

STATE OF NEBRASKA
ATTESTATION REVIEW
OF THE
NEBRASKA DEPARTMENT OF LABOR
APRIL 1, 2008 THROUGH JUNE 30, 2008

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Issued on September 27, 2010

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Independent Accountant's Report

Nebraska Department of Labor:

We have reviewed management's assertion that the schedule of draws, expenditures, and allocations of the Nebraska Department of Labor (Department) for the period April 1, 2008, through June 30, 2008, was compiled in a manner consistent with the methodologies used by the Auditor of Public Accounts (APA) in preparing the schedule of draws, expenditures, and allocations for the period January 1, 2003, through March 31, 2008, presented in the APA's Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008. The Department's management is responsible for the assertion.

Our review 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. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that management's assertion is not fairly presented, in all material respects, in conformity with the criteria set forth in the Criteria section.

In accordance with *Government Auditing Standards*, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to management's assertions and any fraud and illegal acts that are more than inconsequential that come to our attention during our review. We are also required to obtain the views of management on those matters. We did not perform our review for the purpose of expressing an opinion on the internal control over management's assertion or on compliance and other matters; accordingly, we express no such opinions.

Our review disclosed no findings that are required to be reported under *Government Auditing Standards*. However, we noted a certain other matter, and that finding, along with the views of management, are described below in the Summary of Results.

This report is intended solely for the information and use of management of the Department, others within the Department, and the appropriate Federal and regulatory agencies. Although it should not be used by anyone other than these specified parties, this report is a matter of public record and its distribution is not limited.

Signed Original on File

Mike Foley
Auditor of Public Accounts

Pat Reding, CPA, CFE
Assistant Deputy Auditor

September 27, 2010

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Background

The Nebraska Department of Labor (Department) enforces State and Federal laws and distributes Federal funds relating to unemployment compensation, job development and placement activities, the administration of special job training and employment programs, and worker health and safety. The majority of the Department's funding comes from Federal grants and programs.

The Catalog of Federal Domestic Assistance (CFDA) lists all domestic assistance programs of the Federal government and is maintained by the Federal General Services Administration. The Federal grants and programs, for which the Department received funding, are identified as follows:

<u>Code of Federal Domestic Assistance (CFDA) Name</u>	<u>CFDA Number</u>
Labor Force Statistics	17.002
Employment Services Cluster:	
Employment Service/Wagner-Peyser Funded Activities	17.207
Disabled Veterans' Outreach Program (DVOP)	17.801
Local Veterans' Employment Representative Program	17.804
Unemployment Insurance	17.225
Trade Adjustment Assistance	17.245
Welfare-to-Work Grants to States and Localities	17.253
One-Stop Career Center Initiative (Deleted in 2006)	17.257
Workforce Investment Act Cluster (WIA):	
WIA Adult Program	17.258
WIA Youth Activities	17.259
WIA Dislocated Workers	17.260
WIA Pilots, Demonstrations, and Research Projects	17.261
Work Incentive Grants	17.266
Incentive Grants - WIA Section 503	17.267
Work Opportunity Tax Credit Program (WOTC)	17.271
Temporary Labor Certification for Foreign Workers	17.273
Consultation Agreements	17.504
Veterans' Employment Program	17.802
Transition Assistance Program	17.807
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283

On May 2, 2007, a U.S. Department of Labor Division of Financial Management and Administrative Services employee sent the Department an email showing the Employment Services and Unemployment Insurance Administration grants were overdrawn by \$8,190,181.

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On March 17, 2008, the Department's Commissioner met with the State Auditor to report and discuss a shortage in Federal funds of approximately \$4.9 million. Subsequent to this meeting, the Auditor of Public Accounts (APA) performed a special evaluation of the Department's Federal draw downs, expenditures, and allocations of indirect costs for the period January 1, 2003, through March 31, 2008. The APA's evaluation noted a difference of \$6,866,680 between reported Federal expenditures and Federal receipts. Of this difference, \$4,155,912 was due to inadequate reconciliation of Federal drawn down receipts to actual Federal expenditures. The remaining \$2,710,768 difference was due to the Department not performing periodic reconciliations between the State's accounting system and the Department's Financial Accounting and Reporting System (FARS) which was used to allocate indirect costs and report expenditures to the Federal government. The results of this evaluation were communicated to the Department in the APA's Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008.

Since the issuance of this special evaluation on June 5, 2008, the Department has been working with the U.S. Department of Labor to resolve discrepancies noted between draws, expenditures, and allocations. As a part of the resolution process, the U.S. Department of Labor requested the Department complete the schedule of draws, expenditures, and allocations presented in the APA's Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008, to include the period April 1, 2008, through June 30, 2008. On July 14, 2010, the Department engaged the APA to perform a review of the Department's schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, to ensure this schedule was prepared consistently with the methodologies applied by the APA when preparing the schedule of draws, expenditures, and allocations for the period January 1, 2003, through March 31, 2008.

Criteria

The criterion used in this attestation review was the methodologies applied by the APA in preparing the schedule of draws, expenditures, and allocations in the Department's Special Evaluation Summary Regarding Federal Funds for the period January 1, 2003, through March 31, 2008, issued on June 5, 2008.

Summary of Procedures

Pursuant to Neb. Rev. Stat. § 84-304 (Reissue 2008), the APA conducted an attestation review of the schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The APA's attestation review consisted of the following procedures:

- Gained an understanding of the Department's process for preparing their April 1, 2008, through June 30, 2008, schedule of draws, expenditures, and allocations.
- Performed the following testing of the Department's schedule of draws, expenditures, and allocations:
 - a. Traced expenditures and draws to the State's accounting system.

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- b. Recalculated all allocations for April 1, 2008, through June 30, 2008, applying the same methodologies used by the APA to compile the January 1, 2003, through March 31, 2008, schedule of draws, expenditures, and allocations in the Department's Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008.
- c. Compared APA allocations to the Department's allocations for April 1, 2008, through June 30, 2008.
- An exit conference was held on September 7, 2010, to discuss the results of this attestation review. Those in attendance from the Department were:
 - Catherine Lang, Commissioner
 - John Albin, Legal Counsel
 - Debbie Kay Ward, Controller

Summary of Results

The summary of our attestation review noted the following findings and recommendations:

1. Methodologies

When preparing the schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, the Department was to use methodologies consistent with those used by the APA in preparing the Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds for the period January 1, 2003, through March 31, 2008, issued on June 5, 2008.

The APA tested the schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, to ensure the Department prepared the schedule using the same methodologies as those used by the APA to prepare the exhibits in the Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008. During testing of the Department's schedule of draws, expenditures, and allocations the APA noted the following:

- The Department did not use methodologies consistent with the APA's to calculate the benefit and general overhead allocations. While the APA's methodologies would have used the monthly project percentages from April, May, and June 2008 to allocate costs during this time period, the Department used an average project percentage from the period July 1, 2007, through March 31, 2008, to allocate April, May, and June costs.
- The Department did not use methodologies consistent with the APA's to calculate the allocation of safety program benefits. While the APA's methodologies would have required the Department to use an average project percentage for the period of April 1, 2008, through June 30, 2008, to allocate safety program benefits, the Department used an average project percentage from the period July 1, 2007, through March 31, 2008.
- The Department did not allocate costs coded to the Greater Nebraska and Alien Labor Certification allocation business units in a manner consistent with the APA's methodologies. While the APA's methodologies would have required the Department to allocate \$17,287 of costs coded to the Greater Nebraska business unit, the Department

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allocated \$17,494, a variance of \$207. In addition, the Department did not allocate costs coded to the Alien Labor Certification business unit. The APA's methodologies would have required the Department to allocate \$4,477 of Alien Labor Certification costs.

The APA prepared a schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, using the same methodologies applied by the APA to prepare the schedule of draws, expenditures, and allocations in the Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report issued on June 5, 2008. This schedule can be found in **Exhibit A**. The APA compared this schedule to the Department's schedule for this same period. Variances caused by inconsistencies between the APA's methodologies and the Department's methodologies are summarized in **Exhibit B**.

We recommend the Department continue to work with the U.S. Department of Labor to resolve this matter.

Department's Response: Management agrees with the overall conclusion of APA. Management would like to address the variances found in Exhibit B. As stated in Note one APA remarked there were no differences in the methodology in the way receipts were compiled. We agree. Note two states business units were found to not have a CFDA as they were not part of the federal programs, and therefore should not be counted. Management agrees. In Note three, it was clearly noted both to APA and to USDOL we could not replicate only try to be consistent in how the amounts were applied. The ability to not replicate to APA's allocation resulted in a .02% difference between NDOL's methods and APA, to the overall variance between expenditures with allocations and receipts. NDOL concurs with APA's numbers.

Overall Conclusion

The APA's review of the methodologies used by the Department to prepare the schedule of draws, expenditures, and allocations for the period April 1, 2008, through June 30, 2008, noted inconsistencies with the APA's methodologies used to prepare the schedule of draws, expenditures, and allocations for the period January 1, 2003, through March 31, 2008. Variances caused by these inconsistencies totaled \$2,060 between the various CFDAs. Individual variances for CFDAs ranged from the Department allocating \$8,342 more to \$7,668 less than the APA.

The APA staff members involved in this attestation review were:

Pat Reding, CPA, CFE, Assistant Deputy Auditor

Mark Avery, CPA, Audit Manager

Amy Hock, Auditor-In-Charge

Stephanie Todd, CFE, Auditor II

If you have any questions regarding the above information, please contact our office.

EXHIBIT A

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008 Variance (Overdrawn)/ Underdrawn - Note 1	APA Expenditures April 2008 to June 2008 - Note 2	APA Receipts April 2008 to June 2008 - Note 3	APA July 2003 to June 2008 Variance (Overdrawn)/ Underdrawn - Note 4
17.002	120	23120003	\$ (65)	\$ 65	\$ -	\$ -
17.002	121	23121003	30,649	-	-	30,649
17.002	121	23121004	(23,136)	-	-	(23,136)
17.002	121	23121005	1,845	-	-	1,845
17.002	121	23121006	20,273	-	-	20,273
17.002	121	23121007	(19,096)	-	-	(19,096)
17.002	121	23121008	(613)	36,287	37,288	(1,614)
17.002	122	23122003	(17,742)	-	-	(17,742)
17.002	122	23122004	2,340	-	-	2,340
17.002	122	23122005	(4,141)	-	-	(4,141)
17.002	122	23122006	(2,281)	-	-	(2,281)
17.002	122	23122007	27,872	-	-	27,872
17.002	122	23122008	(24,347)	41,659	42,368	(25,056)
17.002	123	23123003	12,934	-	-	12,934
17.002	123	23123004	(1,872)	-	-	(1,872)
17.002	123	23123005	7,533	-	-	7,533
17.002	123	23123006	12,174	-	-	12,174
17.002	123	23123007	(6,786)	-	-	(6,786)
17.002	123	23123008	(8,281)	53,233	54,059	(9,107)
17.002	124	23124003	167	-	-	167
17.002	124	23124004	(21,219)	-	-	(21,219)
17.002	124	23124005	10,166	-	-	10,166
17.002	124	23124006	11,703	-	-	11,703
17.002	124	23124007	(2,202)	-	-	(2,202)
17.002	124	23124008	(10,006)	61,697	64,605	(12,914)
17.002	125	23125003	(17,806)	-	-	(17,806)
17.002	125	23125005	(240)	-	-	(240)
17.002	125	23125006	(224)	-	-	(224)
17.002	125	23125007	(1,225)	-	-	(1,225)
17.002	125	23125008	(2,341)	3,025	4,316	(3,632)
17.002	129	23129003	13,466	-	-	13,466
17.002	133	23133004	11,077	-	-	11,077
17.002	134	23134004	5,432	-	-	5,432
17.002	142	23142005	3,187	-	-	3,187
17.002	154	23154004	12,097	-	-	12,097
17.002	907	23907003	2,216	-	-	2,216
17.002	907	23907004	16,118	-	-	16,118
17.002	907	23907005	(1,999)	-	-	(1,999)
17.002 Total			35,627	195,966	202,636	28,957
17.207	205	23205002	(438,404)	-	-	(438,404)
17.207	205	23205004	(1,162,660)	-	-	(1,162,660)

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CFDA	Project Code	Business Unit	APA July 2003	APA		APA July 2003
			to March 2008	Expenditures	APA Receipts	to June 2008
			Variance	April 2008 to	April 2008 to	Variance
			(Overdrawn)/	June 2008 -	June 2008 -	(Overdrawn)/
			Underdrawn -	Note 2	Note 3	Underdrawn -
			Note 1			Note 4
17.207	205	23205005	319,702	-	-	319,702
17.207	205	23205006	(1,020,105)	-	-	(1,020,105)
17.207	205	23205007	330,878	1,407,663	1,431,400	307,141
17.207	205	23205029	282,363	-	-	282,363
17.207	206	23206005	6,262	-	-	6,262
17.207	215	23215001	217	-	-	217
17.207	215	23215002	(52,424)	-	-	(52,424)
17.207	215	23215003	(33,315)	-	-	(33,315)
17.207	215	23215004	(28,660)	-	-	(28,660)
17.207	215	23215005	26,648	-	-	26,648
17.207	215	23215006	(74,317)	-	-	(74,317)
17.207	215	23215007	13,529	67,455	73,922	7,062
17.207	222	23222001	67,965	-	-	67,965
17.207	222	23222002	(388,831)	-	-	(388,831)
17.207	222	23222003	464	-	-	464
17.207	222	23222004	189,084	-	-	189,084
17.207	222	23222005	(184,233)	(21,326)	-	(205,559)
17.207	222	23222006	(12,236)	218,741	206,443	62
17.207	222	23222029	210,812	-	-	210,812
17.207	313	23313000	12,961	828	-	13,789
17.207	860	23860002	421	-	-	421
17.207	860	23860003	23,251	-	-	23,251
17.207	860	23860004	6,960	-	-	6,960
17.207	860	23860005	(9,187)	-	-	(9,187)
17.207	861	23861002	(177,562)	-	-	(177,562)
17.207	861	23861003	131,906	-	-	131,906
17.207	861	23861004	(13,832)	-	-	(13,832)
17.207	861	23861005	187,932	-	-	187,932
17.207	906	23906003	(16,027)	-	-	(16,027)
17.207	917	23917003	(5,000)	-	-	(5,000)
17.207	980	23980002	(18,559)	-	-	(18,559)
17.207	981	23981002	(177,200)	-	-	(177,200)
17.207 Total			<u>(2,001,197)</u>	<u>1,673,361</u>	<u>1,711,765</u>	<u>(2,039,601)</u>
17.225	170	23170002	41,588	-	-	41,588
17.225	170	23170003	(5,460)	-	-	(5,460)
17.225	173	23173003	17,803	-	-	17,803
17.225	173	23173004	8,492	-	-	8,492
17.225	174	23174002	(380)	-	-	(380)
17.225	174	23174003	(96,084)	-	-	(96,084)
17.225	209	23209005	16,499	-	-	16,499
17.225	210	23210001	761,549	-	-	761,549

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 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003	APA			APA July 2003
			to March 2008	Expenditures	APA Receipts	to June 2008	
			Variance	April 2008 to	April 2008 to	Variance	
			(Overdrawn)/	June 2008 -	June 2008 -	(Overdrawn)/	
			Underdrawn -	Note 2	Note 3	Underdrawn -	
			Note 1			Note 4	
17.225	210	23210002	2,727,406	-	-	2,727,406	
17.225	210	23210003	(726,960)	-	-	(726,960)	
17.225	210	23210004	539,634	-	-	539,634	
17.225	210	23210005	(1,956,562)	313,893	307,539	(1,950,208)	
17.225	210	23210006	(2,022,490)	31,550	30,942	(2,021,882)	
17.225	210	23210007	(1,094,023)	(195,495)	-	(1,289,518)	
17.225	210	23210008	665,906	3,371,360	3,245,470	791,796	
17.225	213	23213000	(4,441)	-	-	(4,441)	
17.225	236	23236004	1,380	-	-	1,380	
17.225	237	23237004	6,784	-	-	6,784	
17.225	319	23319006	(18,348)	-	-	(18,348)	
17.225	319	23319007	(6,280)	-	-	(6,280)	
17.225	319	23319008	-	86,369	86,369	-	
17.225	350	23350003	381	-	-	381	
17.225	372	23372001	108	-	-	108	
17.225	372	23372002	(68,472)	-	-	(68,472)	
17.225	372	23372003	54,031	-	-	54,031	
17.225	373	23373002	37,127	-	-	37,127	
17.225	373	23373003	(9,342)	-	-	(9,342)	
17.225	373	23373004	(10,977)	-	-	(10,977)	
17.225	375	23375002	(4,047)	-	-	(4,047)	
17.225	381	23381002	(18,863)	-	-	(18,863)	
17.225	381	23381003	(250,691)	-	-	(250,691)	
17.225	381	23381004	182,994	-	-	182,994	
17.225	460	23460003	14,655	-	-	14,655	
17.225	657	23657003	(3,126)	948	-	(2,178)	
17.225	658	23658003	63	-	-	63	
17.225	997	23997003	212,936	-	-	212,936	
17.225	99B	2399B003	(1,577)	72,246	67,865	2,804	
17.225	99I	2399I003	(267)	-	-	(267)	
17.225	99J	2399J003	1,493	4,202	2,741	2,954	
17.225	99P	2399P003	116,057	9,386	12,514	112,929	
17.225	99R	2399R003	(6,892)	-	-	(6,892)	
17.225 Total			<u>(898,396)</u>	<u>3,694,459</u>	<u>3,753,440</u>	<u>(957,377)</u>	
17.245	226	23226002	(5,041)	-	-	(5,041)	
17.245	226	23226003	468,704	-	-	468,704	
17.245	226	23226004	(464,413)	-	-	(464,413)	
17.245	226	23226005	(6,414)	-	-	(6,414)	
17.245	226	23226006	(84,189)	-	-	(84,189)	
17.245	226	23226007	16,859	-	-	16,859	
17.245	226	23226008	143,586	193,574	193,574	143,586	

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SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003	APA		APA July 2003
			to March 2008	Expenditures	APA Receipts	to June 2008
			Variance	April 2008 to	April 2008 to	Variance
			(Overdrawn)/	June 2008 -	June 2008 -	(Overdrawn)/
			Underdrawn -	Note 2	Note 3	Underdrawn -
			Note 1			Note 4
17.245	370	23370002	160,108	-	-	160,108
17.245	370	23370003	(232,847)	-	-	(232,847)
17.245	370	23370004	206,758	-	-	206,758
17.245	370	23370005	(20,940)	-	-	(20,940)
17.245	370	23370006	86,030	96,256	85,901	96,385
17.245	370	23370007	78,522	-	-	78,522
17.245	371	23371002	8,852	-	-	8,852
17.245	371	23371003	2,009	-	-	2,009
17.245	371	23371004	14,819	-	-	14,819
17.245	371	23371005	(55,954)	-	-	(55,954)
17.245	371	23371006	34,019	-	-	34,019
17.245	371	23371007	(51,829)	(9,072)	(5,788)	(55,113)
17.245	371	23371008	(90)	22,639	17,518	5,031
17.245 Total			<u>298,549</u>	<u>303,397</u>	<u>291,205</u>	<u>310,741</u>
17.253	414	23414000	(280,817)	-	-	(280,817)
17.253	415	23415000	(187,333)	-	-	(187,333)
17.253	515	23515002	95,489	-	-	95,489
17.253	515	23515029	91,151	-	-	91,151
17.253	515	23515W02	25,741	-	-	25,741
17.253	515	23515W29	17,031	-	-	17,031
17.253	520	23520002	21,758	-	-	21,758
17.253	520	23520029	11,366	-	-	11,366
17.253	520	23520W02	3,910	-	-	3,910
17.253	520	23520W29	4,851	-	-	4,851
17.253	840	23840002	12,942	-	-	12,942
17.253	841	23841002	479	-	-	479
17.253	855	23855002	159,000	-	-	159,000
17.253	856	23856002	53,329	-	-	53,329
17.253 Total			<u>28,897</u>	<u>-</u>	<u>-</u>	<u>28,897</u>
17.257	902	23902003	8,129	-	-	8,129
17.257	979	23979002	(14,629)	-	-	(14,629)
17.257 Total			<u>(6,500)</u>	<u>-</u>	<u>-</u>	<u>(6,500)</u>
17.258	410	23410005	398,232	-	-	398,232
17.258	410	23410006	1,607,224	-	-	1,607,224
17.258	410	23410007	879,702	349,756	311,987	917,471
17.258	410	23410W07	5,092	5,017	-	10,109
17.258	450	23450005	96,678	-	-	96,678
17.258	450	23450006	396,707	-	-	396,707
17.258	450	23450007	191,793	61,156	76,336	176,613
17.258	458	23458C05	1,771	-	-	1,771
17.258	458	23458C06	9,805	-	-	9,805

EXHIBIT A

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008 Variance (Overdrawn)/ Underdrawn - Note 1	APA Expenditures April 2008 to June 2008 - Note 2	APA Receipts April 2008 to June 2008 - Note 3	APA July 2003 to June 2008 Variance (Overdrawn)/ Underdrawn - Note 4
17.258	458	23458C07	(1,540)	2,781	1,241	-
17.258	458	23458I05	28,386	-	-	28,386
17.258	458	23458I06	21,905	-	-	21,905
17.258	458	23458I07	10,256	-	-	10,256
17.258	510	23510002	142,241	-	-	142,241
17.258	510	23510004	876,345	-	-	876,345
17.258	510	23510005	831,383	-	-	831,383
17.258	510	23510006	782,349	-	-	782,349
17.258	510	23510007	414,223	234,326	(212,610)	861,159
17.258	510	23510029	749,453	-	-	749,453
17.258	510	23510W02	10,366	-	-	10,366
17.258	510	23510W04	13,709	-	-	13,709
17.258	510	23510W05	19,981	-	-	19,981
17.258	510	23510W06	8,742	-	-	8,742
17.258	510	23510W07	1,995	1,435	-	3,430
17.258	510	23510W29	39,259	-	-	39,259
17.258	550	23550002	33,195	-	-	33,195
17.258	550	23550004	197,535	-	-	197,535
17.258	550	23550005	210,122	-	-	210,122
17.258	550	23550006	190,602	-	-	190,602
17.258	550	23550007	109,899	50,200	50,972	109,127
17.258	550	23550029	127,210	-	-	127,210
17.258	554	23554002	992	-	-	992
17.258	554	23554029	618	-	-	618
17.258	555	23555002	892	-	-	892
17.258	555	23555029	104	-	-	104
17.258	558	23558C02	163	-	-	163
17.258	558	23558C04	8,616	-	-	8,616
17.258	558	23558C05	21,337	-	-	21,337
17.258	558	23558C06	8,400	-	-	8,400
17.258	558	23558C07	(1,180)	4,566	3,387	(1)
17.258	558	23558C29	6,992	-	-	6,992
17.258	558	23558I02	4,341	-	-	4,341
17.258	558	23558I04	35,705	-	-	35,705
17.258	558	23558I05	38,378	-	-	38,378
17.258	558	23558I06	16,829	-	-	16,829
17.258	558	23558I07	6,726	282	282	6,726
17.258	558	23558I29	37,875	-	-	37,875
17.258	580	23580002	(1,963,792)	35,743	37,183	(1,965,232)
17.258	580	23580G02	(3,918,503)	-	-	(3,918,503)
17.258	580	23580T02	(3,050,774)	-	-	(3,050,774)

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008 Variance (Overdrawn)/ Underdrawn - Note 1	APA Expenditures April 2008 to June 2008 - Note 2	APA Receipts April 2008 to June 2008 - Note 3	APA July 2003 to June 2008 Variance (Overdrawn)/ Underdrawn - Note 4
17.258	810	23810002	93,899	-	-	93,899
17.258	810	23810004	315,372	-	-	315,372
17.258	810	23810005	344,628	-	-	344,628
17.258	810	23810006	381,913	-	-	381,913
17.258	810	23810007	208,543	105,910	90,390	224,063
17.258	810	23810029	236,618	-	-	236,618
17.258	816	23816C02	21,836	-	-	21,836
17.258	816	23816C04	67,018	-	-	67,018
17.258	816	23816C05	59,508	-	-	59,508
17.258	816	23816C06	29,783	-	-	29,783
17.258	816	23816C07	6,687	2,972	3,961	5,698
17.258	816	23816C29	29,190	-	-	29,190
17.258	816	23816I02	72,364	-	-	72,364
17.258	816	23816I04	136,945	-	-	136,945
17.258	816	23816I05	81,790	-	-	81,790
17.258	816	23816I06	57,969	-	-	57,969
17.258	816	23816I07	28,058	13,310	13,306	28,062
17.258	816	23816I29	47,832	-	-	47,832
17.258	816	23816T02	25	-	-	25
17.258	816	23816T07	-	18,739	18,756	(17)
17.258	816	23816T29	295	-	-	295
17.258	820	23820001	266,539	-	-	266,539
17.258	820	23820002	(361,259)	-	-	(361,259)
17.258	820	23820004	198,496	-	-	198,496
17.258	820	23820005	365,222	-	-	365,222
17.258	820	23820006	272,803	-	-	272,803
17.258	820	23820007	84,413	30,195	26,847	87,761
17.258	820	23820029	61,028	-	-	61,028
17.258	825	23825002	40,441	-	-	40,441
17.258	825	23825004	15,931	-	-	15,931
17.258	825	23825005	(11,371)	-	-	(11,371)
17.258	825	23825006	19,847	-	-	19,847
17.258	825	23825007	54,188	11,280	13,759	51,709
17.258	825	23825029	(491)	-	-	(491)
17.258 Total			2,884,399	927,668	435,797	3,376,270
17.259	411	23411005	156,314	-	-	156,314
17.259	411	23411006	1,145,971	-	-	1,145,971
17.259	411	23411007	783,096	373,304	377,242	779,158
17.259	412	23412005	102,983	-	-	102,983
17.259	412	23412006	416,636	-	-	416,636
17.259	412	23412007	189,417	65,877	69,815	185,479

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003	APA		APA July 2003
			to March 2008	Expenditures	APA Receipts	to June 2008
			Variance	April 2008 to	April 2008 to	Variance
			(Overdrawn)/	June 2008 -	June 2008 -	(Overdrawn)/
			Underdrawn -	Note 2	Note 3	Underdrawn -
			Note 1			Note 4
17.259	511	23511004	399,676	-	-	399,676
17.259	511	23511005	530,671	-	-	530,671
17.259	511	23511006	242,412	-	-	242,412
17.259	511	23511007	100,004	31,558	25,996	105,566
17.259	511	23511W04	51,048	-	-	51,048
17.259	511	23511W05	40,652	-	-	40,652
17.259	511	23511W06	5,236	-	-	5,236
17.259	511	23511W07	3,268	-	-	3,268
17.259	512	23512002	170,047	-	-	170,047
17.259	512	23512004	267,547	-	-	267,547
17.259	512	23512005	440,155	-	-	440,155
17.259	512	23512006	270,044	-	-	270,044
17.259	512	23512007	74,525	29,621	28,008	76,138
17.259	512	23512029	483,424	-	-	483,424
17.259	512	23512W02	63,210	-	-	63,210
17.259	512	23512W04	80,385	-	-	80,385
17.259	512	23512W05	30,371	-	-	30,371
17.259	512	23512W06	9,347	-	-	9,347
17.259	512	23512W07	3,871	-	-	3,871
17.259	512	23512W29	47,499	-	-	47,499
17.259	581	23581002	(1,625,517)	42,007	42,287	(1,625,797)
17.259	581	23581G02	(3,181,592)	-	-	(3,181,592)
17.259	581	23581T02	(3,060,251)	-	-	(3,060,251)
17.259 Total			(1,759,551)	542,367	543,348	(1,760,532)
17.260	413	23413005	279,399	-	-	279,399
17.260	413	23413006	653,286	-	-	653,286
17.260	413	23413007	245,444	137,678	170,171	212,951
17.260	513	23513002	140,979	-	-	140,979
17.260	513	23513004	592,664	-	-	592,664
17.260	513	23513005	656,128	-	-	656,128
17.260	513	23513006	743,084	-	-	743,084
17.260	513	23513007	290,324	167,776	544,230	(86,130)
17.260	513	23513029	584,864	-	-	584,864
17.260	513	23513W04	1,377	-	-	1,377
17.260	513	23513W05	2,946	-	-	2,946
17.260	513	23513W07	1,171	-	-	1,171
17.260	582	23582002	(1,625,202)	72,706	75,344	(1,627,840)
17.260	582	23582G02	(3,189,264)	-	-	(3,189,264)
17.260	582	23582T02	(1,420,690)	-	-	(1,420,690)
17.260	815	23815002	12,221	-	-	12,221
17.260	815	23815004	98,020	-	-	98,020

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008	APA	APA Receipts	APA July 2003 to June 2008
			Variance (Overdrawn)/ Underdrawn - Note 1	Expenditures April 2008 to June 2008 - Note 2	April 2008 to June 2008 - Note 3	Variance (Overdrawn)/ Underdrawn - Note 4
17.260	815	23815005	168,062	-	-	168,062
17.260	815	23815006	102,591	-	-	102,591
17.260	815	23815007	42,915	17,656	13,994	46,577
17.260	815	23815029	60,178	-	-	60,178
17.260	970	23970002	62,748	-	-	62,748
17.260	971	23971002	3,562	-	-	3,562
17.260	972	23972002	353,378	-	-	353,378
17.260	973	23973002	(255,641)	-	-	(255,641)
17.260	974	23974003	(145,607)	-	-	(145,607)
17.260	975	23975005	1,297	-	-	1,297
17.260 Total			(1,539,766)	395,816	803,739	(1,947,689)
17.261	340	23340003	57,159	-	-	57,159
17.261	951	23951G03	1,067	-	-	1,067
17.261	951	23951W03	1,983	-	-	1,983
17.261 Total			60,209	-	-	60,209
17.266	818	23818004	163,536	47,254	39,891	170,899
17.266	818	23818029	53,276	-	-	53,276
17.266 Total			216,812	47,254	39,891	224,175
17.267	817	23817000	(857,969)	-	-	(857,969)
17.267	81A	23817A02	41,420	-	-	41,420
17.267	81A	23817A03	(796)	-	-	(796)
17.267	81A	23817A04	54,744	-	-	54,744
17.267	81A	23817A05	(57,741)	-	-	(57,741)
17.267	81E	23817E02	224,909	-	-	224,909
17.267	81E	23817E03	253,867	-	-	253,867
17.267	81E	23817E04	321,225	-	-	321,225
17.267	81E	23817E05	18,748	21,000	21,000	18,748
17.267	81L	23817LA2	(102,674)	-	-	(102,674)
17.267	81V	23817VE2	93,094	-	-	93,094
17.267	81V	23817VE3	26,703	-	-	26,703
17.267	8AE	23817AE4	(18,151)	-	-	(18,151)
17.267	8AE	23817AE5	556	76,986	77,431	111
17.267 Total			(2,065)	97,986	98,431	(2,510)
17.271	175	23175002	(16,318)	-	-	(16,318)
17.271	175	23175003	8,600	-	-	8,600
17.271	175	23175004	105,708	-	-	105,708
17.271	175	23175005	(626)	-	-	(626)
17.271	175	23175006	23,857	29,058	26,869	26,046
17.271	175	23175007	-	7	-	7
17.271 Total			121,221	29,065	26,869	123,417

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008 Variance (Overdrawn)/ Underdrawn - Note 1	APA Expenditures April 2008 to June 2008 - Note 2	APA Receipts April 2008 to June 2008 - Note 3	APA July 2003 to June 2008 Variance (Overdrawn)/ Underdrawn - Note 4
17.273	164	23164002	(8,170)	-	-	(8,170)
17.273	164	23164003	75,137	-	-	75,137
17.273	164	23164004	4,638	-	-	4,638
17.273	164	23164005	(50,138)	-	(24,796)	(25,342)
17.273	164	23164006	26,673	12,427	36,320	2,780
17.273	164	23164007	-	3,413	3,401	12
17.273	167	23167002	(64,954)	-	-	(64,954)
17.273	167	23167003	9,204	-	-	9,204
17.273	167	23167004	13,780	-	-	13,780
17.273	167	23167005	(24,987)	-	-	(24,987)
17.273	167	23167006	6,616	14,322	12,486	8,452
17.273	167	23167007	-	914	1,854	(940)
17.273 Total			(12,201)	31,076	29,265	(10,390)
17.504	751	23751003	36,950	-	-	36,950
17.504	751	23751004	60,166	-	-	60,166
17.504	751	23751005	114,523	-	-	114,523
17.504	751	23751006	118,651	-	-	118,651
17.504	751	23751007	(73,970)	-	-	(73,970)
17.504	751	23751008	18,690	140,086	121,869	36,907
17.504	752	23752003	4,080	-	-	4,080
17.504 Total			279,090	140,086	121,869	297,307
17.801	203	23203003	24,785	-	-	24,785
17.801	203	23203004	(23,596)	-	-	(23,596)
17.801	203	23203005	(11,111)	-	-	(11,111)
17.801	203	23203006	294	-	-	294
17.801	203	23203007	(32,623)	-	19,130	(51,753)
17.801	203	23203008	4,401	79,537	68,177	15,761
17.801 Total			(37,850)	79,537	87,307	(45,620)
17.802	207	23207006	19,460	(276)	60	19,124
17.802	207	23207007	9,176	5,663	4,365	10,474
17.802	208	23208006	(30,369)	35,782	20,065	(14,652)
17.802	208	23208007	1,277	46,717	60,168	(12,174)
17.802 Total			(456)	87,886	84,658	2,772
17.804	202	23202003	29,255	-	-	29,255
17.804	202	23202004	(27,397)	-	-	(27,397)
17.804	202	23202005	(29,122)	-	-	(29,122)
17.804	202	23202006	(8,970)	-	-	(8,970)
17.804	202	23202007	(23,794)	-	41,060	(64,854)
17.804	202	23202008	(4,802)	153,517	137,441	11,274
17.804 Total			(64,830)	153,517	178,501	(89,814)

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA
 For the Period January 1, 2003 through June 30, 2008

CFDA	Project Code	Business Unit	APA July 2003 to March 2008 Variance (Overdrawn)/ Underdrawn - Note 1	APA Expenditures April 2008 to June 2008 - Note 2	APA Receipts April 2008 to June 2008 - Note 3	APA July 2003 to June 2008 Variance (Overdrawn)/ Underdrawn - Note 4
17.807	204	23204004	9,470	-	-	9,470
17.807	204	23204005	9,901	-	-	9,901
17.807	204	23204006	10,369	-	-	10,369
17.807	204	23204007	14,107	-	-	14,107
17.807	204	23204008	7,761	4,411	-	12,172
17.807 Total			51,608	4,411	-	56,019
93.283	725	23725003	12,912	-	-	12,912
93.283	725	23725004	28,407	-	-	28,407
93.283	725	23725005	20,134	-	-	20,134
93.283	725	23725039	26,079	-	-	26,079
93.283	799	23799999	(17,032)	-	-	(17,032)
93.283	999	23999997	(17,151)	-	-	(17,151)
93.283 Total			53,349	-	-	53,349
"805"	805	23805001	1,378	-	-	1,378
"805"	805	23805007	(162)	-	-	(162)
"805" Total - Note 5			1,216	-	-	1,216
AL	500	23500039	(7,246)	-	-	(7,246)
AL	000	23000003	72,306	-	-	72,306
AL Total - Note 6			65,060	-	-	65,060
Totals			(2,226,775)	8,403,852	8,408,721	(2,231,644)
Federal CFDA's January thru June 2003 - Note 5			(1,929,137)	-	-	(1,929,137)
Grand Totals			\$ (4,155,912)	\$ 8,403,852	\$ 8,408,721	\$ (4,160,781)

Note 1: Amounts in this column were taken directly from Exhibit B of the APA's Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report issued June 5, 2008.

Note 2: Amounts in this column represent expenditures taken directly from the State's accounting system plus allocations for indirect costs. Allocations for indirect costs were based on the same methodologies the APA used to compile the exhibits in the Nebraska Department of Labor Special Evaluation Summary Regarding Federal Funds report.

Note 3: Amounts in this column represent Federal draw down receipts taken directly from the State's accounting system and does not represent the amounts drawn in the Payment Management System (PMS), as noted in the State of Nebraska Statewide Single Audit finding #08-23-02.

Note 4: This column represents "APA July 2003 to March 2008 Variance (Overdrawn)/Underdrawn" column plus the "APA Expenditures April 2008 to June 2008" column less the "APA Receipts April 2008 to June 2008" column.

Note 5: From January 2003 through June 2003, receipt information was not available by project or CFDA because the Department recorded all receipts during this time to project code 805 rather than to individual project codes; therefore, APA accumulated this data as one line item.

Note 6: AL stands for allocating. These ALs represent business units which are used to collect indirect costs. Indirect costs will later be allocated out to the Department's projects based on the Department's cost allocation plan.

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA vs. DEPARTMENT
 For the Period April 1, 2008 to June 30, 2008

CFDA	Project Code	Business Unit	APA Expenditures April to June 2008	Department Expenditures April to June 2008	Variance Between APA and Department's April to June 2008 Expenditures
17.002	120	23120003	\$ 65	\$ 65	\$ -
17.002	121	23121008	36,287	37,560	(1,273)
17.002	122	23122008	41,659	40,936	723
17.002	123	23123008	53,233	52,108	1,125
17.002	124	23124008	61,697	62,033	(336)
17.002	125	23125008	3,025	6,045	(3,020)
17.002 Total			<u>195,966</u>	<u>198,747</u>	<u>(2,781)</u>
17.207	205	23205007	1,407,663	1,412,620	(4,957)
17.207	206	23206005	-	2	(2)
17.207	215	23215007	67,455	76,078	(8,623)
17.207	222	23222005	(21,326)	(21,084)	(242)
17.207	222	23222006	218,741	216,221	2,520
17.207	313	23313000	828	968	(140)
17.207	Note 2 314	23314004	-	(800)	800
17.207	Note 2 317	23317004	-	(500)	500
17.207	Note 2 318	23318004	-	(1,800)	1,800
17.207	861	23861005	-	(2)	2
17.207 Total			<u>1,673,361</u>	<u>1,681,703</u>	<u>(8,342)</u>
17.225	210	23210005	313,893	313,893	-
17.225	210	23210006	31,550	31,550	-
17.225	210	23210007	(195,495)	(195,495)	-
17.225	210	23210008	3,371,360	3,376,886	(5,526)
17.225	319	23319008	86,369	86,369	-
17.225	657	23657003	948	309	639
17.225	99B	2399B003	72,246	72,246	-
17.225	99J	2399J003	4,202	3,171	1,031
17.225	99P	2399P003	9,386	9,386	-
17.225 Total			<u>3,694,459</u>	<u>3,698,315</u>	<u>(3,856)</u>
17.245	226	23226008	193,574	193,574	-
17.245	370	23370006	96,256	96,256	-
17.245	371	23371007	(9,072)	(9,072)	-
17.245	371	23371008	22,639	22,939	(300)
17.245 Total			<u>303,397</u>	<u>303,697</u>	<u>(300)</u>

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA vs. DEPARTMENT
 For the Period April 1, 2008 to June 30, 2008

CFDA	Project Code	Business Unit	APA Expenditures April to June 2008	Department Expenditures April to June 2008	Variance Between APA and Department's April to June 2008 Expenditures
17.258	410	23410007	349,756	346,259	3,497
17.258	410	23410W07	5,017	5,017	-
17.258	450	23450007	61,156	64,897	(3,741)
17.258	458	23458C07	2,781	2,781	-
17.258	510	23510007	234,326	233,711	615
17.258	510	23510W07	1,435	1,435	-
17.258	550	23550007	50,200	48,411	1,789
17.258	558	23558C07	4,566	4,566	-
17.258	558	23558I07	282	282	-
17.258	580	23580002	35,743	35,743	-
17.258	810	23810007	105,910	101,542	4,368
17.258	816	23816C07	2,972	2,972	-
17.258	816	23816I07	13,310	13,310	-
17.258	816	23816T07	18,739	18,739	-
17.258	820	23820007	30,195	31,630	(1,435)
17.258	825	23825007	11,280	11,290	(10)
17.258 Total			927,668	922,585	5,083
17.259	411	23411007	373,304	373,304	-
17.259	412	23412007	65,877	65,877	-
17.259	511	23511007	31,558	32,240	(682)
17.259	512	23512007	29,621	29,696	(75)
17.259	581	23581002	42,007	42,007	-
17.259 Total			542,367	543,124	(757)
17.260	413	23413007	137,678	136,318	1,360
17.260	513	23513007	167,776	166,557	1,219
17.260	582	23582002	72,706	72,706	-
17.260	815	23815007	17,656	16,940	716
17.260	975	23975005	-	47	(47)
17.260 Total			395,816	392,568	3,248
17.266	818	23818004	47,254	48,893	(1,639)
17.266 Total			47,254	48,893	(1,639)
17.267	81E	23817E05	21,000	21,000	-
17.267	8AE	23817AE5	76,986	76,986	-
17.267 Total			97,986	97,986	-

NEBRASKA DEPARTMENT OF LABOR
SCHEDULE OF DRAWS, EXPENDITURES, AND ALLOCATIONS - APA vs. DEPARTMENT
 For the Period April 1, 2008 to June 30, 2008

CFDA	Project Code	Business Unit	APA Expenditures April to June 2008	Department Expenditures April to June 2008	Variance Between APA and Department's April to June 2008 Expenditures
17.271	175	23175006	29,058	28,651	407
17.271	175	23175007	7	7	-
17.271 Total			<u>29,065</u>	<u>28,658</u>	<u>407</u>
17.273	164	23164006	12,427	11,035	1,392
17.273	164	23164007	3,413	3,413	-
17.273	167	23167006	14,322	13,224	1,098
17.273	167	23167007	914	914	-
17.273 Total			<u>31,076</u>	<u>28,586</u>	<u>2,490</u>
17.504	751	23751008	140,086	132,418	7,668
17.504 Total			<u>140,086</u>	<u>132,418</u>	<u>7,668</u>
17.801	203	23203008	79,537	78,582	955
17.801 Total			<u>79,537</u>	<u>78,582</u>	<u>955</u>
17.802	207	23207006	(276)	(273)	(3)
17.802	207	23207007	5,663	5,548	115
17.802	208	23208006	35,782	35,782	-
17.802	208	23208007	46,717	51,138	(4,421)
17.802 Total			<u>87,886</u>	<u>92,195</u>	<u>(4,309)</u>
17.804	202	23202008	153,517	153,638	(121)
17.804 Total			<u>153,517</u>	<u>153,638</u>	<u>(121)</u>
17.807	204	23204008	4,411	4,217	194
17.807 Total			<u>4,411</u>	<u>4,217</u>	<u>194</u>
Totals - Note 3			<u>\$ 8,403,852</u>	<u>\$ 8,405,912</u>	<u>\$ (2,060)</u>

Note 1: Exhibit B only compares the APA's expenditures to the Department's expenditures as the methodologies used to accumulate receipts was the same for both the APA and the Department.

Note 2: The Department's schedule of draws, expenditures, and allocations identified these business units as belonging to CFDA 17.207; however, a CFDA number was not associated with these business units in the State's accounting system. Further review of these business units by the APA confirmed that no CFDA was associated with these business units. Since these business units do not belong to a CFDA, the APA excluded amounts coded to these business units when preparing the schedule of draws, expenditures, and allocations.

Note 3: Variances in total expenditure amounts between the APA and the Department during this period are the result of differences in methodologies used by the two agencies to allocate indirect costs. Due to the differences in methodologies the Department allocated more indirect costs to Federal programs and less to non-Federal programs.