



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley  
State Auditor

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May 24, 2010

Mr. Stanley Carpenter, Chancellor  
Nebraska State College System  
Board of Trustees  
P.O. Box 94605  
Lincoln, NE 68509-4605

Dear Mr. Carpenter:

We have completed our review of the complex, highly unusual arrangement surrounding the **President's Discretionary Fund – Nebraska State College System at Peru State College (PSC)**. As disclosed in the February 11, 2010, management letter issued for the audit of the basic financial statements of the Nebraska State College System (NSCS) for the fiscal year ended June 30, 2009, the Auditor of Public Accounts (APA) continued to review this area in order to obtain additional information. More detailed information on this issue is provided hereafter.

**Following is the February 11, 2010, original management letter comment and agency response on this issue:**

**3. President's Discretionary Fund – Nebraska State College System**

Since the mid 1980s PSC has contracted with Peru State Advancement Inc. (PSAI), a private, non-profit corporation to provide a College bookstore on the PSC campus. PSAI uses its revenues almost exclusively to provide "discretionary" funds to the PSC President via checking accounts under the direct control of the PSC President.

As of the management letter issue date this complex, highly unusual arrangement continues to be reviewed by the Auditor of Public Accounts (APA) in order to fully determine operational and/or administrative deficiencies and assess fraud risk. Once the APA review of this issue has been completed a separate written communication will be provided to the State Colleges Board of Trustees which will include detailed information including specific APA recommendations.

*NSCS's Response: PSAI provided critical bookstore services for our students at a time when they were not otherwise available. Following a period of growth and stability at Peru State, the NSCS now believes that the services of PSAI are no longer required. Thus, negotiations are underway to have the bookstore contract directly with the College.*

*We anticipate the new arrangement will be approved by the Board of Trustees this spring. With the change, the College will have direct control of receipts and expenditures within the revenue bond program. Additionally, the new arrangement will assure adequate internal controls and administrative oversight by Peru. PSAI, Peru State, and the System Office are working together to ensure adequate controls and oversight until the above change is implemented.*

## **APA's SUMMARY OF INFORMATION ACCUMULATED DURING THE EXTENDED REVIEW.**

The Nebraska State Colleges' Revenue and Refunding Bond Funds were established to account for revenues and earnings derived from operations of all revenue facilities and special student fees pledged for the payment of principal and interest of the revenue bonds. Transparency of government requires a complete and accurate disclosure of all governmental activities, including, but not limited to, expenses and contractual arrangements.

In the APA's review of the Board of Trustees proceedings, the NSCS Revenue and Refunding Bond Funds audit report issued by other auditors, and the financial activities of PSC, the following was noted:

- Board of Trustees Policy 9020 states, in part, "...special procedures for providing and financing bookstore services may be considered on a case-by-case basis by the Board...."
- Since the mid-1980s, PSC has contracted with Peru State Advancement, Inc. (PSAI), a private, non-profit corporation, to provide a College bookstore on the PSC campus. See **Exhibit A** for Articles of Incorporation and the 2009 Nonprofit Corporation Biennial Report, as filed with the Nebraska Secretary of State.
- PSAI did not physically operate the PSC bookstore but instead subcontracted out bookstore operations to College Bookstores of America, currently operating as Nebraska Book Company, Inc./Validis Resources, in return for a commission from bookstore sales. From a review of Internal Revenue Service (IRS) Form 990 tax filings for PSAI, the APA determined commissions and publisher refunds from the PSC bookstore to be PSAI's sole revenue source with revenues of \$43,366 for 2005, \$64,615 for 2006, and \$47,219 for 2007. See **Exhibit B** for the pertinent pages of the IRS Form 990 tax filings.
- While PSC received a \$200/month space rental fee, it did not receive a commission from bookstore sales. Other State colleges, including both Chadron State College and Wayne State College, received a commission from bookstore sales - revenue which was receipted into those Colleges' respective revenue bond funds.
- PSAI used its revenues almost exclusively to provide "discretionary" funds to the PSC President via checking accounts under the direct control of the PSC President, as per the NSCS's response in the February 2010 management letter.
- The NSCS response was, as included in the February 2010 management letter, "Negotiations are underway to have the bookstore contract directly with the College." The APA will review the status of any such changes when conducting the audit of the basic financial statements of the NSCS for the fiscal year ended June 30, 2010.

The APA obtained, from a PSC representative, copies of the PSAI bank statements for the period July 1, 2007, through September 30, 2009, in order to review the bank activity. The following was noted:

- PSAI had three bank accounts during the period reviewed. All were under the direct control of the PSC President. Two were with the Farmers Bank of Cook and one was with the Auburn State Bank. The Farmers Bank of Cook accounts were identified as the PSAI President's Discretionary Account and the PSAI Primary Account.

- Bank of Peru is a branch of the Farmers Bank of Cook. The bank statements' heading indicated the Farmers Bank of Cook. For the purpose of this letter, the APA will refer to those accounts as belonging to the Farmers Bank of Cook.
- Auburn State Bank Account - Dr. Ben E. Johnson (Dr. Johnson) had transferred the majority of the Auburn State Bank Account money to the Peru State Foundation prior to his retirement as PSC President in 2008. Dr. Johnson had also directed that all future book sale commissions and revenues be deposited directly with the Peru State Foundation and no longer with PSAI. In March 2009 after Dr. Johnson had retired as PSC President, the NSCS Chancellor, while filling in as interim PSC President, discovered this situation and closed the Auburn State Bank Account. PSAI then directed all commissions to be deposited into the PSAI Primary Account at the Farmers Bank of Cook. PSAI subsequently recovered \$42,739.58 from the Peru State Foundation for book sale commissions, see **Exhibit E**. See **Exhibit C** for detailed bank activity of the Auburn State Bank Account from July 1, 2007, through March 31, 2009.
- Farmers Bank of Cook – The PSAI Primary Account was specifically set up to receive deposits of book sale commissions. Accounting and rent expenses were paid out of this account. In addition, transfers to the PSAI President's Discretionary Account occurred from this account. See **Exhibit E** for detailed bank activity of this account from July 1, 2007, through September 30, 2009.
- Farmers Bank of Cook - PSAI President's Discretionary Account was specifically set up to be used as "discretionary" funds by the PSC President for College-related purposes. See **Exhibit D** for detailed bank activity of this account from July 1, 2007, through September 30, 2009.
- Review of PSAI bank statements noted minimal use of the PSAI President's Discretionary Account during the fiscal year ended June 30, 2009, primarily due to the absence of a permanent PSC President during the majority of the fiscal year. The NSCS Chancellor controlled the PSAI accounts during the transition period between PSC Presidents. On April 29, 2009, \$999 for 20 rounds of golf at a local country club was expensed from this account and on June 4, 2009, \$6,685 was expensed from this account for new furniture for the PSC President's home, which is owned by the NSCS. See items on **Exhibit D**.
- Again, it is important to note that the PSAI President's Discretionary Account checkbook was under the direct control of the PSC President, with PSC also having directly received the monthly bank statements for the account. The APA had discussions with a PSAI official, who confirmed that, in recent years, virtually no detailed accountability and no supporting documentation had been provided for expenditures made by Dr. Johnson.
- The APA contacted the Certified Public Accountant (CPA) who worked for PSAI. The CPA indicated the only supporting documentation received for expenses were the bank statements for the accounts. The CPA indicated she supplied a PSAI General Ledger detail report to Dr. Johnson and he would hand write in the purpose of the expenditures so it could be provided to the PSAI Board. See **Exhibit G**.
- During review of the PSAI bank accounts, the APA found several large payments made to Dr. Johnson's personal American Express bankcard accounts. There was no documentation available to indicate that the underlying expenses were related to PSC functions and/or activities. As a result, they appear to have been entirely personal in nature. Handwritten notes on checks and reports were allegedly made by Dr. Johnson.

From July 2007 through June 2009, \$43,405 was paid from the PSAI President's Discretionary Account to Dr. Johnson's personal American Express accounts via 13 checks. See **Exhibits F and I**.

- In January 2010, the APA contacted PSC representatives to determine if they were aware of any functions, activities, trips, and/or expenses related to PSC, which had been identified by Dr. Johnson as PSC business expenses. The Vice President for Administration and Finance responded for PSC. He indicated that, after consulting with the academic Deans and Associate Deans at PSC, they were unable to find any record or recollection of functions, activities, or any events as described on the handwritten memos regarding the checks to American Express.
- As a result of the review of the bank accounts and communications with PSAI, PSAI's CPA, and PSC employees, the APA suspected fraud had occurred.

The Nebraska Accountability and Disclosure Commission disclosed they had settled Case 08-14 on May 8, 2009. This case involved Dr. Johnson's failure to disclose income on his statement of financial interest forms. As part of the settlement, he agreed to pay the civil penalty in the amount of \$1,200 for violating Neb. Rev. Stat § 49-1496 (Cum. Supp. 2008). See **Exhibit H**.

On January 14, 2010, the APA met with the Executive Director and Legal Counsel of the Nebraska Accountability and Disclosure Commission to discuss issues the APA had found regarding Dr. Johnson and use of funds from PSAI bank accounts under his direct control.

The income Dr. Johnson failed to disclose on his statement of financial interest forms, as noted above, was related to deferred compensation he was or would be receiving from the Peru State College Foundation (Foundation). On January 20, 2006, the Foundation entered into an agreement with Dr. Johnson as an inducement to render continued service in the future on behalf of PSC and the Foundation, and they agreed to contribute \$60,000 annually retroactive for PSC fiscal years ended June 30, 2004, through June 30, 2008, with annual funded increases. Per the spreadsheet attached to the agreement, payment details totaled \$455,572 over a five year period. These amounts were not reflected on Dr. Johnson's statement of financial interest forms.

The APA made numerous attempts to contact Dr. Johnson. On January 15, 2010, the APA was able to directly speak with Dr. Johnson, who had relocated to Ellenton, Florida in August 2008 following his retirement as PSC President. The APA informed Dr. Johnson that we were looking at the PSAI bank accounts' activity and had some questions related to the American Express payments. Dr. Johnson indicated he had a personal American Express Card, and it was used specifically for PSC-related expenses under the American Express Travel Plan. He stated that, upon his retirement, everything regarding PSAI bank accounts had been turned over to Todd Drew, Vice President of Academic Affairs. Dr. Johnson further stated the American Express account had been closed. The APA asked Dr. Johnson for the American Express account statements, he indicated that he no longer had any such statements or documentation. The APA asked for the American Express card numbers. Dr. Johnson indicated it had been too long ago, the account was closed, and he could not remember it.

The APA contacted Todd Drew, PSC Vice President of Academic Affairs on January 15, 2010. Mr. Drew indicated that Dr. Johnson had not turned any records regarding PSAI over to him. Further, Mr. Drew indicated he knew very little about the PSAI expenditures or accounts.

The APA met with members of the Attorney General's office on January 20, 2010, and discussed the information accumulated at that point and the potential of fraud. The APA asked for assistance in obtaining information from American Express directly via subpoena. The Attorney General's office issued an administrative subpoena to American Express on February 3, 2010.

The Attorney General's office provided copies of the American Express information to the APA for review on February 18, 2010. Dr. Johnson had three American Express accounts. The APA summarized all three of the American Express accounts' activity provided for the period July 1, 2007, through January 25, 2010. Review of the American Express activity revealed total payments of \$67,243.85 made to American Express, \$43,405.00 of which was from PSAI bank accounts. These agree to the copies of the PSAI checks provided in **Exhibit I**. American Express charges totaled \$50,416.77. The charges for this period did not appear to be related to PSC activities and/or functions and, as a result, appeared to be personal in nature. Charges for Travel-Airline Tickets were personal expenses of Dr. Johnson. In May 2008, a refund of \$1,810.33 was paid directly to Dr. Johnson, see identified in yellow below. This refund appears to have been the result of overpayments made on American Express card #2 from PSAI bank accounts. Further, it was noted there was activity on an American Express account through January 2010. It appears Dr. Johnson paid off the accounts during the timeframe the APA was trying to contact him about them, despite the fact that he had claimed the accounts were already closed. Below is a summary of the information accumulated from the American Express accounts identifying the number of transactions and dollar totals by category as identified by the APA:

# of Transactions	Beginning Balance	Charges	Payments	Ending Balance	Description
3	\$ 15,252.80				July 1, 2007 for all three American Express Accounts
18		\$ 2,500.60			Clothing
40		\$ 1,274.39			Computer Services
22		\$ 1,636.70			Discount Stores
20		\$ 3,999.15			Electronics Store
136		\$ 8,394.72			Food/Meals
70		\$ 6,095.50			Gas/Auto Expenses
6		\$ 916.03			Gifts
18		\$ 5,810.73			Home Supplies
31		\$ 2,519.04			Miscellaneous Personal
1		\$ 1,810.33			Refund to Card Holder
14		\$ 1,469.41			Storage Unit Rent
73		\$ 13,990.17			Travel-Airline/Motel/Cruise
61		\$ 1,435.87			Finance Charges
1		\$ 138.41			Final Payment Charges 1/25/10
13			\$ (43,405.00)		Payments made from PSAI Bank Accounts. <b>Exhibits F and I</b>
71			\$ (23,838.85)		Payments from Ben Johnson or Personal Resources
<b>Totals</b>	\$ 15,252.80	\$ 51,991.05	\$ (67,243.85)	\$ -	



Based on the information accumulated, the APA summarized Dr. Johnson's academic and personal history in an effort to obtain an understanding of his personal and professional activities over the years. See **Exhibit J**. The APA attempted to verify some of the information and found that dates noted on the resume were not always consistent with the verified documentation. See **Exhibit L** for Dr. Johnson's resume. It should also be noted that Dr. Johnson had been found guilty of a felony in California for making an untrue statement and/or omission to state material facts to investors. In that case, he was ordered to serve 365 days, with a credit for one day, pay a fine of \$10,000, and 60 months probation. He was actually only in jail for the period of May 18, 1990, through January 9, 1991. This was confirmed by the Santa Barbara County Sheriff's office. See **Exhibit K**.

The cover letter submitted by Dr. Johnson to PSC, dated January 28, 1999, was on Thomas College letterhead. However, Dr. Johnson's official termination date from Thomas College, as confirmed by the APA with Thomas University Human Resources, was two months prior, on November 30, 1998. See letter on **Exhibit L**. In March 1999, Dr. Johnson filed Civil Action No. 99-CV-0089 against Thomas College for breach of contract. Dr. Johnson indicated he was wrongfully fired in November after objecting to improper handling of business affairs. Thomas College responded to the allegations indicating several reasons, one being that Dr. Johnson misrepresented his qualifications in applying for the position for which he was hired and fraudulently induced the defendant college to employ him. Civil Action No. 99-CV-0089 filed with Superior Court for the County of Thomas, State of Georgia was dismissed October 15, 1999. See **Exhibit J**.

Dr. Johnson was employed as the PSC President, starting June 15, 1999, with an annual salary of \$115,000 plus a \$7,000 annual housing allowance and the use of the President's house owned by PSC at 604 Hoyt Street. Effective July 1, 2007, through June 30, 2008, Dr. Johnson's annual salary was \$155,328 plus a \$7,000 annual housing allowance and the use of the President's house owned by PSC at 604 Hoyt Street. He resigned as PSC President effective August 15, 2008; however, he actually continued employment with PSC, as an instructor, through June 30, 2009, while physically residing in the state of Florida the entire time. He received gross pay from PSC in the amount of \$66,923.00 for the extended employment as an instructor. See **Exhibit J – Note 2**.

We recommend NSCS and PSC review all the information provided with this letter and take the appropriate action to ensure adequate internal controls are established over all accounts entrusted to PSC and its employees in order to prevent situations like this from occurring again. As such, no one individual should have full control over any PSC entrusted bank account. All financial activities of PSC should be adequately monitored and reviewed by someone other than the controlling authorized signors.

Based upon suspicions of fraudulent activity surrounding the \$43,405 payment to American Express, all of this information has been referred to the Attorney General's office. This letter is intended solely for the information and use of the Citizens of the State of Nebraska, management of PSC, others within the NSCS, and the appropriate Federal and regulatory agencies. Although it should not be used by anyone other than these specified parties, this letter is a matter of public record, and its distribution is not limited.

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

Sincerely,

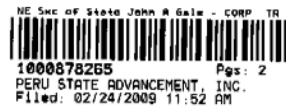
Signed Original on File

Mike Foley  
State Auditor

Mary Avery  
Special Audits and Finance Manager

cc: Attorney General

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE



NONPROFIT CORPORATION BIENNIAL REPORT  
STATE OF NEBRASKA, SECRETARY OF STATE

Report shall show exact corporate name, registered agent, location of registered office, officers and directors with street address of each.

FOR CALENDAR YEAR COMMENCING  
JANUARY 1,  
2009  
DUE APRIL 1, 2009

PERU STATE ADVANCEMENT, INC.

6795889

RICHARD L. HALBERT  
111 EAST 17TH STREET  
FALLS CITY NE 68355

1. EXACT CORPORATE NAME (as stated in articles of incorporation or most recent amendment)  
PERU STATE ADVANCEMENT, INC.

2. OFFICERS (complete name and address is required for each officer and director)  
Names of all officers and directors should be those persons holding the office on the date the report is completed.

Name	Street Address	City	State	Zip
President: JOHN CHANEY	1101 17TH STREET	AUBURN	NE	68305

Secretary: STEPHEN KOTTICH	2519 ABBOTT STREET	FALLS CITY	NE	68355
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Treasurer: STEPHEN KOTTICH	2519 ABBOTT STREET	FALLS CITY	NE	68355
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3. Principal Office of Corporation: 800 HOYT ST PERU NE 68421

4. Registered Office: 111 EAST 17TH STREET FALLS CITY NE 68355

5. Registered Agent: RICHARD L. HALBERT

6. Nature of Business: TO AID ASSIST AND PROMOTE THE EDUCATIONAL PROGRAM FACULTY EMPLOYEES AND STUDENT

7. State or Country under whose laws the corporation is formed: NE

8. The corporation (Check one): \_\_\_\_\_ has members  does NOT have members

9. The corporation is a: (see back for definitions)  
 Public Benefit Corporation  Mutual Benefit Corporation  Religious Corporation

10. If the pre-printed information above is correct for this year's report please check here \_\_\_\_\_

\$20.00 Fee

SIGN HERE   
Signature of Officer

JOHN CHANEY  
Printed Name of Officer

DATE 2/13/09



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

NONPROFIT CORPORATION BIENNIAL REPORT Corporation#: 6795889  
STATE OF NEBRASKA, SECRETARY OF STATE

11. DIRECTORS

JOHN CHANEY	1101 17TH STREET	AUBURN NE 68305
STEPHEN KOTTICH	2519 ABBOTT STREET	FALLS CITY NE 68355
C S VANDERVEEN	750 N 60 RD	NEBRASKA CITY NE 68410

12. If the pre-printed director information above is correct for this year's report please check here   X  

**Public Benefit, Mutual Benefit and Religious Corporation designation:**

- Religious corporation: any corporation organized primarily or exclusively for religious purposes.
- Public benefit corporation: any corporation recognized as exempt under section 501(c)(3) of the Internal Revenue Code or any corporation organized for a public or charitable purpose, and upon dissolution must distribute its assets to a public benefit corporation, the United States, a state, or a person recognized as exempt under section 501(c)(3) of the Internal Revenue Code.
- Mutual benefit corporation: any corporation that does not come within the previous definitions

SECRETARY OF STATE 1301 State Capitol P.O. Box 94608 Lincoln, NE 68509-4608

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

L. . . .  
Articles of Incorporation  
of  
Peru State Advancement, Inc.  
Falls City

Perpetual

Filing 10.00  
Recording 9.00  
Cert. 10.00

RA  
Richard L. Halbert  
111 East 17th Street  
Falls City, NE 68355-0447

6795889

INDEXED *sc*  
MICROFILMED  
RECORDED

RECEIPT C- 80005  
OFFICE OF SECRETARY OF STATE }  
STATE OF NEBRASKA } s s  
FILED AND RECORDED  
MAR 2 1963  
S/N ALLEN J. REERMANN  
SECRETARY OF STATE  
FILM ROLL 83-2 PAGE 844

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

ARTICLES OF INCORPORATION  
OF  
PERU STATE ADVANCEMENT, INC.

The undersigned, acting as incorporators of a corporation under that Nebraska Non-Profit Corporation Act, adopt the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is Peru State Advancement, Inc.

SECOND: The period of duration is perpetual.

THIRD: The purposes for which the corporation is organized are:

(1) To aid, assist and promote the educational program, faculty, employees and students of Peru State College, Peru, Nebraska, and to encourage the attendance at Peru State College.

(2) To operate as a charitable and educational non-profit corporation for the promotion and support of Peru State College, Peru, Nebraska.

(3) To provide for erecting, owning, leasing, furnishing and managing any building, hall, dormitory or apartment, lands or grounds for the use or benefit in whole or in part of Peru State College, Peru, Nebraska, and for the purpose of holding property of any nature in trust for such institution; and for the purpose of assisting such institution, its faculty and students in obtaining grants from the federal government, the performance of any requirements necessary to obtain a federal grant or carrying out the purposes for which a federal grant is obtained.

CORP3:B1

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

(4) To do any and all acts allowable and have all lawful purposes for a non-profit corporation by Nebraska law including, but not limited to, the operation of a campus book store; soliciting and accepting gifts, grants, devises and bequests of real and personal property; to hold, administer, use and dispose of the same, both principal and income.

FOURTH: Provisions for the regulation of the internal affairs of the corporation, including provisions for the distribution of assets on dissolution or final liquidation, are: none.

FIFTH: The address of the initial registered office of the corporation is 111 East 17th Street, Falls City, Nebraska 68355-0447, and the name of its initial registered agent at such address is Richard L. Halbert.

SIXTH: The number of directors constituting the initial Board of Directors of the corporation is three, and the names and addresses of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
<u>Dr. Alfred O. Gigstad</u>	<u>141 N. Park Lane, Nebraska City, NE 68410</u>
<u>Richard L. Halbert</u>	<u>111 E. 17th St., Falls City, NE 68355</u>
<u>John C. Chatelain</u>	<u>910-13th St., Auburn, NE 68305</u>

SEVENTH: The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
<u>Dr. Alfred O. Gigstad</u>	<u>141 N. Park Lane, Nebraska City, NE 68410</u>
<u>Richard L. Halbert</u>	<u>111 E. 17th St., Falls City, NE 68355</u>
<u>John C. Chatelain</u>	<u>910-13th St., Auburn, NE 68305</u>

CORP3:B2

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

Dated: March 4, 1983.

- Alfred L. Sigetko  
Incorporator

J. W. Cheloni  
Incorporator

Richard G. Halbert  
Incorporator

CORP3:B3

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

ARTICLES OF AMENDMENT  
TO ARTICLES OF INCORPORATION OF  
PERU STATE ADVANCEMENT, INC.

OCT 19 1983  
RECORDED  
STATE OF NEBRASKA } SS  
SECRETARY'S OFFICE }  
Filed and recorded on film roll  
53-42 page 10754  
Allen J. Beermeier  
Secretary of State  
By *am*

Pursuant to the provisions of Section 21-1932 through 21-1936 of the Nebraska Nonprofit Corporation Act, R.R.S. Nebraska, 1943, as amended, we, the undersigned President and Secretary respectively of PERU STATE ADVANCEMENT, INC. do hereby certify that on the 1st day of October, 1983, all of the members and directors of PERU STATE ADVANCEMENT, INC. consented in writing to the amendment of the Articles of Incorporation of said corporation by amending Article Third and adding of Articles Eighth through Eleventh as follows:

"THIRD: The purposes for which the corporation is organized are:

(1) To aid, assist and promote the educational program, faculty, employees and students of Peru State College, Peru, Nebraska, and to encourage the attendance at Peru State College.

(2) To operate as a charitable and educational non-profit corporation for the promotion and support of Peru State College, Peru, Nebraska.

(3) To provide for erecting, owning, leasing, furnishing and managing any building, hall, dormitory or apartment, lands or grounds for the use or benefit in whole or in part of Peru State College, Peru, Nebraska, and for the purpose of holding property of any nature in trust for such institution; and for the purpose of assisting such institution, its faculty and students in

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
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Exhibit A

obtaining grants from the federal government, the performance of any requirements necessary to obtain a federal grant or carrying out the purposes for which a federal grant is obtained.

(4) To do any and all acts allowable and have all lawful purposes for a non-profit corporation by Nebraska law including, but not limited to, the operation of a campus book store; soliciting and accepting gifts, grants, devises and bequests of real and personal property; to hold, administer, use and dispose of the same, both principal and income.

(5) The purposes of the corporation are limited exclusively to charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of the United States of America.

EIGHTH: INUREMENT OF INCOME. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered.

NINETH: LEGISLATIVE OR POLITICAL ACTIVITIES. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

TENTH: OPERATIONAL LIMITATIONS: Notwithstanding any other provisions of these articles, the corporation shall not

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
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Exhibit A

carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions, to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ELEVENTH: DISSOLUTION CLAUSE. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the County Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes."

We further certify that said members and directors also understood and agreed that the above and foregoing amendments be

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
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Exhibit A

adopted without further notice or ratification at a special or annual meeting of the members and directors of the corporation.

That said amendments do not call for the exchange, reclassification or cancellation of any issued shares of stock.

Dated this 1st day of October, 1983.

*Alfred O. Gigstad*  
x Dr. Alfred O. Gigstad, President  
PERU STATE ADVANCEMENT, INC.

Attest:

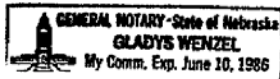
*J. Wenzel*  
\_\_\_\_\_  
Secretary

(Corporate Seal)

STATE OF NEBRASKA            )  
  ) ss  
COUNTY OF Otoe            )

On this 11<sup>th</sup> day of October, 1983, before me the undersigned, a notary public in and for said county, personally came Dr. Alfred O. Gigstad, President of Peru State Advancement, Inc. to me personally known to be the President and the identical person whose name is affixed to the above and foregoing Articles of Amendment, acknowledged the execution thereof to be his voluntary act and deed as such officers and the voluntary act and deed of said corporation and that his signature was affixed thereto by its authority.

Witness my hand and notarial seal at Nebraska City,  
Otoe County, Nebraska, the day and year last  
above written.



*Gladys Wenzel*  
\_\_\_\_\_  
Notary Public

CORP3:B23

1084

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERU STATE ADVANCEMENT, INC. INFORMATION FILED  
WITH THE NEBRASKA SECRETARY OF STATE

Exhibit A

STATE OF NEBRASKA )  
COUNTY OF Nebraska ) ss

On this 13<sup>th</sup> day of October, 1983, before me the undersigned, a notary public in and for said county, personally came John C. Chatelain, Secretary of Peru State Advancement, Inc., to me personally known to be the Secretary and identical person whose name is affixed to the above and foregoing Articles of Amendment, acknowledged the execution thereof to be his voluntary act and deed as such officer and the voluntary act and deed of said corporation and that his signature is affixed thereto by its authority.

Witness my hand and notarial seal at Auburn,  
Nebraska County, Nebraska, the day and year last  
above written.



Beth L. Jantzen  
Notary Public

CORP3:B24

1085

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERTINENT PAGES FROM PSAI'S IRS FORM 990  
FILINGS FOR 2005, 2006, AND 2007

Exhibit B

Form <b>990</b>  Department of the Treasury Internal Revenue Service	<b>Return of Organization Exempt From Income Tax</b> Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047  <b>2007</b>  Open to Public Inspection
---	--	--

**A** For the 2007 calendar year, or tax year beginning Jul 1, 2007, and ending Jun 30, 2008

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization PERU STATE ADVANCEMENT INC Number and street (or P.O. box if mail is not delivered to street addr) Room/suite PO BOX 10 City, town or country State ZIP code + 4 PERU NE 68421	<b>D</b> Employer identification number 36-3237475  <b>E</b> Telephone number (402) 274-5106  <b>F</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)
--	---	--

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**H** and **I** are not applicable to section 527 organizations

**H (a)** Is this a group return for affiliates?  Yes  No

**H (b)** If 'Yes,' enter number of affiliates  Yes  No

**H (c)** Are all affiliates included?  Yes  No  
(If 'No,' attach a list. See instructions.)

**H (d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Group Exemption Number

**G** Web site: N/A

**J** Organization type (check only one):  501(c) 3 (insert no.)  4947(a)(1) or  527

**K** Check here  if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 47,219.

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See the instructions.)

<b>1</b>	Contributions, gifts, grants, and similar amounts received		
	<b>a</b> Contributions to donor advised funds	1a	
	<b>b</b> Direct public support (not included on line 1a)	1b	
	<b>c</b> Indirect public support (not included on line 1a)	1c	
	<b>d</b> Government contributions (grants) (not included on line 1a)	1d	
	<b>e</b> Total (add lines 1a through 1d) (cash \$ _____ noncash \$ _____)		1e
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)		2
<b>3</b>	Membership dues and assessments		3
<b>4</b>	Interest on savings and temporary cash investments		4
<b>5</b>	Dividends and interest from securities		5
<b>6a</b>	Gross rents	6a	
	<b>b</b> Less rental expenses	6b	
	<b>c</b> Net rental income or (loss). Subtract line 6b from line 6a		6c
<b>7</b>	Other investment income (describe _____)		7
<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
	<b>b</b> Less cost on other basis and sales expenses	8a	8b
	<b>c</b> Gain or (loss) (attach schedule)	8c	
	<b>d</b> Net gain or (loss). Combine line 8c, columns (A) and (B)		8d
<b>9</b>	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
	<b>a</b> Gross revenue (net including _____ of contributions reported on line 1d)	9a	
	<b>b</b> Less direct expenses other than fundraising expenses	9b	
	<b>c</b> Net income or (loss) from special events. Subtract line 9b from line 9a		9c
<b>10a</b>	Gross sales of inventory, less returns and allowances	10a	
	<b>b</b> Less cost of goods sold	10b	
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a		10c
<b>11</b>	Other revenue (from Part VII, line 103)		11 47,219.
<b>12</b>	<b>Total revenue.</b> Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11		12 47,219.
<b>13</b>	Program services (from line 44, column (B))		13 67,557.
<b>14</b>	Management and general (from line 44, column (C))		14 1,086.
<b>15</b>	Fundraising (from line 44, column (D))		15 0.
<b>16</b>	Payments to affiliates (attach schedule)		16
<b>17</b>	<b>Total expenses.</b> Add lines 16 and 44, column (A)		17 68,643.
<b>18</b>	Excess or (deficit) for the year. Subtract line 17 from line 12		18 -21,424.
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))		19 30,232.
<b>20</b>	Other changes in net assets or fund balances (attach explanation)		20
<b>21</b>	Net assets or fund balances at end of year. Combine lines 18, 19, and 20		21 8,808.

SCANNED MAR 17 2009



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PERTINENT PAGES FROM PSAI'S IRS FORM 990**  
**FILINGS FOR 2005, 2006, AND 2007**

**Exhibit B**

Form 990 (2007) PERU STATE ADVANCEMENT INC 36-3237475 Page 8

**Part VI Other Information** (continued) Yes No

\*c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c  Yes  No

If 'Yes,' enter the name of the foreign country \_\_\_\_\_

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here  and enter the amount of tax-exempt interest received or accrued during the tax year 92

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b <b>BOOKSTORE COMMISSIONS</b>					47,219.
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					47,219.
105 Total (add line 104, columns (B), (D), and (E))					47,219.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
103b	SUPPORT FOR PERU STATE COLLEGE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.) N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERTINENT PAGES FROM PSAI'S IRS FORM 990  
FILINGS FOR 2005, 2006, AND 2007

Exhibit B

Form **990** Return of Organization Exempt From Income Tax OMB No. 1545-0047

**2006**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

**A** For the 2006 calendar year, or tax year beginning Jul 1, 2005, and ending Jun 30, 2007

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return  
 Amended return  
 Application pending

**C** Name of organization: PERU STATE ADVANCEMENT INC  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite: \_\_\_\_\_  
PO BOX 10  
 City, town or country: \_\_\_\_\_ State: \_\_\_\_\_ ZIP code + 4: \_\_\_\_\_  
PERU NE 68421

**D** Employer identification number: 36-3237475

**E** Telephone number: (402) 274-5106

**F** Accounting method:  Cash  Accrual  
 Other (specify): \_\_\_\_\_

**H** and **I** are not applicable to section 527 organizations

**H (a)** Is this a group return for affiliates?  Yes  No  
**H (b)** If 'Yes,' enter number of affiliates: \_\_\_\_\_  
**H (c)** Are all affiliates included?  Yes  No  
 (If 'No,' attach a list. See instructions.)  
**H (d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Group Exemption Number: \_\_\_\_\_

**M** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**J** Organization type (check only one):  501(c) 3 (insert no.)  4947(a)(1) or  527

**K** Check here  if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 64,615.

**C** Web site: N/A

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

<b>1</b> Contributions, gifts, grants, and similar amounts received:			
a Contributions to donor advised funds	<b>1 a</b>		
b Direct public support (not included on line 1a)	<b>1 b</b>		
c Indirect public support (not included on line 1a)	<b>1 c</b>		
d Government contributions (grants) (not included on line 1a)	<b>1 d</b>		
e Total (add lines 1a through 1d) (cash \$ _____ noncash \$ _____)		<b>1 e</b>	
<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)		<b>2</b>	
<b>3</b> Membership dues and assessments		<b>3</b>	
<b>4</b> Interest on savings and temporary cash investments		<b>4</b>	
<b>5</b> Dividends and interest from securities		<b>5</b>	
<b>6 a</b> Gross rents	<b>6 a</b>		
b Less: rental expenses	<b>6 b</b>		
c Net rental income or (loss) Subtract line 6b from line 6a		<b>6 c</b>	
<b>7</b> Other investment income (describe _____)		<b>7</b>	
<b>8 a</b> Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
b Less: cost or other basis and sales expenses	<b>8 a</b>	<b>8 b</b>	
c Gain or (loss) (attach schedule)	<b>8 c</b>		
d Net gain or (loss) Combine line 8c, columns (A) and (B)		<b>8 d</b>	
<b>9</b> Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
a Gross revenue (not including \$ _____ of contributions reported on line 1b)	<b>9 a</b>		
b Less: direct expenses other than fundraising expenses	<b>9 b</b>		
c Net income or (loss) from special events Subtract line 9b from line 9a		<b>9 c</b>	
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10 a</b>		
b Less: cost of goods sold	<b>10 b</b>		
c Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a		<b>10 c</b>	
<b>11</b> Other revenue (from Part VII, line 103)		<b>11</b>	64,615.
<b>12</b> Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11		<b>12</b>	64,615.
<b>13</b> Program services (from line 44, column (B))		<b>13</b>	43,977.
<b>14</b> Management and general (from line 44, column (C))		<b>14</b>	1,040.
<b>15</b> Fundraising (from line 44, column (D))		<b>15</b>	0.
<b>16</b> Payments to affiliates (attach schedule)		<b>16</b>	
<b>17</b> Total expenses. Add lines 16 and 44, column (A)		<b>17</b>	45,017.
<b>18</b> Excess or (deficit) for the year. Subtract line 17 from line 12		<b>18</b>	19,598.
<b>19</b> Net assets or fund balances at beginning of year (from line 21, column (A))		<b>19</b>	10,634.
<b>20</b> Other changes in net assets or fund balances (attach explanation)		<b>20</b>	
<b>21</b> Net assets or fund balances at end of year. Combine lines 18, 19, and 20		<b>21</b>	30,232.

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NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PERTINENT PAGES FROM PSAI'S IRS FORM 990**  
**FILINGS FOR 2005, 2006, AND 2007**

**Exhibit B**

Form 990 (2006) PERU STATE ADVANCEMENT INC 36-3237475 Page 8

**Part VI Other Information (continued)**

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91 c  Yes  No

If 'Yes,' enter the name of the foreign country \_\_\_\_\_

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here  and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92

**Part VII Analysis of Income-Producing Activities (See the instructions.)**

*Note: Enter gross amounts unless otherwise indicated*

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b <b>BOOKSTORE COMMISSIONS</b>					46,335.
c <b>PUBLISHER REFUND</b>					18,280.
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					64,615.
105 Total (add line 104, columns (B), (D), and (E))					64,615.

*Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I*

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
103A	SUPPORT FOR PERU STATE COLLEGE
103B	SUPPORT FOR PERU STATE COLLEGE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)** N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

*Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)*

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERTINENT PAGES FROM PSAI'S IRS FORM 990  
FILINGS FOR 2005, 2006, AND 2007

Exhibit B

Form **990** **Return of Organization Exempt From Income Tax** OMB No 1545-0047  
**2005**  
Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service ▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A For the 2005 calendar year, or tax year beginning** Jul 1, 2005, **and ending** Jun 30, 2006

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return  
 Amended return  
 Application pending

**C** Name of organization: **PERU STATE ADVANCEMENT INC**  
 Number and street (or P.O. box if mail is not delivered to street add): Room/suite  
**PO BOX 10**  
 City, town or country: State ZIP code + 4  
**PERU NE 68421**

**D** Employer Identification Number: **36-3237475**

**E** Telephone number: **(402) 274-5106**

**F** Accounting method:  Cash  Accrual  
 Other (specify):

**H (a)** Is this a group return for affiliates?  Yes  No  
**H (b)** If 'Yes,' enter number of affiliates:  Yes  No  
**H (c)** Are all affiliates included? (If 'No,' attach a list. See instructions.)  Yes  No  
**H (d)** Is this a separate return filed by an organization covered by a group filing?  Yes  No

**I** Group Exemption Number:

**M** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

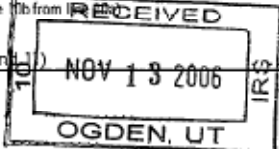
**J** Organization type (check only one):  501(c) 3 (insert no.)  4947(a)(1) or  527

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **43,366.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)			
1	Contributions, gifts, grants, and similar amounts received:		
	a Direct public support	1 a	
	b Indirect public support	1 b	
	c Government contributions (grants)	1 c	
	d Total (add lines 1a, 1b, and 1c) (cash \$ _____ noncash \$ _____)	1 d	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	
5	Dividends and interest from securities	5	
6a	Gross rents	6 a	
	b Less: rental expenses	6 b	
	c Net rental income or (loss) (subtract line 6b from line 6a)	6 c	
7	Other investment income (describe _____)	7	
8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
	b Less: cost or other basis and sales expenses	8 a	
	c Gain or (loss) (attach schedule)	8 b	
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8 c	
8d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8 d	
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9 a	
	b Less: direct expenses other than fundraising expenses	9 b	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9 c	
10a	Gross sales of inventory, less returns and allowances	10 a	
	b Less: cost of goods sold	10 b	
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10 c	
11	Other revenue (from Part VII, line 103)	11	43,366.
12	<b>Total revenue</b> (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	43,366.
13	Program services (from line 44, column (B))	13	55,361.
14	Management and general (from line 44, column (C))	14	1,055.
15	Fundraising (from line 44, column (D))	15	0.
16	Payments to affiliates (attach schedule)	16	
17	<b>Total expenses</b> (add lines 16 and 44, column (A))	17	56,416.
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-13,050.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	23,684.
20	Other changes in net assets or fund balances (attach explanation)	20	
21	<b>Net assets or fund balances at end of year</b> (combine lines 18, 19, and 20)	21	10,634.

SCANNED DEC 01 2006



20P

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
PERTINENT PAGES FROM PSAI'S IRS FORM 990  
FILINGS FOR 2005, 2006, AND 2007

Exhibit B

Form 990 (2005) PERU STATE ADVANCEMENT INC 36-3237475 Page 8

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings & temporary cash investments					
<b>96</b> Dividends & interest from securities					
<b>97</b> Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
<b>98</b> Net rental income or (loss) from pers prop					
<b>99</b> Other investment income					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue: a _____					
b <b>BOOKSTORE COMMISSIONS</b>					43,366.
c _____					
d _____					
e _____					
<b>104</b> Subtotal (add columns (B), (D), and (E))					43,366.
<b>105</b> Total (add line 104, columns (B), (D), and (E))					43,366.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
103a	SUPPORT FOR PERU STATE COLLEGE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.) N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: *[Handwritten Signature]* Date: 11/10/06

Type or print name and title: JOHN C. CHANEY, CHAIRMAN

**Paid Preparer's Use Only**

Preparer's signature: *[Handwritten Signature]* Date: 11/10/06

Firm's name (or yours if self-employed), address, and ZIP + 4: EGGY KUSER, CPA, P.O. BOX 423, AUBURN, NE 68305

Check if self-employed:  Preparer's SSN or PTIN (See General instructions): 00134178

EIN: Phone no: 4022745106



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PSAI'S AUBURN STATE BANK ACCOUNT ACTIVITY**  
July 2007 through March 2009

Exhibit C

Date	Deposits		Checks				Balance	Expense Categories as summarized by APA			
	Amount	Source	Amount	#	Payee	Memo		Wildoats/ Costplus	Transfer to Another Bank Acct	American Express	Other
7/1/2007							\$ 3,565.41				
7/17/2007			\$ 96.92		Wildoats, Omaha	Electronic Transfer	\$ 3,468.49	\$ 96.92			
7/17/2007			\$ 695.40		Costplus, Omaha	Electronic Transfer	\$ 2,773.09	\$ 695.40			
8/17/2007			\$ 44.12		Wildoats, Omaha	Electronic Transfer	\$ 2,728.97	\$ 44.12			
8/17/2007			\$ 600.52		Costplus, Omaha	Electronic Transfer	\$ 2,128.45	\$ 600.52			
9/20/2007							\$ 2,128.45				
10/15/2007			\$ 200.00	508	Bank of Peru	Deposit to Farmers Bank- President's Account	\$ 1,928.45		\$ 200.00		
10/18/2007			\$ 120.40	509	Southeast Design		\$ 1,808.05				\$ 120.40
10/18/2007	\$ 3,000.00	Transfer from Farmers Bank- President's Account					\$ 4,808.05				
10/19/2007			\$ 44.49		Wildoats, Omaha	Electronic Transfer	\$ 4,763.56	\$ 44.49			
10/19/2007			\$ 575.05		Costplus, Omaha	Electronic Transfer	\$ 4,188.51	\$ 575.05			
11/27/2007			\$ 733.35		Costplus, Omaha	Electronic Transfer	\$ 3,455.16	\$ 733.35			
12/17/2007			\$ 589.40	510	Deckers	Xmas Hams	\$ 2,865.76				\$ 589.40
1/25/2008			\$ 759.44		Costplus, Omaha	Electronic Transfer	\$ 2,106.32	\$ 759.44			
2/29/2008							\$ 2,106.32				
3/18/2008			\$ 5.00	n/a	VISA Debit Card Renewal		\$ 2,101.32				\$ 5.00
4/30/2008							\$ 2,101.32				
5/16/2008			\$ 1,980.00	511	American Express	Student Conf in St. Louis	\$ 121.32		\$ 1,980.00		
6/30/2008							\$ 121.32				
7/31/2008							\$ 121.32				
8/31/2008							\$ 121.32				
9/30/2008							\$ 121.32				
10/31/2008							\$ 121.32				
11/30/2008							\$ 121.32				
12/31/2008							\$ 121.32				
1/31/2009							\$ 121.32				
2/28/2009							\$ 121.32				
3/31/2009			\$ 121.32	n/a	Account closed	Slip says to 147	\$ (0.00)				\$ 121.32
<b>Totals</b>	<b>\$ 3,000.00</b>		<b>\$ 6,565.41</b>				<b>\$ -</b>	<b>\$ 3,549.29</b>	<b>\$ 200.00</b>	<b>\$ 1,980.00</b>	<b>\$ 836.12</b>

Transferred to another Bank Account

← **\$ 6,565.41** →  
Total Expenses

Note 1

APA prepared and summarized information from Bank Statements to the best of their ability to read them.

**Note 1: See Exhibits F and I.**

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PSAI PRESIDENT'S DISCRETIONARY ACCOUNT ACTIVITY - FARMERS BANK OF COOK**  
July 2007 through September 2009

Date	Deposits		Checks				Balance	Expense Categories as summarized by APA							
	Amount	Source	Amount	#	Payee	Memo		Flowers	Athletics / Band	Transfer to Another Bank Account	Tuition Scholarships	Alumni Gifts	American Express Payments	Furniture	Hotel / Restaurant / Entertainment
6/29/2007							\$ 19,015.30								
7/9/2007			\$ 150.00	1849	New Star Discovery	PSC Advert.	\$ 18,865.30								\$ 150.00
7/20/2007			\$ 48.68	1857	Bobcat Bookstore	Alumni Gift	\$ 18,816.62				\$ 48.68				
7/23/2007			\$ 52.50	1855	Flowers Plus	Funeral Flowers	\$ 18,764.12	\$ 52.50							
7/27/2007			\$ 46.01	1856	The Window Box	Funeral Flowers	\$ 18,718.11	\$ 46.01							
8/6/2007			\$ 11,970.52	1858	John Rinne	Soccer Field Site Prep	\$ 6,747.59		\$ 11,970.52						
8/15/2007			\$ 388.58	1859	PSC	Grad Tuition Scholarship	\$ 6,359.01				\$ 388.58				
8/20/2007			\$ 112.40	1860	Southeast Design	Frames	\$ 6,246.61								\$ 112.40
8/20/2007			\$ 588.75	1862	PSC	Grad Tuition Scholarship	\$ 5,657.86				\$ 588.75				
8/24/2007			\$ 250.00	1861	Bobcat Bookstore	Gift Certif. New Stud.	\$ 5,407.86								\$ 250.00
8/31/2007			\$ 139.25	1863	PSC Bookstore		\$ 5,268.61								\$ 139.25
9/4/2007			\$ 4,122.00	1864	American Express		\$ 1,146.61				\$ 4,122.00				
9/14/2007			\$ 110.00	1866	Midland Computer	Computer Battery	\$ 1,036.61								\$ 110.00
9/17/2007			\$ 134.95	1867	Flower Country and Gifts	Flower/Plants	\$ 901.66	\$ 134.95							
9/18/2007			\$ 40.00	1865	First Class Flowers	Flowers - Funeral	\$ 861.66	\$ 40.00							
9/28/2007			\$ 1.90			Service Charge	\$ 859.76								\$ 1.90
10/5/2007			\$ 500.00	1868	PSC	Pep Band Tour Expenses	\$ 359.76		\$ 500.00						
10/5/2007			\$ 500.00	1869	PSC	Cheerleaders Expenses	\$ (140.24)		\$ 500.00						
10/10/2007	\$ 200.00	Trans from Auburn State Bank					\$ 59.76								
10/18/2007	\$ 25,500.00	Transfer from PSAI Primary Account - Farmers Bank of Cook					\$ 25,559.76								
10/19/2007			\$ 3,000.00	1870	Peru State Advancement	Trans to Auburn State Bank	\$ 22,559.76			\$ 3,000.00					
10/24/2007			\$ 139.72	1871	Bobcat Bookstore	Alumni Gifts	\$ 22,420.04				\$ 139.72				
10/29/2007			\$ 67.59	1873	Bobcat Bookstore	Alumni Gifts	\$ 22,352.45				\$ 67.59				
10/31/2007			\$ 2.75			Service Charge	\$ 22,349.70								\$ 2.75
11/5/2007			\$ 4,217.00	1872	American Express		\$ 18,132.70				\$ 4,217.00				
11/28/2007			\$ 38.52	1874	Roger Becker	Library Xmas Lights	\$ 18,094.18								\$ 38.52
12/7/2007			\$ 388.58	1878	PSC	Grad Tuition Scholarship	\$ 17,705.60				\$ 388.58				
12/7/2007			\$ 589.75	1879	PSC	Grad Tuition Scholarship	\$ 17,115.85				\$ 589.75				
12/10/2007			\$ 350.00	1880	Bobcat Bookstore	Gift Certificates	\$ 16,765.85								\$ 350.00
12/14/2007			\$ 1,620.00	1877	American Express		\$ 15,145.85				\$ 1,620.00				
12/31/2007			\$ 3,640.00	1875	American Express		\$ 11,505.85				\$ 3,640.00				
1/8/2008			\$ 167.00	1882	PSC	Tuition Scholarship	\$ 11,338.85				\$ 167.00				
1/14/2008			\$ 2,320.00	1883	American Express		\$ 9,018.85				\$ 2,320.00				
1/22/2008			\$ 4,476.00	1884	American Express		\$ 4,542.85				\$ 4,476.00				
1/28/2008			\$ 50.00	1886	Flowers Plus	Funeral Flowers	\$ 4,492.85	\$ 50.00							
1/31/2008			\$ 150.00	1885	Knights of Columbus	APA unable to read memo	\$ 4,342.85								\$ 150.00
2/5/2008			\$ 500.00	1887	PSC Bookstore	Auction Items	\$ 3,842.85								\$ 500.00
2/6/2008			\$ 58.50	1888	Auburn State Bank	The Flower Shoppe	\$ 3,784.35	\$ 58.50							
2/27/2008			\$ 2,880.00	1889	American Express		\$ 904.35				\$ 2,880.00				
2/29/2008			\$ 1.75			Service Charge	\$ 902.60								\$ 1.75
3/31/2008			\$ 1.60			Service Charge	\$ 901.00								\$ 1.60
4/25/2008			\$ 111.83	1890	Flower This	Inv. 2004 and 2025	\$ 789.17	\$ 111.83							
4/30/2008			\$ 1.85			Service Charge	\$ 787.32								\$ 1.85
5/5/2008	\$ 20,000.00	Transfer from PSAI Primary Account - Farmers Bank of Cook					\$ 20,787.32								



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PSAI PRESIDENT'S DISCRETIONARY ACCOUNT ACTIVITY - FARMERS BANK OF COOK**  
July 2007 through September 2009

Date	Deposits		Checks				Balance	Expense Categories as summarized by APA								
	Amount	Source	Amount	#	Payee	Memo		Flowers	Athletics / Band	Transfer to Another Bank Account	Tuition Scholarships	Alumni Gifts	American Express Payments	Furniture	Hotel / Restaurant / Entertainment	Other
5/16/2008			\$ 4,180.00	1891	American Express	21 students (APA unable to read entire memo)	\$ 16,607.32					\$ 4,180.00				
5/20/2008			\$ 2,000.00	1892	Peru State Foundation	Student Travel (APA unable to read entire memo)	\$ 14,607.32								\$ 2,000.00	
5/30/2008			\$ 1.90			Service Charge	\$ 14,605.42								\$ 1.90	
6/9/2008			\$ 3,720.00	1893	American Express	15 students conf LA (APA unable to read entire memo)	\$ 10,885.42					\$ 3,720.00				
6/9/2008			\$ 3,980.00	1894	American Express		\$ 6,905.42					\$ 3,980.00				
6/9/2008			\$ 2,810.00	1895	American Express		\$ 4,095.42					\$ 2,810.00				
6/9/2008			\$ 3,460.00	1896	American Express	12 students lead conf Dallas	\$ 635.42					\$ 3,460.00				
6/30/2008			\$ 2.30			Service Charge	\$ 633.12								\$ 2.30	
7/31/2008			\$ 1.90			Service Charge	\$ 631.22								\$ 1.90	
8/29/2008			\$ 1.90			Service Charge	\$ 629.32								\$ 1.90	
9/30/2008			\$ 1.90			Service Charge	\$ 627.42								\$ 1.90	
10/31/2008			\$ 1.90			Service Charge	\$ 625.52								\$ 1.90	
11/28/2008			\$ 1.90			Service Charge	\$ 623.62								\$ 1.90	
12/31/2008			\$ 1.90			Service Charge	\$ 621.72								\$ 1.90	
1/30/2009			\$ 1.90			Service Charge	\$ 619.82								\$ 1.90	
2/27/2009			\$ 1.90			Service Charge	\$ 617.92								\$ 1.90	
3/25/2009	\$ 49,737.50	Transfer from PSAI Primary Account - Farmers Bank of Cook					\$ 50,355.42									
3/31/2009			\$ 2.00			Service Charge	\$ 50,353.42								\$ 2.00	
3/31/2009			\$ 11.50		Deluxe Check	Electronic Transaction	\$ 50,341.92								\$ 11.50	
4/14/2009			\$ 56.01		Marriott Cornhusker	Electronic Transaction	\$ 50,285.91							\$ 56.01		
4/20/2009			\$ 50.00	5001	Flowers Plus		\$ 50,235.91	\$ 50.00								
4/27/2009			\$ 2,400.00	5002	Peru State College, 08-09 Book store Rent		\$ 47,835.91								\$ 2,400.00	
4/29/2009			\$ 999.00	5003	Hillcrest Country Club, 20 rounds of golf		\$ 46,836.91							\$ 999.00		
5/13/2009			\$ 143.20	5004	PSU Dining, PSAI Bd Mtg.		\$ 46,693.71								\$ 143.20	
5/18/2009			\$ 22.12		Brownville Lyceum	Electronic Transaction	\$ 46,671.59							\$ 22.12		
5/22/2009			\$ 25.35		Vincenzos, Lincoln	Electronic Transaction	\$ 46,646.24							\$ 25.35		
6/4/2009			\$ 6,684.96	5006	NE Furniture Mart, Furniture for President's home		\$ 39,961.28						\$ 6,684.96			
6/10/2009			\$ 53.25	5005	Flower Basket		\$ 39,908.03	\$ 53.25								
6/16/2009			\$ 20.03		Wheeler Inn, Auburn	Electronic Transaction	\$ 39,888.00							\$ 20.03		
7/31/2009							\$ 39,888.00									
8/31/2009							\$ 39,888.00									
9/30/2009							\$ 39,888.00									
<b>Totals</b>	<b>\$ 95,437.50</b>		<b>\$ 74,564.80</b>				<b>\$ 39,888.00</b>	<b>\$ 597.04</b>	<b>\$ 12,970.52</b>	<b>\$ 3,000.00</b>	<b>\$ 2,122.66</b>	<b>\$ 255.99</b>	<b>\$ 41,425.00</b>	<b>\$ 6,684.96</b>	<b>\$ 1,122.51</b>	<b>\$ 6,386.12</b>

Note 1

← **\$ 74,564.80** Total Expenses →

Transferred to/from another PSAI Bank Account.

APA prepared and summarized information from Bank Statements to the best of their ability to read them.

**Note 1: See Exhibits F and I.**

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PSAI PRIMARY ACCOUNT ACTIVITY - FARMERS BANK OF COOK**  
July 2007 through September 2009

Exhibit E

Date	Deposits		Checks				Balance	Expense Categories as summarized by APA		
	Amount	Source	Amount	#	Payee	Memo		Tax Prep/ Accounting	Transfer to Another Bank Account	Other
6/29/2007							\$ 7,801.04			
7/9/2007	\$ 3,393.21	CBA FBS					\$ 11,194.25			
7/11/2007			\$ 55.00	3913	Peggy Kuser	June Services 2007	\$ 11,139.25	\$ 55.00		
8/6/2007	\$ 437.91	CBA					\$ 11,577.16			
8/10/2007			\$ 55.00	3914	Peggy Kuser	July Services	\$ 11,522.16	\$ 55.00		
9/11/2007	\$ 460.66	CBA FBS					\$ 11,982.82			
9/19/2007			\$ 55.00	3915	Peggy Kuser	August 2007 Services	\$ 11,927.82	\$ 55.00		
10/4/2007	\$ 17,946.40	CBA FBS					\$ 29,874.22			
10/4/2007			\$ 400.00	3916	PSC Foundation	Women's Cross Country	\$ 29,474.22			\$ 400.00
10/10/2007			\$ 55.00	3917	Peggy Kuser		\$ 29,419.22	\$ 55.00		
10/18/2007			\$ 25,500.00	3918	Transfer To PSAI Presidents Discretionary Account-Farmers State Bank of Cook		\$ 3,919.22		\$ 25,500.00	
11/7/2007	\$ 1,654.11	College Book Store					\$ 5,573.33			
11/19/2007			\$ 407.39	3919	Peggy Kuser	Tax Prep and Misc Adjust.	\$ 5,165.94	\$ 407.39		
11/19/2007			\$ 55.00	3920	Peggy Kuser	Oct Service	\$ 5,110.94	\$ 55.00		
12/12/2007	\$ 3,564.06	Book Store					\$ 8,675.00			
1/9/2008	\$ 476.93	CBA					\$ 9,151.93			
1/10/2008			\$ 110.00	3921	Peggy Kuser	Nov and Dec Service	\$ 9,041.93	\$ 110.00		
2/6/2008			\$ 55.00	3922	Peggy Kuser	Jan Service	\$ 8,986.93	\$ 55.00		
2/8/2008	\$ 2,109.59	CBA Book Store					\$ 11,096.52			
3/13/2008	\$ 11,210.44	CBA					\$ 22,306.96			
4/10/2008	\$ 1,953.84	CBA FBS					\$ 24,260.80			
5/5/2008			\$ 20,000.00	3923	Transfer To PSAI Presidents Discretionary Account-Farmers State Bank of Cook		\$ 4,260.80		\$ 20,000.00	
5/9/2008	\$ 2,443.66	CBA FBS					\$ 6,704.46			
5/13/2008			\$ 2,400.00	3925	PSU	Bookstore Facility Rental	\$ 4,304.46			\$ 2,400.00
5/16/2008	\$ 2,400.00	CBA FBS Bookstore					\$ 6,704.46			
5/16/2008			\$ 165.00	3924	Peggy Kuser	Feb, March, and April Service	\$ 6,539.46	\$ 165.00		
6/6/2008	\$ 1,568.46	CBA FBS					\$ 8,107.92			
6/6/2008			\$ 55.00	3995	Peggy Kuser	May Service	\$ 8,052.92	\$ 55.00		

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**PSAI PRIMARY ACCOUNT ACTIVITY - FARMERS BANK OF COOK**  
July 2007 through September 2009

Exhibit E

Date	Deposits		Checks				Balance	Expense Categories as summarized by APA		
	Amount	Source	Amount	#	Payee	Memo		Tax Prep/ Accounting	Transfer to Another Bank Account	Other
7/31/2008			\$ 55.00	3996	Peggy Kuser	CPA Services	\$ 7,997.92	\$ 55.00		
8/29/2008							\$ 7,997.92			
9/30/2008							\$ 7,997.92			
10/31/2008							\$ 7,997.92			
11/28/2008							\$ 7,997.92			
12/31/2008							\$ 7,997.92			
1/30/2009							\$ 7,997.92			
2/27/2009							\$ 7,997.92			
3/20/2009	\$ 42,739.58	From Peru State College Foundation					\$ 50,737.50			
3/25/2009			\$ 49,737.50	n/a	Transfer To PSAL Presidents Discretionary Account-Farmers State Bank of Cook		\$ 1,000.00		\$ 49,737.50	
3/31/2009			\$ 1.60				\$ 998.40			\$ 1.60
4/10/2009	\$ 1,402.06	CBA FBS					\$ 2,400.46			
4/30/2009			\$ 1.60				\$ 2,398.86			\$ 1.60
5/22/2009	\$ 3,015.46	CBA FBS					\$ 5,414.32			
5/29/2009			\$ 0.20			Service Charge	\$ 5,414.12			\$ 0.20
6/30/2009							\$ 5,414.12			
7/9/2009	\$ 2,795.94	CBA FBS					\$ 8,210.06			
8/31/2009							\$ 8,210.06			
9/1/2009	\$ 1,849.30	CBA FBS					\$ 10,059.36			
9/8/2009	\$ 827.27	CBA FBS					\$ 10,886.63			
<b>Totals</b>	<b>\$ 102,248.88</b>		<b>\$ 99,163.29</b>				<b>\$ 10,886.63</b>	<b>\$ 1,122.39</b>	<b>\$ 95,237.50</b>	<b>\$ 2,803.40</b>

Transferred to another Bank Account  
 Recovered book sales commissions from Peru State College Foundation.

← \$ 99,163.29 →  
Total Expenses

APA prepared and summarized information from Bank Statements to the best of their ability to read them.

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**SUMMARY OF AMERICAN EXPRESS PAYMENTS FROM PSAI BANK ACCOUNTS**  
July 2007 through September 2009

**Exhibit F**

<b>PSAI Bank Account</b>	<b>Bank Statement Date</b>	<b>Description from Bank Statement</b>	<b>Amount</b>	<b>Original Check Date</b>
President's Discretionary	9/4/2007	American Expresscheckpaymtamerxarc dal arc truncated check #1864	\$ 4,122.00	
President's Discretionary	11/5/2007	American Expresscheckpaymtamerxarc dal arc truncated check #1872	\$ 4,217.00	
President's Discretionary	12/14/2007	American Expresscheckpaymtamerxarc dal arc truncated check #1877	\$ 1,620.00	
President's Discretionary	12/31/2007	American Expresscheckpaymtamerxarc dal arc truncated check #1875	\$ 3,640.00	
President's Discretionary	1/14/2008	American Expresscheckpaymtamerxarc dal arc truncated check #1883	\$ 2,320.00	
President's Discretionary	1/22/2008	American Expresscheckpaymtamerxarc dal arc truncated check #1884	\$ 4,476.00	
President's Discretionary	2/27/2008	American Expresscheckpaymtamerxarc dal arc truncated check #1889	\$ 2,880.00	
President's Discretionary	5/16/2008	Check 1891 to American Express	\$ 4,180.00	\$ 39,578.00
President's Discretionary	6/9/2008	American Expresscheckpaymt arc truncated check #1895	\$ 2,810.00	
President's Discretionary	6/9/2008	American Expresscheckpaymt arc truncated check #1894	\$ 3,980.00	
President's Discretionary	6/9/2008	Check 1893 to American Express	\$ 3,720.00	\$ 39,594.00
President's Discretionary	6/9/2008	Check 1896 to American Express	\$ 3,460.00	\$ 39,606.00
Auburn State Bank	5/16/2008	Check 511 to American Express	\$ 1,980.00	\$ 39,560.00
	<b>13 Checks</b>	<b>Total to American Express since July 2007</b>	<b>\$ 43,405.00</b>	

Note: Some of these had handwritten notes that they were for student travel, but no details.

**All of these payments were traced to American Express Account Deposits for Dr. Johnson.**

**Copies of the actual checks are provided on Exhibit I.**

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
DOCUMENTATION FROM PSAI's CPA FOR PSAI  
EXPENDITURE REPORTS TO BOARD

Exhibit G

Apr 30 08 08:35a

p. 2

PERU STATE ADVANCEMENT, INC.

Detail General Ledger

For the period 10/01/2007 to 03/31/2008

Run: Apr 30 2008 @ 08:04 AM

Date	Source	Ref #	Description	Balance Forward	Current Period	Ending Balance
01/04			SPECIAL PROJECT EXPENSE			
			Balance Forward	19,849.00		
10/11/2007	CD2	1888	PSC-PEP BAN TOUR EXP		700.00	STUD. TRAVEL/CONF
10/11/2007	CD2	1699	PSC-CHEERLEADER EXPENSE		500.00	" " "
10/16/2007	CD3	508	SOUTHEAST DESIGN		120.40	AWARDS
10/19/2007	CD3	EW	COSTPLUS		575.05	Entertainment Exp.
10/19/2007	CD3	EW	YILDQATS		44.40	" " "
10/19/2007	CD3	1871	BOBCAT BKSTORE-ALUM GIFTS		139.72	ALUM. GIFTS
10/24/2007	CD2	1873	BOBCAT BKSTORE-ALUMNI GIFTS		67.59	" " "
11/02/2007	CD2	1872	AMERICAN EXPRESS		4,217.00	STUD. TRAVEL
11/23/2007	CD2	1874	ROGER BECKER LIBRARY XMAS LITE		38.32	Xmas Lights - Campus
11/27/2007	CD3	EW	COSTPLUS		733.35	Entertainment Exp.
12/14/2007	CD2	1878	PSC-TUITION SCHOLARSHIP-GRAD		388.56	Scholarships (Barbora)
12/14/2007	CD2	1879	PSC-TUITION SCHOLARSHIP-GRAD		889.75	" " "
12/17/2007	CD2	1880	BOBCAT BKSTORE-GIFT CERT		350.00	STUD. AWARDS
12/17/2007	CD3	410	DECKERS-XMAS HAMS		309.40	Xmas Basket (Needy)
12/18/2007	CD2	1881	PSC YEARBOOK		110.00	Yearbooks for library
12/18/2007	CD2	1877	AMEX EXPRESS		1,620.00	STUD. TRAVEL
12/30/2007	CD2	1875	AMEX EXPRESS		3,640.00	" " "
1/8/2008	CD2	1887	PSC-TUITION SCHOLARSHIP		167.00	Scholarship Aid. (State)
1/10/2008	CD2	1880	KN OF COLTS MEALS/ST LEADERSH		150.00	Kof C. Event- STUDENTS
1/14/2008	CD2	1889	AMERICAN EXPRESS		7,370.00	STUD. TRAVEL
1/20/2008	CD2	1884	AMERICAN EXPRESS		4,478.00	" " "
1/22/2008	CD2	1886	FLOWERS PLUS-FUNERAL		30.00	Flowers
1/24/2008	CD2	1887	PSC BKSTORE-OM ALUMNI AUCTION		500.00	ALUMNI GIFTS
1/29/2008	CD3	EW	COSTPLUS		750.44	Entertainment-Staff
2/03/2008	CD2	1888	ASB-FLOWER SHOPPE-FLOWERS		58.50	Flowers
2/27/2008	CD2	1889	AMERICAN EXPRESS		2,880.00	STUD. TRAVEL
			Net Change		25,584.70	
			Ending Balance			45,425.38

Ben, please fill in details  
for the board,  
Thanks  
Peggy

This report was attached to an email from PSAI's CPA. The email indicated, "Attached is what I have detail on from 9-1-07 through 3-3-08. All I have otherwise are copies of the cancelled checks, where Dr. Johnson would just write on the "memo line" what the expense was for." The CPA indicated she supplied report of information to Dr. Johnson, and he would hand write in the purpose of expenditures so it could be provided to the PSAI Board.

**Exhibit H**

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
ACCOUNTABILITY AND DISCLOSURE COMMISSION'S SYNOPSIS OF CASE 08-14

**State of Nebraska  
Accountability and Disclosure Commission**

P.O. BOX 95086  
Lincoln, Nebraska 68509  
nadc.nol.org



11th Floor, State Capitol  
Phone (402) 471-2522  
Fax (402) 471-6599

**Synopsis of Case 08-14  
Action Taken May 8, 2009**

**Respondent:** Ben E. Johnson  
**Complainant:** John Gould

The respondent was the President of Peru State College. He entered into a settlement agreement with the Commission by which he agreed that the Commission would find that he had violated §49-1496 of the Nebraska Political Accountability and Disclosure Act. The agreement requires the payment of a civil penalty in an amount of \$1,200.00. The Commission approved the agreement with five Commissioners concurring, none dissenting and none abstaining.

Allegations

Count I alleged that he failed to disclose a source of income of more than \$1,000 on the Statement of Financial Interests due within 30 days after leaving his position in 2008. Count II alleged that he failed to disclose a source of income of more than \$1,000 on Statements of Financial Interests filed in 2006 and 2007.

Civil Penalty:           Count I- \$1,000.00           Count II- \$200.00

Attorney for the Respondent:   None

Attorney for the Commission:   William Howland, General Counsel

Synopsis Prepared by:

Frank Daley  
Executive Director  
Nebraska Accountability & Disclosure Commission  
11<sup>th</sup> Floor State Capitol  
P.O. Box 95086  
Lincoln, NE 68509



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
COPIES OF PSAI CHECKS WRITTEN TO AMERICAN EXPRESS  
July 1, 2007 through September 30, 2009

Exhibit I

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1864  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 8-30-07

PAY TO THE ORDER OF American Express \$ 4122<sup>00</sup>  
Four thousand one hundred twenty-two + <sup>00</sup>/<sub>100</sub> DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO STUD. Adv. DC. head. Comp - 18 stud. Ben Johnson

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1872  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE Nov. 1, 07

PAY TO THE ORDER OF American Express \$ 4217<sup>00</sup>  
Forty-two hundred seventeen + <sup>00</sup>/<sub>100</sub> DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO Chm. Inst. Comp. L.A. 18 stud. Ben Johnson

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1877  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 10/26/07

Acct # intentionally removed.

PAY TO THE ORDER OF American Express \$ 1620<sup>00</sup>  
sixteen hundred + twenty dollars + <sup>00</sup>/<sub>100</sub> DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [8 stud. College Act Bd. Comm. Down] Ben Johnson

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
COPIES OF PSAI CHECKS WRITTEN TO AMERICAN EXPRESS  
July 1, 2007 through September 30, 2009

Exhibit I

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1875  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 11/22/07

PAY TO THE ORDER OF American Express \$ 3640<sup>00</sup>  
Thirty-six hundred + forty +  $\frac{00}{100}$  DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [16 stud. 2 prof. Applied Manag. Conf.] Dee Johnson

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1883  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 1/10/08

PAY TO THE ORDER OF American Express \$ 2320<sup>00</sup>  
Twenty-three hundred twenty +  $\frac{00}{100}$  DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [EL Ed. Conf. - Chic 45 stud] Dee Johnson

PERU STATE ADVANCEMENT, INC. 76-525<sub>2</sub> 1884  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 1/17/08

PAY TO THE ORDER OF American Express \$ 4476<sup>00</sup>  
Forty-four hundred seventy-six +  $\frac{00}{100}$  DOLLARS


BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

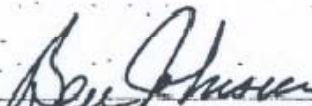
MEMO [Fac/grad. Science Conf. - Dakota 21 stud.] Dee Johnson

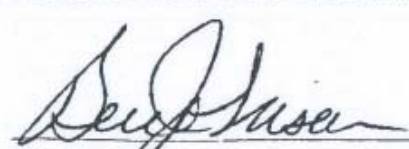


NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
COPIES OF PSAI CHECKS WRITTEN TO AMERICAN EXPRESS  
July 1, 2007 through September 30, 2009

Exhibit I

<p style="text-align: center;"><b>PERU STATE ADVANCEMENT, INC.</b>  SPECIAL PROJECTS  P.O. BOX 10  PERU, NE 68421</p>	<p>78-525<sup>2</sup> 1049 712315</p>	<p><b>1889</b></p>
DATE <u>2/20</u>		
PAY TO THE ORDER OF <u>American Express</u>		\$ <u>2880</u> —
<u>Twenty-eight hundred eighty + <sup>00</sup>/<sub>100</sub></u>		DOLLARS
<b>BANK OF PERU</b> BRANCH OF FARMERS BANK OF COOK PERU, NEBRASKA 68421		
MEMO <u>[14 stud. TRAV. Chic. Educ. Conf.]</u>		

<p style="text-align: center;"><b>PERU STATE ADVANCEMENT, INC.</b>  SPECIAL PROJECTS  P.O. BOX 10  PERU, NE 68421</p>	<p>78-525<sup>2</sup> 1049 712315</p>	<p><b>1891</b></p>
DATE <u>5-10-08</u>		
PAY TO THE ORDER OF <u>Amer. Express</u>		\$ <u>4180<sup>00</sup></u>
<u>Four thousand one hundred eighty + <sup>00</sup>/<sub>100</sub></u>		DOLLARS
<b>BANK OF PERU</b> BRANCH OF FARMERS BANK OF COOK PERU, NEBRASKA 68421		
MEMO <u>21 Stud. 000 Omaha Tom. Sem.</u>		

<p style="text-align: center;"><b>PERU STATE ADVANCEMENT, INC.</b>  SPECIAL PROJECTS  P.O. BOX 10  PERU, NE 68421</p>	<p>78-525<sup>2</sup> 1049 712315</p>	<p><b>1895</b></p>
DATE <u>6-5-08</u>		
PAY TO THE ORDER OF <u>American Express</u>		\$ <u>2810</u> —
<u>Twenty-eight hundred ten + <sup>00</sup>/<sub>100</sub></u>		DOLLARS
<b>BANK OF PERU</b> BRANCH OF FARMERS BANK OF COOK PERU, NEBRASKA 68421		
MEMO <u>[11 Stud. Denver, head Conf.]</u>		

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
COPIES OF PSAI CHECKS WRITTEN TO AMERICAN EXPRESS  
July 1, 2007 through September 30, 2009

Exhibit I

PERU STATE ADVANCEMENT, INC. 76-525<sup>2</sup> 1894  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 5-28-08

PAY TO THE ORDER OF American Express \$ 3980<sup>00</sup>  
Thirty-nine hundred eighty +  $\frac{00}{100}$  DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [16 Std. Pbl Sec Conf. Vaid] Sen Phuse

PERU STATE ADVANCEMENT, INC. 76-525<sup>2</sup> 1893  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 5-26-08

PAY TO THE ORDER OF American Express \$ 3720<sup>00</sup>  
Thirty seven hundred twenty +  $\frac{00}{100}$  DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [15 Std. Model UN Conf LA] Sen Phuse

PERU STATE ADVANCEMENT, INC. 76-525<sup>2</sup> 1896  
SPECIAL PROJECTS 1049  
P.O. BOX 10 712315  
PERU, NE 68421 DATE 6-7-08

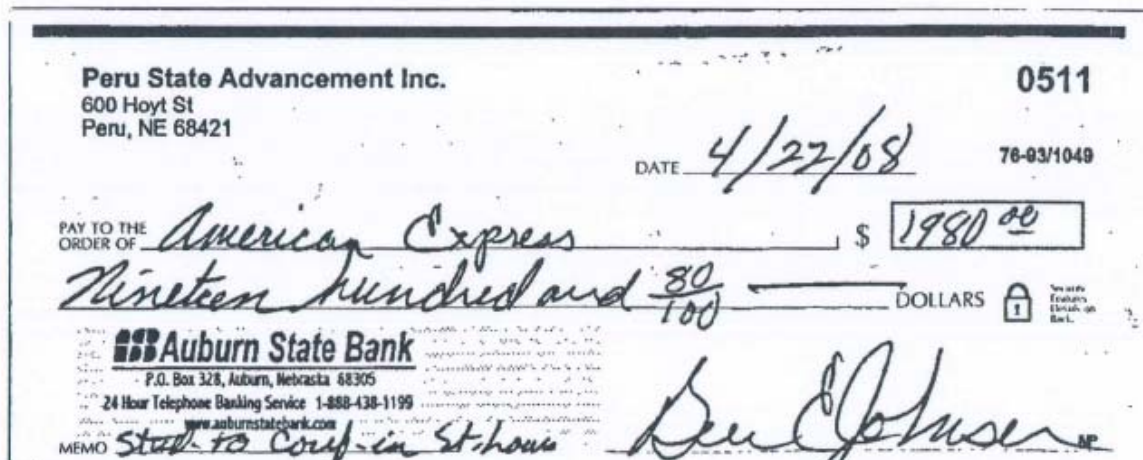
PAY TO THE ORDER OF American Express \$ 3460<sup>00</sup>  
Thirty-four hundred + Sixty +  $\frac{00}{100}$  DOLLARS

BANK OF PERU  
BRANCH OF FARMERS BANK OF COOK  
PERU, NEBRASKA 68421

MEMO [12 Std. Acad. Conf Dallas] Sen Phuse

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
COPIES OF PSAI CHECKS WRITTEN TO AMERICAN EXPRESS  
July 1, 2007 through September 30, 2009

Exhibit I



Copies of the checks were provided by Farmers Bank of Cook, Auburn State Bank, and American Express.

There were 13 checks totaling \$43,405.00 paid from PSAI bank accounts and deposited into Dr. Johnson's personal American Express accounts. See **Exhibit F**.



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S ACADEMIC AND PERSONAL HISTORY SUMMARY**

**Exhibit J**

<b>Date</b>	<b>Description</b>	<b>Documentation</b>
8/16/1940	Born in Storm Lake Iowa	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1962	Bachelors in Religious Education from William Tyndale College	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999. <b>APA verified with Rochester College as William Tyndale College closed. They confirmed Ben Johnson received a degree in Religion on 5/26/1962.</b>
1964	Master in Education - Teaching History from East Michigan University	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1964-1968	Director of Student Retention William Tyndale College	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1964-1968	Assistant Professor William Tyndale College Birmingham, Michigan	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1967	Masters in English from East Michigan University	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999. <b>APA verified through Clearing house website.</b>
1969-1976	Chair Department of English Trinity College Deerfield, Illinois	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1982	Seven month adventure backpacking around world with 18 year old son.	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1984-1986	Professor Department of English Lake-Sumter Community College Leesburg, Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1986-1987	Professor Department of English Manatee Community College Bradenton, Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1987 -7/1/96	Teacher of three courses at University of South Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999. See <b>Note 3.</b>
1987-1992	Adjunct Professor Developmental Studies St. Petersburg Junior College, St. Petersburg, Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999. See <b>Note 4.</b>
9/15/1989	Disposition Date of Second Appellate District Div 6 Case B033117-Affirmed in full. Filed 2/25/1988. Trial Court Case 162909. Supreme Court Case S012556. People -Att. Gen. Los Angeles, CA versus Ben E. Johnson Thomas Coleman Attorney. Johnson's address is 1906 Gulf Drive No. 110 Bradenton Beach, FL 33510	<b>Verified by APA January 2009 and 2010 through California Appellate and Superior Court of Santa Barbara County California Courts Case File documents.</b>
5/18/1990-1/9/1991	5/18/1990-Booked in Santa Barbara County Jail Released-1/9/1991	Verified with Santa Barbara County Jail Letter dated 3/8/2010. See <b>Exhibit K.</b>
1992-1995	Chaired Selby Foundation-Sarasota Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1992-7/1/1996	Executive Director of the Education Foundation Sarasota Florida	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1993	PHD University of South Florida-Curriculum and Instruction	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999. See <b>Note 1.</b>
1996-1998	Director of Education, Graduate programs and Research Montana State University-Northern Havre, Montana	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
1998-1/28/1999	Vice President of Academic Affairs and Dean at Thomas College, Thomasville, Georgia	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
11/30/1998	Official Termination Date from Thomas College	<b>1/13/2009 Verification to APA through Email from Thomas University HR Chris Lyons. See Note 5.</b>
1999	Dr. Johnson filed a civil suit against Thomas College for breach of contract, he indicated he planed to drop it, since he was hired at Peru, NE. Dr. Johnson indicated he was wrongfully fired in November after objecting to improper handling of business affairs. Thomas College denied the allegations and indicated Dr. Johnson misrepresented his qualifications in applying for the position for which he was hired. Civil Action No. 99-CV-0089 was filed with Superior Court for the County of Thomas, State of Georgia. It was dismissed October 15, 1999.	Lincoln Journal Star Article-5/25/1999. <b>Verified by APA through Case File information for Superior Court, Thomas County, Georgia.</b>



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S ACADEMIC AND PERSONAL HISTORY SUMMARY**

**Exhibit J**

Date	Description	Documentation
1/28/1999	Address: 220 Covington Ave., #79, Thomasville, GA 31792	Cover Letter, Resume from Dr. Johnson to Peru State College dated 1/28/1999.
5/27/1999	Nebraska State College Board May 27, 1999 Board minutes, approve appointment of Dr. Johnson as President of Peru State College with Salary of \$115,000 plus \$7,000 housing allowance. Contract through 2001.	<b>Verified by APA through Nebraska State College Board Minutes.</b>
6/15/1999	Start at Peru State College	Lincoln Journal Star Article on 5/25/1999. <b>APA verified to Nebraska Information System &amp; with PSC.</b>
8/15/2008	Effective Retirement Date 8/15/2008 from Peru State College announced April 24, 2008.	Peru College Press release on 4/24/2008 from Peru Website. <b>Note 2.</b>
1/15/2010	Resides in Ellenton, Florida	<b>APA Conversation with Ben Johnson and Address searches noted two address in Ellenton.</b>
3/10/2010	Fairmont State University has named Dr. Johnson as Interim Vice President for Enrollment Services. He will begin his duties on Monday, March 15.	<b>APA verified with West Virginia - Fairmont State University website: <a href="http://www.fairmontstate.edu/node/7663">http://www.fairmontstate.edu/node/7663</a></b>

Information verified by APA. Some agreed to Resume while other information did not.

**Note 1:** Resume from Dr. Johnson indicated degree in 1993. However, verification from the University of South Florida indicated Doctor of Philosophy was awarded on May 2, 1994, with Major in Curriculum and Instruction.

**Note 2:** Dr. Ben Johnson retired from PSC as President effective 8/15/2008. However, APA verified per Nebraska Information System, he continued as an employee of PSC until June 30, 2009. He received Gross Pay of \$66,923.99 for the extended period, see details:

**Check Date Gross Pay to Ben Johnson from PSC.**

9/26/2008	6,666.67
10/31/2008	6,666.67
11/26/2008	6,666.67
12/31/2008	6,666.67
1/30/2009	6,666.67
2/27/2009	6,666.67
3/31/2009	6,923.96
4/30/2009	6,666.67
5/29/2009	6,666.67
6/30/2009	6,666.67
<b>Total</b>	<b>66,923.99</b>

**Note 3:** APA verified with the University of South Florida and they responded that microfilmed records verify that Dr. Johnson was employed by the University of South Florida as an Adjunct Instructor for the Department of Secondary Education for the following dates:

**Classes Dates**

2 classes	08/07/91 – 12/20/91
2 classes	08/07/92 – 12/22/92
1 class	12/22/92 – 05/06/93
2 classes	12/22/93 – 05/06/94
1 class	08/07/94 – 12/21/94
2 classes	12/21/94 – 05/05/95
2 classes	08/08/95 – 12/21/95
1 class	12/21/95 – 05/06/96

**Note 4:** APA verified with St. Petersburg College and they responded, "according to our micro fiche, Ben E. Johnson was an adjunct instructor in Communications at St. Petersburg College from 1/6/1992 through 5/1/1992."

**Note 5:** Dr. Johnson's cover letter was on Thomas College letterhead dated January 28, 1999; however, his official termination date was two months prior on November 30, 1998. See letter on **Exhibit L**.

**Source:** Information is from various documents and public information and may not be complete.

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
SANTA BARBARA COUNTY SHERIFF JAIL RECORD  
INFORMATION FOR DR. JOHNSON  
May 18, 1990 through January 9, 1991



SANTA BARBARA COUNTY

BILL BROWN  
Sheriff-Coroner

KENNETH R.

Undersheriff

STATIONS

**SHERIFF'S OFFICE**  
Buellton  
140 W. Highway 246  
Buellton, CA 93427  
Phone (805) 686-8150

Carpinteria  
5375 Carpinteria Avenue  
Carpinteria, CA 93013  
Phone (805) 684-4561

Isla Vista  
6546 Perdall Road  
Isla Vista, CA 93117  
Phone (805) 681-4179

Lompoc  
751 Burton Mesa Road  
Lompoc, CA 93436  
Phone (805) 737-7737

New Cuyama  
Post Office Box 169  
New Cuyama, CA 93254  
Phone (661) 766-2310

Santa Maria  
812-A W Foster Road  
Santa Maria, CA 93454  
Phone (661) 934-6150

Solvang  
1745 Mission Drive  
Solvang, CA 93463  
Phone (805) 686-5000

Sheriff - Coroner Office  
86 South San Antonio Road  
Santa Barbara, CA 93110  
Phone (805) 681-4146

Main Jail  
4436 Calle Real  
Santa Barbara, CA 93110  
Phone (805) 681-4250

COURT SERVICES  
CIVIL BUREAU

Santa Barbara Division  
1105 Santa Barbara Street  
P O Box 090  
Santa Barbara, CA 93102  
Phone (805) 568-2900

Santa Maria Division  
312-D K. Cook Street  
Santa Maria, CA 93454  
Phone (805) 346-7430

Lompoc Division  
401 E. Cypress Avenue  
Lompoc, CA 93436  
Phone (805) 737-7710

P. O. Box 6427 - 4434 Calle Real - Santa Barbara, California 93160

Phone (805) 681-4100 - Fax (805) 681-4322  
[www.sbsheriff.org](http://www.sbsheriff.org)

March 8, 2010

Mike Foley  
State Auditor  
P.O. Box 98917  
State Capitol, Ste 2303  
Lincoln, Nebraska 68509

Dear Mr. Foley:

In response to your request for information inmate Ben Johnson was booked into the Santa Barbara County Jail the following date:

Booking #:	Dates:	Case #:
361764	05/18/90-01/09/91	162909

Sincerely,

Bill Brown  
SHERIFF-CORONER

*Jennifer McDonald* / 3755  
By: Jennifer McDonald  
Administrative Office Prof II

BB:JM

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S COVER LETTER AND RESUME TO PSC**  
January 28, 1999

Exhibit L

THOMAS



COLLEGE

January 28, 1999

Ms. Linda Moody, Secretary  
Presidential Search Committee  
Peru State College  
Peru, Nebraska 68421

Dear Ms. Moody:

I would like to be considered for the position of President of Peru State College as announced recently in The Chronicle of Higher Education. I am familiar with Peru State College nationally, with the unique mission, needs, strengths, and operation of a small state college, and with the responsibilities of a President. I believe that I may have the broad background, training, experience, and interests that match your needs at Peru State College. I received my first chance at higher education as a student in a small, Midwestern community college. Since then I have earned two masters degrees and a doctorate. Additionally, I have spent several years in college teaching, administration, recruitment, and educational fund raising directly related to the position under consideration at Peru State College.

My college experience includes teaching and administration at the community college, four-year college, and university levels. I taught for a number of years at two private four-year colleges in the Midwest where I also assumed increasingly responsible administrative positions. This was followed by teaching positions at Florida community colleges and at the University of South Florida. Following this, I served as Dean of Education, Graduate Studies and Research at Montana State University-Northern, and I am currently Vice President of Academic Affairs and Dean of Faculty at an independent college, Thomas College, in Georgia. In the middle of all this academic and administrative experience, for five years I was an educational fund raiser, serving as the Executive Director of The Education Foundation, a large, pro-active, fund-raising, grant-making, not-for-profit, Florida Foundation committed to developing the best possible learning opportunities for all Florida students. My responsibilities as Executive Director included administering and supervising all programs and services of the foundation, providing leadership for all staff and volunteers, fund-raising, working collaboratively with community members and volunteers, writing and speaking, and reporting to a regional board of directors. These activities

1

1501 MILLPOND ROAD • THOMASVILLE, GEORGIA 31792-7499  
TELEPHONE (912) 226-1621 • FAX (912) 226-1653



NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S COVER LETTER AND RESUME TO PSC**

**Exhibit L**

January 28, 1999

closely parallel the responsibilities and activities of the position of President of Peru State College.

Why do I think I should be considered for the position of President of Peru State College? There are a number of reasons, not including the fact that I am very familiar with Peru State College and its history, or that I received my start in higher education at a small college--and I know just how important that experience can be in terms of life motivation, direction and preparation for further education and career choices. Nor do these reasons include the overriding belief I have that the small state college is the ideal teaching/learning environment for both students and faculty. Having said this, why do I believe I should be considered for this position? There are nine important reasons:

1. *My commitment to quality education is compatible with the position of President of Peru State College.* I am regarded by students and peers as a skillful teacher and administrator whose primary focus has always been on quality teaching and learning and establishing the conditions that make that possible. I seek to be part of an institution where fostering teaching and learning is a priority and where the "traditional" rules and methods of learning and teaching are respected but not exclusive. This includes being committed to the concept of diversity among faculty, staff and student body. Because of my experience teaching for several years at the four-year college level, I fully understand the Peru State College Mission, the multiple means to implement it, and the need to balance Mission, college history, tradition, community and constituency interests, and student desires and needs with the goal of quality instruction. I have long held a strong commitment to post-secondary education, shared governance, and continuous service to students. Since my first years in higher education, I have been a committed student advocate and understand the importance of considering the impact of all administrative and college decisions upon students. **I have received many "teacher of the year" and "administrator of the year" awards and commendations for excellence in instruction, teacher training, and faculty and staff development.**

2. *My personal interests are compatible with the position of President of Peru State College.* I have exceptional and long standing interest in college administration. Probably because of my positive early experiences as a student in a community college, later as a college faculty member in two small independent colleges, and as a faculty member with administrative experience, I am familiar with the unique situations that present themselves at a school like Peru State College. In my graduate and doctoral studies, and in my later teaching, higher education administration, leadership, and curriculum development has been an area of interest and study that has long captured and held my interest. I have maintained that interest and have remained up-to-date on current major issues and needs facing four-year colleges nationally, especially relating to the areas of recruitment and retention, fund raising, shared governance, technology applications, distance learning, faculty development, and financial management. In my position as Director of Education, Graduate Programs and Research at Montana State University, and in my present position as Vice President of Academic Affairs and Dean of Faculty, I served/serve as a member of the Chancellor's Executive Cabinet and was/am frequently called upon to analyze curriculum, budget, staffing needs and distance learning programs and make recommendations concerning them. **I have a Ph.D. in Curriculum and Instruction: Interdisciplinary Education, with a Developmental Studies, English, Reading and Critical Thinking emphasis.**

3. *My professional experience is compatible with the position of President of Peru State*

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S COVER LETTER AND RESUME TO PSC**

Exhibit L

January 28, 1999

*College.* I have successful experience with program development and administration, fund raising projects, community and continuing education efforts, and the development of alternative teaching methods, including distance learning. Over the last several years I have had increasingly responsible and successful academic program development experience. A recent example of this takes the form of conceptualizing, creating, and then securing external funding for an entirely new Montana State University distance learning master's degree for teachers that was designed to prepare them for National Teacher Certification. This new master's degree is delivered entirely by Internet. In addition, I have successful experience with, and broad understanding of, the development of institutional fund raising efforts and improved community/constituency relations, and the importance of accepting community responsibilities and leadership. While serving as the Executive Director of a Florida education foundation, I was responsible for establishing and evaluating a variety of educational programs, raising necessary operating funds, managing staff, programs, volunteers, and reporting to and working with a community based board of directors. I also established several successful programs involving local communities and businesses in significant education related partnerships and projects. This experience included establishing and evaluating a variety of educational programs, establishing new funding sources statewide and nationally, recruiting and managing staff, programs, 1500 volunteers, and reporting to and working with a broadly based, community board of directors. In 1995, I conceived, established, and raised \$100,000 in funding for "SARASOTA THINKS," the world's first, week-long, county-wide festival. This first festival attracted 25,000 people of all ages and has since been established as an annual festival in Sarasota County, Florida. Subsequent festivals celebrating good thinking, "THINKS '96, '97, '98," are now held the first week of April each year and attract upwards of 50,000 people annually. Several other communities across the nation have now established their own versions of these thinking festivals modeled after the Sarasota festivals. **I was awarded both the 1994 and 1995 Florida Golden Gavel Awards for "establishing the most outstanding new program in community education."**

4. *My organizational development and management skills are compatible with the position of President of Peru State College.* I am experienced in the design and administration of student support programs, in the operation of developmental learning and library/learning centers, in related faculty and staff development initiatives, and in institutional budgeting and money management. I have participated in the development, organization and implementation of programs fostering open access and student support programs needed for students at risk. I have proposed and implemented ways to improve the success of under prepared students, including employing faculty and staff mentoring, while maintaining academic standards. A few years ago, while at the University of South Florida, I was selected to be the holder of a unique, endowed chair in faculty improvement and staff development: The Selby Chair for Academic Enrichment. This chair, endowed by The Selby Foundation, was directed at a project for developing and enriching the teaching practices of the 3000 teachers of the Sarasota County Public Schools. For three years, I worked closely with faculty in a variety of ways to bring about a successful "remodeling" of teacher practices in Sarasota County. **The improvement of student support programs and interdisciplinary teaching has been a serious interest of mine for many years.**

5. *My writing, speaking, and general communication skills are excellent and compatible with the position of President of Peru State College.* I am an active researcher, writer and



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speaker, primarily in the area of college student learning skills theory. All my professional life I have specialized in helping students learn more efficiently--and in assessing that learning. I have found this interest to be highly compatible with developing faculty support for improving teaching. When I write or speak publicly, I do so not because I have to but because I want to. I have found these interests to be highly compatible with developing fund-raising and community support for education. I am a frequent speaker for community organizations and at local, state, and national conferences. For the past decade, I have participated at a consulting and research level in the development and refinement of materials and programs for developmental reading, writing, and math. **I am the author of 60 published articles and 17 books. I am currently contracted to write two more developmental studies texts. Most of my books are Freshman and Sophomore level textbooks focusing on developing student learning skills. Eight of these books currently are in use as college textbooks, three in at least the third edition, two in the fourth edition, and three of them are currently the most widely used texts in their content areas at colleges nationwide. Three of these books have been in use on your campus in recent years.**

6. *My leadership skills are compatible with the position of President of the Peru State College.* I am recognized as a community and academic leader within the higher education community, in senior level administration, and in state and national organizations. For the past two decades I have served in a variety of local, state and national leadership positions directly affecting the course of higher education. While at Montana State University I served as the Chair of the Montana Council of Deans, a policy and procedures body made up of the Academic Dean (Dean of Education, Academic Vice Chancellor, etc.) from each of the colleges and universities in Montana. This Council of Deans had the responsibility for recommendations directed to the Board of Regents for establishing and implementing higher education policy and procedures in the state of Montana. **I will easily and comfortably serve as an advocate on behalf of Peru State College both locally, statewide, and nationally and will be able to promote the college's accomplishments.**

7. *My public and professional skills are compatible with the position of President of Peru State College.* I have long believed in, and been able to delegate and develop, team building skills. I am an excellent communicator and a highly motivated individual who can implement and complete projects in a timely manner. I am frequently described as having outstanding human relations skills and as being accessible and visible. I also recognize the need to inspire and support the efforts of faculty while at the same time maintaining a keen sense of the fit between Peru State College's offerings and the demands of the market. **My goal will be to provide continuing visionary management and entrepreneurial leadership for educational programs at Peru State College while working collaboratively with administrators, faculty and other members of the college community to plan programs, services, and efficient use of current facilities.**

8. *My personal characteristics are compatible with the position of President of Peru State College.* Although it is always embarrassing for me to describe myself as being trustworthy and respected for integrity and honesty in personal and professional interactions, I have been frequently described by others I work with as having those qualities. Should you choose to pursue my interest in this position, I strongly encourage you to interview the people I work with and seek



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their opinions of my personal characteristics. I do think of myself as open, forthright, patient, an excellent listener, innovative, flexible, self-assured, decisive and courageous. I am also knowledgeable, sensitive and appreciative of ethnic, cultural, social, international and religious diversity. I find it easy to interact warmly, comfortably, and regularly with students, faculty, administrators, staff, and community members. **In summary, I think I would be a welcome guest at any neighborhood backyard barbeque you might have.**

*9. The opportunity and the challenge of the position of President of Peru State College excite me.* I understand the need for the person selected for this position to have successful experience in resource development and management, provide leadership, and provide thoughtful insight and encouragement in working with the faculty, staff, students, and community. In addition, I also understand the need for the person selected to help all these constituencies of the Institute effectively speak and communicate with each other for the good of the school. I believe that I understand the work and the requirements of the position of President of Peru State College. **I also understand the remarkable challenges and opportunities presented by being involved in higher education for the next decade.**

I am including a resume with references, three recent letters of recommendation from faculty members who have reported directly to me, and a list of publications that speak to different interests and experiences identified in this letter. Should you find my training and experience a possible match for Peru State College, I would appreciate hearing from you, and I will be glad to send you any additional supporting materials that you may wish. I may be reached at my home address, e-mail, and telephone numbers listed on my resume.

Cordially,



Ben E. Johnson, Ph.D.

Vice President of Academic Affairs and Dean of Faculty

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**Ben E. Johnson, Ph.D.**

Vice-President of Academic Affairs and Dean of Faculty, Thomas College  
220 Covington Ave, #79, Thomasville, GA 31792 (912) 558-9737 Benejohn@aol.com

io

Ph.D. in Curriculum and Instruction: Interdisciplinary Studies, with Developmental Studies, English, Reading, and Critical Thinking emphasis. University of South Florida, Tampa, Florida, 1993. M.A. (English), M.A.Ed., (Social Science), B.R.E. (Religious Education & Humanities).

Recipient of the Selby Chair for Academic Enrichment, an endowed chair in staff development and teacher training, 1992-1995. Responsible for the leadership and professional training of the nearly 3000 elementary, secondary, vocational, and community college teachers of the Sarasota County Public School District, Florida.

Highly experienced, regarded, recognized, and awarded undergraduate and graduate professor. Twenty years teaching experience at the two-year college, four-year college, and university levels. Described as having "a heart for students."

Progressively responsible administrative positions, including among others, Chair, Department of English, Trinity College, Bannockburn, Illinois, 1969-1976; Executive Director of The Education Foundation, Sarasota, Florida, 1994-1996, a pro-active, fund-raising, grant-making, non-profit foundation committed to enhancing and enriching public school education; Dean of Education, Graduate Programs and Research, Montana State University-Northern, 1996-1998; Vice-President for Academic Affairs and Dean, Thomas College, 1998-- .

Responsible for school district collaboration, partnerships, teacher selection, training, coordination, placement, and supervision of teacher education interns in field-based teacher education. Taught a variety of teacher education courses including Current Issues, Foundations, Methods, and Senior Seminars.

Conceptualized, created, organized, and funded (\$100,000) through grants, SARASOTA THINKS, the world's first, week long, county-wide, festival celebrating local community learning, thinking, and a good education. The first festival, in 1995 in Sarasota, Florida, was so popular with the community and businesses (25,000 in attendance) that a week long THINKS festival has become an annual event funded by the County, run by 1500 volunteers, with attendance growing each year (estimated attendance for THINKS '98 was 50,000). This project has now become a significant fund raising event for local schools.

Skilled public speaker. Invited to address many (approximately 8-10 per year) professional and private groups and organizations: chambers of commerce, service organizations, industry groups, symposia, school district meetings, universities and colleges, commencements, conferences, business and education collaboratives, and church groups.

Substantial institutional grant writing and fund-raising experience. Amounts raised range from small amounts (\$1500) to significant project funding (\$375,000) and fund raising campaigns.

Nationally recognized college level learning skills specialist with extensive research, writing, and program/project development experience in developing academic assistance centers and student learning assistance centers. Consultant to the State of Florida on community college student basic skills competencies.

Published author of 17 books and over 60 professional and popular columns, articles and monographs. The majority of published works focus on assisting student learning. Several texts widely used at community colleges, colleges and universities nationwide.

Recent Chair, Montana Council of Deans, a policies and procedures council responsible to the Board of Regents and state legislature for making recommendations concerning post-secondary education in Montana.



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**VITA**

**Ben E. Johnson, Ph.D.**

220 Covington Ave., #79, Thomasville, GA 31792  
Home (912) 558-9737 BenEJohn@aol.com

**PERSONAL SKETCH**

Born in Storm Lake, Iowa. Lived in Washington, Illinois, Michigan, California, Florida, Montana, and Georgia. Extensive travel, world-wide, eighty countries. Backpacked around the world in 1982 (a seven month adventure) with my 18-yr-old son. Three adult children. In past lives I must have been a famous painter, gentleman farmer, or a world class chef because in this life I waste an unreasonable amount of time painting, growing flowers, and cooking--and without many successes to show for my efforts. Well-meaning (and tactful) friends and family say my painting is "wonderful," flowers are "beautiful," but recipes need "just a little work."

**EDUCATION**

**Degrees:**

University of South Florida

1993: *Ph.D.* (Curriculum and Instruction: Interdisciplinary Studies, with an emphasis in Developmental Studies, English, Reading, and Critical Thinking. Dissertation topic: assessment and utilization of critical thinking content in standardized tests/college entrance exams, i.e., ACT, SAT.)

Eastern Michigan University

1967: *M.A.* (English)

1964: *M.A.E.D.* (Teaching History, Social Sciences)

William Tyndale College

1962: *B.R.E.* (Religious Education & Humanities)

**Substantial Additional Graduate Course Work:**

Washington State University

40 Semester Hours (Interdisciplinary Advance Graduate Program in American Studies: Integration of Literature and History)

University of Detroit

28 Semester Hours (English)

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**PROFESSIONAL EXPERIENCE**

1. **RELATED ADMINISTRATIVE EXPERIENCE**

Over the years, I have served in many progressively responsible administrative and supervisory positions related to the position under consideration. I have served on and chaired many academic committees--including serving as chair of a college self-study committee for NCATE, chair of two college self-study committees for two North Central accreditation visits and examinations and serving as a visiting team member for two Southern Association accreditation visits. In addition, I have been responsible recently for guiding Montana State University-Northern and Thomas College through both regional and professional accreditation self studies. Five progressively significant administrative positions are:

*Vice President of Academic Affairs and Dean of Faculty.* (1998-Present) As the chief academic officer and Dean of Faculty at Thomas College, Thomasville, Georgia, I have administrative responsibility for all academic programs and faculty selection, development, and concerns. These responsibilities include:

- Planning, organizing, implementing, administering, evaluating, and when necessary revising the curriculum and instructional services of Thomas College, including the library and student support services. Managing the day-to-day activities of the academic programs, collaborating with division chairs to develop strategic plans while setting program priorities and evaluating staff needs linked to multiple year budgets.
- Recommending faculty appointments, provide leadership to faculty, encouraging collaboration and shared governance, leading a continuous review of academic programs, evaluating teaching and scholarship, including the assessment of student learning, and being an advocate for the faculty while evaluating and acting upon the necessity for institutional change..
- Maintaining compliance with regional (SACS) and a variety of professional accrediting associations (NCATE, NLN, ASC, etc.) and making recommendations for addition or elimination of academic courses, programs and majors while at the same time expanding and integrating technology into the curriculum and academic life of the College.
- Planning and implementing a variety of college events and functions, including commencement activities.

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- Supervising and developing research projects, grant proposals, the academic section of the college catalog, and other academic publications of the college as requested by the President.
- Assisting in planning and implementing the long and short-range goals of the institution, providing institutional and faculty assessment, and representing the best interests of both students and faculty. Bringing energy, integrity and a creative, innovative perspective to the college.
- Preparing and recommending to the President an annual budget for the academic departments and programs of the college, including library and student support services.
- Serving as chair of the Academic Council and a member of the President's Executive Council.

*Director of Education, Graduate Programs and Research.* (1996-1998) As the Dean of Education, Graduate Programs and Research and professor of education at Montana State University—Northern, I had administrative responsibility for all professional education programs, teacher education, including teacher certification, and for all graduate level educational activities. I had full responsibility for research approvals and research oversight within the University. These responsibilities included the following:

- Managing the day-to-day operations of the Graduate School, graduate programs, and professional education programs, including setting program priorities and supervising staff.
- Serving as part of the Chancellor's Cabinet and Vice Chancellor's Academic Directors Staff.
- Developing policy and administering the provisions of the Graduate Programs Policy and Procedures Manual.
- Supervising, coordinating and administering the university program of student and faculty research, including policy development, proposal writing, budget preparation, proposal submission, regulating compliance issues, interacting with other administrative offices.
- Extensive staff and faculty supervision, development and evaluation.



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- Budget and program planning, administration and fiscal accountability for all professional education, graduate programs, and research projects.
- Chairing the University Teacher Education Council, the Graduate Council, and the Montana Council of Deans.
- Directing and participating in faculty searches and selection.
- Monitoring and recording student admission to and progress through the professional education and graduate programs.
- Acting as spokesperson for the University and Graduate School at conferences and meetings and as author/writer of articles and publications.
- Leading the professional education program of the university through state, regional, and professional accreditation examinations and visits.
- Serving as University Certification Officer and liaison with the Montana Office of Public Instruction and with certification offices.
- Representing MSUN at scheduled state meetings relative to the coordination, development, and operation of education and graduate programs in the Montana State University System.

*Executive Director of The Education Foundation.* (1992-July 1, 1996) As the Executive Director of the Education Foundation, a Sarasota, Florida based fund raising, grant making, and project operating organization committed to supporting and enriching education, I served first as the Selby Chair for Academic Enrichment and later as the chief executive officer of the organization. I was charged with effecting the purpose of the organization, and was directly responsible to the Board of Directors. My responsibilities included:

- Managing the day-to-day operations of the not-for-profit Foundation, including setting fund raising and program priorities and supervising staff.
- Supervising business management and fiscal accountability of the foundation, maintaining records, preparing documents.



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- Coordinating Foundation activities related to projects, committees, extensive fund raising, publicity, recruiting and training of volunteers, program operations and effectiveness assessment.
- Reporting regularly to the Board and other key community and funding audiences concerning organizational progress toward measurable objectives.
- Preparing reports, proposals, brochures and other information as needed for public reporting, funding, and community partners.
- Acting as spokesperson for the Foundation at conferences and meetings and as author/writer of articles and publications.
- Providing guidance to others in the initiation, funding, implementation, and assessment of creative and innovative projects.
- Developing training materials and workshops for use with a large volunteer group of workers (parents, teachers, students, employers, business representatives).
- Initiating both short-range and long-range planning.

*Chair, Department of English.* (1969-1976) I served as Chairman of the Department of English at Trinity College, Deerfield, Illinois. While Chairperson of the English Department, I served as a member of the school Executive Committee (the planning and advisory committee to the Academic Dean and President) along with serving on numerous faculty committees and participating in the full range of administrative, fund raising, student recruitment, and public relations.

*Director of Student Retention.* (1964-1968) After earning a Masters degree in Education (Teaching History, Social Sciences at the Community College), I was recruited to teach at the small, private college from which I graduated, William Tyndale College. During the four years I taught there, I also established and conducted the school's first student retention program designed to assist students develop and improve learning skills. It was here at Tyndale that I developed my early interests in developing college student learning skills in under prepared students.

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**2. RELATED COLLEGE TEACHING EXPERIENCE**

My entire professional life has been centered in higher education. I have over twenty years full-time multi-disciplinary teaching experience at the community college, four-year college and university levels and several years as an adjunct.

**RECENT TEACHING EXPERIENCE:**

**1996-1998:** Montana State University--Northern. Although I was a full-time university administrator, I choose to teach one course each semester. I taught the graduate research course required of all students enrolled in graduate programs.

**1987-July 1, 1996:** University of South Florida, College of Education.

I taught higher education administration courses and required (for teacher certification) upper-division and graduate teacher education ("methods") courses. I taught three courses a year and frequently supervised university interns.

**1992-1995:** Selby Chair for Academic Enrichment. In addition to my teaching for USF and my work with The Education Foundation (see *Administrative Experience*), after a national search, I was selected by The Selby Foundation to be the Selby Chair holder for the 1992-1995 school years. As the holder of the Selby Chair, I was responsible for conceiving, developing, and implementing an innovative multi disciplinary, county-wide, teacher training program in "lesson plan remodeling" and critical thinking for over 3000 area teachers and for training these teachers in how to remodel their thinking and teaching to incorporate these higher order skills. Multi disciplinary and interdisciplinary critical thinking has now become the core of instructional reform in all Sarasota district schools. It is believed that the Selby Chair is the only such program of its kind in the nation.

**Additional Teaching Experience:**

**1987-1992 Adjunct Professor, Developmental Studies Program**

St. Petersburg Junior College (St. Petersburg, Florida)

I taught developmental reading, writing, and study skills courses each semester on a part-time basis while completing doctoral course work.

**1986-1987 Professor, Department of English**

Manatee Community College (Bradenton, Florida)

I taught English, reading and study skills.

**1984-1986 Professor, Department of English**

Lake-Sumter Community College (Leesburg, Florida)

I taught English, reading and study skills.

**1969-1976 Chair, Department of English**

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Trinity College (Deerfield, Illinois)

Along with administrative responsibilities, I taught the full range of courses in the English department.

**1964-1968 Assistant Professor**

William Tyndale College (Birmingham, Michigan)

Along with my administrative duties, I taught both English and history/government courses.

**3. RELATED EDUCATIONAL CONSULTING**

From 1976 to 1984, I worked full-time as a self-employed Learning Skills Consultant specializing in assisting colleges nationwide establish developmental learning, reading and writing programs. I focused my efforts in the area of teaching teachers how to teach various courses such as basic writing and reading improvement. (I am still consulting and conducting training programs for colleges and school districts, but have necessarily limited my involvement to two or three consultations per year.)

**4. GUEST SPEAKER AND CONFERENCE PRESENTATIONS**

In past years, I have been an invited speaker at numerous churches and conferences. In recent years I have been a frequent speaker and presenter at both state and national education and corporate conferences. In the past year I have been a speaker at several conferences: National Partners In Education, Conference on Sound Education, 18th International Critical Thinking Conference, Florida League of Cities, and Leadership America. I have been a learning skills guest lecturer at many colleges, including several colleges overseas (University of Nairobi, University of London, Stranmillis College—Belfast, and others). I have over 100 letters of thanks and recommendation from schools covering this period. They are available upon request.

**5. WHAT HAVE I TAUGHT?**

It seems like a little bit of everything. Because I have been teaching for many years, I have had the opportunity to teach a wide variety of courses. Until the last few years when I moved into the teacher training and staff development areas, my teaching has been primarily in multi-disciplinary and inter-disciplinary situations. Consequently, I have taught the following overlapping subjects:

**History and English:** world history, American history, political science;



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American, British, and world literature, basic writing, composition, creative writing, technical writing

**Learning Skills:** critical thinking, basic skills, study skills, reading and reading comprehension improvement, reading/writing connection, "at-risk" methodology

**Teacher Education:** higher education administration, secondary language arts and social sciences methods courses, and supervision of university interns. I have a special interest in developing and assessing interdisciplinary and multi-disciplinary programs with a basic skills, "at-risk," and "school-to-work" focus.

**6. STAFF TRAINING AND PROGRAM DEVELOPMENT**

In addition to my college teaching experience, I have five years experience in county-wide public school program design and staff development (working with community leaders and school administrators) modeling lessons and training teachers in program-, curriculum-, course-, lesson-, collaboration-, and assessment-training and redesign.

**7. A SIGNIFICANT EDUCATION RELATED FUND-RAISING PROJECT**

While Executive Director of The Education Foundation, I created an unusual fund-raising event that showcased education: an annual "thinking festival." SARASOTA THINKS is a unique, week-long (days and evenings), county-wide festival celebrating the importance of good thinking, reasoning and learning. It raised nearly \$100,000 for The Education Foundation its first year, 1995. In order to conduct SARASOTA THINKS, I recruited and trained over 1500 community volunteers and involved over 190 organizations as presenters. This festival had 25,000 attendees the first year. SARASOTA THINKS was an entertaining and informative week-long mix of hundreds of workshops, presentations, displays, demonstrations, activities, games, competitions, speakers, and celebrations, all focusing on the place and importance of productive thinking and learning. [Note: An unexpected byproduct of this festival was the national media attention given the event. Consequently, I have been made aware that close to 30 other communities around the country have followed the SARASOTA THINKS model and have conducted their own version of a "thinking festival."]

**8. OF PROFESSIONAL INTEREST**

*I have been actively involved in statewide college student assessment:*

**The Florida CLAST Exam for College Sophomores:**

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While living in Florida, and because of my interest in student assessment and student survival skills, I have been heavily involved in every phase of the CLAST (College Level Academic Skills Test) program, a State of Florida mandated basic skills exit exam required of all second semester college sophomores at Florida community colleges and universities.

I am author of *The CLAST Preparation Guide*, 4th ed., a popular test preparation guidebook for students currently used extensively at all of Florida's colleges and universities, frequently as part of "Preparing to pass the CLAST Exam" workshops. In addition, I was an external consultant to the State of Florida on the design of the CLAST program and have been a supervisor for the reading of the essay portion (the writing sample) of the CLAST exam three times a year. I have taught several CLAST preparation workshops for college students and teachers.

*I have been actively involved in the development of distance learning programs:*

**Internet Delivered Master's Degree In Teacher Education:**

While at Montana State University--Northern, I conceptualized and created a master's degree in education that is being delivered entirely by Internet. This degree is designed for teachers who wish to focus their graduate study and research on exemplary teaching practices while at the same time preparing for National Teacher Certification.

**Two-Way Interactive Courses Delivered By Television/Telephone Lines:**

I was an active participant in encouraging faculty to design and offer courses to be offered on NorthNet, MSU-Northern's two-way, interactive video system which transmits to 50 different distant locations in Montana. I also initiated the policy of coordinating the offering of Internet courses simultaneously with the offering of NorthNet courses. Each delivery method serves as a backup and reinforcement for the other method.

**9. I'M AN ACTIVE WRITER--AND ENJOY IT**

I am an active writer. For the last twenty years I have been writing articles and books. The majority of the 60 articles have been published in a wide-range of publications. I have also published seventeen books with mainstream and educational publishers. The majority of these books are college student learning skills textbooks primarily covering those crucial areas of effective study systems, test taking, reading improvement, memorization, writing, study skills, and critical thinking. I am currently under contract for two additional developmental studies textbooks that will be completed in the next six months. In addition to my learning skills focus, I write occasional books and articles for a general (non-college student) audience. A rather humorous interest in state lotteries (I'm



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not a player) has led to my writing numerous articles, a syndicated column, and three books about lotteries and lottery players. (But, do I know how to win? Nope.)

**Textbooks for College Students:** I have developed a reputation as a national authority on college student learning skills and patterns and have written several textbooks for freshmen and sophomores on how to improve personal study and learning skills. One of these books, *The Reading Edge: 13 Ways to Increase Reading Comprehension, Third Edition*, is currently the best selling and most widely accepted freshman text on improving reading comprehension in the country. Another of my textbooks, *Doing It Right: Improving College Learning Skills*, is nearly as popular. Additionally, I have recently published a textbook on critical thinking for college freshmen, *Stirring Up Thinking: Experiences in Critical thinking* (Houghton Mifflin Company) which is being widely adopted at colleges and universities in North America. My current writing projects, *TAKING CHARGE OF COLLEGE READING: Making Textbooks Speak To You*, is a new reading improvement/critical thinking textbook for community college students that will be published by Houghton Mifflin Co. A second developmental studies textbook in progress, *PERFECT BALANCE: Making College Reading and Studying Balance*, will be published by Allyn & Bacon Publishers. Please see List of Publications for a complete listing of publications.

**10. HONORS, PUBLICATIONS AND REFERENCES**

**Representative Honors/Affiliations--Highlights:**

Numerous awards, (including two Golden Gavel Awards, 1994 and 1995, for "outstanding contribution"), certificates, letters of appreciation, commendations, teacher-of-the-year awards, "recognition" letters from politicians (including the Governors of California, Florida and Montana ) and professional and community organizations.

Holder of The Selby Chair For Academic Enrichment, 1992-1995

Member, Board of Directors, Literacy Council, Inc.

Member, *Kappa Delta Pi* (National Honor Society in Education), Alpha Chi (National Honor Society)

Listed in Who's Who Among America's Writers

Listed in Who's Who Among America's Teachers

Member: NCTE, IRA, Developmental Studies Association, Partners in Education, Association of Teacher Educators

Awarded one fellowship and two assistantships during graduate school,  
Chair-elect, Montana Council of Deans

Program Chair, Georgia Association of Private Colleges & Universities



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Publications: (Please see attached complete list of publications.)

**A representative short list of publications:**

I have published 17 books and over 60 articles in a variety of publications.

**Recent Representative Publications About Learning:**

**Books:**

Taking Charge of College Reading: Making Textbooks Speak to You, Houghton Mifflin Co, Boston, MA (In process, under contract).

Stirring Up Thinking: Experiences In Critical Thinking, Houghton Mifflin, Boston, MA 1998.

The Reading Edge: Thirteen Ways To Build Reading Comprehension, 3rd Edition, Houghton Mifflin Co., Boston, MA 1998.

Doing It Right: Improving College Learning Skills, D.C. Heath & Co., Lexington, MA 1992.

**Periodical Article:**

"Wanna Bet?" *Ambassador*. July 1990, 20, Pp. 84-86.

**Newspaper Article:**

[I contribute occasional articles to several different newspapers around the country on an irregular basis.]

"Perspectives: how a community thinks." *Sarasota Herald-Tribune*. Sunday, C, May 21, 1995. Pp. 1-2.

**Contributed Chapter In A Book:**

"Why Not Write For Commercial Publication?" In Joseph L. Moxley, 2<sup>nd</sup> Edition, Writing And Publishing For Academic Writers (pp. 205-218). Lanham, MD: University Press of America, 1996.

**References**

**At Large References:**

Dr. Carl Ellis, Vice Chancellor, Vermilion College, Ely, Minnesota [formerly, Vice Chancellor for Academic and Student Affairs, Montana State University--Northern] Office (218) 365-7235

NEBRASKA STATE COLLEGE  
PSC PRESIDENT'S DISCRETIONARY FUND MANAGEMENT LETTER  
**DR. JOHNSON'S COVER LETTER AND RESUME TO PSC**

**Exhibit L**

January 28, 1999

Dr. Korinne Tande, Chair, Department of Education, Montana State University--Northern,  
P.O. Box 7751, Havre, MT, 59501, Office (406) 265-3745

Dr. Steve Sylvester, Chair, Department of Humanities and Social Sciences, Montana  
State University--Northern, P.O. Box 7751, Havre, MT, 59501, Office (406)  
265-4169

Dr. Mickey Kolis, Professor, Department of Education, Montana State University--  
Northern, P.O. Box 7751, Havre, MT, 59501, Office (406) 265-3518 or  
(406) 265-3745

Dr. Mary McCroskey, Professor, Department of Education, Montana State University--  
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265-3745

Shirley A. Ritchey, Board Member and Immediate Past Chairperson, The Education  
Foundation, 1350 Harbor Dr., Sarasota, FL 34329 (941) 366-9794

Lee Conklin, formerly Executive Director, The Van Wezel Foundation, P.O.Box 4012,  
Sarasota, FL 34320 (941) 362-7171

Stuart Barger, Board Member and Past Chairperson, The Asolo Performing Arts Center  
and The Education Foundation, 227 Central Ave., Sarasota, FL 34329 (941) 365-  
6056

Additional references related to my present position of Vice President for Academic  
Affairs and Dean of Faculty at Thomas College will be furnished upon request.

APA Note: The reference letters from other individuals and listing of publication were not included for this letter.