

Annual Report to the Legislature

September 2010



Legislative Performance Audit Committee

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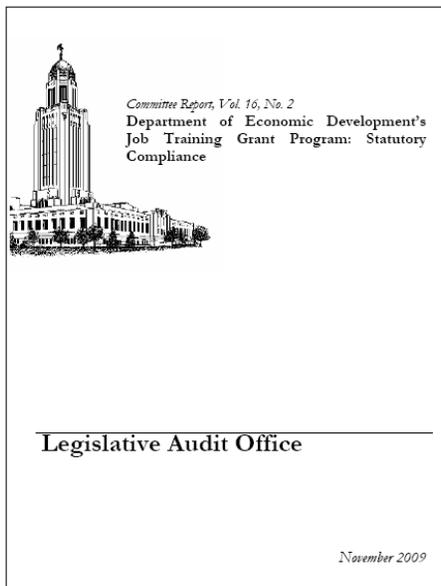
Performance Audits | 2009-2010

Community Transition Program – November 2009

In March 2009, the Department of Health and Human Services Division of Behavioral Health announced the closing of the Lincoln Regional Center Community Transition Program (CTP). The focus of the audit was to determine whether state statute requiring notification of the Legislature and the Governor when a regional center service is reduced or discontinued applied in this situation and if so, why such notice was not provided. The audit staff found sufficient, credible evidence that closure of the CTP program triggered the notice provision.

Job Training Grants – November 2009

This audit analyzed whether the Department of Economic Development’s (DED’s) job training grant program was compliant with statutory requirements governing reporting, monitoring, administration and



repayment. It also considered whether DED has taken adequate steps to give the community colleges priority consideration to provide the training for new and existing Nebraska businesses and whether additional steps could be taken to further encourage the use of community colleges.

We found DED compliant with statutory requirements except those relating to an annual report to the Legislature. We also found that its regulations were out of date.

In addition, in FY2008-09, 44 percent of grant-recipient businesses used a community college for at least a portion of its training. However, we were unable to determine whether that level of use meets the Legislature’s intent to increase community college involvement because the statute contains no target amount. We found that DED may be able to take some additional steps to encourage businesses to use the community colleges, and that the colleges may need to conduct more outreach as well.

Public Service Commission – April 2010

The amount of money spent on legal services provided by the public advocate prompted this examination of the efficiency and effectiveness of this contractual arrangement with the Public Service Commission (PSC). The audit staff found that the PSC’s decision to outsource the public advocate was not prohibited by law and was therefore compliant with the relevant statutes. We also found that outsourcing the duties of the position was more cost effective and efficient than hiring a state employee.



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Behavioral Health – April 2010

With the passage of the Nebraska Behavioral Health Services Act (LB 1083) in 2004, the Legislature undertook statewide behavioral health reform that emphasized community-based services. The performance audit examined certain aspects of the implementation of these reforms, including differentiation between service and administrative funds, administrative responsibilities of the Division of Behavioral Health and the regions, and oversight mechanisms.

The Committee was extremely concerned about the audit findings, which it believed demonstrate serious failings in the Department's implementation of LB 1083. Six years after the bill's enactment, the Department has failed to develop a statewide comprehensive plan for behavioral health services. Such a plan would provide the behavioral health regions and others with guidance about the goals for behavioral health reform in the state. In addition, the Department has failed to promulgate required regulations. The implementation of behavioral health reform is part of a Health and Human Services Committee study during the 2010 interim.

Commission on Industrial Relations (Preaudit) – November 2009

The focus of this preaudit was the standard of review to be used by the Commission of Industrial Relations (CIR) when it reviews wage appeals under the State Employees Collective Bargaining Act. Rulings in four cases raised questions for the Committee as to whether the CIR had reversed its past practice of considering additional evidence on appeal. Audit staff found that the rulings in the current cases were inconsistent with past decisions; however the law was unclear as to the appropriate standard. These inconsistencies could be addressed legislatively; a pending court case would also likely provide clarification.



The Audit Office's 2007 report on the NITC won a 2009 National Legislative Program Evaluation Society Impact Award. As a result of the audit, the Legislature adopted LB 823, which required state entities to submit projects for NITC review regardless of funding source (general, federal, and/or cash funds) and allowed NITC to require progress reports on these projects. LB 823 also clarified agency IT reporting requirements and processes necessary for the oversight of large, high-risk projects.

Performance Audit Reports | 2005 - 2010

- Public Service Commission's Office of the Public Advocate: An Examination of Statutory Compliance and the Efficiency and Effectiveness of the Current Contract (April 2010)
- Community-based Behavioral Health: Funds, Efficiency, and Oversight (April 2010)
- Department of Health and Human Services: Statutory Compliance in Closing the Lincoln Regional Center Community Transition Program (November 2009)
- Department of Economic Development's Job Training Grant Program: Statutory Compliance (November 2009)
- The State Foster Care Review Board: Authority, Conflicts of Interest, and Management Practices (December 2008)
- Personal Services Contracts: An Examination of Compliance and Oversight (October 2008)
- The Nebraska Information Technology Commission: An Examination of Statutory Compliance and the Project Review Process (November 2007)
- The Nebraska Lottery's Implementation of LB 1039 (February 2007)
- The State Department of Education's Student-based Teacher-led Assessment and Reporting System (February 2007)
- The Lincoln Regional Center's Sex Offender Services Program (August 2006)
- The Public Employees Retirement Board and the Nebraska Public Employees Retirement Systems: An Examination of Compliance, PIONEER, and Management (August 2006)
- The Nebraska Medicaid Program's Collection of Improper Payments (May 2005)

All reports available at:

<http://nebraskalegislature.gov/web/public/audit>

Legislative Audit Office

Room 1201- State Capitol
Lincoln, NE 68509
(402) 471-0072

Audit Staff

Martha Carter
Legislative Auditor

Clarence Mabin
Performance Auditor

Dana McNeil
Performance Auditor

Stephanie Meese
Legal Counsel

Sandy Harman
Committee Clerk