

**ATTESTATION REPORT
OF THE
NEBRASKA COMMISSION ON LATINO-AMERICANS
JULY 1, 2015, THROUGH DECEMBER 31, 2016**

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Issued on March 1, 2017

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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.

Audit Staff Working On This Examination

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NEBRASKA COMMISSION ON LATINO-AMERICANS

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NEBRASKA COMMISSION ON LATINO-AMERICANS

BACKGROUND

The Nebraska Commission on Latino-Americans (Commission) was created in 1972. The Commission consists of nine members who are appointed by the Governor to three-year terms. The Governor or the Governor's designee serves as an ex-officio member. The Commission employs an Executive Director who is responsible for the day-to-day operations of the office and its staff. The Commission meets on a quarterly basis. Commission members are paid \$35 a day while conducting Commission business and are reimbursed for expenses.

The Commission serves Nebraska's Latino Americans in education, employment, health, housing, and welfare. The Commission also assists in the translation of documents for the direct assistance of clients in matters relating to any Federal department or agency or any department or agency of the State or a political subdivision. The Commission develops, coordinates, and assists public and private organizations and coordinates and assists the efforts of State departments and agencies to serve the needs of Latino Americans. The Commission stimulates public awareness through various programs, workshops, conferences, and studies on the problems of Latino Americans, along with distributing newsletters. The Commission also answers questions from the public and assists individual Latino Americans with problems on a case-by-case basis.

MISSION STATEMENT

The mission of the Latino American Commission is to serve as a voice in the Nebraska State Government for Latino Americans/Latinos.

The vision of the Latino American Commission is that all Latino Americans/Latinos have the opportunity to utilize their fullest potential to participate in the good life of Nebraska.

NEBRASKA COMMISSION ON LATINO-AMERICANS

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Commissioners

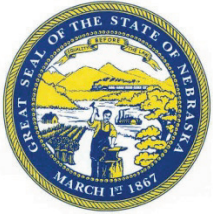
Name	Title	Term Ending
Adrian Sanchez	Chairperson	May 15, 2017
Daniel Castillo	Vice-Chair	May 15, 2018
Ramon Otero		May 15, 2016*
Aida Olivas		May 15, 2017
Jack Gutierrez		May 15, 2016*
Leticia Rodriguez		May 15, 2018
Chabella Guzman		May 15, 2018
Maria Valentin		May 15, 2019
Norma de la O		May 15, 2017
Deyanira Salgado	Ex-Officio	N/A

*Although terms ended May 2016, new appointees were not made until February 9, 2017.

Executive Management

Name	Title
Lazaro Spindola	Director

Nebraska Commission on Latino-Americans
Sixth Floor, State Capitol
P.O. Box 94965
Lincoln, NE 68509-4965
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NEBRASKA COMMISSION ON LATINO-AMERICANS

INDEPENDENT ACCOUNTANT'S REPORT

Nebraska Commission on Latino-Americans
Lincoln, Nebraska

We have examined the accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances of the Nebraska Commission on Latino-Americans (Commission) for the period July 1, 2015, through December 31, 2016. 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 period July 1, 2015, through December 31, 2016, based on the accounting system and procedures prescribed by the State of Nebraska Director of Administrative services, as described in Note 1.

In accordance with *Government Auditing Standards*, we are required to report findings of significant deficiencies and material weaknesses in internal control; instances of fraud and noncompliance with provisions of laws or regulations that have a material effect on the subject matter or an assertion about the subject matter and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements that has a material effect on the subject matter or an assertion about the subject

matter of the examination engagement; and abuse that has a material effect on the subject matter or an assertion about the subject matter of the examination engagement. 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, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in black ink, appearing to read 'C. J. Janssen', with a long horizontal flourish extending to the right.

Charlie Janssen
Auditor of Public Accounts

February 28, 2017

NEBRASKA COMMISSION ON LATINO-AMERICANS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Period July 1, 2015, through December 31, 2016

	State General Fund 10000	Hispanic Awareness 26810	Totals (Memorandum Only)
REVENUES:			
Appropriations	\$ 307,665	\$ -	\$ 307,665
Miscellaneous	364	6,700	7,064
TOTAL REVENUES	308,029	6,700	314,729
EXPENDITURES:			
Personal Services	279,033	-	279,033
Operating	17,134	785	17,919
Travel	9,929	606	10,535
Capital Outlay	1,569	-	1,569
TOTAL EXPENDITURES	307,665	1,391	309,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	364	5,309	5,673
OTHER FINANCING SOURCES (USES):			
Deposit to General Fund	(364)	-	(364)
TOTAL OTHER FINANCING SOURCES (USES)	(364)	-	(364)
Net Change in Fund Balances	-	5,309	5,309
FUND BALANCES, July 1, 2015	293	1,056	1,349
FUND BALANCES, December 31, 2016	\$ 293	\$ 6,365	\$ 6,658
FUND BALANCES CONSIST OF:			
General Cash	\$ -	\$ 6,365	\$ 6,365
Deposits with Vendors	293	-	293
TOTAL FUND BALANCES	\$ 293	\$ 6,365	\$ 6,658

The accompanying notes are an integral part of the schedule.

NEBRASKA COMMISSION ON LATINO-AMERICANS

NOTES TO THE SCHEDULE

For the Period July 1, 2015, through December 31, 2016

1. Criteria

The accounting policies of the Nebraska Commission on Latino-Americans (Commission) are on the basis of accounting, as prescribed by the State of Nebraska's Department of Administrative Services (DAS).

Per Neb. Rev. Stat. § 81-1107(2) (Reissue 2014), the duties of the Director of DAS include the following:

The keeping of general accounts and the adoption and promulgation of appropriate rules, regulations, and administrative orders designed to assure a uniform and effective system of accounts and accounting, the approval of all vouchers, and the preparation and issuance of warrants for all purposes[.]

In accordance with Neb. Rev. Stat. § 81-1111(1) (Reissue 2014), the State Accounting Administrator has prescribed the system of accounts and accounting to be maintained by the State and its departments and agencies and has developed necessary accounting policies and procedures. The prescribed accounting system currently utilizes EnterpriseOne, an accounting resource software, to maintain the general ledger and all detailed accounting records. Policies and procedures are detailed in the Nebraska State Accounting Manual published by DAS State Accounting Division (State Accounting) and are available to the public.

The financial information used to prepare the Schedule of Revenues, Expenditures, and Changes in Fund Balances was obtained directly from the general ledger and fund balance information maintained on EnterpriseOne. EnterpriseOne is not an accrual accounting system; instead, accounts are maintained on a modified cash basis. As revenue transactions occur, the agencies record the accounts receivable and related revenues in the general ledger. As such, certain revenues are recorded when earned, regardless of the timing of related cash flows. State Accounting does not require the 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, 2016, and not yet paid as of that date. The amount recorded as expenditures on the schedule, as of December 31, 2016, **does not** include amounts for goods and services received before December 31, 2016, which had not been posted to the general ledger as of December 31, 2016.

The Commission had no accounts receivable at December 31, 2016. 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 COMMISSION ON LATINO-AMERICANS

NOTES TO THE SCHEDULE

(Continued)

1. Criteria (Concluded)

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

The major revenue account classifications established by State Accounting and 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.

Miscellaneous – Revenue from sources not covered by other major categories, such as deposits to the General Fund.

The major expenditure account classifications established by State Accounting and 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 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.

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.

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 Financing Sources – Deposits to the General Fund.

NEBRASKA COMMISSION ON LATINO-AMERICANS

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.

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 Comprehensive Annual Financial Report (CAFR). In addition, the Commission takes an annual inventory, recording in the State Accounting System all equipment that has a cost of \$1,500 or more at the date of acquisition.

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 more than one year 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.

NEBRASKA COMMISSION ON LATINO-AMERICANS

NOTES TO THE SCHEDULE
(Concluded)

5. Capital Assets (Concluded)

Equipment is depreciated in the CAFR using the straight-line method with estimated useful lives of 3 to 10 years.

Capital asset activity of the Commission recorded in the State Accounting System for the period July 1, 2015, through December 31, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets				
Equipment	\$ 3,541	\$ 1,569	\$ -	\$ 5,110
Total	<u>3,541</u>	<u>1,569</u>	<u>-</u>	<u>5,110</u>
Less accumulated depreciation for:				
Equipment				<u>3,923</u>
Total capital assets, net of depreciation				<u>\$ 1,187</u>

Note: The accumulated depreciation noted in the table above was calculated in the accounting system through November 30, 2016.

NEBRASKA COMMISSION ON LATINO-AMERICANS

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 COMMISSION ON LATINO-AMERICANS
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Period July 1, 2015, through June 30, 2016

	State General Fund 10000	Hispanic Awareness 26810	Totals (Memorandum Only)
REVENUES:			
Appropriations	\$ 205,205	\$ -	\$ 205,205
Miscellaneous	360	3,350	3,710
TOTAL REVENUES	<u>205,565</u>	<u>3,350</u>	<u>208,915</u>
EXPENDITURES:			
Personal Services	185,216	-	185,216
Operating	11,554	297	11,851
Travel	6,866	-	6,866
Capital Outlay	1,569	-	1,569
TOTAL EXPENDITURES	<u>205,205</u>	<u>297</u>	<u>205,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>360</u>	<u>3,053</u>	<u>3,413</u>
OTHER FINANCING SOURCES (USES):			
Deposit to General Fund	<u>(360)</u>	-	<u>(360)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(360)</u>	<u>-</u>	<u>(360)</u>
Net Change in Fund Balances	-	3,053	3,053
FUND BALANCES, July 1, 2015	<u>293</u>	<u>1,056</u>	<u>1,349</u>
FUND BALANCES, June 30, 2016	<u>\$ 293</u>	<u>\$ 4,109</u>	<u>\$ 4,402</u>
FUND BALANCES CONSIST OF:			
General Cash	\$ -	\$ 4,109	\$ 4,109
Deposits with Vendors	293	-	293
TOTAL FUND BALANCES	<u>\$ 293</u>	<u>\$ 4,109</u>	<u>\$ 4,402</u>

**NEBRASKA COMMISSION ON LATINO-AMERICANS
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

For the Period July 1, 2016, through December 31, 2016

	State General Fund 10000	Hispanic Awareness 26810	Totals (Memorandum Only)
REVENUES:			
Appropriations	\$ 102,460	\$ -	\$ 102,460
Miscellaneous	4	3,350	3,354
TOTAL REVENUES	<u>102,464</u>	<u>3,350</u>	<u>105,814</u>
EXPENDITURES:			
Personal Services	93,817	-	93,817
Operating	5,580	488	6,068
Travel	3,063	606	3,669
TOTAL EXPENDITURES	<u>102,460</u>	<u>1,094</u>	<u>103,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4</u>	<u>2,256</u>	<u>2,260</u>
OTHER FINANCING SOURCES (USES):			
Deposit to General Fund	<u>(4)</u>	-	<u>(4)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4)</u>	-	<u>(4)</u>
Net Change in Fund Balances	-	2,256	2,256
FUND BALANCES, July 1, 2016	<u>293</u>	<u>4,109</u>	<u>4,402</u>
FUND BALANCES, December 31, 2016	<u>\$ 293</u>	<u>\$ 6,365</u>	<u>\$ 6,658</u>
FUND BALANCES CONSIST OF:			
General Cash	\$ -	\$ 6,365	\$ 6,365
Deposits with Vendors	293	-	293
TOTAL FUND BALANCES	<u>\$ 293</u>	<u>\$ 6,365</u>	<u>\$ 6,658</u>