Oversight in the News

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- Auditor says state agencies had millions in ‘questioned’ spending of federal funds (Nebraska Examiner, 3/31/2023)
  - A state audit in Nebraska questions the proper spending of millions of dollars in pandemic-related federal funds by state agencies, potentially requiring the state to repay those funds. The audit highlights “questioned costs,” including $12 million in personnel costs at the Nebraska Department of Corrections and $3.6 million in excessive administration costs for a federal rent- and utility-assistance grant administered by the Nebraska Military Department. While at least two state agencies disagree with the audit findings, the report will be forwarded to federal agencies to determine potential repercussions such as repayment or reduced future federal funds.

- Norfolk Public Schools associate superintendent resigns, allegedly falsified documents to obtain federal funding (KETV, 8/3/2023)
  - The associate superintendent for Norfolk Public Schools in Nebraska, Bill Robinson, resigned after allegedly falsifying documents in an attempt to obtain $5,000 in funding reimbursement

from a federal grant program for expenses covered under the Individuals with Disabilities Education Act. The Nebraska State Auditor's office discovered the falsification, and the Department of Education rejected the request as it was submitted late. Robinson submitted new documentation that appeared altered, prompting a criminal investigation, and the district has initiated an internal investigation and is implementing additional safeguards to protect taxpayer funds.
    - Read auditor's analysis

- State will investigate after 911 outages in multiple Nebraska counties (KLKNTV, 9/5/2023)
    - The Public Service Commission launched an investigation into a 911 outages that occurred in multiple counties. The outages were caused by a fiber-optic cable being cut and a fire at a communications center. Lawmakers are raising concerns about the backup plans in place and are calling for a legislative investigation.

- Nebraska Legislature hires outside lawyer to advise about work of inspectors general (Nebraska Examiner, 9/11/2023)
    - The Nebraska Legislature has hired an external lawyer to assist in finding a legislative solution following the state attorney general's opinion that limited legislative oversight of child welfare and prison systems. Speaker John Arch and State Sen. Tom Briese confirmed the hiring, expressing concerns about the impact of the attorney general's opinion on the Legislature's ability to conduct meaningful oversight. The lawyer will help lawmakers address the constitutional issues and establish a fair approach to overseeing child welfare, prisons, and juvenile probation while respecting the attorney general's concerns about separation of powers.

- Nebraska child welfare, prison watchdogs have temporarily restored access for oversight roles (Nebraska Examiner, 2/14/2024)
    - The six-month dispute between Nebraska's legislative and executive branches over inspector general access saw a temporary resolution as the Legislature signed a memorandum of understanding with Governor Jim Pillen. The agreement outlines the information the executive branch will provide to state inspectors general for corrections and child welfare, temporarily halting the conflict and avoiding potential lawsuits. The memorandum, set to expire at the end of the 2025 session, aims to provide a broader assessment of legislative oversight, with

ongoing proposals including the creation of a special committee and amendments to statutes addressing concerns.

- Nebraska auditor: ‘Flagrant abuses,’ up to $1.5M in questionable billings suspected in DHHS program (Nebraska Examiner, 2/28/2024)
  - The Nebraska State Auditor’s Office uncovered flagrant abuses and suspected fraud in the Nebraska Department of Health and Human Services’ Medicaid-funded personal assistance services program, potentially resulting in up to $1.5 million in annual financial loss. The audit revealed multiple instances of providers billing for improbable hours, including work during vacations, conflicting with other employment, and providing services for family members, which is prohibited by federal regulations. State Auditor Mike Foley emphasized the urgent need to overhaul the program and ensure that taxpayer dollars are spent responsibly, with corrective actions identified to address deficiencies and improve tracking processes.

- Nebraska Labor Dept. appears afflicted with ‘Long COVID,’ state auditor says (Nebraska Examiner, 4/8/2024)
  - The Nebraska Department of Labor faced issues handling unemployment insurance benefits, potentially putting $13 million at risk, according to a state audit. State Auditor Mike Foley noted deficiencies in the department’s response to the audit findings, expressing concern about the ongoing threat to public funds. Despite some improvements, Foley likened the department’s challenges to “Long COVID,” suggesting unresolved issues that need swift attention.
    - Read audit report

- NE audit of DHHS child care subsidy program exposes as much as $12.8M in improper payments (Nebraska Examiner, 7/9/2024)
  - A recent audit of Nebraska's Department of Health and Human Services (DHHS) child care subsidy program has revealed significant financial improprieties, with as much as $12.8 million in improper payments made to child care providers. The audit, which examined a nine-month period starting in July 2023, found that some providers exploited the state's lax oversight of billings through the Nebraska Family Online Client User System (NFOCUS), leading to inflated and potentially fraudulent charges. Examples of improper billings included double and triple payments for the same child, billings on days when centers were closed, and payments for

more days than were in a month. DHHS has acknowledged the findings and stated that it has begun processes to recover the questioned funds, with an investigation already underway for one provider. The agency has also emphasized its commitment to implementing effective controls to ensure proper allocation of taxpayer dollars, and it is working collaboratively with the State Auditor's Office to address the issues.
    - Read the audit

- Improving oversight eyed as a ‘hallmark issue’ of 2025 legislative session (Nebraska Examiner, 12/16/2024)
    - Nebraska lawmakers are prioritizing enhanced legislative oversight for the 2025 session, following disputes over the constitutionality of existing oversight offices. In August 2023, Attorney General Mike Hilgers issued an opinion questioning the legality of the Legislature's inspectors general for child welfare and corrections, leading to restricted access for these offices. In response, the Legislature formed a special committee to review and potentially restructure its oversight functions, aiming to restore and strengthen its authority over state agencies.

- Legislative oversight proposal gets first-round approval (Nebraska Public Media, 5/21/2025)
    - Nebraska lawmakers gave first-round approval to a proposal that would expand legislative oversight of the state’s child welfare and corrections systems. The measure would create a Division of Legislative Oversight to investigate and report on issues within both systems. Supporters stated that the changes aim to enhance accountability and transparency, while some opponents expressed concerns about separation of powers.

- Nebraska lawmakers seek legislative hearing into Nebraska-ICE detention center plans (Nebraska Examiner, 8/27/2025)
    - Thirteen progressive Nebraska lawmakers asked Judiciary Committee Chair Sen. Carolyn Bosn to hold a public hearing on the state’s plan, announced by Gov. Jim Pillen and U.S. Immigration and Customs Enforcement, to convert the Nebraska Work Ethic Camp into a 300-bed federal immigration detention center. In their letter, the lawmakers argued that the governor acted without legislative input, raising constitutional, legal, and oversight concerns, and posed questions about inmate relocation, staffing, and the state’s authority to house ICE detainees. Bosn said she was reviewing the request, while Pillen’s office stated the administration was

open to answering questions directly.

- Requests denied: Nebraska turns down records requests on McCook-ICE jail (Nebraska Examiner, 10/14/2025)
  - Nebraska state officials have denied multiple public records requests related to a proposed Immigration and Customs Enforcement (ICE) detention center in McCook, citing ongoing contract negotiations and the investigative records exemption. The situation has raised transparency concerns from media outlets and some lawmakers, prompting the Urban Affairs Committee to hold a public hearing that drew many citizens.

- Nebraska lawmaker was twice denied entry to McCook ICE jail, calling it a law violation (Nebraska Examiner, 12/8/2025)
  - According to the Nebraska Examiner, Nebraska State Sen. Machaela Cavanaugh was twice denied entry to the McCook ICE detention facility, a claim the senator says violates state law requiring elected officials access. The senator sought to inspect conditions following reports from attorneys and detainees, but was turned away by facility staff. The situation has raised concerns about transparency and legislative oversight of detention operations.

- Lawmakers invited to tour state-run ICE jail as group after Cavanaugh complaint (Nebraska Examiner, 12/11/2025)
  - Following a Nebraska state senator’s complaint about being denied access to the McCook ICE detention facility, lawmakers have now been invited to tour the state-run jail as a group. According to the Nebraska Examiner, the Department of Correctional Services extended the invitation to address concerns about transparency and ensure compliance with laws permitting legislative access. The invitation comes amid ongoing scrutiny of the facility’s oversight and detainee conditions.

- Foley says contract probe could reach staff under governor’s direct control (Nebraska Examiner, 2/13/2026)
  - Nebraska State Auditor Mike Foley said an ongoing investigation into a state contract could extend to staff who work under the governor’s direct control, depending on where the evidence leads. According to Foley, the probe is examining compliance with procurement rules and whether proper oversight procedures were followed. Lawmakers have indicated the findings could inform further legislative oversight or hearings once the audit is complete.

- Nebraska lawmaker has mixed reaction after repeat visit to McCook ICE facility (Nebraska Examiner, 3/27/2026)
    - After a second visit to the ICE detention facility in McCook, a Nebraska lawmaker said conditions appeared improved in some areas compared with an earlier inspection, including staffing and responsiveness to concerns. However, the lawmaker also said unresolved issues remained, including questions about detainee treatment, access to medical care, and communication with families and attorneys. According to the report, the visit reflected both progress and continuing concerns about oversight of the facility's operations.

- State auditor raises alarm about 'highly questionable billing' in program for aged and disabled (Nebraska Examiner, 8/24/2026)
    - According to Nebraska Auditor Mike Foley's report, the state's Medicaid Aged and Disabled Waiver program showed "highly questionable billing" and oversight weaknesses, including providers billing more than 24 hours a day, receiving payments while allegedly working elsewhere, and altering verified service hours. The audit said program payments grew from about $65 million in 2016 to $434 million in 2025, while DHHS responded that it has already addressed some concerns through system changes and will investigate other cases. Foley also raised concerns that providers may structure themselves to obtain higher reimbursement rates and called for stronger controls as demand for the program grows.
        - Read the report