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Commonwealth investigation complete soon, Kerrey says

By Jeff Goodwin

Compensation for Commonwealth Savings Co. depositors will not be included in next year's state budget, Gov. Bob Kerrey said Wednesday.

"I think that would be premature," he said at a morning news conference. "We don't know what sort of deficiency we have. We haven't seen the final plan by John Miller (interim state banking director) yet."

Kerrey said the state's obligation to Commonwealth depositors is unclear.

"That's more of a legal question than a philosophical one," he said. "Legally, it (the state) may have an obligation. Philosophically, I'm not sure it does. If I make an investment, are you required as my neighbor to come in and bail me out if that investment fails?"

Kerrey said he expects the final Commonwealth report to be completed this week.

He said he would make the report's contents pub-

lic "reasonably soon, as long as it takes me to read it and see what it says."

Kerrey said he has no objections to a proposed Legislative investigation of Commonwealth but added that such an investigation should be cautious in its approach.

"I tend to agree with those senators who say we need more information before we can start an investigation," he said. "They should know what they're looking for before they start."

Kerrey said he was in what he called the "third phase" of drawing up the state budget. He said the budget should be completed by Christmas and would be presented to the Legislature in January.

Kerrey also said the amount of a proposed pay raise for state employees is still uncertain.

"It's still not definite that we'll be able to hold to that eight percent goal (the proposed amount)," he said. "I would expect it to be there but I can't guarantee it at this point."



Staff photo by Craig Andresen

Gov. Bob Kerrey

UNL groups uncertain about frozen funds

By Christopher Galen

Several UNL organizations are among depositors who have funds frozen in the insolvent Commonwealth Savings Co., according to a list on file with Lancaster County District Court.

The list, filed by the state Department of Banking, contained 15,627 accounts of both individuals and organizations.

One of those organizations is Alpha Lambda Delta, a UNL freshman honorary, which was reported to have \$6,671.95 in Commonwealth.

Todd Newell, president of Alpha Lambda Delta, declined to comment on the report, saying, "We're going to wait until we get some concrete facts about the situation before we say anything."

Another campus organization that dealt with Commonwealth was the Lutheran Student Center.

The center was reported to have \$220.36 in the bank. Marv Brinkman, program assistant at the center, said the funds belong to a ladies' auxiliary of the center.

Connie Decker, president of the Ladies' Auxiliary, confirmed that her group had more than \$200 in a Commonwealth account.

"It could have been worse if we had had more money in there at the time," Decker said, explaining that the auxiliary has had more than \$2,000 in Commonwealth on previous occasions.

"It's not as bad as it could have been," she said. "But I'm hoping we'll get it back. It can definitely be used."

Decker said the auxiliary, composed of two representatives each from various Lutheran churches in the Lincoln area, has used the money in its account on projects with the student center.

"I guess we'll start from scratch with new donations," Decker said.

The University Singers, a touring chorus from UNL, was another Commonwealth depositor, but one luckier than most, said G. Edward Bruner, the group's adviser.

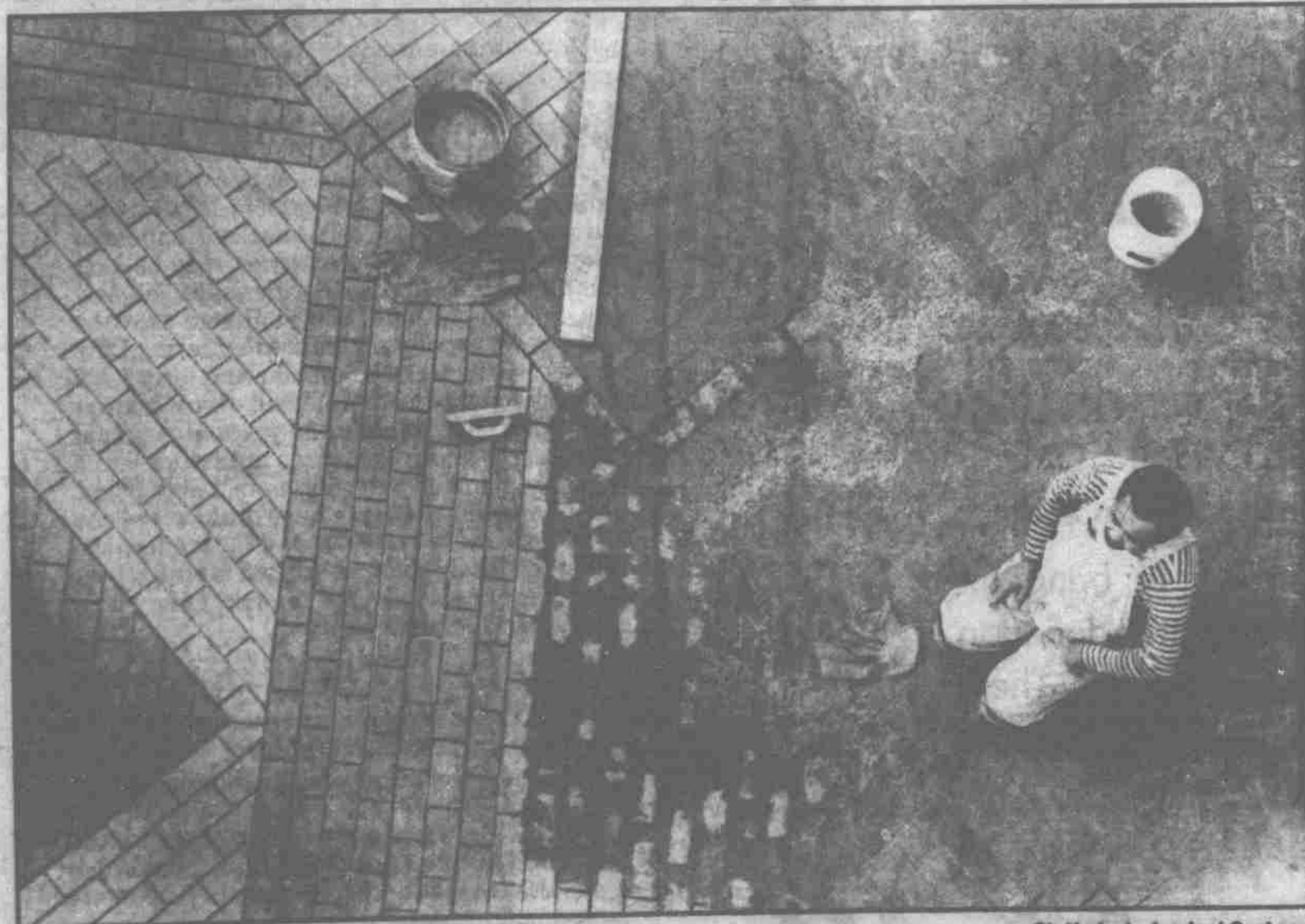
The listing found the University Singers with only \$14.83 in Commonwealth. The money generally is kept as a "floating account used for funding while we're on tour," said Bruner, an assistant professor in the School of Music.

"We're in good shape as far as that's concerned," Bruner said. "I'm hopeful that they'll be able to sell the institution."

Delta Upsilon, a UNL fraternity, was also listed as a depositor with Commonwealth. It had \$350.07 on account.

Walt Landwehr, president of Delta Upsilon, said that to his knowledge the fraternity had no money in the bank when it was taken over by the state Nov. 1.

"I'm sure I would have heard about it if that was the case," Landwehr said.



Staff photo by Joel Sartore

Another brick in the floor

Cornelius Royal, a construction worker from Lincoln, paused Tuesday afternoon while working on the floor of the nearly-completed Cornhusker Plaza Hotel Complex. Royal's job is to polish some 30,000 bricks set into the floor of the building's atrium.

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