

**STATE OF NEBRASKA**  
**ATTESTATION REVIEW**  
**OF THE**  
**NEBRASKA STATE TREASURER**

**MARCH 1, 2009 THROUGH FEBRUARY 28, 2010**

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**Issued on June 16, 2010**

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## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Mike Foley  
State Auditor

Mike.Foley@nebraska.gov  
P.O. Box 98917  
State Capitol, Suite 2303  
Lincoln, Nebraska 68509  
402-471-2111, FAX 402-471-3301  
[www.auditors.state.ne.us](http://www.auditors.state.ne.us)

### Independent Accountant's Report

Citizens of the State of Nebraska:

We have reviewed the revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity of the Nebraska State Treasurer (Treasurer) for the period March 1, 2009, through February 28, 2010. The Treasurer's management is responsible for the Treasurer's revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity. We did not obtain a written assertion regarding such matters from management.

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 Treasurer's revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity. 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 the Treasurer's revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity are not presented, 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 the Treasurer's revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity 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 the Treasurer's revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity 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 material weaknesses and significant deficiencies, are described below in the Summary of Results. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the subject matter will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

This report is intended solely for the information and use of the Citizens of the State of Nebraska, management of the Treasurer, others within the Treasurer's office, and the appropriate Federal and regulatory agencies. Although it should not be used by anyone other than these specified parties, this report is a matter of public record and its distribution is not limited.

Signed Original on File

Mike Foley  
Auditor of Public Accounts

Jennifer Person, CFE  
Audit Manager

June 16, 2010

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**Background**

The Nebraska State Treasurer (Treasurer) as a constitutional officer is elected to a term of four years and can be re-elected for a second consecutive term. The Treasurer receives and keeps all money of the State as designated by law. The Treasurer disburses these funds by electronic means or by warrants lawfully drawn upon the State Treasury. The Treasurer keeps a comprehensive account of all money received and disbursed. The Treasurer determines all banking relationships for the State and selects a custodial bank for all securities purchased.

The primary functions of the Treasurer include cash management, ensuring only lawfully drawn warrants are paid; the administration of the Unclaimed Property Act; the Nebraska College Savings Plan; the Long-Term Care Savings Plan; and overseeing the Nebraska Child Support Payment Center.

The following table shows the Treasurer's expenditures for the period March 1, 2009, through February 28, 2010. Payments to local governments represent 67% of the Treasurer's expenditures. See **Exhibit A** for a listing of vendors paid more than \$10,000 during the period being reviewed.

<u>Nebraska State Treasurer Expenditures</u>	
Aid to Cities	\$ 11,353,866
Prorate Payments	8,327,934
Aid to Counties	4,912,660
Mutual Finance Assistance	3,642,785
Convention Center Assistance (Omaha)	2,644,521
Natural Resource District Aid	1,527,689
Fines to School Districts	958,484
Municipal Infrastructure Redevelopment	260,000
Payroll	2,949,959
Operating	2,922,535
Capital Outlay	214,218
Travel	62,022
Unclaimed Property Claims	9,750,356
Total	<u>\$ 49,527,029</u>

The following schedule shows the revenues deposited in the Treasurer's funds for the period March 1, 2009, through February 28, 2010. The largest of these is the Motor Vehicle Sales and Use Taxes; these taxes are actually collected by the Department of Revenue, but are deposited into the Treasurer's Highway Trust Fund. The largest revenues collected by the Treasurer are the fees remitted by County Courts, District Courts, County Treasurers, and County Clerks. These include vehicle registration and plate fees, drivers license fees, vehicle title fees, and other State fees.

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<u>Nebraska State Treasurer Revenues</u>	
Motor Vehicle Sales and Use Tax	\$ 147,705,075
Vehicle Registration and Plate Fees	47,357,613
Investment Income	42,801,901
Fleet Proration Fees	28,202,398
Unclaimed Property Remittances	15,692,640
Drivers License Fees	3,820,052
Sale of Services	1,431,346
Vehicle Title Fees	1,307,000
Other Revenue	1,083,337
Total	\$ 289,401,362

The Treasurer's office is comprised of the Treasury Management, Unclaimed Property, College Savings Plan, Child Support Payment Center, and Long-Term Care Savings Plan divisions.

Treasury Management Division

The Treasury Management Division is responsible for the Treasurer's core constitutional function, receipting and disbursing State funds. All payments made to State agencies, whether by check, cash, credit card, or Automated Clearing House (ACH) debit or credit flow through State bank accounts and are receipted in by the treasury staff.

Treasury Management also assists agencies, State vendors, and banks with questions on State payments and other banking services; assists agencies with the development of e-commerce options when accepting payments from constituents; and transfers funds between State entities and distributes State aid to local governments.

Treasury Management is funded in accordance with Neb. Rev. Stat. § 84-618 (Reissue 2008) by a charge to the income of each fund held in invested cash. The amount funded by the income is the budgeted appropriations for the fiscal year.

In addition to the aid expenditures noted on the previous page, Treasury Management disburses additional aid through distributive funds. These transactions are handled through liability accounts and do not appear in the State of Nebraska's Accounting System as revenues or expenditures. For detail of the amounts going in and out of the Treasurer's distributive funds see **Exhibit B**. The largest of these is the distribution of money in the Highway Allocation Fund to Nebraska counties and municipalities, which totalled \$209,516,714 in distributions during the period being reviewed.

Treasury Management performs several transfers between State funds as required by State Statutes or Legislative Bills. During the period March 1, 2009, through February 28, 2010, Treasury Management transferred over \$700 million between State funds. The largest of these transfers is the monthly transfer of motor vehicle fees in the Highway Trust Fund in accordance with State Statutes; these transfers exceeded \$470 million during the period being reviewed. The following schedule shows the money transferred to the State General Fund from other funds for the period.

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<u>Transfers to the State General Fund</u>	
Cash Reserve Fund	\$ 54,990,505
Misc Funds - Special Session Transfers	21,307,468
Securities Act Cash Fund	19,500,000
Insurance Cash Fund	4,500,000
Tobacco Products Cash Fund	12,000,000
Unclaimed Property Trust Fund	8,030
MFO	1,403,178
Other	4,641,606
Total	<u>\$ 118,350,787</u>

Approximately \$120 million was transferred out of the State General Fund, with \$112 million of that going to the Property Tax Credit Cash Fund. See **Exhibit C** for a schedule of other transfers performed.

Unclaimed Property Division

The Unclaimed Property Division has three functions: reporting and remittance by holders of abandoned property; claims by owners or heirs of abandoned property; and education through compliance activities. By law, firms holding assets on behalf of owners, which are dormant or inactive for a period of five years, are required to report holdings and remit the assets to the Unclaimed Property Division. Upon receipt of unclaimed property, the Treasurer makes a concerted effort to locate the rightful owner. Claim forms are provided to individuals to substantiate their claims as rightful owners. Unclaimed assets are transferred to the Permanent School Fund. Tangible assets are liquidated at public auction.

The Unclaimed Property Division deposited a total of \$15,692,640 in abandoned property from holders during the period March 1, 2009, through February 28, 2010. Cash payments to owners for abandoned property during the same period totalled \$9,750,356. See **Exhibit D** for a comparison of cash remitted and cash claim payments for fiscal years 2006 through 2010.

Abandoned property is deposited in and disbursed from a separate Unclaimed Property Trust Fund. Administrative costs for the Unclaimed Property Division are paid from the Unclaimed Property Cash Fund. Neb. Rev. Stat. § 69-1317 (Supp. 2009) authorizes the Treasurer to transfer funds from the Unclaimed Property Trust Fund to the Unclaimed Property Cash Fund to cover any costs in connection with the sale of abandoned property, any costs of mailing and publication, and reasonable service charges.

College Savings Plan

The College Savings Plan, effective January 1, 2001, allows citizens inside and outside the State of Nebraska to contribute to an investment account for their children's or grandchildren's education. The Treasurer is the Trustee of the Nebraska Educational Savings Plan Trust (Trust) which includes four plans: the College Savings Plan of Nebraska, the TD Ameritrade 529 College Savings Plan, the Invesco AIM College Savings Plan, and the State Farm College

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Savings Plan. At the end of calendar year 2001, the Trust had net assets of \$55 million. At the end of calendar year 2009, the Trust had net assets of \$2,035 million; an increase of \$1,980 million. See **Exhibit E** for a comparison of the Trust net assets for calendar years 2005 through 2009.

Administrative costs of the College Savings Plan Division are paid from the Nebraska Educational Savings Trust Cash Fund. Neb. Rev. Stat. § 85-1803 (Reissue 2008, as amended by Laws 2009, First Spec. Sess., LB 3, § 95) authorizes transfers from the program and endowment funds to the Nebraska Educational Savings Plan Cash Fund in an amount authorized by an appropriation from the Legislature to pay for costs of administering, operating, and maintaining the Trust. The program fund is the fund where all money paid by participants and the related investment income is deposited. The endowment fund is the fund where all money received from the proceeds of gifts and other endowments for the purposes of the Trust are deposited. The amount actually received by the Treasurer and deposited into the Nebraska Educational Savings Cash Fund is based on contractual agreements with the program manager (Union Bank) and the administrators of the four plans as noted above.

Child Support Payment Center (CSPC)

CSPC is charged with the responsibility to: receipt and identify incoming payments from non-custodial parents; report this information to the Department of Health and Human Services (DHHS); disburse payments to custodial parents; provide customer service on payment and disbursement related questions; and develop and present outreach materials, individualized seminars and workshops to inform and educate customers of CSPC program requirements and customer responsibilities.

The State of Nebraska transitioned the receipt, distribution, and disbursement of child support from a local County Clerk of the District Court operation to a centralized operation at the State level. DHHS is responsible for the distribution function and contracted with the State Treasurer to operate the CSPC. The State's centralized operation for receipting, distribution, and disbursement of child support became operational on December 21, 2001.

During the period March 1, 2009, through February 28, 2010, the CSPC received \$286,511,272 in child support payments from non-custodial parents and disbursed \$288,944,333 in payments to custodial parents. See **Exhibit F** for a comparison of child support payments received and disbursed for fiscal years 2006 through 2010.

Administrative costs for CSPC are paid from the State General Fund and from Federal Funds. Costs are split 40% General Funds and 60% Federal Funds.

Long-Term Care Savings Plan

The Long-Term Care Savings Plan, created by 2006 Neb. Laws LB 965, is a savings account offered through individual financial institutions in Nebraska. The Treasurer enters into agreements with State-chartered or federally chartered banks, savings banks, building and loan associations, savings and loan associations, or credit unions to receive contributions in the form of account deposits.

The administrative costs of the Treasurer in relation to the Long-Term Care Savings Plan are funded by the State General Fund.



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**Criteria**

The criteria used in this attestation review were State Statutes, Rules and Regulations, the Nebraska State Accounting Manual, and State Treasurer policies.

**Summary of Procedures**

Pursuant to Neb. Rev. Stat. § 84-304 (Reissue 2008), the Auditor of Public Accounts (APA) conducted an attestation review of the revenues, expenditures, transfers, fixed assets, receipt and disbursement of child support payments, and banking activity for the period March 1, 2009, through February 28, 2010, 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:

- Gained and documented an understanding of the processes and procedures related to the Treasurer's revenues, expenditures, payroll, transfers, fixed assets, receipt and disbursement of child support payments, and banking activities.
- Followed up and assessed the status of prior year attestation examination findings.
- Performed analytical procedures on the changes in revenues, expenditures, transfers, and child support payment activity.
- Reviewed travel and operating expenditures and selected certain transactions for detailed testing.
- Performed testing of the following related to payroll: changes to employee salaries, terminated employees final pay, sick, vacation, and compensatory leave balances, and employee adjusted service dates.
- Performed detailed testing of various transfers and aid payments including cigarette tax, Highway Trust Fund, and Insurance Tax Fund allocations; General Fund transfers; Highway Allocation to counties and municipalities; Motor Vehicle Tax Fund allocation to counties; and State aid payments to natural resource districts, counties, and municipalities.
- Performed the following testing of Unclaimed Property revenues and claims payments:
  - a. Detailed testing of unclaimed property items received as noted in Wagers, the State Accounting System, and unclaimed property files.
  - b. Detailed testing of safe deposit box items maintained in the unclaimed property vault.
  - c. Testing of abandoned mutual funds to verify amounts recorded as held agreed to supporting documentation.

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- d. Testing of unclaimed property claims including verifying the claim form was on file, claim information in Wagers agreed to the State Accounting System, and tracing to other supporting documentation.
  - e. Additional testing included testing compliance with State Statutes regarding sales of unclaimed property, annual publishing of all unclaimed property, and required transfers from the Unclaimed Property Trust Fund.
- Performed testing of the following related to the Treasurer's banking activity: verified wire transfers were between State bank accounts, traced selected ACH information to supporting documentation to verify the ACH was established appropriately, and reviewed procedures for monitoring of pledged collateral.
- Performed the following testing at the CSPC:
  - a. Detailed testing of child support receipts and disbursements.
  - b. Obtained monthly bank reconciliations and performed detailed testing of a sample of months.
  - c. Testing of procedures used for the recording, follow-up, and collection of bad debts.
  - d. Obtained the Daily Suspense Summary Report and performed detailed testing on a sample of unidentified receipts.
  - e. Detailed testing of misapplied payments to verify adjustments were made timely and appropriate documentation was maintained.
  - f. Additional testing included rejected, unidentified, and misapplied receipts; outstanding warrants; removal of system access for terminated employees; and compliance with statutory requirements for the annual report to the Legislature.
- Obtained detail of county court, district court, county clerk, and county treasurer revenues and other revenues of the Treasurer and selected transactions for detailed testing.
- Verified the transparency web site, [NebraskaSpending.gov](http://NebraskaSpending.gov), was established in accordance with State Statutes. Performed testing of selected information on the web site to verify accuracy.
- An exit conference was held on June 2, 2010, to discuss the results of this attestation review. Those in attendance from the Treasurer were:
  - Shane Osborn, State Treasurer
  - Trent Fellers, Chief of Staff
  - Meaghan Aguirre, Unclaimed Property Director
  - Troy Reiners, CSPC Program Director
  - Rachel Biar, Assistant Treasurer, College Savings Program/Long-Term Care Savings Program
  - Heidi Wallace, Senior Treasury Management Specialist
  - Jason Walters, Finance Manager

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**Summary of Results**

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

**Unclaimed Property Division**

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**1. Mutual Funds**

Wagers is the official computer system used to record and track unclaimed property received by the State of Nebraska. A good internal control plan requires procedures to ensure the official record system, Wagers, properly reflects the activity of mutual fund shares. These procedures should include a reconciliation of data in Wagers to mutual fund statements on a periodic basis. Additionally, a good internal control plan and sound business practices require activity be recorded in a timely manner.

During our testing of mutual funds, we noted the following:

- There were no specific policies or procedures for updating and maintaining mutual fund statement information in Wagers.
- The reconciliation of mutual fund quarterly statements to Wagers was only partially completed for the quarter ended June 30, 2009. For 5 of 15 mutual funds tested, the amount on the Unclaimed Property Division's listing did not agree to the June 30, 2009, quarterly statements. Variances between the Unclaimed Property Division's listing and the mutual fund statements ranged from 9 to 5,578 shares. See **Exhibit G**. Additionally, as of March 22, 2010, adjustments had not been made for variances noted by the Unclaimed Property Division during their June 30, 2009, reconciliation.
- Two additional quarterly statements, for September and December 2009, had been received but not reconciled or filed.
- Information was not updated in Wagers on a regular basis. For 14 of 15 mutual funds tested, Wagers did not have the correct mutual fund share information. Of these 14, 12 had an incorrect amount listed and 2 had never been recorded in Wagers. Variances in shares recorded in Wagers ranged from .75 to 5,394.50 shares. See **Exhibit G**.
- Additionally, we noted two mutual funds in Wagers with duplicate CUSIP numbers.

The APA reviewed the Unclaimed Property Division's mutual fund holdings on a fund by fund basis in 2007 as part of a special evaluation. The APA noted many of the same problems with mutual funds during this evaluation. Per discussion with Unclaimed Property Division management, the Unclaimed Property Division did not do much to correct the issues noted in the 2007 special evaluation due to a lack of staff time to devote to this project. We consider this finding a material weakness.

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When amounts recorded on Wagers are not reconciled or adjusted to mutual fund statements in a timely manner, there is an increased risk errors, omissions, loss, or theft could go undetected. Furthermore, when there are duplicate CUSIP numbers for different mutual funds, there is an increased risk mutual fund activity will be incorrectly recorded to the wrong mutual fund.

We recommend the Unclaimed Property Division:

- Develop and implement policies and procedures regarding the recording and reconciliation of mutual fund activity,
- Review the mutual fund statements in a timely manner and ensure all activity is properly recorded in Wagers, and
- Ensure duplicate CUSIP numbers are not used in Wagers for different mutual funds.

*Treasurer's Response: The Unclaimed Property Division is in the process of reconciling our mutual fund records. This is a manual process, and there are some timing issues relating to paper quarterly statements, but the Treasurer's Office will work on improving the reporting and tracking of mutual funds.*

**2. Unclaimed Property Receipts**

Neb. Rev. Stat. § 84-710 (Reissue 2008) states, "It shall be unlawful for any executive department, state institution, board, or officer acting under or by virtue of any statute or authority of the state...to receive any fees, proceeds from the sale of any public property, or any money belonging to the state or due for any service rendered by virtue of state authority without paying the same into the state treasury within three business days of the receipt thereof when the aggregate amount is five hundred dollars or more and within seven days of the receipt thereof when the aggregate amount is less than five hundred dollars."

Neb. Rev. Stat. § 69-1311(d) (Reissue 2009) states, "Within one hundred twenty days from the receipt of the report required by section 69-1310, the State Treasurer shall mail a notice to each person having an address listed therein who appears to be entitled to property of the value of twenty-five dollars or more presumed abandoned under the Uniform Disposition of Unclaimed Property Act."

A good internal control plan requires procedures to ensure all money received is adequately safeguarded until it is deposited. A good internal control plan and sound business practices require procedures to ensure amounts deposited in the State Accounting System agree to amounts received in Wagers, the unclaimed property tracking system. Documentation should be maintained to support the amount deposited and a listing of checks received in the mail should be maintained and compared to the deposit document to ensure all amounts received are deposited.

The Unclaimed Property Division deposited a total of \$15,692,640 in abandoned property from holders during the period March 1, 2009, through February 28, 2010. During our testing of holder reports and unclaimed property receipts, we noted the following:

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- Mail, which could contain holder reports and cash receipts, may not be opened immediately upon receipt and were kept at the Director's desk until staff had time to open and process mail. Checks which were not deposited the same day were also held at the Director's desk until deposited. Mail should be opened immediately and any undeposited checks should be adequately safeguarded to prevent the loss or theft of checks.
- A detailed comparison of the deposit document, initial Excel listing of checks, and the list of receipts in Wagers was not completed to ensure all amounts received were properly deposited. A listing of checks was prepared in Excel when the mail was opened; however, the list was not maintained for subsequent inspection.
- For 2 of 20 receipts tested, the Wagers receipt amount did not match the deposit document. The deposit documents were short by \$1 and \$29. For 1 of 20 receipts tested, the deposit document did not include a detailed listing of what made up the deposit; we were unable to verify the \$25 tested from a safe deposit box was actually a part of the deposit.
- For 1 of 18 property receipts tested, a check totaling \$95,279 was not deposited within three days. The check was not deposited until four days after it was received. For 5 of 18 property receipts tested, APA could not determine if amounts were deposited in accordance with Neb. Rev. Stat. § 84-710 (Reissue 2008) as no documentation was on hand to support when property reports and checks were received in the mail. Using the dates on the holder's check and submission form it is possible the Treasurer's Unclaimed Property Division did not deposit amounts in accordance with statutory requirements.
- For 1 of 8 properties tested, an owner letter was never mailed out for property greater than \$25. The owner letter for this property should have gone out in November 2009.

Due to the problems the APA noted in comparing Wagers amounts to deposit documents, the APA attempted to reconcile all Wagers receipts to all deposit documents in the State Accounting System for the period March 1, 2009, through February 28, 2010. As a result of this reconciliation, APA noted the following problems:

- Wagers had \$167,965 in receipts which were not accounted for in the State Accounting System. This variance consisted of three receipts totaling \$136,015 which were receipted in Wagers twice, four receipts totaling \$3,939 which were entered in order to balance old holder reports, one receipt totaling \$1,818 which was for a check that had been incorrectly made out to the Treasurer's Unclaimed Property Division, and three receipts totaling \$26,193 for which the Unclaimed Property Division could not provide an explanation.

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Deposit Doc Number/ Wagers Receipt ID	Transaction Date	Deposit Document Amount	Wagers Receipt Amount	Variance	Explanation
1968666 & 1970749	5/18/2009 & 5/20/2009	\$ 64,695	\$ 65,772	\$ (1,077)	Received in Wagers twice
78532 & 78533	11/3/2009	0	77,006	(77,006)	Received in Wagers twice
59392	11/25/2009	0	57,932	(57,932)	Received in Wagers twice
56113	4/7/2009	0	779	(779)	Entered in order to balance old holder reports
56722	7/2/2009	0	2,452	(2,452)	Entered in order to balance old holder reports
57163	9/25/2009	0	558	(558)	Entered in order to balance old holder reports
57344	10/14/2009	0	150	(150)	Entered in order to balance old holder reports
2380630	1/29/2010	(1,818)	0	(1,818)	Check incorrectly made out to Unclaimed Property
57278	10/8/2009	0	50	(50)	Reason for variance unknown
2236350	11/4/2009	89,113	89,114	(1)	Reason for variance unknown
2236353	11/4/2009	1,765,106	1,765,134	(28)	Reason for variance unknown
2252442	11/13/2009	945,331	957,591	(12,260)	Reason for variance unknown
59854	2/8/2010	0	13,854	(13,854)	Reason for variance unknown

- The State Accounting System had \$5,829 in receipts which were not accounted for in Wagers. This variance amount consisted of three receipts totaling \$3,697 in safe deposit box money which had been removed from the boxes at the time they were inventoried, two receipts totaling \$289 which was money believed to have been received from the Nebraska State Patrol, and four receipts totaling \$1,843 for which the Unclaimed Property Division could not provide an explanation.

Deposit Doc Number/ Wagers Receipt ID	Transaction Date	Deposit Document Amount	Wagers Receipt Amount	Variance	Explanation
2340227	1/14/2010	\$ 103	\$ 0	\$ 103	Safe deposit box money
2358334	1/25/2010	221	0	221	Safe deposit box money
2455208	2/18/2010	3,373	0	3,373	Safe deposit box money

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Deposit Doc Number/ Wagers Receipt ID	Transaction Date	Deposit Document Amount	Wagers Receipt Amount	Variance	Explanation
2069133	7/9/2009	281,541	281,527	14	Nebraska State Patrol Money
2214689	10/19/2009	275	0	275	Nebraska State Patrol Money
1918937	3/27/2009	1,340	0	1,340	Reason for variance unknown
1949098	4/29/2009	54	0	54	Reason for variance unknown
2220871	10/26/2009	251,948	251,500	448	Reason for variance unknown
2449808	2/17/2010	215,393	215,392	1	Reason for variance unknown

Without procedures to ensure cash is adequately safeguarded until deposited, there is an increased risk for misappropriation of assets. When deposits do not contain support for deposit amounts nor are there procedures to ensure Wagers receipt amounts agree to the deposit and initial listing of checks, there is an increased risk misuse, theft, or fraud may go undetected. Furthermore, the Unclaimed Property Division is not in compliance with State Statutes regarding deposits and owner letters. We consider this finding a significant deficiency.

Similar findings were also noted in the 2006 attestation review and the 2007 special evaluation of the Unclaimed Property Division.

We recommend the Unclaimed Property Division:

- Ensure mail holding checks and checks which have not been deposited are held in an adequately safeguarded location until processed and deposited;
- Implement policies and procedures to ensure the initial listing of checks agrees to the deposit as well as the Wagers receipt amount. The detail listing of receipt amounts should also be kept with the deposit document to support deposit amounts. If variances do exist between these listings, action should be taken in a timely manner to make any necessary corrections and/or document explanations for the variances;
- Implement policies and procedures to ensure amounts are deposited in compliance with Neb. Rev. Stat. § 84-710 (Reissue 2008); and
- Implement policies and procedures to ensure owner letters are sent out in compliance with Neb. Rev. Stat. § 69-1311 (Reissue 2009).

*Treasurer's Response: The Treasurer's Office has already implemented three of the recommendations. Owner letters are generated from Wagers, this process will be reviewed to improve procedures.*

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**3. Claims**

A good internal control plan requires adequate supporting documentation be on file to verify the individual submitting the claim form is the owner of the property, a new claim form be provided for each new claim, an independent third party mails claim warrants, procedures be in place to ensure all required verifications were performed and documented, and procedures be in place to properly account for all contents of returned safe deposit boxes.

During our testing of claims, we noted the following:

- There may not be adequate procedures to ensure all claims are paid to the rightful owners. Individuals making a claim greater than \$300 (this amount was increased from \$150 as of July 1, 2009) must submit a notarized form and other proof of ownership. Individuals making a claim on property less than \$300 are only required to confirm their address and the last four digits of their social security number. Claims can be made over the telephone or electronically and do not require an actual signature from the individual making the claim. Additionally, if an individual has filed a claim previously, they are generally not required to submit a new claim form for separate property they are attempting to claim. There is no dollar limit that would require an additional form be remitted in these cases. During the period reviewed, a total of 17,256 payments for \$1,359,487 were made for claims under \$300.
- Warrants are returned to the Unclaimed Property Division for mailing. Warrants were returned so an insert may be placed in with the check. This practice contributes to a lack of segregation of duties and increases the risk for fraudulent payments.
- The Unclaimed Property Division did not utilize the ACH payment method for all payments over \$75,000 or for recurring payments. A memo from the Treasurer and the Director of the Department of Administrative Services states vendors doing business should be paid via Automated Clearinghouse (ACH) for individual payments over \$75,000. In addition, vendors who receive multiple payments from the State should also be paid via ACH.
- For 1 of 18 claims tested, supporting documentation to verify the identity of the claimant was inadequate. Although a driver's license was obtained, no documentation was on file to support the verification of the claimant's social security number. The claim was for \$107,872.
- For 1 of 5 safe deposit boxes tested, the contents of the box were sent by certified mail to the claimant; however, there was no documentation to support the claimant signed and received the contents. After the APA brought the lack of signature to the attention of the Unclaimed Property Division, the Unclaimed Property Division confirmed with the owner that the contents of the box had been received. According to Wagers, the safe deposit box contained miscellaneous papers.



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Without adequate procedures to determine the individual submitting the claim is the owner of the property, there is an increased risk of fraudulent claims being paid for these properties. When warrants are not mailed by an independent party and when returned items are not properly accounted for, there is an increased risk of funds being misappropriated. Similar issues were noted in the 2007 special evaluation of the Unclaimed Property division. We consider this finding a significant deficiency.

We recommend the Unclaimed Property Division:

- Implement policies and procedures over the payment of claims to ensure the rightful owner is paid the claim, even for cases where dollar amounts are under \$300. The Unclaimed Property Division should consider the volume of payments less than \$300 and whether proof of identity or notarized forms should be required with those claims. Additionally, individuals who have submitted a previous claim should be required to submit a claim form for each subsequent claim requested.
- Ensure claim warrants are mailed by an independent party.
- Ensure payments in excess of \$75,000, and to recurring payees, are made via ACH.
- Implement procedures to ensure all required verifications for claims are performed and documented.
- Implement procedures to properly account for all contents of returned safe deposit boxes.

*Treasurer's Response: Claims under \$300 may be processed without a notarized signature. We have reviewed this policy on several occasions and feel that the benefits of efficiency have far outweighed the risk involved. Additionally, Unclaimed Property does not require a claim form from a claimant that has been previously paid. Paperwork is maintained on file and as long as all pertinent documents are on file a duplicate claim form is not required. If there is stock on the claim a new stock affidavit will be required to designate how the stock should be handled.*

*Procedures are in place to verify the legitimacy of a claim. The claim noted by the APA was verified by research done by Unclaimed Property staff and the form was notarized at the claimant's home. The claimant's social security number was verified but documentation was omitted from the paperwork.*

#### **4. Stock Comparison**

A good internal control plan requires a periodic reconciliation between Wagers, the system used by the State to track unclaimed property, and UBS, the State's custodian for unclaimed stock and mutual fund shares, to ensure records are accurate.

Stock certificates are sent to the Unclaimed Property Division by holders of unclaimed property. Unclaimed Property Division staff are responsible for entering these shares into Wagers once the

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holder's report is processed. The Treasurer will then sign an "Irrevocable Stock or Bond Power" for the stock. The stocks, along with the "Irrevocable Stock or Bond Power," are then mailed to UBS. Once UBS receives these shares they are recorded in the State's UBS account.

We obtained a listing of stocks held at UBS and a table of securities in Wagers as of February 28, 2010. Using CUSIP numbers to attempt to match records between the two files, we noted the following:

- For 846 stock records, the APA was able to match the stock CUSIP in Wagers to UBS. Of these matching CUSIP records, 131 showed UBS with more shares than Wagers, and 111 showed more shares in Wagers than UBS. See **Exhibit H** for share variances by CUSIP.
- For 63 stock records, the APA was unable to match CUSIP numbers in Wagers and UBS but was able to match the stock names. Of these matching name records, 13 showed more shares in UBS than Wagers and 14 showed more shares in Wagers than UBS. See **Exhibit H** for share variances by stock name.
- Records could only be found in Wagers with no corresponding entry in UBS for 590 stocks. See **Exhibit I** for shares found only in Wagers.
- Records could only be found in UBS with no corresponding entry in Wagers for 193 stocks. See **Exhibit J** for shares found only in UBS.
- The Unclaimed Property Division did not perform a reconciliation of the number of stocks sent to UBS and the number of stocks actually recorded in the UBS account.

This finding was noted in our 2007 special evaluation of the Treasurer's Unclaimed Property Division. Per review of Wagers activity, it appears the Treasurer's Unclaimed Property Division attempted in early 2008 to correct some of the shares on Wagers to get them to agree to UBS; however, there were still numerous discrepancies noted.

Without a reconciliation of stocks between Wagers, the system used to track unclaimed property, and the stock custodian, UBS, there is an increased risk theft, loss, or errors may go undetected. We consider this finding to be a significant deficiency.

We recommend the Unclaimed Property Division perform periodic reconciliations of Wagers and UBS records to ensure stock records are accurate. All variances noted during this reconciliation should be investigated and adjustments made and documented as necessary.

*Treasurer's Response: The APA began its audit before all holder reports received had been entered. For this reason stocks held in our UBS account did not match what was recorded in Wagers. Also, shares of stock are often received after a report is filed. This finding was*

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*expected by the State Treasurer's Office because of the timing of the audit. Stocks are reconciled once all reports have been entered. The Unclaimed Property Division is currently determining what our strategy will be to reconcile stock records, and will work with UBS and Wagers and plan regular review and reconciliation.*

**5. Stock Sale Fees**

A good internal control plan requires procedures to ensure stock sale fees charged by UBS reflect the agreement between UBS and the Treasurer's Unclaimed Property Division.

When claimants discover they have unclaimed property in the form of stock, they often request the proceeds of the sale of the stock rather than request the stock be transferred to them. When this occurs, the Treasurer sends a letter to UBS requesting UBS sell the stock. UBS charges a fee to sell stock. The fees were not agreed to formally, as UBS and the Treasurer did not have a formal agreement. However, the fees proposed in UBS's cost proposal were:

<u>Gross Stock Sale Proceeds</u>	<u>Fee</u>
Less than \$250	Flat \$15
>\$250 and <\$1,000	Flat \$25.25
>\$1,000 and <\$1,000,000	Approximately 1% of gross proceeds

Where the fee is approximately 1%, per the cost proposal and statements from UBS, the fee depends on whether the transaction is done with UBS in a principal versus an agency role, the number of shares, and security type.

The Unclaimed Property Division did not review stock fees charged by UBS to ensure they were in accordance with the fee schedule submitted. We reviewed all stock sales for May 2009 and February 2010 and noted the following:

- The percentage fee for stock sales with proceeds over \$1,000 ranged from 2% to 5% and the dollar amount of the fee over the APA-calculated fee of 1% ranged from \$50 to \$134. See **Exhibit K**.
- In May 2009, for one transaction the fee should have been \$20. The actual fee charged was \$50. When the APA inquired into this fee amount, UBS said the fee amount was in error. This error was not caught by either UBS or the Treasurer.
- On all transactions UBS was charging an "SEC Fee" which was usually around \$5. This was not an actual fee charged directly by the SEC; the SEC charges stock exchanges for doing business, which in turn pass the costs along to broker/dealers (for example, UBS) which in turn passes the costs along to customers (for example, the Treasurer and their claimants). This fee, while effectively increasing the cost of doing business and the stock fee for each transaction, was not disclosed in the cost proposal. The Unclaimed Property Division had not questioned the appropriateness of this additional fee.

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When fees charged on stock sales are not monitored, there is an increased risk claimants may not receive the total net proceeds to which they are entitled. We consider this finding a significant deficiency.

We recommend the Unclaimed Property Division formalize the contract with UBS, and develop policies and procedures to verify the fees charged by UBS for the sale of stocks are correct and reasonable.

*Treasurer's Response: The Unclaimed Property Division will work with UBS to verify our formal agreement and determine fees are being appropriately charged.*

**6. Safe Deposit Boxes**

A good internal control plan requires policies and procedures to ensure safe deposit boxes and their contents are adequately accounted for from when they are initially received to when they are claimed by owners.

We examined the procedures over the handling of the safe deposit boxes by the Unclaimed Property Division and noted the following:

- Safe deposit boxes were locked in a vault and not accounted for or inventoried for several months. Staff did not compile an initial inventory listing of the safe deposit boxes received and compare this to the safe deposit boxes in the vault when they were finally inventoried.
- When performing the initial inventory of safe deposit boxes, staff would often discard objects within the safe deposit box they deemed to be worthless, such as empty jewelry boxes. The discarding of these objects was not documented on the bank's inventory sheet.
- Inventory of safe deposit boxes held by the Unclaimed Property Division was not performed annually. When the inventory was performed, the contents of individual boxes were not accounted for; instead staff would only ensure a box matching the Wagers number was in the vault.
- Individuals opening and inventorying safe deposit boxes did not verify any cash removed was actually deposited into the bank.
- The Unclaimed Property Division did not have written policies or procedures regarding what U.S. currency found in safe deposit boxes should be deposited and what currency is worth more than face value and should be maintained with the box. Additionally, the Unclaimed Property Division did not have written policies and procedures regarding the determination of which safe deposit box claims should require a claim form with corresponding notarization and proof of identity or for the appraisal of safe deposit boxes.

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- We performed testing on five safe deposit boxes maintained in the Unclaimed Property Division's vault and noted the following:
- The inventory on Wagers did not agree to the bank inventory sheet for two of the boxes tested.
- The bank inventory sheet could not be located for one of the boxes tested.

Without an initial listing of safe deposit boxes, a verification of cash amounts deposited, procedures to ensure the bank inventory sheet agrees to Wagers, policies and procedures concerning the appraisal and claiming of property, and/or the periodic performance of a physical inventory, there is an increased risk for misappropriation of assets to occur and not be detected.

Similar findings were noted in the 2007 special evaluation of the Unclaimed Property Division. We consider this finding a significant deficiency.

We recommend the Unclaimed Property Division:

- Implement procedures to ensure proper controls exist over safe deposit boxes received. An initial log should be prepared that includes the number of boxes received, who they were received from, and what date they were received. This list should be reviewed when the boxes are opened and the contents are inventoried to ensure all boxes initially received are inventoried.
- Implement written policies and procedures regarding the handling of safe deposit boxes including what currency is deposited, how often boxes are appraised, and how to value safe deposit boxes for determination of whether a claim form should be required.
- Implement procedures to ensure adequate controls exist over the deposit of safe deposit box cash. The individuals responsible for opening the boxes and entering the contents into Wagers should ensure any cash received is properly entered into Wagers and is actually deposited.
- Ensure staff document on Wagers which items from the safe deposit boxes have been discarded.
- Perform and document a physical inventory of the property maintained in the Unclaimed Property Division vault. The inventory should include a physical inspection of the contents of the boxes.
- Implement procedures to ensure the bank inventory sheet agrees to Wagers and ensure bank inventory sheets are maintained.

*Treasurer's Response: The Treasurer's Office has already implemented these recommendations, including a scheduled inventory of safe deposit boxes.*

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**7. Review of Audit Logs**

A good internal control plan requires procedures to ensure deleted transactions are handled properly and were appropriate. Such procedures would include a review of the audit logs which track deleted transactions.

During our testing we noted the following concerning the deletion of Wagers transactions:

- Unclaimed Property Division staff did not have the ability to delete paid claims; however, claims in any other status (initiated, dropped, etc.) could be deleted. A break would also occur in the claim ID number sequence if a claim was opened but closed before it was saved. Since the inception of Wagers, 12,360 claims have been deleted.
- Property records can be deleted if there are errors with the original report submitted by the holder. Since the inception of Wagers, 165,036 property records have been deleted.
- Since the inception of Wagers, 98,355 owner records have been deleted.
- A glitch in the Wagers application causes reports to be deleted if properties are added for a holder who is not already in the system. When this new holder's report is uploaded into Wagers, staff are unable to tie the opened report to the holder and therefore must delete the report and open a new one.
- The Treasurer's Unclaimed Property Division did not have procedures to review the activity in the audit logs to ensure deleted transactions were appropriate.

Without a review of deleted transactions contained in the audit logs, there is an increased risk errors, theft, misuse, or fraud of unclaimed property may go undetected. We consider this finding a significant deficiency.

This comment was also noted in the 2007 special evaluation of the Unclaimed Property Division.

We recommend the Unclaimed Property Division implement policies and procedures for the review of deleted transactions contained in the audit logs. Deleted transactions should be reviewed for appropriateness.

*Treasurer's Response: If a report has a number of errors it can be deleted and then reentered correctly. Some reports include thousands of properties, deleting them one at a time would not be an efficient use of time. Procedures are now in place to review the audit logs quarterly.*

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**8. Worthless Stocks**

A good internal control plan requires written policies and procedures be in place to define when securities are considered “worthless” and what documentation or approval needs to be maintained for the determination that the security is “worthless.” A good internal control plan also requires all unclaimed property remitted to the State be recorded in Wagers, the application used to track unclaimed property.

The Treasurer did not have formal policies or procedures to define when securities are considered “worthless,” nor were there written policies and procedures to ensure all securities determined to be “worthless” included appropriate documentation or approval to support the determination the security was “worthless.”

During our testing we noted 2 of 3 securities tested did not have adequate documentation maintained on file to support the determination of the security as “worthless.” In addition, we noted 1 of 3 “worthless” securities tested was not recorded on Wagers.

Without adequate procedures to record unclaimed property in Wagers, there is an increased risk that property will go unaccounted for and/or be fraudulently misappropriated. In addition, there is a risk that no attempt will be made to locate the property’s owner. Without adequate written procedures, there is an increased risk securities with value will be misclassified or misappropriated.

This comment was also noted in the 2007 special evaluation of the Unclaimed Property Division. No procedures had been performed by the Unclaimed Property Division to correct any of the findings regarding “worthless stock” from the 2007 special evaluation.

We recommend the Unclaimed Property Division formally document their policies and procedures for “worthless” stocks, including defining when a security is “worthless” and maintaining supporting documentation of the determination of the stock’s designation as “worthless.” We also recommend all securities be recorded on Wagers regardless of their worth.

*Treasurer’s Response: Unclaimed Property records all stocks in Wagers regardless of their worth. Procedures to determine a stock is worthless are in the process of being formalized. Documentation of the stock’s value will be maintained validating the determination.*

**9. Outstanding Unclaimed Property Warrants**

Op. Att’y Gen. No. 98043 (Oct. 26, 1998) states, “...warrants drawn on the Unclaimed Property Trust Fund for payment of unclaimed property claims which remain uncashed after one year should be returned to the Unclaimed Property Trust Fund.” A good internal control plan requires procedures for an adequate follow-up on outstanding warrants.

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Outstanding warrants drawn from Fund 61280 (Unclaimed Property Trust Fund) for the payment of unclaimed property claims were being allowed to expire which allows the money to be lapsed to the General Fund. The warrants should be canceled before they expire, so the money would go back to the Unclaimed Property Trust Fund as noted in the above referenced Attorney General Opinion.

When unclaimed property uncashed warrants are allowed to expire and the funds are lapsed to the General Fund, less money is transferred to the Permanent School Fund from the Unclaimed Property Trust Fund as required by statute.

We recommend the Treasurer implement procedures to ensure outstanding warrants from the Unclaimed Property Trust Fund are subject to appropriate follow up procedures and cancelled before they expire.

**Child Support Payment Center (CSPC)**

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**10. Inadequate Procedures Over Bad Debt**

Neb. Rev. Stat. § 81-8,297 (Reissue 2008) states, “The State Claims Board shall have the power and authority to receive, investigate, and otherwise carry out its duties with regard to...(4) all requests on behalf of any department, board, or commission of the state for waiver or cancellation of money or charges when necessary for fiscal or accounting procedures...”

Title 466 NAC 11-005.07 states the CSPC is responsible for insufficient funds checks received or electronic payments not accepted.

A good internal control plan requires the establishment of written policies and procedures over the funding and writing off of bad debt and the review and update of written policies and procedures regarding the handling of returned checks and electronic fund transfers (EFTs) on a periodic basis. A good internal control plan also requires making timely changes to the collection status in KidCare – Collections Manager to ensure the item is properly reflected.

The CSPC received returned checks and returned EFTs items from the bank due to various reasons: nonsufficient funds, closed accounts, or stop payments. The CSPC is responsible for the collection of these returned items. The total amount of bad checks and bad EFTs as of February 28, 2010, was \$509,851.

During the fiscal year ended June 30, 2005, the CSPC established an Allowance for Doubtful Accounts and funded this account in the amount of \$511,302 from the General Fund. This account is used to write off accounts the CSPC deems uncollectible. For the period July 1, 2007, through February 28, 2010, the CSPC received repayments and additional funds from the General Fund totaling \$60,292 but actually wrote off \$552,432 of uncollectible accounts. As of February 28, 2010, the Allowance for Doubtful Accounts had a credit balance of \$9,161 which appears to have been overfunded.



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Fiscal Year	Repayments/ Adjustments	Allowance Funded from State General Fund	Amounts Written Off
2008	\$ (2,491)	\$ -	\$ 397,995
2009	(15,518)	(40,000)	154,237
2010*	(2,283)	-	200
Total	\$ (20,292)	\$ (40,000)	\$ 552,432

\*Fiscal year 2010 includes only July 2009 through February 2010 and does not represent the entire year.

During our review of bad check and EFT debt, we noted the following:

- The CSPC had written off \$397,995 in bad debt during fiscal year 2008, but did not obtain approval from the State Claims Board. The CSPC also did not change the collection status in KidCare – Collections Manager on those items the CSPC did write off that were dated 2004 and older.
- The CSPC did not have written policies and procedures established for the funding or writing off of bad debt. The CSPC also had not updated their written policies and procedures regarding the handling of returned checks and EFTs since 2003.
- For 2 of 15 receipts tested, appropriate action was not taken to recover the bad debt and followed up periodically. One partial payment was received by the CSPC on June 10, 2002, with the first letter requesting the balance due sent September 6, 2005. There has been no follow up by the CSPC since 2005. The other payment was received by the CSPC on October 27, 2009. This item was noted to be followed up on November 16, 2009; however, no further action was noted.
- For 1 of 15 receipts tested, the collection status was not properly recorded in KidCare – Collections Manager. This item had been written off in the State Accounting System during the fiscal year ended June 30, 2008, but the collection status in KidCare was not changed to reflect the write off.
- A journal entry to fund the allowance for doubtful accounts did not have adequate supporting documentation. This journal entry was for \$50,000 from the General Fund. A correcting journal entry was later made in the amount of \$10,000 reducing the original entry to \$40,000.

Without written policies and procedures over the funding and writing off of bad debt there is an increased risk of items not being reviewed in a timely manner and ultimately not collected. The Treasurer was also not in compliance with State Statute or Nebraska Administrative Code (NAC) regulations. A similar finding was noted in our prior attestation examination.

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We recommend the CSPC:

- Work with Risk Management or the State Claims Board in obtaining written approval to write off bad debt and maintain this approval for future review.
- Develop written policies and procedures over the funding and writing off of bad debt and periodically review written policies and procedures regarding the handling of returned checks and EFTs to ensure changes are updated as needed.
- Make timely changes to the collection status in KidCare – Collections Manager to ensure the item is properly reflected.

*Treasurer's Response: The Nebraska Child Support Payment Center (NCSPC) has begun writing policies regarding the write off of bad debt. When completed, these will be reviewed periodically, and updated as needed. Also, the NCSPC will work to improve staff training about recording changes to the collection status in KidCare – Collections Manager.*

#### **11. Unidentified Receipts**

Neb. Rev. Stat. § 43-3342.01(1) (Reissue 2008) states, “The responsibility of the State Disbursement Unit shall include the following: ...(b) Accurate identification of payments; (c) Prompt disbursement of the obligee’s share of any payments...”

Neb Rev. Stat. § 43-3344 (Reissue 2008) states, “Support order payments placed in the Title IV-D Support Payment Distributive Fund shall be exempt from the Uniform Disposition of Unclaimed Property Act. If, within three years after the date of receipt, the Title IV-D Division is unable to disburse support order payments collected pursuant to law and also unable to return the collected payments to the noncustodial parent, such payments shall be considered abandoned property. This abandoned property shall be used by the state for child support enforcement as provided by the rules and regulations of the division.”

Title 466 NAC 11-002.05A states, “Abandoned Property and Program Income: Both IV-D and Non-IV-D funds collected through the State Disbursement Unit but not disbursed or refunded after three years the funds are received, will be considered abandoned property and classified as program income.”

A good internal control plan requires policies and procedures be in place to ensure all unidentified receipts are researched in a timely manner. A good internal control plan also requires Suspense Summary Reports from KidCare are maintained and reviewed monthly, and unidentified receipts older than three years old are sent to DHHS to be applied as program income.

KidCare has the capability to generate a Daily Suspense Summary Report which lists the collections receipted into KidCare that have not been identified to the proper case due to insufficient information on the payment. As of March 16, 2010, the total of all unidentified receipts was \$90,808. Of the \$90,808, \$62,977 were over 3 months old. CSPC is currently

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using Research Toolkit, which is part of KidCare, to identify these receipts. A report in KidCare is run to show all of the unidentified items, but the report is not printed. CSPC works on the list from the computer screen. It appears some items are not being researched with the current system in place.

The following chart shows the aging of the unidentified receipts as of March 16, 2010, as per the Daily Suspense Summary Report generated from KidCare:

Age in Suspense	Item Count	Total \$ Amount
< 30 days	26	\$ 8,030
31 - 60 days	17	10,444
61 - 90 days	3	4,374
91-120 days	6	4,983
> 120 days	164	62,977
Total	<u>216</u>	<u>\$ 90,808</u>

We reviewed the Daily Suspense Summary Report for March 16, 2010, and noted the following:

- 45 items on the Daily Suspense Summary Report were over three years old and; therefore, should have been written off as program income per State Statute and rules and regulations. We tested 2 of the 45 unidentified receipts over 3 years old as noted below. The total of those 45 items was \$8,553.
- 9 of 10 unidentified receipts tested were not adequately documented to show the items were researched, nor was corrective action taken in a timely manner. Two of the nine unidentified receipts were over 3 years old, one was 2 years old, and one was just over 1 year old. One receipt noted it was held, but did not indicate why it was held, this receipt was over 2 months old. Five of the nine did not show any notes as to whether there was any action taken.

When receipts are not identified in a timely manner, the disbursement to the custodial parent could be delayed, which could result in noncompliance with State Statute. When receipts over three years old are not identified and moved to program income, this would cause noncompliance with NAC. A similar finding was noted in our prior attestation examination.

We recommend the CSPC develop policies and procedures to ensure receipts are identified in a timely manner. We further recommend CSPC use the Daily Suspense Summary Report from KidCare to ensure unidentified receipts are being identified in a timely manner and receipts over 3 years old are being moved to program income.

*Treasurer's Response: The NCSPC will work to ensure receipts are identified in a timely manner.*

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**12. Misapplied Payments**

The U.S. Department of Health and Human Services Office of Child Support Enforcement PIQ (Policy Interpretation Question)-02-01 Recoupment of Child Support Overpayment defines an overpayment as a misdirected payment or an erroneous payment based on a bad check or the reversal of an electronic payment due to insufficient funds. In addition, States should have processes in place to minimize the need to intercept child support payments in order to collect on overpayments. Child support payments may be intercepted if permission is obtained from the custodial parent. Permission could be obtained when custodial parents do not respond to letters from the State requesting permission to intercept an overpayment from subsequent child support payments. Permission may be assumed when no response is received after a third letter asking for permission was sent to a custodial parent.

A good internal control plan requires written policies and procedures to pursue the collection and recovery of monies owed to the CSPC, and that these written policies and procedures are followed consistently. A good internal control plan also requires procedures which ensure all funds owed to another State agency are remitted to them in a timely manner.

The CSPC was responsible for receipting, depositing, and crediting the correct noncustodial parent for child support monies received. The CSPC was also responsible for the disbursement of child support to the payee. The CSPC referred to collections credited to the wrong child support case as “misapplied.” When these misapplied collections resulted in an erroneous payment, the CSPC termed these “misapplied payments.” Federal regulations do not allow a state to recoup an overpayment of support through the intercept of a subsequent child support payment unless the custodial parent agrees.

We reviewed misapplied payments for the period March 1, 2009, through February 28, 2010, and noted the following:

- The CSPC did not have written policies and procedures for the collection and recovery of misapplied payments.
- We tested four misapplied payments and noted the following:
  - The CSPC did not perform any collection or recovery for two of the misapplied payments tested. The balances ranged from \$74 to \$460.
  - The CSPC recovered a portion of the debt through the intercept of a child support payment, approved by the custodial parent. However, no collection or recovery procedures were performed to collect on the remaining balance. The balance remaining was \$50.
- Prior to October 2005, misapplied payments were funded by DHHS. No funds had been returned to DHHS as reimbursement for the misapplied payments nor has it been determined how much should be returned to DHHS. This finding was noted in our prior attestation examination.

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Without having adequate written policies and procedures over collections and recovery that are followed consistently, there is an increased risk of loss or misuse of child support funds. If the CSPC does not reimburse DHHS for all funds transferred to the CSPC for misapplied payments, there is an increased risk these old balances will not be resolved.

We recommend the CSPC develop and follow adequate written policies and procedures over collections and recovery of misapplied payments. We also recommend the CSPC work with DHHS to determine the amount of CSPC misapplied payments that are owed to DHHS and to repay them in a timely manner.

*Treasurer's Response: The NCSPC will work on developing written procedures and policies regarding the collection and recovery of misapplied payments.*

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**Treasury Management Division**

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**13. Distributions**

The Treasury Management Division is responsible for the Treasurer's core constitutional function, receipting and disbursing State funds. Treasury Management also transfers funds between State entities and distributes State aid to local governments.

Neb. Rev. Stat. § 60-3,202(2) (Cum. Supp. 2008) states, "On or before the last day of each quarter of the calendar year, the State Treasurer shall distribute all funds in the Motor Vehicle Tax Fund to the county treasurer or designated county official of each county in the same proportion as the number of original apportionable vehicle registrations in each county bears to the total of all original registrations within the state in the registration year immediately preceding."

Neb. Rev. Stat. § 77-2602 (Reissue 2009) establishes the State Treasurer's responsibility for distributing tax collected on cigarettes. A good internal control plan and sound accounting practice requires the amount distributed agree with the amount collected.

During our testing of distributions and transfers by the Treasury Management Division, we noted the following:

- In order to correctly distribute motor vehicle taxes, each year the Treasurer calculates factors based on the number of original vehicle registrations in each county compared to the total of all original vehicle registrations in the State. Based on State Statute, the factors calculated for the 2008 calendar year should have been applied to the 2009 distributions. We noted the 2007 factors were used instead of the 2008 factors for the distributions for the quarter ended December 31, 2009. This caused all distributions for the quarter to be incorrect. We tested 10 distributions and noted 5 underpayments ranging from \$13 to \$2,190, and 5 overpayments ranging from \$14 to \$194.

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- Additionally, the fourth quarter motor vehicle taxes were to be distributed on December 31, 2009, in accordance with State Statute; however, they were not distributed until January 6, 2010.
- The amount of cigarette tax allocated did not agree to the collections per the State Accounting System for April 2009 and November 2009. The amount allocated for April exceeded collections by \$11,345. The amount allocated for November was \$125,000 less than collections.

Without procedures to ensure distributions are correct, there is an increased risk of noncompliance with State Statute and an increased risk of incorrect distributions to counties and funds.

We recommend the Treasury Management Division implement procedures to ensure all distributions are correctly calculated and in accordance with State Statute. We also recommend the Treasury Management Division review the distribution of motor vehicle taxes and cigarette taxes noted above, and make any necessary corrections.

*Treasurer's Response: Treasury Management has reviewed the above noted distributions of motor vehicle taxes and cigarette taxes and made necessary adjustments to the April 2010 calculations. Additional check lists are being developed and will be incorporated into the calculation and/or distribution procedures to ensure that all distributions are calculated and correctly distributed in accordance with State Statute.*

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**Other Items**

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**14. Unclaimed Property Trust Fund Expenses**

Neb. Rev. Stat. § 69-1317(a)(1) (Reissue 2009) states, in relevant part: "Except as otherwise provided in this subdivision, all funds received under the Uniform Disposition of Unclaimed Property Act, including the proceeds from the sale of abandoned property under section 69-1316, shall be deposited by the State Treasurer in a separate trust fund from which he or she shall make prompt payment of claims allowed pursuant to the act and payment of any auditing expenses associated with the receipt of abandoned property."

Neb. Rev. Stat. § 69-1317(c) also states, in relevant part: "Before making any deposit to the credit of the permanent school fund or the General Fund, the State Treasurer may deduct (1) any costs in connection with sale of abandoned property, (2) any costs of mailing and publication in connection with any abandoned property, and (3) reasonable service charges and place such funds in the Unclaimed Property Cash Fund which is hereby created."

The Treasurer prepares a budget for the Unclaimed Property Cash Fund, and a reciprocal appropriation is approved by the Legislature. At the beginning of each fiscal year, the State

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Treasurer is supposed to transfer from the Unclaimed Property Trust Fund to the Unclaimed Property Cash Fund the amount legislatively appropriated for cash fund expenditures. For the period reviewed, we noted the following:

- a) The amount budgeted/appropriated for the cash fund does not appear to have been sufficient to cover the expenses incurred by the Treasurer in administering the Unclaimed Property Act.
- b) The Treasurer was making payments for items other than claims and auditing expenses from the separate Unclaimed Property Trust Fund. This practice does not appear to be in compliance with § 69-1317.

We tested payments made to six different vendors during the period reviewed. These payments were for neither claims nor auditing expenses. The vendors were Nebraska Press Advertising Service, Lincoln Journal Star, First Data Resources, WOWT TV, KOLN KGIN TV, and Screenvision Direct. The payments tested were primarily for advertising. In total, \$165,037 in costs other than claims and auditing expenses were paid from the Unclaimed Property Trust Fund during the period reviewed, as noted below.

<b>PAYEE/EXPLANATION</b>	<b>OBJECT ACCOUNT</b>	<b>TOTAL</b>
BURKES DIRECT MAIL & FULFILLMENT	Postage Expense	\$ 415
PURCHASE CARD TRANSACTION	Postage Expense	259
RCL postage charges	Postage Expense	7,775
	<b>Postage Expense Total</b>	<b>8,449</b>
BURKES DIRECT MAIL & FULFILLMENT	Publication & Print Expense	3,673
GARRETT, ALLISON	Publication & Print Expense	1,000
JACOB NORTH PRINTING COMPANY	Publication & Print Expense	7,635
KOLN KGIN TV	Publication & Print Expense	14,090
LINCOLN JOURNAL STAR	Publication & Print Expense	25,896
NEBRASKA PRESS ADVERTISING SERVICE	Publication & Print Expense	45,140
NOBRAINER LLC	Publication & Print Expense	1,894
SCREENVISION DIRECT	Publication & Print Expense	9,970
WOWT TV	Publication & Print Expense	14,945
	<b>Publication &amp; Print Expense Total</b>	<b>124,243</b>
FIRST DATA RESOURCES INC	Other Contractual Service	23,210
LEXIS NEXIS RISK DATA MGMT INC	Other Contractual Service	1,441
SEISINT INC ACCURINT	Other Contractual Service	7,694
	<b>Other Contractual Service Total</b>	<b>32,345</b>
	<b>Grand Total</b>	<b>\$ 165,037</b>

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We recommend the Treasurer comply with § 69-1317 by paying only claims and auditing expenses directly from the Unclaimed Property Trust Fund. Other costs should be paid from the Unclaimed Property Cash Fund.

*Treasurer's Response: Postage and publication and print costs directly contribute to the number of claims generated by the Unclaimed Property Division. Other items listed in this section include skip tracing services and mail vendors which allow us to locate more owners of unclaimed property and process more claims.*

*Expenses paid from the Unclaimed Property Trust Fund are not only in accordance with our interpretation of Statute 69-1317, but also according to the precedent of former administrations.*

**APA Response: The APA's position with regard to the proper utilization of the Unclaimed Property Trust Fund and the Unclaimed Property Cash Fund is supported by Op. Att'y Gen. No. 96032 (April 11, 1996). That opinion was written in response to an inquiry by then State Auditor John Breslow as to "whether payments for unclaimed property audits conducted for the State Treasurer by outside organizations should be paid from the Unclaimed Property Trust Fund or the Unclaimed Property Cash Fund." In Op. Att'y Gen. No. 96032 (April 11, 1996), the Attorney General offered the following general observation:**

*"[I]t seems to us that the initial portion of § 69-1307(a)(1) [sic] . . . states clearly that the Unclaimed Property Trust Fund should be used for the payment of unclaimed property claims. That is, that trust fund should be used to pay those true owners who file claims and are reunited with their unclaimed property under the Unclaimed Property Act. On the other hand, the portion of § 69-1307 [sic] . . . at subsection (c) seems to contemplate that the costs for administration of the Unclaimed Property Act should be paid out of the Unclaimed Property Cash Fund and then be reimbursed to that fund at the time of the annual transfer of excess unclaimed property monies to the Permanent School Fund."<sup>1</sup>*

**It should be noted that, at the time the Attorney General issued his opinion, § 69-1317(a)(1) provided only for the "prompt payment claims allowed pursuant to the act." The current statutory language in § 69-1317(a)(1) pertaining to "payment of any auditing expenses associated with the receipt of abandoned property" was not added until the following year, through LB 57 (1997). This explains why the Attorney General opined later in the opinion that auditing expenses should be paid through the Cash Fund – instead of, as the case would be today, through the Trust Fund. That aside, the analysis holds true.**

**Based upon the plain and ordinary meaning of the language used in § 69-1317, as well as the supplementary analysis provided by the Attorney General, it appears the Unclaimed Property Trust Fund should serve as the source of expenditures only for the payment of**

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<sup>1</sup> As noted in the quoted text, this portion of the Attorney General's opinion contains two typographical errors. The opinion mistakenly references § 69-1307(a)(1), a nonexistent section of statute, and subsection (c) of § 69-1307. It is clear from the context of the opinion, as well as the statutory language addressed in the quoted text, that the correct references should have been to § 69-1317(a)(1) and § 69-1317(c).



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**claims and auditing expenses. Other costs, including the various administrative expenses incurred by the Treasurer in managing unclaimed property, should be paid from the Unclaimed Property Cash Fund.**

**Should the Treasurer have any doubt about this interpretation, the APA recommends the Treasurer seek further guidance from the Attorney General.**

**15. College Savings Plan Administrative Fund**

Neb. Rev. Stat. § 85-1803 (Reissue 2008, as amended by Laws 2009, First Spec. Sess., LB 3, § 95) states, in relevant part: “Money from the [Nebraska Educational Savings Plan] trust transferred from the program fund or endowment fund to the administrative fund in an amount authorized by an appropriation from the Legislature shall be utilized to pay for the costs of administering, operating, and maintaining the trust...The administrative fund shall not be credited with any money other than money transferred from the program fund or endowment fund in an amount authorized by an appropriation by the Legislature or any interest income earned on the balances held in the administrative fund.”

Three separate funds are mentioned in § 85-1803: the program fund, endowment fund, and administrative fund. As established under Neb. Rev. Stat. § 85-1807(1) (Reissue 2008), the program fund receives all money paid by participants in connection with participation agreements, as well as all investment income earned on such money. The program fund is maintained by the Program Manager (Union Bank and Trust) of the Nebraska Educational Savings Plan Trust. Section 85-1807(1) also designates the endowment fund as the recipient of all money received from the proceeds of gifts and other endowments for the purposes of the trust, as well as all investment income earned on such money. As specified in § 85-1803, the administrative fund is used by the Treasurer to pay for the costs of administering, operating, and maintaining the trust. Both the endowment fund and administrative fund are maintained by the Treasurer in the State Accounting System.

The Treasurer regularly credited the Nebraska Educational Savings Plan Cash Fund, the administrative fund created pursuant to statute, with more money than had been appropriated by the Legislature. For example, in fiscal year 2009, the Treasurer credited the fund for \$847,573 in fees from the program fund; however, appropriations for that year were only \$485,332, a difference of \$362,241. Similarly, in fiscal year 2008, fees credited to the fund exceeded appropriations by \$684,385. Comparing fee amounts credited to the administrative fund to appropriations by fiscal year reveals that the amounts credited have consistently exceeded appropriations since fiscal year 2004. This does not appear to be in compliance with § 85-1803. See **Exhibit L** for a comparison of fees credited to appropriations by fiscal year.

Rather than being based on legislative appropriations, the amounts actually received by the Treasurer and deposited into the Nebraska Educational Savings Cash Fund were based on contractual agreements with the Program Manager and the administrators of the four plans. Fees received monthly from Union Bank related to both the College Savings Plan of Nebraska and the TD AMERITRADE College Savings Plan and were based on the number of accounts. Fees for

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the AIM College Savings Plan and the State Farm Plan were transferred on a quarterly basis and were based on the average daily net assets in the plans for the quarter. The Treasurer also deposits in the administrative fund fees received as compensation from third parties for providing services under the Union Bank contract.

We recommend the Treasurer comply with § 85-1803 by limiting any transfer of money into the administrative fund to only that amount specifically authorized by an appropriation from the Legislature. We further recommend the Treasurer seek the guidance of the Attorney General regarding the proper interpretation and application of § 85-1803, including both whether – and, if needed, how – to reallocate any money already improperly transferred into the administrative fund and how to avoid any similarly unauthorized transfers in the future. Finally, if warranted by the analysis and guidance offered by the Attorney General, we recommend the Treasurer pursue a legislative remedy for the problematic conditions that have prompted past failures to comply with § 85-1803.

*Treasurer's Response: The Treasurer's Office believes the intent of the Statute is to not spend more than was appropriated, and that the Statute wasn't written to allow for a plan with over \$2 billion in assets. The Treasurer's Office will pursue a legislative remedy to update the language of Neb. Rev. Stat. 85-1803.*

**16. NebraskaSpending.gov**

In 2009, the Nebraska Legislature added to the duties of the Treasurer, to develop and maintain a single, searchable web site with information on State tax receipts and expenditures. Neb. Rev. Stat. § 84-602.02 (Supp. 2009) established the contents of the web site to include: the sources of all tax receipts and the expenditure of State funds by all agencies; the identity, principal location, and amount of funds received or expended by the State of Nebraska and all of its agencies; the budget program source; the amount, date, purpose, and recipient of all disbursed funds; and such other relevant information as will further the intent of enhancing the transparency of State government financial operations to its citizens and taxpayers.

This section further states; nothing in this subsection requires the disclosure of information which is considered confidential under State or Federal law or is not a public record under § 84-712.05, expenditures include grants, contracts, State aid to political subdivisions, tax refunds or credits that may be disclosed pursuant to the Nebraska Advantage Acts, and expenditures do not include the transfer of funds between two agencies.

A good internal control plan requires procedures be in place to ensure information presented on a web site is complete and accurate.

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The Treasurer established the NebraskaSpending.gov web site to comply with this statute. During our review of NebraskaSpending.gov, we noted the following:

- The State Treasurer may not have an adequate understanding of the information the Legislature intended to be included on the web site. The following information may not be reported as the Legislature intended:
  - Revenues are disclosed only as the amount received for the State as a whole, categorized as “State Taxes,” “Federal,” or “Other.” Neb. Rev. Stat. § 84-602.02(1)(b)(i) required the identity, principal location, and amount of funds received be disclosed.
  - Expenditures are disclosed by amount, date, purpose, and recipient, but the budget program is not disclosed as required by Neb. Rev. Stat. § 84-602.02(1)(b)(iii).
  - Expenditures do not disclose assistance paid “to” an individual as required by Neb. Rev. Stat. § 84-602.02(3)(b), but assistance paid “for” an individual is also not disclosed.
- The web site disclosed information for fiscal year 2008 when the more current information for fiscal year 2009 was available at the time of our review.
- The expenditures disclosed on the web site are determined by the individual agency after each agency determines what confidential and aid payments should not be disclosed. The Treasurer did not maintain documentation of the expenditures that were excluded and the reasons for such exclusions.
- The expenditure web site did not disclose that the expenditures listed did not include confidential payments or aid payments to individuals.
- Amounts disclosed on the web site did not agree to the source per the web site, and were incorrect, incomplete, and inaccurate, including:
  - The actual State expenditures, on the Dollars Spent navigation button, did not include capital outlay expenditures.
  - The \$8,131,900,935 in actual 2008 State expenditures did not agree to the State’s annual budgetary report amount of \$8,711,994,668.
  - The actual State expenditures information is for fiscal year 2008 when the fiscal year 2009 information has been available since October 2009.
  - Historical expenditures, on the Dollars Spent navigation button, for 2006 were actually 2007 expenditures.
  - The 2009-2010 Budget information by Agency and Fund, on the Dollars Spent navigation button, had incorrect amounts listed for 27 of 37 amounts tested, including 4 of the 6 fund totals.
  - The 2009-2010 Budget information by Agency and Fund did not include capital outlay amounts.
  - The Budget by Agency navigation button disclosed 2009-2010 Budget by Agency and Fund information which was actually 2008 expenditures by type of expenditure.
  - The Budget by Agency button, which is 2008 actual expenditures, not budgeted expenditures, had incorrect amounts listed for 5 of 25 amounts tested and did not include capital outlay amounts.

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- The Dollars Received navigation button disclosed \$6,223,890,921, which did not agree with the Comprehensive Annual Financial Report (CAFR) amount of \$6,900,244,000.
- The Dollars Received amounts for all years included only the State's Governmental Fund type's receipts and did not include the other State fund types', the University of Nebraska's, or the State Colleges' receipts.
- The State Contract navigation button did not include 16 of 40 known contracts for the one agency tested.
- The Expenditures navigation button, for the one agency tested, did not include 29 of 80 payments that were listed in the State accounting records.
- The Expenditures for the one agency tested included 3 payments that were not listed in the State accounting records.
- The Expenditures for all agencies did not include payments made to other State agencies for services provided. These services included: temporary personnel, rent, and purchase card transactions.
- The Expenditures for all agencies included only the net pay for State employees and did not include payments for benefits or taxes.
- The Expenditures included possible assistance payments to individuals made by two agencies.
- On the University System navigation button, the University of Nebraska's revenues and expenditures by campus did not agree to the University's 2008 CAFR for 3 of 10 amounts disclosed.

As a result of the exceptions note, inaccurate and incomplete information was presented to the public and the intent of the Legislature may not have been followed.

We recommend the Treasurer:

- Determine and document the Legislature's intent for all types of information to be presented on the web site.
- Review their procedures to ensure the information presented is accurate, correct, and complete.
- Take steps to document all expenditure information that is not included on the web site.
- Disclose on the web site that the expenditures listed do not include confidential payments or aid payments to individuals.

*Treasurer's Response: The Treasurer's Office will work to put correct, accurate and complete information on the website, and will possibly include more disclosure statements.*

**17. Operating Expenditures**

Neb. Rev. Stat. § 81-2403 (Reissue 2008) states, "...each agency shall make payment in full for all goods delivered or services rendered on or before the forty-fifth calendar day after (a) the date of receipt by the agency of the goods or services or (b) the date of receipt by the agency of the bill for the goods or services, whichever is later, unless other provisions for payment are agreed to in writing by the creditor and the agency."

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A good internal control plan requires procedures to ensure all expenditures are coded to the appropriate fund, are reasonable, adequately documented, and are paid in a timely manner.

During our testing of 29 operating expenditures, the following was noted:

- An expenditure of \$3,519 to the Department of Aeronautics for the roundtrip air travel of three employees between Lincoln and Scottsbluff on April 27, 2009. The purpose of the travel was to announce news related to the College Savings Plan; however, the expenditure was coded to the Unclaimed Property Cash Fund. In addition, there was no documentation to indicate this air travel was more economical than surface transportation or resulted in substantial savings of expense or productive time.
- An expenditure of \$14,925 to Pickering Creative Group for enhancements to the NebraskaSpending.gov web site was split coded between the Unclaimed Property Cash Fund and the Long-Term Care Program in the General Fund. The coding of this expenditure was inappropriate since the costs were not directly related to either of these programs.
- Five expenditures tested were paid in excess of 45 days after the date the invoice was received. The payments were made 46 to 105 days after the invoice date. This was noted in our previous attestation examination.

Without adequate procedures to ensure expenditures are reasonable, properly coded, and paid timely, there is an increased risk of loss or misuse of State funds and noncompliance with State Statutes.

We recommend the Treasurer implement procedures to ensure the expenditures are coded to the proper fund, expenditures are reasonable and adequately documented, and payments are made in a timely manner in accordance with State Statute.

*Treasurer's Response: The Treasurer's Office feels that the above expenses were reasonable, and were properly coded. Payments not made timely may have been disputed items, but the Treasurer's Office will place an extra emphasis on making all payments within 45 days of the invoice date.*

**18. Contracts**

A good internal control plan requires contracts to be current, for specified durations, and expenditures processed as contracts through the State Accounting System be supported by a signed contract.

Nebraska State Accounting Manual, AM-005, General Policies, Section 4 states, prepayments are in conflict with the normal claims process since the State has given up assets in anticipation of goods or services being rendered at a later date and a conscious effort should be undertaken to minimize prepayments at the agency level.

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During our testing of expenditures we noted the following regarding the State Treasurer's contracts:

- A payment to Infogressive for \$50,000 appeared to be a prepayment. The expenditure represented a down payment/retainer and was made prior to the services being rendered. When prepayments are made, the State will earn less interest as funds are not held in the State's accounts but are held by the vendor.
- Payments to World Marketing and Kutak Rock were not supported by rates included in their contracts. Binding contract rates were last approved in 2006 and 2000, respectively. During the period being reviewed, World Marketing and Kutak Rock were paid \$439,158 and \$81,012, respectively. In addition, the contract rate for Visa E-Pay transactions with First National Bank of Omaha did not agree to the invoice amount.
- The contracts with Minnow Project, World Marketing, and Kutak Rock were for unspecified durations. There was no end date included in the contracts. During the period being reviewed, the Minnow Project, World Marketing, and Kutak Rock were paid \$40,348, \$439,158, and \$81,012, respectively.
- Expenditures to US Bank and First National Bank of Omaha for regular banking fees were accounted for as contractual expenditures in the State Accounting System. These expenditures; however, were not based on actual contracts maintained by the Treasurer. A similar procedure was noted for annual maintenance payments to Wausau Financial Systems.

When up-to-date contracts are not maintained and end dates are not included in contracts there is an increased risk the State Treasurer will not be able to control the costs related to the contractual services. When expenditures are accounted for as contractual expenditures in the State Accounting System but are not supported by actual contracts, information in the State Accounting System is not accurate.

We recommend the Treasurer ensure prepayments are not made and up-to-date contracts are maintained with signed addendums for any rate changes and contracts include specific durations. We also recommend expenditures processed in the State Accounting System as contracts be supported by actual contracts. If they are not contractual expenditures, they should not be treated as such in the State Accounting System.

*Treasurer's Response: The Treasurer's Office used a retainer to obtain a lower hourly rate for computer security services, thereby saving money. The Treasurer's Office will acquire addendums with updated pricing and will change the treatment of non-contractual expenses.*

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**19. Travel and Purchasing Card Expenses**

Neb. Rev. Stat. § 81-1174 (Supp. 2009) states, “Each request shall be fully itemized, including the amount, date, place, and essential character of the expense incurred. When reimbursement is requested for mileage by automobile, air travel by commercial carrier...the points between which such travel occurred, the times of arrival and departure, and the necessity and purpose of such travel shall be shown on such request.”

The Treasurer’s travel expense policies for meals states, “itemized receipts are required to be submitted for reimbursement. If you do not have an itemized receipt, the credit card slip may be used. This slip should state that no alcoholic beverages were included with the meal.”

The Treasurer’s travel expense policies state, “prior to any travel, written approval must be requested and approved by the State Treasurer or his designee(s). The Treasurer’s designees to approve travel requests are the Deputy State Treasurers. This written approval must be included with the employee’s expense reimbursement document (ERD). Reimbursement will not be made for any travel not requested and approved in advance by the Treasurer or his designee(s).”

A good internal control plan and sound business practices require procedures to ensure all reimbursements are accurate, reasonable, and necessary. A good internal control plan also requires all expenses be adequately supported and in accordance with State Statute and Treasurer policies.

During our testing of travel expenses and purchasing card payments, we noted the following:

- Each quarter the Treasurer holds an office-wide working lunch meeting. The meeting agendas include updates from the Treasurer and each business unit manager, a legislative update, and employee recognition awards. We noted two of these meetings were held at Lazlo’s, at a cost of \$679 in May 2009, and \$671 in September 2009. These expenses appear to be unreasonable and unnecessary for conducting State business. In addition, we noted for the meeting held in September, the Lazlo’s receipt listed 53 paid meals while the attendance sheet showed only 50 attendees.
- We noted four instances in which adequate supporting documentation was not provided to substantiate travel expenses. Adequate documentation was not provided for the following items:
  - A \$187 charge to move a flight up a day and another \$30 charge to change flights did not include a receipt or adequate documentation supporting the reason to change flights. These expenses were charged to a State purchasing card which requires an itemized receipt per Neb. Rev. Stat. § 81-118.02 (Reissue 2008).
  - There was no itemized receipt for a dinner for three employees, totaling \$46. Only a credit card slip was provided. The slip did not state that no alcoholic beverages were included with the meal.
  - One employee claimed mileage totaling \$66 for a trip to Omaha to attend a dinner. No documentation of the dinner or purpose for the trip was provided.

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- An employee prepared and approved their own expense reimbursement document. The reimbursement amount was \$903. The State Treasurer’s travel expense policies state, “employees cannot approve their own expense documents.”
- A State purchasing card was used to pay for lodging, which is an unallowable use of purchase cards per the State of Nebraska Purchasing Card Program Manual. Lodging costs charged totaled \$1,919. The State of Nebraska Purchasing Card Program Manual, unacceptable purchasing card uses include “lodging while traveling on State business. Lodging may either be directly billed to the agency or claimed on an expense reimbursement.”
- Start and stop times were not noted on one expense reimbursement document tested. In addition, the start and stop points for the return home did not reflect the employee’s actual travel.
- A formal approval of travel by the Treasurer or the Deputy State Treasurer was not available for two trips taken by employees. This approval is required by the Treasurer’s travel expense policies.

When expense reimbursement documents are not properly completed, reviewed, and do not have adequate supporting documentation, there is an increased risk of loss and misuse of State funds.

We recommend the Treasurer implement procedures to ensure all reimbursements are accurate, reasonable, and necessary. We further recommend the Treasurer implement procedures to ensure all expense reimbursement documents are properly completed, reviewed, and have adequate supporting documentation.

*Treasurer’s Response: The Treasurer’s Office revised expense reimbursement policies on April 1, 2010 and will strictly enforce all policies.*

**20. Payroll**

A good internal control plan would require an independent review of timesheets to information used to process payroll to ensure vacation, sick and regular pay are properly recorded. A good internal control plan would also require procedures to ensure vacation balances are properly adjusted at termination, compensatory balances and negative leave balances are adequately supported, approved, and in accordance with Treasurer policies, adjusted service dates are correctly calculated, an employee’s overtime status is correctly recorded, and only necessary adjustments are made to employee vacation leave balances.

During testing of payroll, the following was noted:

- CSPC timesheet information was compiled on a spreadsheet and forwarded to the individual responsible for the processing of payroll. One CSPC employee compiled the spreadsheet; however, there was no secondary review to ensure the timesheet information



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was correctly included on the spreadsheet. When an independent comparison of timesheets to payroll is not performed, there is an increased risk vacation, sick, and regular pay may be improperly recorded.

- The vacation balance for one terminated employee tested was not appropriate. This employee had a remaining vacation balance of 103 hours. This amount was paid as part of the employees' regular pay during their final month of employment but was not reduced from their vacation balance on the State Accounting System. If the employee were to return to work for the State, the vacation balance would be reinstated when it had actually been paid out at termination.
- Compensatory leave balances on December 31, 2009, were not appropriate for 5 employees tested. One of the employees had a balance of 182.75 hours and 4 employees had negative balances ranging from -6 to -1.45 hours. The Treasurer's Personnel Manual states the maximum number of compensation time hours an employee may accrue is 40 hours and under no circumstance, should anyone have a negative compensation time balance.
- Adequate documentation was not maintained to support three negative leave balances tested. These negative balances ranged from -9.41 to -40.66 hours. One of the balances was sick leave, the others were vacation leave.
- The adjusted service date was incorrectly calculated for 1 of 3 employees tested. The adjusted service date for the employee hired full-time on March 1, 2009, was calculated as October 11, 2008. Based on review of the employee's paystubs in the State Accounting System, the employee had only been employed with the State on a temporary basis prior to March 1, 2009. Therefore, the employees adjusted service date should reflect the date full-time employment began, March 1, 2009. The adjusted service date impacts the earnings of vacation and sick leave.
- Two of five employees tested were incorrectly identified as overtime eligible in the State Accounting System. These employees were salaried and exempt from receiving overtime.
- The vacation leave balance for one employee tested was unnecessarily adjusted. On the December 2009 paycheck, 100 hours initially coded as regular hours were changed to vacation hours. As a result, the employees' vacation leave balance was lowered to 260.82 hours. The adjustment was subsequently reversed on the January 2010 paycheck. Since the Agency maintained documentation that approved 80 hours of vacation leave carryover, the adjustment was not necessary. Vacation leave does not automatically lapse at calendar year-end.

We recommend the Treasurer implement an independent review of timesheets to information used to process payroll to ensure vacation, sick, and regular pay are proper. We also recommend the

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Treasurer ensure vacation balances are properly adjusted at termination, compensatory leave and negative leave balances are adequately supported and approved, adjusted service dates are calculated correctly, employees are properly identified as overtime exempt, and only required adjustments to leave balances be made.

*Treasurer's Response: A secondary review of the NCSPC timesheet has been implemented. Errors made on interim payrolls all have been adjusted to show correct leave balances for terminated employees. No terminated employees have a positive vacation balance, or any kind of negative balance. Corrections were made in the State Accounting System for employees incorrectly identified as overtime eligible. Additionally, terminated employees will have their final payroll register reviewed to ensure final leave balances are correct.*

**Overall Conclusion**

We noted several findings from prior year APA examinations of the Unclaimed Property Division had not been corrected. Significant concerns were noted with the controls surrounding unclaimed property and the records maintained. Specific areas of concern are the records surrounding unclaimed mutual funds, controls over the receipt of unclaimed property and claim payments, records for unclaimed stocks, and the fees charged by the Unclaimed Property Division's custodian, UBS. Considering the concerns noted regarding unclaimed property, there is an increased risk fraud and abuse could occur and go undetected.

The CSPC wrote off \$552,432 in bad debt from July 1, 2007, through February 28, 2010. There was no documentation to support the CSPC received approval from the State Claims Board for the write off. We noted instances where appropriate action was not taken to follow up on bad debt and the policies and procedures regarding bad debt had not been updated periodically. We also noted several concerns regarding unidentified child support receipts and misapplied child support payments.

The motor vehicle tax distribution for the fourth quarter of calendar year 2009 was not calculated correctly and was not distributed timely. There were also months where the amount allocated for cigarette tax did not agree to the amount collected.

The State Treasurer was using the Unclaimed Property Trust Fund for expenses other than claims and audit costs. Expenses totaling \$165,037 were paid directly from the Unclaimed Property Trust Fund which did not appear to be in compliance with Neb. Rev. Stat. § 69-1317.

Amounts received in fees were more than what was appropriated to the Nebraska Educational Savings Plan Cash Fund. Neb. Rev. Stat. § 85-1803 limits the amount to be received to the amount appropriated and interest received.

Several concerns were noted regarding the transparency web site maintained by the Treasurer, NebraskaSpending.gov. We noted numerous errors in information presented and it appeared not all information required by State Statute was being reported.

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We also noted concerns regarding the reasonableness of expenditures and lack of documentation for payroll, travel, operating expenditures, and contracts. The Treasurer had contracts without end dates and also did not have up-to-date signed addendums that included current rates.

The APA staff members involved in this attestation review were:

Jennifer Person, CFE, Audit Manager	Tom Bliemeister, Auditor-In-Charge
Amy Hock, Auditor-In-Charge	Pam Peters, CFE, Auditor-In-Charge
Erica Kellogg, Auditor II	Tom Goeschel Jr., Auditor II
Crystal Goldsmith, CPA, CFE, Auditor II	Sara Leber, Auditor II
Tim Weller, Auditor II	Diane Holtorf, Auditor

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

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**PAYMENTS TO VENDORS TOTALING MORE THAN \$10,000**  
 March 1, 2009 through February 28, 2010

**Exhibit A**

PAYEE	PAYMENT TOTAL	EXPLANATION
WORLD MARKETING - OMAHA	\$ 439,158	Costs for printing of monthly Child Support Statements and printing/mailing Child Support payments
WAUSAU FINANCIAL SYSTEMS INC	\$ 419,546	Annual maintenance for KidCare and software for new scanners at Child Support Payment Center
FIRST NATIONAL BANK OF OMAHA	\$ 202,580	Banking fees for Child Support bank account/credit card account
OPEX CORP	\$ 192,286	Purchase of 2 scanners/mail openers for Child Support Payment Center
NEBRASKA INVESTMENT COUNCIL	\$ 190,025	Payment of fees relating to Investment Council's services for College Savings Plan
DEPARTMENT OF INSURANCE	\$ 173,066	Payment to the Department of Insurance for administrative costs relating to the Excess Liability Fund
INFOGRESSIVE INC	\$ 96,480	Network security consulting and equipment
AS - COMMUNICATIONS	\$ 81,633	Communication expense - voice/data
KUTAK ROCK LLP	\$ 81,012	Legal services - College Savings Plan
BANCTEC INC	\$ 67,616	Extended warranty for servers and other computer equipment
ACS UNCLAIMED PROPERTY CLEARING	\$ 60,144	Audit Services - Unclaimed Property
DELL MARKETING	\$ 58,504	Miscellaneous computer equipment
AS - PERSONNEL	\$ 49,306	Temporary Employees
NEBRASKA PRESS ADVERTISING SERVICE	\$ 45,140	Advertising placement services for Unclaimed Property
MINNOW PROJECT	\$ 40,348	Advertising design and placement services for Long Term Care Savings Plan
HAYES & ASSOCIATES, CPAS	\$ 39,000	Cost of Audits for College Savings Plans
PICKERING CREATIVE GROUP	\$ 34,784	Enhancements to NebraskaSpending.gov web site
INFORMATION ANALYTICS	\$ 33,471	Redesign of Child Support Payment Center Web site
US BANK - E-COMMERCE PAYMENTS	\$ 33,029	Banking fees for Child Support Bank account

NEBRASKA STATE TREASURER  
**PAYMENTS TO VENDORS TOTALING MORE THAN \$10,000**  
 March 1, 2009 through February 28, 2010

**Exhibit A**

PAYEE	PAYMENT TOTAL	EXPLANATION
AS - ACCOUNTING	\$ 31,844	Annual State Accounting Division and State Accounting System assessments
IBML	\$ 29,848	Monthly maintenance on Child Support Payment Center scanners
LINCOLN JOURNAL STAR	\$ 25,896	Printing fees for annual Unclaimed Property listing
WAGERS & ASSOCIATES INC	\$ 25,000	License renewal and maintenance for Unclaimed Property Division's reporting system
CENTURION INC	\$ 24,120	Maintenance on customer service phone at Child Support Payment Center
FIRST DATA RESOURCES INC	\$ 23,210	Searches for abandoned property owners
WALTERS, JASON	\$ 22,741	Employee Expense Reimbursements
HOST COMMUNICATIOINS INC	\$ 21,820	Advertising in University of Nebraska programs
NCR CORPORATION	\$ 20,427	Maintenance on Treasurer Management Division Encoders
AS - MATERIEL	\$ 15,026	Office supplies/printing services
WOWT TV	\$ 14,945	Advertising for Unclaimed Property
KOLN KGIN TV	\$ 14,090	Advertising for Unclaimed Property
AUDIT SERVICES US LLC	\$ 13,526	Unclaimed Property - audit services
OMAHA ROYALS	\$ 12,500	Advertising of College Savings Plan/Contests for College Savings Plan
NEBRASKA STATE PATROL	\$ 10,335	Security system at Child Support Payment Center

NEBRASKA STATE TREASURER  
**DISTRIBUTIVE FUND ACTIVITY**  
 March 1, 2009 through February 28, 2010

**Exhibit B**

	Motor Vehicle Fee Fund	Car Line Fund	Insurance Tax Fund	Aircraft Fuels Tax Fund	Severance Tax Fund	Highway Allocation Fund
Insurance Premium Taxes	\$ -	\$ -	\$ 25,108,147	\$ -	\$ -	\$ -
Motor Vehicle Fees	18,864,547	-	-	-	-	-
Airline and Carline Taxes	-	7,347,779	-	-	-	-
Aircraft Fuels Taxes	-	-	-	1,403,193	-	-
Severance Taxes	-	-	-	-	3,024,839	-
Transfer In from Highway Trust Fund and Motor Vehicle Fee Fund	-	-	-	-	-	192,143,603
Motor Vehicle Sales and Use Taxes	-	-	-	-	-	14,762,879
Interest Income	79,844	-	215,460	1,330	4,686	347,502
<b>Total Ins</b>	<b>\$ 18,944,391</b>	<b>\$ 7,347,779</b>	<b>\$ 25,323,607</b>	<b>\$ 1,404,523</b>	<b>\$ 3,029,525</b>	<b>\$ 207,253,984</b>
Transferred to Highway Allocation Fund	\$ (19,212,799)	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to State General Fund for payment of State Aid to Schools	-	-	(15,247,109)	-	-	-
Transferred to Municipal Equalization Fund for payment of Aid to Municipalities	-	-	(7,623,555)	-	-	-
Transferred to Department of Aeronautics Cash Fund	-	-	-	(1,404,523)	-	-
Transferred to Severance Tax Administration Fund	-	-	-	-	(28,840)	-
Transferred to Energy Office Cash Fund	-	-	-	-	(300,000)	-
Transferred to Permanent School Fund	-	-	-	-	(2,670,685)	-
Transferred to Municipal Rate Negotiations Revolving Loan Fund	-	-	-	-	(30,000)	-
Payments to Counties	-	(7,347,779)	(2,541,185)	-	-	-
Payments to Counties and Municipalities	-	-	-	-	-	(209,516,714)
<b>Total Outs</b>	<b>\$ (19,212,799)</b>	<b>\$ (7,347,779)</b>	<b>\$ (25,411,849)</b>	<b>\$ (1,404,523)</b>	<b>\$ (3,029,525)</b>	<b>\$ (209,516,714)</b>

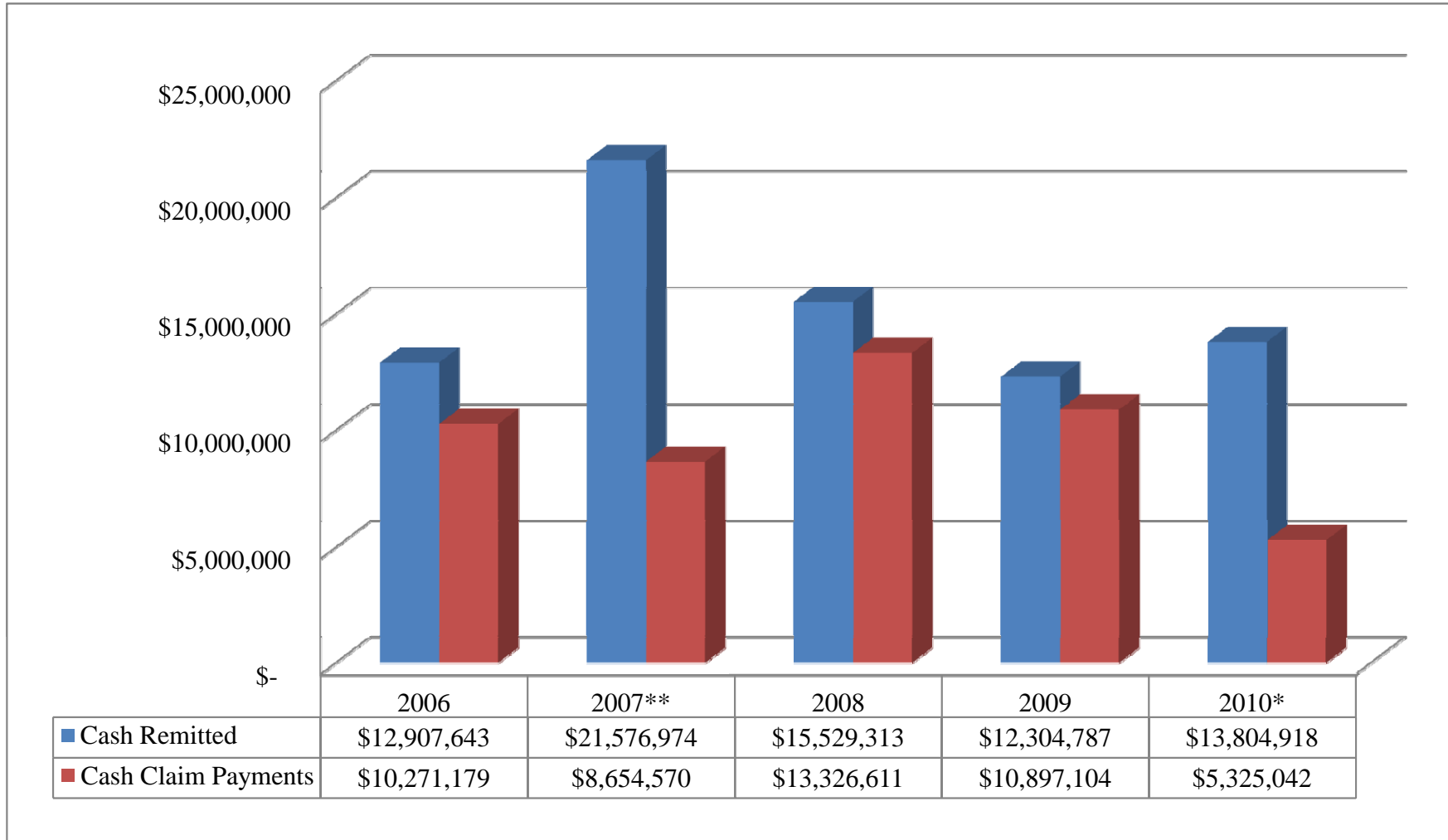
NEBRASKA STATE TREASURER  
**ADDITIONAL TRANSFERS PERFORMED**  
 March 1, 2009 through February 28, 2010

**Exhibit C**

Transfers Out:							
	State General Fund	Cash Reserve Fund	Unclaimed Property Trust Fund	Highway Trust Fund	Ethanol Production Incentive Cash Fund	Other	Total
<b>Transfers In:</b>							
Capital Construction Fund	\$ -	\$ 9,590,000	\$ -	\$ -	\$ -	\$ -	\$ 9,590,000
Governor's Emergency Fund	-	7,500,000	-	-	-	-	7,500,000
Department of Roads Cash Fund	-	5,000,000	-	-	-	-	5,000,000
Highway Trust Fund	-	-	-	-	24,769,022	1,049	24,770,071
Highway Cash Fund	-	-	-	16,119,039	-	-	16,119,039
Ethanol Production Incentive Cash Fund	10,750,000	-	-	-	-	-	10,750,000
Convention Center Cash Fund	3,777,887	-	-	-	-	-	3,777,887
Permanent School Fund	-	-	1,506,247	-	-	-	1,506,247
Cash Reserve Fund	-	-	-	-	-	9,763	9,763
Other	769,270	1,000,000	642,387	3,250,000	-	355,102	6,016,759
<b>Total</b>	<b>\$ 15,297,157</b>	<b>\$ 23,090,000</b>	<b>\$ 2,148,634</b>	<b>\$ 19,369,039</b>	<b>\$ 24,769,022</b>	<b>\$ 365,914</b>	<b>\$ 85,039,766</b>

NEBRASKA STATE TREASURER  
**UNCLAIMED PROPERTY CASH REMITTED AND CASH CLAIM PAYMENTS**  
 Fiscal Years 2006 through 2010

Exhibit D



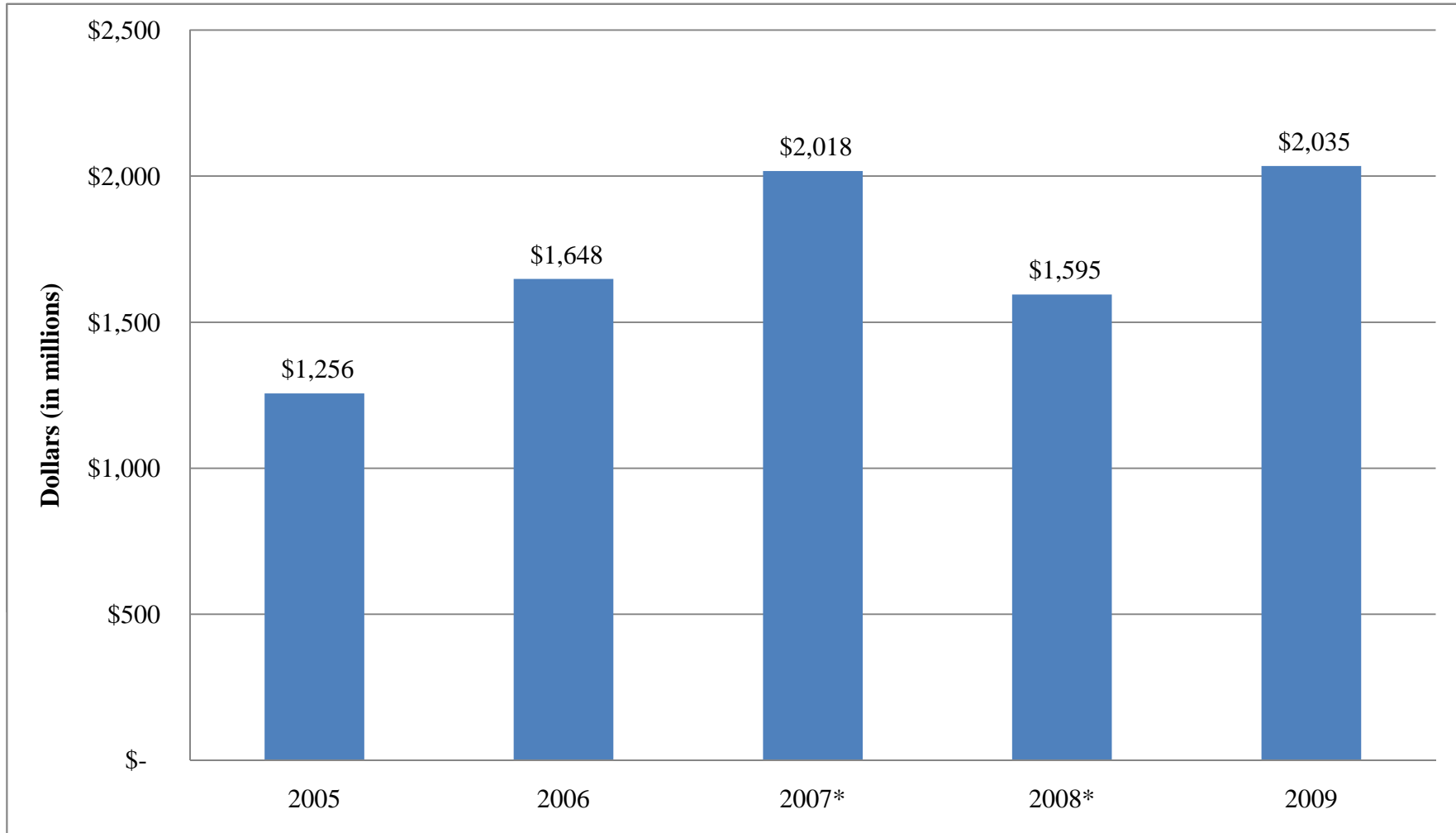
\* Fiscal year 2010 represents a partial year; July 1, 2009, through February 28, 2010.

\*\* Fiscal year 2007 cash remitted, includes \$6 million related to the sale of stock under a life insurance demutualization.



NEBRASKA STATE TREASURER  
NEBRASKA EDUCATIONAL SAVINGS PLAN TRUST NET ASSETS  
Calendar Years 2005 through 2009

Exhibit E

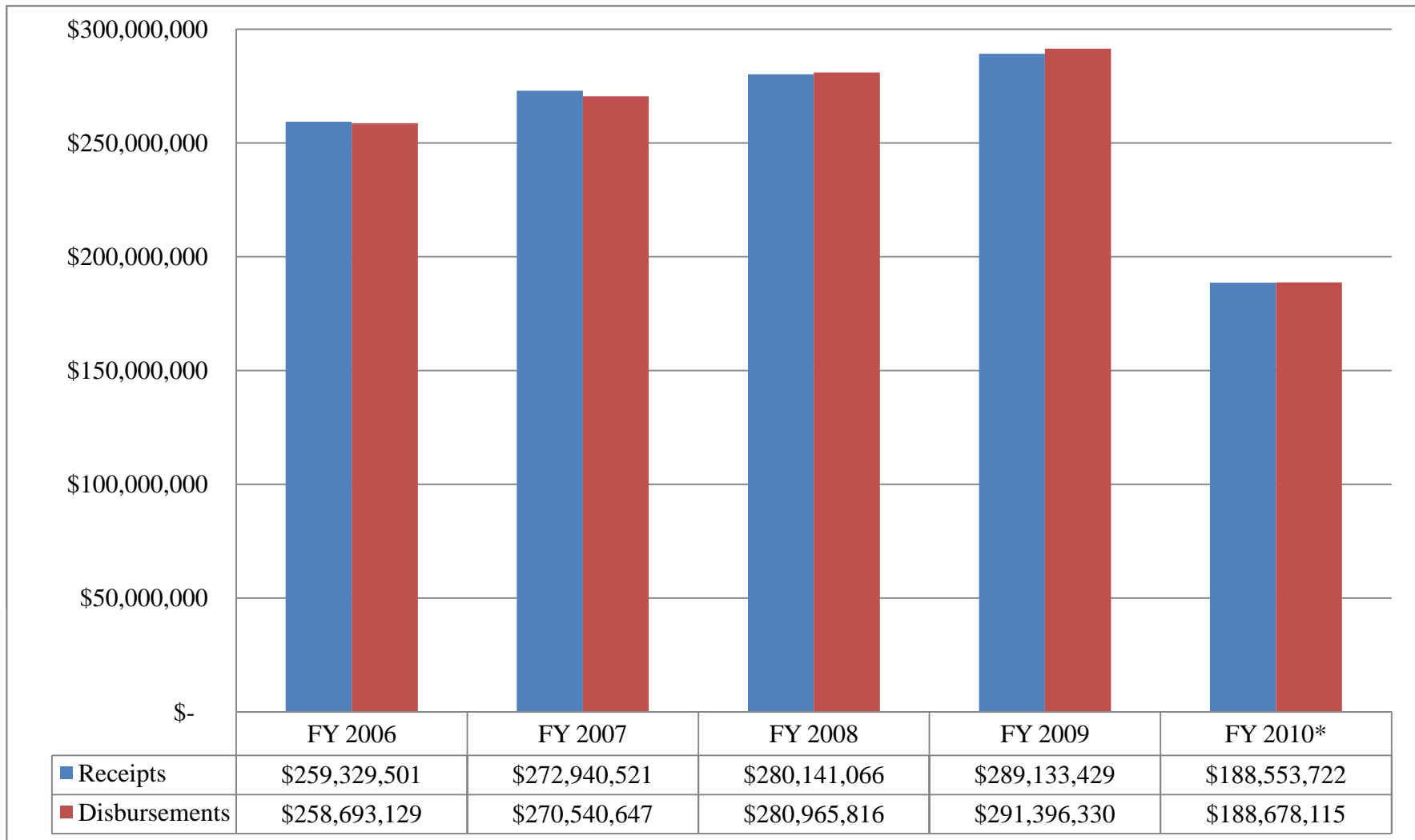


\* The decrease in net assets from calendar year 2007 to 2008 was due to investment losses of \$606 million.

Source: Nebraska Investment Council Annual Report - Calendar Year 2009

NEBRASKA STATE TREASURER  
**CHILD SUPPORT RECEIPTS AND DISBURSEMENTS**  
 Fiscal Years 2006 through 2010

**Exhibit F**



\* Fiscal year 2010 represents a partial year and includes only revenues for July 2009, through February 2010.

NEBRASKA STATE TREASURER  
UNCLAIMED PROPERTY MUTUAL FUND VARIANCES

Exhibit G

March 1, 2009 through February 28, 2010

Mutual Fund Name	Shares per June 30, 2009 Mutual Fund Statement	Shares Per June 30, 2009 Unclaimed Property Listing	Variance	Shares per Most Current Mutual Fund Statement	Shares per Wagers	Variance
Ameriprise RVS Mid Cap Growth Fund Class A	33,001.69	29,594.86	3,406.83	2,970.37	2,970.37	0.00
Delaware Foundation Moderate Allocation Fund A	154.54	154.54	0.00	158.00	0.00	158.00
Dreyfus Founders Equity Growth Fund	2,715.65	2,706.98	8.67	2,715.65	644.33	2,071.32
First Investors Insured Tax Exempt Fund A	6,376.66	6,376.66	0.00	10,296.63	3,738.75	6,557.88 *
Ivy WR Advisors Accumulative A (623)	4,526.23	4,526.23	0.00	4,530.37	3,550.69	979.68
John Hancock Tax-Free Bond A	2,612.32	2,612.32	0.00	2,612.32	0.00	2,612.32
US Global Investors Gold and Precious Metal Fund	15,208.08	15,208.08	0.00	15,246.35	12,005.34	3,241.01
Virtus Balanced Fund A	583.87	583.87	0.00	589.22	0.00	589.22
Barclays AllianceBernstein Intl Growth Fund Class A	600.49	520.41	80.08	617.18	520.41	96.77
Eaton Vance growth Fund Class A	0.00	0.00	0.00	53.67	52.92	0.75
Franklin Money Fund	5,905.46	11,483.39	(5,577.93)	5,905.46	510.96	5,394.50
LM CBA Investors Value FD CI	246.17	246.17	0.00	22,682.26	22,216.42	465.84
UBS Pace Large Company Value Equity Investment Fund	689.56	689.56	0.00	4,916.93	4,871.44	45.49
Rebeco WPG Small Cap Value	385.79	385.79	0.00	386.92	258.85	128.07
Sentinel Investments Small Co	2,007.73	0.00	2,007.73	2,007.73	81.72	1,926.01

\* In January 2010, 6,184.92 shares were sold per Wagers; however, the last quarterly statement was as of December 2009. Share variance prior to sale was 372.96.

NEBRASKA STATE TREASURER  
**WAGERS AND UBS SECURITIES COMPARISON OF MATCHING CUSIPS AND NAMES**  
As of February 28, 2010

Exhibit H

UBS			WAGERS			Share
CUSIP	Name	Shares	CUSIP	Name	Shares	Difference
	CUSIP Match, UBS Shares are Greater than Wagers Shares					
11130Q102	BROADBAND WIRELESS INTL CORP	392,165.00	11130Q102	BROADBAND WIRELESS INTL	46.00	392,119.00
26143Y108	DRAGONFIRE FINCL CORP TEXAS	20,000.00	26143Y108	DRAGONFIRE FINANCIAL CORP	10,000.00	10,000.00
04634M107	ASTRABLU MEDIA INC	7,006.00	04634M107	ASTRABLU MEDIA	2.00	7,004.00
267843209	DYNAMIC AMERN CORP NEW	6,000.00	267843209	DYNAMIC AMERICAN CORP	11.00	5,989.00
590650107	MESA OFFSHORE TRUST UBI	6,934.00	590650107	MESA OFFSHORE TRUST	1,434.00	5,500.00
25244A100	DIABETEX INTL CORP	6,950.00	25244A100	DIABETEX INTL	2,500.00	4,450.00
729410100	PLUS SOLUTIONS INC	16,863.00	729410100	PLUS SOLUTIONS INC	12,648.00	4,215.00
008920100	AIRTRAX INC	3,600.00	008920100	AIRTRAX INC	302.00	3,298.00
92857W209	VODAFONE GROUP PLC NEW SPON ADR	3,639.00	92857W209	VODAFONE GRP PLC ADR	399.00	3,240.00
00950F205	AIRTECH INTL GROUP INC NEW	8,359.00	00950F205	AIRTECH INTERNATIONAL GRP	5,474.00	2,885.00
74984T101	RACHEL'S GOURMET SNACKS INC	10,759.00	74984T101	RACHEL'S GOURMET SNACKS	7,890.00	2,869.00
949746101	WELLS FARGO & CO NEW	4,550.00	949746101	WELLS FARGO & COMPANY	2,168.37	2,381.63
00756F201	ADVANCED PLANT PHARM INC	3,000.00	00756F201	ADVANCED PLANT PHAR	1,000.00	2,000.00
852061100	SPRINT NEXTEL CORP SERIES I COMMON STOCK	2,261.00	852061100	SPRINT NEXTEL CORPORATION	764.00	1,497.00
20030N200	COMCAST CORP NEW SPECIAL CL A	1,272.00	20030N200	COMCAST	44.00	1,228.00
543770101	LORAIN TELECOM CORP	1,100.00	543770101	LORAIN TELECOM CORP	100.00	1,000.00
124857202	CBS CORP NEW CL B	939.00	124857202	CBS CORP (NEW) / CBS CORP	6.00	933.00
00763V108	ADVANCED ID CORP	925.00	00763V108	ADVANCED ID CORP	114.00	811.00
14169P102	CAREFREE CUSTOM CYCLES INC **NAME CHANGE 2007**	803.00	14169P102	CAREFREE CUSTOM CYCLES INC	1.00	802.00
166764100	CHEVRON CORP	1,450.00	166764100	CHEVRON TEXACO	786.54	663.46
45325C106	IN TOUCH MEDIA GROUP INC	750.00	45325C106	IN TOUCH MEDIA	100.00	650.00
292483104	ENABLENCE TECHNOLOGIES INC	1,220.00	292483104	ENABLENCE TECHNOLOGIES	620.00	600.00
69331C108	PG & E CORP (HOLDING COMPANY)	668.00	69331C108	PG&E CORPORATION	77.00	591.00
67555N107	OCLARO INC	536.00	67555N107	OCLARO INC	32.00	504.00
88077T109	TERAFORCE TECHNOLOGY CORP	1,000.00	88077T109	TERAFORCE TECH	500.00	500.00
345370860	FORD MOTOR CO COM NEW	477.00	345370860	FORD MOTOR COMPANY	79.00	398.00
451055107	ICONIX BRAND GROUP INC	504.00	451055107	ICONIX BRAND GROUP INC	113.00	391.00
172967101	CITIGROUP INC	2,086.00	172967101	CITIGROUP INC	1,701.00	385.00
92343V104	VERIZON COMMUNICATIONS INC	1,778.00	92343V104	VERIZON COMMUNICATIONS INC	1,448.78	329.22
82967N108	SIRIUS XM RADIO INC	13,036.00	82967N108	SIRIUS XM RADIO INC	12,736.00	300.00
674599105	OCCIDENTAL PETROLEUM CRP	4.00	674599105	OCCIDENTAL PETROLEUM CORP	(280.00)	284.00
902973304	US BANCORP DEL (NEW)	720.00	902973304	US BANCORP (NEW)	474.67	245.33
G2554F105	COVIDIEN PLC	245.00	G2554F105	COVIDIEN PLC/SCOTT TECHNO	1.00	244.00
H8912P106	TYCO ELECTRONICS LTD	244.00	H8912P106	TYCO ELECTRONICS LTD COMM	1.00	243.00
87236Y108	TD AMERITRADE HOLDING CORP	2,403.00	87236Y108	TD AMERITRADE HOLDING	2,168.00	235.00
871503108	SYMANTEC CORP	230.00	871503108	SYMANTEC CORP/SEAGATE TEC	11.00	219.00
651639106	NEWMONT MINING CORP (HOLDING CO)	274.00	651639106	NEWMONT MINING CORPORATION	75.00	199.00
950587105	WENDYS ARBYS GROUP INC	274.00	950587105	WENDYS ARBYS GROUP INC	89.00	185.00
881609101	TESORO CORP	350.00	881609101	TESORO PETROLEUM CORPORATION	180.00	170.00
594918104	MICROSOFT CORP	1,173.00	594918104	MICROSOFT CORPORATION	1,013.00	160.00
91337N102	UNIVERSAL BIO MEDICAL ENTERPRISES INC	162.00	91337N102	UNIVERSAL BIO-MEDICAL ENTERPRISES, INC	25.00	137.00
580135101	MCDONALDS CORP	413.00	580135101	MCDONALDS CORPORATION	277.23	135.77
344849104	FOOT LOCKER INC	501.00	344849104	FOOT LOCKER INC	369.00	132.00
257867101	DONNELLEY (R.R.) & SONS CO	350.00	257867101	R R DONNELLEY & SONS COMPANY	219.00	131.00
46270W105	IRIS INTL INC	1,130.00	46270W105	IRIS INTERNATIONAL INC	1,000.00	130.00
713448108	PEPSICO INC	1,134.00	713448108	PEPSICO	1,019.00	115.00
313148108	FEDERAL AGRICULTURAL MTG CORP CL A VTC	400.00	313148108	FEDERAL AGRICULTURAL MORTGAGE CORP	300.00	100.00
422704106	HECLA MINING CO (HOLDING CO)	200.00	422704106	HECLA MINING COMPANY	100.00	100.00
79377W108	SAKS INC	320.00	79377W108	SAKS INCORPORATED	220.00	100.00
686679101	ORMAND INDUS INC	100.00	686679101	ORMAND INDUSTRIES INC	1.00	99.00
69349H107	PNM RESOURCES INC (HOLDING CO)	492.00	69349H107	PNM RESOURCES INC	393.23	98.77
449575109	IGI LABORATORIES INC	290.00	449575109	IGI LABORATORIES INC	200.00	90.00

NEBRASKA STATE TREASURER  
**WAGERS AND UBS SECURITIES COMPARISON OF MATCHING CUSIPS AND NAMES**  
As of February 28, 2010

**Exhibit H**

UBS			WAGERS			Share Difference
CUSIP	Name	Shares	CUSIP	Name	Shares	
440452100	HORMEL FOODS CORP	430.00	440452100	HORMEL FOODS CORPORATION	343.00	87.00
88630G107	TIANRONG MEDICAL GROUP INC	387.00	88630G107	TIANRONG MEDGROUP INC	300.00	87.00
093671105	H & R BLOCK INC	86.00	093671105	H & R BLOCK INC	0.11	85.89
756109104	REALTY INCOME CORP MD SBI	215.00	756109104	REALTY INCOME CORPORATION	132.00	83.00
12673P105	CA INC	109.00	12673P105	CA INC	28.00	81.00
74460D109	PUBLICIS STORAGE REIT	173.00	74460D109	PUBLICIS STORAGE INC	92.00	81.00
74463M106	PUBLICIS GROUPE S.A. NEW SPON ADR	172.00	74463M106	PUBLICIS GROUPE S.A	91.00	81.00
156700106	CENTURYTEL INC	111.00	156700106	CENTURYTEL INC	37.00	74.00
55616P104	MACY'S INC	80.00	55616P104	MACY S INC	8.00	72.00
18273M202	CLASSICA GROUP INC NEW	66.00	18273M202	CLASSICA GROUP INC	1.00	65.00
134429109	CAMPBELL SOUP CO	126.00	134429109	CAMPBELL SOUP CO	62.00	64.00
654106103	NIKE INC CL B	86.00	654106103	NIKE INC	22.00	64.00
369604103	GENL ELECTRIC CO	1,030.00	369604103	GENERAL ELECTRIC COMPANY	968.00	62.00
149123101	CATERPILLAR INC	431.00	149123101	CATERPILLAR INC	371.18	59.82
14166N209	CAREADVANTAGE INC NEW	356.00	14166N209	CARE ADVANTAGE INC NEW	299.00	57.00
695257105	PACTIV CORP	113.00	695257105	PACTIV CORPORATION	59.00	54.00
006351308	ADAMS RESO & ENERGY INC NEW	175.00	006351308	ADAMS RESOURCES & ENERGY INC	125.00	50.00
68162W100	OLYMPIC OIL & GAS INC	133.00	68162W100	OLYMPIC OIL GAS	84.00	49.00
17275R102	CISCO SYSTEMS INC	347.00	17275R102	CISCO SYSTEMS	303.00	44.00
879690204	TELMEX INTERNACIONAL SAB DE CV SER A SPON ADR	108.00	879690204	TELMEX INTERNATIONAL	64.00	44.00
043168103	ARTS WAY MFG CO INC	86.00	043168103	ARTS WAY MANUFACTURING CO	43.00	43.00
617446448	MORGAN STANLEY	133.00	617446448	MORGAN STANLEY	97.00	36.00
391164100	GREAT PLAINS ENERGY INC	137.00	391164100	GREAT PLAINS ENERGY INC	102.35	34.65
219350105	CORNING INC	575.00	219350105	CORNING INC	545.00	30.00
370442758	GENERAL MOTORS CORP	500.00	370442758	GENERAL MOTORS	470.00	30.00
20825C104	CONOCOPHILLIPS	85.00	20825C104	CONOCOPHILLIPS/TOSCO CORP	55.03	29.97
064058100	BANK OF NEW YORK MELLON CORP	55.00	064058100	BANK OF NEW YORK MELLON	25.55	29.45
291525103	EMMIS COMMUNICATIONS CORP CL A	44.00	291525103	EMMIS COMMUNICATIONS CORP	15.00	29.00
832696405	SMUCKER J M CO NEW	29.00	832696405	J M SMUCKER CO COMMON	4.00	25.00
254687106	WALT DISNEY CO (HOLDING CO) DISNEY COM	236.00	254687106	WALT DISNEY COMPANY	212.08	23.92
30161N101	EXELON CORP	721.00	30161N101	EXELON CORPORATION	698.25	22.75
755111507	RAYTHEON CO NEW	134.00	755111507	RAYTHEON COMPANY	112.00	22.00
44107P104	HOST HOTELS & RESORTS INC (REM	885.00	44107P104	HOST HOTELS AND RESORTS	864.00	21.00
629156407	NL INDUSTRIES INC NEW	3.00	629156407	NL INDUSTRIES INC	(17.00)	20.00
909205106	UNISOURCE ENERGY CORP	64.00	909205106	UNISOURCE ENERGY CORP	44.00	20.00
92553P201	VIACOM INC NEW CL B	24.00	92553P201	CBS CORP (NEW) / VIACOM INC	6.00	18.00
11130Q995	RESTRICTED BROADBAND WIRELESS INTL CORP	16.00	11130Q995	BROADBAND WIRELESS INTL	1.00	15.00
582411104	MCMORAN EXPLORATION CO	62.00	582411104	MCMORAN EXPLORATION CO	47.00	15.00
637640103	NATL SEMICONDUCTOR CORP	28.00	637640103	NATIONAL SEMICONDUCTOR CORPORATION	14.00	14.00
037389103	AON CORP	1,155.00	037389103	AON CORP	1,142.00	13.00
415864107	HARSCO CORP	84.00	415864107	HARSCO CORP.	72.00	12.00
487836108	KELLOGG CO	334.00	487836108	KELLOGG COMPANY	322.00	12.00
532716107	LIMITED BRANDS INC CL A	665.00	532716107	THE LIMITED INC	653.01	11.99
742718109	PROCTER & GAMBLE CO	21.00	742718109	THE PROCTER & GAMBLE COMPANY	10.00	11.00
490560208	KENT FINCL SVCS INC NEW	421.00	490560208	KENT FINANCIAL SERVICES INC	410.42	10.58
717081103	PFIZER INC	1,446.00	717081103	PFIZER INC	1,435.63	10.37
225439207	CREDO PETROLEUM CORP NEW	280.00	225439207	CREDO PETROLEUM CORPORATION	270.00	10.00
371532854	GENESCO INC EMPLOYEES SUB CV PFD PREFERRED	310.00	371532854	GENESCO INC	300.00	10.00
452439201	IMAGE ENTMT INC NEW	29.00	452439201	IMAGE ENTERTAINMENT INC	20.00	9.00
620076109	MOTOROLA INC	75.00	620076109	MOTOROLA INCORPORATED	66.57	8.43
406216101	HALLIBURTON CO	49.00	406216101	HALLIBURTON COMPANY	41.00	8.00
75952R100	RELIV INTL INC	17.00	75952R100	RELIV INTERNATIONAL INC	10.00	7.00
450911102	ITT CORP	9.00	450911102	ITT INDUSTRIES INC	2.00	7.00



NEBRASKA STATE TREASURER  
**WAGERS AND UBS SECURITIES COMPARISON OF MATCHING CUSIPS AND NAMES**  
As of February 28, 2010

Exhibit H

UBS			WAGERS			Share Difference
CUSIP	Name	Shares	CUSIP	Name	Shares	
37942D997	RESTRICTED GLOBAL DIVERSIFIED INDUSTRIES	194.00	37942D997	GLOBAL DIVERSIFIED INDUST	629.00	(435.00)
63936C100	NAVIGATOR VENTURES INC	50,000.00	63936C100	NAVIGATOR VENTURES	50,400.00	(400.00)
428236103	HEWLETT PACKARD CO	141.00	428236103	HEWLETT-PACKARD COMPANY	514.00	(373.00)
013904305	ALCATEL-LUCENT SPON ADR	4,257.00	013904305	ALCATEL	4,576.00	(319.00)
97381W104	WINDSTREAM CORP	1,018.00	97381W104	WINDSTREAM CORPORATION	1,327.00	(309.00)
15189T107	CENTERPOINT ENERGY INC (HLDGS CO)	10.00	15189T107	CENTERPOINT ENERGY INC	310.00	(300.00)
59156R108	METLIFE INC	82,149.00	59156R108	METLIFE INC COMMON DEMUTU	82,397.80	(248.80)
30231G102	EXXON MOBIL CORP	28.00	30231G102	EXXON MOBIL CORPORATION	193.37	(165.37)
902549807	UAL CORP NEW	48.00	902549807	UAL CORP	208.00	(160.00)
24522P103	DEL MONTE FOODS CO	391.00	24522P103	DEL MONTE FOODS CO	524.00	(133.00)
879403780	TELEFONOS DE MEXICO S A SPON ADR REPSTG SH ORD L	24.00	879403780	TELEFONOS DE MEXICO SA DE CV-SER L	132.00	(108.00)
212485106	CONVERGYS CORP	221.00	212485106	CONVERGYS CORP	327.00	(106.00)
313148306	FEDERAL AGRICULTURAL MTG CORP CL C NON VTG	500.00	313148306	FEDERAL AGRICULTURAL MORTGAGE CORP	600.00	(100.00)
635812209	NATL ENERGY GROUP INC NEW	112.00	635812209	NATIONAL ENERGY GROUP INC	202.00	(90.00)
86771C109	SUNRISE SOLAR CORP	40.00	86771C109	SUNRISE SOLAR CORP	120.00	(80.00)
03251T107	ANADARKO PETROLEUM CORP	1,028.00	03251T107	ANADARKO PETROLEUM CORPORATION	1,103.00	(75.00)
907818108	UNION PACIFIC CORP	192.00	907818108	UNION PACIFIC CORPORATION	260.14	(68.14)
M7531S206	ORCKIT COMMUNICATIONS LTD NEW	3.00	M7531S206	ORCKIT COMMUNICATIONS LTD	69.00	(66.00)
548661107	LOWES COMPANIES INC	2.00	548661107	LOWES COS INC	62.00	(60.00)
666807102	NORTHROP GRUMMAN CORP	34.00	666807102	NORTHROP GRUMMAN CORP	90.00	(56.00)
05336M105	AVAILENT FINANCIAL INC	31.00	05336M105	AVAILENT FINANCIAL INC	86.00	(55.00)
88033G100	TENET HEALTHCARE CORP	44.00	88033G100	TENET HEALTHCARE CORP	97.00	(53.00)
744320102	PRUDENTIAL FINANCIAL INC	8,773.00	744320102	PRUDENTIAL FINANCIAL INC	8,824.00	(51.00)
24702R101	DELL INC	100.00	24702R101	DELL INC	150.00	(50.00)
12709P103	CABOT MICROELECTRONICS CORP	1.00	12709P103	CABOT MICROELECTRONICS	36.00	(35.00)
370442816	GENERAL MOTORS CORP	470.00	370442816	GENL MOTORS CORP	500.00	(30.00)
920253101	VALMONT INDUSTRIES INC	10.00	920253101	VALMONT INDUSTRIES INC	39.00	(29.00)
260543103	DOW CHEMICAL	24.00	260543103	DOW CHEMICAL COMPANY	51.00	(27.00)
00910R109	AIRCHARTER EXPRESS INC	13,970.00	00910R109	AIRCHARTER EXPRESS	13,993.00	(23.00)
03058P109	AMERICANWEST BANCORP (WA)	16.00	03058P109	AMERICANWEST BANCORP	38.00	(22.00)
364760108	GAP INC	1.00	364760108	GAP INC	23.00	(22.00)
708160106	PENNEY J C CO INC (HLDG CO)	293.00	708160106	JC PENNEY COMPANY INC.	311.00	(18.00)
33832D106	FIVE STAR QUALITY CARE INC	0.27	33832D106	FIVE STAR QUALITY CARE	17.07	(16.80)
179895107	CLARCOR INC	30.00	179895107	CLARCOR INC	45.00	(15.00)
553907304	MVP HOLDINGS INC NEW	11.00	553907304	MVP HOLDINGS INC	25.00	(14.00)
427866108	HERSHEY CO	10.00	427866108	HERSHEY FOODS CORP - COMM	23.50	(13.50)
29355T106	ENOVA HOLDINGS INC	125.00	29355T106	ENOVA HOLDINGS INC	138.00	(13.00)
008041204	AEROTELEESIS INC NEW	30.00	008041204	AEROTELEESIS INC	42.00	(12.00)
571903202	MARRIOTT INTL INC NEW CL A	12.00	571903202	MARRIOTT INTERNATIONAL INC	24.00	(12.00)
92926H100	WI FI WIRELESS LTD	106.00	92926H100	WI FI WIRELESS LTD	117.00	(11.00)
929740108	WABTEC INC	17.00	929740108	WESTINGHOUSE AIR BRAKE	28.00	(11.00)
18451E105	CLEAR CHOICE FINANCIAL INC	4.00	18451E105	CLEAR CHOICE	13.00	(9.00)
628738106	NB MFG INC	4.00	628738106	NB MANUFACTURING	13.00	(9.00)
62875G130	WARRANTS NB DESIGN & LICENSING INC SER C EXTENDED	4.00	62875G130	C WTS NB DESIGN	13.00	(9.00)
62875G148	WARRANTS NB DESIGN & LICENSING INC SER D EXTENDED	4.00	62875G148	D WTS NB DESIGN LICENS	13.00	(9.00)
057224107	BAKER HUGHES INC	290.00	057224107	BAKER HUGHES INC	298.00	(8.00)
071813109	BAXTER INTL INC	650.00	071813109	BAXTER INTERNATIONAL INC	658.00	(8.00)
589889104	MERIT MEDICAL SYSTEM INC	8.00	589889104	MERIT MEDICAL SYSTEMS	15.00	(7.00)
49455U100	KINDER MORGAN MGMT LLC	0.40	49455U100	FRACTIONAL KINDER MORGAN	6.64	(6.24)
43739D307	HOMEFED CORP NEW	21.00	43739D307	HOMEFED CORP	27.00	(6.00)
49446R109	KIMCO REALTY CORP	2.00	49446R109	KIMCO REALTY CORP	8.00	(6.00)
29250X103	ENBRIDGE ENERGY MANAGEMENT LLC	0.40	29250X103	FRACTIONAL ENBRIDGE ENRGY	6.33	(5.93)
539320101	LIZ CLAIBORNE INC	53.00	539320101	LIZ CLAIBORNE INC	58.75	(5.75)

NEBRASKA STATE TREASURER  
**WAGERS AND UBS SECURITIES COMPARISON OF MATCHING CUSIPS AND NAMES**  
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**Exhibit H**

UBS			WAGERS			Share Difference
CUSIP	Name	Shares	CUSIP	Name	Shares	
084670702	BERKSHIRE HATHAWAY INC NEW CL B	250.00	084670702	BERKSHIRE HATHAWAY INC CL	255.00	(5.00)
495582108	KING PHARMACEUTICALS INC	16.00	495582108	KING PHARMACEUTICALS INC	21.00	(5.00)
62875G106	WARRANTS NB DESIGN & LICENSING INC SER A EXTENDED	4.00	62875G106	NB DESIGN LICENSING	9.00	(5.00)
871829107	SYSCO CORP	151.00	871829107	SYSCO CORPORATION	156.00	(5.00)
03875Q108	ARBITRON INC	64.00	03875Q108	ARBITRON INC.	68.00	(4.00)
93114W107	WAL MART DE MEXICO SAB DE CV CL V SPON ADR	88.00	93114W107	WALMART DE MEXICO SA DE CV-SER V	92.00	(4.00)
94106L109	WASTE MGMT INC NEW	79.00	94106L109	WASTE MANAGEMENT INC	82.15	(3.15)
174740100	CITIZENS INC CL A	298.00	174740100	CITIZENS INC	301.00	(3.00)
237194105	DARDEN RESTAURANTS INC	19.00	237194105	DARDEN RESTAURANTS INC	22.00	(3.00)
291206100	EMEX CORP	3.00	291206100	EMEX CORPORATION	6.00	(3.00)
63910B102	NAUTILUS INC	7.00	63910B102	NAUTILUS GROUP INC	10.00	(3.00)
988498101	YUM	44.00	988498101	YUM! BRANDS INC	47.00	(3.00)
886547108	TIFFANY & CO NEW	1.00	886547108	TIFFANY & CO.	3.17	(2.17)
02209S103	ALTRIA GROUP INC	57.00	02209S103	ALTRIA GROUP INC	59.00	(2.00)
29355X107	ENPRO INDUSTRIES INC	98.00	29355X107	ENPRO INDUSTRIES	100.00	(2.00)
50075N104	KRAFT FOODS INC CL A	1.00	50075N104	KRAFT FOODS INC	3.00	(2.00)
51508L103	LANDRYS RESTAURANTS INC	14.00	51508L103	LANDRYS SEAFOOD RESTAURANTS INC	16.00	(2.00)
674631106	OCEAN BIO-CHEM INC	12.00	674631106	OCEAN BIO CHEM	14.00	(2.00)
811707306	SEACOAST BKG CORP FLA A NEW	2.00	811707306	SEACOAST BKG	4.00	(2.00)
902494103	TYSON FOODS INC CL A	632.00	902494103	TYSON FOODS INC	634.00	(2.00)
029899101	AMER STATES WATER CO	45.00	029899101	AMERICAN STATES WATER COM	46.00	(1.00)
055262505	BASF SE SPON ADR	2.00	055262505	BASF AKTIENGESELLSCHAFT	3.00	(1.00)
21922E100	CORNERSTONE BANCORP SC	1.00	21922E100	CORNERSTONE BANCORP	2.00	(1.00)
343389102	FLOTEK INDUSTRIES INC	10.00	343389102	FLOTEK INDS INC	11.00	(1.00)
56418H100	MANPOWER INC WIS	18.00	56418H100	MANPOWER INC	19.00	(1.00)
584977201	MEDTOX SCIENTIFIC INC NEW	2.00	584977201	MEDTOX SCIENTIFIC, INC	3.00	(1.00)
833626104	SOCIAL MEDIA VENTURES INC	5.00	833626104	SOCIAL MEDIA VENTURES INC	6.00	(1.00)
86736Y204	SUNFLOWER LTD COM NEW	2.00	86736Y204	SUNFLOWER USA LTD	3.00	(1.00)
723484101	PINNACLE WEST CAP CORP	13.00	723484101	PINNACLE WEST CAPITAL CORP	13.89	(0.89)
33761G104	FIRSTBANK CORP MICH	13.00	33761G104	FIRSTBANK CORP	13.64	(0.65)
81721M109	SENIOR HSG PROPERTIES TRUST SBI	0.07	81721M109	SENIOR HOUSING PROP TRUST	0.43	(0.36)
092113109	BLACK HILLS CORP	91.00	092113109	BLACK HILLS CORPORATION	91.22	(0.22)
92839U107	VISTEON CORP	52.94	92839U107	VISTEON CORPORATION	53.00	(0.06)
126408103	CSX CORPORATION	61.00	126408103	CSX CORPORATION	61.01	(0.01)

**111 Securities**  
**242 Shares Unmatched**

**Names Match, UBS Shares are Greater than Wagers Shares**

58933Y105	MERCK & CO INC NEW COM	121.00	589331107	MERCK & COMPANY	38.00	83.00
887317303	TIME WARNER INC NEW	176.00	887317105	TIME WARNER, INC	98.78	77.22
14018Y205	CAPITAL GOLD CORP COM NEW	100.00	14018Y106	CAPITAL GOLD CORP	25.00	75.00
G24140108	COOPER INDUSTRIES PLC NEW CL A	67.00	G24182100	COOPER INDUSTRIES, LTD	3.00	64.00
25490A101	THE DIRECTV GROUP CL A	401.00		DIRECTV	351.00	50.00
82981P907	RESTRICTED SITI-SITES.COM INC	22.00	82981P105	SITI-SITES.COM INC	3.00	19.00
868536103	SUPERVALU INC	16.00	86853610	SUPERVALU	2.00	14.00
026874784	AMERICAN INTL GROUP INC COM NEW	4.00	026874107	AMERICAN INTERNATIONAL GROUP INC	(1.62)	5.62
H27013103	WEATHERFORD INTL LTD	8.00	G95089101	WEATHERFORD INTL	4.00	4.00
481905875	JUNIPER GROUP INC COM NEW	2.00	481905883	JUNIPER GROUP INC (NEW)/J	1.00	1.00
728117201	PLAYBOY ENTERPRISES INC CL A	18.00	728118201	PLAYBOY ENTERPRISES INC CLASS A	17.00	1.00
60999R107	RESTRICTED MONOGENESIS CORP	2.00	60975R105	MONOGENESIS CORP	1.00	1.00
450737101	IBERDROLA SA SPON ADR	190.00		IBERDROLA	189.40	0.60

**13 Securities**



NEBRASKA STATE TREASURER  
**WAGERS AND UBS SECURITIES COMPARISON OF MATCHING CUSIPS AND NAMES**  
As of February 28, 2010

**Exhibit H**

UBS			WAGERS			Share
CUSIP	Name	Shares	CUSIP	Name	Shares	Difference
Names Match, UBS Shares are Less than Wagers Shares						
04459E107	HUMITECH INTL GROUP INC	84.00	44590E103	HUMITECH INT INC	1,056.00	(972.00)
713661304	PEREGRINE PHARMACEUTICALS INC COM NEW	25.00	713661106	PEREGRINE PHARMACEUTICALS	258.00	(233.00)
380769109	GOLDCORP HLDGS CO	150.00	380956409	GOLDCORP INC	338.00	(188.00)
717098206	PFSWEB INC NEW	35.00	717098107	PFSWEB INC	165.00	(130.00)
909214306	UNISYS CORP	74.00	909214108	UNISYS CORPORATION	155.00	(81.00)
158997999	RESTRICTED CGI COMMUNICATIONS SERVICES INC	11.00	125990523	CGI COMMUNICATIONS SERVIC	91.00	(80.00)
656999935	RESTRICTED NORTH AMERN GEO POWER INC	97.00	656990207	NORTH AMERICAN GEO POWER	116.00	(19.00)
29257R208	ENCORIUM GROUP INC COM NEW	2.00	29257R109	ENCORIUM GROUP INC	14.00	(12.00)
208254862	CONOLOG CORP NEW	3.00	208254870	CONOLOG CORP	14.00	(11.00)
86866W994	RESTRICTED SURE TRACE SECURITY CORP	1.00	86866W101	SURE TRACE SECURITY	8.00	(7.00)
90341W108	US AIRWAYS GROUP INC	137.00	911905107	US AIRWAYS GROUP, INC	143.37	(6.37)
34459U504	FONIX CORP NEW	1.00	34459U306	FONIX CORPORATION	7.00	(6.00)
286202916	RESTRICTED ELEPHANT TALK COMMUNICATIONS INC NEW	1.00	286202106	ELEPHANT TALK COMMUNICATION	6.00	(5.00)
361250988	RESTRICTED FUTUREVEST.COM INC	162.00	361250996	FUTUREVEST COM INC RESTRI	164.00	(2.00)

14 Securities

27 Securities Unmatched

NEBRASKA STATE TREASURER  
**WAGERS SECURITIES NOT FOUND IN UBS**

**Exhibit I**

As of February 28, 2010

CUSIP	Name	Shares
099107	FLEETWOOD SCRIPT	357.00
000912105	ACM INCOME FUND	716.00
001084102	AGCO CORP	30.00
001957109	AT & T CORP COM	(37.30)
002041309	AR ASSOCIATES INC	75.00
4930202	ACTIVSION INC	2.00
006212104	ADAMS EXPRESS CO	567.00
006847107	ADELPHIA BUSINESS SOLUTION	1.00
006990105	ADDAX ENTERTAINMENT INC	133.00
009218108	AIR TO WATER CO	29.00
015565872	SMALLCAP GROWTH	165.69
015565880	CAPITAL APPRECIATION	12.02
16389310	CHEMTURA CORP	34.19
020039103	ALLTEL CORP	301.79
021271101	ALTA GOLD	25,000.00
023551104	AMERADA HESS/OLIVER FARM	(40.00)
25786710	R P DONNELLEY & SONS CO	128.00
030712996	AMEROSI ENERGY CORP	13,862.00
030915102	AMERITEX INC	500.00
030990980	AMERICAN UNITED GLOBAL PF	32.00
034738906	ANGELL COMMUNICATIONS	30.00
035848100	ANNAPOLIS BANCORP	27.00
036340107	ANSCOTT INDUSTRIES INC	685.00
037833100	APPLE INC	4.00
038990610	APTIMUS INC	2.00
039483102	ARCHER-DANIELS-MIDLAND COMPANY	0.99
042242107	ARMITEC INC	50.00
045188109	ASKMENOW INC	100.00
052753100	AUTO SWAB INC	17.00
052920105	AUTO SUPER MART	100.00
053499109	AVAYA INC	2.17
55011100	AZURE VENTURES LTD	2,165.00
055908107	BMI CAPITAL INC	2,000.00
063840102	BANK NEW ENGLAND CORP	2,400.00
064057102	BANK OF NEW YORK MELLON	30.00
068306109	BARR PHARMACEUTICALS INC	27.00
069199107	BARTERB2B INC	50.00
071813125	BAXTER INTERNATIONAL INC	24.00
079860102	BELLSOUTH CORP	(274.00)
086338993	BESICORP GROUP INC	40.00
086339991	BESICORP	1.00
093479103	BLAZO CORP	90.00
115660201	TOM BROWN INC	(16.00)
125322107	CGM CAPITAL DEVELOPMENT FUND	6.01
134422609	CAMPBELL RES INC	10.00
135923100	CANADIAN PACIFIC LTD	2.00
136476108	CANADIAN PIPER AIR CORP	34.00
137409108	ICONIX BRAND GROUP	270.00
138906102	CANWEST GLOBAL COMM CORP	1.00
141798108	CARIBBEAN AMERICAN HEALTH	8.00
143130102	CARMAX, INC	8.00
144456100	CARRIBBEAN HOLDINGS INTL	50.00
153992102	CENTL EURPEAN SATELLITE	23.00
156684995	CENTURY TECHNOLOGIES INC	4.00
156779100	CERIDIAN CORP	4.00
156990772	CENTURY INNOVATIONS INC	69.00
158525105	CHAMPION INTERNATIONAL CORP	(4.71)
163878101	CHEMTRAK INC	2.00

NEBRASKA STATE TREASURER  
**WAGERS SECURITIES NOT FOUND IN UBS**

**Exhibit I**

As of February 28, 2010

CUSIP	Name	Shares
166751107	CHEVRON CORPORATION	28.00
169374204	CHINA FOOD & BEVERAGE CO	1.00
170032114	CHIQUITA BRANDS INTL	1.00
172737108	CIRCUIT CITY STORES INC	6.00
190637108	COATED SALES INC	450.00
192108108	COEURD'ALENE MINES CORPORATION	1.00
200334118	COMDISCO HOLDING COMPANY	105.00
204237309	COMP U CHECK INC	168.00
204912109	CA INC	81.00
206827206	CONECTISYS CORP	2.00
206827305	CONECTISYS CORP	10.00
208915108	CONSOLIDATED COMPANIES	4,000.00
211915103	CONTINUUM GROUP INC	2.00
212908107	CONTROL ENERGY CORP	300.00
217016104	ADOLPH COORS COMPANY	(1.00)
221006109	CORVEL CORP	2.00
222814204	COVAD COMMUNICATIONS GROUP	507.00
222816100	COVANCE INC	4.00
224916106	CREDIT SUISSE ASSET MANAGEMENT FUND INC	292.00
225222108	CRAY COMPUTER CORP	125.00
227317997	CROSBY FINANCIAL	4.00
229051107	CRYOTECH INDUSTRIES INC	5.00
231912999	CYBER CONCEPTS CORP	76.00
232543108	CYCLOTRON CORP	200.00
233094200	DCI TELECOMM INC CO	40.00
233912104	DAILY JOURNAL CORPORATION	22.00
238084107	DATAMEG CORP	10.00
238136105	DATATRON INC	1,000.00
240980102	DCM ENTERPRISES INC	333.00
249827205	UNEX GENETIC LABS	536.00
252592100	DIAMOND EQUITIES INC	4.00
261998900	DREAM MARKETING	439.00
262098106	DRKOOP.COM INC	1,000.00
269224101	ETI EXPERTISE TECH INNOVATION	6,666.00
269461109	EAGLE CLOTHES INC	4,700.00
290890102	EMERGING MARKETS	12.00
293850103	ENTRX CORP	105.00
293993200	ENVIROMART COM INC	2.00
294981105	ENVIRO ENERGY CORP	18.00
299918102	DIVERSIFIED INCOME BUILDE	35.60
302290101	EXXON CORP	10.00
306157991	FALKEN INDUSTRIES	39.00
316811108	50 OFF STORES INC	2,433.00
318522307	FIRST AMERICAN TRUST	3.00
319777108	FIRST COMMERCE BANCSHARES INC-A	(198.00)
319828208	FIRST COMMONWEALTH CORPORATION	2.00
337108104	FIRST STRIKE DIAMONDS INC	101.00
337615108	FIRSTBANCORP INC	117.00
339130106	FLEMING COMPANIES INC	10.00
343498101	FLOWERS FOODS INC	9.00
345370100	FORD MOTOR COMPANY	10.00
349881102	FOSSIL BAY HOLDING CO INC	1.00
356402909	FREEDOM MEDICAL HOLDING	79.00
362397101	THE GABELLI EQUITY TRUST INC	3,930.79
364717108	GANDALF TECHNOLOGIES INC	650.00
370442105	GENERAL MOTORS CORPORATION	47.00
371532102	GENESCO INC	10.00
373654102	GEOTEK COMMUNICATIONS INC	60.00

NEBRASKA STATE TREASURER  
**WAGERS SECURITIES NOT FOUND IN UBS**

**Exhibit I**

As of February 28, 2010

CUSIP	Name	Shares
373676402	GEOHERMAL RES INTL INC	300.00
378949101	GLOBAL TECHNOLOGIES LTD	3,788.00
380779108	GOLDEN ACQUISITIONS CORP	134.00
380998104	GOLD COMPANY OF AMERICA	0.00
381140300	GOLDEN OIL COMPANY	21.00
390005205	GREAT AMERN REC INC	300.00
400910402	GUARDIAN TECHNOLOGIES INT	30.00
406764100	HAMBURGER HAMLET RESTAURANT	200.00
412824104	HARLEYSVILLE GROUP INC	120.37
416187201	HARTCOURT COMPANIES INC	500.00
419596101	HAVERTY FURNITURE INC	12.00
422317107	HEARST ARGYLE TELEVISION INC	3.00
422893107	HEILIG MEYERS CO	1.00
427177100	HEREUARE INC	375.00
428403109	HI TECH ROBOTICS LTD	1,200.00
430904102	HIGHPOINT TELECOMMUNICATI	800.00
433548104	HIRSCH CHEMIE LTD	300.00
438550303	HONG KONG CHINA GAS LTD	2.00
439680109	HOPEWELL VALLEY COMMUNITY	4.00
440530202	HORN SILVER MINES INC	250.00
441485109	HOTWATER GENERATORS INC	25,000.00
449292200	ICOA INC	8,000.00
449934108	IMS HEALTH INCORPORATED	36.00
450734991	IBARGAIN COM	62,446.00
451713101	IKON OFFICE SOLUTIONS INC	10.00
453096208	IMPERIAL SUGAR CO	62.00
453365207	INCOMNET INC	20.00
455997205	INNOVATIVE COATINGS CORP	450.00
457212108	INK STREAM INC	7.00
458111101	INTEGRATED COMMUNICATIONS	500.00
458727104	INTERLAND INC	1.00
459990560	INTL EQUESTRIAN DEVELOPE	106.00
460268998	INTERNATIONAL ROYALTY OIL	6.00
460968308	INTERNETSTUDIOS COM INC	16.00
461027104	INTERSTATE MOTOR FREIGHT	400.00
465743102	ITRONICS	17.00
465754109	I2 TECHNOLOGIES	1,000.00
465940104	JTS CORP	801.00
466230984	JPE INC RESTR WARRANTS	982.00
470737107	JAMESWAY CORP	50.00
470737115	JAMESWAY CORP	5.00
470991100	JAG MEDIA HOLDINGS	77.00
477588107	JINHUA MARINE BIOLOGICAL	1.00
482584109	KMART CORPORATION	(98.00)
486590102	KAYE KOTTS ASSOCIATES INC	10,000.00
493074207	KEY CAPITAL CORP	1.00
493267108	KEYCORP	(15.00)
514630102	LAND SEA RES INC	500.00
528873102	LEXICON RESOURCES	300.00
535764104	LINK LINUX	1.00
536257108	LIONEL CORP	250.00
539576108	LOCH ENERGY INC	8.00
543360104	LONMIN PLC	(74.00)
549463107	LUCENT TECHNOLOGIES	26.00
552673105	MCI COMMUNICATIONS CORPORATION	(40.00)
552737108	MFS MULTIMARKET INCOME TRUST	177.00
556103760	MACRONIX INTL	7.00
561704305	MANAGEMENT TECHNOLOGIES	142.00

NEBRASKA STATE TREASURER  
**WAGERS SECURITIES NOT FOUND IN UBS**

**Exhibit I**

As of February 28, 2010

CUSIP	Name	Shares
571834100	MARSHALL & ILSLEY CORP	2.00
573056108	MARTECH USA INC	99.00
576310205	MAST KEYSTONE INC	20.00
576817209	MATRIA HEALTHCARE INC	110.00
580033207	MCDERMOTT INC-PREF A & B	(28.00)
582905709	MCWATTERS MINING INC CONT	14,422.00
590911103	MESA INC	65.00
591596101	METRICOM INC	100.00
591695101	METROMEDIA INTERNATIONAL	1.00
594518102	MICHIGAN GENERAL CORP	163.00
597880103	MIDNIGHT HOLDINGS GROUP	189.00
605288208	MISSISSIPPI CHEMICAL CORPORATION	1.00
607242104	MOBILE ASSETS	11.00
609044201	MONARCH DENTAL CORP	166.00
616537106	MORE MEDIA INC	1,872.00
617849104	MORRIS ASSOCS	1.00
617883103	MORRIS BUSINESS DEVELOPMENT	1.00
619446206	MOSAIC MULTISOFT CORP	95.00
619547102	MOSELEY HLDG CORP	100.00
628738114	NB MANUFACTURING	13.00
628738122	NB MANUFACTURING	13.00
628738130	C WTS NB MFG	9.00
628738148	D WTS NB MFG	13.00
628738155	E WTS NB MFG	9.00
628738163	F WTS NB MFG	9.00
628990681	NCP LITIGATION TRUST	2,930.00
631226107	NASHUA CORPORATION	2.00
631728409	NASTECH PHARMACEUTICAL CO INC	1.00
635902208	NATIONAL HEALTHCARE MANUF	20.00
637733403	NATIONAL SORBENTS INC	421.00
640902201	NEURTECH CORP	364.00
640902300	NEURTECH CORP	3,636.00
641996103	NEVADA MANHATTAN GROUP INC	2.00
644465106	NEW GERMANY FUND COM	106.00
647533108	NEW MILLENNIUM	1.00
654048107	NICKLOS OIL GAS	500.00
660461203	NORTH LILY MINING CO	12.00
669919201	NOVA NATURAL RESOURCES CORP	101.00
674198106	OASIS HOTEL RES & CAS 1	1.00
674199104	OASIS HOTEL RES & CAS	1.00
682316104	ONE BANCORP	1,100.00
683868103	OPTICNETINC	14.00
690375100	OVERTHRUST RES LTD	1,500.00
693304107	PECO ENERGY COMPANY	210.00
697757102	PAN AM CORP	1,000.00
698891108	PARACELUS HEALTH CORP	3.00
702898107	PATAPSCO BANCORP	3.00
705015105	PEARSON PLC	26.00
705497105	PEERLESS ENERGY INC	9.00
718507106	CONOCOPHILLIPS	147.76
719358103	PHOTOMEDEX INC	3.00
720888304	PIEZO ELEC PRODS INC	12.00
725906101	PLACER DOME INC	7.00
729251108	PLUM CREEK TIMBER CO	177.00
735647406	PORTA SYSTEMS CORP NEW/PO	85.00
737273102	PORTUGGAL TELECOM SGPS	26.00
746397207	PURSUIT INC	1,000.00
749255709	SHAREBUILDER SECURITIES INC	28.52

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CUSIP	Name	Shares
750895104	RAINSHINE CORP	91.00
756240305	RECONDITIONED SYSTEMS INC	10.00
756285102	RECYCLING INDUSTRIES INC	28,600.00
757488101	REDIRECT INC	1.00
758603203	REEVES INC	83.00
760981100	RESTORATION HARDWARE INC	200.00
767754104	RITE AID CORP	12.00
771993102	RSTK 3WVENTURES COM INC	71.00
774678403	ROCKY MTN CHOCOLATE FACTORY	20.00
776338204	RONSON CORP	28.00
778529990	ROSTECH INC	133.00
786429100	SAFECO CORP	4.00
794668103	SALEX HLDGS CORP	50.00
795478106	SALOMON BROS INVESTORS VA	254.51
803111103	SARA LEE CORPORATION	3.00
803902105	SATELLITE DATA INC	3,000.00
805176609	SAVIN CORP	2,100.00
808513105	CHARLES SCHWAB CORP	12.00
811804988	SEAGATE TECHNOLOGY	30.00
815714100	SEEBERG CORP	5,000.00
817565104	SERVICE CORPORATION INTERNATIONAL	(10.00)
825791106	SIBONEY CORPORATION	100.00
827906207	SILVERADO GOLD MINES LTD	10.00
829204304	SIMTEK CORP	2.00
836151209	SOURCE INTERLINK	257.00
854920204	STAR RESOURCES CORP	357.00
862701307	STRATEGIC DISTRUBITION IN	1.00
866810203	SUN MICROSYSTEMS INC	130.00
871503109	SYMANTEC CORP/SEAGATE TEC	219.00
872163100	TAL WIRELESS NETWORK	106.00
879382109	ELEFONICA	1.00
879911105	TELSTAR CORP	150.00
880198106	TEMPLETON GLOBAL INCOME F	6.00
880647102	TENNIS LADY INC	62.00
881017107	TERRA COM INC	2,250.00
883906406	THERMOENERGY CORP	2.00
885880104	THRIFTY TEL INC	75.00
887151116	TIMCO AVIATION SERVICES	554.00
890516206	TOOTSIE ROLL INDS INC	2.00
891906109	TOTAL SYSTEM SERVICES INC	17.48
892146101	TOWNE PAULSEN INC	450.00
893349506	TRANS WORLD AIRLS INC	1,000.00
894190107	TRAVELERS GROUP INC	21.00
895433100	TRI COMP SENSORS INC	500.00
895927101	WENDYS/ARBYS GROUP	1.00
895927309	TRIARC COMPANIES INC	2.00
895953107	TRICON GLOBAL RESTAURANTS INC	4.50
902549500	UAL CORPORATION	8.00
902636109	UCN INC	50.00
902928100	USA CLASSIC INC	300.00
902973106	US BANCORP	(156.00)
903293405	USG CORPORATION	1.00
907818101	UNION PACIFIC CORP	6.00
908068109	REGIONS FINANCIAL	6.00
909062200	UNIONFED FINL CORP	200.00
910873207	UNITED MICROELECTRONICS	123.00
913383998	UNIVERSAL BROADBAND	45.00
915289102	UNOCAL CORPORATION	(16.00)

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**WAGERS SECURITIES NOT FOUND IN UBS**

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CUSIP	Name	Shares
918183104	UWHARRIE CAPITAL	1.00
920914108	SENIOR LOAN FUND - IB	274.56
922944103	FOOT LOCKER	132.00
924905102	VERONEX TECH INC	85.00
925524308	VIACOM INC- CLASS B	12.00
928256106	VISA INC OF AZR	200.00
929903102	WACHOVIA CORP	2.00
934260100	WAREHOUSE CLUB INC	100.00
947005997	WEALTHHOUND COM INC	2.00
947330106	WEB PRESS CORPORATIO-CHMM	1,000.00
948462106	WEDTECH CORP	600.00
949915334	WELLS FARGO AVTG MID CAP	8.08
950590109	WENDY'S INTERNATIONAL INC	5.00
953348109	THE WEST COMPANY INC	(3.00)
960410306	WESTJET AIRLINES	524.00
962990107	WHATTUP INC	138,299.00
974637100	WINNEBAGO INDUSTRIES INC	50.00
981494107	WORLD MAIL CENTER INC	200.00
981517105	WORLD WASTE TECHNOLOGIES	4.00
982526105	WM WRIGLEY JR COMPANY	319.00
983024100	WYETH	2.00
988850103	ZAHAV INC	1.00
999999101	UNITY ONE INCORPORATED	1.00
999999105	CYBERHOTLINE INC	523.00
1150279E6	BROWARD CNTY FLA HSG FIN	50.00
01881E101	ALLIANCEBERNSTEIN INCOME FUND INC	976.00
36868E104	GEN ID LAB SERVICES	2,560.00
29078E105	EMBARQ CORPORATION	6.00
87952E203	TELESERVICES INTERNET GRO	20.00
000918AXD	ACM GOVERMENT OPPORTUNITY FUND INC	1.00
00252R303	AAMAXAN TRANSPORT GROUP	20.00
00371N407	ABLE LABORATORIES INC	1.00
00737M200	ADSOUTH PARTNERS	1.00
00757L207	ADVANCED ENCRYPTION TECHNOLOGY	1,300.00
00763M108	ADVANCED MEDICAL OPTICS	7.00
00950H102	AIRSPAN NETWORKS INC	2.00
010000JXB	WINNEBAGO INDUSTRIES INC	(12.00)
01643P105	ALL AMERICAN SPORTPARK INC	23.00
02077U107	ALPHA SPACECOM INC	500.00
02364W105	AMERICA MOVIL S.A. DE C.V.	96.00
02687H108	AMERN INTER LATIN CORP	99.00
02926Y102	AMERICAN RESOURCE TECH	1.00
03232V204	AMSWISS SCIENTIFIC INC	500.00
03512N104	ANGLO CANADIAN URANIUM	40.00
03823Y104	APPLIED NEUROSOLUTIONS	28.00
03837S101	AQUA FOODS	34.00
03841G101	AQUILA RESOURCES INC	1,100.00
039525AK6	ARCHIBALD CANDY CORP	0.00
04033V203	ARIBA INC	2.00
04518F103	ASIA FIBER HOLDINGS LTD	215.00
05269F994	AUTO AUCTION COM INC	18.00
08437M107	BERKELEY TECHNOLOGY	500.00
09061Q992	BION ENVIRONMENTAL	1.00
09202T103	BLACK DRAGON RESOURCES	256.00
10011B101	BOSS HOLDING INC	3.00
12189T104	BURLINGTON NORTHERN SANTA FE CORP	1.00
123456SXC	LOCKHEED MARTINCORP/LOCKHEED CORP	2.00
12489V106	CBRL GROUP	1.00

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CUSIP	Name	Shares
12490K107	CBS CORP	2.00
12513C108	CROSS WIND DOWN	47.00
14166Y106	CARECENTERRIC INC	34.00
16938W102	CHINA ENRGY SVGS	100.00
18946R109	CLUB AQUARIUS INC	100.00
18948B987	CLUBHOUSE VIDEOS	47.00
20265P102	COMMODORE INTL	1.00
20589Y102	CONCEPT DIGITAL INC	2.00
22051P106	CORTELCO SYSTEMS	6.00
22674V100	CRITICAL PATH INC	34.00
23280R103	CYPRO ENV GROUP INC	100.00
23325P104	DNP SELECT INCOME FUND INC	1.00
24242R108	DEARBORN BANCORP INC	8.00
24688L102	DELI SOLAR USA INC	13.00
25253R101	DIAMANT ART	978.00
25271C102	DIAMOND OFFSHORE DRILLING	25.00
25383A101	DIGITAL ANGEL CORP	29.00
25459L106	DIRECTV GROUP INC	44.00
26152X207	DRAYTON RICHDALE CORP	50.00
26153A990	DREAM MARKETING	576.00
26432K108	DUFF & PHELPS UTILITY & C	4.00
26843C992	E EDUCATION NETWORK INC	16.00
26874Q100	ENSCO INTERNATIONAL INCORPORATED	(12.00)
27579W103	EAST WEST DISTRIBUTORS	74.00
29259K102	ENDEXX CORP	40.00
29664T102	ESPERANZA SILVER CORP	15.00
29759W101	ETABLISSEMENTS DELHAIZE/F	2.00
30161N10	EXELON CORPORATION	8.00
36114A104	FUTURE EDUCATIONAL SYSTEM	30.00
36239Q109	GABELLI GLOBAL MULTIMEDIA TRUST INC	612.66
36239V108	GABELLI INV FDS INC	1.00
36729R104	GASTEM INC COM	1.00
37229Q109	GENISIS REALTY GROUP	1.00
37733W105	GLAXO SMITHKLINE	31.00
37940U108	GLOBAL E POINT INC	35.00
37947G102	GLOBAL ALLIANCE NETWORKS	33.00
37999G109	GLOBAL NATURAL RESOURCES	19.00
38168R108	GOLF ROUNDS.COM INCORPORATED	44.00
40274T986	GULFTEX DRILLING	4.00
40420K103	HKN INC	6.00
40422Y101	HLTH CORP/ONHEALTH NETWORK	19.00
41014P-85-4	JOHN HANCOCK INV SVCS	0.34
41744C108	HARVARD INTL TECH LTD	500.00
41754V103	HARVEST NATURAL RESOURCES	162.00
42219T105	HEALTHCARE AMERICA INC	100.00
43739DSXW	HOMEFED CORPORATION	21.00
44969E999	IMN FINANCIAL CORP	3,660.00
44969F996	IMN EQUITIES CORP (RESTRIC)	4,964.00
45678N105	INFOSERVE GLOBAL HOLDINGS	2.00
45773F304	INNOUISSE CORP	1,400.00
45817G995	INTELLI CHECK INC RIGHTS	2.00
46061X205	INTERNATRUAL PHARMACEUTIC	3.00
46150T107	INVESTORS FINL CORP	2,000.00
50214P101	LRNN CORP	81.00
52467F103	LEGENDARY SUPERSTARS	3.00
52470R888	WEST ASSET MM FD A	343.41
53220C106	LIFETIME PRODS INC	5.00
55273C107	MFS INTERMEDIATE INCOME TRUST	5.00



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CUSIP	Name	Shares
57383T103	MARVEL ENTERTAINMENT INC	16.00
58515K101	MEGALITH INC	6,050.00
59507Q106	MICROISLET INC	3.00
59513U109	MICROSCIENCE INTL CORP	100.00
59517L105	MICROWAVE LABORATORIES INC	600.00
60750H108	MODE PRODUCTS INC	83.00
60934N864	AUTOMATED CASH MGMT TRUST	171.77
61166W107	MONSANTO COMPANY	30.18
62875G114	NB MANUFACTURING	13.00
62875G122	NB MANUFACTURING	13.00
63644U996	NATIONAL HYPERBARIC REHAB	1.00
64120Q103	NETWORK CONNECTION INC	1,300.00
64122T204	NETWORK COMMERCE INC	104.00
64353N306	NEW CENTURY COMPANIES	50.00
65333Q202	NEXPRISE INC	3.00
65338G100	NEXPLORE CORPORATION	4.00
69366Y108	PW EAGLE, INC	13.00
70556K106	PEGASUS GOLD INC	227.00
71675P992	TEXCOM INC RESTRICTED	5,170.00
71714F104	PHARMERICA CORP	1.00
718193AA3	PHILIP SVCS CORP	0.08
72818P105	PLAZA INV LTD	5.00
74364M106	PROTEC INDUSTRIES INC	6.00
74435P203	PRUDENTIAL RLTY TR	1,600.00
74460D729	PUBLIC STORAGE INC	2.00
74646A102	PUTNAM CLASSIC EQUITY	291.82
74834L100	QUEST DIAGNOSTICS INC	2.00
75952B105	RELIANT ENERGY INC	235.00
75952U103	RELIASTAR FINANCIAL CORPORATION	30.00
75961Q101	REMOTEMDX INC	6.00
779814BJ0	ROXBOROUGH VILLAGE METRO	0.99
78051D105	ROYAL OAK MINES	3.00
78387G103	SBC COMMUNICATIONS INC	(118.74)
81142N108	SEA STAR GROUP	6.00
81599AAE4	SEEDTIME HARVEST	77.04
82668U104	SIGNATURE HEALTHCARE	6.00
83399K910	SABMILLER PLC	40.00
84055V109	SOUTH TEXAS OIL CO	1.00
85787P989	STEALTH MEDIALABS INC	9.00
85787P997	STEALTH MEDIALABS INC	7.00
85916M105	STERLING BUSINESS SOLUTION	50.00
87042Q109	SWEET SUCCESS ENTERPRISES	1.00
87257P101	TMBR/SHARP DRILLING INCORPORATED	(2.00)
87872T108	TECHNOLOGY SOLUTIONS CO	473.00
87929A102	TELECOMUNICACOES DE S P	9.00
88033R205	TENGASCO CORP	1.00
89672P104	TRIPATH TECHNOLOGY INC	1.00
90339C106	US WIRELESS CORP	3,535.00
90347P107	UBUYHOMES COM INC	59,760.00
91058F403	UNITED HERITAGE CORP	7.00
912803AP8	U S TREAS STRIPS-PRIN PMT	1,000.00
912833KA7	US TREASURY STRIPS ZERO%	1,000.00
91349P103	UNIVERSAL EXPRESS INC	5.00
92237U105	VAST EXPLORATION INC	11.00
92240M108	VECTOR GROUP LTD	1.00
92257T707	VELOCITY EXPRESS	1.00
92827Y103	VIRTUAL MEDIA	16.00
92857W100	VODAFONE GROUP PLC	2,940.00

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CUSIP	Name	Shares
94107F101	WASTECH INC	201.00
94975H148	WELLS FGO AVTG SPEC TECH	471.25
95827Q103	WESTERN GEOPOWER CORP	10.00
97113F107	VANKAMPEN AMERICAN CAPITAL GOVT	39.13
98386F104	X-TRA PETROLEUM	42.00
98389B100	XCEL ENERGY INC	138.00
98417C104	XINO CORPORATION	1.00
BB 610702	TANDY CORPORATION	(8.00)
BB610702	TANDY CORPORATION	1.00
BHC950103	CITIZEN BANCORP CORVALLIS	70,000.00
C11840	RELIANCE GROUP HOLDINGS	(36.00)
C28944	SUN COMPANY, INC	4.00
CKC50X106	ENBRIDGE ENERGY MANAGEMEN	40,323.00
D12096109	BAYERISCHE MOTOREN WERKE	52.00
DDH61G100	FIRSTBANK CORP	99,750.00
DDJ32D101	FRACTIONAL FIVE STAR QUAL	27,000.00
DX209343	HALLIBURTON COMPANY	8.00
EKE55U103	KINDER MORGAN	139,613.25
F26387104	EURO DISNEY SCA BEAR	42.00
G04397124	APW LTD	112.00
G16612106	BT GROUP PLC	1.00
G2155W101	CHINA OIL GAS GROUP	1,500.00
G2795C105	DIGITAL HONG KONG	7.00
G3156P103	ASA LTD	5.00
G31611109	XCELERA INC	4.00
G3910J112	GLAXOSMITHKLINE	3.00
G4205Y111	GUINNESS PEAT GROUP PLC	8.00
G4474Y206	HENDERSON GROUP P LC	90.00
G4634U169	HSBC HLDG GB	6.00
G49398103	IRIDIUM WORLD	50.00
G50736100	JARDINE MATHESON HLDGS	96.00
G7130P204	PLAYMATES HLDGS LTD	55.00
G7147S100	PLAYMATES TOYS LIMITED	55.00
G82343164	SMITH NEPHEW PLC	4.00
G89158136	TOMKINS PLC	3.00
G93882135	VODAFONE GROUP PLC	42.00
G9768F102	WORLD HOUSEWARE HLDGS	6.00
G98773107	YT REALTY GROUP LIMITED	550.00
GCG23C650	FRACTIONAL MUNICIPAL	26,825.00
GKD49H100	PNM RESOURCES FRACTIONAL	100,000.00
GTE576925	GTE CORPORATION	2.00
H84140112	SYNGENTA AG	6.00
H8817H100	TRANSOCEAN LTD	2.00
HU33006	DYNAMICS CORP OF AMERICA	3.00
KCJ39U100	VISTEON	93,822.00
KJK837109	ZWEIG TOTAL RETURN FUND F	180,196.00
LS 14174	SHOWBOAT INC	(20.00)
LX 469032	UNION PACIFIC CORP	42.00
LX435440	UNION PACIFIC	526.00
LX441311	UNION PACIFIC CORP	133.00
LX5354440	UNION PACIFIC	13.00
M22465104	CHECK POINT SOFTWARE TECH	10.00
M245035	GOODYEAR TIRE & RUBBER	10.00
M8790M112	TIKCRO TECHNOLOGIES LTD	36.00
M87915100	TOWER SEMICONDUCTOR LTD	30.00
M97590109	VI Z RT LTD	27.00
N0030P459	ABN AMRO HOLDINGS	9.00
N00432166	ACCELL GROUP NV HEEREN	5.00

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CUSIP	Name	Shares
N173372	UAL CORPORATION	40.00
N39338194	HEINEKEN HOLDING NV SHS	1.00
N39427211	HEINEKEN NV EUR1 60	1.00
N4297B146	KONINKLIJKE KPN	261.00
N4327C122	HUNTER DOUGLAS	25.00
N86672107	TNT NV	1.00
NG230184	GENERAL MOTORS CORPORATION	58.00
NG230782	GENERAL MOTORS CORP	54.00
NG47016	GENERAL MOTORS CORPORATION	1.00
NG472016	GENERAL MOTORS CORP (& OTHERS)	115.00
NG513783	GENERAL MOTORS CORPORATION	34.00
NG559233	GENERAL MOTORS	22.00
NYN 269050 &	NYNEX CORPORATION	(123.00)
NYN269050	NYNEX CORPORATION	(28.00)
P0956J105	BANCO DE CREDITO DEL PERU	2.00
P19231102	CABLE AND WIRELESS JAMAIC	64,863.00
P22561321	CEMEX SA CPO NPV	46.00
P2475L116	CERVECERIAS PERUANAS	1.00
P3179N127	CPT TELEFONICA DEL PERU	69.00
P36300112	ELECTRICIDAD DE CARACAS	1.00
P6725R153	MINERA EL BROCAL	1.00
P9031L100	TELEFONICA DATA ARGENTINA	178.00
P9034Y109	TELEFONICA MOVILES	69.62
P90371132	TELEFONICA MOBILES PERU	63.00
P98180105	WAL MART DE MEXICO	13,796.00
PG	PROCTER & GAMBLE	20.00
Q01630104	AGL ENERGY LTD	1.00
Q1415L102	BLUESCOPE STEEL	207.00
Q1498M100	BHP LTD	4.00
Q16969109	BORAL LIMITED	2.00
Q3959B110	FRONTIER RESOURCES	6.00
Q7134W113	ONESTEEL LIMITED	2.00
Q8069D104	REMOTE RURAL COMMUNICAT	249.00
Q8121Q101	RESTAURANT BRANDS NEW ZEA	20.00
Q81391106	RIDLEY CORP AUD PAR	238.00
Q8186H103	RUBICON LTD	1.00
Q8567U103	SONS OF GWALIA LTD SOGAF	12.00
S04255196	ANGLOGOLD LIMITED	12.00
S15445109	CAPITEC BANK HOLDINGS LTD	15.00
S34320101	HARMONY GOLD MINING CO	2.00
S3962R126	JCI LIMITED CONV RED 17	2.00
S6814U106	REDEFINE INCOME FUND	12.00
S89598	TESORO PETROLEUM	170.00
SW39439	SHERWIN-WILLIAMS CO	16.00
T55067101	INTESTA SANPAOLO	32.00
T8380H104	SEAT PAGINE GIALLE	9.00
T92765121	TELECOM ITALIA MEDIA SPA	3.00
TC187515	TOSCO CORP	(63.00)
W57102118	NET INSIGHT AB SHS	4,000.00
Y		100.00
Y1091F107	CAPITACOMMERCIAL SGD ORD	60.00
Y1510N103	CHINA RENJI MEDICAL GROUP	1,000.00
Y2032Y106	DENWAY MOTORS LIMITED	5,093.00
Y26166101	FORTUNE CEMENT CORP	1.00
Y33370100	HONG KONG CHINA GAS	1.00
Y59146178	*** MBF HOLDINGS BERHAD-M	2.00
Y66183107	PACIFIC INTERNET	1.00
Y6802P120	PCCW LIMITED	600.00

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CUSIP	Name	Shares
Y7571C100	SECURITY BANK CORP	1.00
Y8078Q105	SOUTHEAST ASIA CEMENT	586.00
Y82594121	SUN HUNG KAI PROP	13.00
ZQ78580919	A T & T	22.00
	AMERICAN RESOURCES & DEVELOPMENT CO	10.00
	AT&T INC (FORMERLY SBC COMMUNICATIONS)	18.00
	COLUMBIAN NORTHLAND EXPLORATION LTD	25.00
	DIAMOND SELECTION CALIFORNIA LTD	8,000.00
	INTERNATIONAL FIBERCOM INC	25.00
	IRIS INTERNATIONAL	1,130.00

**590 Securities**

NEBRASKA STATE TREASURER  
UBS SECURITIES NOT FOUND IN WAGERS

Exhibit J

As of February 28, 2010

CUSIP	Name	Shares
002532208	AAMPRO GROUP INC NEW	1.00
003830106	ABRAXAS PETROLEUM CORP	1.00
005057104	ACTIVE CARE INC	1.00
00806A103	AEROTYME COMMUNICATIONS INC	1,500.00
001058106	AFP IMAGING CORP	300.00
008913204	AIR PACKAGING TECHNOLOGS	2,000.00
011612603	ALANCO TECHNOLOGIES INC NEW 2006	11.00
027284108	AMER LOCKER GROUP INC	48.00
032332504	AMETECH SYS INC NEW	192.00
031162100	AMGEN INC	402.00
03149A103	AMHN INC COM	6,000.00
032359309	AMTRUST FINANCIAL SERVICES INC	50.00
03665E109	ANTE4 INC COM	15.00
00184X105	AOL INC	16.00
03748R101	APARTMENT INVT & MGMT CO CL A	5.00
03878K207	ARC WIRELESS SOLUTIONS INC NEW	73.00
042797100	ARROWHEAD RESEARCH CORP	16.00
044021103	ASHERXINO CORP	2.00
G06055100	ATLANTIC CENTL ENTRPRSE	24.00
04915Y200	ATLANTIS TECHNOLOGY GROUP COM NEW	1,000.00
049567100	ATMOSPHERIC GLOW TECHNOLOGIES INC	250.00
05348P401	AVANIR PHARMACEUTICALS *NEW 2006* CL A	167.00
05366Y102	AVIAT NETWORKS INC COM	102.00
055011100	AZURE VENTURES LTD	2,165.00
07724R100	BEICANG IRON & STEEL INC	50.00
09062X103	BIOGEN DEC INC	345.00
09070Y101	BIOMASS SECURE POWER INC	2.00
09065H402	BIOPURE CORP NEW 2007 CL A	115.00
109699108	BRINKS HOME SEC HLDGS INC	12.00
111412706	BROADVISION	6.00
137003109	CANAL CAPITAL CORP	2,187.00
14160X104	CARDIOGENICS HLDGS INC COM	77.00
125178202	CE SOFTWARE INC	2.00
12515V104	CEI ENTERTAINMENT INC	30,000.00
15201T101	CENTERSTAGING CORP	400.00
153479100	CENTRAL FLORIDA STATE BK	66.00
15670S105	CENVEO INC	2.00
15721M107	CEYONIG AG SPON ADR	42.00
159427202	CHAPEAU INC	30,000.00
161243407	CHARTER MINING NL ADR \$2 NEW ADR	14.00
17285T106	CITADEL BROADCASTING CORP	2.00
126117100	CNA FINANCIAL CORP PAR VALUE -2.50 USD	60.00
126138106	C-NET INC COLO	78,000.00
191042100	COBRA ELECTRONICS CORP	15.00
192389302	COGENCO INTL INC COM PAR \$0.01 NEW	31.00
203634100	COMMUNITY CAPITAL BANCSHARES INC	25,700.00
20650N100	CONCORDE AMER INC	59.00
210520607	CONSUMERS FINANCIAL CORP	5.00
22410J106	CRACKER BARREL OLD CTRY STORE INC	1.00
243697109	DEEP BLUE INC	485.00
25387S108	DIGITCOM INTERACTIVE VIDEO NETWORK	500.00
277849105	EAT AT JOES LTD	100.00
26850R106	EGX FDS TRANSFER INC	29.00
293988309	EQUIMED INC NEW	50.00
29481R107	ERGOBILT INC	19,900.00
29482X103	ERICWARE TECHNOLOGIES INC	181,295.00
296054109	ESAT INC	1,000.00

NEBRASKA STATE TREASURER  
UBS SECURITIES NOT FOUND IN WAGERS

Exhibit J

As of February 28, 2010

CUSIP	Name	Shares
855174991	ESCROW STAR SERVICES GROUP INC * CASH MERGER EFF: 7/01	13,377.00
V3267N206	EXCEL MARITIME CARRIERS LTD SER B	1.00
343468104	FLOW INTL CORP	5.00
344437504	FONAR CORP CL A NON-VOTING NEW PREFERRED	5.80
34637U103	FORMCAP CORP	50.00
349631200	FORTUNE BRANDS INC CONV 2.67% PREFERRED	1.00
353487200	FRANKLIN CREDIT HLDG CORP NEW	10.00
35582T108	FREDERICKS OF HOLLYWOOD GROUP INC	162.00
36114L308	FUTUREBIOTICS INC NEW	60.00
36867M107	GENCO CORP	25.00
371001108	GENL STORE INTL CORP	200.00
379575202	GLOBUS INTL RESOURCES CORP NEW	4.00
382388106	GOODRICH CORP	128.00
40609P105	HALLADOR PETE CO NEW NEW	18.00
40636T202	HALLWOOD REALTY PARTNERS REIT	11.00
413875105	HARRIS CORP DELA	412.00
419141403	HAUSER INC NEW	407.00
42227G103	HEALTHWAREHOUSE COM COM	1,000.00
444723100	HUIFENG BIO-PHARMACEUTICAL TECHNOLOGY INC.	3.00
449358100	IDC HOLDINGS LTD	4,000.00
449594100	IGSM GROUP INC	1,000.00
45253L102	IMMUNE-TREE INTL INC	119.00
456801208	INFOTERRA CORP UNIT SER A PREFERRED	1.00
456837103	ING GROEP N V NL SPON ADR	606.00
45772H103	INNOVATIVE FOOD HLDGS INC	2.00
457667103	INSITUFORM TECHNOLOGIES INC CL A	65.00
458404100	INTERACTIVE BRAND DEVELOPMENT INC	990.00
45951A101	INTERNATIONAL FIGHT LEAGUE I	1.00
459188108	INTL BUILDERS LTD INC	8,180.00
46126P304	INVERNESS MEDICAL CONV SER B 3.000% PREFERRED PAR VALUE - 400.00 USD	8.00
46612J507	JDS UNIPHASE CORP NEW 2006	45.00
482072105	JURA ENERGY CORP	1.00
498589100	KLEVER MARKETING INC	8.00
294821608	L M ERICSSON TELEFON CO SEK 10 NEW 2002 ADR	240.00
51206P109	LAKES ENTERTAINMENT INC	32.00
52201E107	LEARNING PRIORITY INC	5.00
52602E102	LENDER PROCESSING SERVICES INC	1.00
53071M104	LIBERTY MEDIA INTERACTIVE SER A	1.00
53222C104	LIFEHEALTHCARE INC	13.00
53222D102	LIFEQUEST WORLD CORP	1.00
553793100	M (2003) PLC ADR	300.00
57055W103	MARKET & RESEARCH CORP	13.00
57059N109	MARKETING CONCEPTS INTL	10,000.00
57774U107	MAXUS TECHNOLOGY CORP	4.00
58405U102	MEDCO HEALTH SOLUTIONS INC	4.00
584407209	MEDIA HOLDINGS INTL INC	3.00
58447Y104	MEDIAWORX INC	1.00
58501Q203	MEDIRECT LATINO INC CONV SER A PREFERRED	1.00
609076104	MONARCH GAS CORP	0.50
62010A105	MOTORS LIQ CO	334.00
553477100	MRV COMMUNICATIONS INC	200.00
629685207	NADIR ENERGY & MINING CORP PFD PREFERRED	13,862.00
63563D702	NATL DATACOMPUTER INC NEW	3.00
63884T105	NATURAL BLUE RES INC	1.00
638887109	NATURAL PHARM INTL INC	1,500.00
645510108	NEW HORIZON GROUP	29.00

NEBRASKA STATE TREASURER  
UBS SECURITIES NOT FOUND IN WAGERS

Exhibit J

As of February 28, 2010

CUSIP	Name	Shares
649768108	NEW YORK REGL RAIL CORP	2,000.00
67019E107	NSTAR	99.00
67069V108	NUTRITION 21 INC	50.00
67421N406	OASIS RESORTS INTL INC NEW NEW	7.00
67087W203	OMDA OIL & GAS INC	1.00
683827208	OPTICAL CABLE CORP NEW	65.00
694308206	PACIFIC GAS & ELEC CO 6.00% PREFERRED PAR VALUE - 25.00 USD	4.00
71649R108	PETROGULF INC	1.00
717139307	PHARMOS CORP NEW	7.00
731511101	POLLEX INC	1.00
743426108	PROONE HOLDINGS INC	11,605.00
746228303	PURE CYCLE CORP NEW	700.00
74765L202	QUANTUM GROUP INC NEW	4,500.00
74833W206	QUEPASA.COM INC	100.00
750468100	RADIUS GOLD INC ORD	175.00
75187X104	RAMSTON CORP	1,053.00
751907304	RAMTRON INTL CORP NEW	41.00
75884U205	REGAN HLDG CORP CL a	418.00
758905301	REGENT TECHNOLOGIES INC NEW NEW	167.00
759910102	REPRO MED SYSTEMS INC	3,975.00
04915Y929	RESTRICTED ATLANTIS TECHNOLOGY GROUP NEW **RECAPITALIZATION: 09/2009**	200.00
144561909	RESTRICTED CARIBBEAN HLDGS INTL CORP	50.00
23326Q911	RESTRICTED DLR FUNDINGS INC	380.00
04915Y994	RESTRICTED GLOBAL ONLINE TELEVISION CORP	1.00
51828V906	RESTRICTED LATIN TELEVISION INC NEW	8.00
55270W908	RESTRICTED MCM CUSTOM MILLING INC	1.00
553907908	RESTRICTED MVP HOLDINGS INC NEW	1.00
63007Y908	RESTRICTED NANONIZE TECHNOLOGIES CORP	65.00
64551B906	RESTRICTED NEW HORIZONS AIRWAYS	3.00
656990215	RESTRICTED NORTH AMER COMMUNICATNS SYS A	19.00
83437Q952	RESTRICTED SOLUTIONNET INTL INC	1.00
89365K990	RESTRICTED TRANSGENOMIC INC	500.00
89784U918	RESTRICTED TRUE PROD ID INC NEW	527.00
98159F901	RESTRICTED WORLDVEST LAND & DEVELOPMENT CORP	2.00
76672T103	RIMA INTL HLDG INC CL A	217.00
767307101	RIPHEAN PLATINUM CORP	500.00
770323103	ROBERT HALF INTL INC	38.00
771074309	ROBOTIC VISION SYSTEMS INC NEW	22.00
779901107	ROXWELL GOLD MINES LTD ORD	35,000.00
78074M108	ROYALE CROWNE REGISTRY	500.00
786416206	SAFE TECHNOLOGIES INTL INC COM NEW	50.00
79970T106	SANCON RESOURCES RECOVERY INC	2.00
81201R107	SEAHAWK DRILLING INC	4.00
81370G106	SECURAC CORP	56,212.00
81373R109	SECUREALERT INC COM	6.00
81747T104	SERACARE LIFE SCIENCES INC	8.00
83403K203	SOFTNET TECHNOLOGY CORP NEW	1.00
847560109	SPECTRA ENERGY CORP	2.00
852857200	STAMPS.COM INHC NEW	5.00
858563109	STELLAR PETE INC	56,000.00
87089C104	SWISS MEDICA INC	1.00
87163L103	SYNTAX-BRILLIAN CORP	400.00
879690105	TELMEX INTERNACIONAL SAB DE CV SER L SPON ADR	24.00
88031M109	TENARIS S.A. ADS	100.00
883203101	TEXTRON INC	1.00
88321N106	TGFIN HOLDINGS INC	21.00

NEBRASKA STATE TREASURER  
**UBS SECURITIES NOT FOUND IN WAGERS**

Exhibit J

As of February 28, 2010

CUSIP	Name	Shares
886501204	TIE TECHNOLOGIES INC NEW	2.00
88732J207	TIME WARNER CABLE INC	83.00
88823T106	TIREX CORP	12,000.00
872538103	TJT INC	1,000.00
89324B115	TRANS GLOBAL LOGISTICS INC CONV SER A PREFERRED	1.00
89376N108	TRANSMERIDIAN EXPLORATION INC	16.00
902681105	UGI CORP NEW	1.00
903213106	UQM TECHNOLOGIES INC	200.00
90335D108	US HOME PROPERTIES INC	39,500.00
90331P105	USA BRIDGE CONSTR NY	250.00
920355104	VALSPAR CORP	50.00
925330102	VERTIGO THEME PARKS INC	64.00
	WARRANTS NB DESIGN & LICENSING INC SER B EXTENDED FROM 12/31/04 Expires: Dec 31, 11	4.00
	WARRANTS QUANTUM GROUP INC CL A Expires: Dec 12, 14	3,000.00
	WARRANTS QUANTUM GROUP INC CL B Expires: Dec 12, 14	3,000.00
	WARRANTS STHN MINERAL CORP PERP Expires: Dec 01, 15	25.00
	WARRANTS TRI CONTL CORP PERP EXTENDED FROM 03/31/09 Expires: Dec 31, 09	10.00
94770V102	WEBMD HEALTH CORP	8.00
948470109	WEE WIN TOYS	500.00
955306105	WEST PHARMACEUTICAL SERVICES INC	25.00
959802109	WESTERN UNION CO	782.00
981900103	WORLD WIDE MINERALS LTD	5,000.00
98615M201	YORA INTL INC NEW	2.00
989944103	ZUMA BEACH ENTERTAINMENT INC	181,858.00

**193 Securities**



NEBRASKA STATE TREASURER  
**UBS STOCK SALE FEES**  
 Sales Occurring in May 2009 and February 2010

Exhibit K

Sale Date on Report	Name of Stock	Proceeds	Amount UP Received	Actual Fee Assessed	% Fee	APA Calc Fee	Variance	
<b>Proceeds Greater Than \$1,000</b>								
5/28/2009	Metlife Inc	\$ 10,302.76	\$ 10,065.86	\$ 236.90	2.30%	\$ 103.03	\$ 133.87	
5/7/2009	Metlife Inc	5,975.62	5,817.09	158.53	2.65%	59.76	98.77	
5/7/2009	Eastman Chemical Co	3,901.35	3,793.65	107.70	2.76%	39.01	68.69	
5/21/2009	Metlife Inc	3,207.22	3,106.23	100.99	3.15%	32.07	68.92	
5/7/2009	WalMart Stores Inc	2,036.80	1,956.08	80.72	3.96%	20.37	60.35	
5/21/2009	Principal Financial Group Inc	1,963.20	1,882.99	80.21	4.09%	19.63	60.58	
5/21/2009	Prudential Financial Inc	1,268.48	1,204.16	64.32	5.07%	12.68	51.64	
5/21/2009	Lockheed Martin Corp	1,120.00	1,058.86	61.14	5.46%	11.20	49.94	
<b>Proceeds between \$250 and \$1,000</b>								
5/21/2009	Qwest Communications Intl Inc	834.40	803.87	30.53	3.66%	25.25	5.28	
5/7/2009	Unisource Energy Corp	823.67	793.14	30.53	3.71%	25.25	5.28	
5/28/2009	Tierone Corp	312.60	282.09	30.51	9.76%	25.25	5.26	
5/7/2009	Vodafone Group PLC	289.35	258.84	30.51	10.54%	25.25	5.26	
5/21/2009	AXA ADR Unlimited	250.35	230.09	20.26	8.09%	25.25	(4.99)	
<b>Proceeds between \$0 and \$250</b>								
5/7/2009	DirecTV Group Inc	235.90	215.64	20.26	8.59%	15.00	5.26	
5/28/2009	Amer Electric Power Co	227.61	177.58	50.03	21.98%	15.00	35.03	
5/7/2009	Level 3 Communications Inc	226.00	205.74	20.26	8.96%	15.00	5.26	
5/21/2009	Alcatel-Lucent Spon ADR	202.92	182.66	20.26	9.98%	15.00	5.26	
5/21/2009	Vodafone Group PLC	195.20	174.94	20.26	10.38%	15.00	5.26	
5/28/2009	Mesa Offshore Trust UBI	135.00	114.05	20.95	15.52%	15.00	5.95	
5/28/2009	Weyerhaeuser Co	64.96	44.70	20.26	31.19%	15.00	5.26	
5/7/2009	Emtec Inc	45.00	33.34	11.66	25.91%	15.00	(3.34)	
5/7/2009	Qwest Communications Intl Inc	33.60	13.34	20.26	60.30%	15.00	5.26	
5/28/2009	Donnelly (R.R.) & Sons Co	25.84	14.18	11.66	45.12%	15.00	(3.34)	
5/28/2009	Lenox Group Inc	0.90	0.80	0.10	11.11%	15.00	(14.90)	
				<b>\$ 1,248.81</b>			<b>\$ 589.00</b>	<b>\$ 659.81</b>

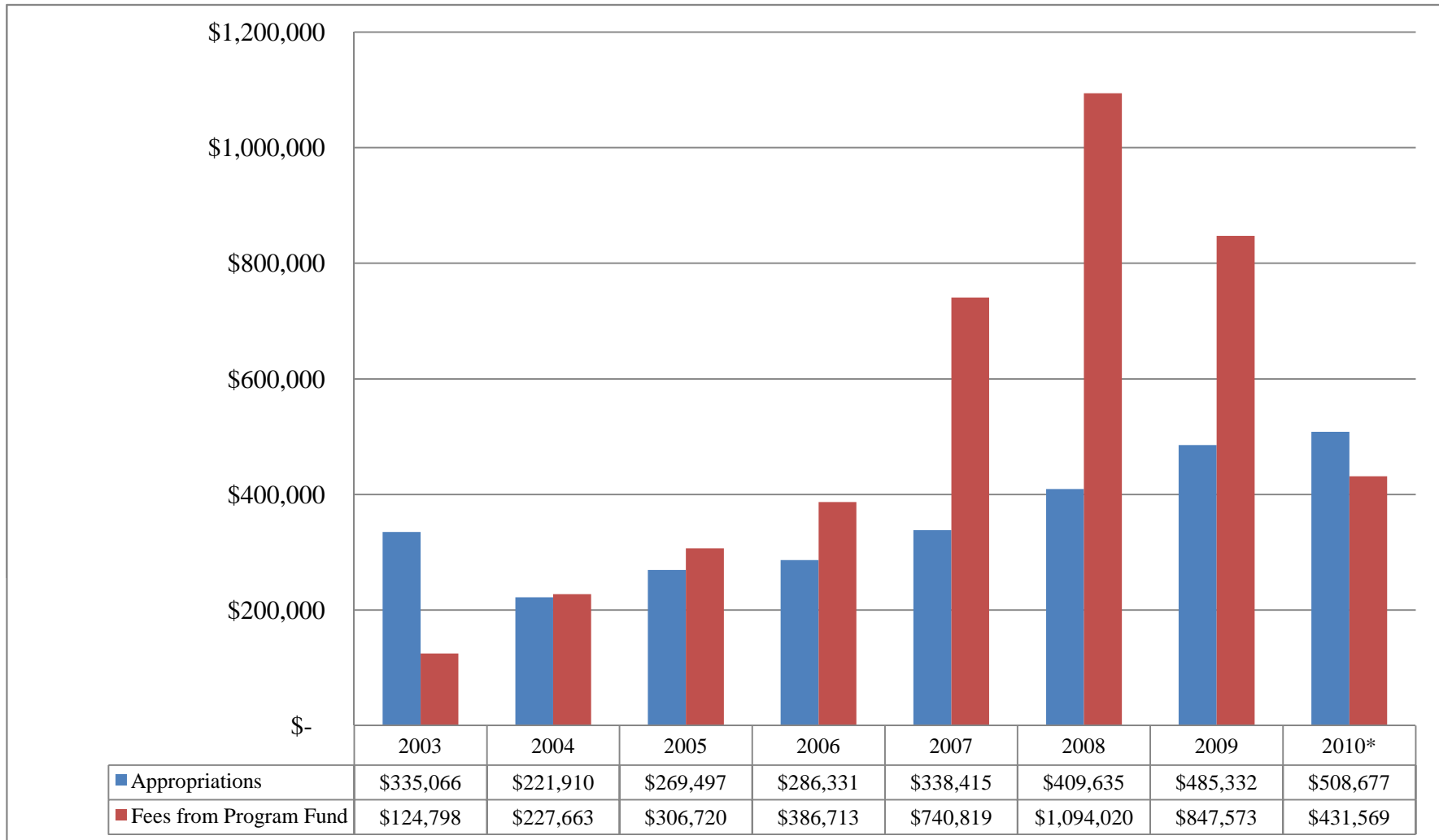
NEBRASKA STATE TREASURER  
**UBS STOCK SALE FEES**  
 Sales Occurring in May 2009 and February 2010

**Exhibit K**

<b>Sale Date on Report</b>	<b>Name of Stock</b>	<b>Proceeds</b>	<b>Amount UP Received</b>	<b>Actual Fee Assessed</b>	<b>% Fee</b>	<b>APA Calc Fee</b>	<b>Variance</b>	
<b>Proceeds Greater Than \$1,000</b>								
2/9/2010	Manulife Financial Corp	\$ 1,778.70	\$ 1,703.52	\$ 75.18	4.23%	\$ 17.79	\$ 57.39	
2/9/2010	Metlife Inc Unsolicited	2,528.64	2,441.77	86.87	3.44%	25.29	61.58	
2/9/2010	Monsanto Co New	3,329.48	3,227.24	102.24	3.07%	33.29	68.95	
2/9/2010	PepsiCo Inc	12,940.99	12,681.60	259.39	2.00%	129.41	129.98	
2/9/2010	Pfizer Inc	3,330.61	3,227.29	103.32	3.10%	33.31	70.01	
2/9/2010	Zimmer Holdings Co	1,117.20	1,056.13	61.07	5.47%	11.17	49.90	
2/19/2010	McDonald's Corp	7,404.51	7,234.28	170.23	2.30%	74.05	96.18	
2/19/2010	Metlife Inc Unsolicited	3,209.88	3,109.94	99.94	3.11%	32.10	67.84	
<b>Proceeds between \$250 and \$1,000</b>								
2/9/2010	Heinz H J Co	775.98	717.42	58.56	7.55%	25.25	33.31	
<b>Proceeds between \$0 and \$250</b>								
2/19/2010	Kellogg Co	157.38	115.21	42.17	26.80%	15.00	27.17	
				<b>\$ 1,058.97</b>			<b>\$ 396.66</b>	<b>\$ 662.31</b>

NEBRASKA STATE TREASURER  
**NEBRASKA EDUCATIONAL SAVINGS PLAN TRUST APPROPRIATIONS  
 VS. FEES FROM PROGRAM FUND**  
 Fiscal Years 2003 through 2010

Exhibit L



\* Fiscal year 2010 represents a partial year and includes only revenues for July 2009 through February 2010.