



## ND TFFR BOARD MEETING

Thursday, January 21, 2020, 1:00 p.m.  
WSI Board Room (**Virtual Meeting Host**)  
**Teleconferencing – 701.328.0950 Participant Code – 642 460 702#**  
WSI, 1600 East Century Avenue, Bismarck, ND

### AGENDA

- I. **CALL TO ORDER AND ACCEPTANCE OF AGENDA**
  - A. Executive Summary
- II. **ACCEPTANCE OF MINUTES (November 19, 2020)**
- III. **GOVERNANCE**
  - A. Segal Benz “10 Keys Assessment” Presentation – Ms. Hamrick (60 minutes) *Informational*
  - B. Strategic Communication Discussion – Ms. Murtha (30 minutes) *Informational*
  - C. Legislation Update - Ms. Murtha (15 minutes) *Informational*

BREAK

  - D. Administrative Rules – Ms. Murtha (30 minutes) – Board Action
- IV. **REPORTS**
  - A. Annual Reemployed Retirees Report – Ms. Weeks (10 minutes) Board Action
  - B. First Quarter Audit Activities Report – Ms. Sauter (10 minutes) Board Action
- V. **OPERATIONS**
  - A. Board Policy Review & Discussion - Ms. Murtha & Ms. Weeks (30 minutes)
    1. In-Staff Subbing – *Board Action*
    2. Employer Reports - *Informational*
  - B. PAS Project - Ms. Murtha (10 minutes) *Informational*
  - C. Outreach - Ms. Weeks (10 minutes) *Informational*
- VI. **CONSENT AGENDA – Disability Retirement Applications – Ms. Murtha (5 minutes) *Board Action*<sup>1</sup>**
- VII. **OTHER BUSINESS**
  - A. Board Reading Materials – *Material References Included*
  - B. Next Meeting:
    1. TFFR Regular Board Meeting Thursday, March 25, 2021 at 1:00p.m.- *Virtual*
- VIII. **ADJOURNMENT**

Any individual requiring an auxiliary aid or service, please contact the Retirement and Investment Office (701) 328-9885 at least three (3) days prior to the scheduled meeting.

<sup>1</sup> Executive Session possible if Board discusses confidential member information under N.D.C.C. 15-39.1-30.

## **EXECUTIVE SUMMARY**

### **TFFR Board Regular Meeting**

**January 21, 2021 – 1 pm CT**

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- I. Agenda:** The **January Board Meeting will be held at the WSI Conference room to accommodate in person attendance, however, a link will also be provided so that Board members and other attendees may join via video conference.** The board member video link is included in the email with the Board materials. There will be a call in number for the public.
- II. Minutes:** The November 19, 2020 Board meeting minutes are included for review and approval.
- III. A. Segal Benz “10 Keys Assessment” Presentation:** Ms. Hamrick will present an assessment of the TFFR program communication efforts. This assessment and presentation was contracted for as part of the consultant services retained for Phase 1 of the PAS project.  
**B. Strategic Communication Discussion:** Ms. Murtha will ask the Board to continue its discussion from the November 2020 meeting about the value of strategic communication, how to brand the TFFR program, and Board guidance regarding future efforts.  
**C. Legislation Update:** Ms. Murtha will provide an update on bills presented to the ND legislature for the 2021 session that may be of interest or impactful to the TFFR program; including TFFR proposed legislation and the RIO agency budget bill.  
**D. Administrative Rules:** Ms. Murtha will discuss the administrative rules process and proposed rules for the Boards consideration.
- IV. Reports:** The Board will receive the following quarterly reports: annual Reemployed Retirees report and first quarter Audit Activities report. The annual TFFR Ends report and Retirement Trends report will be presented at the March meeting.
- V. Operation Updates:** Staff will present two TFFR Board Program Policies for review and discussion. Ms. Murtha and Ms. Weeks will provide the Board with brief updates regarding RIO team member activities related to the PAS project and RIO Agency member outreach and education efforts.
- VI. CONSENT AGENDA:** The Board will be provided with two disability retirement applications for review.
- VII. Other Business:** Any other issues that the Board would like to discuss.

**Adjournment.**

**NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT  
MINUTES OF THE  
NOVEMBER 19, 2020 BOARD MEETING**

**BOARD MEMBERS PRESENT:** Rob Lech, President  
Mike Burton, Vice President  
Kirsten Baesler, State Supt. DPI  
Toni Gumeringer, Trustee  
Cody Mickelson, Trustee  
Mel Olson, Trustee  
Kelly Schmidt, State Treasurer

**STAFF PRESENT:** Jayme Heick, Retirement Programs Spec  
David Hunter, ED/CIO  
Missy Kopp, Retirement Assistant  
Jan Murtha, Deputy ED/CRO  
Sara Sauter, Supvr of Internal Audit  
Stephanie Starr, Retirement Programs Spec  
Dottie Thorsen, Internal Auditor  
Denise Weeks, Retirement Program Mgr

**OTHERS PRESENT:** Alex Browning, Callan LLC  
Dean DePountis, Atty. General's Office  
Tanya Dybal, Segal  
Paul Erlendson, Callan LLC  
Julia Moriarty, Callan LLC  
Kim Nicholl, Segal  
Matt Strom, Segal

**CALL TO ORDER:**

Dr. Rob Lech, President of the Teachers' Fund for Retirement (TFFR) Board of Trustees, called the meeting to order at 1:00 p.m. on Thursday, November 19, 2020. The meeting was held at the State Capitol, Pioneer Room, Bismarck, ND.

**THE FOLLOWING MEMBERS WERE PRESENT REPRESENTING A QUORUM: SUPT. BAESLER, MR. BURTON, MS. GUMERINGER, PRES. LECH, MR. MICKELSON, MR. OLSON, AND TREASURER SCHMIDT.**

**ACCEPTANCE OF AGENDA:**

The Board considered the agenda for the November 19, 2020, meeting.

**IT WAS MOVED BY MS. GUMERINGER AND SECONDED BY MR. OLSON AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA AS DISTRIBUTED.**

**AYES: SUPT. BAESLER, TREASURER SCHMIDT, MR. BURTON, MR. MICKELSON, MS. GUMERINGER, MR. OLSON, AND PRES. LECH**

**NAYS: NONE**

**MOTION CARRIED**

**MINUTES:**

The Board considered the minutes of the September 24 and October 7, 2020, meetings.

**IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. OLSON AND CARRIED BY A VOICE VOTE TO APPROVE THE SEPTEMBER 24 AND OCTOBER 7, 2020, MINUTES AS DISTRIBUTED.**

**AYES: MR. MICKELSON, MR. OLSON, TREASURER SCHMIDT, MR. BURTON, SUPT. BAESLER, MS. GUMERINGER, AND PRES. LECH**

**NAYS: NONE**

**MOTION CARRIED**

**GOVERNANCE:**

Asset Liability Analysis:

Ms. Julia Moriarty and Mr. Alex Browning, Callan, presented the findings of the Asset Allocation and Liability Study. The goal of the asset-liability study is to determine an appropriate long-term mix between return-seeking assets and risk-mitigating assets. The asset-liability study helps TFFR quantify the impact that different strategies might have on relevant metrics. They evaluated the interaction of three key policies (investment, funding, and benefits) to identify the optimal investment policy.

A modestly improving funded status in the median outcome is due in large part to a combined statutory contribution rate of 24.5% of pay which leads to assets outpacing liabilities. Many factors support an asset allocation with a risk posture similar to the current target. The statutory contribution policy combined with the relatively large illiquid allocation led Callan to recommend maintaining the current risk posture (mix 4a) or moving to a slightly less aggressive asset allocation (mix 4). After discussions between RIO staff and Callan, mix 4 was recommended. Mix 4 has expected returns over the next ten years that fall short of the 7.25% return assumption, but there are mitigating factors that offset the projected returns. Callan's public market return projections are based on passive implementation and do not incorporate active management premiums; Callan's 10-year projections are cyclically lower than our longer-term expectations; the target and mix 4 have a 45-46% probability of achieving a 7.25% return over the next ten years.

Board discussion followed.

**IT WAS MOVED BY MR. OLSON AND SECONDED BY MS. GUMERINGER AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE MIX 4 ASSET ALLOCATION RECCOMENDATION FROM CALLEN.**

**AYES: TREASURER SCHMIDT, MS. GUMERINGER, MR. OLSON, MR. BURTON, MR. MICKELSON, AND PRES. LECH**  
**NAYS: NONE**  
**MOTION CARRIED**  
**ABSENT: SUPT. BAESLER**

Actuarial Valuation:

Ms. Kim Nicholl, Ms. Tanya Dybal, and Mr. Matt Strom, Segal, presented the annual Actuarial Valuation report as of July 1, 2020. Highlights include the following:

- Changes in actuarial assumptions:
  - Inflation lowered from 2.75% to 2.30%; investment return lowered from 7.75% to 7.25%; healthy mortality, disabled mortality, and active mortality tables changed; disability rates reduced by 20%; retirement, withdrawal, and salary scale rates updated
- Market value of assets returned 3.3% for year ending 6/30/20 (Segal calculation)
  - Gradual recognition of deferred losses resulted in 6.2% return on actuarial value of assets
- Funded ratio decreased from 66.0% (as of 7/1/2019) to 65.7% (as of 7/1/2020)
- Effective amortization period increased from 23 years to 24 years
- Net impact on actuarially determined contribution (ADC) was an increase from 12.84% of payroll to 13.19% of payroll
  - Based on the employer contribution rate of 12.75%, the contribution deficiency has increased from 0.09% of payroll to 0.44% of payroll
- GASB Net Pension Liability increased from \$1.38 billion as of 6/30/19, to \$1.53 billion as of 6/30/20

Board discussion followed.

**IT WAS MOVED BY MR. BURTON AND SECONDED BY TREASURER SCHMIDT AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE 2020 ACTUARIAL VALUATION REPORT.**

**AYES: MS. GUMERINGER, MR. MICKELSON, TREASURER SCHMIDT, SUPT. BAESLER, MR. BURTON, MR. OLSON, AND PRES. LECH**  
**NAYS: NONE**  
**MOTION CARRIED**

Employee Benefits Programs Committee (EBPC) Update:

Ms. Murtha shared an update from the October 28, 2020 EBPC meeting. The EBPC heard the request of the TFFR Board to accept jurisdiction of Bill Draft No. 233 to effect the change to the required minimum distribution rule required by the 2019 Setting Every Community Up for Retirement Enhancement (SECURE) Act. The EBPC accepted jurisdiction of the proposed bill and approved a favorable recommendation of the bill draft. Ms. Murtha

indicated that the EBPC also approved the interim change to this statute until it could be acted on by the legislature in the upcoming session.

Board discussion followed.

Strategic Messaging:

Ms. Murtha shared information about strategic messaging plans for sharing information about TFFR. The Board reading materials included a video about this topic. There will be further discussion about strategic messaging at the January 21, 2021 Board meeting.

Board discussion followed.

**REPORTS:**

TFFR Ends:

Ms. Murtha provided the quarterly TFFR Ends monitoring report. Dr. Lech was reappointed to the TFFR Board for a 5-year term. The Retirement and Investment Office's (RIO) new website was launched. There are over 5,600 TFFR members who have registered for Member Online. Customer satisfaction scores remain high at 3.9 (4.0 scale).

Board discussion followed.

Investment Report:

Mr. Hunter shared the investment report for the period ended September 30, 2020. TFFR earned 8.09% in the last year and 8.29% for the 5-years ended September 30, 2020 exceeding policy benchmarks. TFFR earned 8.07% over the last 10-years exceeding the policy benchmark of 7.42% by 0.65%. TFFR gross returns ranked in the top quartile for the 10-years ended September 30, 2020. Actual asset allocations are within 1% of target as of September 30, 2020. World Equity managers, Epoch, and LSV remain on watch. RIO and Callan LLC are working on public equity searches and intend to advance public equity strategies for SIB consideration in the first quarter of 2021. TFFR's total fund target return and risk was slightly lower than the average Callan Public Fund Sponsor Database the last 10 years while TFFR's actual total fund return and risk was modestly higher.

Board discussion followed.

**IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. OLSON AND CARRIED BY A VOICE VOTE TO APPROVE THE INVESTMENT REPORT.**

**AYES: TREASURER SCHMIDT, MR. OLSON, MR. BURTON, MR. MICKELSON, MS. GUMERINGER, SUPT. BAESLER, AND PRES. LECH**

**NAYS: NONE**

**MOTION CARRIED**

**OPERATION UPDATES:**

Pension Administration System (PAS) Project:

Ms. Murtha provided an update on the PAS project. RIO staff participated in training on agency goals, fiduciary obligations, and open records in preparation of business process discussions. The Executive Steering Committee (ESC) met in September and voted to issue a Notice of Award to Segal Company for Consultant Services to the PAS project. RIO staff met in small groups to prepare for business process interviews with the consultant. RIO and procurement staff participated in post bid debriefs with unsuccessful bidders. The contract with Segal was signed in September and a kickoff meeting was held with all RIO staff and the consultant in October.

Board discussion followed.

Outreach:

Ms. Weeks provided an update on TFFR outreach services. Annual statements and newsletters will no longer be mailed to non-retired members. A notice will be mailed each September reminding members their statements can be accessed in their online accounts and the newsletters will be posted on RIO's website. Information was shared with TFFR employers addressing COVID-19 funding that was made available to schools. RIO staff are developing virtual options for education offerings for members and employers. Ms. Murtha presented at the ND Council of Education Leaders Conference via prerecorded video.

Board discussion followed.

**CONSENT AGENDA:**

**IT WAS MOVED BY MR. MICKELSON AND SECONDED BY MR. OLSON AND CARRIED BY A ROLL CALL VOTE TO APPROVE THE CONSENT AGENDA, DISABILITY 2020-7D.**

**AYES: MR. BURTON, SUPT. BAESLER, MR. MICKELSON, MS. GUMERINGER, MR. OLSON, TREASURER SCHMIDT, AND PRES. LECH.**

**NAYS: NONE**

**MOTION CARRIED**

**OTHER BUSINESS:**

Resolution for Treasurer Schmidt:

Dr. Lech recognized Treasurer Schmidt for her many years of service to the TFFR and SIB Boards.

**ND TFFR and ND SIB Joint Board Resolution  
In Appreciation of  
State Treasurer Kelly Schmidt**

WHEREAS, State Treasurer Kelly Schmidt has served as a member of the TFFR and SIB Boards for the past 16 years; and

WHEREAS, State Treasurer Kelly Schmidt has diligently carried out her duties and responsibilities as a member of these Boards and fiduciary of the TFFR and SIB Programs; and

WHEREAS, State Treasurer Kelly Schmidt has been a valued and dedicated member of these Boards in helping maintain the integrity and stability of the TFFR and SIB Programs.

NOW THEREFORE, BE IT RESOLVED that State Treasurer Kelly Schmidt be duly recognized by these Boards for her years of unselfish dedication to the State of North Dakota through her service on the Teachers' Fund for Retirement Board of Trustees and State Investment Board.

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. BURTON AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE BOARD RESOLUTION.

AYES: MR. OLSON, MS. GUMERINGER, MR. MICKELSON, MR. BURTON, SUPT. BAESLER, AND PRES. LECH

NAYS: NONE

MOTION CARRIED

**ADJOURNMENT:**

With no further business to come before the Board, President Lech adjourned the meeting at 3:47 p.m.

Respectfully Submitted:

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Dr. Rob Lech, President  
Teachers' Fund for Retirement Board

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Missy Kopp  
Reporting Secretary



# Benefits communications best practices

A deep dive into your score on the 10 keys of  
successful benefits communication

ND-TFFR | January 21, 2021

# 10 keys framework overview

Segal Benz experience

**50+ clients**

**10+ years**

**Multiple industries**

A pattern emerged among our most successful clients

What success looks like

- Top scores on engagement surveys
- Lower health care costs
- Better financial security
- ...and more!

# 10 keys to successful communication

## Foundation

Strategy | Brand | Website

## Marketing

Feedback | Simplicity | Year-round  
Targeted | Employee experience

## Resources

Budget | Partners

# Evaluating your communication efforts

- We evaluate each key separately to create your individual key scores.
- We then provide a total score that is a weighted average of each key.
- The end result is a guide on what to do differently to make the most impact.

# How do we evaluate each key score?

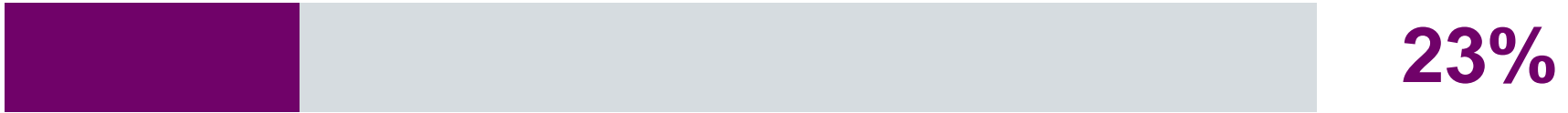
- Each of our 10 keys has its own subset of criteria.
- The scores of each criteria have assigned point values based on their importance to the quality of the overall key. (i.e. not all criteria are created equally).
- These scores add up to 100.

**For example, a high score on brand would reflect:**

1. Consistent application of Company brand to communications
2. Communication expert in place to ensure proper branding
3. Up-to-date style guide that is easily referenceable
4. Vendor communications that all reflect the brand

**How did ND-TFFR do?**

# Key 1: Strategy



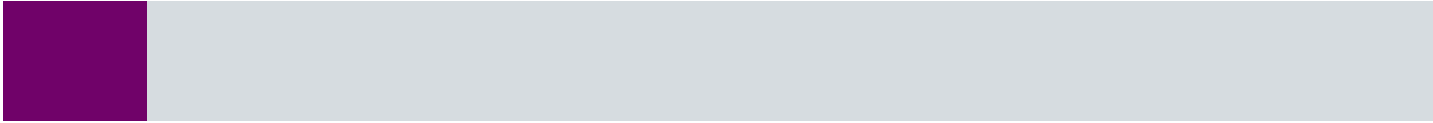
Your combined strategy score is 23%

- You do not have a clear, documented strategy outlining the specific goals you want to achieve, how the goals will be met, and how you will measure success.
- You recognize that you have distinct audiences with different needs.
- You desire specific behavior changes from different audiences, but have not been able to accomplish these goals. Examples include educating new teachers and increasing business managers' engagement.

**73% of respondents largely credit their benefits communication in helping them meet their goals.**

Source: IBC survey results 2017

# Key 2: Brand



10%

Your combined brand score is 10%

- Communications are not consistently branded and there is no single person who is responsible for checking the branding of each piece.
- The logo for the state, the agency or the program may appear on a communication – and the logos don't seem to have any clear relationship to each other.
- Some materials don't have any logo at all.
- In addition to logo confusion, there is not a consistent look and feel to the materials.

**If people believe they share values with a company, they will stay loyal to the brand.**

Source: Howard Schultz, CEO Starbucks



NORTH  
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Retirement and Investment

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North Dakota



**Teachers'  
Fund For  
Retirement**



# Key 3: Website



Your combined Website score is 78%

- Your website that launched in August 2020 is publicly accessible, engaging, comprehensive, responsive, and easy to navigate.
- Since the launch, you have consistently promoted the website as the “go-to” source for more information in all communications.
- There is understandably some confusion in regards to branding.
- Ensure that the website is updated on a regular basis (ideally monthly) and review analytics regularly to understand ongoing traffic and the effect of specific campaigns.

**87% of employees say  
having benefits gives  
them peace of mind for  
the unexpected.**

Source: MetLife's 16th Annual U.S. Employee Benefit Trends Study.

# Key 4: Feedback



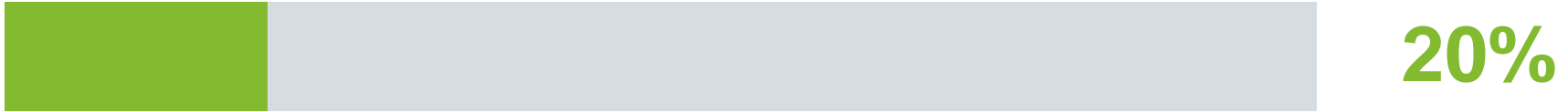
Your combined feedback score is 55%

- You value feedback and consistently ask for it after events or counseling sessions.
- In addition, you make it easy to provide feedback from the website and in your email signatures.
- Consider offering onsite office hours where participants can share feedback and get answers to their questions.
- When building your communication strategy, determine how feedback will help you measure success for each campaign or activity.

84% of employees with high benefit satisfaction report high job satisfaction.

Source: Guardian Life, Workplace Benefits Study, 2016.

# Key 5: Simplicity



Your combined simplicity score is 20%

- Ensure that all communications have a clear call to action.
- Eliminate jargon whenever possible, ideally keeping content at or below an 8<sup>th</sup> grade reading level
- Streamline print pieces and emails to ensure the copy is easy to scan and send to the website for more information.
- In addition, use information design to help people “graphically” connect the dots and quickly scan information on the web and in print

**The shorthand jargon that employees adopt to get work done efficiently has leaked out to customers.**

Source: [Welcome to the Human Era](#), Lippincott and Hill Holiday.

# Key 6: Year-round



55%

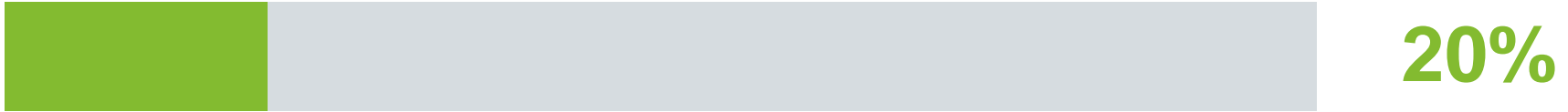
Your combined year-round score is 55%

- You communicate regularly with participants via newsletters, annual statements, and email blasts.
- Consider additional channels including social media, texting, and videos.
- Consider developing specific campaigns based on behaviors you wish to change.
- Because you currently rely on business managers to pass along communication to members, it's essential to focus on the interest and engagement of each business manager. This should become less important when you have a new system that collects members' emails.



78% of employers say  
year-round  
engagement is the  
biggest challenge.

# Key 7: Targeted

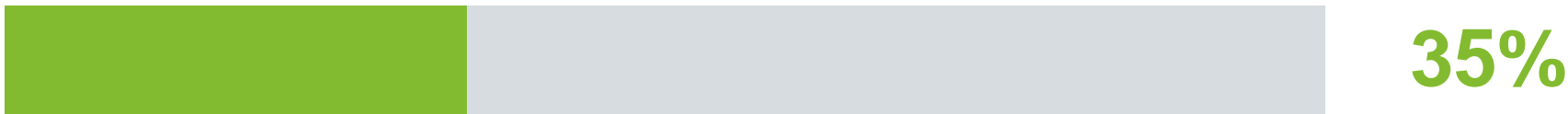


Your combined targeted score is 20%

- While you want to target your communication to specific audiences, you don't have the time or resources to do so.
- You don't always target communication based on the action that a participant needs to take – such as sending a packet of useful information when someone reaches retirement age. (Note: You do send a letter to vested inactive members, but not to active members who are reaching their normal retirement.)
- A more robust member portal and improved system-generated communication will allow you to target members.

**Casting a wide net  
doesn't necessarily  
catch more fish when it  
comes to  
communication.**

# Key 8: Experience



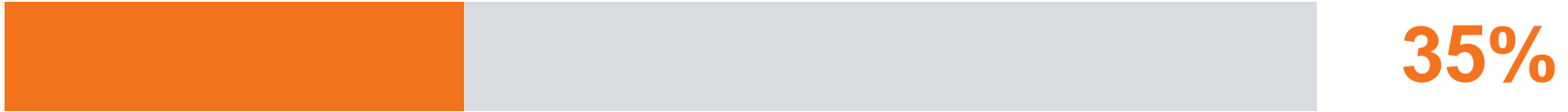
Your combined experience score is 35%

- While you view the member experience as an important part of your program, you don't know if their interaction with ND-TFFR is having an impact. This isn't a question that you've asked.
- You are interested in incorporating the member point of view into your strategy. A good way to accomplish this is to map out the experience by life events/timeline to help develop the best communication plan.

**Full engagement is the energy state that best serves performance.**

**Source: The Power of Full Engagement,**  
Jim Loehr and Tony Schwartz, The Free Press, 2003.

# Key 9: Budget



Your combined budget score is 35%

- The annual budget for communications is currently part of the overall operations budget.
- The budget is set every two years. This requires careful planning in advance and means that you often don't have the resources to do the things you'd like to do.
- You evaluate budget needs and make the business case when needed to add depth and breadth of resources. But it takes a long time.
- Continue to leverage other partnerships – such as ND United.

The budget is not just a collection of numbers, but an expression of our values and aspirations.

Source: Jacob Lew, 76th United States Secretary of the Treasury.



# Key 10: Partners

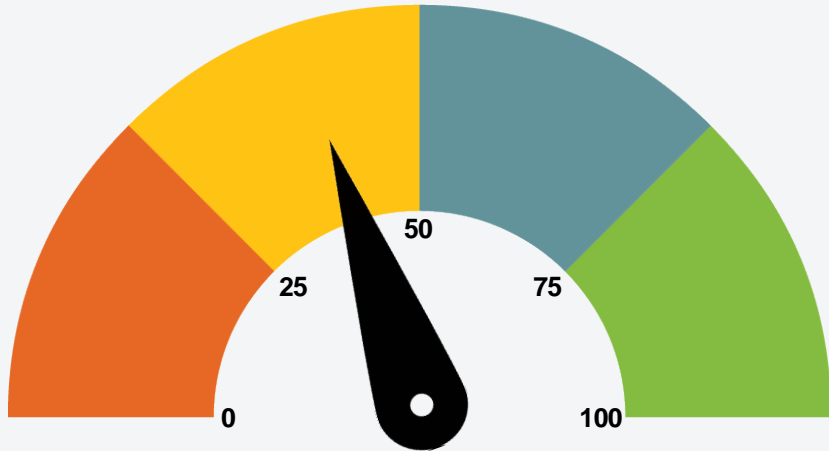


Your combined partners score is 60%

- You have a strong internal team, but you don't have enough people to do everything that needs to be done.
- Fortunately, you have strong relationships with others at the state to ensure the necessary things are accomplished.
- Your work with Segal is helping you step back and look at how you can improve the experience for your members.

Working with partners introduces you to new people and new ideas.

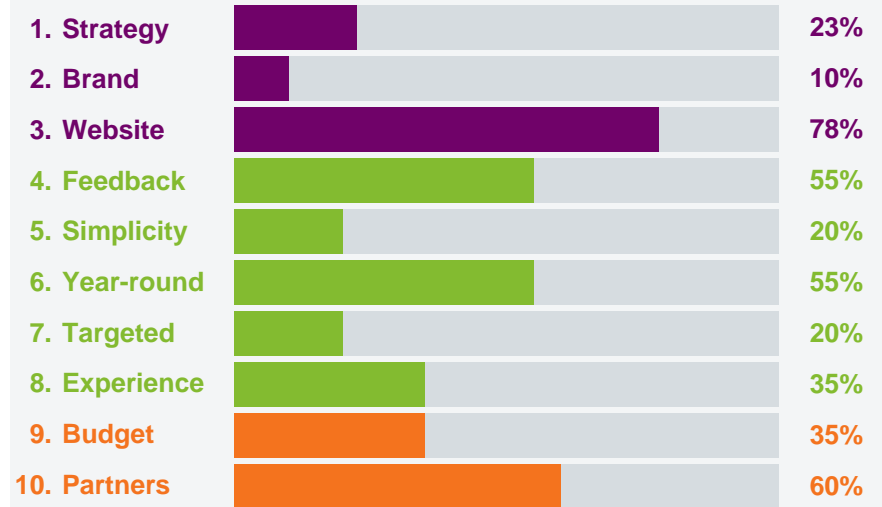
## Overall score



# 39%

You're on the right path –  
with room to improve.

## Individual key scores



# Recommended next steps

- Develop and document a detailed communication strategy with the team
  - Consider “life of a member” by plotting out the life events/timeline of a typical member
  - Create plan by audience with tactics and success measures
  - Include new channels such as social media, texting and videos
- Determine how you will brand communications going forward, including logo and look/feel
  - NOTE: It will take time for the transition to occur
- Hire a Public Information Officer to make these and other tasks feasible

**Thank you!**



## MEMORANDUM

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**TO: TFFR Board**  
**FROM: Jan Murtha**  
**DATE: January 15, 2021**  
**RE: Strategic Communication Discussion**

This item is intended to continue a discussion with the Board from November regarding how staff should prioritize Strategic Communication in performing our TFFR Program Ends. This discussion is intended to provide Board members the opportunity to comment on the presentation provided by our consultant Segal-Benz, and to provide staff with guidance on efforts to move forward, including Board involvement. Staff is presently working with our consultant to develop a strategic communication plan. We intend to present this plan to the Board at the March meeting for comments. Information relevant to this discussion topic include:

- The 10 Key's Assessment discussion and comments.
- Reflection on the educational materials provided to the Board in November.
- TFFR Program Outreach efforts relating to both virtual and in-person efforts.
- The recent distribution of "Fund Facts", for members, clients, legislators, and the public.
- Discussion regarding a different viewpoint, what type of theme should we review and Board participation in theme development:



"Balancing the Risk for Your Benefit"

"A Legacy of Security and Stability"

**BOARD INFORMATION ONLY. No board action requested.**

## RIO Legislative Update January 19, 2021

Bill No.	Description	Sponsor/Introducer
HB 1022	RIO Budget	Appropriations Committee

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0281-01000.pdf>

**HB 1022 contains the 2021-23 budget authority and continuing appropriation for RIO to administer the SIB investment program and TFFR retirement program which are special funds. RIO's 2021-23 budget request is \$6.49 million including a \$311,154 increase in the Governor's Budget primarily for 2% annual salary increases and higher benefit costs, \$73,123 to join the Governor's IT Unification plan and \$52,000 to partially reinstate our Contingency line plus \$309,225 in additional amendments primarily to add one FTE for a Public Information Officer (½ SIB and ½ TFFR) and \$73,000 to fully reinstate our Contingency line (to \$125,000).** RIO will also request an amendment to HB 1022 to rollover the remaining balance of the \$9 million one-time funding for the TFFR Pension Administration System (PAS) project into the 2021-23 biennium. RIO's first legislative committee hearing is scheduled for the morning of January 12<sup>th</sup>. SIB client assets under management have increased by over 33% from \$13.4 billion at 1/1/2019 to over \$17.9 billion at 11/30/2020.

**Status: Committee Hearing held 1/12/21**

HB 1037	Legacy Earnings Fund and Transfers	Legislative Management/Legacy Earnings Committee
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<https://www.legis.nd.gov/assembly/67-2021/documents/21-0111-02000.pdf>

**HB 1037 gives the SIB authority over the investment of a newly created "Legacy Earnings Fund" and requires all legacy fund earnings, which are constitutionally required to be transferred to the general fund at the end of each biennium, be immediately transferred into the new Legacy Earnings Fund.** This bill would go into effect for legacy fund earnings generated and transferred during the 2021-23 biennium. **The bill then spells out the amount available for appropriation out of this new fund as six percent (6%) of the five-year average value of legacy fund assets as determined by SIB.** Any amounts in the new legacy earnings fund in excess of this 6% amount are to be retained in the fund as a reserve balance for future use only if the amounts transferred from the legacy fund are insufficient to cover the calculated 6% of average value amount. Beginning with the 2023-25 biennium, the legislature will be able to appropriate out of the new legacy earnings fund an amount equal to the six percent amount calculated above or the balance of the fund, whichever is less.

**Status: Introduced.**

HB 1038	Legacy Fund Earnings Committee	Legislative Management
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<https://www.legis.nd.gov/assembly/67-2021/documents/21-0178-01000.pdf>

**HB 1038 creates the legacy fund earnings committee to study the potential uses of legacy fund earnings, including the use of earnings to provide tax relief, provide for reinvestment of legacy fund earnings, fund research and technological advancements, promote economic growth and diversification, and promote workforce development and career and technical education. The committee may consider public input on the use of legacy fund earnings and review the operation of other funds, such as Norway's sovereign wealth fund. Legislative management shall report its findings and recommendations, together with any legislation required to implement those recommendations, to the sixty-eighth legislative assembly.**

**Status: Passed House 1/12/21**

**HB 1041 PERS Program**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0091-01000.pdf>

A BILL for an Act to amend and reenact subsection 2 of section 54-52-06, section 54-52.1-06, and subsection 2 of section 54-52.6-09 of the North Dakota Century Code, relating to public employees retirement system penalties for late payments or failures to follow required processes; and to provide a penalty.

**Status: Committee Hearing 1/7/21**

**HB 1114 Teacher Support Program Rep. Heinert and Owens, Senator Schaible**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0255-01000.pdf>

A BILL for an Act to amend and reenact sections 15.1-18.2-05 and 15.1-18.2-06 of the North Dakota Century Code, relating to the expansion of the teacher support program to provide mentoring to all first- and second-year teachers in the state; and to provide an appropriation.

**Status: Referred to House Appropriations Committee 1/14/21**

**HB 1138 Free Speech Rep. Kading, Becker, Lefor, D. Ruby, Schatz, and Schauer, Sen. Heitkamp, O. Larsen, Myrdal**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0454-01000.pdf>

A BILL for an Act to provide for a civil action against the state or a political subdivision for a state constitutional free speech violation.

**Status: Committee Hearing 1/20/21**

**HB 1140 Contingency Fee Arrangements Rep Klemin, Devlin, Roers Jones, Sen. Dwyer, Larson, Lee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0612-01000.pdf>

A BILL for an Act to amend and reenact section 54-12-08.1 of the North Dakota Century Code, relating to contingent fee arrangements. This may be impactful to securities litigation agreements.

**Status: Referred to Judiciary Comm. 1/8/21**

**HB 1174 TFFR Program Rep. Kempenich and Kreidt, Senator Klein**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0677-01000.pdf>

HB 1174 enacts the requirements of the Secure Act of 1999 which changed federal law relating to "required minimum distributions" (RMD's) in retirement plans. RMD's are minimum amounts that a retirement plan account owner must withdraw annually starting when the member reaches a certain age. The Secure Act changed that age. This bill was reviewed by plan actuaries who found no impact to the actuarial position of the fund, or material impact to liabilities or costs.

**Status: Committee Hearing 1/18/21**

**HB 1188 Certs for Special Education Teacher Rep. Schreiber-Beck, D. Johnson, Sen. Oban**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0670-01000.pdf>

A BILL for an Act to create and enact a new section to chapter 15.1-32 of the North Dakota Century Code, relating to services provided by special education technicians; and to amend and reenact section 15.1-02-16 of the North Dakota Century Code, relating to a certificate of completion for special education technicians.

**Status: Committee Hearing 1/18/21**

**HB 1202 Land Board Investments Reps. Kempenich, Brandenburg, Delzer, M. Ruby, Schatz, Tveit  
Senators Klein, Patten**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0252-01000.pdf>

**HB 1202 amends NDCC 21-10-06 and NDCC 15-01-02 relating to funds managed by the SIB and board of university and school lands.** "Investment authority over the permanent funds derived from the sale of any of the lands" including the "Common schools trust fund and other investments under the control of the board of university and school lands" are transferred to the SIB under HB 1202.

**Status: Committee Hearing 1/22/21**



**HB 1209      PERS Program      Rep. M. Ruby, Dockter, O'Brien, Schauer, Sen. Anderson, Dever**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0566-01000.pdf>

A BILL for an Act to amend and reenact section 54-52-02.9, 54-52-06, 54-52-06.5, and 54-52.6-09 of the North Dakota Century Code, relating to public employees retirement system employer and temporary employee contribution rates; and to provide an effective date.

**Status: Committee Hearing 1/21/21**

**HB 1211      Veterans' Funds      Rep. Magrum, Hoverson, Kasper, B. Koppelman, Louser, Schauer, Vetter, Sen. Meyer, Vedaa**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0690-02000.pdf>

A BILL for an Act to amend and reenact sections 37-14-03 and 37-14-14 of the North Dakota Century Code, relating to the veterans' aid fund and veterans' postwar trust fund; and to declare an emergency.

**Status: Committee Hearing 1/22/21**

**HB 1231      SIB Program      Rep. Satrom, K. Koppelman, Ostlie, Paulson, D. Ruby, Schauer, Vetter, Sen. Conley**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0127-01000.pdf>

A BILL for an Act to amend and reenact section 21-10-05 of the North Dakota Century Code, relating to duty of the investment director to consider investing locally. This may have implications for both the PERS and TFFR plans.

**Status: Committee Hearing 1/22/21**

**HB 1260      Wage Moratorium      Rep. Becker, Kasper, B. Koppelman, Rohr, Steiner Sen. Anderson, Heitkamp**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0598-05000.pdf>

A BILL for an Act to create and enact a new section to chapter 54-06 of the North Dakota Century Code, relating to a wage and salary moratorium on state or local officials and employees if certain temporary restrictions on businesses are imposed.

Status: Committee Hearing 1/20/21

HB 1274 Legacy Fund Fiscal Impacts Reps. Kempenich, B. Anderson, Longmuir, Pollert, Shatz  
Senators Erbele, Klein, Wardner

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0248-01000.pdf>

HB 1274 creates and enacts a new section to NDCC 21-10 relating to fiscal impact statements for any measure or policy affecting the legacy fund. The legacy and budget stabilization fund advisory board shall review any legislative measure, initiated or referred measure, or asset allocation and investment policy affecting the legacy fund. **If the advisory board determines the measure or policy will have a fiscal impact on the fund, the board shall request the state retirement and investment office to arrange for the preparation and submission of a fiscal impact statement to the advisory board before the measure or policy is acted upon.** The fiscal impact statement must be prepared by an independent consultant paid by the state retirement and investment office. The fiscal impact statement must include the estimated fiscal impact of the measure or policy for the next biennium and for the next ten biennia.

Status: Committee Hearing 1/18/21

HB 1275 Legacy Earnings & Transfers Reps. Boschee, P. Anderson, Buffalo, Dobervich, Ista, Mitskog  
Senators Heckaman, Hogan, Mathern, Oban

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0668-02000.pdf>

HB 1275 is similar to HB 1037 and gives the SIB authority over the investment of a new “Legacy Earnings Fund” and a new “Human Services and Public Health Stabilization Fund”, but also provides a distribution waterfall for the continuing appropriation of funds from the Legacy Earnings Fund including the “Arts and Culture Endowment Fund” and “Human Services and Public Health Stabilization Fund” among others.

HB1275 states the amount available for appropriation out of this new fund as seven percent (7%) of the five-year average value of legacy fund assets as determined by SIB (versus 6% for HB 1037). Any amounts in the new legacy earnings fund in excess of this 7% amount are to be retained in the fund as a reserve balance for future use only if the amounts transferred from the legacy fund are insufficient to cover the calculated 7% of average value amount. Beginning with the 2023-25 biennium, the legislature will be able to appropriate out of the new legacy earnings fund an amount equal to the six percent amount calculated above or the balance of the fund, whichever is less.

Status: Referred to Appropriations Committee 1/11/21

HB 1342 PERS Retirement Rep. Lefor, Dockter, Nathe, O'Brien Sen. Anderson, Dever,  
Wardner

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0202-05000.pdf>

A BILL for an Act to amend and reenact subsection 1 of section 54-52-02.9, subsection 2 of section 54-52-05, subsection 1 of section 54-52-06, subsection 6 of section 54-52.6-02, subsection 1 of section 54-52.6-09, and subsection 2 of section 54-52.6-09 of the North Dakota Century Code, relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; to provide an appropriation; and to provide a statement of legislative intent.

**Status: Status: referred to Gov. & Veterans' Affairs Comm. 1/14/21**

**SB 2033          NEW Fund          Legislative Management**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0187-01000.pdf>

A BILL for an Act to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the university system capital building fund; to provide an appropriation; to provide for a transfer; and to declare an emergency.

**Status: Referred to Senate Education Committee.**

**SB 2042          PERS Retirement          Gov. & Veterans' Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0089-01000.pdf>

A BILL for an Act to amend and reenact subsection 1 of section 54-52-02.9, subsection 1 of section 54-52-06, subsection 6 of section 54-52.6-02, and subsection 2 of section 54-52.6-09 of the North Dakota Century Code, relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; and to provide a penalty.

**Status: Referred to Gov. & Veteran's Affairs Committee 1/5/21**

**SB 2043          Highway Patrolmen's Retirement Fund          Gov. & Veteran's Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0090-01000.pdf>

A BILL for an Act to amend and reenact section 39-03.1-10 of the North Dakota Century Code, relating to contributions to the highway patrolmen's retirement system by the state.

**Status: Committee Hearing 1/15/21**

**SB 2044          PERS Retirement          Gov. & Veteran's Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0092-01000.pdf>

A BILL for an Act to amend and reenact section 39-03.1-10, subsection 2 of section 39-03.1-11.2, subsection 8 of section 54-52-17, subsection 10 of section 54-52-26, subsection 2 of section 54-52-28, subsection 2 of section 54-52.1-03.2, subsection 1 of section 54-52.1-03.3, and subsection 2 of section 54-52.6-21 of the North Dakota Century Code, relating to public employees retirement system unpaid benefit payments, missing member confidentiality requirements, compliance with Internal Revenue Code distribution requirements, insurance programs for which retiree health insurance credit moneys may be used, and clarification of eligibility for retiree health insurance credit payments.

**Status: Passed Senate 1/15/21**

**SB 2045                      PERS Retirement                      Gov. & Veteran’s Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0094-01000.pdf>

A BILL for an Act to create and enact a new section to chapter 54-52.2 of the North Dakota Century Code, relating to payment of administrative expenses for the public employees retirement system deferred compensation plan; and to provide a continuing appropriation.

**Status: Committee Hearing 1/15/21**

**SB 2046                      PERS Retirement                      Gov. & Veteran’s Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0095-01000.pdf>

A BILL for an Act to amend and reenact subsection 1 of section 54-52-02.9, subsection 2 of section 54-52-05, subsection 1 of section 54-52-06, subsection 6 of section 54-52.6-02, and section 54-52.6-09 of the North Dakota Century Code, relating to increased employer and employee contributions under the public employees retirement system defined benefit and defined contribution plans; and to provide a penalty.

**Status: Committee Hearing 1/14/21**

## **PERS Health Care Related Bills**

**HB 1029                      PERS Health Care                      Legislative Management**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0170-01000.pdf>

A BILL for an Act to amend and reenact section 54-52.1-04.2 of the North Dakota Century Code, relating to public employee uniform group insurance for health benefits; to provide for application; and to declare an emergency.

**Status: Passed House 1/12/21**

**HB 1042      PERS Health Care      Gov. & Veterans Affairs Committee**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0093-01000.pdf>

A BILL for an Act to amend and reenact subsection 3 of section 54-52.1-04.16, relating to the public employees retirement system's uniform group insurance program part D contracts with pharmacy benefit managers.

**Status: Committee Hearing 1/7/21**

**HB 1147      PERS Health Care      Rep. Brandenburg, Dobervich, Mitskog Sen. Erbele, Oban, K. Roers**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0447-01000.pdf>

A BILL for an Act to create and enact section 54-52.1-04.19 of the North Dakota Century Code, relating to public employee fertility health benefits; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to self-insurance health plans; to provide for a report; to provide for application; to provide an expiration date; and to declare an emergency.

**Status: Referred to Industry, Business, and Labor Committee 1/8/21**

**HB 1155      PERS Health Care      Rep. Keiser, Sen. Oban**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0135-03000.pdf>

A Bill for an Act to amend and reenact section 54-52.1-02 of the North Dakota Century Code, relating to the public employees retirement system uniform group insurance program benefits; and to provide for application.

**Status: Committee Hearing 1/18/21**

**HB 1233      PERS Health Care      Rep. Kasper, Jones, Keiser, Lefor, Louser, Meier, Rohr, Schauer, Steiner**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0147-01000.pdf>

A BILL for an Act to provide for the public employees retirement system to contract for an audit of pharmacy benefit managers providing contract services for the state uniform group health insurance program; and to provide for a legislative management report.

**Status: referred to Gov. & Veterans' Affairs Comm. 1/11/21**

**HB 1245      PERS Health Care      Rep. Kasper, Dockter, Keiser, B. Koppelman, Lefor, Louser, Meier, Pollert, D. Ruby, Steiner Sen. Hogue**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0148-03000.pdf>

A BILL for an Act to amend and reenact sections 54-52.1-04, 54-52.1-04.1, 54-52.1-04.2, 54-52.1-04.7, 54-52.1-04.8, and 54-52.1-05 of the North Dakota Century Code, relating to public employee uniform group insurance plans; to provide for application; and to declare an emergency.

**Status: referred to Gov. & Veterans' Affairs Comm. 1/11/21**

**HB 1250**

**PERS Health Care**

**Rep. M. Nelson, Adams Sen. Mathern**

<https://www.legis.nd.gov/assembly/67-2021/documents/21-0068-01000.pdf>

A BILL for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to public employee health insurance drug benefit coverage; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to self-insurance health plans; to require a report; to provide for application; to provide an expiration date; and to declare an emergency.

**Status: Committee Hearing 1/18/21**

**HOUSE BILL NO. 1231**

Introduced by

Representatives Satrom, K. Koppelman, Ostlie, Paulson, D. Ruby, Schauer, Vetter

Senator Conley

1 A BILL for an Act to amend and reenact section 21-10-05 of the North Dakota Century Code,  
2 relating to duty of the investment director to consider investing locally.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 21-10-05 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **21-10-05. Investment director - Powers and duties.**

7 1. Subject to the limitations contained in the law or the policymaking regulations or  
8 resolutions adopted by the board, the investment director may sign and execute all  
9 contracts and agreements to make purchases, sales, exchanges, investments, and  
10 reinvestments relating to the funds under the management of the board. This section  
11 is a continuing appropriation of all moneys required for the making of investments of  
12 funds under the management of the board.

13 2. The investment director shall see that moneys invested are at all times handled in the  
14 best interests of the funds. The investment director shall consider the benefits of  
15 investing moneys locally before investing moneys outside the state. Securities or  
16 investments may be sold or exchanged for other securities or investments.

17 3. The investment director shall formulate and recommend to the investment board for  
18 approval investment regulations or resolutions pertaining to the kind or nature of  
19 investments and limitations, conditions, and restrictions upon the methods, practices,  
20 or procedures for investment, reinvestment, purchase, sale, or exchange transactions  
21 that should govern the investment of funds under this chapter.

## House Bill 1174

### **North Dakota Retirement and Investment Office (RIO) Testimony in Support of HB 1174 to the House Education Committee Janilyn Murtha, Deputy Executive Director/ Chief Retirement Officer (TFFR)**

The Teachers' Fund for Retirement (TFFR) is a qualified defined benefit public pension plan established under N.D.C.C. Ch. 15-39.1. The program is managed by a seven-member board of trustees which consists of the State Treasurer, State Superintendent, with two active teachers, two retired teachers and one school administrator all appointed by the Governor. The program is administered by the ND Retirement and Investment Office.

The plan covers North Dakota public school educators. Benefit funding comes from member and employer contributions and investment earnings. Under N.D.C.C. 15-39.1-34(1) the plan must be administered in compliance with federal tax law.

The 2019 SECURE Act required changes to the required minimum distribution rules for retirement plans. Required Minimum Distributions (RMD's) refers to the minimum amount that a retirement plan account owner must withdraw once they reach a certain age. The 2019 Secure Act changed that age from 70 and ½ to 72. Specifically, the federal law change requires that if you reached the age of 70½ in 2019 the prior rule applies; but if you reach age 70 ½ in 2020 or later you must take your first RMD by April 1 of the year after you reach 72<sup>1</sup>.

The proposed amendments to N.D.C.C. 15-39.1-10 incorporates the new RMD language so that the TFFR program may remain in compliance with federal tax law.

For your reference this language mirrors the change proposed to the PERS plan in Section 5 of SB 2044. This bill was reviewed by plan actuaries who found no impact to the actuarial position of the fund, or material impact to liabilities or costs (Attached.)

The TFFR Board respectfully requests the proposed amendments to N.D.C.C. 15-39.1-10 be approved.

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<sup>1</sup> <https://www.irs.gov/retirement-plans/retirement-plans-faqs-regarding-required-minimum-distributions#>.





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Via Email

October 27, 2020

Ms. Janilyn Murtha  
Deputy Executive Director/Chief Retirement Officer  
ND Retirement & Investment Office  
3442 E. Century Avenue  
Bismarck, ND 58507-7100

**Re: Technical Comments on Proposed Bill (SECURE Act)**

Dear Jan:

As requested, we have reviewed the proposed bill that addresses the change in the Required Minimum Distribution (RMD) age as a result of the SECURE Act. This bill makes a technical and administrative change to the Teachers' Fund for Retirement (TFFR).

The proposed bill changes the RMD for participants that attain age seventy and one-half after December 31, 2019.

- Participants that attain age seventy and one-half prior to January 1, 2020, the RMD is no later than April first of the calendar year following attainment of age seventy and one-half or April first of the calendar year following the year the member terminates covered employment, whichever is later.
- Participants that attain age seventy and one-half after December 31, 2019, the RMD is no later than April first of the calendar year following attainment of age seventy-two or April first of the calendar year following the year the member terminates covered employment, whichever is later

The change made by the bill does not impact the actuarial position of the fund. The change has no material impact on the liabilities or costs.


#### **General Comments**

The signing actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.


Ms. Janilyn Murtha  
ND Retirement & Investment Office  
October 27, 2020  
Page 2

Please do not hesitate to contact us with any questions or comments.

Sincerely,



Kim Nicholl, FSA, MAAA, EA  
Senior Vice President and Actuary



Matthew A. Strom, FSA, MAAA, EA  
Consulting Actuary



## MEMORANDUM

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**TO: TFFR Board**  
**FROM: Jan Murtha**  
**DATE: January 19, 2021**  
**RE: Admin Rules**

The Administrative Rule process can take up to 5 months to complete. Staff will present changes to the proposed rules required to implement modifications to actuarial factors previously approved by the Board. Attached is a copy of the draft rules prepared by Segal. Staff will comment on the required steps for rule promulgation and timeframe. While no action on the content of the rules is requested, Staff is recommending that the Board consider holding a special Board meeting in February to address proposed legislation and administrative rules promulgation.

**BOARD ACTION REQUESTED: Approve a Special Board meeting in February to address Administrative Rule promulgation and proposed legislation.**

## Section

### **CHAPTER 82-05-04 ACTUARIAL FACTORS**

82-05-04-01 Actuarial Factors - Early Retirement

82-05-04-02 Actuarial Factors - Optional Payment Forms

82-05-04-03 Actuarial Factors - Maximum Benefits Under Section 415 82-05-04-04 Actuarial Factors - Purchase of Service

#### **82-05-04-01. Actuarial factors - Early retirement.**

In determining early retirement benefits under North Dakota Century Code section 15-39.1-12, the benefits to which a member is entitled shall be reduced 0.5 percent for each month that the early retirement date precedes the first day of the month coincident with or next following the earlier of the member's sixty-fifth birthday or the date at which current service plus the member's age will equal eighty-five for a tier one grandfathered member. Effective July 1, 2013, for members who are either tier one nongrandfathered or tier two, in determining the early retirement benefit under North Dakota Century Code section 15-39.1-12, the benefits to which a member is entitled shall be reduced 0.6667 percent for each month that the early retirement date precedes the first day of the month coincident with or next following the earlier of the member's sixty-fifth birthday or the date at which current service plus the member's age will equal ninety, with a minimum age of sixty.

**History:** Effective September 1, 1990; amended effective May 1, 2000; July 1, 2008; April 1, 2016.

**General Authority:** NDCC 15-39.1-07

**Law Implemented:** NDCC 15-39.1-16, 15-39.1-24

#### **82-05-04-02. Actuarial factors - Optional payment forms.**

Under North Dakota Century Code section 15-39.1-16, the actuarial factors used to determine benefit amounts under the optional joint and survivor, term certain and life, partial lump sum and level income forms of annuity payment shall be based on the following actuarial assumptions:

1. Interest rate - 7.25 percent per year, compounded annually.
2. Member's mortality (used for nondisabled members) - A mortality table constructed by blending thirty percent of the mortality rates under the PubT-2010 Retiree Table for males, adjusted by 104% and projected to 2022 using projection scale MP-2019, with seventy percent of the mortality rates under the PubT-2010 Retiree Table for females, adjusted by 104% and projected to 2022 using projection scale MP-2019.
3. Beneficiary's mortality - A mortality table constructed by blending seventy percent of the mortality rates under the Pub-2010 Contingent Survivor Table for males, adjusted by 95% and projected to 2022 using projection scale MP-2019, with thirty percent of the mortality rates under the Pub-2010 Contingent Survivor Table for females, adjusted by 95% and projected to 2022 using projection scale MP-2019. Mortality tables for survivors under age 18 use the RP-2014 Juvenile tables with 50% blending of the male/female rates and projected to 2021 using projection scale MP-2019.
4. Disabled member's mortality - A mortality table constructed by blending thirty percent of the mortality rates under the PubNS-2010 Non-Safety Disabled Mortality Table for males, projected to 2022 using projection scale MP-2019, with seventy percent of the mortality rates under the PubNS-2010 Non-Safety Disabled Mortality Table for females, projected to 2022 using projection scale MP-2019.

In addition, the above actuarial assumptions shall be used to determine actuarial equivalence for other purposes not covered by sections 82-05-04-01, 82-05-04-03, and 82-05-04-04, such as the determination of the reduction to a member's benefit because of the existence of a qualified domestic relations order.

**History:** Effective May 1, 2000; amended effective May 1, 2004; July 1, 2008; April 1, 2016.

**General Authority:** NDCC 15-39.1-07

**Law Implemented:** NDCC 15-39.1-16, 15-39.1-24

**82-05-04-03. Actuarial factors - Maximum benefits under section 415.**

In computing the maximum benefits under Internal Revenue Code section 415, as required under North Dakota Century Code section 15-39.1-10.6, the following actuarial assumptions must be used:

1. Interest rate - the interest rate assumption must be the same as the rate that is used in computing actuarially equivalent optional payment forms under section 82-05-04-02 except that:
  - a. The interest rate assumption may not be less than five percent for the purposes of converting the maximum retirement income to a form other than a straight life annuity with no ancillary benefits;
  - b. The interest rate assumption may not be greater than five percent for the purposes of adjusting the maximum retirement income payable to a member who is over age sixty-five so that it is actuarially equivalent to such a retirement income commencing at age sixty-five; and
  - c. The factor for adjusting the maximum permissible retirement income to a member who is less than age sixty-two years so that it is actuarially equivalent to such a retirement income commencing at age sixty-two years shall be equal to the factor for determining actuarial equivalence for early retirement under section 82-05-04-01 or an actuarially computed reduction factor determined using an interest rate assumption of five percent and the mortality assumptions specified in this section (except that the mortality decrement must be ignored if a death benefit at least equal to the single-sum value of the member's accrued benefit would be payable under the fund on behalf of the member if the member remained in service and the member's service was to be terminated by reason of the member's death prior to the member's normal retirement date), whichever factor will provide the greater reduction. The factor for determining actuarial equivalence for early retirement under the fund for any given age below age sixty-two years must be determined by dividing the early retirement adjustment factor that applies under section 82-05-04-01 at such given age by the early retirement adjustment factor that applies under the fund at age sixty-two years. The actuarial adjustment provided in this subdivision does not apply for limitation years beginning after 1994 to income received as a pension, annuity, or similar allowance as a result of a member's disability due to personal injuries or sickness, or amounts received as a result of a member's death by the member's beneficiaries, survivors, or estate.
2. Mortality - the mortality assumptions must be based upon the mortality table prescribed by the secretary of the treasury of the United States pursuant to Internal Revenue Code section 415(b)(2)(E).

**History:** Effective May 1, 2000; amended effective May 1, 2004.

**General Authority:** NDCC 15-39.1-07

**Law Implemented:** NDCC 15-39.1-16, 15-39.1-24

**82-05-04-04. Actuarial factors - Purchase of service.**

Whenever the North Dakota Century Code permits a member to purchase service on an actuarially equivalent basis, the following actuarial assumptions shall be used:

1. Interest rate - 7.25 percent per year, compounded annually.
2. Mortality rates - the same table specified in section 82-05-04-02 for nondisabled members.
3. Retirement - the member will be assumed to retire at the age at which the member is first eligible for an unreduced retirement benefit. Such unreduced retirement date will be determined taking into account any purchased service and assuming the member continues in full-time covered service.
4. Salary increase rate - Increases are assumed to occur once each year. The following table shows the increase rates indexed by the member's years since hire (excluding any service being purchased):

Years from Hire	Percentage Increase at End of Year
1	14.80%
2	6.80%
3	6.55%
4-5	6.30%
6-7	5.80%
8-9	5.55%
10-12	5.30%
13-14	5.05%
15-16	4.80%
17-19	4.55%
20-23	4.30%
24-30	4.05%
31 and over	3.80%

**History:** Effective May 1, 2000; amended effective July 1, 2008; April 1, 2016.

**General Authority:** NDCC 15-39.1-07

**Law Implemented:** NDCC 15-39.1-16, 15-39.1-24

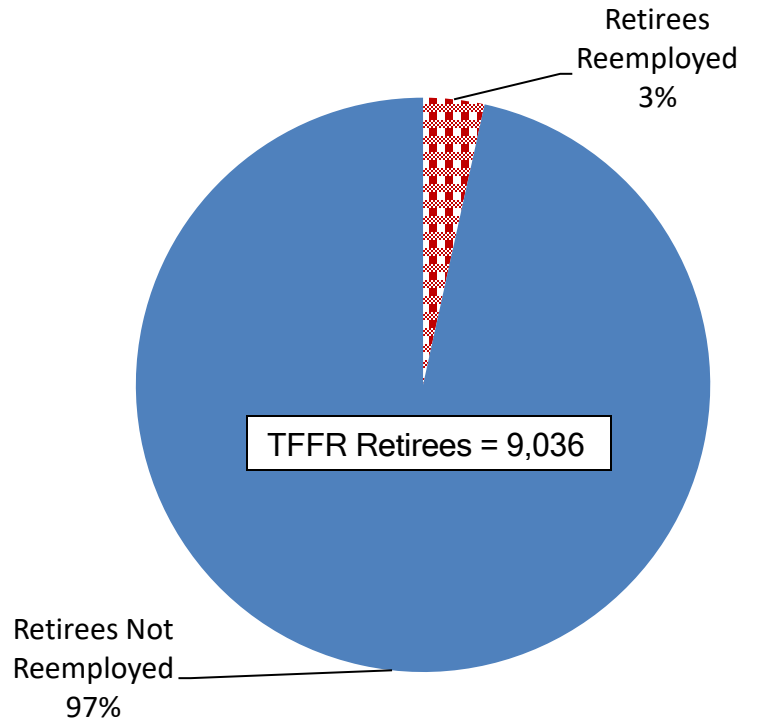
# TFFR REEMPLOYED RETIREE REPORT 2019-20

**Total number of Reemployed Retirees: 311**

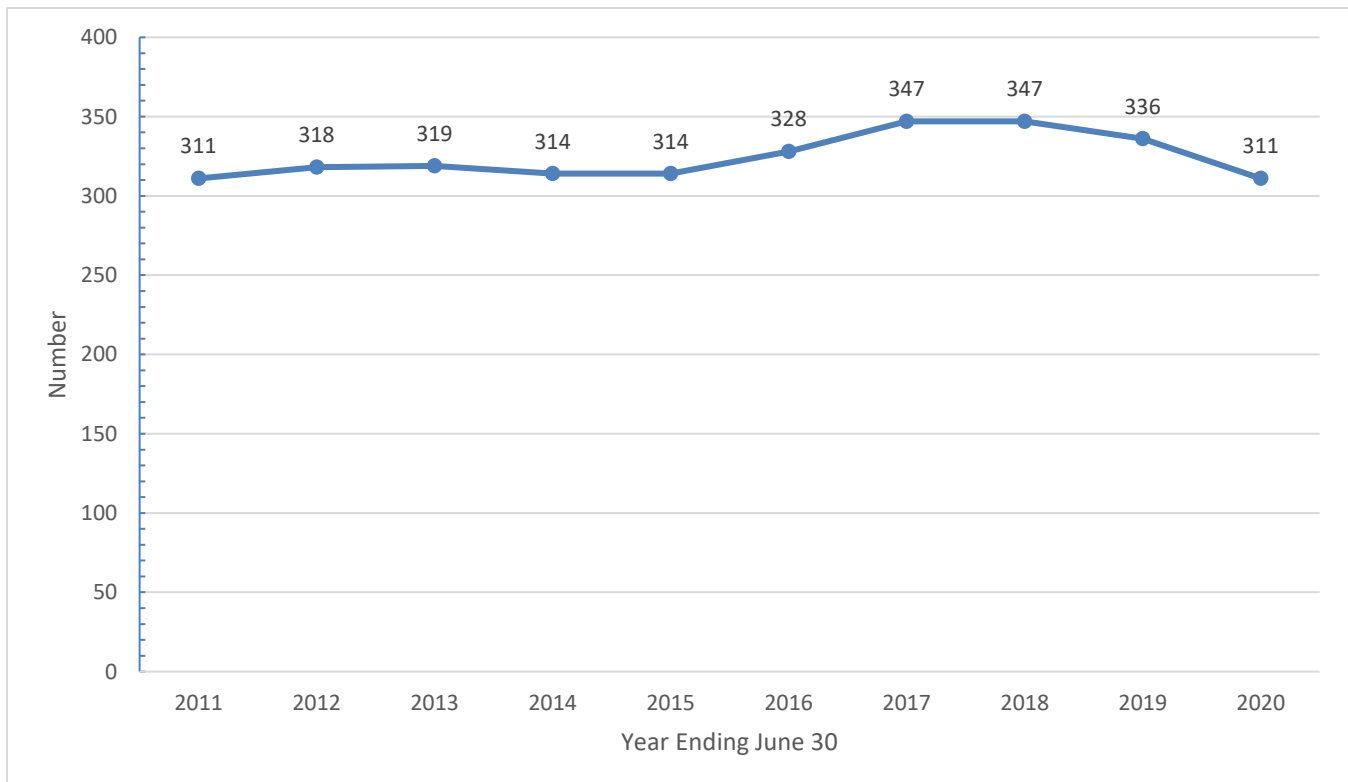
Superintendents 14  
Administrators 27  
Teachers 270

General Rule 273  
Critical Shortage Area 32  
Suspend and Recalculate 6

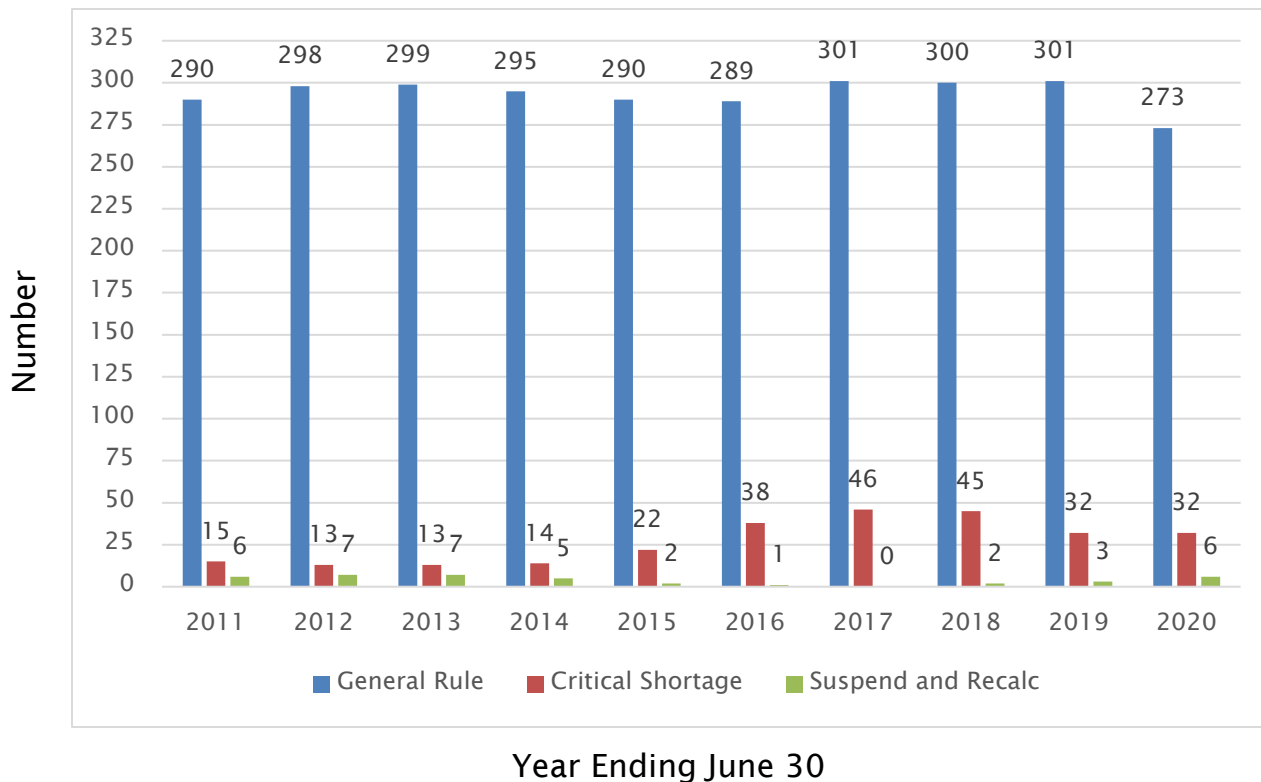
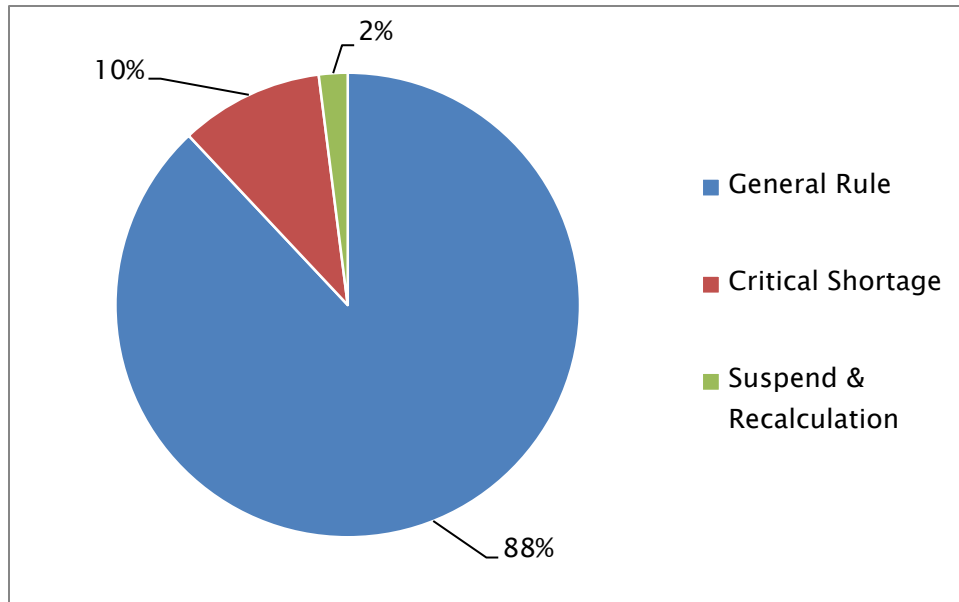
Average Age 64  
Average Salary \$24,872  
Total Salaries \$7,735,310  
No. Employers w/retirees 128



## TFFR REEMPLOYED RETIREES 10 YRS. ENDING 6-30-20

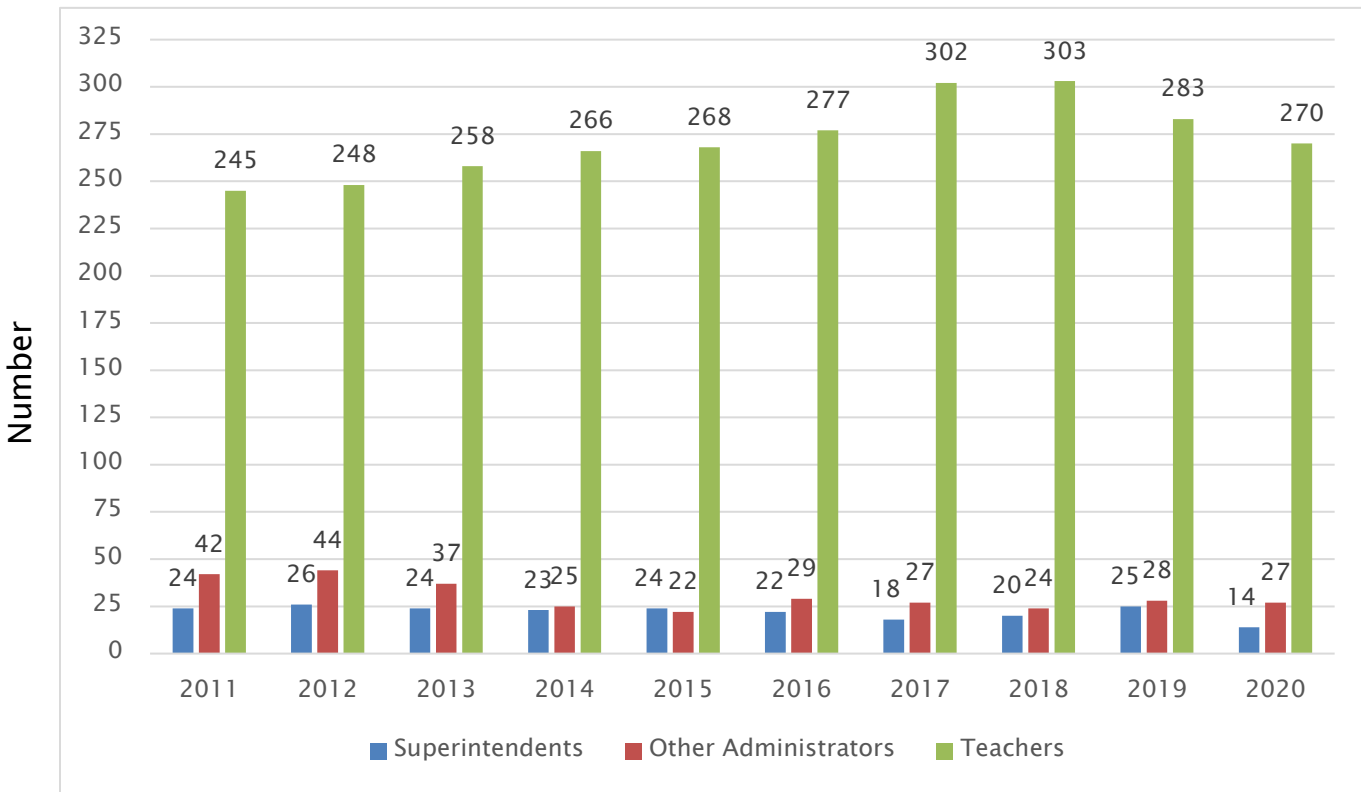
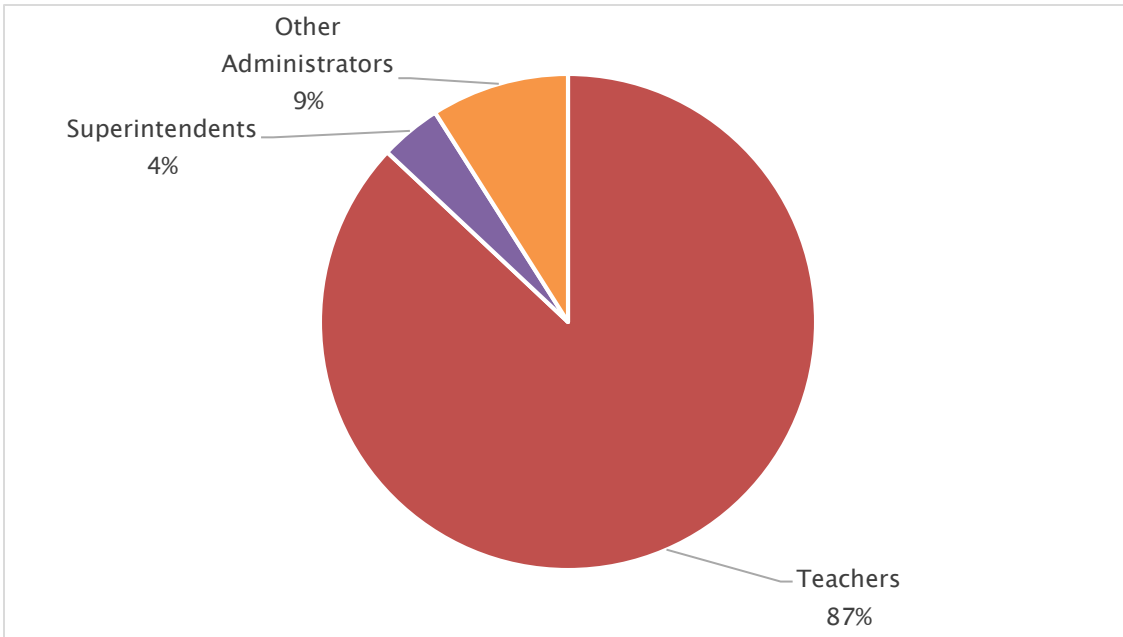


# TFFR RE-EMPLOYED RETIREES BY OPTION 2019-20





# TFFR RE-EMPLOYED RETIREES BY JOB TYPE 2019-20



Year Ending June 30

# TFFR REEMPLOYED RETIREES

## BY SUBJECT/POSITION

2019-20

<u>Subject or Position</u>	Re-Employed Retirees		
	Full Time CSA/SR	Part Time Gen Rule	Total
<b>Art</b>	0	3	3
<b>Business</b>	3	6	9
<b>Counseling</b>	0	10	10
<b>Elementary Ed</b>	8	13	21
<b>English/Reading</b>	3	14	17
<b>Extra-Curricular</b>	0	37	37
<b>FACS</b>	1	2	3
<b>Foreign Language</b>	1	2	3
<b>Health/Phy Ed</b>	1	4	5
<b>Library/Media</b>	2	5	7
<b>Math</b>	2	5	7
<b>Mentors, Strategists, Prof. Dev.</b>	0	19	19
<b>Music</b>	3	6	9
<b>Science</b>	1	7	8
<b>Social Studies/History</b>	1	5	6
<b>Special Ed/Title/LD/Speech *</b>	5	44	49
<b>Summer School/Driver's Ed</b>	0	22	22
<b>Tech Coordination/Tech Ed</b>	2	6	8
<b>Voc Ed/Adult Ed</b>	1	18	19
<b>Other Teachers</b>	1	7	8
<b>Total Retired Teachers</b>	35	235	270
<b>Superintendent</b>	0	14	14
<b>Principal/Asst. Supt/Other Admin</b>	3	6	9
<b>Director/Coordinator**</b>	0	18	18
<b>Total Retired Administrators</b>	3	38	41
<b>Total Reemployed Retirees</b>	38	273	311

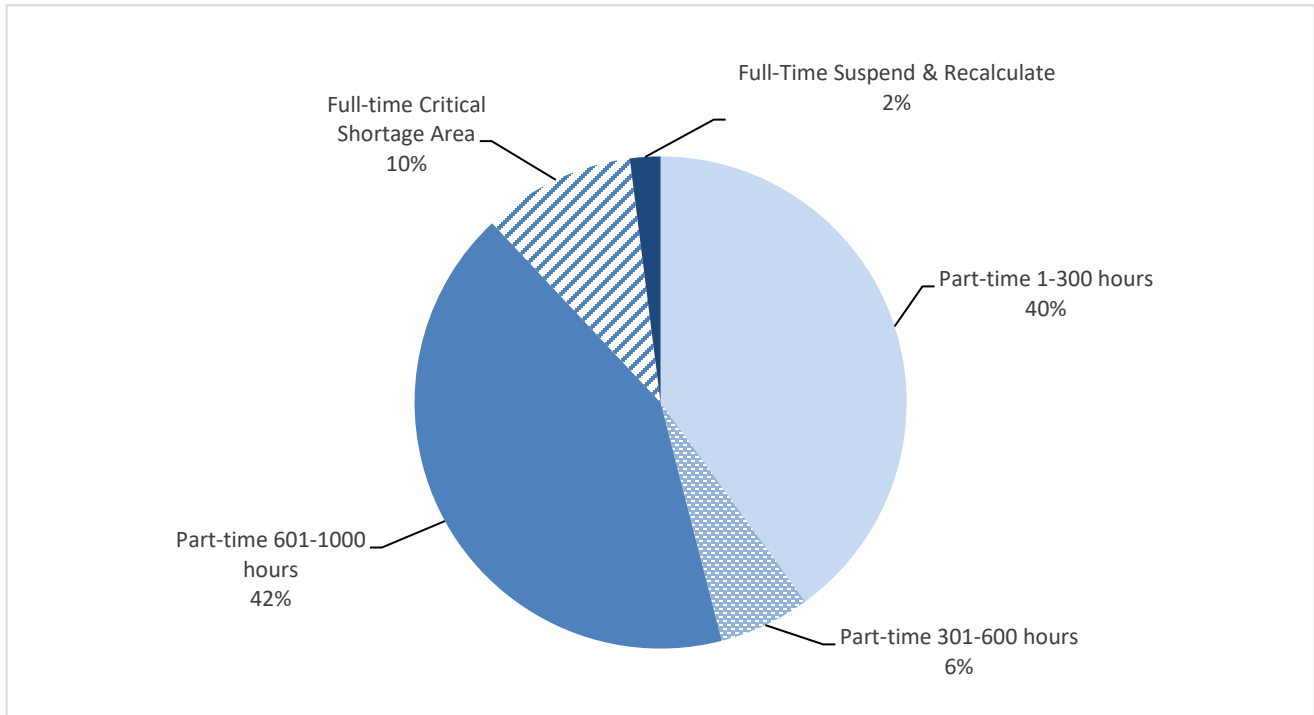
(7 teaching in 2 school districts & 1 teaching in 3 school districts)

*Special Ed	
LD	5
Speech Path/Ther	7
Spec Ed	19
Title	11
Hearing Impair	2
Spec Ed Dir**	5

CSA = Critical Shortage Area

SR = Suspend & Recalc

# TFFR REEMPLOYED RETIREES BY HOURS CONTRACTED 2019-20



## Hours Contracted

## Reemployed Retirees

### Part Time – General Rule

	Number	Percent
1 – 300 hours	125	40
301 – 600 hours	17	6
601 – 1000 hours	131	42

### Full Time

Critical Shortage Area	32	10
Suspend & Recalculate	<u>6</u>	<u>2</u>

### Total Reemployed Retirees

**311                      100%**

(7 teaching in 2 districts)

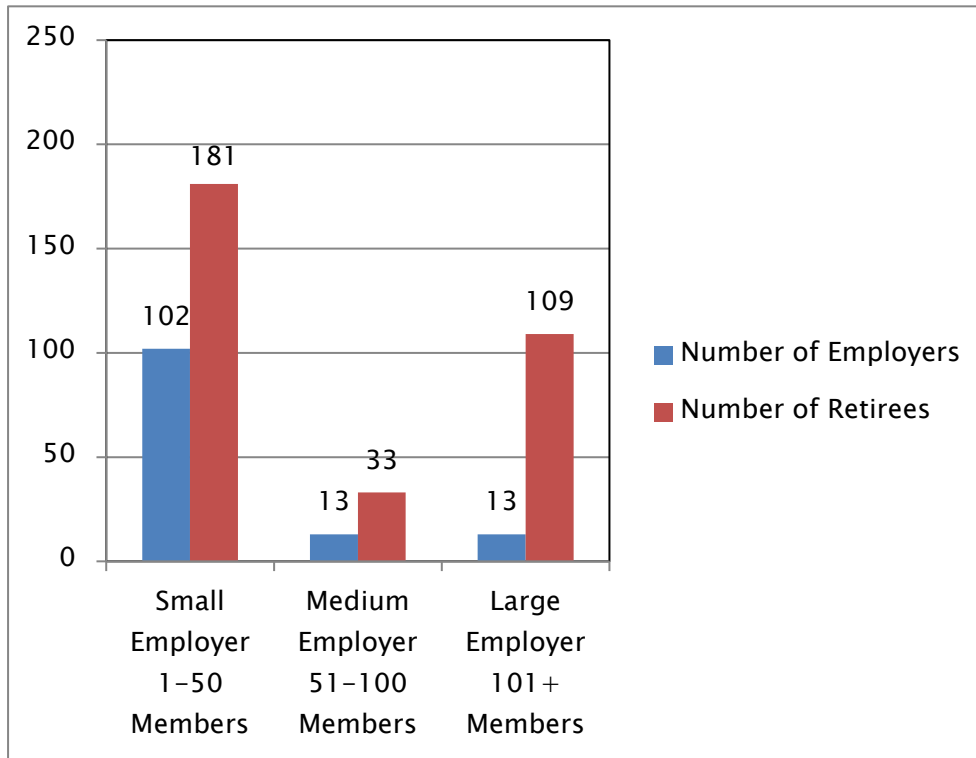
(1 teaching in 3 districts)

## TFFR RE-EMPLOYED RETIREES BY EMPLOYER 2019-2020

School Districts	#	School Districts	#	School Districts	#
Alexander		Glenburn	1	Midkota	2
Anamoose		Goodrich	4	Midway	2
Apple Creek Elementary		Grafton	4	Milnor	1
Ashley		Grand Forks	24	Minnewauken	3
Bakker Elementary		Grenora		Minot	6
Barnes County North		Griggs County Central	1	Minto	1
Beach		Halliday	1	Mohall-Lansford-Sherwood	
Belcourt	1	Hankinson		Montpelier	2
Belfield	1	Harvey	1	Mott-Regent	
Beulah	3	Hatton Eielson	1	Mt. Pleasant	1
Billings County School	2	Hazelton-Moffit		Munich	3
Bismarck	18	Hazen	1	Napoleon	2
Bottineau	4	Hebron	2	Naughton Rural	1
Bowbells	1	Hettinger	1	Nedrose	1
Bowman	1	Hillsboro	2	Nesson	5
Burke Central		Hope		New England	3
Carrington	1	Horse Creek Elementary		New Rockford-Sheyenne	
Cavalier	2	Jamestown	2	New Salem-Almont	2
Center-Stanton	1	Kenmare		New Town	2
Central Cass	1	Kensal	1	Newburg United	1
Central Valley	2	Kidder County School Dist.	2	North Border School	5
Dakota Prairie		Killdeer	1	North Sargent	
Devils Lake	2	Kindred	3	North Star-Cando	4
Dickinson	7	Kulm		Northern Cass	
Divide County	1	Lakota	1	Northwood	
Drake		LaMoure	2	Oakes	1
Drayton	5	Langdon	2	Oberon Elementary	1
Dunseith	3	Larimore	1	Page	
Earl Elementary		Leeds	1	Park River	2
Edgeley		Lewis and Clark	2	Parshall	
Edmore	1	Lidgerwood		Pingree-Buchanan	1
Eight Mile		Linton	1	Powers Lake	3
Elgin/New Leipzig	1	Lisbon	1	Richardton-Taylor	1
Ellendale		Litchville-Marion		Richland	
Emerado Elementary		Little Heart Elementary		Rolette	2
Enderlin Area School		Lone Tree Elementary		Roosevelt-Carson	1
Fairmount		Maddock	1	Rugby	3
Fargo	18	Mandan	4	Sargent Central	
Fessenden-Bowdon	1	Mandaree	1	Sawyer	
Finley-Sharon	1	Manning Elementary		Scranton	
Flasher		Manvel Elementary	3	Selfridge	2
Fordville Lankin		Maple Valley		Solen-Canonball	1
Fort Ransom Elementary	1	Mapleton Elementary		South Heart	
Fort Totten	3	Marmarth Elementary		South Prairie	2
Fort Yates	1	Max		St. John's School	4
Gackle-Streeter	1	Mayville-Portland CG	3	St. Thomas	3
Garrison		McClusky	1	Stanley	
Glen Ullin	1	McKenzie County School Dist	1		
		Medina			
		Menoken Elementary			

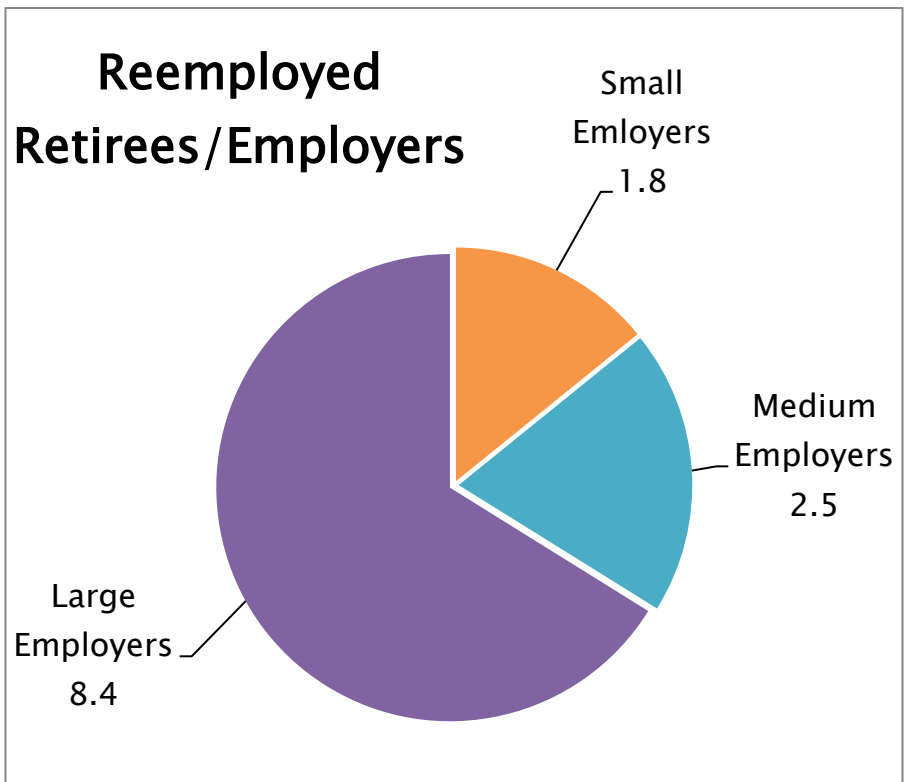
<b>School Districts (cont)</b>	<b>#</b>	<b>Special Education Units</b>	<b>#</b>	<b>Other</b>	<b>#</b>
Starkweather		Burleigh County Special Ed	2	Great NW Education Co-op	1
Sterling Elementary		East Central Special Ed	2	ND United	
Strasburg	1	GST Educational	2	Rough Rider Ed Services	1
Surrey	1	James River Special Ed	1	South East Education Co-op	2
Sweet Briar Elementary		Lake Region Special Ed			
TGU		Lonetree Special Ed	1		
Thompson		Northern Plains Special Ed			
Tioga		Oliver-Mercer Special Ed			
Turtle Lake-Mercer	3	Peace Garden Special Ed	2		
Twin Buttes Elementary		Pembina Special Ed		<b>Total TFFR Participating Employers</b>	<b>213</b>
Underwood	5	Rural Cass County Special Ed	1		
United		Sheyenne Valley Special Ed	1		
Valley-Edinburg	6	Souris Valley Special Ed			
Valley City	1	South Central Prairie Sp Ed	1	<b>128 Employers Employing TFFR Retirees (60%)</b>	
Velva	2	South Valley Special Ed			
Wahpeton		Southwest Special Ed			
Warwick	2	Upper Valley Special Ed	1		
Washburn	1	West River Student Services		<b>311 TFFR Retirees Employed (7 retirees working in 2 school districts and 1 working in 3 school districts)</b>	
West Fargo	20	Wil-Mac Special Ed	4		
Westhope	1				
White Shield	4				
Williams Co School Dist					
Williston	5				
Wilton		<b>Vocational Centers</b>			
Wing		N Central Area Career & Tech			
Wishek	1	N Valley Career & Tech Ctr	2		
Wolford		Roughrider Area Career/Tech	1		
Wyndmere		SE Region Career & Tech Ctr			
Yellowstone		Sheyenne Valley Area Voc Ctr			
Zeeland					
<b>County Superintendents</b>		<b>State Agencies &amp; Institutions</b>			
Logan County		ND Center for Distance Ed	4		
McKenzie County		ND Dept of Public Instruction			
Morton County	1	ND School for the Blind			
Nelson County		ND School for the Deaf	1		
Slope County		ND Youth Correctional Center	1		
Ward County					

# TFFR REEMPLOYED RETIREES BY EMPLOYER SIZE 2019-20



Empl Size	All Empl.	Empl w/ Re-empl Retirees	
Small	183	102	56%
Medium	16	13	81%
Large	14	13	93%
<b>Total</b>	<b>213</b>	<b>128</b>	<b>60%</b>

Employer Size	Re-empl Retirees	
Small	181	56%
Medium	33	10%
Large	109	34%
<b>Total</b>	<b>323</b>	<b>100%</b>



311 Retirees employed by 128 employers  
(7 retirees working in 2 districts)  
(1 retiree working in 3 districts)

Average All = 2.5 retirees/employer

**RETIREMENT AND INVESTMENT OFFICE**  
**Internal Audit**  
**2020-2021 1<sup>st</sup> Quarter Audit Activities Report**  
**July 1, 2020 – September 30, 2020**

The audit objective of Internal Audit is twofold: first, to provide comprehensive, practical audit coverage of the Retirement and Investment Office (RIO) programs; second, to assist RIO management and the State Investment Board (SIB) by conducting special reviews or audits.

Audit coverage is based on the July 1, 2020 through June 30, 2021 work plan approved by the SIB Audit Committee. The audit activities undertaken are consistent with the Internal Audit charter and goals, and the goals of RIO. To the extent possible, our audits are being carried out in accordance with the International Standards for the Professional Practice of Internal Auditing. Audit effort is being directed to the needs of RIO and the concerns of management and the SIB Audit Committee.

**Investment and Agency Audit Activities**

• **Executive Limitation Audit**

Each year the SIB conducts a customer satisfaction survey. The purpose of this annual survey is to determine how well the SIB, through the staff of the RIO, is meeting the expectations of its clients. This survey is part of the SIB's ongoing effort to be more responsive to the needs of their clients and to continually improve the services that are provided. Internal Audit facilitated the survey in August and September 2020 and results were provided to the SIB at their October 23, 2020 meeting.

• **External Audit Support**

Internal Audit provided support to our external audit partners, CliftonLarsonAllen (CLA), during the GASB 68 Census Data Audits. Internal Audit notified twelve employers of an upcoming GASB 68 Census Data Audit in July 2020. CLA anticipated that GASB 68 Census Data Audit work would conclude in mid-October. In August 2020, Internal Audit sent out twenty-four employer confirmations as part of the financial statement audit. Since CLA was unable to come onsite, additional time was spent providing additional information on various items to complete the financial statement audit.

• **Cash Management and Rebalancing Audit**

A review of procedures for cash management and rebalancing of investment allocations was initiated. A sample of rebalancing of asset allocations, wire transactions, and bank fees will be selected and confirmed. Also, a sample of client requests will also be reviewed for timeliness and accuracy. Lastly, a review of staff access and authorization will be reviewed and confirmed.

This audit was started in March 2020; however, do to COVID-19 it was temporarily put on hold. Since then the SIB has hired Parametric to help with rebalancing the portfolio. Due to the changes, internal audit staff is working with fiscal management staff to understand the changes and re-scope the audit.

This audit is currently in progress.

• **Internal Control Assessment**

Internal audit is working on an internal control guideline assessment put forth by North Dakota Office of Management and Budget. This is an overall assessment on processes for state agencies.

This assessment is currently in progress.

### **Retirement Program Audit Activities**

- **TFFR Employer Salary Reviews**

Internal Audit examines employer reporting to the Teachers' Fund for Retirement (TFFR) to determine whether retirement salaries and contributions reported for members of TFFR for accuracy with the definition of salary as it appears in the TFFR Employer Guide. Other reporting procedures reviewed during the audit process are calculation of service hours and eligibility for TFFR membership. A written report is issued after each review is completed to Retirement Services.

Status of TFFR Employer Audits as of September 30, 2020:

- One (1) employer audit was in progress.

- **Salary Verification Audit**

On an annual basis Internal Audit verifies retirement salaries and contributions reported to TFFR for the prior fiscal year for 65 randomly selected member accounts from 60 different employers. The sample has been selected, notifications for information have been requested and information has been returned by the employers.

This audit is currently in progress.

### **Administrative Activities**

The Supervisor of Internal Audit attended the monthly RIO staff meetings, monthly RIO manager's meetings, divisional meetings, three SIB meetings, and one TFFR meeting. The Internal Audit staff member attended the monthly RIO staff meetings, divisional meetings, two TFFR meetings, and PAS meetings.

### **Professional Development/CE/General Education**

The Supervisor of Internal Audit participated in training with the rest of the management team of RIO on strength training and how to work together. Both IA staff attended training on Fiduciary responsibility and open records.





## MEMORANDUM

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**TO: TFFR Board**  
**FROM: Jan Murtha**  
**DATE: January 19, 2020**  
**RE: Board Policy Review & Discussion**

Staff is presenting two Board program policies for review and discussion. At your June 25, 2020, the Board approved governance policies for final adoption; leaving program policies for future discussion. Staff recommends reconvening the Policy Review Committee for a comprehensive review of program policies; however, staff feel the two program policies enclosed are appropriate for more immediate discussion.

### I. C-24 In-staff Subbing (Board Action)

The In-Staff subbing policy was adopted in 2017 and applies to both active and retired members. RIO has recently been contacted by or on behalf of members, legislators, and the Governor's office expressing concern regarding limitations imposed on retirees that may prevent them from assisting schools during the pandemic. Staff has reviewed the issue internally and performed a Polarity Analysis (attached) regarding how this policy may be impacting retirees and schools. Staff will present the analysis at the Board meeting and discuss possible options available to the Board. These options include:

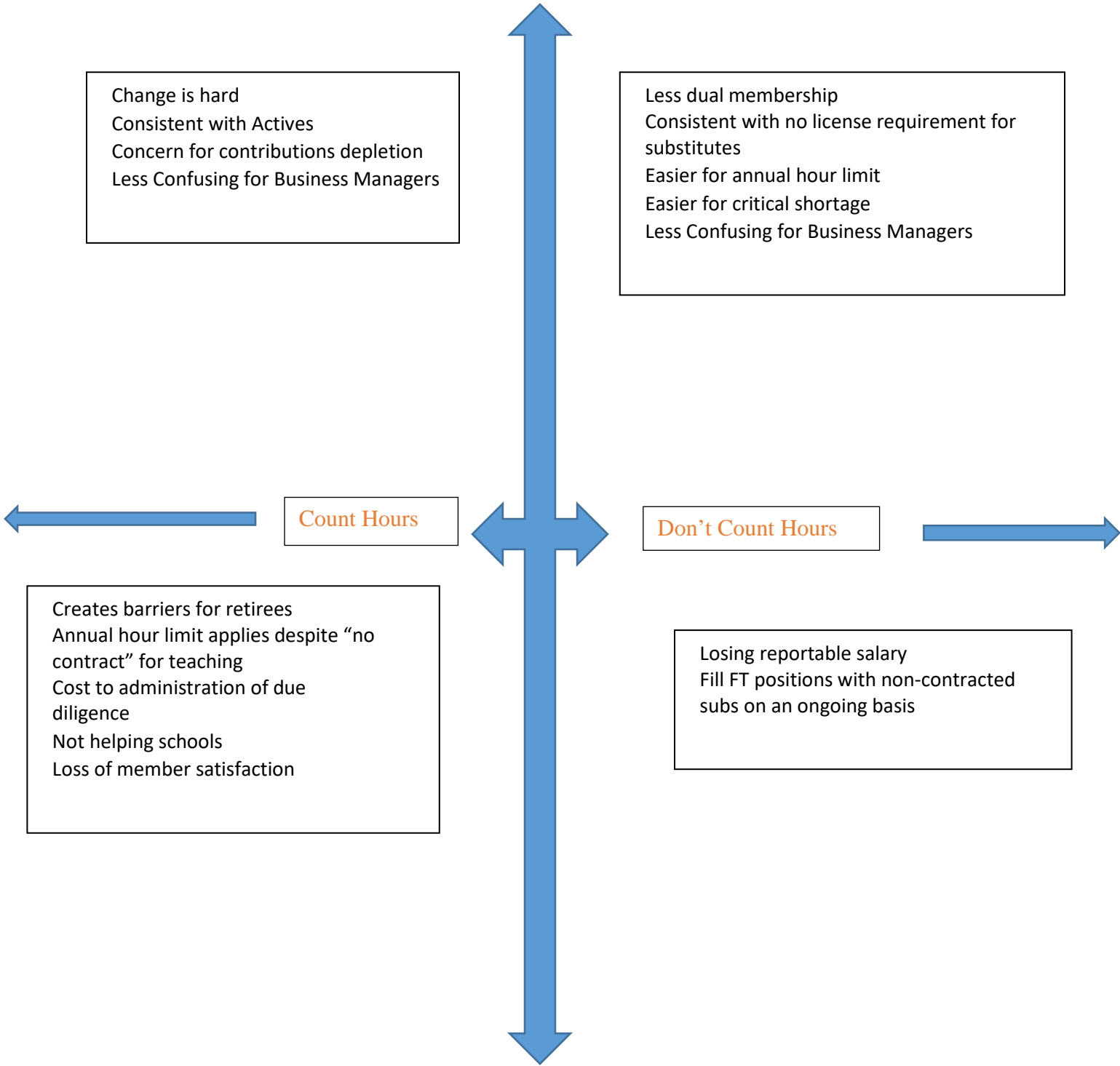
- 1) Amending the Policy.
- 2) Temporary Suspension of the Policy as it applies to retirees only during the Spring 2021 semester as Covid-19 relief or accommodation; followed by a more comprehensive policy review.
- 3) No Change.

### II. C-9 Employer Reports (Informational)

The Employer Reports policy was adopted in 1996 and last amended in 2016. This policy requires payments and reports be submitted to RIO by the 15<sup>th</sup> of the month. Staff has previously allowed a ten-day grace period without requesting a waiver from the employer. Staff will discuss the impact this grace period has had on operations and a proposed course of action to align operations with Board Policy.

# In-Staff Subbing Policy – Polarity Analysis

Fiduciary Responsibility/ Fund Sustainability/ Member Satisfaction



Change is hard  
Consistent with Actives  
Concern for contributions depletion  
Less Confusing for Business Managers

Less dual membership  
Consistent with no license requirement for substitutes  
Easier for annual hour limit  
Easier for critical shortage  
Less Confusing for Business Managers

Count Hours

Don't Count Hours

Creates barriers for retirees  
Annual hour limit applies despite "no contract" for teaching  
Cost to administration of due diligence  
Not helping schools  
Loss of member satisfaction

Losing reportable salary  
Fill FT positions with non-contracted subs on an ongoing basis

Failed Fiduciary Responsibility/ Failed Fund Sustainability/ Member Dissatisfaction

**Policy Type:** TFFR Program      **Policy Title:** Employer Reports

It shall be the policy of the TFFR Board of Trustees to require all participating employers to file reports and make payment of member and employer contributions on a monthly basis to the RIO. Both payment and report are due by the 15<sup>th</sup> day of the month following the end of the reporting period. Effective July 1, 2014, reports must be submitted in one of the following formats: 1) paper reports, 2) internet, unless another method is approved by the Deputy Executive Director/Chief Retirement Officer.

The administrative office will monitor late TFFR employer reports and payments and establish procedures for minor processing delays. Except for unintentional reporting errors, employers that do not meet the established deadlines for filing required reports shall be assessed a civil penalty as required in NDCC 15-39.1-23 unless the Deputy Executive Director/Chief Retirement Officer approves a request for a waiver of the penalty under special circumstances such as:

- Death, surgery, or illness of the individual responsible for TFFR reports or their family.
- “Acts of God” that require an employer to close school such as blizzards, storms, or floods.
- Unforeseen events such as resignation of the individual responsible for TFFR reports, computer malfunction, etc.

The request for a waiver must be in writing and signed by the administrator.

In all late situations, member and employer contributions will be collected from the employer at the earliest date possible. Employers cooperating with TFFR to resolve the late filing of a report shall not have their state apportionment money (foundation payments) withheld, but will be assessed interest as required in NDCC 15-39.1-23.

**TFFR Board Adopted:** August 29, 1996.

**Amended:** July 16, 1998; November 18, 1999; March 22, 2001; September 20, 2007, September 26, 2013, September 22, 2016.

**Policy Type: TFFR Program**  
**Polity Title: In-staff Subbing Contract Period**

It is the policy of the TFFR Board of Trustees that the following guidelines apply for the purpose of determining the contract period for in-staff subbing for active members and re-employed retirees as provided for in NDCC 15-39.1-04 (4) and (12), 15-39.1-19.1, 15-39.1-19.2, and NDAC 82-05-06-01.

- 1) In-staff subbing is defined as substitute teaching duties performed by a contracted teacher for the contracting TFFR participating employer.
- 2) If the active member or re-employed retiree has a contract or written agreement with the participating employer for full or part time work, TFFR will view the beginning and ending calendar dates indicated on the contract as the contract term to determine the contract period, unless the contract period is otherwise specifically detailed in the active member or re-employed retiree's contract.
  - If substitute teaching duties are performed during the contract term, those duties are considered in-staff subbing, and retirement contributions are required to be paid on the substitute teaching pay. The in-staff subbing hours are reported as compensated hours for active members and are counted toward the annual hour limit for re-employed retirees (700 – 1000 hours depending upon length of contract).
  - If substitute teaching duties are performed before the beginning calendar date or after the ending calendar date of the contract term, those duties are not considered in-staff subbing, and no retirement contributions are required to be paid on the substitute teaching pay. The subbing hours are not reported as compensated hours for active members and are not counted toward the annual hour limit for re-employed retirees.
- 3) If the active member or re-employed retiree does not have a contract or written agreement with the participating employer, then no retirement contributions are required to be paid on the substitute teaching pay. The subbing hours are not reported as compensated hours for active members and are not counted toward the annual hour limit for re-employed retirees.

This policy does not prohibit the Board from making an eligible salary determination for an individual member pursuant to N.D.A.C. 82-04-02-01.

TFFR Board Adopted: April 27, 2017



## MEMORANDUM

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**TO: TFFR Board**  
**FROM: Jan Murtha**  
**DATE: January 15, 2020**  
**RE: PAS Project Update**

The following summarizes the efforts of RIO agency staff to prepare for and initiate Phase 1 of the PAS project since our November meeting and future planning efforts:

- Staff and Segal collaborated on scheduling and conducting business interviews related to the Communication and Cyber Risk Assessments.
- Staff and Segal participated in approximately 10 “pre-procurement” demonstrations with vendors to observe what type of program features are available today.
- The Retirement Programs Manager, Information Systems Supervisor, and the Deputy ED – CRO had four meetings with our assigned Prosci-Change management consultant to develop and internal agency communication plan regarding this change.
- Staff and Segal are presently conducting workshops to discuss and agree upon a “future” business state on which to base RFP development.
- NDIT, RIO staff, and Segal meet weekly to discuss project status.
- The Communications Assessment will be presented to the Board at the January 2021 meeting.
- The Cyber-Security and Business Process Assessments will be presented to the Board at the March Board meeting.

**BOARD INFORMATION ONLY. No board action requested.**

# MEMORANDUM

**TO:** TFFR Board

**FROM:** Denise Weeks

**DATE:** January 14, 2021

**SUBJECT:** Outreach Programs Update

- Individual Benefit Counseling Sessions - Virtual
  - Grand Forks – December 3, 2020
  - Fargo – December 8, 2020
  - Minot – January 19, 2021
  - Dickinson - January 28, 2021
  - Multiple Schools – February 10, 2021
  - During the work day for all members
  
- Group Benefit Counseling Sessions – Virtual
  - 2 Statewide – February 24, 2021
  
- New Business Manager Workshop - Virtual
  - Multiple Employers – January 27, 2021

Confidential materials will be sent separately to Board Members



## ND TFFR Board Reading January 2021

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The theme of this month's Board education material is rehired retirees. The selections lend perspective on the discussion relating to agenda item V.A. Two articles are enclosed providing insight and legal considerations surrounding this issue. An additional link to a video is provided that explains the Polarity Analysis process staff used when providing feedback on item V. A.

1. Miller, Stephen, CEBS "Many Older Workers Would Prefer to Ease into Retirement", SHRM resources (11-4-2019).  
<https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/many-older-workers-prefer-easing-into-retirement.aspx>
2. Jackson Lewis Publications "Prearranged Rehire of Retirees Could Disqualify Your Pension Plan"(3-15-2012).  
<https://www.jacksonlewis.com/resources-publication/prearranged-rehire-retirees-could-disqualify-your-pension-plan>
3. Kayser, Cliff "Polarity Thinking" Video (7-30-2018).  
<https://www.youtube.com/watch?v=IZxvEwWcd5I>