

December 18, 2025

Mr. Brandon Metzler
Clerk of the Legislature
State Capitol
P.O. Box 94604
Lincoln, NE 68509-4604

Dear Mr. Metzler:

I am writing to you to file the report required via LB 1173, Section 9, passed in the 1998 legislative session. Section 9 requires that “The Southeast Community College Area shall report to the Legislature by December 31 of each year on the financial condition of the Center, funding received from nonstate sources, training conducted, and testing and evaluation services provided.” The Nebraska Center for Excellence in Electronics became operational in 2001, and we are submitting this annual report as prescribed.

FINANCIAL CONDITION OF THE CENTER

During FY 2025, the Center experienced significant improvement in both balance sheet and income statements.

A final copy of the NCEE Financial Review for 2025 is enclosed.

The General Manager reports to the Board President.

In fiscal year 2025, the Center provided services to 85 customers. Nebraska companies made up about 26% of this cohort and provided about 26% (\$643,110 a 10.22% decrease from FY 2024) of the revenue.

The value of the partnership for its 20 members cannot be overstated and is an integral part of the operating agreement between NCEE and SCC that was part of the funding grant at the Center’s inception.

The Center is presently without any debt.



Beatrice	4771 W. Scott Rd.	Beatrice, NE 68310	800-233-5027
Lincoln	8800 O St.	Lincoln, NE 68520	800-642-4075
Milford	600 State St.	Milford, NE 68405	800-933-7223

Learning Centers
Falls City, Hebron, Nebraska City,
Plattsmouth, Wahoo, and York.

TDD
402-437-2702

» southeast.edu

Annual Comparison Highlights

	2017	2018	2019	2020	2021	2022	2023	2024	2025
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Income	\$1,161,415	\$1,221,673	\$1,363,613	\$1,451,895	\$1,623,829	\$1,764,927	\$2,309,552	\$2,299,712	\$2,490,205
Expenses	\$1,029,628	\$1,026,441	\$1,394,323	\$1,575,042	\$1,454,043	\$1,834,161	\$2,057,954	\$1,945,704	\$2,018,363
Net	\$131,787	\$195,232	(\$30,710)	(\$123,147)	\$169,786	(\$69,234)	\$251,598	\$354,008	\$471,842

FUNDING RECEIVED FROM NON-STATE SOURCES

No revenue was received from the State of Nebraska.

TRAINING CONDUCTED

TESTING AND EVALUATION SERVICES PROVIDED

The overall nature of the tests offered consist of regulatory compliance testing for the Federal Communications Commission, Food and Drug Administration, the European Union and other appropriate international standards for electronics emissions and immunity testing.

The Center applied for, and received, accreditation from the American Association of Lab Accreditation in March 2002. It is accredited for Electromagnetic Compatibility (EMC), wireless and product safety testing. Accreditation was renewed in 2024 and remains current.



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The tests included in that Scope of Accreditation are attached.

The additional tests offered by the Center are still generally environmental in nature, although the Center also now offers a series of safety tests for industrial, scientific and medical devices and acoustic testing as well as X-ray inspection:

Environmental Tests include:

- Shock and Vibration
- Temperature and Humidity
- Salt/Fog
- Ingress Protection (Dust, Blowing Dust and Water)
- Altitude Simulation

The NCEE Board of Directors and management are confident the budget/review actions undertaken will position the Center for continued positive performance.

ADDITIONAL VALUE PROVIDED

Tours by the NCEE staff of the facility and discussions with local inventors and business leaders have continued the demonstration of the organization as a valuable educational and economic development resource to the community.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Illich', with a stylized flourish at the end.

Paul Illich
President

Enclosure: NCEE Audit
Scope of Accreditation

cc: Appropriations Committee Chair
Robert Clements
Keisha Patent



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NEBRASKA CENTER FOR
EXCELLENCE IN ELECTRONICS

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2025 AND 2024



Grafton & Associates^{p.c.}
CERTIFIED PUBLIC ACCOUNTANTS

NEBRASKA CENTER FOR
EXCELLENCE IN ELECTRONICS

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September 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Audit Committee of
Nebraska Center for Excellence in Electronics
Lincoln, Nebraska

Opinion

We have audited the accompanying financial statements of Nebraska Center for Excellence in Electronics (a nonprofit organization), which comprise the statements of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Nebraska Center for Excellence in Electronics as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Nebraska Center for Excellence in Electronics and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Nebraska Center for Excellence in Electronics' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that

includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of those financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matter

The financial statements as of and for the year ending September 30, 2024, were reviewed by us, and our report thereon, dated December 4, 2024, stated that based on our review we were not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. A review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole. Accordingly, we do not express an audit opinion on the financial statements of the Organization as of and for the year ended September 30, 2024.

Yunth : Amante, P.C.

December 1, 2025

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENTS OF FINANCIAL POSITION

September 30,

ASSETS		2025	2024
ASSETS			
Cash and cash equivalents		\$ 1,819,368	\$ 1,180,833
Accounts receivable		<u>230,366</u>	<u>326,119</u>
Total assets		<u>\$ 2,049,734</u>	<u>\$ 1,506,952</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable		\$ 40,462	\$ 41,757
Wages and bonus payable		149,545	79,741
Accrued vacation payable		35,865	29,567
Payroll taxes and withholdings payable		9,342	11,433
Accrued real estate taxes payable		5,790	5,790
Use taxes payable		858	1,634
Deferred revenue		<u>-</u>	<u>1,000</u>
Total liabilities		<u>241,862</u>	<u>170,922</u>
NET ASSETS			
Net assets without donor restrictions		<u>1,807,872</u>	<u>1,336,030</u>
Total net assets		<u>1,807,872</u>	<u>1,336,030</u>
Total liabilities and net assets		<u>\$ 2,049,734</u>	<u>\$ 1,506,952</u>

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2025

	Without Donor Restriction	With Donor Restriction	Total
REVENUES, GAINS & OTHER SUPPORT			
Testing income, net of discounts	\$ 2,409,630	\$ -	\$ 2,409,630
Membership dues	19,000	-	19,000
Interest income	59,518	-	59,518
Other income	<u>2,057</u>	<u>-</u>	<u>2,057</u>
Total revenue and support	<u>2,490,205</u>	<u>-</u>	<u>2,490,205</u>
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total increase in net assets	<u>2,490,205</u>	<u>-</u>	<u>2,490,205</u>
EXPENSES			
Program services	1,511,803	-	1,511,803
Management and general	506,560	-	506,560
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>2,018,363</u>	<u>-</u>	<u>2,018,363</u>
Total change in net assets	471,842	-	471,842
Net assets, beginning of year	<u>1,336,030</u>	<u>-</u>	<u>1,336,030</u>
Net assets, end of year	<u>\$ 1,807,872</u>	<u>\$ -</u>	<u>\$ 1,807,872</u>

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2024

	Without Donor Restriction	With Donor Restriction	Total
REVENUES, GAINS & OTHER SUPPORT			
Testing income, net of discounts	\$ 2,225,484	\$ -	\$ 2,225,484
Membership dues	20,000	-	20,000
Interest income	2,262	-	2,262
Other income	51,966	-	51,966
Total revenue and support	2,299,712	-	2,299,712
Net assets released from restrictions	-	-	-
Total increase in net assets	2,299,712	-	2,299,712
EXPENSES			
Program services	1,519,254	-	1,519,254
Management and general	426,450	-	426,450
Fundraising	-	-	-
Total expenses	1,945,704	-	1,945,704
Total change in net assets	354,008	-	354,008
Net assets, beginning of year	982,022	-	982,022
Net assets, end of year	\$ 1,336,030	\$ -	\$ 1,336,030

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2025

	Program Services	Management and General	Fundraising	Total
Compensation and related expenses:				
Compensation	\$ 1,042,020	\$ 237,754	\$ -	\$ 1,279,774
Pension plan contributions	22,922	6,889	-	29,811
Employee benefits	45,407	6,948	-	52,355
Payroll taxes	73,592	17,911	-	91,503
Professional services:				
Management	-	36,065	-	36,065
Legal	-	893	-	893
Accounting	-	4,370	-	4,370
Other	-	795	-	795
Advertising	2,300	-	-	2,300
Office supplies	-	3,847	-	3,847
Telephone	11,840	-	-	11,840
Printing, postage, and shipping	639	-	-	639
Property taxes	-	17,565	-	17,565
Utilities	21,857	5,464	-	27,321
Travel and entertainment	39,392	-	-	39,392
Training and conferences	13,597	-	-	13,597
Insurance	24,002	6,001	-	30,003
Bank charges	3,210	567	-	3,777
Capital purchases	79,419	57,992	-	137,411
Contract labor and services	-	90,028	-	90,028
Dues and subscriptions	3,802	913	-	4,715
Equipment	91,660	-	-	91,660
Licenses and permits	3,358	150	-	3,508
Payroll processing fee	2,336	533	-	2,869
Repairs and maintenance	12,630	11,875	-	24,505
Supplies	17,820	-	-	17,820
Total functional expenses	<u>\$ 1,511,803</u>	<u>\$ 506,560</u>	<u>\$ -</u>	<u>\$ 2,018,363</u>

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended September 30, 2024

	Program Services	Management and General	Fundraising	Total
Compensation and related expenses:				
Compensation	\$ 853,051	\$ 274,178	\$ -	\$ 1,127,229
Pension plan contributions	21,535	8,571	-	30,106
Employee benefits	41,418	3,432	-	44,850
Payroll taxes	66,412	21,675	-	88,087
Professional services:				
Management	2,054	36,543	-	38,597
Legal	-	18,237	-	18,237
Accounting	-	3,900	-	3,900
Other	-	758	-	758
Advertising	1,220	-	-	1,220
Office supplies	-	5,701	-	5,701
Telephone	11,580	-	-	11,580
Printing, postage, and shipping	4,451	-	-	4,451
Property taxes	15,446	-	-	15,446
Utilities	18,018	4,501	-	22,519
Travel and entertainment	9,274	27,821	-	37,095
Training and conferences	8,761	-	-	8,761
Insurance	22,416	5,604	-	28,020
Bank charges	3,800	-	-	3,800
Capital purchases	213,388	3,935	-	217,323
Contract labor and services	83,412	-	-	83,412
Dues and subscriptions	2,754	1,577	-	4,331
Equipment	96,893	-	-	96,893
Licenses and permits	13,290	-	-	13,290
Payroll processing fee	-	2,704	-	2,704
Repairs and maintenance	14,499	7,313	-	21,812
Supplies	15,582	-	-	15,582
Total functional expenses	<u>\$ 1,519,254</u>	<u>\$ 426,450</u>	<u>\$ -</u>	<u>\$ 1,945,704</u>

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

STATEMENTS OF CASH FLOWS

For the years ended September 30,

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 471,842	\$ 354,008
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Decrease (increase) in operating assets:		
Accounts receivable	95,753	32,405
Prepaid expenses	-	4,853
(Decrease) increase in operating liabilities:		
Accounts payable	(1,295)	(137,770)
Use taxes payable	(776)	(1,878)
Wages and bonus payable	69,804	(42,460)
Accrued vacation payable	6,298	(1,173)
Payroll taxes and withholdings payable	(2,091)	5,021
Accrued real estate taxes payable	-	(3,497)
Deferred revenue	<u>(1,000)</u>	<u>(1,000)</u>
Net cash provided by operating activities	<u>638,535</u>	<u>208,509</u>
Net increase in cash and cash equivalents	638,535	208,509
Cash and cash equivalents, beginning of year	<u>1,180,833</u>	<u>972,324</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,819,368</u></u>	<u><u>\$ 1,180,833</u></u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

NOTES TO FINANCIAL STATEMENTS

September 30, 2025 and 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

The Nebraska Center for Excellence in Electronics (the Organization) is a public benefit company organized under the Nebraska Nonprofit Corporation Act to support and improve the technical and educational infrastructure relating to, and enhance the growth of employment opportunities in, the electronics industry in the State of Nebraska through the operation and maintenance of facilities and equipment for the testing of electronic components and products and the training of individuals in methods of production and operation thereof. As more fully explained in Note B, the Organization is currently fulfilling its stated mission through the operation of an electronics testing and training facility located in Lincoln, Nebraska.

2. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

3. Basis of Presentation

Financial statement presentation follows the recommendations of the *Presentation of Financial Statements* section of the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board Accounting Standards Codification, wherein the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets without donor restrictions are not subject to donor-imposed stipulations. Net assets with donor restrictions represent resources whose use is limited by donor-imposed restrictions that could be met by actions of the Organization, by the passage of time, or for which the donor has instructed that the assets be held into perpetuity. There were no net assets with donor restrictions at September 30, 2025 and 2024.

4. Cash and Cash Equivalents

For purposes of the statements of cash flows, the cash equivalents include funds invested in a daily Short-Term Federally Insured Trust, which is secured by national student loans of an equal amount.

5. Accounts Receivable

The Organization is a trade organization which incurs accounts receivable on testing revenue and membership dues. The Organization uses historical loss information as well as current and future industry indicators as a basis to determine expected credit losses for receivables. Management believes that the composition of trade receivables at year-end is consistent with

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

NOTES TO FINANCIAL STATEMENTS – Continued

September 30, 2025 and 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

historical conditions and does not anticipate any future changes. Based on this analysis, management expects no credit losses on outstanding receivables and, therefore, has not established an expected credit loss reserve.

6. Property and Equipment

The Organization’s operating agreement with Southeast Community College (SCC) described in Note B stipulates that SCC shall furnish and own all property and equipment necessary for the operation of the facility subleased by SCC to the Organization. The agreement also states that from time to time, and at the discretion of the Organization’s management, the Organization may acquire equipment to be used in the operation of the Organization. The ownership of such equipment will become property of and remain with SCC. During the fiscal years ended September 30, 2025 and 2024, the Organization acquired assets at a cost of \$91,660 and \$96,893, respectively, and in accordance with the agreement, the Organization did not capitalize it, but included it as part of the year’s operating expenses.

In the formation of the Organization, it was legislatively mandated that following any year in which the Organization shows a positive cash flow, it shall annually set aside into a reserve fund an amount equal to 67% of the Organization’s net income less any debt repayment for that year. The reserve fund shall be available for capital investment consistent with the purposes of the Organization. The fund is reduced by both equipment purchases and additional capital improvements. This fund is considered to be without donor restriction; however, it does impose a limitation on the net assets of the Organization. For the periods ending September 30, 2025 and 2024, the Organization incurred both net income and positive cash flows, which increased the fund from the prior year’s balance. The changes in the reserve were as follows:

	2025	2024
Balance, beginning of the year	\$ 237,185	\$ 168,571
Less: capital expenditures against reserve	(137,411)	(168,571)
67% of net income (per legislative mandate)	<u>316,134</u>	<u>237,185</u>
Balance, end of the year	<u>\$ 415,908</u>	<u>\$ 237,185</u>

7. Advertising

Advertising expenses paid by the Organization are expensed as incurred.

8. Income Taxes

The Nebraska Center for Excellence in Electronics is an exempt organization from under Internal Revenue Code Section 501(c)(6) and, therefore, is not subject to corporate income taxes.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

NOTES TO FINANCIAL STATEMENTS – Continued

September 30, 2025 and 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Organization and has been classified as other than a private foundation by the Internal Revenue Service. The Organization does not carry on any unrelated business activities and accordingly, no provision for unrelated business income taxes has been made.

9. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

10. Functional Allocation of Expenses

The Organization utilizes its resources in two principal functions: conducting the program services provided to third parties and the management of the organization. Certain costs have been allocated among the functions based on management's estimates and direct identification.

11. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE B – HISTORY AND OPERATING AGREEMENT

In 1998, the Nebraska Legislature appropriated funds to be used for the construction and equipping of an electronics facility by Southeast Community College (SCC), a political subdivision of the State of Nebraska. The purpose of the facility is to conduct training in applied electronics technology and evaluation and testing of electronics equipment. The facility (the Center) was constructed on ground that SCC leased from the University of Nebraska Technology Park L.L.C. under a lease continuing through July 2059. SCC is permitted by legislation to contract with a nonprofit corporation to operate the Center and effective July 1, 2000, signed a one-year, automatically renewing, operating agreement with the Organization to do so.

NOTE C – CONCENTRATIONS

1. Revenues

During the year ended September 30, 2025, one customer accounted for 15.1% and 41.5% of the total revenue and outstanding accounts receivable, respectively. Another customer accounted for 16.3% of the total revenue. During the year ended September 30, 2024, one customer accounted for 8.8% and 19.0% of the total revenue and outstanding accounts receivable, respectively. Another customer accounted for 12.8% and 16.7% of the total revenue and outstanding accounts receivable, respectively.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

NOTES TO FINANCIAL STATEMENTS – Continued

September 30, 2025 and 2024

NOTE C – CONCENTRATIONS – Continued

2. Financial Instruments

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of Short Term Federal Investment Trust (STFIT) accounts which are not federally insured, but rather are secured by U.S. guaranteed student loans in an amount equal to the amount invested. However, the Organization has not experienced any losses on such accounts.

NOTE D – COMMITMENTS

In connection with the operating agreement referred to in Note B, the Organization entered into a sublease agreement with SCC, which commenced July 1, 2000, to lease the Organization. The annual lease renews automatically until cancelled. Base rent under this agreement was the responsibility of SCC and has been paid. The Organization is responsible for “additional rent,” which is defined as general real estate taxes and special assessments. During the years ended September 30, 2025 and 2024, the “additional rent” totaled \$14,573 and \$16,281, respectively.

The Organization signed a service order in September 2022 for high-speed internet service and access to voice over IP services with Unite Private Networks, LLC. The Organization evaluated the agreements for possible leased physical components under the *Lease* topic of the Financial Accounting Standards Board Accounting Standards Codification. No such physical elements were denoted, therefore, no lease liability or right-of-use asset has been reflected. The following is a schedule of future required remaining payments:

For the year ended September 30,

2026	\$ 6,132
2027	6,132
Thereafter	-
	<u>\$ 12,264</u>

NOTE E – RELATED PARTY TRANSACTIONS

The Organization’s membership elects its Board of Directors from the membership body, who also patron the Organization. Consequently, certain testing services are provided to member organizations which have a representative on the Organization’s Board of Directors. For the years then ended September 30, 2025 and 2024, the Organization’s transactions with these member organizations totaled \$832,247 and \$666,032, or 34.2% and 29.6% of total revenue, respectively. As of September 30, 2025 and 2024, the Organization has outstanding receivables from these members in the amount of \$27,203 and \$132,962, respectively. Management believes these related party transactions have been made at arm’s length.

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

NOTES TO FINANCIAL STATEMENTS – Continued

September 30, 2025 and 2024

NOTE F – PENSION PLAN

The Organization has a Simple IRA plan, which covers substantially all full-time employees that meet certain eligibility requirements. The Organization makes a 100% matching contribution on the employee's contribution, limited to 3% of the employee's earnings in the period for which a contribution is made. For the years ended September 30, 2025 and 2024, the Organization's expense related to this plan was \$29,811 and \$30,105, respectively.

NOTE G – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization must maintain sufficient resources to meet ongoing responsibilities for restrictions to its net assets such as the funds designated to the reserve fund. Thus, certain financial assets may not be available for general expenditures within one year. The following reflects the Organization's liquid financial assets as of September 30, 2025 and 2024, respectively, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 1,819,368	\$ 1,180,833
Accounts receivable	230,366	326,119
Less those unavailable for general expenditures within one year, due to:		
Statutory limitation (see Note A6)	(415,908)	(237,185)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,633,826</u>	<u>\$ 1,269,767</u>

The Organization does not have a formal liquidity management policy, but the Organization typically structures its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE H – SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 1, 2025, the date the financial statements were available to be issued. No events or transactions were noted to that date which requires further disclosure.



SCOPE OF ACCREDITATION TO ISO/IEC 17025:2017

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

4740 Discovery Drive
Lincoln, NE 68521-5376
Karthik Vepuri Email: kvepuri@nceelabs.com

ELECTRICAL

Valid to: May 31, 2026

Certificate Number 1953.01

In recognition of the successful completion of the A2LA evaluation process, accreditation is granted to this laboratory to perform the following electromagnetic compatibility tests:

Test Technology:

Test Method(s)¹:

Emissions

Unintentional Radiators
Radiated and Conducted
(Up to 220 GHz)

47 CFR, FCC Part 15, Subpart B (using ANSI C63.4-2014);
47 CFR, FCC Part 18 (using MP-5:1986);
CISPR 11; EN 55011; AS/NZS CISPR 11; KS C 9811;
CISPR 12; EN 55012; CAN/CSA-CISPR 12-10;
CISPR 14-1; EN 55014-1 (Excluding Clicks);
CISPR 15; EN 55015;
CISPR 22; EN 55022; AS/NZS CISPR 22 (2002);
SANS 222; CISPR 32; EN 55032; KS C 9832;
AS/NZS 4771; AS/NZS 4268; AS/NZS CISPR 32;
CNS 15936 (Up to 6 GHz);
GB 9254 (1998); GB 17625.1 (2003);
VCCI V-3-2011 (Up to 6 GHz); VCCI V-32;
VCCI-CISPR 32:2016; SANS 215; SANS 2232

Current Harmonics

IEC 61000-3-2; EN 61000-3-2; AS/NZS 61000.3.2;
KS 9610-3-2; SANS 61000-3-2

Voltage Fluctuations and Flicker

IEC 61000-3-3; EN 61000-3-3; AS/NZS 61000.3.3;
KS 9610-3-2; SANS 61000-3-3

Magnetic Fields

IATA DGR Section 3.9.2.2 and PI953

Immunity

Electrostatic Discharge (ESD)

IEC 61000-4-2; EN 61000-4-2; KS C 9610-4-2;
AS/NZS 61000.4.2; SANS 61000-4-2; ISO 10605

Radio Frequency, Radiated
(80 MHz to 6 GHz, 10 V/m)

IEC 61000-4-3; EN 61000-4-3; KS C 9610-4-3;
AS/NZS 61000.4.3; SANS 61000-4-3; ISO 11452-1

Test Technology:**Test Method(s)¹:*****Immunity (Continued)***

Electrical Fast Transient / Burst	IEC 61000-4-4; EN 61000-4-4; KS C 9610-4-4; AS/NZS 61000.4.4; SANS 61000-4-4
Surge Immunity	IEC 61000-4-5; EN 61000-4-5; KS C 9610-4-5; AS/NZS 61000.4.5; SANS 61000-4-5
Radio Frequency, Conducted	IEC 61000-4-6; EN 61000-4-6; KS C 9610-4-6; AS/NZS 61000.4.6; SANS 61000-4-6; ISO 11452-4
Power Line Magnetic Field	IEC 61000-4-8; EN 61000-4-8; KS C 9610-4-8; AS/NZS 61000.4.8; SANS 61000-4-8
Voltage Dips and Fluctuations	IEC 61000-4-11; EN 61000-4-11; KS C 9610-4-11; AS/NZS 61000.4.11
Pulse Magnetic Field	IEC 61000-4-9; SANS 61000-4-9; KS C 9610-4-9
Ring Wave	IEC 61000-4-12
Radio Frequency Conducted (0 Hz to 150 kHz, 10V _{rms})	IEC 61000-4-16
Radio Frequency, Radiated with Stripline (80 MHz to 400 MHz, 200V/m)	ISO 11452-5

***Transmitters and Receivers
(Up to 220 GHz)***

Unlicensed Transmitters	47 CFR, FCC Part 15, Subpart C; ANSI C63.10-2020
Unlicensed Personal Communications Service Devices	47 CFR, FCC Part 15, Subpart D; ANSI C63.17-2013
U-NII without DFS Intentional Radiators	47 CFR, FCC Part 15, Subpart E; ANSI C63.10-2020
Licensed Transmitters (up to 40 GHz)	47 CFR, FCC Part 15, Subpart F; ANSI C63.10-2020
Commercial Mobile Services (FCC Licensed Radio Service Equipment)	47 CFR FCC Parts 22, 24, 25, 27 (Below 3 GHz); ANSI C63.26-2015; ANSI/TIA-603-D/E-2016
General Mobile Radio Services (FCC Licensed Radio Service Equipment)	47 CFR FCC Parts 22, 90, 95, 97, 101 (below 3 GHz); ANSI C63.26-2015; ANSI/TIA-603-D/E-2016

Test Technology:**Test Method(s)¹:*****Transmitters and Receivers
(up to 220 GHz) (Cont.)***

Maritime and Aviation Radio
Services (FCC Licensed Radio
Service Equipment)

47 CFR FCC Part 80 and Part 87; ANSI C63.26-2015;
ANSI/TIA-603-D/E-2016

Microwave and Millimeter Wave
Bands Radio Services (FCC Licensed
Radio Service Equipment)

47 CFR FCC Parts 25, 30, 74, 90, 95, 101;
ANSI C63.26-2015; ANSI/TIA-603-D/E-2016

***Military Standards
MIL-STD***

MIL-STD 461F/G;
RE101; RE102; CE102; CS101; CS116; RS101;
RTCA/DO-160F, Section 21; RTCA/DO-160F, Section 15

***Canada
(Excluding DFS)***

ICES-001; ICES-002; ICES-003; ICES-005;
RSS-GEN; RSS-111; RSS-112; RSS-117; RSS-119; RSS-123;
RSS-125; RSS-127; RSS-130; RSS-131; RSS-132; RSS-133;
RSS-134; RSS-135; RSS-139; RSS-140; RSS-137; RSS-141;
RSS-142; RSS-170; RSS-181; RSS-182; RSS-191; RSS-192;
RSS-194; RSS-195; RSS-197; RSS-210; RSS-211; RSS-213;
RSS-215; RSS-216; RSS-220; RSS-222; RSS-236; RSS-238;
RSS-243; RSS-244; RSS-247; RSS-248; RSS-251; RSS-287;
RSS-288

Australia/New Zealand

AS/NZS 4771; AS/NZS 4268; AS/NZS 4768-1; AS/NZS 4768-2;
AS/NZS 4768-3

Japan

Japan Radio Tests Radio Law No. 131, Ordinance of MPT No. 37,
1981, MIC Notification No. 88:2004, Table No. 22-11;
ARIB STD-T66, Regulation 18

Radio Communication

ETSI EN 300 328; ETSI EN 300 683 (*Excluding DFS*);
ETSI EN 300 220-2;
ETIS EN 300 330;
ETSI EN 301 440-1; ETSI EN 301 440-2;
ETSI EN 300 113-1;
ETSI EN 301 908-1; ETSI EN 301 908-13; EN 302 858-1;
EN 302 858-2; EN 305 550; EN 301 091-1; EN 301 091-2

Product Standards

Immunity, Household Appliances,
and Electric Tools

EN 55014-2; CISPR 14-2

Sound and Television Broadcast
Receivers and Associated
Equipment, Immunity

EN 55020; CISPR 20

Test Technology:**Test Method(s)¹:*****Product Standards (Cont.)***

Emissions, Information Technology Equipment	EN 55022; CISPR 22; AS/NZS CISPR 22
Immunity, Information Technology Equipment	EN 55024; CISPR 24; KN 24; AS/NZS CISPR 24
Automotive	EN 55025; CISPR 25 (Section 6.2, 6.3, and 6.5 only)
Immunity, Multimedia Equipment	EN 55035; CISPR 35; KS C 9835; SANS 2335
Emissions, Multimedia Equipment	EN 55032; CISPR 32; KS C 9835; AS/NZS CISPR 32
Electrical and Electronic Installation in Ships – EMC	IEC 60533; KS C IEC 60533
Agriculture and Forestry Machinery	EN 14982; ISO 14982 (<i>Excluding power transients</i>)
Earth-Moving Machinery	EN 13766; ISO 13766 (<i>Emissions and ESD only</i>)
Immunity Requirements for Components of Fire, Intruder, and Social Alarms	EN 50130-4
Medical Electrical Equipment	IEC 60601-1-2; EN 60601-1-2
Electrical Equipment for Measurement, Control, and Laboratory Use	IEC 61326-1; EN 61326-1
Requirement for EMC Unprotected Area	IEC 61326-2-1; EN 61326-2-1
Requirements for Transducers with Integrated or Remote Signal Conditioning	IEC 61326-2-3; EN 61326-2-3
Generic Immunity for Residential, Commercial, and Light Industrial	IEC 61000-6-1; EN 61000-6-1; AS/NZS 61000.6.1; KS C 9610-6-1
Generic Immunity for Industrial Environments	IEC 61000-6-2; EN 61000-6-2; AS/NZS 61000.6.2; KS C 9610-6-2
Generic Emissions for Residential, Commercial, and Light Industrial	IEC 61000-6-3; EN 61000-6-3; AS/NZS 61000.6.3; KS C 9610-6-3

Test Technology:**Test Method(s)¹:*****Product Standards (Cont.)***

Generic Emissions for Industrial Environments

IEC 61000-6-4; EN 61000-6-4; AS/NZS 61000.6.4; KS C 9610-6-4

Maritime navigation and radiocommunication equipment and systems - General requirements - Methods of testing and required test results

IEC 60945; EN 60945; KS X 3140

Equipment for General Lighting Purposes

EN 61547; IEC 61547; SANS 61547

EMC Standard for Satellite Earth Stations and Systems (SES); Global Navigation Satellite System (GNSS) Receivers; Radio equipment operating in the 164 MHz to 1 300 MHz and 1 559 MHz to 1 610 MHz frequency bands

ETSI EN 303 413

EMC standard for Satellite Earth Stations and Systems (SES); Harmonized Standard for Mobile Earth Stations (MES), including handheld earth stations, for Satellite Personal Communications Networks (S-PCN) operating in the 1,6 GHz/2,4 GHz frequency band under the Mobile Satellite Service (MSS)

ETSI EN 300 441

EMC Standard for SRD Operating on Frequencies Between 9 kHz and 25 GHz

ETSI EN 300 683 (*Excluding section 9.6*)

EMC Standard for Radio Equipment and Services; Part 1 – Common Technical Requirements

ETSI EN 301 489-1; ETSI EN 301 489-3; ETSI EN 301 489-17; ETSI EN 301 489-5; ETSI EN 301 489-6; ETSI EN 301 489-19; ETSI EN 301 489-20; ETSI EN 301 489-52; KS X 3124; KS X 3126; KS X 3127; KS X 3128; KS X 3139; KS X 3129;

EAC Voluntary Voting System Guidelines (2015), Vol. 1 Section 4.1.2.4-12; Vol. 2 Section 8



Test Technology:**Test Method(s)¹:*****Product Safety²***

Safety Requirements for Electrical
Equipment for Measurement,
Control, and Laboratory Use

EN 61010-1; IEC 61010-1; UL61010-1;
CAN/CSA C22.2 No. 61010-1

Particular Requirements for
Electrical Equipment for the
Heating of Materials

EN 61010-2-010; IEC 61010-2-010

Exclusions:

6.7.1.3 – Tracking Index

Measurements,

9.3.1/14.7 – Flammability Testing,

10.5.3 – Vicat Testing,

11.7 – Fluid Pressure and leakage,

12.2 – Ionizing Radiation

12.3 – UV Radiation,

12.4 – Microwave Radiation,

12.5.2 – Ultrasonic Pressure

Particular Requirements for
Automatic and Semi-automatic
Laboratory Equipment for Analysis
and Other Purposes

EN 61010-2-081; IEC 61010-2-081

Information Technology
Equipment – Safety

EN 60950-1; IEC 60950-1; ANSI/UL 60950-1;
CAN/CSAC22.2 No. 60950-1-07

Exclusions:

4.3.13 – Ionizing Radiation,

4.7.3 – Materials Tests

Safety of machinery - Electrical
equipment of machines

IEC 60204-1

Audio/video, information, and
communication technology
equipment - Part 1: Safety
requirements

IEC 62368-1; AS/NZS 62368-1

Test Technology:**Test Method(s)¹:*****Product Safety² (Cont.)***Household and Similar Electrical
Appliances – SafetyEN 60335-1; IEC 60335-1; UL60335-1;
CAN/CSA C22.2 No. 60335-1***Exclusions:****Clause 21.1 – Spring Hammer Test**Clause 23.3 – Wire Flexing Test**Clause 25.14 – Supply Cord Flexing
Test**Clause 30 – Material Tests*

Ingress Protection, up to IP67

IEC 60529

¹ When the date, edition, version, etc. is not identified in the scope of accreditation, laboratories may use the version that immediately precedes the current version for a period of one year from the date of publication of the standard test method, per Annex A, Part C of A2LA R101 - *General Requirements-Accreditation of Conformity Assessment Bodies*.

² The laboratory is only accredited for testing activities outlined within the test methods listed above. Reference to any other activity within these standards, such as risk management or risk assessment, does not fall within the laboratory's accredited capabilities.

Testing Activities Performed in Support of FCC Certification in Accordance with 47 Code of Federal Regulations and FCC KDB 974614, Appendix A, Table A.1:

Rule Subpart/Technology	Test Method	Maximum Frequency (MHz)
<u>Unintentional Radiators</u>		
Part 15B	ANSI C63.4:2014	220000
<u>Industrial, Scientific, and Medical Equipment</u>		
Part 18	FCC MP-5:1986	220000
<u>Intentional Radiators</u>		
Part 15C	ANSI C63.10:2020	325000
<u>Unlicensed Personal Communication Systems</u>		
<u>Devices</u>		
Part 15D	ANSI C63.17:2013	325000
<u>U-NII without DFS Intentional Radiators</u>		
Part 15E	ANSI C63.10:2020	325000
<u>UWB Intentional Radiators</u>		
Part 15F	ANSI C63.10:2020	220000

Testing Activities Performed in Support of FCC Certification in Accordance with 47 Code of Federal Regulations and FCC KDB 974614, Appendix A, Table A.1:

Rule Subpart/Technology	Test Method	Maximum Frequency (MHz)
<u>Commercial Mobile Services</u> <u>(FCC Licensed Radio Service Equipment)</u> Part 22 (cellular), Part 24, Part 25 (below 3 GHz), Part 27	ANSI C63.26:2015; ANSI/TIA-603-E	220000
<u>General Mobile Radio Services</u> <u>(FCC Licensed Radio Service Equipment)</u> Part 22 (non-cellular), Part 90 (below 3 GHz), Part 95, Part 97 (below 3 GHz), Part 101 (below 3 GHz)	ANSI C63.26:2015; ANSI/TIA-603-E	325000
<u>Maritime and Aviation Radio Services</u> Part 80, Part 87	ANSI C63.26:2015; ANSI/TIA-603-E	220000
<u>Microwave and Millimeter Bands Radio Services</u> Parts 25, 30, 74, 90 (above 3 GHz), 95 (above 3 GHz), 97 (above 3 GHz), and 101	ANSI C63.26:2015; ANSI/TIA-603-E	220000

NOTE: Accreditation does not imply acceptance to the FCC equipment authorization program. Please see the FCC website (<https://apps.fcc.gov/oetcf/eas/>) for a listing of FCC approved laboratories.



Accredited Laboratory

A2LA has accredited

NEBRASKA CENTER FOR EXCELLENCE IN ELECTRONICS

Lincoln, NE

for technical competence in the field of

Electrical Testing

This laboratory is accredited in accordance with the recognized International Standard ISO/IEC 17025:2017 *General requirements for the competence of testing and calibration laboratories*. This accreditation demonstrates technical competence for a defined scope and the operation of a laboratory quality management system (refer to joint ISO-ILAC-IAF Communiqué dated April 2017).



Presented this 15th day of July 2024.

A blue ink signature of Mr. Trace McInturff.

Mr. Trace McInturff, Vice President, Accreditation Services
For the Accreditation Council
Certificate Number 1953.01
Valid to May 31, 2026

For the tests to which this accreditation applies, please refer to the laboratory's Electrical Scope of Accreditation.