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For Immediate Release
November 5, 2026

Halloween Hangover: Ghost Director Still Haunts State Retirement Systems Payroll

Early last month, Nebraska State Auditor Mike Foley openly challenged the decision of the Public Employees Retirement Board (PERB) to pay the former Executive Director of the Nebraska Public Employees Retirement Systems (NPERS) nearly $28,000 in salary and benefits for six weeks of work never performed. Ignoring Foley's scathing condemnation of the apparently gratuitous and illegal payout, the PERB issued the first of three planned $7,884.81 checks to the absentee former administrator on October 14, 2026.

As Foley explained in an October 6, 2026, press release ("State Auditor Mike Foley Questions Nebraska Retirement Board for Waste of Money") the former Executive Director of NPERS abruptly abandoned his highly lucrative chief administrative position on September 21, 2026, after less than four months on the job. At that time, he turned in his State cell phone, office keys, work laptop computer, and agency identification. He then hightailed it to his home in Colorado, having no further contact of consequence with NPERS, much less performing any more work for the State. No matter, the PERB members have obviously concluded, issuing the second $7,884.81 paycheck to the no-show agency head on October 28, 2026 – making $15,769.62 in payments to him so far.

The third $7,884.81 check is scheduled to be issued on November 10, 2026. The total $27,878.31 payout reflects – in addition to the gross pay of $23,654.43 – both $1,367.52 in vacation and sick leave and $2,856.36 in employer-paid health insurance and retirement benefits "earned" while the missing-in-action administrator has been soaking up the scenery hundreds of miles away in the Centennial State.

In an ongoing effort to shed light on, as well as reverse, what he has described as an "egregious and inexcusable waste of money," Foley has issued a new 10-page letter to the PERB. Along with reiterating his strong opposition to the gratuitous payout on legal grounds – emphasizing the lack of authority to continue paying a State employee who has walked off the job – Foley addressed new and disturbing information regarding the former Executive Director's checkered work history. In doing so, Foley pointed out that NPERS failed to abide by its own internal policies for handling credible allegations of offensive or illegal workplace behavior to ensure a safe office environment.

These newest revelations also note improper payments to the former Executive Director before his unceremonious departure. As with his post-exit compensation, he was remunerated handsomely for work

apparently never performed – receiving his full pay despite a habit of not arriving at the office until mid-morning and having unapproved absences.

"You can't make this stuff up," Foley stated. "The PERB is hell-bent on lavishing tens of thousands of dollars on a spectral former administrator who, besides having an incredibly short, but evidently troubled, tenure of under four months with NPERS, was no longer working at the agency during the period for which he is being paid."

Worst of all, according to Foley, "Everyone knows exactly what is going on – from the PERB members themselves to the director of Administrative Services, who processed this outrageous payout, to the highest state officials. But nobody will lift a finger to stop it." Despite doing his best to sound the alarm, Foley explained, his office lacks any enforcement authority.

"Let me use an analogy to illustrate this situation in a way that anyone can understand. If you hired someone to watch your dog for a week, and that person stopped showing up after a few days – but not until making a mess of your living room – would you go ahead and pay him for the entire week? Absolutely not! Anyone with even a modicum of common sense should realize that. Regardless, this is precisely the kind of absurdity unfolding before our eyes."

Foley is calling once more for the PERB not only to stop the third $7,884.81 disbursement scheduled for November 10 but also to reclaim the misspent funds already squandered improperly, if not illegally, on the undeserving former Executive Director.

A copy of Foley's most recent letter to the PERB is publicly available at the following web address:

auditors.nebraska.gov