-STOP	Project Harmony	This payment was for forensic medical examinations and facility fees under the State's Sexual Assault Payment Program. Statutes require that the Attorney General's Office employ the administrator of the Sexual Assault Payment Program, who shall coordinate payments from the Victim's Compensation Cash Fund. However, the Commission failed to document approval by the Attorney General's Office prior to payment of these STOP funds.	$ 9,500

2 CFR § 200.403 (January 1, 2024, and January 1, 2025) requires costs charged to Federal programs to be reasonable, necessary, and adequately documented.

Neb. Rev. Stat. § 81-1429.03(4) (Reissue 2024) states, in relevant part, the following:

There is established within the Department of Justice, under the direction of the Attorney General, the position of administrator for the Sexual Assault Payment Program. The purpose of the program and the responsibilities of the administrator shall be to coordinate the distribution of forensic medical examination kits to health care providers at no cost to the providers, oversee forensic medical examination training throughout the state, and coordinate payments from the Sexual Assault Payment Program Cash Fund . . . .

The APA also identified the following issues related to the government aid expenditures charged to the State General fund or Commission Cash Funds:

Grant	Payee	Issue	Amount Tested
Community Based Juvenile Services Aid	Douglas County	This payment was for January 2025 expenditures related to the Community-Based Juvenile Services Aid program. Douglas County subawarded funds to various entities, including the Douglas County Juvenile Assessment Center. However, the Commission lacked a documented understanding of the County's monitoring procedures for the Juvenile Assessment Center, which accounted for $31,139 of the payment. The County's reimbursement also included a subaward to Project Harmony. The Commission failed to identify that the salary amounts paid under the subaward included payments for a $60 health club reimbursement, that was not allowable. Additionally, the Commission's financial monitoring procedure for this payment was not retroactive. Instead, the Commission told the County prior to payment that the quarter was under review and requested the documentation to support all of the expenditures that would be requested for reimbursement.	$ 120,587
Community Based Juvenile Services Aid	Lancaster County	This payment was for January 2025 expenditures related to the Community-Based Juvenile Services Aid program. In addition to subawards, the County contracts with entities on a fee for service basis to provide juvenile services. For one invoice of $12,950, from the Mediation Center, the Commission failed to obtain sufficient support to verify the amounts reimbursed. The contract was for a total of 1,250 hours at $80 per hour, but the invoice billed by case included payments of $100, $450, and $800 per case. Additionally, the Commission's financial monitoring procedure for this payment was not retroactive. Instead, the Commission told the County prior to payment that the quarter was under review and requested the documentation to support all of the expenditures that would be requested for reimbursement.	$ 108,420

COMMENTS AND RECOMMENDATIONS
(Continued)

4. State and Federal Government Aid Monitoring (Continued)

Grant	Payee	Issue	Amount Tested
County Justice Reinvestment Grant	Lancaster County	The County Justice Reinvestment Grant is paid to eligible counties based on a formula, which is the average daily population of the county jail / Jail capacity of the State = Relative percentage X Total Fund Amount = Maximum Funds Available to County. The Commission failed to update the jail population figures and instead used the same figures as the prior year for the July 2024 payment to Lancaster County, which represented the fiscal year 2025 grant amount. Additionally, the Commission failed to perform any financial monitoring during the period July 1, 2024, through December 31, 2025.	$ 65,431
Office of Violence Prevention Grant	Completely Kids	The payment tested was a reimbursement of payroll expenditures for two employees. The Commission failed to identify that the supporting documentation for one employee did not agree to the amount requested for reimbursement. It appears the Commission overpaid $311. Additionally, the Commission failed to obtain a signed and approved timesheet to support the hours worked.	$ 6,314

Neb. Rev. Stat. § 81-1426.01(2) (Reissue 2024) states, in relevant part, the following:

> *The annual General Fund appropriation to the County Justice Reinvestment Grant Program shall be apportioned to the counties as grants in accordance with a formula established in rules and regulations adopted and promulgated by the commission. The formula shall be based on the total number per county of individuals incarcerated in jails and the total capacity of jails.*

Title 74 NAC 1-006.01(A) states the following:

> *The county's percentage of inmate population relative to the total capacity of jails in the state of Nebraska. Each county will receive the percentage of grant dollars directly proportional to that county's percentage of jail inmates of the total jail inmate population in the state.*

A proper system of internal control requires procedures to ensure funds are spent in accordance with State and Federal requirements. Without adequate monitoring procedures, the timely completion of desk reviews, the documentation of Attorney General approval for SAPP payments, the use of current data, and the monitoring of grant recipients on a retrospective basis, there is an increased risk of loss, theft, or misuse of State and Federal funds and noncompliance with both Federal regulations and State statutes.

> We recommend the Commission implement procedures for monitoring grant recipients appropriately to ensure the expenditure of State and Federal funds to grant recipients are appropriate and in accordance with State and Federal requirements. We also recommend the Commission implement procedures to perform the financial monitoring desk reviews retroactively, so the entities are not notified in advance of the payment under review.

Commission Response:

RSAT – Lancaster County
The Enhanced Desk Reviews and the evaluation of supporting documentation have been updated for the current and upcoming grant cycle for NCC staff responsible for reviewing payment requests for reimbursements in accordance with the agency's OAT level. These staff members will verify that unallowable expenses are not included in the requests, and they will ensure that these unallowable items have been clearly communicated during the contingencies prior to the grant award and throughout the grant cycle. The gift card expenditure has been reduced from the Jan – March 2026 payment request to credit the federal grant.

COMMENTS AND RECOMMENDATIONS
(Continued)

4. State and Federal Government Aid Monitoring (Concluded)

JAG – Douglas County
The Enhanced Desk Reviews and the evaluation of accompanying supporting documentation have been updated for the current and forthcoming grant cycle for NCC staff responsible for reviewing payment requests for reimbursements, in accordance with the agency's OAT level. To guarantee the precise calculation of wages and benefits and to prevent overpayments, timesheets and payroll reports or paystubs will now be mandatory supporting documents.

OVP – Completely Kids
The Enhanced Desk Reviews and the evaluation of accompanying supporting documentation have been updated for the current and forthcoming grant cycle for NCC staff responsible for assessing payment requests for reimbursements, in accordance with the agency's OAT level. Additionally, a refund for an overpayment related to the grant has been submitted to the Crime Commission by Completely KIDS.

5. Commission Receipt Issues

During the testing of receipts, we identified a number of issues, including the lack of review of documentation to verify the amounts deposited are accurate and complete, the lack of a reconciliation of the QuickBooks software used to record receipts at the Law Enforcement and Training Center to the State's accounting system, and other miscellaneous receipt issues. Those issues are included in more detail below.

Lack of Review or Documentation

The Commission lacked procedures to ensure amounts received from other State entities were reasonable from month to month or lacked adequate documentation to support the fee was charged appropriately. The table below details these issues:

Receipt Description	Issue	Amount Collected or Error
Amounts Received from the Nebraska County and District Courts	Nebraska statutes assess various fees that are ultimately distributed to the Commission, as noted below:	
	A Law Enforcement Improvement Fund fee of two dollars is taxed as costs in each criminal proceeding, including traffic and misdemeanors in all courts in the State. In total, $494,307 was transferred to the Law Enforcement Improvement Fund for payment of administrative and operations expenditures of the Nebraska Law Enforcement Training Center.	$ 494,307
	A one-dollar uniform data analysis fee for each case file in county, juvenile, and district courts shall be distributed to the Community Corrections Uniform Data Analysis Cash Fund. The Commission received $487,331 for the period tested.	$ 487,331
	A one-dollar fee for each person convicted of a misdemeanor or felony is assessed by the county or district court. A total of 75 percent of the funds remitted are distributed to the Victim's Compensation Cash Fund. The Commission received monthly deposits related to these funds for a total of $37,901.	$ 37,901
Amounts Received from the Nebraska Department of Correctional Services (NDCS)	The Commission received $590,005 from NDCS for 75 percent of the statutorily allowed five percent withholding on inmate wages for inmates working in the community. The Commission received little evidence to support the amount distributed and did not perform any procedures to ensure the monthly amounts received were reasonable. These funds are deposited in the Commission's Victim's Compensation Cash Fund.	$ 590,005

COMMENTS AND RECOMMENDATIONS
(Continued)

5. <u>Commission Receipt Issues</u> (Continued)

Receipt Description	Issue	Amount Collected or Error
	The Commission received $77,044 from NDCS for 75 percent of the statutorily allowed five percent withholding on inmate wages for inmates working in facilities operating on the NDCS grounds The Commission received little evidence to support the amount distributed and did not perform any procedures to ensure the monthly amounts received were reasonable. These funds are deposited in the Commission's Victim's Compensation Cash Fund.	$ 77,044
Fees at the Law Enforcement Training Center	Statutes require the tuition and fees at the training center to be reviewed annually and approved by the Commission. The Commission failed to provide the documentation it used to calculate the fees necessary to cover the training center's budget and other fees that were effective July 1, 2023. The training center collected nearly $465,000 in fees from July 1, 2024, through December 31, 2025.	$ 465,000
Lodging charged by Training Center	The Commission provides a two-week Basic Jail training course with no tuition that requires $25 per night lodging. We tested a $1,350 receipt for Basic Jail training lodging for six individuals and requested the registration forms for those who attended. (One individual only attended four days of the training.) The Commission failed to maintain the registration forms to support the attendance of the participants.	$ 1,350
Certification Fees	The Commission charged a $75 certification fee for individuals who graduate from Basic Training. However, the Commission did not maintain a list of those graduates to ensure the amounts deposited were proper. We tested one $1,125 receipt for 15 individuals that lacked verification of their graduation from the training.	$ 1,125

As noted in **Comment and Recommendation Number 2** ("Incorrect Recording of Transactions") herein, various State statutes authorize the assessment of certain fees on county and district court cases that are distributed to the Commission.

Neb. Rev. Stat. § 83-184(2) (Reissue 2024) authorizes the withholding of a percentage of inmate wages, as follows:

> *The wages earned by a person authorized to work at paid employment in the community under this section shall be credited by the chief executive officer of the facility to such person's wage fund. The director shall authorize the chief executive officer to withhold up to five percent of such person's net wages. The funds withheld pursuant to this subsection shall be remitted to the State Treasurer for credit as provided in subsection (2) of section 33-157.*

Furthermore, Neb. Rev. Stat. § 33-157(2) (Reissue 2016) authorizes the distribution of a portion of those wages to the Commission, as follows:

> *The Nebraska Crime Victim Fund is created. The fund shall contain the amounts remitted pursuant to subsection (1) of this section and section 83-184. The fund shall be administered by the Nebraska Commission on Law Enforcement and Criminal Justice. As soon as funds become available, the commission shall direct the State Treasurer to transfer money from the Nebraska Crime Victim Fund to the Department of Correctional Services Facility Cash Fund and the Supreme Court Automation Cash Fund to pay for the initial costs in implementing Laws 2010, LB510, in amounts to be determined by the Department of Correctional Services and the Supreme Court and certified to the commission. <u>When such costs are fully reimbursed, the Nebraska Crime Victim Fund shall terminate and the State Treasurer shall distribute seventy-five percent of the funds remitted pursuant to subsection (1) of this section and section 83-184 to the Victim's Compensation Fund to be awarded as compensation for losses and expenses allowable under the Nebraska Crime Victim's Reparations Act</u> and shall distribute twenty-five percent of such funds to the Reentry Cash Fund.*

COMMENTS AND RECOMMENDATIONS
(Continued)

5. <u>Commission Receipt Issues</u> (Continued)

(Emphasis added.) Neb. Rev. Stat. § 81-1403 (Reissue 2024) requires tuition and fees charged at the training center to cover the costs, as follows:

Subject to review and approval by the commission, the council shall:

* * * *

(8) Set the tuition and fees for the training center and all officers of other training academies not employed by that training academy's agency. The tuition and fees set for the training center pursuant to this subdivision shall be adjusted annually pursuant to the training center budget approved by the Legislature. All other tuition and fees shall be set in order to cover the costs of administering sections 81-1401 to 81-1414.19. All tuition and fees shall be remitted to the State Treasurer for credit to the Nebraska Law Enforcement Training Center Cash Fund.

A proper system of internal control requires procedures to ensure all funds received were accurate and were all deposited. At the very least, the Commission should compare the amounts received each month to ensure the amounts are reasonable and as expected.

Without such procedures, there is an increased risk for loss, theft, or misuse of State funds.

We recommend the Commission implement procedures to ensure that amounts received are complete and accurate, and appropriate supporting documentation for the receipts is maintained.

Commission Response:

Fees at the Law Enforcement Training Center
This item was finalized in 2023 where procedures were established that have been in place for the past two decades. The approving authority for this matter is PSAC, and it is noteworthy that no formal comparison was undertaken. Additionally, there has been a lack of guidance regarding the implementation of such a procedure. Moving forward, there will be formal documentation outlining the process for any future increases.

Lodging charged by Training Center
The training center offers various courses but does not officially keep registration forms, as students enroll through the vendor, in this case the Jail Standards Division. NLETC responsibility includes managing lodging, which has been recorded. Moving forward, we will implement a system to maintain a class roster and/or request copies of registration to accurately document any lodging fees incurred.

<u>Lack of Reconciliation from QuickBooks to Accounting System</u>

Commission staff at the Nebraska Law Enforcement Training Center in Grand Island, NE, use QuickBooks to record invoices and payments received. However, the Commission failed to reconcile the receipt activity in QuickBooks to the amounts recorded to the State's accounting system.

From July 1, 2024, through December 31, 2025, the following receipts were recorded in each system:

QuickBooks	State's Accounting System	Variance
$ 754,556	$ 413,055	$ 341,501

COMMENTS AND RECOMMENDATIONS
(Continued)

5. <u>Commission Receipt Issues</u> (Concluded)

The APA determined that Commission staff had duplicated receipt activity in QuickBooks by both creating invoices, which were marked as paid, and recording a sales receipt. Both the creation of an invoice and the recording of a sales receipt register revenue in QuickBooks.

The APA spent a considerable amount of time attempting to verify that the proper amount had been recorded in the accounting system. In addition to the duplicate receipts, the APA found other errors, including incorrect or duplicate receipt numbers. Commission staff also complete daily deposit spreadsheets to help with their entry to the State's accounting system. We also found incorrect receipt numbers entered on those spreadsheets. A reconciliation by the Commission would likely have identified these errors for correction.

A proper system of internal control requires a reconciliation between QuickBooks and the State's accounting system to ensure all monies received are deposited.

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

> We recommend the Commission implement procedures to ensure a reconciliation between QuickBooks and the State's accounting system is completed on a regular basis.

<u>Other Receipt Issues</u>

The following issues were noted in our testing of negative receipt transactions from the State accounting system:

General Issue	Description of Issue	$ Amount Error
Incorrect Coding	The Commission refunded $8,017 in tuition and fees for the 218th Basic Training course using the State General Fund, when the original receipt of the funds was properly recorded to the Nebraska Law Enforcement Training Center Cash fund. Additionally, Commission staff approved the refund and entered it into QuickBooks on August 23, 2024, days after the applicant signed the paperwork indicating he would not attend the session. However, the refund in the State's accounting system was not processed until March 2025.	$ 8,017
Lack of Documentation	The Commission recorded a $6,235 negative revenue to return its perceived overdraw from Federal grant funds. However, the Commission failed to provide documentation to support the amount they thought had been overdrawn. Additionally, when overdrawn funds need to be returned, the proper entry would be to record the transaction as a negative expenditure. Therefore, the coding was not appropriate.	$ 6,235

A proper system of internal control requires procedures to ensure amounts recorded in the accounting system are properly recorded to the correct fund, program, and object account, and sufficient documentation is maintained to support all accounting transactions.

Without procedures to ensure accounting transactions are coded correctly, and documentation is maintained to support all transactions, there is an increased risk of loss, theft, or misuse of State funds and misstated financial information.

> We recommend the Commission implement procedures to ensure accounting transactions are properly recorded, and sufficient documentation is maintained for all transactions.

COMMENTS AND RECOMMENDATIONS
(Continued)

6. Issues in Processing Expenditures

The APA identified a few issues related to the Commission's processing of its expenditure transactions, including the untimely payment of expenditures and the lack of written agreements to support the expenditures. Those issues are addressed below in more detail.

Untimely Expenditures

The APA noted additional issues with the timely payment of expenditures, as summarized in the table below:

Vendor	Invoice Amount	Invoice Date	Payment Date	# of Days to Payment
Iowa, State of	$ 98,500	4/3/2024	10/17/2024	197
Friendship Home of Lincoln	$ 3,167	10/7/2024	3/26/2025	170
UNL Board of Regents	$ 22,500	8/20/2025	12/29/2025	131
Dowding, Dowding, & Dowding Law	$ 3,768	8/29/2025	12/29/2025	122
Mid Plains Landscaping, LLC	$ 15,423	8/14/2025	11/4/2025	82
DAS - OCIO	$ 4,730	5/12/2025	7/15/2025	64
Insight Public Sector Inc	$ 173,385	8/5/2025	10/3/2025	59
Steven Rathman	$ 5,650	10/20/2024	12/16/2024	57
Motorsport Park Hastings, LLC	$ 4,000	9/17/2025	11/3/2025	47

Neb. Rev. Stat. § 81-2403(1) (Reissue 2024) states, in relevant part, the following:

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

Lack of Written Agreements

The Commission also failed to obtain formal written agreements for two expenditures tested in the period, as noted in the table below:

Description	Amount
The Commission purchased two vehicles at $5,000 each from the City of Columbus Police Department. The only supporting documentation for this transaction was a brief email message from the City of Columbus Police Department containing a one-sentence statement that the sale had occurred and a description of the vehicles sold. No other particulars of the transaction were available, including the specific terms thereof, the dates involved, or even the identities (as evidenced by electronic signatures on message exchanges) of the individuals responsible for approving the agreement.	$ 10,000
The Commission paid Motorsport Park Hastings for use of its track for law enforcement training exercises without a written agreement in place.	$ 4,000
Total	**$ 14,000**

A proper system of internal control requires procedures for the timely payment and proper documentation of all expenditures.

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

COMMENTS AND RECOMMENDATIONS
(Continued)

6. <u>Issues in Processing Expenditures</u> (Concluded)

We recommend the Commission implement procedures to ensure that invoices are paid timely – not only for the sake of statutory compliance but also to make sure that available grant funds are utilized. We also recommend the Commission implement procedures to ensure adequate written documentation is on file to support all expenditures.

Commission Response: In the future, a structured process and suitable documentation for sales transactions will be established. However, the Motorsport Park in Hastings currently lacks any formal written agreements and has consistently declined to implement such measures upon request, as confirmed by various law enforcement agencies.

7. <u>Travel Expenditure Issues</u>

For the period July 1, 2024, through December 31, 2025, the Commission paid $212,627 in travel expenditures. The APA tested 16 travel-related expenditures and noted the following issues:

Issue	Description of Issue	$ Amount
Unreasonable Travel Reimbursed	For 1 of 16 travel expenditures tested, the transaction included a request for reimbursement for a significant number of miles driven in a personal vehicle. One of the trips requested for reimbursement did not appear reasonable. On May 22 and May 23, 2025, one Commission employee worked at the training center in Grand Island, NE, providing training on the last day of a two-week jail training course. Upon completion of the training, that employee returned home to Gordon, NE. The next day, the employee drove the training materials from Gordon to Lincoln, NE, to deliver them for a presentation that would be taking place in O'Neill, NE. The employee also incurred a lodging expenditure in Lincoln. The total mileage and hotel for this one trip was $686. It did not seem reasonable that this employee returned home to Gordon before returning to Lincoln the very next day simply to return the training materials.	$ 686
Inadequate Documentation	The Commission failed to provide adequate documentation to support the purpose of the trip for 4 of 16 travel expenditures tested.	$ 5,534
	The first document is the same expense reimbursement document tested in the unreasonable travel item above. In that instance, the Commission could not fully explain the extra miles incurred and had to obtain further explanation from the employee of the miles paid. The trip in question resulted in the payment of $554 miles paid.	
	The second document was a payment to the DAS Transportation Services Bureau for $911. The Commission Director used the State vehicle to travel over 2,200 miles across the State for the purpose of "law enforcement meetings." The Commission failed to maintain appropriate documentation to support these meetings, such as emails, calendars, or agendas.	
	The third document was another document for the reimbursement of $2,340 in personal vehicle mileage for the jail standards division chief for various meetings and training across the State over a three-month period. When the APA requested support for the various trips, the employee responded, "In my 30+ years at Jail Standards, it has not been required to provide an agenda for a meeting or for training when we are providing the training or coordinating the meeting . . . ." A similar issue was noted for a $617 payment of a hotel bill from the purchasing card for this individual. The purpose of that trip was identified as "jail admin training." However, the Commission failed to maintain support for this training, such as training agendas, times, locations, attendees, etc.	
	The fourth document contained a $1,112 payment to Executive Travel for an airline ticket to Washington, DC, for a conference. The airline ticket appears to have been purchased only seven days before the actual travel date. The Commission failed to provide support for the attendance at this conference because the employee's expense reimbursement form had been sitting on the manager's desk and had not been approved. Therefore, at the time of payment of the airfare, the documentation to support the purpose of the travel was not available.	

COMMENTS AND RECOMMENDATIONS
(Continued)

7. <u>Travel Expenditure Issues</u> (Continued)

Issue	Description of Issue	$ Amount
Incorrect Mileage Reimbursement	Of the 13 expenditures tested that had personal miles reimbursed, one contained an overpayment of the mileage expenditure. During a roundtrip between Lincoln, NE, and North Platte, NE, the employee recorded 299 miles each way, when the actual mileage was only 229 miles each way. The 140 extra miles resulted in an overpayment to the employee of $98. The Commission's pre-audit procedures failed to identify the error. The cost of the total miles reimbursed was $2,340.	$ 98
Unallowable Meal Per Diem	Of the 11 travel expenditures tested that had meal per diem payments, two contained the full day meal per diem even though meals were provided by the conference attended. For one document, the employee claimed meals for three days that were provided by the conference for a $62 overpayment. For the other document, the employee claimed one meal that was provided by the conference for a $12 overcharge. The total overpayment to the employees was $74.	$ 74
Incomplete Expense Reimbursement Form	Of the 11 documents tested that were paid using an expense reimbursement form, six of the documents failed to comply with statutory requirements to be fully itemized, including the amount, date, place, and essential character of the expenditure, or to include the points between which such travel occurred, the times of arrival and departure, and the necessity and purpose of such travel. The total reimbursed on these six documents was $6,463.	$ 6,463
	Three reimbursement requests failed to record any start/stop times on the expense reimbursement document.	
	Two reimbursement requests included start and stop times for only the beginning of the trip and end of the trip and not for each day of the trip.	
	One reimbursement request included travel for two separate trips – one failed to include start and stop times, and one included only the start time on the first day of travel and a stop time on the last day of travel.	
Payment More Than GSA Rate	For the seven documents that contained lodging expenditures, one $229 payment was made to the Cornhusker Hotel for an employee based in Grand Island, NE. The cost exceeded the Federal General Services Administration (GSA) guideline of $107 per night in Nebraska.	$ 122
Inadequate Misc. Exp. Support	Of the seven documents tested that contained miscellaneous expenditures, three of them lacked adequate documentation to support the expenditures, which are required by Commission procedures.	$ 56
	One document included the reimbursement of $28 for two Uber receipts that failed to identify the location of the travel until it was requested by the APA.	
	Two documents contained the reimbursement of $14 Metro Rail Day Passes in Washington, DC.	
Inadequate Travel Authorization	For the nine documents tested for out-of-State travel, two of them lacked the appropriate approval for the travel.	$ 2,373
	One document reimbursed the employee $1,261 in expenditures for a trip to Washington, DC. The approval form was not signed by a supervisor.	
	One document included a $1,112 payment to Executive Travel for airfare to Washington, DC. That approval form was also not signed by the supervisor. The Commission confirmed that the absence of signatures was overlooked in the pre-audit phase.	

A proper system of internal control requires procedures to ensure travel expenditures are reasonable, adequately supported, for the correct amounts, within Federal GSA guidelines, are completed in accordance with statutory requirements, and contain the appropriate approvals when required.

Neb. Rev. Stat. § 81-1174 (Reissue 2024) states, in relevant part, the following:

> * * * *
>
> *(2)(a) Each request for reimbursement of travel and lodging expenses shall be fully itemized, including the amount, date, place, and essential character of the expenditure incurred.*

COMMENTS AND RECOMMENDATIONS
(Continued)

7. Travel Expenditure Issues (Concluded)

* * * *

(3) When reimbursement is requested for mileage by automobile, air travel by commercial carrier . . . the points between which such travel occurred, the times of arrival and departure, and the necessity and purpose of such travel shall be stated on such request. When reimbursement is requested for mileage by automobile, the motor vehicle license plate number, the total miles traveled, and the rate per mile being requested shall also be shown on each request.

* * * *

(6) The statement of expenses shall be duly verified and supported by receipts for all of such expenditures for which reimbursement is requested except for (a) items reimbursed through a per diem payment and (b) immaterial items identified by the director.

The Commission's internal Expense Reimbursement Document (ERD) review checklist, called the ERD Checklist for Employee & ERD Checklist for Preaudit, states, in relevant part, the following:

If any Miscellaneous expenses are included, receipts must be attached. Examples are Uber/Taxi, baggage fees, parking, etc. . . . If Out-of-State travel and In-State conference travel (outside of Headquarter City), attach signed & completed Travel Authorization Form.

Without procedures to ensure compliance with applicable statutory and administrative requirements, there is an increased risk of the Commission approving and reimbursing unsupported, fraudulent, or incorrect expenditures.

> We recommend the Commission implement formal policies for documenting its ERD review process to ensure that reimbursement submissions conform to statutory requirements.

8. Payroll Issues

The APA identified a few issues related to the Commission's payroll, as noted in the table below:

General Issue	Description of Issue
Documentation of Federal Time Worked for Temporary Employees	The Commission paid nearly $55,000 for temporary payroll services for the period July 1, 2024, through December 31, 2025. Of that amount, over $33,000 was recorded to Federal funds. The Commission failed to maintain documentation showing that the temporary employees were working directly on Federal activities.
Payroll Tax Withholding Issues	Although the Commission used DAS Shared Services to process its payroll, three of six employees tested had errors or lacked documentation to support the information in the State accounting system for employee withholding information. 1) One employee had an additional $50 State income tax withheld from the biweekly paycheck tested; however, there was no IRS Form W-4N to support that amount. 2) One employee's filing status in the system was married filing separately even though the IRS Form W-4 listed it as married filing jointly. This resulted in a $212 variance on the biweekly paycheck tested. 3) One employee had listed one allowance on the IRS Form W-4N; however, the system did not show any allowances on the paycheck selected for testing.

2 CFR § 200.430(g)(1) states, in relevant part, the following:

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.

COMMENTS AND RECOMMENDATIONS
(Continued)

8. <u>Payroll Issues</u> (Concluded)

A proper system of internal control requires procedures to ensure adequate records of time worked on Federal programs, and all tax information in the system agrees to the IRS tax forms submitted by employees.

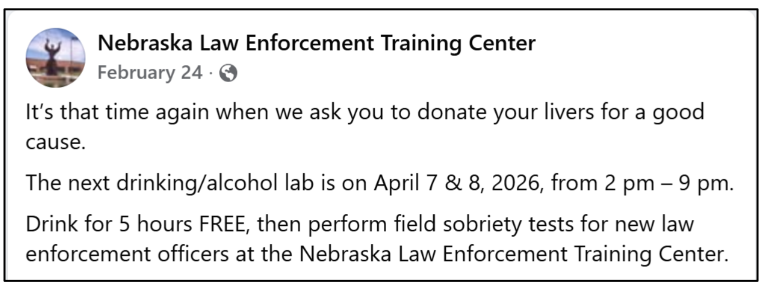
Without such procedures, there is an increased risk of the Commission not complying with Federal regulations for time charged to Federal programs and the employees' tax withholdings not being accurate according to the IRS tax forms completed by the employees.

> We recommend the Commission: 1) ensure there is adequate documentation supporting the work of temporary employees on Federal programs; and 2) work with DAS Shared Services to ensure the tax withholding information submitted by employees is entered correctly into the accounting system.

9. <u>Alcohol Inventory Procedures</u>

At the Nebraska Law Enforcement and Training Center (NLETC), staff conduct Field Sobriety Training in which public volunteers consume alcohol in a controlled environment and then perform field sobriety tests for the training officers.

The following is a screenshot of a Facebook post from the NLETC page requesting volunteers:


Nebraska Law Enforcement Training Center
February 24 ·

It's that time again when we ask you to donate your livers for a good cause.

The next drinking/alcohol lab is on April 7 & 8, 2026, from 2 pm – 9 pm.

Drink for 5 hours FREE, then perform field sobriety tests for new law enforcement officers at the Nebraska Law Enforcement Training Center.

During the attestation period, the Commission staff completed five Field Sobriety Trainings, as detailed in the table below:

Class	Dates
217th	August 31 and September 1, 2024
218th	November 19-20, 2024
219th	March 18-19, 2025
220th	July 22-23, 2025
221st	December 3-4, 2025

The APA identified significant issues with the Commission's documentation of alcohol purchased and consumed for these training sessions.

The APA reviewed both the receipts for six purchases of alcohol and the alcohol inventory listings for each of the training courses listed above, noting the following issues:

COMMENTS AND RECOMMENDATIONS
(Continued)

9. <u>Alcohol Inventory Procedures</u> (Continued)

	Description of Issue
1	The units of measurement are not consistent for the same alcohol across different listings. For example, the listings appear to switch between units of measure, including 6 packs, 12 packs, 24 packs, or individual cans/bottles of alcohol.
2	The Commission failed to track the alcohol consumption or the disposal of alcohol at each training. Therefore, it is impossible to verify the ending balance of alcohol at the conclusion of each training session.
3	Instances were identified of the quantity of a specific type of alcohol on the inventory listing having changed between training courses, but that specific type of alcohol had not been purchased or requested by the participants.
4	There is no signature on the alcohol inventory listings documenting who completed the inventory or that more than one person was involved in the inventory procedures.
5	A State purchasing card was used to buy the alcohol by someone other than the individual to whom the card was issued, and there was no documentation that the purchaser was allowed to use the card.
6	A total of $103.61 in sales tax was paid on the six alcohol purchase receipts reviewed.
7	An extra bottle of Crown Apple was purchased for the 221st Basic Training that was not added to the inventory list, and no explanation was provided. (See explanation below.)

Extra Purchase of Alcohol

Per the alcohol inventory listing for the 221st Basic Training Field Sobriety Training (December 3-4, 2025), as shown below, two individuals had requested Crown Apple Whiskey, and one 750 ML bottle of Crown Apple was needed:

221th Basic SFST Wet Lab

Line 2 con't
Wet Lab inventory

Highlighted Items indicate items to purchase

Drinks	In Stock	Measure	Needed	App. Cost	Total Cost	# People Requested
Barton Gold Rum	1	1.75 liter		$25.00	$0.00	0
Amaretto	1	750 ml		$32.00	$0.00	0
Angry Orchard Cider	0	6 pack	3	$10.00	$30.00	4
Bud Light	0	12 pack	1	$17.00	$17.00	1
Carbliss	10 cans	8 pack		$20.00	$0.00	1
Southern Comfort	2	750ml		$18.00	$0.00	0
Budweiser	5 cans	12 pack		$15.00	$0.00	0
Busch Light	0	18 pack	2	$19.00	$38.00	4
Captain Morgan	0	1.75 liter		$30.00	$0.00	0
Cayman Jack Margarita	6 cans	12 pack		$16.00	$0.00	0
Coors Banquet	2 cans	12 pack		$13.99	$0.00	0
Coors Light	15 cans	12 pack	2	$14.00	$28.00	4
Corona Premier Cans	15 cans	12 pack		$18.00	$0.00	0
Crown Royal Apple	0	750 ml	1	$23.00	$23.00	2
Crown	0	1.75 liter	1	$55.00	$55.00	2

The APA observed a receipt from Wine, Beer, Spirits in Grand Island, NE, dated December 1, 2025, which included the purchase of one 750 ML bottle of Crown Apple Whiskey.

COMMENTS AND RECOMMENDATIONS
(Continued)

9. **Alcohol Inventory Procedures** (Continued)

Wine, Beer Spirits - Grand Island
1111 Allen Dr.
Grand Island, NE 68803
Ticket #4-2-1136490 User: DAH
Station:402 Sales Rep DAH
12/1/2025 3:39:38 PM

Item Description	Qty	Price	Total
4-BEER_0000001723 Keystone LT 18pk	1	19.99	19.99
60080 Crown Royal 1.75L	1	49.99	49.99
5-100628 Surfside Half & Half 4pk	1	9.99	9.99
5-100617 Surfside Vodka Lemonade 4pk	2	9.99	19.98
1-100428 Coors LT 24pk CN	1	22.99	22.99
1-101833 Bud LT 12pk CN	1	14.99	14.99
2-100424 Busch LT 12pk CN	1	14.49	14.49
1-102310 Miller Lite 12pk CN	1	14.99	14.99
2-100465 Modelo Especial 12pk cn	1	17.99	17.99
1-100503 Mich Ultra 24pk CN	1	25.99	25.99
1-100500 Busch LT 30pk CN	1	23.99	23.99
1-100108 Crown Royal Apple	1	30.99	30.99

We also observed another receipt from the same store dated December 4, 2025, for a 1.75 L bottle of Crown Apple Whiskey. This extra bottle does not appear to have been added to the alcohol inventory listing. The Commission failed to provide a response to our inquiry regarding this purchase.

Wine, Beer Spirits - Grand Island
1111 Allen Dr.
Grand Island, NE 68803
Ticket #4-2-1136951 User: MME
Station:402 Sales Rep MME
12/4/2025 10:20:27 AM

Item Description	Qty	Price	Total
60085 Crown Royal Apple 1.75L	1	49.99	49.99

Subtotal 49.99
Tax 4.50
Total 54.49

Tender:
VISA 54.49
XXXXXXXXXXXX7527

Batch: 724
Auth: 007308
Entry Method: EMV Contactless
VISA CREDIT
AID: A0000000031010
AC: A39D62130EEA3D18
CVM: none
Authorization Mode: ISSUER

9. <u>Alcohol Inventory Procedures</u> (Concluded)

A proper system of internal control requires procedures to ensure accurate reporting of alcohol inventory, including: 1) consistently recording alcohol purchased with the same unit of measure; 2) having two individuals involved in conducting the inventory count and signing the inventory sheets; 3) recording properly the purchase, consumption, and disposal of alcohol; and 4) ensuring the proper documentation of who is using the purchasing card if not used by the authorized individual.

As seen throughout this comment, a lack of such procedures increases the risk of loss, theft, or misuse of the alcohol purchased for the Field Sobriety Training exercises.

Neb. Rev. Stat. § 77-2704.15(1)(a) (Cum. Supp. 2024) states, in relevant part, the following:

> *Sales and use taxes shall not be imposed on the gross receipts from the sale, lease, or rental of and the storage, use, or other consumption in this state of purchases by the state . . . .*

> We recommend the Commission implement procedures to ensure the inventory of alcohol uses a consistent unit of measure and is properly completed by two individuals to mitigate the risk of loss or theft. We also recommend the Commission implement procedures to ensure the consumption and disposal of such alcohol at the Field Sobriety Training exercises are documented to provide for a proper ending inventory count. Finally, we recommend the Commission implement procedures to ensure sales and use taxes are not paid and documentation is maintained to identify the user of the purchasing card.

Commission Response: This issue has been rectified by having witnessed inventory, purchase, and destruction with paperwork to verify.

10. <u>Contracts Not Entered into State's Accounting System and State Contracts Database</u>

State statutes require agencies to upload contracts into both the State's accounting system and the State Contracts Database. The Commission failed to upload the contracts to either the State Contracts Database, the State's accounting system, or both, for 6 of 11 expenditures tested.

The expenditures at issue are detailed in the table below:

Vendor	Invoice Amount	Contract Amount	State Contracts Database	State's Accounting System
Lifelab Studios	$ 138,000	$ 238,500	No	No
State of Iowa	$ 98,500	$ 98,500	No	Yes
University of Nebraska - Omaha	$ 72,475	$ 289,900	No	Yes
Bijoux Consulting Group	$ 20,000	$ 50,000	Yes	No
Dowding, Dowding, Dowding, Law	$ 3,768	$ 25,000	Yes	No
Friendship Home of Lincoln	$ 3,167	$ 19,000	Yes	No

Neb. Rev. Stat. § 84-602.04(4)(a) (Supp. 2025) states, in relevant part, the following:

> *The website described in this section shall include a link to the website of the Department of Administrative Services. The department's website shall contain:*
>
> *(i) A database that includes a copy of each active contract that is a basis for an expenditure of state funds, including any amendment to such contract and any document incorporated by reference in such contract. . . .*

COMMENTS AND RECOMMENDATIONS
(Concluded)

10. <u>Contracts Not Entered into State's Accounting System and State Contracts Database</u> (Concluded)

Additionally, Neb. Rev. Stat. § 73-806(1) (Cum. Supp. 2024) states, in relevant part, the following:

> *All state agencies shall process and document all contracts through the state accounting system. The Director of Administrative Services shall specify the format and type of information for state agencies to provide and approve any alternatives to such formats. All state agencies shall enter the information on new contracts and amendments to existing contracts. State agency directors shall ensure that contracts are coded appropriately into the state accounting system.*

A proper system of internal control requires procedures to ensure that all contracts, as well as addendums or amendments thereto, are entered into both the State Contracts Database and the State's accounting system, as required by statute.

Without such procedures, there is an increased risk for not only lack of transparency regarding the expenditure of public funds but also statutory noncompliance.

> We recommend the Commission implement procedures to ensure that all contracts, as well as addendums or amendments thereto, are uploaded to both the State Contracts Database and the State's accounting system, as required by statute.

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NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Commission on Law Enforcement and Criminal Justice
Lincoln, Nebraska

We have examined the accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances of the Nebraska Commission on Law Enforcement and Criminal Justice (Commission) for the period July 1, 2024, through December 31, 2025. The Commission's management is responsible for the Schedule of Revenues, Expenditures, and Changes in Fund Balances based on the accounting system and procedures set forth in Note 1. Our responsibility is to express an opinion on the Schedule of Revenues, Expenditures, and Changes in Fund Balances based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule of Revenues, Expenditures, and Changes in Fund Balances is based on the accounting system and procedures set forth in Note 1, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule of Revenues, Expenditures, and Changes in Fund Balances. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule of Revenues, Expenditures, and Changes in Fund Balances, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balances for the period July 1, 2024, through December 31, 2025, is based on the accounting system and procedures prescribed by State of Nebraska 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 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 certain findings that are required to be reported under *Government Auditing Standards*, and those findings, along with the views of management, are described in the Comments Section of the report.

Government Auditing Standards also require us to perform limited procedures on the Commission's response to the findings identified in the Comments and Recommendations section of the report. The Commission's responses were not subjected to the other procedures applied in the attestation of the Schedule of Revenues, Expenditures, and Changes in Fund Balances and, accordingly, we express no opinion on the responses.

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.

Kris Kucera

Kris Kucera, CPA, CFE
Assistant Deputy Auditor
Lincoln, Nebraska

Mike Foley

Mike Foley
Auditor of Public Accounts

July 10, 2026

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2024, through December 31, 2025

	General Fund 10000	Victim's Compensation Fund 27800	Law Enforcement Imp Fund Fund 27810	NE Law Enforce Training Cntr Fund 27820
REVENUES:				
Appropriations	$ 24,783,594	$ -	$ -	$ -
Intergovernmental	64	-	-	-
Sales & Charges	34,127	-	-	380,118
Miscellaneous	2,990	818,958	495,919	50,430
TOTAL REVENUES	24,820,775	818,958	495,919	430,548
EXPENDITURES:				
Personal Services	5,597,681	81,676	251,503	181,610
Operating	4,823,542	1,927	189,342	6,605
Travel	173,440	679	191	-
Capital Outlay	5,545	-	5,075	-
Government Aid	14,183,386	613,922	-	-
TOTAL EXPENDITURES	24,783,594	698,204	446,111	188,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,181	120,754	49,808	242,333
OTHER FINANCING SOURCES (USES):				
Sales of Assets	104	-	770	-
Adjustment to Fund Balance	-	-	-	-
Deposit to General Fund	(37,285)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(37,181)	-	770	-
Net Change in Fund Balances	-	120,754	50,578	242,333
FUND BALANCES, July 1, 2024	-	2,298,121	46,119	69,984
FUND BALANCES, December 31, 2025	$ -	$ 2,418,875	$ 96,697	$ 312,317
FUND BALANCES CONSIST OF:				
General Cash	$ -	$ 2,411,707	97,885	$ 278,540
Petty Cash	-	-	275	-
NSF Items	-	-	217	-
Accounts Receivable Invoiced	-	7,603	-	34,325
Due From Other Government	-	-	-	(18)
Due to Vendors	-	(435)	(1,680)	(380)
Due to Fund	-	-	-	(150)
Due to Government	-	-	-	-
TOTAL FUND BALANCES	$ -	$ 2,418,875	$ 96,697	$ 312,317

(Continued)

The accompanying notes are an integral part of the schedule.

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2024, through December 31, 2025

	Comm Corr Uniform Data Analysis Fund 27850	Violence Prevention Fund 27870	Federal General Fund 40000	Gov Fed Covid ARP Recovery Fund 43125
REVENUES:				
Appropriations	$ -	$ -	$ -	$ -
Intergovernmental	-	-	15,673,505	-
Sales & Charges	-	-	-	-
Miscellaneous	514,416	6,177	180,753	-
TOTAL REVENUES	514,416	6,177	15,854,258	-
EXPENDITURES:				
Personal Services	189,733	-	556,954	-
Operating	221,552	-	581,550	-
Travel	-	-	38,317	-
Capital Outlay	-	-	-	20,602,737
Government Aid	-	-	14,677,437	-
TOTAL EXPENDITURES	411,285	-	15,854,258	20,602,737
Excess (Deficiency) of Revenues Over (Under) Expenditures	103,131	6,177	-	(20,602,737)
OTHER FINANCING SOURCES (USES):				
Sales of Assets	-	-	-	-
Adjustment to Fund Balance	-	-	-	(12,500,000)
Deposit to General Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(12,500,000)
Net Change in Fund Balances	103,131	6,177	-	(33,102,737)
FUND BALANCES, July 1, 2024	536,038	128,763	-	45,945,529
FUND BALANCES, December 31, 2025	$ 639,169	$ 134,940	$ -	$ 12,842,792
FUND BALANCES CONSIST OF:				
General Cash	$ 654,179	$ 134,940	$ -	$ 12,842,792
Petty Cash	-	-	-	-
NSF Items	-	-	-	-
Accounts Receivable Invoiced	27	-	-	-
Due From Other Government	18	-	-	-
Due to Vendors	(6,412)	-	-	-
Due to Fund	-	-	-	-
Due to Government	(8,643)	-	-	-
TOTAL FUND BALANCES	$ 639,169	$ 134,940	$ -	$ 12,842,792

(Continued)

The accompanying notes are an integral part of the schedule.

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2024, through December 31, 2025

	Crime Comm Federal Fund 47810	Juvenile Accountability Fund 47820	**Totals (Memorandum Only)**
REVENUES:			
Appropriations	$ -	$ -	$ 24,783,594
Intergovernmental	652,357	-	16,325,926
Sales & Charges	-	-	414,245
Miscellaneous	-	-	2,069,643
TOTAL REVENUES	652,357	-	43,593,408
EXPENDITURES:			
Personal Services	106,106	-	6,965,263
Operating	253,918	-	6,078,436
Travel	-	-	212,627
Capital Outlay	-	-	20,613,357
Government Aid	103,647	-	29,578,392
TOTAL EXPENDITURES	463,671	-	63,448,075
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,686	-	(19,854,667)
OTHER FINANCING SOURCES (USES):			
Sales of Assets	-	-	874
Adjustment to Fund Balance	-	-	(12,500,000)
Deposit to General Fund	-	-	(37,285)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(12,536,411)
Net Change in Fund Balances	188,686	-	(32,391,078)
FUND BALANCES, July 1, 2024	251,814	1,199	49,277,567
FUND BALANCES, December 31, 2025	$ 440,500	$ 1,199	$ 16,886,489
FUND BALANCES CONSIST OF:			
General Cash	$ 409,389	$ 1,199	$ 16,830,631
Petty Cash	-	-	275
NSF Items	-	-	217
Accounts Receivable Invoiced	150,799	-	192,754
Due From Other Government	-	-	-
Due to Vendors	(119,688)	-	(128,595)
Due to Fund	-	-	(150)
Due to Government	-	-	(8,643)
TOTAL FUND BALANCES	$ 440,500	$ 1,199	$ 16,886,489

(Concluded)

The accompanying notes are an integral part of the schedule.

NOTES TO THE SCHEDULE

For the Period July 1, 2024, through December 31, 2025

1. Criteria

The accounting policies of the Nebraska Commission on Law Enforcement and Criminal Justice (Commission) are on the basis of accounting, as prescribed by the State of Nebraska Director of Administrative Services (DAS).

Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2024), 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 2024), 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 the 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 Commission to record all accounts receivable and related revenues in EnterpriseOne; as such, the Commission's Schedule does not include all accounts receivable and related revenues. In a like manner, expenditures and related accounts payable are recorded in the general ledger as transactions occur. As such, the Schedule includes those expenditures and related accounts payable posted in the general ledger as of December 31, 2025, and not yet paid as of that date. The amount recorded as expenditures on the Schedule, as of December 31, 2025, **does not** include amounts for goods and services received before December 31, 2025, which had not been posted to the general ledger as of December 31, 2025.

The Commission had no accounts receivable at December 31, 2025, not recorded on the Schedule. Liabilities for accrued payroll and compensated absences are not recorded in the general ledger.

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

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

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

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

NOTES TO THE SCHEDULE
(Continued)

1. Criteria (Concluded)

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

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

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

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

Miscellaneous – Revenue from sources not covered by other major categories, such as investment income and the distribution of certain court-ordered fees collected by county and district courts.

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

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

Operating – Expenditures directly related to a program's primary service activities.

Travel – All travel expenditures 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 Commission include the following:

Assets – Resources owned or held by a government that have monetary value. Assets include cash accounts, and receivable accounts. Accounts receivables are recorded as an increase to revenues, resulting in an increase to fund balance on the Schedule. Cash accounts are also included in fund balance and are reported as recorded in the general ledger.

Liabilities – Legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. Accounts payable transactions are recorded as expenditures, resulting in a decrease to fund balance. Other liabilities recorded in the general ledger for the Commission's funds at December 31, 2025, included amounts recorded in Due to Fund and Due to Government. The activity of these accounts is not recorded through revenue and expenditure accounts on the Schedule of Revenues, Expenditures, and Changes in Fund Balances.

Other Financing Sources – Proceeds of fixed asset dispositions, deposits to General fund, and Adjustments to Fund Balance.

NOTES TO THE SCHEDULE
(Continued)

2. Reporting Entity

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

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

3. Totals

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

4. General Cash

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

5. Capital Assets

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

However, State Accounting does adjust such expenditures and reports the capital assets as assets for the State of Nebraska in the Annual Comprehensive Financial Report (ACFR). In addition, the Commission 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 Commission to value all capital assets at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Generally, equipment that has a cost of $5,000 or more at the date of acquisition and has an expected useful life of more than two years is capitalized. Substantially, all initial building costs, land, and land improvements are capitalized. Building improvements and renovations are capitalized if a substantial portion of the life of the asset has expired and if the useful life of the asset has been extended as a result of the renovation or improvement. Depreciation expenditures 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 5 to 10 years.

Capital asset activity of the Commission recorded in the State Accounting System for July 1, 2024, through December 31, 2025, was as follows:

NOTES TO THE SCHEDULE
(Concluded)

5. Capital Assets (Concluded)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Equipment	$ 508,359	$ 5,075	$ 36,335	$ 477,099
Less accumulated depreciation for:				
Equipment				$ 452,055
Total capital assets, net of depreciation				$ 25,044

The Schedule of Revenues, Expenditures, and Changes in Fund Balances for the period July 1, 2024, through December 31, 2025, shows $20,602,737 in capital outlay for the Governmental Federal Covid American Rescue Plan Recovery Fund 43125. This capital outlay was related to improvements made at the Nebraska Law Enforcement Training Center, which is a DAS-owned building and is not reflected in the amounts above as Commission activity.

6. Governmental Federal Covid American Rescue Plan Recovery Fund

The State received significant funds under the American Rescue Plan (ARP) Act in 2020 that were held by the Nebraska Military Department. Those funds were available to other State agencies for various authorized projects. In 2022, Legislative Bill 1014 appropriated $47,700,000 to the Commission for the enhancement and expansion of the Nebraska Law Enforcement Training Center. In December 2024, the Commission determined that $12,500,000 would not be spent; therefore, an Adjustment to Fund Balance in the Governmental Federal Covid American Rescue Plan Recovery Fund was recorded. As of December 31, 2025, the Commission had $12,842,792 in unexpended ARP funds.

7. Subsequent Events

For fiscal years 2026 and 2027, the Nebraska Legislative Appropriations Committee approved a budget restructure for the Commission that consolidated 12 budget programs into five. Under the restructuring, Program 153 combines aid from existing Programs 150 and 155, with the operations portion moved to Program 198; Program 206 combines aid from existing Programs 201, 202, and 204, with the operations portion moved to Program 198; and Program 198 consolidates existing Programs 198, 203, 215, and 220. Programs 199 and 210 remain unchanged. This was outlined in LB 1071, which was signed by the Governor on April 7, 2026.

Effective June 5, 2026, Bryan Tuma retired as Executive Director of the Commission. Mr. Drew Bigham will serve as the Interim Director until Mr. Scott Gray assumes the Executive Director position on August 3, 2026.

SUPPLEMENTARY INFORMATION

Our examination was conducted for the purpose of forming an opinion on the Schedule of Revenues, Expenditures, and Changes in Fund Balances. Supplementary information is presented for purposes of additional analysis. Such information has not been subjected to the procedures applied in the examination of the Schedule of Revenues, Expenditures, and Changes in Fund Balances, and, accordingly, we express no opinion on it.

Exhibit A

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2024, through June 30, 2025

	General Fund 10000	Victim's Compensation Fund 27800	Law Enforcement Imp Fund Fund 27810	NE Law Enforce Training Cntr Fund 27820
REVENUES:				
Appropriations	$ 14,008,183	$ -	$ -	$ -
Intergovernmental	64	-	-	-
Sales & Charges	23,665	-	-	255,497
Miscellaneous	915	544,346	326,184	32,133
TOTAL REVENUES	14,032,827	544,346	326,184	287,630
EXPENDITURES:				
Personal Services	3,306,525	54,527	218,715	161,379
Operating	2,795,267	-	148,274	5,073
Travel	96,139	608	191	-
Capital Outlay	541	-	5,075	-
Government Aid	7,809,711	382,751	-	-
TOTAL EXPENDITURES	14,008,183	437,886	372,255	166,452
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,644	106,460	(46,071)	121,178
OTHER FINANCING SOURCES (USES):				
Sales of Assets	11	-	770	-
Adjustment to Fund Balance	-	-	-	-
Deposit to General Fund	(24,655)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(24,644)	-	770	-
Net Change in Fund Balances	-	106,460	(45,301)	121,178
FUND BALANCES, July 1, 2024	-	2,298,121	46,119	69,984
FUND BALANCES, June 30, 2025	$ -	$ 2,404,581	$ 818	$ 191,162
FUND BALANCES CONSIST OF:				
General Cash	$ -	$ 2,401,113	$ 393	$ 189,532
Petty Cash	-	-	275	-
NSF Items	-	-	150	-
Accounts Receivable Invoiced	-	3,468	-	1,797
Due From Other Government	-	-	-	(18)
Due to Fund	-	-	-	(149)
Due to Government	-	-	-	-
TOTAL FUND BALANCES	$ -	$ 2,404,581	$ 818	$ 191,162

(Continued)

Exhibit A

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2024, through June 30, 2025

	Comm Corr Uniform Data Analysis Fund 27850	Violence Prevention Fund 27870	Federal General Fund 40000	Gov Fed Covid ARP Recovery Fund 43125
REVENUES:				
Appropriations	$ -	$ -	$ -	$ -
Intergovernmental	-	-	9,855,739	-
Sales & Charges	-	-	-	-
Miscellaneous	340,700	4,239	180,753	-
TOTAL REVENUES	340,700	4,239	10,036,492	-
EXPENDITURES:				
Personal Services	125,620	-	379,447	-
Operating	176,810	-	229,428	-
Travel	-	-	22,771	-
Capital Outlay	-	-	-	6,322,805
Government Aid	-	-	9,404,846	-
TOTAL EXPENDITURES	302,430	-	10,036,492	6,322,805
Excess (Deficiency) of Revenues Over (Under) Expenditures	38,270	4,239	-	(6,322,805)
OTHER FINANCING SOURCES (USES):				
Sales of Assets	-	-	-	-
Adjustment to Fund Balance	-	-	-	(12,500,000)
Deposit to General Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(12,500,000)
Net Change in Fund Balances	38,270	4,239	-	(18,822,805)
FUND BALANCES, July 1, 2024	536,038	128,763	-	45,945,529
FUND BALANCES, June 30, 2025	$ 574,308	$ 133,002	$ -	$ 27,122,724
FUND BALANCES CONSIST OF:				
General Cash	$ 582,452	$ 133,002	$ -	$ 27,122,724
Petty Cash	-	-	-	-
NSF Items	-	-	-	-
Accounts Receivable Invoiced	27	-	-	-
Due From Other Government	18	-	-	-
Due to Fund	-	-	-	-
Due to Government	(8,189)	-	-	-
TOTAL FUND BALANCES	$ 574,308	$ 133,002	$ -	$ 27,122,724

(Continued)

Exhibit A

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2024, through June 30, 2025

	Crime Comm Federal Fund 47810	Juvenile Accountability Fund 47820	**Totals (Memorandum Only)**
REVENUES:			
Appropriations	$ -	$ -	$ 14,008,183
Intergovernmental	402,022	-	10,257,825
Sales & Charges	-	-	279,162
Miscellaneous	-	-	1,429,270
TOTAL REVENUES	402,022	-	25,974,440
EXPENDITURES:			
Personal Services	74,946	-	4,321,159
Operating	148,512	-	3,503,364
Travel	-	-	119,709
Capital Outlay	-	-	6,328,421
Government Aid	-	-	17,597,308
TOTAL EXPENDITURES	223,458	-	31,869,961
Excess (Deficiency) of Revenues Over (Under) Expenditures	178,564	-	(5,895,521)
OTHER FINANCING SOURCES (USES):			
Sales of Assets	-	-	781
Adjustment to Fund Balance	-	-	(12,500,000)
Deposit to General Fund	-	-	(24,655)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(12,523,874)
Net Change in Fund Balances	178,564	-	(18,419,395)
FUND BALANCES, July 1, 2024	251,814	1,199	49,277,567
FUND BALANCES, June 30, 2025	$ 430,378	$ 1,199	$ 30,858,172
FUND BALANCES CONSIST OF:			
General Cash	$ 326,942	$ 1,199	$ 30,757,357
Petty Cash	-	-	275
NSF Items	-	-	150
Accounts Receivable Invoiced	103,436	-	108,728
Due From Other Government	-	-	-
Due to Fund	-	-	(149)
Due to Government	-	-	(8,189)
TOTAL FUND BALANCES	$ 430,378	$ 1,199	$ 30,858,172

(Concluded)

Exhibit B

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2025, through December 31, 2025

	General Fund 10000	Victim's Compensation Fund 27800	Law Enforcement Imp Fund Fund 27810	NE Law Enforce Training Cntr Fund 27820
REVENUES:				
Appropriations	$ 10,775,411	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Sales & Charges	10,462	-	-	124,621
Miscellaneous	2,075	274,612	169,735	18,297
TOTAL REVENUES	10,787,948	274,612	169,735	142,918
EXPENDITURES:				
Personal Services	2,291,156	27,149	32,788	20,231
Operating	2,028,275	1,927	41,068	1,532
Travel	77,301	71	-	-
Capital Outlay	5,004	-	-	-
Government Aid	6,373,675	231,171	-	-
TOTAL EXPENDITURES	10,775,411	260,318	73,856	21,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,537	14,294	95,879	121,155
OTHER FINANCING SOURCES (USES):				
Sales of Assets	93	-	-	-
Deposit to General Fund	(12,630)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(12,537)	-	-	-
Net Change in Fund Balances	-	14,294	95,879	121,155
FUND BALANCES, July 1, 2025	-	2,404,581	818	191,162
FUND BALANCES, December 31, 2025	$ -	$ 2,418,875	$ 96,697	$ 312,317
FUND BALANCES CONSIST OF:				
General Cash	$ -	$ 2,411,707	$ 97,885	$ 278,540
Petty Cash	-	-	275	-
NSF Items	-	-	217	-
Accounts Receivable Invoiced	-	7,603	-	34,325
Due From Other Government	-	-	-	(18)
Due to Vendors	-	(435)	(1,680)	(380)
Due to Fund	-	-	-	(150)
Due to Government	-	-	-	-
TOTAL FUND BALANCES	$ -	$ 2,418,875	$ 96,697	$ 312,317

(Continued)

Exhibit B

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2025, through December 31, 2025

	Comm Corr Uniform Data Analysis Fund 27850	Violence Prevention Fund 27870	Federal General Fund 40000	Gov Fed Covid ARP Recovery Fund 43125
REVENUES:				
Appropriations	$ -	$ -	$ -	$ -
Intergovernmental	-	-	5,817,766	-
Sales & Charges	-	-	-	-
Miscellaneous	173,716	1,938	-	-
TOTAL REVENUES	173,716	1,938	5,817,766	-
EXPENDITURES:				
Personal Services	64,113	-	177,507	-
Operating	44,742	-	352,122	-
Travel	-	-	15,546	-
Capital Outlay	-	-	-	14,279,932
Government Aid	-	-	5,272,591	-
TOTAL EXPENDITURES	108,855	-	5,817,766	14,279,932
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,861	1,938	-	(14,279,932)
OTHER FINANCING SOURCES (USES):				
Sales of Assets	-	-	-	-
Deposit to General Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balances	64,861	1,938	-	(14,279,932)
FUND BALANCES, July 1, 2025	574,308	133,002	-	27,122,724
FUND BALANCES, December 31, 2025	$ 639,169	$ 134,940	$ -	$ 12,842,792
FUND BALANCES CONSIST OF:				
General Cash	$ 654,179	$ 134,940	$ -	$ 12,842,792
Petty Cash	-	-	-	-
NSF Items	-	-	-	-
Accounts Receivable Invoiced	27	-	-	-
Due From Other Government	18	-	-	-
Due to Vendors	(6,412)	-	-	-
Due to Fund	-	-	-	-
Due to Government	(8,643)	-	-	-
TOTAL FUND BALANCES	$ 639,169	$ 134,940	$ -	$ 12,842,792

(Continued)

Exhibit B

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2025, through December 31, 2025

	Crime Comm Federal Fund 47810	Juvenile Accountability Fund 47820	**Totals (Memorandum Only)**
REVENUES:			
Appropriations	$ -	$ -	$ 10,775,411
Intergovernmental	250,335	-	6,068,101
Sales & Charges	-	-	135,083
Miscellaneous	-	-	640,373
TOTAL REVENUES	250,335	-	17,618,968
EXPENDITURES:			
Personal Services	31,160	-	2,644,104
Operating	105,406	-	2,575,072
Travel	-	-	92,918
Capital Outlay	-	-	14,284,936
Government Aid	103,647	-	11,981,084
TOTAL EXPENDITURES	240,213	-	31,578,114
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,122	-	(13,959,146)
OTHER FINANCING SOURCES (USES):			
Sales of Assets	-	-	93
Deposit to General Fund	-	-	(12,630)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(12,537)
Net Change in Fund Balances	10,122	-	(13,971,683)
FUND BALANCES, July 1, 2025	430,378	1,199	30,858,172
FUND BALANCES, December 31, 2025	$ 440,500	$ 1,199	$ 16,886,489
FUND BALANCES CONSIST OF:			
General Cash	$ 409,389	$ 1,199	$ 16,830,631
Petty Cash	-	-	275
NSF Items	-	-	217
Accounts Receivable Invoiced	150,799	-	192,754
Due From Other Government	-	-	-
Due to Vendors	(119,688)	-	(128,595)
Due to Fund	-	-	(150)
Due to Government	-	-	(8,643)
TOTAL FUND BALANCES	$ 440,500	$ 1,199	$ 16,886,489

(Concluded)

NEBRASKA COMMISSION ON LAW ENFORCEMENT AND CRIMINAL JUSTICE

Exhibit C

TOTAL EXPENDITURES BY PROGRAM

For the Period July 1, 2024, through December 31, 2025