

**STATE OF NEBRASKA
ATTESTATION REVIEW
OF THE
NEBRASKA PUBLIC EMPLOYEES
RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

AS OF JANUARY 31, 2009**

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Issued on March 11, 2009

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
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NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Independent Accountant's Report

Citizens of the State of Nebraska:

We have reviewed the Nebraska Public Employees Retirement Systems (NPERS) procedures pertaining to the timely follow-up and resolution of deceased member accounts as of January 31, 2009. NPERS' management is responsible for the procedures pertaining to the timely follow-up and resolution of deceased member accounts. Management did not provide us a written assertion regarding such matters.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the procedures pertaining to the timely follow-up and resolution of deceased member accounts. Accordingly, we do not express such an opinion.

Based on our review, the items noted in the Summary of Results section of the report came to our attention that caused us to believe that NPERS had not performed procedures pertaining to the timely follow-up and resolution of deceased member accounts, in all material respects, in conformity with the criteria set forth in the Criteria section.

In accordance with *Government Auditing Standards*, we are required to report findings of deficiencies in internal control, violations of provisions of contracts or grant agreements, and abuse that are material to NPERS' procedures pertaining to the timely follow-up and resolution of deceased member accounts and any fraud and illegal acts that are more than inconsequential that come to our attention during our review. We are also required to obtain the views of management on those matters. We did not perform our review for the purpose of expressing an opinion on the internal control over NPERS' procedures pertaining to the timely follow-up and resolution of deceased member accounts or on compliance and other matters; accordingly, we express no such opinions.

Our review disclosed certain findings that are required to be reported under *Government Auditing Standards* and certain other matters. Those findings, along with the views of management and the identification of significant deficiencies and material weaknesses, are described below in the Summary of Results. A significant deficiency is a deficiency in internal control, or combination of deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report data reliably in accordance with the applicable criteria or framework such that there is more than a remote likelihood that a misstatement of the subject matter that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency or combination of significant deficiencies that result in more than a remote likelihood that a material misstatement of the subject matter will not be prevented or detected.

This report is intended solely for the information and use of the Citizens of the State of Nebraska, management of NPERS, others within NPERS, and the appropriate Federal and regulatory agencies; however, this report is a matter of public record, and its distribution is not limited.

Signed Original on File

Mike Foley
Auditor of Public Accounts

Krista Davis
Audit Manager

March 11, 2009

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Background

The Nebraska Public Employees Retirement Systems (NPERS) administers the Nebraska retirement plans (Plans) for School Employees, Judges, State Patrol, State Employees, and County Employees. As part of their duties, NPERS is responsible for the proper payment of benefits to retirees.

NPERS annually retains the death check verification services (death audit) from The Berwyn Group (Berwyn Group). This is to perform comparisons of the members in the Plans against national death records. Per its website at <https://www.berwyngroup.com/db/Home.asp>, the Berwyn Group states, “We are the Industry Leader in mortality verification (death audits) and new address determination (locator services) for pension fund and 401(k) administrators, insurance companies, banks, unions, public and municipal employee retirement systems, state teachers retirement systems, investment firms, credit card companies, epidemiology departments and organizations that have a financial interest in knowing the mortality or current addresses of their pensioners, policyholders, beneficiaries, members, account holders, etc.” NPERS sends a portion of its member data to the Berwyn Group who in turn matches the data to outside sources, such as the Social Security Administration, Railroad Retirement System, Civil Service Commission, and Department of Defense. The data is matched against social security number, last name, first name, and date of birth. The Berwyn Group then generates a report which includes a listing of individuals matched against the national death records and also a listing of individuals with invalid information, such as social security numbers, names, and dates of birth.

NPERS is then responsible for ensuring matched data records are adequately reviewed and resolved. Resolution should include terminating retirement benefits to deceased members, recovering ineligible retirement payments, paying the beneficiary or estate the account balance for members who have not previously received retirement benefits and following up on inaccurate account information.

The Auditor of Public Accounts (APA) has noted problems regarding the follow-up and resolution of the death audit report to NPERS in the exit conferences for the annual audit of the NPERS - School Employees, Judges, and State Patrol (SJP) Retirement Plans for 5 of the last 6 years. During the NPERS SJP Retirement Plans audit for the fiscal year ended June 30, 2008, the APA determined NPERS sent only 43,557 member data records to the Berwyn Group for compilation of the death audit report. NPERS is responsible for over 100,000 member accounts; therefore, all member accounts were not compared to the death records. The Berwyn Group returned a report in July 2008 matching 331 members to the national death records and identifying 78 invalid social security numbers from the NPERS data. NPERS only researched 30 members from the list of 331. Since NPERS did not perform adequate or timely follow-up of all member accounts, the APA performed additional procedures to ensure member accounts were properly handled.

The APA obtained a complete listing of member data from all five Plans as of December 2008, totalling 109,070 members, including:

- Active members (members currently contributing to the Plans)

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- Inactive members with account balances (members no longer contributing to the Plans; however, still have an account balance)
- Benefit recipients (retired members receiving benefit payments)

Plan Group	Active Members	Inactive Members	Benefit Recipients	Total Members
School Employees	39,931	17,913	15,813	73,657
Judges	156	7	156	319
State Patrol	493	8	362	863
State Employees	17,253	3,904	410	21,567
State Deferred Compensation	2,371	812	-	3,183
County Employees	7,655	1,638	188	9,481
Total	67,859	24,282	16,929	109,070

The APA independently submitted the information to the Berwyn Group for compilation of the death audit report. On January 7, 2009, the Berwyn Group issued a report of results to the APA which matched 100 members to the national death records and identified 47 invalid social security numbers.

Criteria

Neb. Rev. Stat. § 84-1503 (Reissue 2008) states, “(1) It shall be the duty of the Public Employees Retirement Board: (a) To administer the retirement systems provided for in the County Employees Retirement Act, the Judges Retirement Act, the Nebraska State Patrol Retirement Act, the School Employees Retirement Act, and the State Employees Retirement Act.” Good internal control requires NPERS follow up on the member accounts within six months of the date of death or attempt to make contact at least once per year, each year, after being notified of the death. Neb. Rev. Stat. § 69-1307.03 (Reissue 2003) indicates that retirement funds are presumed abandoned after five years. Neb. Rev. Stat. § 69-1310 (Reissue 2003) requires abandoned retirement funds to be remitted to the Nebraska State Treasurer under the Uniform Disposition of Unclaimed Property Act.

Summary of Procedures

Pursuant to Neb. Rev. Stat. § 84-304 (Reissue 2008), the Auditor of Public Accounts (APA) conducted an attestation review of NPERS procedures pertaining to the timely follow-up and resolution of deceased member accounts as of January 31, 2009, in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The APA’s attestation review consisted of the following procedures:

1. Obtained the July 2008 death audit report from NPERS.
2. Independently submitted member information, as of December 2008, to the Berwyn Group for comparison against its national database of deceased members. Obtained the January 2009 death audit report directly from the Berwyn Group.

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3. Tested all benefit recipients, inactive members, and active members listed on the death audit reports noted above as follows:

	July 2008	January 2009	Total
Benefit Recipients	33	49	82
Inactive Members	278	30	308
Active Members	-	9	9
Invalid Accounts*	20	12	32
Total	331	100	431

*These invalid accounts represent social security numbers provided by NPERS but matched by the Berwyn Group to a different individual.

For the benefit recipients, inactive and active members, the APA verified the following:

- The members received the appropriate number of monthly benefit payments. The APA ensured the payment ended in the month following the month of death, or any additional payments made to the member were appropriately refunded to NPERS.
 - The benefit payment continued to the beneficiary or estate, upon death of the member, in accordance with the option selected by the member, if applicable.
 - Proper action was taken by NPERS in a timely manner. The APA determined whether NPERS followed up on the member accounts within six months of the date of death or attempted to make contact at least once per year, each year, after being notified of the death. The APA also verified that any remaining unpaid balance was sent to unclaimed property after five years, if necessary.
4. Reviewed member accounts with invalid social security numbers reported by the Berwyn Group. There were 78 invalid social security numbers reported in the July 2008 Berwyn Group report and 47 invalid social security numbers reported in the January 2009 Berwyn Group report. The Berwyn Group indicated these social security numbers could not be verified as a valid social security number.

Summary of Results

The summary of our attestation review noted the following findings and recommendations:

1. Testing of Benefit Recipient Accounts

NPERS did not have adequate policies or procedures to ensure deceased members accounts were properly followed up and resolved in a timely manner. Additionally, NPERS should submit information to the Berwyn Group semi-annually to ensure they are made aware of deaths timely. The APA tested 82 members who had been receiving benefit payments and found NPERS erroneously paid benefits to deceased members, as follows:

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Type of Payment Error	July 2008	January 2009	Total
Overpayments (1)	\$ 68,669	\$ 24,936	\$ 93,605
Beneficiary payments (2)	\$ 50,791	\$ 3,388	\$ 54,179
Totals	\$ 119,460	\$ 28,324	\$ 147,784

(1) Overpayments represent payments that should have ceased after the date of death and should be repaid to NPERS.

(2) Beneficiary payments are payments that were owed to a beneficiary after the date of death, but have continued to be deposited to the members' bank account. Therefore, the APA was unable to determine who actually received the benefit payment. Accounts should be suspended by NPERS until the required information is received from the beneficiary.

- The APA identified 33 members receiving benefit payments from the July 2008 Berwyn Group death audit received by NPERS. There were 26 deceased members' accounts that were resolved timely by NPERS and one deceased beneficiary account that had no activity so no further follow up was necessary. However, six members' payments either did not appropriately end in the month following the month of death or were not appropriately suspended after the date of death pending receipt of information from beneficiaries. These payments occurred for a range of four months to 29 months after death. As of January 2009, NPERS had documentation that they were aware of four of the six members' death (the account was not properly resolved for two of the four). The other two members' accounts did not include any correspondence to indicate NPERS had been made aware of the members' death. See **Exhibit A** for details on each member. Following is a summary of the six members:

	Plan	Date of Death	Date of Last Payment	Number of Payments Past Death	Total Payments Past Date of Death	NPERS Aware of Death	Overpayments (O) or Beneficiary Payments (B)	Paid Back to NPERS
1	School	8/28/2006	1/26/2009	29	\$ 52,403	No	O	No
2	School	8/23/2007	1/26/2009	17	\$ 41,471	No	B	No
3	School	1/24/2008	9/24/2008	8	\$ 4,625	Yes	B	No
4	School	5/23/2008	9/24/2008	4	\$ 4,695	Yes	B	No
5	School	12/10/2007	6/24/2008	6	\$ 9,920	Yes	O	Yes
6	School	10/13/2007	9/24/2008	11	\$ 6,346	Yes	O	Yes
Total Overpayments (O)					\$ 68,669			
Total Due to Beneficiaries (B)					\$ 50,791			
Total of Both					\$ 119,460			

- The APA identified 49 members receiving benefit payments from the January 2009 Berwyn Group death audit report. There were 30 deceased members' accounts that were resolved timely by NPERS. Three of the members were tested with the July 2008 report, noted above. Sixteen members' payments did not appropriately end in the month following the month of

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death or were not appropriately suspended after the date of death pending receipt of information from beneficiaries. These payments occurred for a range of one month to 25 months after death. As of January 2009, NPERS had documentation that they were aware of 3 of the 16 members' deaths, but the accounts were not properly resolved. The other 13 members' accounts did not include any correspondence to indicate NPERS had been made aware of the members' deaths. See **Exhibit B** for details on each member. The following is a summary of the 16 members:

	Plan	Date of Death	Date of Last Payment	Number of Payments Past Death	Total Payments Past Date of Death	NPERS Aware of Death	Overpayments (O) or Beneficiary Payments (B)	Paid Back to NPERS
1	School	12/28/2006	1/26/2009	25	\$ 6,532	No	O	No
2	School	11/13/2008	1/26/2009	2	\$ 6,557	No	O	No
3	School	10/2/2008	1/26/2009	3	\$ 2,858	No	B	No
4	School	8/12/2008	1/26/2009	5	\$ 2,627	Yes	O	No
5	School	9/22/2008	1/26/2009	4	\$ 1,875	Yes	O	Yes (1)
6	School	12/18/2008	1/26/2009	1	\$ 1,758	No	O	No
7	School	12/26/2008	1/26/2009	1	\$ 1,270	No	O	No
8	School	11/16/2008	12/23/2008	1	\$ 1,253	Yes	O	No
9	School	10/23/2008	1/26/2009	3	\$ 840	No	O	No
10	School	11/1/2008	1/26/2009	2	\$ 716	No	O	No
11	School	11/18/2008	1/26/2009	2	\$ 659	No	O	No
12	School	12/20/2008	1/26/2009	1	\$ 405	No	B	No
13	School	12/9/2008	1/26/2009	1	\$ 388	No	O	No
14	School	11/20/2008	1/26/2009	2	\$ 260	No	O	No
15	School	11/22/2008	1/26/2009	2	\$ 201	No	O	No
16	School	12/19/2008	1/26/2009	1	\$ 125	No	B	No
Total Overpayments (O)					\$ 24,936			
Total Due to Beneficiaries (B)					\$ 3,388			
Total of Both					\$ 28,324			

(1) \$1,406 was returned to NPERS. See Exhibit B for further details.

We believe this finding to be a significant deficiency and a material weakness. Without policies and procedures to ensure deceased member accounts are adequately followed up and resolved in a timely manner, there is an increased risk of improper payments to members or beneficiaries past the date of death. This also increases the risk NPERS will not be able to obtain repayment of improper benefit payments.

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We recommend NPERS:

- Review its current procedures for the follow-up and resolution of the death audit to ensure benefit payments properly cease or are transferred to the beneficiary upon death of the member.
- Submit information to the Berwyn Group on a semi-annual basis to ensure the timely identification of deceased members.
- Ensure repayment of \$93,605 in improper benefit payments made after the date of death.
- Appropriately suspend payments to the remaining individuals identified and ensure the required information is received from the beneficiaries prior to continuing the payments.
- Ensure the \$54,179 in payments made after the date of death of members was received by the proper beneficiary.

NPERS' Response: NPERS will refine our procedures to ensure that benefit payments properly cease and are transferred to the beneficiary upon the member's death.

We will review the accounts identified in the report and seek the proper resolution.

We will research the cost benefit of performing a semi-annual data search.

2. Inactive Member Testing

NPERS did not have adequate policies or procedures to ensure inactive member accounts were properly followed up and resolved in a timely manner. Neb. Rev. Stat. § 69-1307.03 (Reissue 2003) indicates retirement funds are presumed abandoned after five years. Neb. Rev. Stat. § 69-1310 (Reissue 2003) requires abandoned retirement funds to be remitted to the Nebraska State Treasurer under the Uniform Disposition of Unclaimed Property Act.

- NPERS is charged based on the number of accounts they submit to the Berwyn Group. Per the July 2008 Berwyn Group report, the APA noted NPERS sent 240 inactive accounts with a zero balance. These should not have been sent for review as they required no further follow up as they were inactive with a zero balance.
- Per the July 2008 Berwyn Group report, the APA identified 38 inactive accounts (accounts for members no longer making contributions) which had balances or activity. Sixteen of these accounts were also on the January 2009 report; and were tested below. Of the remaining 22 member accounts, the APA found 8 accounts with issues. See **Exhibit C** for the details on each member. Following is a summary of the 8 accounts:

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Member	Plan	Date of Death	Refund Amount, Unclaimed Amount, or Account Balance	Issue
1	School	6/12/2008	\$ 4,974	Account refunded to incorrect beneficiary
2	State	3/24/2007	\$ 69,858	Balance remains; NPERS did not contact timely
3	School	9/19/2007	\$ 1,847	Balance remains; NPERS did not contact timely
4	School	2/8/2006	\$ 120	Balance remains; NPERS did not contact timely
5	School	3/13/2003	\$ 573	Beneficiary not contacted yearly; balance subsequently refunded to beneficiary
6	School	11/9/2003	\$ 9,253	Beneficiary not contacted yearly; balance subsequently refunded to beneficiary
7	School	11/5/2001	\$ 152	Not timely remitted as unclaimed property
8	School	6/10/2002	\$ 151	Not timely remitted as unclaimed property

- Per the January 2009 Berwyn Group report, the APA identified and tested 30 inactive members (accounts for members no longer making contributions) with account balances or activity. The APA found 13 accounts with issues. See **Exhibit D** for further details on each member. Following is a summary of the 13 accounts:

Member	Plan	Date of Death	Account Balance Remaining	Issue
1	School	12/1/2001	\$ 13,643	Beneficiary was not contacted; not remitted as unclaimed property
2	School	12/9/2007	\$ 6,433	NPERS did not contact timely
3	School	4/9/2003	\$ 3,034	NPERS did not contact timely; not remitted as unclaimed property
4	School	6/11/2006	\$ 801	NPERS did not contact timely
5	School	2/10/2006	\$ 683	Beneficiary not contacted yearly
6	School	3/31/2003	\$ 347	NPERS did not contact the beneficiary timely and did not contact yearly; not remitted as unclaimed property
7	School	2/13/2005	\$ 303	NPERS did not contact the beneficiary timely and did not contact yearly
8	School	4/4/2008	\$ 218	Beneficiary was not contacted
9	School	3/20/2008	\$ 163	Beneficiary was not contacted
10	School	9/30/2007	\$ 104	NPERS did not contact timely
11	State	5/7/2008	\$ 97	NPERS did not contact timely
12	School	11/6/2005	\$ 20	NPERS did not contact the beneficiary timely and did not contact yearly
13	School	1/23/2006	\$ 18	Beneficiary was not contacted

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We believe this finding to be a significant deficiency and a material weakness. Without adequate policies and procedures to ensure the timely and accurate resolution of accounts identified by the death audit, there is an increased risk beneficiaries of members will not receive amounts owed to them from the member accounts.

We recommend NPERS:

- Ensure proper member data is submitted for the compilation of the death audit report.
- Submit data to the Berwyn Group at least semi-annually.
- Ensure a timely and accurate follow-up of accounts identified in the death audit to ensure beneficiaries receive all monies owed to them from member accounts.
- Implement procedures to ensure funds are remitted as unclaimed property in accordance with statutes.

NPERS' Response: NPERS has researched the data query that was being used for the death audit report and will be submitting the appropriate data in the future.

We will ensure that future death audit reports will be reviewed and processed to ensure the timely and accurate resolution of deceased member accounts.

We will ensure that funds are remitted to unclaimed property per statute.

3. Invalid Member Information

NPERS appears to have invalid social security numbers in their information system, PIONEER (Pension Information of Nebraska for Efficient and Effective Retirement). The July 2008 Berwyn Group report identified 98 member accounts with invalid social security numbers, including 78 with an invalid number and 20 with a number that did not match the name or any other identifying data provided by NPERS. There were 55 members whose social security numbers were either corrected by NPERS or who required no follow up because the accounts were inactive with a zero balance. The remaining 43 accounts were included with the January 2009 report data and were tested below.

The January 2009 Berwyn Group report identified 59 member accounts (43 previously identified in the July 2008 report) with invalid social security numbers, including 47 with an invalid number and 12 with a number that did not match the name or any other identifying data provided by NPERS. The APA noted 15 accounts were properly resolved and noted the following for the remaining accounts:

- Of the 59 member accounts, 32 had not been corrected in NPERS' system, including 26 accounts from the July 2008 report. Account balances for the 32 members totaled \$47,645, ranging from an account balance of \$11 to \$4,317. See **Exhibit E** for details.

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- The APA determined 8 of the 32 members identified also had an account under a different social security number in NPERS' system. The other information on the accounts agreed, such as first name, last name, and date of birth. The second accounts, for these members, had balances that totaled \$41,632. See **Exhibit E** for details.
- For 12 of the 59 members the social security number provided by NPERS matched the Berwyn Group database, however, the number was assigned to a different individual and the name and date of birth did not agree to the member information provided by NPERS. The APA noted 11 of the 12 member accounts had not been corrected in NPERS' system, including 3 accounts from the July 2008 report. The 11 account balances totaled \$10,425, ranging from a balance of \$9 to \$3,264. See **Exhibit F** for details.

It is extremely important that NPERS take appropriate steps and develop adequate procedures to ensure members' social security numbers are accurate and that duplicate member accounts do not exist. We believe this finding to be a significant deficiency and a material weakness. Without adequate policies and procedures to ensure inaccurate member data is corrected timely there is an increased risk the members could be deceased and not identified as such in the death audit report because of the incorrect social security numbers.

We recommend NPERS ensure its member data is accurate prior to submission for the death audit. NPERS should take steps to ensure social security numbers are accurate and that the member does not have a second account. We also recommend NPERS adequately resolve any inaccurate member information identified in the death audit.

NPERS' Response: Maintaining accurate member data is a continual process in our mobile society. NPERS recently converted our Information Technology System and is committed to detecting and correcting invalid member data.

4. Active Member Testing

NPERS did not submit active member accounts to the Berwyn Group for review in July 2008. NPERS only sent inactive members (with and without balances) and benefit recipients. Therefore, NPERS was unable to determine whether any active members of the Plans were deceased and whether the beneficiaries should be contacted.

The APA provided all active member accounts to the Berwyn Group at December 2008, which found nine active member accounts matched the death file. All of the accounts were recent deaths and no exceptions were noted.

The APA also noted 13 active members identified by the Berwyn Group from the January 2009 report did not have valid social security numbers; therefore, the Berwyn Group was unable to determine if these individuals were deceased. (See Comment #3 above.) We believe this finding to be a significant deficiency.

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There is an increased risk NPERS will not be aware of all member deaths if active member accounts are not sent to the Berwyn Group for review. As a consequence, the beneficiaries may not be contacted and provided with monies owed.

We recommend NPERS ensure active member accounts are provided to the Berwyn Group for review. If matches are identified or invalid information reported, NPERS should ensure the timely follow-up of the members' account to ensure the proper resolution.

NPERS' Response: We will review the viability of active member testing. If members are active they are current employees contributing to the plan and not receiving a death benefit. We will research the cost benefit associated with testing active members.

Overall Conclusion

The APA has discussed the lack of follow-up and resolution of the Berwyn Group report data in five of the last six audits. Yet, NPERS continues to have deficient procedures regarding the timely follow-up and resolution of items included in the Berwyn Group report. As of January 2009, the APA identified \$93,605 in overpayments made to members after the date of death that should be returned to NPERS and \$54,179 in payments that continued to the members' bank account after the date of death, but were owed to beneficiaries. Therefore, we recommend NPERS seek repayment of these funds or ensure the proper beneficiary received the funds after the death of the member. As noted throughout the report, it is imperative NPERS submit accurate information for the death audit on at least a semi-annual basis and implement procedures for the timely and accurate resolution of all of the results of the death audit to ensure payments to deceased members properly cease or are properly transferred to the beneficiary, upon receipt of required information. NPERS should ensure the data it maintains is accurate prior to the submission to the Berwyn Group and should follow up on invalid social security numbers reported by the Berwyn Group. Finally, NPERS should ensure compliance with the unclaimed property statutes.

The APA staff involved in this attestation review were:

Krista Davis, Audit Manager
Kris Kucera, Auditor-In-Charge
Joan Arnold, Auditor II
Mary Avery, Special Audits and Finance Manager
Pat Reding, Assistant Deputy

If you have any questions regarding the above information, please contact our office.

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Exhibit A

JULY 2008 BERWYN GROUP REPORT - BENEFIT RECIPIENT TESTING

Member	Plan	Date of Death	Check (CK) or Direct Deposit (DD)	Account is Same as prior to Death	Date of Payment	Amount of Overpayment	NPERS Aware of Death	Overpay-ments (O) or Beneficiary Payments (B)	Explanation
1	School	8/28/2006	DD	Yes	9/25/2006	\$ 1,650.72	No	O	As of January 2009, the member had received 29 payments past the date of death. The payments should have stopped upon death in accordance with the benefit option selected at retirement. There was no correspondence on file from NPERS indicating they were aware of the member's death. Therefore, payments would continue to be made to the deceased's account monthly until NPERS resolved the account.
			DD	Yes	10/25/2006	\$ 1,650.72			
			DD	Yes	11/22/2006	\$ 1,650.72			
			DD	Yes	12/21/2006	\$ 1,650.72			
			DD	Yes	1/25/2007	\$ 1,654.23			
			DD	Yes	2/22/2007	\$ 1,654.23			
			DD	Yes	3/23/2007	\$ 1,654.23			
			DD	Yes	4/23/2007	\$ 1,654.23			
			DD	Yes	5/24/2007	\$ 1,654.23			
			DD	Yes	6/25/2007	\$ 1,654.23			
			DD	Yes	7/25/2007	\$ 1,870.92			
			DD	Yes	8/27/2007	\$ 1,870.92			
			DD	Yes	9/24/2007	\$ 1,870.92			
			DD	Yes	10/25/2007	\$ 1,870.92			
			DD	Yes	11/26/2007	\$ 1,870.92			
			DD	Yes	12/21/2007	\$ 1,870.92			
			DD	Yes	1/25/2008	\$ 1,879.19			
			DD	Yes	2/25/2008	\$ 1,872.62			
			DD	Yes	3/25/2008	\$ 1,872.62			
			DD	Yes	4/23/2008	\$ 1,872.62			
			DD	Yes	5/23/2008	\$ 1,872.62			
			DD	Yes	6/24/2008	\$ 1,872.62			
			DD	Yes	7/28/2008	\$ 1,914.74			
			DD	Yes	8/25/2008	\$ 1,914.74			
			DD	Yes	9/24/2008	\$ 1,914.74			
			DD	Yes	10/27/2008	\$ 1,914.74			
			DD	Yes	11/21/2008	\$ 1,914.74			
			DD	Yes	12/23/2008	\$ 1,914.74			
			DD	Yes	1/26/2009	\$ 1,918.49			
Number of Payments			29	Total	\$ 52,403.00				
2	School	8/23/2007	DD	Yes	9/24/2007	\$ 2,409.94	No	B	As of January 2009, the member had received 17 payments past the date of death. The member selected an option guaranteeing payment for his lifetime and the lifetime of his spouse. The payments continued to the deceased's bank account, in the deceased's name. We determined the spouse was still living; however, there was no correspondence on file that NPERS attempted to contact the beneficiary or to indicate NPERS was aware of the death. NPERS should contact the beneficiary to change the status and payee of the member's account.
			DD	Yes	10/25/2007	\$ 2,409.94			
			DD	Yes	11/26/2007	\$ 2,409.94			
			DD	Yes	12/21/2007	\$ 2,409.94			
			DD	Yes	1/25/2008	\$ 2,418.93			
			DD	Yes	2/25/2008	\$ 2,418.93			
			DD	Yes	3/25/2008	\$ 2,418.93			
			DD	Yes	4/23/2008	\$ 2,418.93			
			DD	Yes	5/23/2008	\$ 2,418.93			
			DD	Yes	6/24/2008	\$ 2,418.93			
			DD	Yes	7/28/2008	\$ 2,473.73			
			DD	Yes	8/25/2008	\$ 2,473.73			
			DD	Yes	9/24/2008	\$ 2,473.73			
			DD	Yes	10/27/2008	\$ 2,473.73			
			DD	Yes	11/21/2008	\$ 2,473.73			
			DD	Yes	12/23/2008	\$ 2,473.73			
			DD	Yes	1/26/2009	\$ 2,475.38			
Number of Payments			17	Total	\$ 41,471.10				
3	School	1/24/2008	DD	Yes	2/25/2008	\$ 573.03	Yes	B	The member received their last payment in September 2008, in accordance with the benefit option selected upon retirement. However, the payments from the date of death to September 2008 (eight payments) should have been paid to the member's beneficiaries. All payments continued to the deceased's bank account, in the deceased's name. NPERS did not attempt to contact the beneficiaries until September 2008, when payments ceased; therefore, we could not determine who received the benefit payments after the date of death of the member.
			DD	Yes	3/25/2008	\$ 573.03			
			DD	Yes	4/23/2008	\$ 573.03			
			DD	Yes	5/23/2008	\$ 573.03			
			DD	Yes	6/24/2008	\$ 573.03			
			DD	Yes	7/28/2008	\$ 586.62			
			DD	Yes	8/25/2008	\$ 586.62			
			DD	Yes	9/24/2008	\$ 586.62			
Number of Payments			8	Total	\$ 4,625.01				

DEATH AUDIT PROCEDURES

JULY 2008 BERWYN GROUP REPORT - BENEFIT RECIPIENT TESTING

Member	Plan	Date of Death	Check (CK) or Direct Deposit (DD)	Account is Same as prior to Death	Date of Payment	Amount of Overpayment	NPERS Aware of Death	Overpay-ments (O) or Beneficiary Payments (B)	Explanation
4	School	5/23/2008	DD	Yes	6/24/2008	\$ 1,152.60	Yes	B	The member received four payments past the date of death through September 2008; when NPERS suspended payments on the account. NPERS first attempted to contact the beneficiaries in September 2008 and again in December 2008. According to the option selected by the member upon retirement, the member's three beneficiaries were to receive equal payments through May 2011. We could not determine who received the four payments past the date of death as the payments were direct deposited to the deceased's bank account, in the deceased's name.
			DD	Yes	7/28/2008	\$ 1,180.76			
			DD	Yes	8/25/2008	\$ 1,180.76			
			DD	Yes	9/24/2008	\$ 1,180.76			
			Number of Payments		4	Total			
5	School	12/10/2007	DD	Yes	1/25/2008	\$ 1,653.34	Yes	O	The member received six payments past the date of death. In accordance with the option selected by the member upon retirement, the payments should have ended upon death. NPERS became aware of the member's death in July 2008 and subsequently received the full repayment of \$9,920.04 in July 2008.
			DD	Yes	2/25/2008	\$ 1,653.34			
			DD	Yes	3/25/2008	\$ 1,653.34			
			DD	Yes	4/23/2008	\$ 1,653.34			
			DD	Yes	5/23/2008	\$ 1,653.34			
			DD	Yes	6/24/2008	\$ 1,653.34			
Number of Payments		6	Total	\$ 9,920.04					
6	School	10/13/2007	DD	Yes	11/26/2007	\$ 573.01	Yes	O	The member received 11 payments past the date of death. In accordance with the option selected by the member upon retirement, the payments should have ended upon death. NPERS became aware of the member's death in September 2008 and subsequently received the full repayment of \$6,346.10 in October 2008.
			DD	Yes	12/21/2007	\$ 573.01			
			DD	Yes	1/25/2008	\$ 573.01			
			DD	Yes	2/25/2008	\$ 573.01			
			DD	Yes	3/25/2008	\$ 573.01			
			DD	Yes	4/23/2008	\$ 573.01			
			DD	Yes	5/23/2008	\$ 573.01			
			DD	Yes	6/24/2008	\$ 573.01			
			DD	Yes	7/28/2008	\$ 587.34			
			DD	Yes	8/25/2008	\$ 587.34			
			DD	Yes	9/24/2008	\$ 587.34			
Number of Payments		11	Total	\$ 6,346.10					

Total Overpayments \$ 68,669.14
 Total Due to Beneficiaries \$ 50,790.99
 Total \$ 119,460.13

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS

DEATH AUDIT PROCEDURES

JANUARY 2009 BERWYN GROUP REPORT - BENEFIT RECIPIENT TESTING

Member	Plan	Date of Death	Check (CK) or Direct Deposit (DD)	DD Account is Same as prior to Death	Date of Payment	Amount of Overpayment	NPERS Aware of Death	Overpayments (O) or Beneficiary Payments (B)	Explanation
1	School	12/28/2006	DD	Yes	1/25/2007	\$ 244.67	No	O	As of January 2009, the member had received 25 payments past the date of death. The payments should have stopped upon death in accordance with the benefit option selected at retirement. The member's beneficiary was his wife, who died in October 2006, prior to the death of the member. There was no correspondence on file from NPERS indicating they were aware of the member's death. We could not determine who was receiving the member's benefits after the death of the member and it appeared monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
			DD	Yes	2/22/2007	\$ 244.67			
			DD	Yes	3/23/2007	\$ 244.67			
			DD	Yes	4/23/2007	\$ 244.67			
			DD	Yes	5/24/2007	\$ 244.67			
			DD	Yes	6/25/2007	\$ 244.67			
			DD	Yes	7/25/2007	\$ 264.09			
			DD	Yes	8/27/2007	\$ 264.09			
			DD	Yes	9/24/2007	\$ 264.09			
			DD	Yes	10/25/2007	\$ 264.09			
			DD	Yes	11/26/2007	\$ 264.09			
			DD	Yes	12/21/2007	\$ 264.09			
			DD	Yes	1/25/2008	\$ 264.09			
			DD	Yes	2/25/2008	\$ 264.09			
			DD	Yes	3/25/2008	\$ 264.09			
			DD	Yes	4/23/2008	\$ 264.09			
			DD	Yes	5/23/2008	\$ 264.09			
			DD	Yes	6/24/2008	\$ 264.09			
			DD	Yes	7/28/2008	\$ 270.69			
			DD	Yes	8/25/2008	\$ 270.69			
Number of Payments			25	Total	\$ 6,531.93				
2	School	11/13/2008	DD	Yes	12/23/2008	\$ 3,278.61	No	O	As of January 2009, the member had received two payments past the date of death. The payments should have ended upon death in accordance with the option selected by the member at retirement. As the member's beneficiaries were also no longer living we could not determine who was receiving the member's benefits upon death. Since there was no correspondence on file to indicate NPERS was aware of the death, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
			DD	Yes	1/26/2009	\$ 3,278.61			
			Number of Payments			2			
3	School	10/2/2008	DD	Yes	11/21/2008	\$ 952.73	No	B	As of January 2009, the member had received three payments past the date of death. The payments from the date of death, and continuing through May 2009, should have been paid to the member's estate, in accordance with the option selected by the member at retirement, since the beneficiary died in 2002. We were unable to determine who was receiving the member's benefits upon death. As there was no correspondence on file to indicate NPERS was aware of the death, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
			DD	Yes	12/23/2008	\$ 952.73			
			DD	Yes	1/26/2009	\$ 952.73			
			Number of Payments			3			
4	School	8/12/2008	DD	Yes	9/24/2008	\$ 525.40	Yes	O	As of January 2009, the member had received five payments past the date of death. The payments should have ended upon death in accordance with the benefit option selected at retirement. NPERS was informed of the death on January 23, 2009. However, the account was not suspended at that time, so monthly payments would continue to be made to the deceased until NPERS resolved the issue. Additionally, there was no correspondence to indicate NPERS had requested the payments be refunded.
			DD	Yes	10/27/2008	\$ 525.40			
			DD	Yes	11/21/2008	\$ 525.40			
			DD	Yes	12/23/2008	\$ 525.40			
			DD	Yes	1/26/2009	\$ 525.40			
			Number of Payments			5			
5	School	9/22/2008	CK	N/A	10/27/2008	\$ 468.63	Yes	O	The member received four payments past the date of death. In accordance with the option selected by the member at retirement, payments should have ended upon death. The October, November, and December payments were returned to NPERS as undeliverable through the mail. NPERS subsequently voided the checks after determining the member had died. However, NPERS did not suspend the member's account in the system and another check was issued in January 2009. Payments would continue to be made until NPERS resolved the issue.
			CK	N/A	11/21/2008	\$ 468.63			
			CK	N/A	12/23/2008	\$ 468.63			
			CK	N/A	1/26/2009	\$ 468.63			
			Number of Payments			4			

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

Exhibit B

JANUARY 2009 BERWYN GROUP REPORT - BENEFIT RECIPIENT TESTING

Member	Plan	Date of Death	Check (CK) or Direct Deposit (DD)	DD Account is Same as prior to Death	Date of Payment	Amount of Overpayment	NPERS Aware of Death	Overpayments (O) or Beneficiary Payments (B)	Explanation
6	School	12/18/2008	DD	Yes	1/26/2009	\$ 1,757.94	No	O	The payee was the spouse of a deceased member of the School Employees Plan. The member died in April 1988 and the spouse then received lifetime payments in accordance with the option selected by the member at retirement. The spouse died in December 2008 and received a payment in January 2009. There was no correspondence to indicate NPERS was aware of the spouse's death, and, therefore, monthly payments would continue to be made until NPERS resolved the issue.
7	School	12/26/2008	DD	Yes	1/26/2009	\$ 1,269.96	No	O	As of January 2009, the member had received one payment past the date of death. At retirement, the member selected a life-only annuity; therefore, no further payments would be made to a beneficiary or estate. There was no documentation on file to indicate NPERS was aware of the death. It appears monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
8	School	11/16/2008	DD	Yes	12/23/2008	\$ 1,252.82	Yes	O	NPERS was notified of the member's death on January 13, 2009. The member received one payment past the date of death. However, in accordance with the option selected at retirement, the member's payments should have ended upon death. There was no correspondence to indicate NPERS had attempted to receive a refund of the overpayment upon notification of death.
9	School	10/23/2008	DD	Yes	11/21/2008	\$ 280.02	No	O	As of January 2009, the member had received three payments past the date of death. At retirement, the member selected a life-only annuity; therefore, no further payments would be made to a beneficiary or estate. Four of the member's beneficiaries were still living and were signors on the member's bank account. However, they would not be entitled to the payments and would be required to refund the payments made since the member's death. There was no documentation on file to indicate NPERS was aware of the member's death; therefore, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
			DD	Yes	12/23/2008	\$ 280.02			
			DD	Yes	1/26/2009	\$ 280.02			
	Number of Payments		3		Total	\$ 840.06			
10	School	11/1/2008	DD	Yes	12/23/2008	\$ 357.92	No	O	As of January 2009, the member had received two payments past the date of death. The payments should have ended upon death in accordance with the option selected by the member at retirement. There was no correspondence on file to indicate NPERS was aware of the member's death; therefore, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
			DD	Yes	1/26/2009	\$ 357.92			
	Number of Payments		2		Total	\$ 715.84			
11	School	11/18/2008	DD	Yes	12/23/2008	\$ 329.55	No	O	As of January 2009, the member had received two payments past the date of death. The payments should have ended upon death in accordance with the option selected by the member at retirement. There was no correspondence on file to indicate NPERS was aware of the death; therefore, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue. It was noted the member's beneficiary, the spouse, was still living and was a joint holder of the bank account to which payments were being deposited. NPERS should contact the beneficiary and determine the refund necessary.
			DD	Yes	1/26/2009	\$ 329.55			
	Number of Payments		2		Total	\$ 659.10			

NEBRASKA PUBLIC EMPLOYEES REITREMENT SYSTEMS

DEATH AUDIT PROCEDURES

JANUARY 2009 BERWYN GROUP REPORT - BENEFIT RECIPIENT TESTING

Member	Plan	Date of Death	Check (CK) or Direct Deposit (DD)	DD Account is Same as prior to Death	Date of Payment	Amount of Overpayment	NPERS Aware of Death	Overpayments (O) or Beneficiary Payments (B)	Explanation
12	School	12/20/2008	DD	Yes	1/26/2009	\$ 404.99	No	B	As of January 2009, the member had received one payment past the date of death. In accordance with the option selected at retirement, payments should have ended upon the member's death and resumed to the spouse for the spouse's lifetime. The spouse was living at the time of death and entitled to the benefit payments. However, there was no correspondence on file that NPERS attempted to contact the spouse or to indicate NPERS was aware of the member's death. Therefore, monthly payments would continue to be made to the deceased's account until NPERS resolved the issue.
13	School	12/9/2008	DD	Yes	1/26/2009	\$ 387.90	No	O	As of January 2009, the member had received one payment past the date of death. As the member selected a life-only annuity, no further payments would be made to a beneficiary or estate. There was no documentation on file to indicate NPERS was aware of the death. Therefore, monthly payments would continue to be made to the deceased until NPERS resolved the issue.
14	School	11/20/2008	DD DD	Yes Yes	12/23/2008 1/26/2009	\$ 130.16 \$ 130.16	No	O	As of January 2009, the member had received two payments past the date of death. As the member selected a life-only annuity, no further payments would be made to a beneficiary or estate. There was no documentation on file to indicate NPERS was aware of the death. Therefore, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
		Number of Payments	2		Total	\$ 260.32			
15	School	11/22/2008	DD DD	Yes Yes	12/23/2008 1/26/2009	\$ 100.56 \$ 100.56	No	O	As of January 2009, the member had received two payments past the date of death. The payments should have ended upon death in accordance with the option selected by the member at retirement. There was no correspondence on file to indicate NPERS was aware of the death. Therefore, monthly payments would continue to be made to the deceased until NPERS resolved the issue.
		Number of Payments	2		Total	\$ 201.12			
16	School	12/19/2008	DD	Yes	1/26/2009	\$ 124.97	No	B	As of January 2009, the member had received one payment past the date of death. The payment should have ended upon death and resumed to the two beneficiaries, in accordance with the option selected by the member at retirement. The beneficiaries were still living; however, there was no correspondence on file that NPERS attempted to contact the beneficiaries or that NPERS was aware of the death. Therefore, monthly payments would continue to be made to the deceased's bank account until NPERS resolved the issue.
Total Overpayments						\$ 24,935.73			
Total Due to Beneficiaries						\$ 3,388.15			
Total						\$ 28,323.88			

DEATH AUDIT PROCEDURES

JULY 2008 BERWYN GROUP REPORT - INACTIVE MEMBER TESTING

Member	Plan	Date of Death	Date NPERS was Notified of Death	Date of First Contact by NPERS Regarding Death	Number of Months from Death to First Contact	Refund or Unclaimed Amount	Account Balance as of January 2009	Explanation
1	School	6/12/2008	6/16/2008	7/16/2008	1	\$ 4,974	\$ -	The member completed a member registration form in December 1992 listing his wife as his beneficiary. The member subsequently submitted a revised member registration form in October 2002 listing no beneficiaries. In January 2003, NPERS contacted the member to inform him that the account balance would go to his estate in the event of his death if no beneficiaries were listed. No additional documentation was received from the member to add a beneficiary. Therefore, upon death, the member's account should have been paid to his estate. However, on August 13, 2008, NPERS refunded the account, for \$4,974, to the beneficiary from the first member registration form, which was not in accordance with the member's intention. NPERS should have paid the account balance to the deceased's estate in accordance with the member's most current beneficiary form.
2	State	3/24/2007	9/30/2008	9/30/2008	18	\$ -	\$ 69,858	NPERS became aware of the member's death and contacted the member's beneficiary in September 2008, 18 months after the death of the member. As of January 2009, there was no further correspondence on file and the account had not been paid to the beneficiary.
3	School	9/19/2007	9/21/2007	7/23/2008	10	\$ -	\$ 1,847	NPERS became aware of the member's death in September 2007, but did not attempt to contact the member's beneficiaries until July 2008, 10 months after the notification of death. As of January 2009, the account had not been paid to the beneficiaries.
4	School	2/8/2006	2/9/2006	8/27/2008	30	\$ -	\$ 120	NPERS became aware of the member's death in February 2006, but did not attempt to contact the member's beneficiary until August 2008, 30 months after the notification of death. As of January 2009, the account had not been paid to the beneficiary.
5	School	3/13/2003	3/18/2003	3/18/2003	5 days	\$ 573	\$ -	NPERS promptly contacted the beneficiary upon notification of the death. However, no further contact was made until August 2008, over five years after the initial contact. The account was refunded to the beneficiary on September 10, 2008, for \$573.
6	School	11/9/2003	11/12/2003	11/12/2003	3 days	\$ 9,253	\$ -	NPERS promptly contacted the beneficiary upon notification of the death and then again one year later, in November 2004. However, no further contact was made until August 2008, almost four years after the last contact. The account was refunded to the beneficiary on September 17, 2008, for \$9,253.
7	School	11/5/2001	Unknown	N/A	N/A	\$ 152	\$ -	The member began contributing to the School Employees Plan without completing a membership registration form. Therefore, there was no information on file to assist NPERS in locating the member or possible beneficiaries. In 1994 and 1997, NPERS sent letters to the school he was employed with to attempt to obtain contact information for the member. There was no indication that any information was received from the school. Since NPERS was unable to contact the member or beneficiaries, the account should have been remitted to the State of Nebraska-Unclaimed Property Division in November 2006, in accordance with statute. NPERS did not remit the \$152 balance to Unclaimed Property until October 2008, nearly seven years from the date of death, and two years after the date required by statute.
8	School	6/10/2002	8/28/2002	8/28/2002	2	\$ 151	\$ -	NPERS attempted to contact the member's beneficiary in August 2002 and March 2004; however, no information was ever received from the beneficiary. NPERS made no further attempts to contact the beneficiary. The account should have been remitted to the State of Nebraska-Unclaimed Property Division in June 2007, in accordance with statute. NPERS did not remit the \$151 balance to Unclaimed Property until September 2008, over six years after the date of death and over a year from the date required by statute.

Totals \$ 15,103 \$ 71,825

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

Exhibit D

JANUARY 2009 BERWYN GROUP REPORT - INACTIVE MEMBER TESTING

Member	Plan	Date of Death	Date NPERS was Notified of Death	Date of First Contact by NPERS Regarding Death	Number of Months from Death to First Contact	Account Balance as of January 2009	Explanation
1	School	12/1/2001	10/3/2008	N/A	N/A	\$ 13,643	NPERS attempted to contact the member in February 2005, April 2007, and August 2007, since the member was inactive but had an account balance. NPERS was not notified of the member's death until October 2008, approximately seven years from the date of death. NPERS had not yet attempted to contact the beneficiary, as of January 2009, approximately four months since notification of the death. NPERS should remit the account balance to the State of Nebraska-Unclaimed Property Division as it has been over five years since the member's death.
2	School	12/9/2007	8/21/2008	8/21/2008	8	\$ 6,433	NPERS became aware of the member's death and contacted the member's beneficiary in August 2008; eight months after the date of death. There was no further correspondence on file and the account had not been paid to the beneficiary, as of January 2009, over a year since the date of death.
3	School	4/9/2003	10/6/2008	10/7/2008	66	\$ 3,034	NPERS became aware of the member's death and contacted the member's beneficiary in October 2008; over five years after the date of death. As of January 2009, there was no further correspondence on file and the account had not yet been paid to the beneficiary. NPERS should remit the account balance to the State of Nebraska-Unclaimed Property Division, in accordance with statute, as it has been over five years since the member's death.
4	School	6/11/2006	8/20/2007	8/20/2007	14	\$ 801	NPERS became aware of the member's death and contacted the member's beneficiary in August 2007; 14 months after the member's date of death. NPERS attempted to contact the beneficiary again in August 2008; however, as of January 2009 the account had not yet been paid to the beneficiary.
5	School	2/10/2006	7/18/2006	7/18/2006	5	\$ 683	NPERS became aware of the member's death and contacted the member's beneficiary in July 2006. However, no further contact was made with the beneficiary until August 2008. As of January 2009, the account had not yet been paid to the beneficiary.
6	School	3/31/2003	7/29/2004	7/29/2004	16	\$ 347	NPERS became aware of the member's death and contacted the member's beneficiary in July 2004; 16 months after the date of death. There was no further indication NPERS contacted the beneficiary after July 2004. As of January 2009, the account had not yet been paid to the beneficiary; therefore, NPERS should remit the account balance to the State of Nebraska-Unclaimed Property Division, in accordance with statute, as it has been over five years since the member's death.
7	School	2/13/2005	6/14/2007	6/14/2007	28	\$ 303	NPERS became aware of the member's death and contacted the member's beneficiary in June 2007; 28 months after the date of death. NPERS made one other attempt to contact the beneficiary, in August 2007. As of January 2009, the account had not yet been paid to the beneficiary.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

Exhibit D

JANUARY 2009 BERWYN GROUP REPORT - INACTIVE MEMBER TESTING

Member	Plan	Date of Death	Date NPERS was Notified of Death	Date of First Contact by NPERS Regarding Death	Number of Months from Death to First Contact	Account Balance as of January 2009	Explanation
8	School	4/4/2008	4/21/2008	N/A	N/A	\$ 218	NPERS was informed of the member's death by the employer in April 2008. NPERS had not yet attempted to contact the member's beneficiary, as of January 2009; nine months since the member's death and notification of the death.
9	School	3/20/2008	10/8/2008	N/A	N/A	\$ 163	NPERS was notified of the member's death in October 2008, over six months after the member's death. NPERS had not yet attempted to contact the beneficiary, as of January 2009; four months since NPERS received notification of death.
10	School	9/30/2007	9/10/2008	9/30/2008	12	\$ 104	NPERS became aware of the member's death and contacted the member's beneficiary in September 2008; one year after the date of death. As of January 2009, the account had not yet been paid to the beneficiary.
11	State	5/7/2008	12/31/2008	12/31/2008	8	\$ 97	NPERS became aware of the member's death and contacted the member's beneficiary in December 2008; eight months after the date of death. As of January 2009, the account had not yet been paid to the beneficiary.
12	School	11/6/2005	7/18/2006	7/18/2006	8	\$ 20	NPERS became aware of the member's death and contacted the member's beneficiary in July 2006; eight months after death. NPERS had not attempted to contact the beneficiary since July 2006. As of January 2009, the account had not yet been paid to the beneficiary.
13	School	1/23/2006	N/A	N/A	N/A	\$ 18	It did not appear NPERS was aware of the member's death and had not contacted the member's beneficiary. As of January 2009, it had been approximately three years since the member's death and the account had not been paid to the beneficiary.
Total						\$ 25,864	

DEATH AUDIT PROCEDURES

JANUARY 2009 BERWYN GROUP REPORT - INVALID SOCIAL SECURITY NUMBER TESTING

Member	Plan	Account Balance as of January 2009	Date NPERS Last Contacted Member Regarding Balance	Number of Years Since Last Contact	Also Included on July 2008 Report	Second Account	Second Account Balance as of January 2009	Explanation
1	School	\$ 4,317	3/3/2005	4	Yes		\$ -	As of January 2009, the member information had not been corrected.
2	School	\$ 3,632	9/29/2005	3	No		\$ -	As of January 2009, the member information had not been corrected.
3	School	\$ 3,093	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
4	School	\$ 2,865	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
5	School	\$ 2,699	3/9/2005	4	Yes		\$ -	As of January 2009, the member information had not been corrected.
6	School	\$ 2,556	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
7	School	\$ 2,365	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
8	School	\$ 2,316	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
9	School	\$ 2,178	-	-	Yes	Yes	\$ 3,413	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$3,413. NPERS should determine whether this is the same member and combine the accounts if necessary.
10	School	\$ 1,910	4/13/2007	2	Yes		\$ -	As of January 2009, the member information had not been corrected.
11	School	\$ 1,870	2/25/2005	4	Yes		\$ -	As of January 2009, the member information had not been corrected.
12	School	\$ 1,680	5/17/2005	4	Yes		\$ -	As of January 2009, the member information had not been corrected.
13	School	\$ 1,653	4/19/2005	4	Yes		\$ -	As of January 2009, the member information had not been corrected.
14	School	\$ 1,575	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
15	School	\$ 1,522	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
16	School	\$ 1,375	-	-	No		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
17	School	\$ 1,249	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
18	School	\$ 1,244	6/16/1992	17	Yes		\$ -	As of January 2009, the member information had not been corrected.
19	School	\$ 1,190	-	-	No		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

Exhibit E

JANUARY 2009 BERWYN GROUP REPORT - INVALID SOCIAL SECURITY NUMBER TESTING

Member	Plan	Account Balance as of January 2009	Date NPERS Last Contacted Member Regarding Balance	Number of Years Since Last Contact	Also Included on July 2008 Report	Second Account	Second Account Balance as of January 2009	Explanation
20	County	\$ 1,099	-	-	Yes	Yes	\$ 6,347	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$6,347. NPERS should determine whether this is the same member and combine the accounts if necessary.
21	School	\$ 1,059	10/4/1999	9	Yes		\$ -	As of January 2009, the member information had not been corrected.
22	School	\$ 997	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.
23	School	\$ 730	8/9/1996	12	Yes		\$ -	As of January 2009, the member information had not been corrected.
24	School	\$ 612	7/23/1990	18	Yes		\$ -	As of January 2009, the member information had not been corrected.
25	School	\$ 451	6/16/1992	17	Yes		\$ -	As of January 2009, the member information had not been corrected.
26	County	\$ 372	-	-	No	Yes	\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account appeared to be a beneficiary account and did not have a balance. NPERS should determine whether this is the same member and combine the accounts if necessary.
27	School	\$ 360	-	-	No	Yes	\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account appeared to be a beneficiary account and did not have a balance. NPERS should determine whether this is the same member and combine the accounts if necessary.
28	School	\$ 246	-	-	No	Yes	\$ 80	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$80. NPERS should determine whether this is the same member and combine the accounts if necessary.
29	School	\$ 207	-	-	Yes	Yes	\$ 4,726	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$4,726. NPERS should determine whether this is the same member and combine the accounts if necessary.
30	School	\$ 179	-	-	Yes		\$ -	As of January 2009, no contact had been made with the member and the member information had not been corrected.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
DEATH AUDIT PROCEDURES

Exhibit E

JANUARY 2009 BERWYN GROUP REPORT - INVALID SOCIAL SECURITY NUMBER TESTING

Member	Plan	Account Balance as of January 2009	Date NPERS Last Contacted Member Regarding Balance	Number of Years Since Last Contact	Also Included on July 2008 Report	Second Account	Second Account Balance as of January 2009	Explanation
31	School	\$ 33	-	-	Yes	Yes	\$ 17,309	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$17,309. NPERS should determine whether this is the same member and combine the accounts if necessary.
32	School	\$ 11	-	-	Yes	Yes	\$ 9,757	As of January 2009, no contact had been made with the member and the member information had not been corrected. After review of NPERS' system, it appeared there was a second account for this member with a different social security number. The second account had a balance of \$9,757. NPERS should determine whether this is the same member and combine the accounts if necessary.

\$ 47,643

8 \$ 41,632

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
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Exhibit F

JANUARY 2009 BERWYN GROUP REPORT - MISMATCHED SOCIAL SECURITY NUMBERS

Member	Plan	Account Balance as of January 2009	Date NPERS Last Contacted Member Regarding Balance	Number of Years Since Last Contact	Also Included on July 2008 Report	Explanation
1	County	\$ 3,264	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
2	State	\$ 2,791	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
3	State	\$ 1,723	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
4	School	\$ 983	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
5	School	\$ 610	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
6	School	\$ 451	-	-	Yes	As of January 2009, NPERS had not researched and corrected the member information.
7	School	\$ 377	-	-	Yes	As of January 2009, NPERS had not researched and corrected the member information.
8	School	\$ 81	-	-	Yes	As of January 2009, NPERS had not researched and corrected the member information.
9	School	\$ 73	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
10	School	\$ 63	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
11	County	\$ 9	-	-	No	As of January 2009, NPERS had not researched and corrected the member information.
Total		\$ 10,425				

Note: As of January 2009, none of the members had been contacted by NPERS to correct the member information.