

**ATTESTATION REPORT
OF THE
NEBRASKA EQUAL OPPORTUNITY COMMISSION**

APRIL 1, 2011 THROUGH MARCH 31, 2012

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the Auditor of Public Accounts.**

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Issued on June 18, 2012

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We will provide this information, as required by statute, to all policymakers and taxpayers through written reports and our Internet based Budget and Audit databases.

We will maintain a professionally prepared staff, utilizing up to date technology, and following current Government Auditing Standards.

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NEBRASKA EQUAL OPPORTUNITY COMMISSION

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NEBRASKA EQUAL OPPORTUNITY COMMISSION

BACKGROUND

The Nebraska Equal Opportunity Commission was created in 1965 and consists of seven members appointed by the Governor to three-year terms. The Commission enforces compliance with the Nebraska Fair Employment Practice Act, Equal Pay Act of Nebraska, Nebraska Age Discrimination in Employment Act, Nebraska Fair Housing Act, and the Civil Rights Act of 1969 relating to housing and public accommodations.

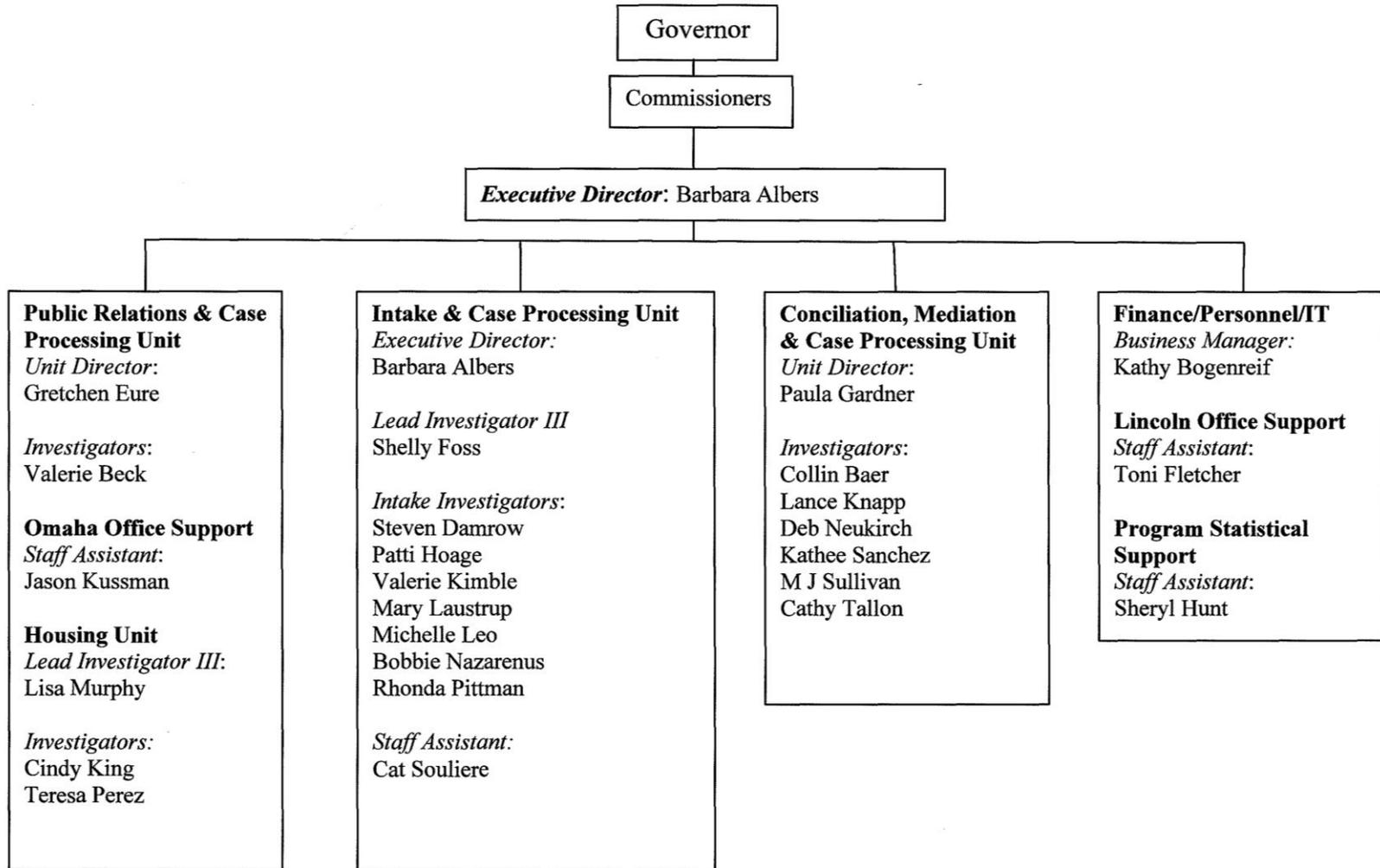
Pursuant to investigation by the staff of the Commission, the Commission rules on complaints of discrimination in employment, housing, and public accommodations. The Commission has offices in Lincoln, Omaha, and Scottsbluff.

MISSION STATEMENT

The mission of the agency is to receive, investigate, and make decisions on charges of unlawful employment, housing, and public accommodations practices occurring within the boundaries of the State of Nebraska. The agency principles include: 1) Dealing with all Nebraska citizens in a respectful and timely manner; 2) Recognizing that the government has a role to play in guaranteeing equal opportunity and treatment of all Nebraska citizens in the employment, housing, and public accommodations arenas; 3) Ensuring accurate and up-to-date information is disseminated to the public; and 4) Providing quality service to the public.

NEBRASKA EQUAL OPPORTUNITY COMMISSION

ORGANIZATIONAL CHART



NEBRASKA EQUAL OPPORTUNITY COMMISSION

EXIT CONFERENCE

An exit conference was held June 5, 2012, with the Commission to discuss the results of our examination. Those in attendance for the Nebraska Equal Opportunity Commission were:

NAME	TITLE
Barbara Albers	Executive Director
Kathleen Bogenreif	Business Manager
Sheryl Hunt	Staff Assistant II

Draft copies of this report were furnished to the Commission to provide them an opportunity to review the report.



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NEBRASKA EQUAL OPPORTUNITY COMMISSION

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Equal Opportunity Commission
Lincoln, Nebraska

We have examined the accompanying schedule of revenues, expenditures, and changes in fund balances of the Nebraska Equal Opportunity Commission (Commission) for the year ended March 31, 2012. The Commission's management is responsible for the schedule of revenues, expenditures, and changes in fund balances. Our responsibility is to express an opinion 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, and accordingly, included examining, on a test basis, evidence supporting the schedule of revenues, expenditures, and changes in fund balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents, in all material respects, the revenues, expenditures, and changes in fund balances of the Commission for the year ended March 31, 2012, based on the accounting system and procedures prescribed by the State of Nebraska Director of the Department of Administrative Services as described in Note 1.

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 the schedule of revenues, expenditures and changes in fund balances and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the schedule of revenues, expenditures, and changes in fund balances is presented in accordance with the criteria described above and not for the purpose of expressing an opinion on the internal control over the schedule of revenues, expenditures, and changes in fund balances or on compliance and other matters; accordingly we express no such opinions. Our examination disclosed no findings that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the Commission, and the appropriate Federal and regulatory agencies. However, this report is a matter of public record and its distribution is not limited.

SIGNED ORIGINAL ON FILE

June 5, 2012

Mike Foley
Auditor of Public Accounts

NEBRASKA EQUAL OPPORTUNITY COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended March 31, 2012

	State General Fund 10000	Equal Employment Opportunity Grant Fund 46730	Housing and Urban Development Grant Fund 46740	Totals (Memorandum Only)
REVENUES:				
Appropriations	\$ 1,171,437	\$ -	\$ -	\$ 1,171,437
Intergovernmental	-	461,950	199,891	661,841
Sales & Charges	411	-	-	411
Miscellaneous	25	17,041	6,501	23,567
TOTAL REVENUES	1,171,873	478,991	206,392	1,857,256
EXPENDITURES:				
Personal Services	873,670	406,602	168,869	1,449,141
Operating	258,083	327	2,963	261,373
Travel	13,968	4,149	5,978	24,095
Capital Outlay	25,716	-	-	25,716
TOTAL EXPENDITURES	1,171,437	411,078	177,810	1,760,325
 Excess of Revenues Over Expenditures	 436	 67,913	 28,582	 96,931
OTHER FINANCING SOURCES (USES):				
Sales of Assets	3,900	-	-	3,900
Deposit to General Fund	(4,336)	-	-	(4,336)
TOTAL OTHER FINANCING SOURCES (USES)	(436)	-	-	(436)
 Net Change in Fund Balances	 -	 67,913	 28,582	 96,495
 FUND BALANCES, APRIL 1, 2011	 2,291	 551,273	 286,260	 839,824
 FUND BALANCES, MARCH 31, 2012	 <u>\$ 2,291</u>	 <u>\$ 619,186</u>	 <u>\$ 314,842</u>	 <u>\$ 936,319</u>
FUND BALANCES CONSIST OF:				
General Cash	\$ -	\$ 619,186	\$ 314,842	\$ 934,028
Deposits with Vendors	2,307	-	-	2,307
Due to Fund	(16)	-	-	(16)
TOTAL FUND BALANCES	<u>\$ 2,291</u>	<u>\$ 619,186</u>	<u>\$ 314,842</u>	<u>\$ 936,319</u>

The accompanying notes are an integral part of the schedule.

NEBRASKA EQUAL OPPORTUNITY COMMISSION

NOTES TO THE SCHEDULE

For the Year Ended March 31, 2012

1. Criteria

The accounting policies of the Nebraska Equal Opportunity Commission (Commission) are on the basis of accounting as prescribed by the State of Nebraska Department of Administrative Services (DAS).

Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2008), the State of Nebraska Director of the Department of Administrative Services duties 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 2008), 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 to maintain the general ledger and all detailed accounting records. Policies and procedures are detailed in the Nebraska State Accounting Manual published by DAS State Accounting Division (State Accounting) and are available to the public. The financial information used to prepare the schedule of revenues, expenditures, and changes in fund balances was obtained directly from the general ledger and fund balance information maintained on EnterpriseOne. As transactions occur, the agencies record the accounts receivables and accounts payable in the general ledger. As such, certain revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. The expenditures and related accounts payables recorded in the general ledger as of March 31, 2012, include only those payables posted in the general ledger before March 31, 2012, and not yet paid as of that date. The amount recorded as expenditures as of March 31, 2012, **does not** include amounts for goods and services received before March 31, 2012, which had not been posted to the general ledger as of March 31, 2012.

Other liabilities are recorded in accounts titled Due to Fund for the Commission. The assets in these funds are being held by the State as an agent and will be used to pay those liabilities to other funds. The recording of those liabilities reduces the fund balance/equity.

The Commission had no accounts receivable at March 31, 2012. Liabilities for accrued payroll and compensated absences are not recorded in the general ledger.

The fund types established by the State that are used by the Commission are:

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

NEBRASKA EQUAL OPPORTUNITY COMMISSION

NOTES TO THE SCHEDULE

(Continued)

1. **Criteria** (Continued)

40000 – Federal Funds – accounts 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.

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

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

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

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

Miscellaneous – Revenue from sources not covered by other major categories, such as investment income.

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

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

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

Travel – All travel expenses for any state officer, employee, or member of any commission, council, committee, or board of the State.

Capital Outlay – Expenditures which 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.

Other significant accounting classifications and procedures established by State Accounting and used by the Commission include:

Assets – Resources owned or held by a government that have monetary value. Assets include cash accounts and deposits with vendors. Cash accounts and deposits with vendors are also included in fund balance and are reported as recorded in the general ledger.

NEBRASKA EQUAL OPPORTUNITY COMMISSION

NOTES TO THE SCHEDULE

(Continued)

1. **Criteria** (Concluded)

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 March 31, 2012, included amounts recorded in Due to Fund. The activity of this account is not recorded through revenue and expenditure accounts on the Schedule of Revenues, Expenditures, and Changes in Fund Balances.

Other Financing Sources – Proceeds from the sale of assets and deposits to the State General Fund.

2. **Reporting Entity**

The Nebraska Equal Opportunity 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 Nebraska Equal Opportunity 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 that 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.

NEBRASKA EQUAL OPPORTUNITY COMMISSION

NOTES TO THE SCHEDULE

(Continued)

5. Capital Assets

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

However, State Accounting does adjust such expenditures and reports the capital assets as assets for the State of Nebraska in the Comprehensive Annual Financial Report (CAFR). In addition, the Commission takes an annual inventory and accounts for all equipment that has a cost of \$1,000 or more at the date of acquisition or equipment that is highly susceptible to theft (i.e. electronic equipment) in the State Accounting System.

For the CAFR, the State requires the Commission to value all capital assets at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Generally, equipment that has a cost of \$5,000 or more at the date of acquisition and has an expected useful life of two or more years is capitalized. Depreciation expenses are reported in the CAFR in the funds used to acquire or construct them for the State of Nebraska. The cost of normal maintenance and repairs that does not add to the value of the asset or extend the asset's life is not capitalized.

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

Capital asset activity of the Commission recorded in the State Accounting System for the year ended March 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets				
Equipment	\$ 93,915	\$ 25,716	\$ 44,615	\$ 75,016
Less accumulated depreciation* for:				
Equipment				<u>\$ 54,100</u>
Total capital assets, net of depreciation				<u>\$ 20,916</u>

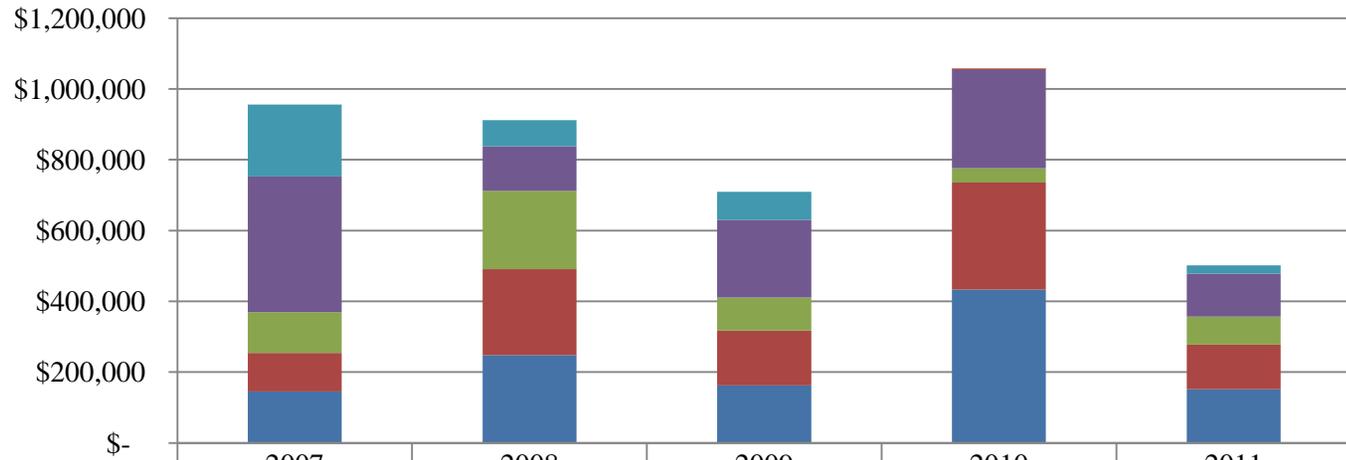
*Note: The accounting system generated depreciation noted in the table above through February 29, 2012.

NEBRASKA EQUAL OPPORTUNITY COMMISSION

SUPPLEMENTARY INFORMATION

Our examination was conducted for the purpose of forming an opinion on the schedule of revenues, expenditures, and changes in fund balances. Supplementary information is presented for purposes of additional analysis. Such information has not been subjected to the procedures applied in the examination of the schedule of revenues, expenditures, and changes in fund balances, and, accordingly, we express no opinion on it.

Nebraska Equal Opportunity Commission
Total Monetary Relief Obtained
 Fiscal Years Ended June 30, 2007 through 2011



	2007	2008	2009	2010	2011
■ Litigation**	\$-	\$-	\$-	\$2,400	\$-
■ Public Hearing	\$202,997	\$73,946	\$78,745	\$-	\$23,502
■ Conciliation	\$383,480	\$125,791	\$219,569	\$281,486	\$122,000
■ Withdrawals with Settlement*	\$115,385	\$221,450	\$93,360	\$40,272	\$78,736
■ Mediation	\$108,550	\$242,935	\$154,925	\$302,692	\$126,363
■ Pre-Determination Settlements	\$145,378	\$248,087	\$162,688	\$432,873	\$151,305

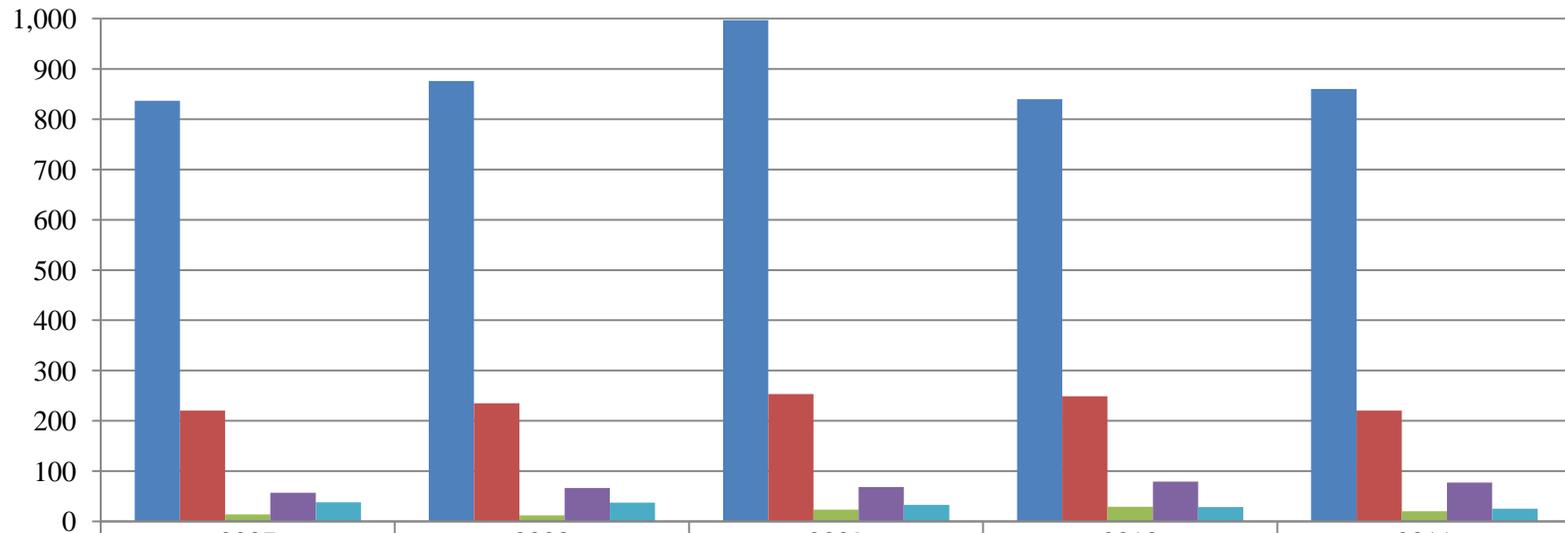
*The benefits on some of the Commission's withdrawals with settlement are not known. The parties keep the terms of the settlement confidential.

**These settlements were achieved by the Attorney General's Office on cases sent to their office for civil action/litigation.

Note: Monetary relief obtained is not represented in the Financial Schedule, money goes to the complainant from the respondent and is not deposited with NEOC.

Source: NEOC Annual Reports

Nebraska Equal Opportunity Commission
Case Activity Breakdown
 Fiscal Years Ended June 30, 2007 through 2011



	2007	2008	2009	2010	2011
■ FEPA	837	876	997	840	860
■ Age	220	235	253	249	220
■ EQ Pay	14	12	23	29	20
■ Housing	57	66	68	79	77
■ Pub Accom	38	37	33	28	25

NOTE: Because a person can file under multiple laws, this is not a total of cases received but how many charges are filed under the different laws.

FEPA - Fair Employment Practice Act

Age - Nebraska Age Discrimination in Employment Act

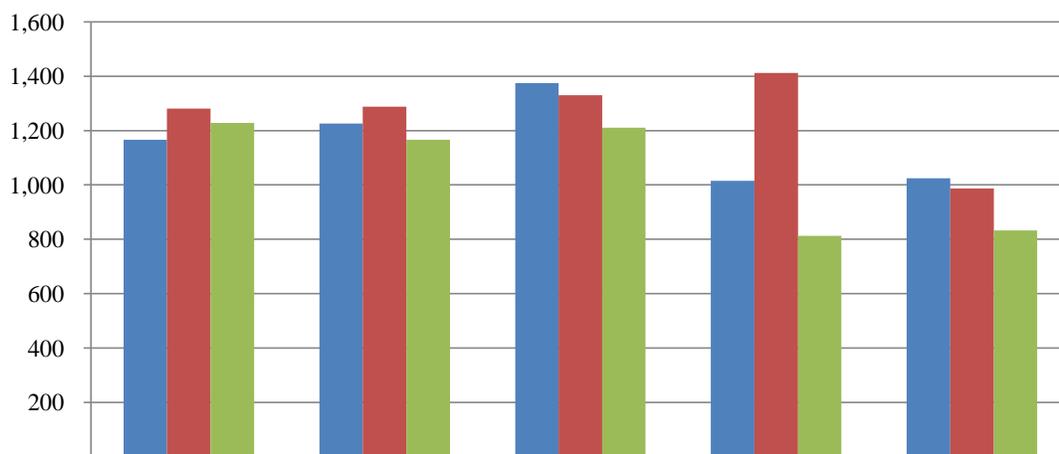
EQ Pay - Equal Pay Act of Nebraska

Housing - Nebraska Fair Housing Act

Public Accom. - Nebraska Civil Rights Act of 1969 (Public Accommodations)

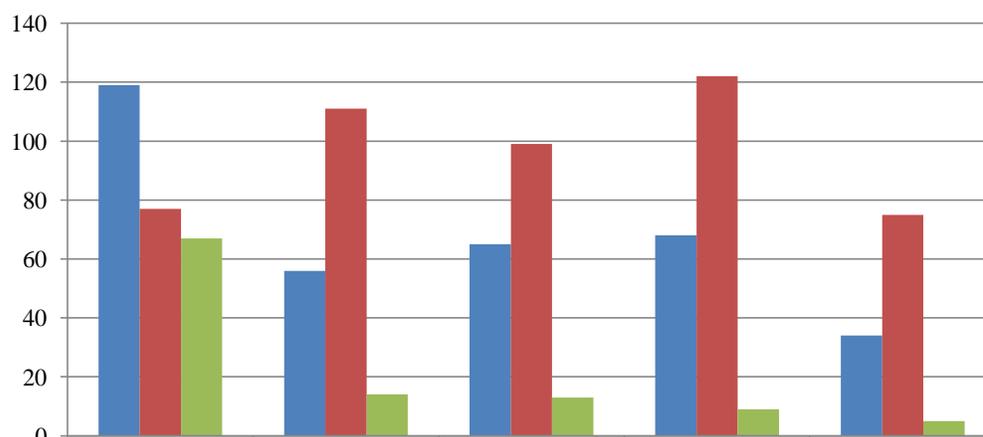
Source: NEOC Annual Reports

**Nebraska Equal Opportunity Commission
Case Activity
Fiscal Years Ended June 30, 2007 through 2011**



■ New Cases Filed	1,166	1,226	1,374	1,015	1,025
■ Cases Closed	1,281	1,288	1,330	1,412	987
■ Cases to be Completed	1,228	1,166	1,211	812	833

**Nebraska Equal Opportunity Commission
Case Disposition
Fiscal Years Ended June 30, 2007 through 2011**



■ Conciliations Attempted	119	56	65	68	34
■ P.D.S./Mediation Attempted	77	111	99	122	75
■ Public Hearings	67	14	13	9	5

Conciliation is a process whereby the parties attempt to reach a settlement agreement as a result of the Commission issuing a Reasonable Cause determination.

P.D.S. - Pre-Disposition Settlement

NOTE: Source for both graphs - NEOC Annual Reports