

**NEBRASKA EDUCATIONAL SAVINGS PLAN TRUST-
NEST Direct College Savings Plan
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
For the year ended December 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Trustee, Program Manager, Investment Manager, and
Participants and Beneficiaries of the NEST Direct College Savings Plan

Report on the Financial Statements

Opinion

We have audited the accompanying statement of net position available for benefits of the NEST Direct College Savings Plan (the Plan) which is part of the Nebraska Educational Savings Plan Trust (the Trust), as of December 31, 2021, and the related statement of changes in net position available for benefits, investment summary, investment detail, and related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents for the year ended December 31, 2021.

In our opinion, the accompanying financial statements, including the investment summary and investment detail, present fairly, in all material respects, the respective net position of the Plan, as of December 31, 2021, and the respective changes in net position available for benefits, investment summary, investment detail, and related notes to the financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Responsibilities of Management for the Financial Statements

The Plan's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 and 6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Plan's basic financial statements. The schedule of participant contributions and transfers in and participant distributions and transfers out is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The schedule of participant contributions and transfers in and participant distributions and transfers out is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of participant contributions and transfers in and participant distributions and transfers out is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Emphasis of Matter

As discussed in Note A, the financial statements present only the NEST Direct College Savings Plan, and are not intended to present fairly the financial position of the Nebraska Educational Savings Plan Trust as a whole and the results of its operations in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2022, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Hayes & Associates, L.L.C.
Omaha, Nebraska
April 13, 2022

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Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 STATEMENT OF NET POSITION AVAILABLE FOR BENEFITS
 December 31, 2021

ASSETS		
Cash	\$	7,576,469
Investments:		
Cost		2,555,364,011
Unrealized gain/loss - investments		188,811,421
Total investments		<u>2,744,175,432</u>
Dividends receivable		893,399
Total assets		<u>2,752,645,300</u>
LIABILITIES		
Payables:		
Distributions to plan administrator		5,018,074
Accrued expenses		1,640,894
Total liabilities		<u>6,658,968</u>
NET POSITION	\$	<u><u>2,745,986,332</u></u>

See accompanying notes and independent auditor's report.

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 STATEMENT OF CHANGES IN NET POSITION AVAILABLE FOR BENEFITS
 For the year ended December 31, 2021

Net Position - Beginning of Period	\$	2,522,327,702
Receipts		
Contributions/Exchanges/Transfers		1,005,500,710
Investment income:		
Dividends and mutual fund distributions		77,368,856
Realized gain/loss		30,426,968
Unrealized gain/loss- investments		188,811,421
Total receipts		1,302,107,955
Disbursements:		
Administrative Expenses:		
Fees		
Management fee		2,047,757
State administrative fee		532,802
Distributions/Exchanges/Transfers		1,075,868,766
Total Disbursements		1,078,449,325
Net Position - End of Period	\$	2,745,986,332

See accompanying notes and independent auditor's report.

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 INVESTMENT SUMMARY
 December 31, 2021

INVESTMENT DISTRIBUTION	Cost	Market Value	Unrealized Gain/Loss
Unit of Participation	\$ 2,555,364,011	\$ 2,744,175,432	\$ 188,811,421
Total Investments	\$ 2,555,364,011	\$ 2,744,175,432	\$ 188,811,421

See accompanying notes and independent auditor's report.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
SCHEDULE OF INVESTMENTS
December 31, 2021

	Fixed Income Age-Based Conserv 17-18	Fund 10 Age-Based Conserv 15-16	Fund 20 Age-Based Conserv 13-14	Fund 30 Age-Based Conserv 11-12	Fund 40 Age-Based Conserv 09-10	Fund 50 Age-Based Conserv 06-08	Fund 60 Age-Based Conserv 03-05
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	11,379,872	4,293,259	1,520,577	-	-	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-	189,680	342,917	275,683	316,830	322,853	265,361
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	-	-
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	-	-
Vanguard Equity Income	-	-	-	-	-	-	-
Vanguard Explorer	-	-	-	-	-	-	-
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	-	1,301,623	2,354,474	2,805,016	2,804,396	3,579,591	2,567,672
Total investment in U.S. equity funds	-	1,301,623	2,354,474	2,805,016	2,804,396	3,579,591	2,567,672
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	-	374,392	677,492	942,444	1,044,424	1,366,125	1,029,937
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	-	-	-	-	-	-
Vanguard Short-Term Bond Index	4,556,269	4,110,429	4,226,550	2,935,350	1,460,623	1,146,109	570,266
Vanguard Total Bond Market Index	3,423,159	5,240,779	5,072,469	4,002,349	3,240,969	3,040,851	1,535,627
Total investment in fixed income funds	7,979,428	9,351,208	9,299,019	6,937,699	4,701,592	4,186,960	2,105,893
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	3,416,643	2,616,699	1,861,944	1,732,545	939,891	413,143	126,574
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	-	-	-
Vanguard Total International Bond	-	559,495	839,768	658,066	625,153	620,210	313,643
Total investment in international fixed income funds	-	559,495	839,768	658,066	625,153	620,210	313,643
TOTAL INVESTMENTS	<u>\$ 22,775,943</u>	<u>\$ 18,686,356</u>	<u>\$ 16,896,191</u>	<u>\$ 13,351,453</u>	<u>\$ 10,432,286</u>	<u>\$ 10,488,882</u>	<u>\$ 6,409,080</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Fund 70 Age-Based Conserv 0-2	Fund 80 Age-Based Aggressive 06-08	Fund 90 Age-Based Aggressive 03-05	Fund 100 Age-Based Aggressive 0-2	Blended Fund 10 Age-Based Moderate 19+	Blended Fund 20 Conservative Static	Blended Fund 30 Age-Based Conserv 11-12
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	28,690,713	3,308,881	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	59,283	246,068	230,809	185,943	1,257,480	745,614	1,153
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	368,343	569
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	2,472,344	1,092,991	2,820
Vanguard Equity Income	-	-	-	-	2,493,900	1,105,124	2,851
Vanguard Explorer	-	-	-	-	-	366,519	570
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	539,274	2,572,667	2,282,147	1,991,835	3,726,447	2,198,489	5,105
Total investment in U.S. equity funds	539,274	2,572,667	2,282,147	1,991,835	8,692,691	5,131,466	11,915
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	224,278	1,075,189	919,145	894,766	2,502,046	1,473,778	3,992
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	-	-	-	17,515,968	5,514,342	8,539
Vanguard Short-Term Bond Index	70,731	195,134	76,494	-	27,469,357	9,195,271	12,536
Vanguard Total Bond Market Index	236,177	635,549	268,193	-	17,511,554	5,514,350	8,539
Total investment in fixed income funds	306,908	830,683	344,687	-	62,496,879	20,223,963	29,614
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	-	-	-	-	17,478,240	4,049,923	7,415
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	3,737,990	1,828,296	2,835
Vanguard Total International Bond	47,131	146,250	38,229	-	-	-	-
Total investment in international fixed income funds	47,131	146,250	38,229	-	3,737,990	1,828,296	2,835
TOTAL INVESTMENTS	<u>\$ 1,176,874</u>	<u>\$ 4,870,857</u>	<u>\$ 3,815,017</u>	<u>\$ 3,072,544</u>	<u>\$ 124,856,039</u>	<u>\$ 36,761,921</u>	<u>\$ 56,924</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
SCHEDULE OF INVESTMENTS
December 31, 2021

	Blended Fund 40 Age-Based Conserv 09-10	Blended Fund 50 Balanced Static	Blended Fund 60 Age-Based Conserv 03-05	Blended Fund 70 Age-Based Conserv 0-2	Blended Fund 80 Growth Static	Blended Fund 90 Age-Based Moderate 0-2	Blended Fund 100 All Equity Static
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	-	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	3,259	2,606,795	2,088	3,812	11,535,728	367,734	842,346
U.S. EQUITY FUNDS							
DFA US Small Cap Value	2,151	1,740,765	1,546	2,258	6,985,129	241,825	563,711
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	6,435	6,615,154	4,598	8,256	28,326,659	843,329	2,074,305
Vanguard Equity Income	6,469	6,745,396	4,646	8,299	28,951,099	847,672	2,085,114
Vanguard Explorer	2,154	1,695,352	1,548	2,261	6,812,059	241,991	557,321
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	11,817	11,688,163	8,219	13,531	46,282,609	1,448,027	3,741,449
Total investment in U.S. equity funds	29,026	28,484,830	20,557	34,605	117,357,555	3,622,844	9,021,900
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	10,816	10,897,083	8,265	14,382	47,730,638	1,458,021	4,046,527
FIXED INCOME FUNDS							
MetWest Total Return Bond	16,233	11,540,111	6,189	7,574	12,750,645	182,187	-
Vanguard Short-Term Bond Index	15,122	9,095,507	4,644	4,535	8,316,483	121,146	-
Vanguard Total Bond Market Index	17,311	12,356,735	6,188	7,572	14,983,465	242,926	-
Total investment in fixed income funds	48,666	32,992,353	17,021	19,681	36,050,593	546,259	-
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	9,719	3,356,105	1,033	-	-	-	-
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	6,481	4,929,902	2,569	3,023	6,159,361	60,470	-
Vanguard Total International Bond	-	-	-	-	-	-	-
Total investment in international fixed income funds	6,481	4,929,902	2,569	3,023	6,159,361	60,470	-
TOTAL INVESTMENTS	<u>\$ 107,967</u>	<u>\$ 83,267,068</u>	<u>\$ 51,533</u>	<u>\$ 75,503</u>	<u>\$ 218,833,875</u>	<u>\$ 6,055,328</u>	<u>\$ 13,910,773</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Blended Fixed Inc Age-Based Conserv 17-18	Money Market Age-Based Conserv 19+	Blended MM Age-Based Conserv 19+	Bank Savings Static	Vanguard Federal Money Market	Vanguard ST Inflation Protected	Vanguard Short-Term Bond Index
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ 31,181,442	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	31,181,442	-	-	-
Total investment in bank savings	-	-	-	62,362,884	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	910,129	38,485,952	1,969,176	-	55,600,206	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-	-	-	-	-	-	-
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	-	-
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	-	-
Vanguard Equity Income	-	-	-	-	-	-	-
Vanguard Explorer	-	-	-	-	-	-	-
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	-	-	-	-	-	-	-
Total investment in U.S. equity funds	-	-	-	-	-	-	-
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	-	-	-	-	-	-	-
FIXED INCOME FUNDS							
MetWest Total Return Bond	127,763	-	-	-	-	-	-
Vanguard Short-Term Bond Index	364,374	-	-	-	-	-	25,110,539
Vanguard Total Bond Market Index	145,983	-	-	-	-	-	-
Total investment in fixed income funds	638,120	-	-	-	-	-	25,110,539
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	273,395	-	-	-	-	17,558,462	-
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	-	-	-
Vanguard Total International Bond	-	-	-	-	-	-	-
Total investment in international fixed income funds	-	-	-	-	-	-	-
TOTAL INVESTMENTS	<u>\$ 1,821,644</u>	<u>\$ 38,485,952</u>	<u>\$ 1,969,176</u>	<u>\$ 62,362,884</u>	<u>\$ 55,600,206</u>	<u>\$ 17,558,462</u>	<u>\$ 25,110,539</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Vanguard Total Bond Market Index	MetWest Total Return Bond	DFA World ex-US Government	State Street Equity 500 Index	Vanguard Total Stock Market Index	Vanguard Equity Income	T Rowe Price Large Cap Growth
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	-	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-	-	-	-	-	-	-
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	-	-
State Street Equity 500 Index	-	-	-	151,278,168	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	-	151,294,989
Vanguard Equity Income	-	-	-	-	-	64,572,925	-
Vanguard Explorer	-	-	-	-	-	-	-
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	-	-	-	-	179,735,981	-	-
Total investment in U.S. equity funds	-	-	-	151,278,168	179,735,981	64,572,925	151,294,989
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	-	-	-	-	-	-	-
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	26,412,721	-	-	-	-	-
Vanguard Short-Term Bond Index	-	-	-	-	-	-	-
Vanguard Total Bond Market Index	30,211,855	-	-	-	-	-	-
Total investment in fixed income funds	30,211,855	26,412,721	-	-	-	-	-
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	-	-	-	-	-	-	-
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	2,477,628	-	-	-	-
Vanguard Total International Bond	-	-	-	-	-	-	-
Total investment in international fixed income funds	-	-	2,477,628	-	-	-	-
TOTAL INVESTMENTS	<u>\$ 30,211,855</u>	<u>\$ 26,412,721</u>	<u>\$ 2,477,628</u>	<u>\$ 151,278,168</u>	<u>\$ 179,735,981</u>	<u>\$ 64,572,925</u>	<u>\$ 151,294,989</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Vanguard Extended Market Index	Vanguard Explorer	DFA US Small Cap Value	Vanguard Total Intl Stock Index	Vanguard Real Estate Index	Fund 10 Age-Based Moderate 19+	Fund 20 Age-Based Moderate 17-18
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	-	646,201	343,673
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-	-	-	-	31,041,473	28,347	77,608
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	33,205,278	-	-	-	-
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	-	-
Vanguard Equity Income	-	-	-	-	-	-	-
Vanguard Explorer	-	53,051,649	-	-	-	-	-
Vanguard Extended Market Index	71,807,879	-	-	-	-	-	-
Vanguard Total Stock Market Index	-	-	-	-	-	195,799	536,369
Total investment in U.S. equity funds	71,807,879	53,051,649	33,205,278	-	-	195,799	536,369
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	-	-	-	64,223,154	-	56,376	152,734
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	-	-	-	-	-	-
Vanguard Short-Term Bond Index	-	-	-	-	-	618,694	956,680
Vanguard Total Bond Market Index	-	-	-	-	-	788,785	1,150,135
Total investment in fixed income funds	-	-	-	-	-	1,407,479	2,106,815
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	-	-	-	-	-	393,672	420,512
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	-	-	-
Vanguard Total International Bond	-	-	-	-	-	83,888	190,732
Total investment in international fixed income funds	-	-	-	-	-	83,888	190,732
TOTAL INVESTMENTS	<u>\$ 71,807,879</u>	<u>\$ 53,051,649</u>	<u>\$ 33,205,278</u>	<u>\$ 64,223,154</u>	<u>\$ 31,041,473</u>	<u>\$ 2,811,762</u>	<u>\$ 3,828,443</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
SCHEDULE OF INVESTMENTS
December 31, 2021

	Fund 30 Age-Based Moderate 15-16	Fund 40 Age-Based Moderate 13-14	Fund 50 Age-Based Moderate 11-12	Fund 60 Age-Based Moderate 09-10	Fund 70 Age-Based Moderate 06-08	Blended Fund 50 Age-Based Aggressive 13-14	Fund 20 Age-Based Aggressive 19+
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	-	-	178,589
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	74,280	109,688	58,191	62,333	93,975	2,859,985	40,820
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	1,895,680	-
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	7,318,475	-
Vanguard Equity Income	-	-	-	-	-	7,440,927	-
Vanguard Explorer	-	-	-	-	-	1,852,066	-
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	765,896	971,284	652,087	612,159	848,004	12,890,068	279,612
Total investment in U.S. equity funds	765,896	971,284	652,087	612,159	848,004	31,397,216	279,612
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	257,005	356,568	249,229	246,511	352,594	12,059,266	79,954
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	-	-	-	-	12,843,951	-
Vanguard Short-Term Bond Index	806,840	496,242	210,503	138,449	111,098	10,066,453	497,527
Vanguard Total Bond Market Index	1,102,175	1,105,032	557,033	369,951	371,312	13,764,339	598,209
Total investment in fixed income funds	1,909,015	1,601,274	767,536	508,400	482,410	36,674,743	1,095,736
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	476,656	317,925	76,230	30,708	-	3,700,232	218,816
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	-	5,442,351	-
Vanguard Total International Bond	183,220	210,552	114,457	76,848	73,981	-	98,906
Total investment in international fixed income funds	183,220	210,552	114,457	76,848	73,981	5,442,351	98,906
TOTAL INVESTMENTS	<u>\$ 3,666,072</u>	<u>\$ 3,567,291</u>	<u>\$ 1,917,730</u>	<u>\$ 1,536,959</u>	<u>\$ 1,850,964</u>	<u>\$ 92,133,793</u>	<u>\$ 1,992,433</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Fund 30 Age-Based Aggressive 17-18	Fund 40 Age-Based Aggressive 15-16	Fund 50 Age-Based Aggressive 13-14	Fund 60 Age-Based Aggressive 11-12	Fund 70 Age-Based Aggressive 09-10	Blended Fund 100 Age-Based Aggressive 0-2	Blended Fund 10 Age-Based Conserv 15-16
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	-	-	-	-	-	-	141,378
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	29,647	97,310	113,861	120,851	148,509	583,675	6,188
U.S. EQUITY FUNDS							
DFA US Small Cap Value	-	-	-	-	-	385,592	-
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	-	-	-	-	-	1,431,630	12,219
Vanguard Equity Income	-	-	-	-	-	1,439,010	12,282
Vanguard Explorer	-	-	-	-	-	384,086	-
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	307,788	859,724	1,270,658	1,182,423	1,347,726	2,581,969	18,356
Total investment in U.S. equity funds	307,788	859,724	1,270,658	1,182,423	1,347,726	6,222,287	42,857
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	102,168	320,118	489,146	475,797	560,470	2,792,462	12,322
FIXED INCOME FUNDS							
MetWest Total Return Bond	-	-	-	-	-	-	86,307
Vanguard Short-Term Bond Index	321,638	447,747	413,333	267,128	176,709	-	135,358
Vanguard Total Bond Market Index	439,522	993,150	1,091,714	714,164	590,213	-	86,285
Total investment in fixed income funds	761,160	1,440,897	1,505,047	981,292	766,922	-	307,950
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	189,843	288,114	150,230	59,331	-	-	86,122
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	-	-	-	-	-	-	18,459
Vanguard Total International Bond	72,716	191,388	225,310	148,176	117,726	-	-
Total investment in international fixed income funds	72,716	191,388	225,310	148,176	117,726	-	18,459
TOTAL INVESTMENTS	<u>\$ 1,463,322</u>	<u>\$ 3,197,551</u>	<u>\$ 3,754,252</u>	<u>\$ 2,967,870</u>	<u>\$ 2,941,353</u>	<u>\$ 9,598,424</u>	<u>\$ 615,276</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
SCHEDULE OF INVESTMENTS
December 31, 2021

	Blended Fund 20 Age-Based Conserv 13-14	Blended Fund 30 Age-Based Moderate 15-16	Blended Fund 40 Age-Based Moderate 13-14	Blended Fund 50 Age-Based Conserv 06-08	Blended Fund 60 Age-Based Moderate 09-10	Blended Fund 70 Age-Based Moderate 06-08	Blended Fund 80 Age-Based Moderate 03-05
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	20,692	-	-	-	-	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	4,629	1,498,849	2,187,463	2,784	1,402,134	1,873,386	1,078,370
U.S. EQUITY FUNDS							
DFA US Small Cap Value	2,291	741,762	1,431,269	1,833	1,045,617	1,119,733	641,608
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	6,855	3,698,605	4,253,544	7,282	3,038,909	4,046,010	2,748,603
Vanguard Equity Income	6,891	3,717,538	4,284,713	7,340	3,070,363	4,066,682	2,774,220
Vanguard Explorer	2,295	743,238	1,417,828	1,834	1,022,795	1,099,317	642,029
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	13,732	6,667,028	7,827,709	12,782	5,418,266	6,618,482	4,462,085
Total investment in U.S. equity funds	32,064	15,568,171	19,215,063	31,071	13,595,950	16,950,224	11,268,545
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	9,217	5,221,448	7,119,628	11,940	5,439,829	7,033,484	4,703,792
FIXED INCOME FUNDS							
MetWest Total Return Bond	34,587	11,195,850	10,554,754	12,867	4,057,194	3,667,813	1,278,978
Vanguard Short-Term Bond Index	57,532	16,387,718	9,827,039	10,089	3,030,553	2,188,742	850,901
Vanguard Total Bond Market Index	34,578	11,193,027	11,260,084	13,783	4,056,187	3,667,814	1,492,101
Total investment in fixed income funds	126,697	38,776,595	31,641,877	36,739	11,143,934	9,524,369	3,621,980
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	25,310	9,682,223	6,307,488	3,672	664,239	-	-
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	11,507	3,720,496	4,173,211	5,500	1,672,497	1,440,414	633,135
Vanguard Total International Bond	-	-	-	-	-	-	-
Total investment in international fixed income funds	11,507	3,720,496	4,173,211	5,500	1,672,497	1,440,414	633,135
TOTAL INVESTMENTS	<u>\$ 230,116</u>	<u>\$ 74,467,782</u>	<u>\$ 70,644,730</u>	<u>\$ 91,706</u>	<u>\$ 33,918,583</u>	<u>\$ 36,821,877</u>	<u>\$ 21,305,822</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
SCHEDULE OF INVESTMENTS
December 31, 2021

	Blended Fund 20 Age-Based Aggressive 19+	Blended Fund 20 Age-Based Moderate 17-18	Blended Fund 30 Age-Based Aggressive 17-18	Blended Fund 40 Age-Based Aggressive 15-16	Blended Fund 50 Age-Based Moderate 11-12	Blended Fund 60 Age-Based Aggressive 11-12	Blended Fund 70 Age-Based Aggressive 09-10
BANK SAVINGS							
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NE Bank Savings UBT	-	-	-	-	-	-	-
Total investment in bank savings	-	-	-	-	-	-	-
MONEY MARKET FUNDS							
Vanguard Federal Money Market	12,945,536	8,259,191	-	-	-	-	-
U.S. REAL ESTATE FUNDS							
Vanguard Real Estate ETF	2,977,518	1,876,779	2,226,050	3,298,673	1,553,508	2,730,744	2,577,796
U.S. EQUITY FUNDS							
DFA US Small Cap Value	1,476,890	934,979	1,123,280	2,185,955	995,454	2,003,354	1,521,788
State Street Equity 500 Index	-	-	-	-	-	-	-
T Rowe Price Large-Cap Growth	4,344,290	2,743,690	5,367,606	6,381,371	3,959,706	5,952,879	5,440,528
Vanguard Equity Income	4,408,857	2,774,167	5,427,295	6,442,781	4,036,164	5,999,483	5,520,946
Vanguard Explorer	1,444,725	935,596	1,108,862	2,187,949	994,106	1,998,166	1,507,926
Vanguard Extended Market Index	-	-	-	-	-	-	-
Vanguard Total Stock Market Index	8,713,627	5,503,466	9,681,039	11,712,538	7,016,007	10,626,577	8,959,730
Total investment in U.S. equity funds	20,388,389	12,891,898	22,708,082	28,910,594	17,001,437	26,580,459	22,950,918
INTERNATIONAL EQUITY FUNDS							
Vanguard Total International Stock Index	5,839,216	3,694,483	7,581,214	10,711,488	6,524,556	10,635,637	9,530,400
FIXED INCOME FUNDS							
MetWest Total Return Bond	21,616,463	13,816,934	16,042,629	15,842,543	6,914,610	7,975,779	4,958,497
Vanguard Short-Term Bond Index	36,101,589	22,993,792	23,544,197	14,791,120	5,408,862	5,963,732	2,950,999
Vanguard Total Bond Market Index	21,616,505	13,813,444	16,038,582	16,903,097	7,411,087	7,973,774	4,957,255
Total investment in fixed income funds	79,334,557	50,624,170	55,625,408	47,536,760	19,734,559	21,913,285	12,866,751
FIXED INCOME TIPS FUNDS							
Vanguard Short-Term Inflation Protected	15,873,128	10,106,147	13,961,846	9,521,453	1,960,156	1,309,725	-
INTERNATIONAL FIXED INCOME FUNDS							
DFA World ex US Gov't Fixed Income	7,136,610	4,585,474	5,294,934	6,246,855	2,922,281	3,302,287	1,952,251
Vanguard Total International Bond	-	-	-	-	-	-	-
Total investment in international fixed income funds	7,136,610	4,585,474	5,294,934	6,246,855	2,922,281	3,302,287	1,952,251
TOTAL INVESTMENTS	<u>\$ 144,494,954</u>	<u>\$ 92,038,142</u>	<u>\$ 107,397,534</u>	<u>\$ 106,225,823</u>	<u>\$ 49,696,497</u>	<u>\$ 66,472,137</u>	<u>\$ 49,878,116</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 SCHEDULE OF INVESTMENTS
 December 31, 2021

	Blended Fund 80 Age-Based Aggressive 06-08	Blended Fund 90 Age-Based Aggressive 03-05	NEST Meadowlark 2020	Total
BANK SAVINGS				
NE Bank Savings NELNET	\$ -	\$ -	\$ -	\$ 31,181,442
NE Bank Savings UBT	-	-	-	31,181,442
Total investment in bank savings	-	-	-	62,362,884
MONEY MARKET FUNDS				
Vanguard Federal Money Market	-	-	-	168,694,025
U.S. REAL ESTATE FUNDS				
Vanguard Real Estate ETF	2,926,168	2,170,722	80,359	85,814,109
U.S. EQUITY FUNDS				
DFA US Small Cap Value	1,834,430	1,430,479	-	63,883,569
State Street Equity 500 Index	-	-	-	151,278,168
T Rowe Price Large-Cap Growth	7,470,032	4,957,113	-	265,921,227
Vanguard Equity Income	7,484,483	4,999,491	-	180,737,128
Vanguard Explorer	1,718,537	1,431,423	-	83,224,202
Vanguard Extended Market Index	-	-	-	71,807,879
Vanguard Total Stock Market Index	12,108,291	8,523,916	771,136	411,614,865
Total investment in U.S. equity funds	30,615,773	21,342,422	771,136	1,228,467,038
INTERNATIONAL EQUITY FUNDS				
Vanguard Total International Stock Index	12,665,556	8,574,574	277,409	265,053,485
FIXED INCOME FUNDS				
MetWest Total Return Bond	3,424,851	1,066,139	-	209,473,018
Vanguard Short-Term Bond Index	2,270,142	706,929	23,118	261,828,922
Vanguard Total Bond Market Index	4,001,913	1,423,597	81,585	257,363,032
Total investment in fixed income funds	9,696,906	3,196,665	104,703	728,664,972
FIXED INCOME TIPS FUNDS				
Vanguard Short-Term Inflation Protected	-	-	-	129,665,509
INTERNATIONAL FIXED INCOME FUNDS				
DFA World ex US Gov't Fixed Income	1,687,363	351,744	-	69,805,924
Vanguard Total International Bond	-	-	11,641	5,647,486
Total investment in international fixed income funds	1,687,363	351,744	11,641	75,453,410
TOTAL INVESTMENTS	<u>\$ 57,591,766</u>	<u>\$ 35,636,127</u>	<u>\$ 1,245,248</u>	<u>\$ 2,744,175,432</u>

See accompanying notes and independent auditor's report

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

The Nebraska Educational Savings Plan Trust (the Trust), established on January 1, 2001, is designed to qualify as a tax-advantaged qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended.

The NEST Direct College Savings Plan (the Plan) is part of the Nebraska Educational Savings Plan Trust. The Trust was established in accordance with Nebraska Legislative Bill 1003 (the Act), as amended, to encourage the investment of funds to be used for qualified higher education expenses at eligible educational institutions. The Trust is comprised of three funds: the Expense Fund, the Administrative Fund, and the Program Fund. The Plan is a series of the Program Fund of the Trust. The Bloomwell 529 Education Savings Plan, the NEST Advisor College Savings Plan, and the State Farm 529 Savings Plan are a separate class of accounts in the Trust and are not included in the accompanying financial statements. The Expense Fund and the Administrative Fund are also not included in the accompanying financial statements. Accounts in the Plan have not been registered with the Securities and Exchange Commission or with any state securities commission pursuant to exemptions from registration available for securities issued by a public instrumentality of a state.

The financial statements presented reflect only the NEST Direct College Savings Plan Series as part of the Nebraska Educational Savings Plan Trust and are not intended to present fairly the financial position of the Trust as a whole and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

The Act authorizes and appoints the Nebraska State Treasurer as Trustee and responsible for the overall administration of the Plan. The State Treasurer has entered into a management contract with Union Bank and Trust Company (the Program Manager). Under the contract, the Program Manager provides day-to-day administrative and recordkeeping services to the Plan. The Program Manager provides separate accounting for each beneficiary. In addition, the Program Manager administers and maintains overall trust and individual account records.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

1. Reporting Entity – Continued

The Plan is comprised of Age-Based Investment Options, Static Investment Options, and Individual Fund Investment Options. The Age-Based and Static Investment Options invest in specified allocations of domestic equity, real estate, international equity, fixed income and money market Underlying Investments. The Individual Investment Options invest in a single Underlying Investment or, in the case of the Bank Savings Static Investment Option, an FDIC-insured bank account. The investment options and Underlying Investments have been selected and approved by the Nebraska Investment Council.

Participants in the Plan may designate their accounts be invested in Aged-Based Investment Options designed to reduce the exposure to principal loss the closer in age the beneficiary is to college, Static Investment Options that keep the same asset allocation between equity, real estate, fixed income, money market investments, or in Individual Fund Investment Options.

2. Meadowlark Program

The State of Nebraska established the Meadowlark Program to promote access to postsecondary educational opportunities by providing funds to qualified individuals to help pay the qualified higher education expenses associated with attendance at an eligible educational institution located in Nebraska. Qualified individual means an individual born on or after January 1, 2020, who is a resident of Nebraska at the time of birth. The program is administered by the State Treasurer. Qualified individuals born during calendar year 2020 received a one-time Meadowlark contribution of \$50.

The Nebraska Educational Savings Plan Trust is the owner of all accounts opened under the Meadowlark Program. Neither the qualified individual nor his or her parent or legal guardian shall have any ownership rights or interest in, title to, or power or control over such an account. Any disbursement from an account opened under the Meadowlark Program shall be made before the qualified individual reaches thirty years of age. Once a qualified individual reaches thirty years of age, any unused funds in his or her account shall be transferred to the Meadowlark Endowment Fund. Funds disbursed from an account opened under the Meadowlark Program shall only be used to pay the qualified higher education expenses associated with attending an eligible educational institution located in Nebraska and shall not be used to pay expenses associated with attending kindergarten through grade twelve.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The financial statements include the statement of net position available for benefits, statement of changes in net position available for benefits, investment summary and investment detail. The statement of net position available for benefits is a measure of the account's assets and liabilities at the close of the year. The statement of changes in net position available for benefits shows purchases to and redemptions from the account, as well as additions and deductions due to operations during the fiscal year. The investment summary and investment detail reports show summary of all investments at cost and market value and the detail listing of all investments, respectively.

4. Security Valuation

Investments in the Underlying Investments are valued at the closing net asset or unit value per share of each Underlying Investments on the day of valuation. The Plan calculates the net asset value of its shares based upon the net asset value of the applicable Underlying Investments, as of the close of the New York Stock Exchange (the Exchange), normally 3:00 P.M. Central time, on each day the Exchange is open for business. The net asset values of the Underlying Investments are determined as of the close of the Exchange, on each day the Exchange is open for trading.

5. Security Transactions and Investment Income

Security transactions are recorded on an average cost basis unless a client requests an alternative method on the trade date. Realized gains and losses on security transaction are determined on the cost basis on the disposition of assets. Dividend income is recorded on the ex-dividend date or upon ex-dividend notification.

6. Contributions, Withdrawals, and Distributions

Contributions by a participant are evidenced through the issuance of units in the particular Investment Option. Contributions to and withdrawals from the Investment Options are subject to terms and limitations defined in the Program Disclosure Statement and Participation Agreement between the participant and the Plan. Contributions received by the Program Manager before the close of trading on the New York Stock Exchange on any business day are credited to the account to which the contribution is made within one business day.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

6. Contributions, Withdrawals, and Distributions - Continued

Withdrawals are based on the unit price calculated for each Investment Option on the business day on which the Program Manager processes the withdrawal request. The earnings portion (if any) of a non-qualified withdrawal will be treated as ordinary income to the recipient and may also be subject to an additional 10% federal tax, as well as partial recapture of any Nebraska state income tax deduction previously claimed.

7. Plan Expenses and Fees

Expenses included in the accompanying financial statements reflect the expenses of the Plan. The Underlying Investments expenses are factored into the daily net asset value for each respective Underlying Investment. As such, each Investment Option indirectly bears its proportional share of the fees and expenses of the Underlying Investments in which it invests.

The plan expenses and fees are as follows:

- Program management fees equal to 0.08% of the average daily net position in each Investment Option.
- State administration fees equal to 0.02% of the average daily net position in each Investment Option.

Underlying Investment fees - each Investment Option also indirectly bears its pro rata share of the fees and expenses of the Underlying Investments. Although these expenses and fees are not charged to the accounts, they will reduce the investment returns realized by each Investment Option. The Underlying Investment fees range from 0.00% to 0.56%.

These fees are accrued daily as a percentage of average daily net position and will be deducted from each Investment Option. These fees will reduce the value of an account.

8. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of income and expenses during the reporting year. Actual results could differ from those estimates.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

9. Income Taxes

The Program has been designed to comply with the requirements for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code. Therefore, no federal income tax provision is required.

NOTE B. INVESTMENTS AND INVESTMENT RISKS

All investments have some degree of risks. The value of the Plan's accounts may vary depending on market conditions, the performance of the investment options selected, timing of purchases, and fees. The value of the Plan's accounts could be more or less than the amount contributed to the accounts. The Plan's investments may lose money.

Investments in the Plan are not guaranteed or insured by the FDIC, the SIPC, the State of Nebraska, the Nebraska Investment Council, the Nebraska State Treasurer, Union Bank and Trust Company or its authorized agents or their affiliates, or any other federal or state entity or person.

FDIC insurance is provided for the Bank Savings Static Investment Option only, which is an investment in an FDIC-insured omnibus bank account held in trust by the Plan at Union Bank and Trust Company and Nelnet Bank.

The Plan's Underlying Investments have the following risks:

Each Investment Option and Underlying Investment has Risks

Each of the Investment Options are subject to certain risks that may affect Investment Option performance. Set forth below is a list of the major risks applicable to the Investment Options. Such list is not an exhaustive list and there are other risks which are not defined below. See the NEST Direct College Savings Plan Program Disclosure Statement "Exhibit B – Investment Options and Underlying Investments" and the respective prospectuses of the Underlying Investments for a description of the risks associated with the Underlying Investments in which the Investment Options invest.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE B. INVESTMENTS AND INVESTMENT RISKS - CONTINUED

Market risk. Market risk is the risk that the prices of securities will decline overall. Securities markets tend to move in cycles, with periods of rising and falling prices. Securities prices change every business day, based on investor reactions to economic, political, market, industry, corporate and other developments. At times, these price changes may be rapid and dramatic. Some factors may affect the market as a whole, while others affect particular industries, firms or sizes or types of securities.

Interest rate risk. Interest rate risk is the risk that securities prices will decline due to rising interest rates. A rise in interest rates typically causes bond prices to fall.

Bonds with longer maturities and lower credit quality tend to be more sensitive to changes in interest rates, as are mortgage-backed bonds. Short- and long-term interest rates do not necessarily move the same amount or in the same direction. Money market investments are also affected by interest rates, particularly short-term rates, but in the opposite way: when short-term interest rates fall, money market yields usually fall as well. Bonds that can be paid off before maturity, such as mortgage-backed and other asset-backed securities, tend to be more volatile than other types of debt securities with respect to interest rate changes.

Income risk. Income risk is the chance that a fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds, so investors should expect the fund's monthly income to fluctuate.

Income fluctuations. Income distributions on the inflation-protected funds are likely to fluctuate considerably more than the income distributions of a typical bond fund. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for an inflation-protected fund.

Foreign investment risk. Investment in foreign stocks and bonds may be more risky than investments in domestic stocks and bonds. Foreign stocks and bonds tend to be more volatile, and may be less liquid, than their U.S. counterparts. The reasons for such volatility can include greater political and social instability, lower market liquidity, higher costs, less stringent investor protections, and inferior information on issuer finances. In addition, the dollar value of most foreign currencies changes daily. All these risks tend to be higher in emerging markets than in developed markets.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE B. INVESTMENTS AND INVESTMENT RISKS - CONTINUED

Asset-backed securities risk. An Investment Option's performance could suffer to the extent the Underlying Investments are exposed to asset-backed securities, including mortgage-backed securities. Asset-backed securities are subject to early amortization due to amortization or payout events that cause the security to payoff prematurely. Under those circumstances, an Underlying Investment may not be able to reinvest the proceeds of the payoff at a yield that is as high as that which the asset-backed security paid. In addition, asset-backed securities are subject to fluctuations in interest rates that may affect their yield or the prepayment rates on the underlying assets.

Derivatives risk. Certain of the Underlying Investments may utilize derivatives. There are certain investment risks in using derivatives, including futures contracts, options on futures, interest rate swaps and structured notes. If an Underlying Investment incorrectly forecasts interest rates in using derivatives, the Underlying Investment and any Investment Option invested in it could lose money. Price movements of a futures contract, option or structured notes may not be identical to price movements of portfolio securities or a securities index, resulting in the risk that, when an underlying investment fund buys a futures contract or option as a hedge, the hedge may not be completely effective. The use of these management techniques also involves the risk of loss if the advisor to an Underlying Investment is incorrect in its expectation of fluctuations in securities prices, interest rates or currency prices. Investments in derivatives may be illiquid, difficult to price and result in leverage so that small changes may produce disproportionate losses for the Underlying Investment. Investments in derivatives may be subject to counterparty risk to a greater degree than more traditional investments. Please see the Underlying Investments prospectus for complete details.

Concentration risk. To the extent that an Underlying Investment or an Investment Option is exposed to securities of a single country, region, industry, structure or size, its performance may be unduly affected by factors common to the type of securities involved.

Index sampling risk. Index sampling risk is the chance that the securities selected for an Underlying Investment, in the aggregate, will not provide investment performance matching that of the Underlying Investment's target index.

Issuer risk. Changes in an issuer's business prospects or financial condition, including those resulting from concerns over accounting or corporate governance practices, could significantly affect an Investment Option's performance if the Investment Option has sufficient exposure to those securities.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE B. INVESTMENTS AND INVESTMENT RISKS - CONTINUED

Credit risk. The value or yield of a bond or money market security could fall if its credit backing deteriorates. In more extreme cases, default or the threat of default could cause a security to lose most or all of its value. Credit risks are higher in high-yield bonds.

Management risk. An Investment Option's performance could suffer if the investment fund or funds in which it invests underperform.

Call risk. This is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupons or interest rates before their maturity dates. The Underlying Investment would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Investment's income. Such redemptions and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

Extension risk. This is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. For Underlying Investments that invest in mortgage-backed securities, extension risk is the chance that during periods of rising interest rates, homeowners will prepay their mortgages at slower rates.

Emerging markets risk. Underlying Investments that invest in foreign securities may also be subject to emerging markets risk, which is the chance that the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets because, among other factors, emerging markets can have greater custodial and operational risks; less developed legal, regulatory and accounting systems; and greater political, social and economic instability than developed markets.

Investment style risk. This is the chance that returns from the types of stocks in which an Underlying Investment invests will trail returns from the overall stock market. Specific types of stocks (for instance, small-capitalization stocks) tend to go through cycles of doing better (or worse) than the stock market in general. These periods have, in the past, lasted for as long as several years.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE B. INVESTMENTS AND INVESTMENT RISKS - CONTINUED

Prepayment risk. This is the chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by an Underlying Investment. The Underlying Investment would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Underlying Investment's income. Such prepayments and subsequent reinvestments would also increase the Underlying Investment's portfolio turnover rate.

Infectious Illness Risk. An outbreak of an infectious respiratory illness, COVID19, caused by a novel coronavirus has resulted in travel restrictions, disruption of healthcare systems, prolonged quarantines, cancellations, supply chain disruptions, lower consumer demand, layoffs, ratings downgrades, defaults and other significant economic impacts. Certain markets have experienced temporary closures, extreme volatility, severe losses, reduced liquidity and increased trading costs. These events may have an impact on the Underlying Investments and could impact the ability to purchase or sell securities or cause elevated tracking error and increased premiums or discounts to the Underlying Investments NAV. Other infectious illness outbreaks in the future may result in similar impacts.

Cybersecurity risk. The Plan places significant reliance on the computer systems of its service providers and partners. Thus, the Plan may be susceptible to operational and information security risks resulting from cyber threats and cyber-attacks which may adversely affect your account and cause it to lose value. For example, cyber threats and cyber-attacks may interfere with your ability to make contributions to, exchanges within or distributions from your accounts. Cyber threats and cyber-attacks may also impede trading and/or result in the collection and use of personally identifiable information of an account owner, Beneficiary or others.

Cybersecurity risks include security or privacy incidents such as human error, unauthorized release, theft, misuse, corruption and destruction of account data maintained by the Plan online or in digital form. Cybersecurity risks also include denial of service, viruses, malware, hacking, bugs, security vulnerabilities in software, attacks on technology operations and other disruptions that could impede the Plan's ability to maintain routine operations. Although the Plan's service providers and partners undertake efforts to protect their computer systems from cyber threats and cyber-attacks, there are no guarantees that the Plan or your account will avoid losses due to cyber threats or cyber-attacks.

Nebraska Educational Savings Plan Trust
NEST Direct College Savings Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
For the year ended December 31, 2021

NOTE C. FAIR VALUE MEASUREMENT

Accounting Standards Codification (ASC) 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to measurements involving significant unobservable inputs (Level III measurements).

The three levels of the fair value hierarchy are as follows:

Level I – unadjusted quoted prices in active markets for identical assets or liabilities including securities actively traded on a securities exchange.

Level II – inputs other than unadjusted quoted prices that are observable for the asset or liability (such as unadjusted quoted prices for similar assets and market corroborated inputs such as interest rates, prepayment speeds, credit risk, etc.).

Level III – significant unobservable inputs (including management’s own judgments about assumptions that market participants would use in pricing the asset or liability).

The inputs used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

The Plan classifies each of its investments in those Underlying Investments which are publicly offered and reported on an exchange as Level I, and those Underlying Investments which are not publicly offered as Level II without consideration as to the classification level of the specific investment held by the Underlying Investments. The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Nebraska Educational Savings Plan Trust
 NEST Direct College Savings Plan
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 For the year ended December 31, 2021

NOTE C. FAIR VALUE MEASUREMENT - CONTINUED

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2021:

	Fair Value	Level I	Level II	Level III
Bank Savings	\$ 62,362,884	\$ 62,362,884	\$ -	\$ -
Money Market				
Funds	168,694,024	168,694,024	-	-
U.S. Real Estate				
Mutual Funds	85,814,113	85,814,113	-	-
U.S. Equity Mutual				
Funds	1,228,467,039	1,228,467,039	-	-
International Equity				
Mutual Funds	265,053,486	265,053,486	-	-
Fixed Income Mutual				
Funds	728,664,967	728,664,967	-	-
Fixed Income Mutual				
Funds TIPS	129,665,509	129,665,509	-	-
International Fixed				
Income Funds	75,453,410	75,453,410	-	-
	<u>\$2,744,175,432</u>	<u>\$2,744,175,432</u>	<u>\$ -</u>	<u>\$ -</u>

To value Level I investments: The fair value of Level I investments are determined by obtaining quoted market prices on nationally recognized securities exchanges.

To value Level II investments: The fair value of Level II investments are determined based on quoted prices that were obtained directly from the fund companies through confirmations for identical or similar assets or liabilities in markets that are not active.

NOTE D. SUBSEQUENT EVENTS

As of April 13, 2022, the date the financial statements were available to be issued, the NEST Direct College Savings Plan did not have any subsequent events affecting the amounts reported in the financial statements for the year ended December 31, 2021, or which are required to be disclosed in the notes to the financial statements for the year then ended.

SUPPLEMENTAL INFORMATION

DRAFT

Nebraska Educational Savings Plan Trust
 NEST Direct 529 College Savings Plan
 SCHEDULE OF PARTICIPANT CONTRIBUTIONS AND TRANSFERS IN
 AND PARTICIPANT DISTRIBUTIONS AND TRANSFERS OUT
 For the year ended December 31, 2021

Contributions from plan participants		\$	162,930,278
Transfers in from plan participants			73,709,312
Gross Investment Changes/Transfers	\$		768,866,939
Portfolio rounding			(5,819)
Adjusted Investment Changes/Transfers	\$		<u>768,861,120</u>
			<u>768,861,120</u>
Contributions/Exchanges/Transfers		\$	<u><u>1,005,500,710</u></u>
Distributions to plan participants		\$	237,716,629
Transfers out to plan participants			69,285,198
Investment Changes/Transfers			<u>768,866,939</u>
Distributions/Exchanges/Transfers		\$	<u><u>1,075,868,766</u></u>

See independent auditor's report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Trustee, Program Manager, Investment Manager, and Participants and Beneficiaries of the NEST Direct College Savings Plan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of net position available for benefits of the NEST Direct College Savings Plan as of and for the year ended December 31, 2021, and the related statement of changes in net position available for benefits, the investment summary, investment detail, and the related notes to the financial statements, which collectively comprise the NEST Direct College Savings Plan's basic financial statements, and have issued our report thereon dated April 13, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the NEST Direct College Savings Plan's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NEST Direct College Savings Plan's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the NEST Direct College Savings Plan's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NEST Direct College Savings Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayes & Associates, L.L.C.
Omaha, Nebraska
April 13, 2022