



# State of Nebraska

## NEBRASKA EQUAL OPPORTUNITY COMMISSION

### MEMORANDUM

TO: Sen. Lavon Heidemann, Chairperson  
Appropriations Committee

FROM: Kathleen Bogenreif, Business Manager  
Nebraska Equal Opportunity Commission

DATE: January 6, 2010

RE: Implementation of Reduced Budget

Following is a report of what the Nebraska Equal Opportunity Commission plans to do in order to implement the reduced budget appropriation for this current Fiscal year 2009-2010, and Fiscal year 2010-2011.

The NEOC did not make plans to spend the extra general funds carried over from last fiscal year except for those that were spent in paying for expenses directly attributable to that fiscal year ending June 30, 2009. So we did not have to make adjustments for the extra carryover funds that were eliminated from our appropriation during the special session.

FY 2009-2010. The agency will be able to absorb the 33,158 decrease in general funds during this fiscal year through vacancy savings and the elimination of a contract we had for investigations. Eliminating the contract with our former retired investigator, in addition to one that was cancelled earlier this fiscal year, will save the agency \$8,000 overall. However this will decrease by 35 the number of investigations the agency will be able to produce, and receive credit for, through our federal contract with EEOC. The agency will also experience approximately \$25,000 in vacancy savings, through the turnover of two investigative staff (\$10,000) and the vacancy of our executive director position (\$15,000.) This is based on the director position being vacant for 3 months, so will ultimately depend on the actual time the position remains vacant. In addition to these savings, the agency has investigated some areas in which we can make smaller savings, such as the number of letters we mail out using certified mail services and a reduction in the number of computers that are connected to the network since we are charged for every unit that is attached to the network.

These changes will not impact the number of staff members, or cause us to have to utilize furloughs during this current fiscal year. The reduction of computers attached to the network will not significantly affect the work of our staff since these are PC's located in general areas that are shared by the staff. We are trying to avoid furloughs since these absences affect the number of cases that can be investigated, which ultimately affects the agency's receipt of federal funds. Our federal funds are primarily earned through the acceptance of our case investigations by both HUD and EEOC, and in HUD's case the timeliness of those investigations is a huge consideration in how much the agency is paid. As you can see, most of these savings

E  
O  
O  
C  
M  
E  
N

#### MAIN OFFICE:

301 Centennial Mall, South   
PO Box 94934  
Lincoln, NE 68509-4934  
Phone: 402-471-2024  
Fax: 402-471-4059  
800-642-6112  
www.NEOC.ne.gov

#### BRANCH OFFICES:

1313 Farnam-on-the-Mall   
Omaha, NE 68102-1836  
Phone: 402-595-2028  
Fax: 402-595-1205  
800-382-7820

4500 Avenue I   
PO Box 1500  
Scottsbluff, NE 69363-1500  
Phone: 308-632-1340  
Fax: 308-632-1341  
800-830-8633

will be experienced through temporary conditions and will not carry over into the next fiscal year. The agency has also cut back on traveling as much as possible for case investigations, and will only participate in training that is absolutely necessary. Our HUD contract does require some training of the housing staff, but also provides funding for the required training.

FY 2010-2011. During this fiscal year, we plan to pay for one of our investigative unit supervisors from our HUD funds. This is a stopgap measure that the agency can use to carry us over for one year. We currently receive enough funds annually to pay for the three investigative staff currently in the housing unit. However, the agency had received some extra funds from HUD in the past which caused us to have a small amount over what was required to pay the salaries and benefits of these three staff. We can utilize these funds to pay for the unit director who supervises the housing unit for one year. This will effectively eliminate those extra funds in that account, but will save the agency from having to eliminate an investigative position for one year. Paying for the salary and benefits for that supervisor out of HUD funds will be enough to cover the \$68,535 decrease in our appropriation. This will prevent the agency from losing out on the 60 to 75 cases that an investigator normally produces in one year which will also save us from losing those federal dollars. For the last few years the agency has been paying for a Public Information Officer with these extra HUD funds. This position handled a lot of education and outreach, in both the housing and employment areas. This position would have been eliminated at the end of the 2010-2011 fiscal year anyway due to limited funding. The elimination of this PIO position will reduce the amount of time and effort the agency will be able to spend educating the public about our services, and their rights under the law, but will allow the agency to focus on our primary purpose--the processing of cases filed under the statutes we enforce.

At the end of this fiscal year, this supervisor will have to be returned to general funding which will cause us to have no choice but to eliminate one investigative position. Any further reduction to our general funds will also cause us to eliminate an investigative position. The agency eliminated three staff assistant positions and one administrative assistant position over the last two years, and cannot make any more cuts to our support staff positions and still get everything done in a timely manner. Eliminating investigative staff will reduce the number of cases that are investigated each year, which will not only reduce the amount of federal funds the agency receives but will also directly affect our service to the public. Cases will sit in our repository for a longer period of time before being assigned for investigation. This not only increases the frustration level of the complainant and the respondents, but also has a negative effect on the gathering of evidence and witness information after a longer time period has elapsed. A reduction in federal funding will also require the agency to eliminate investigative staff since 12 of our 20 investigative staff are paid for out of federal funds. So these staff reductions have a cumulative effect.