



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

OFFICE OF  
INSPECTOR GENERAL

December 19, 2025

OIG-CA-26-012

Mr. Philip Olsen  
State Accounting Administrator  
Nebraska Department of Administrative Services  
1445 K ST RM 2316  
Lincoln, NE 68508

Re: Final Determination on Corrective Actions for Desk Review of State of Nebraska's Use of Coronavirus Relief Fund Proceeds (OIG-CA-25-028)

Dear Mr. Olsen:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act),<sup>1</sup> established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion for making payments to states, District of Columbia, local, territorial, and tribal government entities. CRF recipients may use the CRF award funds to cover costs that:

1. were necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the government's budget most recently approved as of March 27, 2020; and
3. were incurred during the period that began on March 1, 2020, and ended on December 31, 2021, for states, local governments, and territories. In the case of tribal governments, were incurred during the period that began on March 1, 2020, and ended on December 31, 2022 (covered period).

Under a contract monitored by our office, a certified independent public accounting firm (IPA) performed a desk review to evaluate Nebraska's documentation supporting its use of CRF proceeds as reported in the GrantSolutions<sup>2</sup> portal. In the desk review memorandum,<sup>3</sup> the IPA identified total unsupported and ineligible questioned costs of \$15,830,130. Specifically,

- In the "grants greater than or equal to \$50,000" category, the IPA identified unsupported questioned costs of \$6,203,295 related to a reimbursable grant transaction for public health and safety payroll expenses; a variance between

<sup>1</sup> P.L. 116-136 (March 27, 2020)

<sup>2</sup> GrantSolutions, a grant and program management Federal shared service provider under the United States Department of Health and Human Services, developed a customized and user-friendly reporting solution to capture the use of CRF payments from prime recipients.

<sup>3</sup> Treasury OIG, *Desk Review of State of Nebraska's Use of Coronavirus Relief Fund Proceeds*, OIG-CA-25-028 (December 19, 2024)

the supporting documentation and the sub-recipient's general ledger expenditures for a workforce grant; and a zoo stimulus grant program.

- In the "transfers greater than or equal to \$50,000" category, the IPA identified unsupported questioned costs of \$9,596,834 related to a sub-recipient's public health and safety payroll expenses; and ineligible questioned costs of \$21,863 related to indirect administrative costs.
- In the "aggregate reporting less than \$50,000" category, the IPA identified ineligible questioned costs of \$2,063 related to drone operating training.
- In the "aggregate payments to individuals" category, the IPA identified ineligible questioned costs of \$6,075 related to payroll expenses.

In April 2025, we contacted Nebraska requesting the state to provide supporting documentation for the questioned costs. In May and August 2025, Nebraska provided adequate documentation for \$14,596,834 and returned the remaining \$1,233,296 questioned costs to the Department of the Treasury, respectively. As such, Nebraska's corrective actions addressed the questioned costs identified in the desk review.

We appreciate the courtesies and cooperation provided to our staff during the desk review follow-up. If you have any questions or require further information, please contact me at (202) 927-5792, or a member of your staff may contact Olivia Scott, Acting Audit Director, at (202) 927-9635.

Sincerely,

/s/

Pauletta Battle  
Acting Assistant Inspector General for Audit

cc: Michelle A. Dickerman, Deputy Assistant General Counsel, Department of the Treasury  
Danielle Christensen, Deputy Chief Program Officer for State and Local Programs, Office of Capital Access, Department of the Treasury  
Jeffery W. Stout, Acting Chief Program Officer, Office of Capital Access, Department of the Treasury  
Thao P. Tran, Acting Chief Operating Officer, Department of the Treasury