

Annual Report to the Legislature

Legislative Performance Audit Committee (FY 2020)

Completed Performance Audits

- Administrative Office of the Courts and Probation, Juvenile Services Division Selected Administrative and Cost Data
- New Markets Job Growth Investment Act: Performance on Selected Metrics

Performance Audits in Progress

- Department of Health and Human Services Division of Children and Family Services: A Review of Hotline and Non-court Data (Completed July 2020)
- Nebraska Job Creation and Mainstreet Revitalization Act
- State Patrol Overtime Audit (Topic approved July 2020)

Preaudits in Progress

- Department of Correctional Services and the Board of Parole

Summary of Audit Report Recommendations

Administrative Office of the Courts and Probation, Juvenile Services Division Selected Administrative and Cost Data

For future analysis and cost, the Committee recommended that JSD report additional information to the Legislature, either as part of existing reporting requirements or in a separate report. The report should include:

- Total expenditures for each of the seven service categories presented in this report;
- Total number of juveniles supervised by JSD;
- Total number of youth accessing service dollars;
- Total expenditures for administrative, supervision, and operations services attributable to juveniles only (i.e., excluding administrative costs shared by adult probation); and
- Cost per youth figures as calculated in the audit report.

The division reports annually on specific metrics. No changes were made in response to the audit.

New Markets Job Growth Investment Act: Performance on Selected Metrics

The Committee recommended a number of legislative actions and statutory changes dependent on the Legislature's priorities:

- If the Legislature considers attracting federal New Markets dollars and job creation, especially creating jobs with wage standards or in rural areas, as a priority for the New Markets Act, it may want to amend the Act to reflect these goals in participation requirements.
- If the Legislature wants to know if and how many federal New Markets tax credit dollars are associated with state projects, it may want to amend the Act to require this information to be collected.
- If the Legislature considers higher wage employment a priority for the New Markets Act, it may want to amend the Act to add wage levels as participation requirements.

The Committee also recommended a number of changes to improve future audits, including:

- Legislative action to require CDEs to report specified information connected to New Markets tax credits such as unemployment insurance account information, the number of employees connected with investment projects, their wages, and the number of hours worked.
- Legislative action to establish a benchmark for how many jobs the Legislature would expect participating businesses to create.
- Legislative action to establish a benchmark for what the Legislature believes is an acceptable cost per job under the Act.
- Legislative action to establish a benchmark for what the Legislature believes is an acceptable number of new businesses receiving investments.
- Legislative action to establish a benchmark for the amount of business activity the Legislature would like to see in distressed areas.

The Legislature took no action on the recommendations.

Legislative Performance Audit Committee

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